

Summary Variance Analysis

For the Period Ended: 28th February 2011

Community & Wellbeing

| Service Area | Total Variance £'000 | Explanation |
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| Community Services and Adult Social Care | 139 | <p>New This month: There is a projected overspend of £139k for this service area which is an overall adverse movement in February of £1k. In the month there has been an adverse movement within external care packages and directly provided services, with compensating reductions in forecast spend for care management staffing. External care package pressures increased by £56k, with no net movement of client numbers, but revisions to income projections accounting for the majority of this increase. This is examined in more detail later in this report. Directly provided services had an adverse movement of £32k resulting from salary and agency re-forecasts. This is examined in more detail later in this report. Care management has seen a favourable movement of £87k with revised salary forecasts saving £33k arising from delayed recruitment into vacant posts and a revised forecast for committed spend on the Social Care IT Replacement project.</p> <p>Previously Reported: +£138k The main budget pressure remains as overspends on residential and nursing homes placements. This is equivalent to approximately 4 placements more than projected at the beginning of the financial year within a total of 421 placements currently purchased across block and spot contracts.</p> |
| Learning Skills and Cultural Engagement | (82) | <p>New This month: -£30k. There is a further reduction in the expected outturn of -£30k. The primary reason is an increase of £22,000 in relation to income generated by the Transport section, due to additional bookings from Schools.</p> <p>Previously Reported: -£52k Due mainly to increases in lettings</p> |
| Personalisation, Partnership and Commissioning | (9) | <p>New This month: This service area has seen a minor reduction in forecast spend of £3k in January as a result of supplies and services re-forecasts.</p> <p>Previously Reported: -£6k</p> |
| Central Management | (79) | <p>New This month: There is a projected underspend of £79k which is an adverse movement of £1k and reflects a minor revision to supplies and services forecasts.</p> <p>Previously Reported: -£80k Due to the anticipated underspends on non pay inflation provision..</p> |
| | (31) | Total Variance |

Education & Children's Services

| Service Area | Total Variance £'000 | Explanation |
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| Children and Families | 400 | <p>Background / strategy; There is continuing pressure on the budget in Children and Families due to the number of looked after children which has begun to stabilise, but is still subject to volatility. The budget pressure is due to a combination of placement costs rising because more younger children have been admitted to care, court fees, and contact visits. Work has already been undertaken to rigorously check all admissions to care and consider alternative arrangements where possible; to make savings to bring down the overspend in Children and Families; and use one-off savings in other areas of the Education and Children's Services budget to offset the projected overspend as a result of the rise in the number of looked after children.</p> <p>This position is inevitably not sustainable and the department is looking at the creation of capacity on an annual basis by the implementation of weekly and monthly review meetings to ensure that every historic and potential placement is appropriately made. This strategy is obviously linked to meet the needs of individual clients and opportunities have been realised and clients have been re-directed to alternative services where specific needs can still be met and which provide increased value for money. Whilst this is producing some release of pressure the continued net increase in the overall client base and its associated cost is subsuming any savings that this strategy is currently providing. A specific area in which the strategy to create capacity is being pursued is the aim to increase the number of foster carers available to meet current client levels. This will be achieved from the remodelling of services to release resources to implement this increase.</p> <p>New This month; As previously indicated in emerging opportunities, £350k of savings has been identified as a result of funding under 5's social activity from the Surestart Grant where conditions allow. This figure is an estimate but is unlikely to change significantly upon final outturn. The Contact service continues to experience increased pressure in terms of activity and forecasts additional costs of £75k. A saving of £20k has been identified within Pathways in respect of 5 staff leaving in February. Across the Children Looked After placement budgets there has been a net saving of £22k. Within Care Matters there has been a saving of £5k in respect of a reduction in client needs for Personal Educational Allowances. There will be a £10k saving within the Local safeguarding Board due to the commissioning of a piece of work to improve partnership working which had been delayed to the start of the next financial year.</p> <p>The ECS Directorate is anticipating being able to mitigate the full year effect of the current position by using approximately £500K of additional grant funding from the EIG to fund front line child protection social worker posts for the next financial year 2011-12. However this continued saving is dependent on the level of grant funding available from March 2012 and beyond</p> <p>Previously reported: Pressures of £1,189k mainly due to rising client numbers, extensions to placements and changes in the 'type' of placement across Looked After settings and £279k in respect of the Contact Service have been offset by an under spend of £461k across other services including Adoption Allowances, Childcare Lawyers and the cost of Leaving Care.</p> <p>At CMT, a reduction in foster care fees for Slough foster carers to a similar level to those paid by neighbouring authorities was agreed and has now been identified, saving £50k in 2010-11. The full year effect of this saving</p> |

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| | | <p>in 2011-12 is expected to be £150k.</p> <p>In addition, a reduction in the number of social workers in Children and Families by 9 posts (6 agency and 3 establishment), saving £200k in 2010-11 with a full year saving of £400k in 2011-12 was agreed. Current work is under way to look at raising thresholds for children in need, referring parents to services available in the community (e.g. Parenting, Children's Centres), enhancing use of Sure Start services for younger age group. Between November and March, Sure Start funding will be used to enhance the triage and social care duty systems focussing on vulnerable families with children under 5, with longer term plans being put in place following detailed information about Sure Start funding available in 2011-12.</p> <p>The Planning for the Future exercise has provided a saving of £31k as the role is covered until the end of the financial year by an existing member of staff in an acting up arrangement.</p> |
| Youth | -152 | <p>No change this month</p> <p>Previously reported: A saving of £34k has been identified from financial provision set aside for payments due that have been disputed by the service. Due to the time elapsed and changing circumstance of the "creditors" and that no contact has been received from the creditor for some time, the risk of liability is deemed by the responsible officer to be very low and that the provision can be released.</p> <p>The level of youth activity planned for the spring term is at a lower level than previously anticipated saving £23k.</p> <p>Youth and Support to Young People is one of the areas being looked at for 2011.12 to implement savings. A saving of £95k has been identified against Positive activities guns, gangs and knife crime within the PAYP funding stream against a total Youth budget of £1.6m.</p> |
| Inclusion | -192 | <p>No change this month</p> <p>Previously reported: Reduced client activity based upon need have been identified for children with disabilities saving £66k. A staff vacancy from July within Services for Children with Learning Difficulties/Disabilities will save £20k, a full year saving of £40k following a review of the staff structure for this service. A review of shift patterns at Breakaway Children's Home has saved £30k, equivalent to £45k in a full year. The claw back of unspent direct payment allowances has saved £15k and the PCT funding 1 client's home care cost for the year saving £25k, previously expected from within SBC resources.</p> <p>A change in the commissioning arrangements for Home Care Support will generate a saving of £18k through the provision of service within existing resources which replaces an arrangement to purchase provision from a Voluntary Sector organisation.</p> <p>Within Young People's Substance misuse a targeted youth support worker post who left in October and the post will be held vacant until the end of the financial year saving £17k.</p> <p>The Planning for the Future exercise has provided a saving of £1k due to the reduction of hours in 1 staff member.</p> |
| Raising Achievement | -364 | <p>New This Month: The final levels of activity within governor training have been lower than previously anticipated saving a further £16k on that previously reported.</p> <p>The Berkshire Sub Regional Group is estimating a total saving of £27k. This has arisen following management action in order to mitigate future possible redundancy costs in response to reducing membership from other local authority partners. This will be requested as a carry forward..</p> <p>A £20k saving within the Youth Opportunity Fund has been realised due to the de ring fencing of grant which will now not be spent.</p> <p>Previously reported: A one-off saving of £81k has been identified within Home to School Transport due to the renegotiation of contracts, offset by a pressure of £21k due to 5 additional pupils accessing the service.</p> <p>The deletion of the Assistant Director post for Raising achievement from 1st October and the PA post from 1st January will save £63k (£144k in a full year). A saving of £100k on Youth Opportunity funding has been identified, mainly due to the removal of the ring fencing restriction and</p> |

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| | | ability to offset against core expenditure. Innovative use of Sure start grant to offset officer time within the Early Years service has saved £95k and there has also been a staff savings of £24k within Services to Schools in respect of maternity leave. This has been offset by a net pressure of £41k within the School Improvement Service due to a shortfall in income generation. |
| Strategic Support | -183 | No change this month Previously reported: As part of the staffing strategy 1% of the staffing budget has been held as a contingency by the Director with the intention of contributing towards the rising pressure within Children and Families, particularly LAC. It has been agreed this month that the balance of £103k can be declared as a saving. Reduced activity levels in accessing the Assessment Centre for the provision of education need assessment for children arriving from abroad will save £50k. A saving of £30k based on the current level of liability for teacher's premature retirement payments is expected. |
| Schools (ABG Services) | -43 | No change this month Previously reported: The Excellence in Cluster Coordinator has been seconded to the vacant Head of Standards post from 1 st September until the end of the financial year; the Coordinator post will not be back filled saving a one-off £43k. |
| | (534) | Total Variance |

Green & Built Environment

| Service Area | Total Variance £'000 | Explanation |
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| Resources & Bus Support | -98 | <p>New this month: Supplies and services</p> <p>Previously Reported: -£94k</p> <p>Salary contingency has been reviewed and the balance released to offset the final inflation settlement with Enterprise</p> |
| Environmental Services & Quality | +168 | <p>New this month: Enterprise annual contract costs</p> <p>Previously Reported: +£61k</p> <p>All areas of operation have been reviewed following the agreement on indexation with Enterprise at a cost of £156k. All expenditure budgets have been examined and minor under spends of £39k have been identified across the service. Revenue streams have also been reviewed and additional revenue of £60k has been identified in the Registrars service. Final agreement with Eon has been reached in respect of the backdated claim at a reduced cost of £20k. The use of agency staff covering the Senior Nursery Operatives post at Wexham Nursery has created a pressure of £18k, and a further pressure of £6k relating to the maintenance contract in respect of the sites alarm system has also been identified. These pressures are partially offset by additional income of £20k generated from within the Registrar's service due to a general increase in all service activities e.g. marriage licences, nationality checking and issuing certificates.</p> <p>The crematoriums previous gas supplier had identified that an incorrect multiplier was used when calculating gas usage. As a consequence E-On are now claiming a backdated amount of £40k. This pressure is partially offset by £20k additional income generated through the Citizenship service as a result of an increase in the number of applicants.</p> <p>Pressure at present still exists with the Environmental Services Contract although Slough Enterprise has agreed to lower the inflationary uplift from 4.8% to 3% reducing the pressure to £206k, but this is still awaiting formal agreement. Negotiations continue with the latest meeting attended by directors from both SBC and Slough Enterprise held on the 9th September. This identified some additional proposals but overall negotiations continue and are not finalised as yet. This will be kept under constant review as part of the ongoing monitoring process and until appropriate compensating savings are found. Slough Enterprise invoices continue to be paid at last year's rate.</p> |
| Public Protection | -95 | <p>New this month: Grant £30k, Food & standards income £23k, Licensing £37k</p> <p>Previously Reported: -£5k</p> <p>All areas of operation have been reviewed and a pressure of £61k has been identified in the Food & Safety service. This is mainly due to lower income from Organic import licenses. Trading standards pressure of £28k due to the use of agency staff offset by other minor savings of £13k is also included in the forecast.</p> <p>The cost of the new pest control contract compared to charges to customers is presenting a budgetary pressure of approximately £30k, the disparity arising mainly from rat treatments.</p> <p>A further £30k staff savings has been identified due to a delay in appointing temporary staff to the CCTV/Careline service and as an adjustment to the starting date for a neighbourhood enforcement officer. A number of small savings totalling £8k in respect of administration costs has also been identified within the Consumer Protection Support Team. These savings are partially offset by a further £10k pressure in respect of</p> |

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| | | <p>RSPCA fees due to an increase in the number of stray dogs not being claimed. It is possible that this pressure may decrease by the end of the financial year as the contract manager has been advised to invoice all owners, where they are known, regardless of whether the dog is claimed or not.</p> <p>A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £103k identified as a result. This is partially offset by two separate pressures each of £10k relating to outstanding fee invoices from the RSPCA for 2009/10, and expenditure incurred in dealing with the clearance of abandoned trailers.</p> <p>The Licensing Service has identified additional income of £21k across a range of its functions and this together with a projected under spend on CCTV/Careline employee costs mitigates the organic produce imports income pressure of £36k previously identified.</p> <p>A significant fall in the number of organic produce imports has resulted in a pressure of £36k against the income target for their verification. Work is ongoing to identify savings from within the Public Protection budgets to mitigate this pressure.</p> |
| Transport & Planning | -24 | <p>New this month: planning income £20k, space income £34k and minor costs £2k</p> <p>Previously Reported: +£28k Planning income has improved marginally resulting in a £44k improvement in the end of year forecast. Other minor savings of £6k were identified in this area.</p> <p>Parking income projection has improved and is likely to be £100k below budget for the year. The lack of enforcement powers against private and illegal car parks is continuing to have an impact. The provision for doubtful debts is currently being reviewed to identify the proposed reduction in the level of provision.</p> <p>A small in year saving of £9k as a result of the recent 'Planning for The Future' process has been identified in respect of one member of staff going on a sabbatical and another accepting voluntary redundancy.</p> <p>Increased competition from private and illegal car parks coupled with the economic downturn has resulted in a predicted shortfall in income of £150k, although this can be mitigated by a reduction in the provision set aside for bad debts. In addition an invalid rent increase backdated to September 2009 relating to a Hatfield MSCP leaseholder has created a budget pressure of £30k. Planning fee income is also predicted to under achieve by £100k due to a lack of major planning applications although this position could improve. These pressures have been partially offset by a detailed review of staffing budgets which has identified in year savings of £43k.</p> <p>The options appraisal in respect of the future of car parks has been completed and transport officers are now reviewing the recommendations contained within the report in order to ascertain the next steps and overall financial impact.</p> |
| Hsg Strategy & Renewal | 0 | <p>New this month: Temporary Accommodation £35k, caravan parks pressure reduced £9k, other savings £2k</p> <p>Previously Reported: -£24k No new variances reported following a review of the service. However the Homelessness activity is experiencing cost and lower income pressure that could impact in the medium term. A detailed financial review is planned for February 2011.</p> <p>A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £24k identified as a result.</p> |

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| | | Thames Water have recently identified that no waste water charge in respect of the Poyle Caravan Park has been made for a number of years. This has resulted in a 'one off' pressure of £9k although it is possible that an element of this cost can be passed on to the tenants. Any resultant balance will be absorbed within the services overall budget. |
| Total Variance | (49) | |

Central Directorates

| Service Area | Total Variance £'000 | Explanation |
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| Improvement & Development | (67) | <p>New This month: Customer Services Centre: Updated review of staffing costs look set to increase the under spend by £6k; Revenues: A review of staffing costs across the service area looks set to save a further £7k along with a further £9k under spend on supplies and services; Information Technology: An expected underspend on the purchase of licences and income due relating to the purchase of licenses for other directorates looks to negate the overspend reported last month Previously Reported: The £64k now projected for this area is net of £475k of carry forwards pending formal requests and approval. Economic Development & Inclusion: The contractual cost of voluntary sector grants is projecting an overspend of £69k. This is partially offset by: vacant posts held during this financial year looks to give an underspend of £89k; The Town Centre Manager's contribution remains unspent for 2011/12 at £21k; Contribution received from RBWM of £18k; The recharging of officers time to various projects leaves £13k; Revenues: Additional income received of £9k; Reduction in agency use of £4k, Reduced computing costs of £4k; Information Technology: 11 vacancies held and 2 EOI's worth £250k offset by the value of agency cover £360k. Awaiting a review of the software and license costs. Additional future agency cost will be incurred between January and March 2011 to develop Business Objects software. This combined with a review of vacancies in the revenues service area will lead to an adverse movement of £12K since the previous month. The latest review of staffing has reduced the projection of savings previously given due to one member of staff returning from maternity leave 4 months earlier than previously expected costing approximately £12k and additional agency costs of approximately £5k relating to a CMT initiated project to review the way in which we approach Complaint and FOI's across the authority. The level of income from the recovery of court costs for council tax arrears is estimated to fall short of the budget requirement by £60k which indicates more people are paying outstanding debts before cases get taken to court. This situation is being monitored closely to assess the ongoing pressure for future years. This has been partially offset by reducing spend on equipment, computing costs, land registry fees and a reduction in costs for the production of Council Tax bills (£19k), increased income (£6k) and a review of staffing projections (£7k). The latest estimate of the level of recoverable court costs in respect of NNDR cases indicates that a reduction of income of £6k will occur against a total expectation of £46k. A review of court costs recoverable in respect of Council Tax cases is currently being undertaken. A total of 15 vacancies across the department some backfilled with agency cover and the provision of overtime payments result in a net saving of £40k. These savings are offset by pressures arising from an income shortfall of £14k arising from the NNDR pool.</p> |
| Chief Executive | (48) | <p>New This month: Chief Executive Office: Income received from the closure of ACTVaR has now been recognised (£2k) Communications: The detailed list of under spends has released an increased figure largely derived from staffing vacancies and under spends in supplies and services of which resources have been allocated to support the Census project and interim management of Communications and Policy. Previously Reported: No changes, however the Chief Executive has provided a detailed list of underspends which need to be reconciled to previous forecasts. Subsequent information will be provided to CMT w/c 21st Feb and to provide Scrutiny with further information. Savings achieved by holding the Head of Marketing & Communications post vacant from December 2010 until the end of the year and the Senior</p> |

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| | | <p>Marketing Officer post vacant whilst the occupant is acting up looks to save £57k. Other savings have been identified from car allowances and postage totalling £4k. This will be offset by the agency cost of backfilling the Media Officer post at c£11k for the rest of this financial year and agency cost incurred earlier in the year at c£6k.</p> <p>The recruitment to a post at a lower grade than previous employee, a vacancy for 1 month and a member of staff on maternity leave result in staff budget savings of £14k. An increase in the level of advertising income saves £4k. An ongoing Corporate pressure relating to subscriptions is now reflected here £32k. This will need to be addressed as part of the 2011/12 budget build. This has been partially mitigated by vacancies in the Chief Executive's Office currently being held for the year equivalent to 0.6 FTE</p> |
| Resources | (663) | <p>New This month: Audit and Risk Management: A review of the Health and Safety Team has resulted in the following: 1 part-time vacancy and underspend due to maternity leave (£14k) and additional income due £2k) offset by increased cost of the Occupational Health contract (£9k); Borough Secretary and Solicitor Services: Vacancies across Democratic Services (£27k), anticipated underspends on running costs (£32k) and income received (£5k); Review of salaries in the Legal Services area saves a further £4k, the timing of the new contract for the on-line legal reference library is looking to save a further £8k; Increase in legal fees recovered (£10k).</p> <p>Human Resources: The cost of interim cover offset by the value of vacancies (£42k); the value of the vacancy resulting from an EOI (£9k); offset by an anticipated underspends on running costs (£39k).</p> <p>Property Services and Regeneration: Corporate Programme Management: A reduction in spend of £90k as a result of alternative funding for some condition surveys. Corporate Property and Valuation: a creditor from 09/10 will not now be required (£25k), a reduction in expected rental income from industrial starter units (£25k), an increase in the liability relating to the Age Concern accommodation looks set to cost a further £30k.</p> <p>Previously Reported: Audit and Risk Management: 2 EOIs increase the underspend in this area by £9k;</p> <p>Borough Secretary and Solicitor Services: The income expectation for Land Charge searches has reduced by £7k; The ending of a secondment to another authority reduces the expected income by £24k in this financial year; 2 vacancies offset by interim cover looks set to save an additional £6k for the year. During 2010/11 income has been received in relation to Euro elections held in previous years of C£39k. Management in this area wish to carry forward this sum into 2011/12 to cover the upcoming liabilities relating to Member's IT.</p> <p>Finance: 10 Vacancies and 2 EOIs offset by the value of interim cover for the year will save a further £105k from that reported previously.</p> <p>Corporate Property & Valuations: Interim cover now in place until the end of this year has an estimated cost of £35k and an increase in the estimated cost of the Age Concern accommodated of £10k are offset by an increase in the valuer's fees claimed of £5k.</p> <p>Facilities and Corporate Landlord: A corrected estimate of the Business Rates revaluation for Landmark Place gives a further underspend of £12k; A reduction of £24k in the expected management fee for the Centre (confirmed Jan-11); Increased income from refreshments will glean a further £14k than expected; A reduction in the estimated costs for building maintenance and electricity on St Martins Place save £45k; The latest estimate of Land Charge income due for 10/11 based on current activity levels indicates an improved position of c£11k. As part of the September budget monitoring exercise a forecast underspend of £318k was reported for Corporate Repairs. Information received as part of this month's budget monitoring exercise reduces projected underspend to £238k. This gives an adverse movement of £80k. This has been offset by: A review of the lease agreement by the appropriate service manager has identified that we have been able to offset the increased pressure against Age Concern reported last month by re-charging the cost of utilities to the tenant (£20k); Reduced costs relating to the industrial starter units (£7k); in-year saving on 2 posts due to be vacated during the final quarter of the year (£12k).</p> |

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| | | <p>Renegotiation of the 2010/11 contract for the on-line legal reference library is due to glean a reduction in spend of £17k from that originally quoted. Negotiations are ongoing for future years and therefore the financial impact is not yet known. A business rates revaluation on Landmark Place instigated for 2009/10 onwards has resulted in a one-off backdated credit for the years 2005/06 to 2008/09 to the value of £226k (net of fees). The increase in the annual cost for the Age Concern accommodation originally highlighted as a risk last month has now been confirmed as a £20k increase on the original estimate. This totals an on-going pressure of £60k that will need to be addressed as part of the budget build process. Other minor variances saving £2k make up the overall change. Extended unpaid leave agreed for a member of staff until the end of the year will save £13k.</p> <p>A refund for the overpayment of childcare vouchers during 09/10 has resulted in a one-off saving of £19k. In addition a favourable outcome in respect of an estimated accrual made at the end of 2009-10 for outstanding childcare voucher and recruitment advertising costs has resulted in a one-off saving of £31k; The latest estimate from RBWM in respect added years pensions liabilities for former employees indicates a potential overspend of £4k, this position will continue to be reviewed. The latest review of Corporate Repairs Schedule is showing a further reduction in spend of £77k. A reduction in training spend, saving £1k and income from meeting refreshments saving £11k. Increased one-off costs relating to the Asset Management Review will amount to £18k. Recognition of a £180k council wide procurement savings target will be offset by savings being identified across all directorates. To date reductions in energy costs already reflected in front line outturns will be further supplemented by other contractual reductions including postage and telephony. This is partially offset by the use one-off monies originally set aside to employ an Energy Manager £49k which will now be held vacant for the remainder of the year. A Budget realignment exercise in respect of procurement savings will take place as part of the 2011/12 Budget to ensure the ongoing savings are allocated across all directorates.</p> <p>Reduced staffing costs of £13k along with anticipated under spends on running costs of £74k are offset by a shortfall in budgeted income of £19k. A total of 12.5 vacancies across the department, some filled by temporary staff, generate a net saving of £139k. A saving of £241k is expected against the Corporate Repairs budget by restricting maintenance to essential items only and by re-procuring support contracts, e.g. water hygiene inspection. These savings are offset by the following pressures:</p> <p>Reduced level of eligible salary recharges to the capital programme of £207k due to the reduced work on capital and other projects. A one-off pension charge relating to 09/10 for £46k has arisen following the late receipt of an invoice in respect of the added years pension liability for former employees. The anticipated loss of rental income from empty commercial properties and industrial starter units will result in a pressure £75k. The reduced demand for land charge searches arising from the economic downturn together with recent legislative changes announced in respect of property searches have identified a total budget pressure of £58k. The legislative element estimated at £20k will be on-going for future years;</p> <p>The latest estimated cost of accommodation and running costs for Age Concern in Slough is highlighting an overspend of £40k.</p> <p>Savings have arisen from the vacancy of Deputy Borough Secretary to be held for the year of £95k offset by the cost of interim arrangements for the same period of £65k. The review of supplies and services expenditure within Corporate Property & Valuation has saved £10k. The balance of overspend will be managed within the cash envelope to give a breakeven position.</p> |
| Total Variance | (778) | |

Housing Services

| Service Area | Total Variance £'000 | Explanation |
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| Management Fee | -1,215 | Following the transfer of the People 1 st (Slough) ALMO back in-house, the cash balance from the ALMO has been transferred into the HRA. This variance represents the movement of this cash into HRA balances upon closure of the bank account. Previously reported : -1,215K |
| Housing Repairs Fund | 900 | Planned maintenance activities including environmental improvements are being analysed in the capital programme to ensure the correct accounting treatment is applied. In addition the overall programme is being examined in the medium term due to other changes envisaged when self-financing is introduced. Contractual position with Interserve has been reviewed together with the total scope of works carried out. Contractual commitment has increased by £455k offset by a reduction in the guaranteed sum of £221k for 2010/11. Planned maintenance activities including Environmental improvements £300k previously included in management costs and Asbestos management previously reported in Capital £320k are now included in the forecast together with other minor increases of £46k. Previously reported : + £900k |
| Dwelling Rents | 86 | Previous forecast included an additional week of income which has now been corrected Previously reported : + £86K |
| Non Dwelling Rents | -106 | £75k of capital receipts below the de-minimus level relating to disposal of garage sites and additional rent from mainly shops / garages of £31k has been identified. Previously reported : - £106K |
| Housing Service / Lettings | -200 | Management costs may change in the final accounts as transformation costs included in the 2011/12 budget may be incurred in March 2011. Release of £500k in respect of environmental improvements now reported in Housing repairs offset by the impact of the new structure on staff costs of £200k. Previously reported : -£200K |
| Housing Subsidy | 164 | Borrowing costs are reducing due mainly to lower interest rates and debt restructuring carried out last year Previously reported : +£164K |
| Interest on Balances | 188 | Reduced income from interest on internal funds due to lower interest rates Previously reported : + £188K |
| Depreciation | -793 | A year end technical adjustment was omitted from the budget and has now been reintroduced. Previously reported : - £793k |
| Utilities | -17 | Budget correction required following the review of all HRA budgets. Previously reported : - £17K |
| Revenue Contribution to Capital Outlay (RCCO) | 1,170 | Planned maintenance costs may transfer to Housing Repairs in the final accounts which will reduce the level of contribution required for the capital programme. The HRA Capital Programme and associated financing has been reviewed in recent months to ensure that prudent financing is in place for all Capital schemes. An additional £1.2m contribution is forecast mainly in order to provide a contingency fund for the Decent homes project which is expected to be completed in December 2012. |

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| | | Previously reported : + £1,170K |
| Capital Charges | -46 | Lower borrowing costs due to reduced borrowing and a lower composite rate of interest £182k offset by debt restructuring costs of £136k Previously reported : - £46k |
| Other variances under £50K (net) | -71 | Overhead review has confirmed minor savings at £31k and increased levels of charges for services are now confirmed at £40k Previously reported : - £71K |
| Total | 60 | Total Variance |