

**REVENUE BUDGET MONITORING & FORECASTING 2017/18
POSITION AT JULY 2017**

SUMMARY AND RECOMMENDATIONS:

SUMMARY:

This report sets out the anticipated financial position for 2017/18, based on the monitoring exercise carried out during July 2017.

RECOMMENDATIONS:

Members are requested to note the latest Revenue Budget monitoring position

1 INTRODUCTION

- 1.1 During July, budget officers carried out a regular budget monitoring exercise for their services, identifying any variations from the current approved budget that they anticipate will occur in the financial year.
- 1.2 The current approved budget is the Original Budget for 2017/18 as approved by Council on 23 February 2017 plus any subsequently approved supplementary estimates, virements and budget carry-forwards from 2016/17.
- 1.3 This information is consolidated to produce an updated forecast of the revenue position at the end of 2017/18 at Appendix A.

2 OPENING BALANCES AND BUDGET ADJUSTMENTS

- 2.1 The final outturn position for 2016/17 showed a marked improvement in the general fund balance when compared to budget, taking the balance to the top of the range of £1m - £2m set in the Medium Term Financial Strategy without requiring any support from the Stability and Resilience Reserve as had originally been anticipated. In addition, a significant transfer was able to be made to the Service Improvement Fund of £481,000 to fund invest to-save schemes and future income generation projects.
- 2.2 This improvement was due to a combination of factors including continued spending restraint by budget officers; additional income achieved by services; reduced revenue contributions towards Improvement Grants and additional grant funding.
- 2.3 As indicated in paragraph 1.2, the current approved budget includes carry-

forwards of unspent budgets from 2016/17 of £192,730, of which £98,010 is to be met from grants received in prior years, with the remainder being funded from underspends in 2016/17, which were set aside in an earmarked reserve. This means that this expenditure will have no effect on balances in the current year.

- 2.4 A number of supplementary estimates have been approved for both income and expenditure during the first quarter of 2017/18 resulting in a net increase to the budget of £126,530 as set out in Appendix B.
- 2.5 A number of virements have been requested in the first quarter of the current year, which simply move costs between detailed budget lines or between cost centres in order to improve budget management or to move resources against priorities. The Directors' Management Board has emphasised the need for officers to look first to existing resource before seeking supplementary estimates and to work collaboratively to fund in-year budget pressures from one-off, in-year underspends/savings. This is likely to increase the number of virements requested during the year but should be expected to reduce the pressure for growth in the current year.

3 REPORTED VARIANCES - QUARTER 1

- 3.1 In order to balance the revenue budget for 2017/18, and to support the future financial sustainability of the Council, savings and efficiencies of £550,000 were required for the year, in addition to staff turnover savings of £320,000.
- 3.2 The target of £550,000 has already been substantially met by two major reductions in expenditure, which will be on-going and therefore will support the savings requirement over the medium-term. These savings are due to the retendering of the Council's major contracts for Waste Collection, Grounds' Maintenance, Recycling and Street Cleansing and the results of the Mutually Agreed Resignation Scheme (MARS). MARS was offered to staff for a limited period to allow for a flexible approach to reducing employee costs and reconfiguring services. These two projects have saved £464,000 in 2017/18, which will increase in 2018/19 and beyond when the full year effect of the changes is incorporated into budgets.
- 3.3 The figures above are included in the list of variances identified by service managers as likely to occur during 2017/18 and showing a total favourable variance of £338,000. This means that significant unfavourable variances have also occurred to offset the savings that are expected to be achieved this year. Major variances are set out at Appendix C.
- 3.4 Some of the variances identified within services by budget holders will be offset by changes to the level of transfers to or from reserves. For example, an increase in income or a decrease in costs for on-street parking will increase the amount of surplus generated for the Civil Parking Enforcement (CPE) Account and therefore increase the transfer to the CPE account shown in transfers to reserves. This results in an unfavourable variance of £32,000 to the general fund. There will also be a greater drawdown on other

reserves and grants of £18,000 which provides a favourable movement on the fund.

- 3.5 Estimates for interest receivable have increased marginally while the provision for repayment of borrowing has reduced due to a reduction in the Capital Financing Requirement producing a further £35,000 favourable variance.
- 3.6 Once combined, the above variances total £359,000 in savings and efficiencies or increased income, which can be set against the target of £550,000. This report assumes that the remaining £191,000 savings will be achieved during the year. This is not unreasonable, given the number of services being delivered and the level of volatility consistent with such a diverse range of operations.
- 3.7 The other significant savings target within the budget comes from expected savings due to staff turnover i.e. the short-term savings occurring in the gap between employees leaving the Council and their replacements starting. Turnover is relatively consistent year on year but does fluctuate in times of high unemployment, for example. Normally, around £70,000 - £100,000 of saving can be identified at the first quarter which would then support the achievement of the full £320,000 by the year-end.
- 3.8 However, in the first quarter of 2017/18 savings have been almost entirely offset by additional costs stemming from the Council's job evaluation scheme. £60,000 of additional costs has been incurred for 2017/18 due to regrades agreed at the end of 2016/17 or in the current year. Some of these costs are due to back-dating the regrades to the relevant point in time while some are simply the difference in budget between the old grade and the new grade in the current year. The change in grade will also impact future years while the back-dating element is a one-off cost.
- 3.9 The savings for the year have therefore been reduced to £200,000 to reflect expected turnover in the next three quarters and the potential for other costs from job evaluation to arise.
- 3.10 Once again the operation of the business rates retention scheme has had a disproportionate effect on balances. In the March budget, the Chancellor announced three new Business Rate reliefs to be introduced during 2017/18 alongside a widening of the existing Small Business Rates Relief. Initial assessment of the value of these reliefs to local businesses is around £840,000 with grants of £521,000 being made to cover our share of these costs. This grant income must be accounted for in the current year while any effect on the business rates collected by the Council is not shown until the following year.
- 3.11 This mechanism artificially pushes balances up in the current year with the certain knowledge of a shortfall to be accounted for in future years.
- 3.12 This unintended consequence of the operation of the business rates scheme is one of the key reasons why the Council holds a Stability and Resilience

Reserve, to manage potentially significant changes to the general fund balance. The 2017/18 budget currently assumes a draw down of £400,000 from the reserve in order to maintain balances at around the mid-point of the approved range. However, it would be prudent not to draw this amount down at present, given the additional income from grants available in the year but to retain this sum to manage the business rates deficit that will be incurred in the following year.

- 3.13 As a result of the variations referred to above, the general fund forecast shows a projected year-end balance of £1.449 million. A summary of the movement is set out in the following table:

	£000
Forecast balances at original budget setting	1,520
Less:	
Supplementary Estimates	(127)
Reduction in staff turnover savings	(120)
No drawdown from Stability & Resilience Reserve	(400)
Plus:	
Improvement in balances at close of 2016/17	55
Additional s31 grants re Business Rates	521
Current forecast balances for end of 2017/18	1,449

4 INCOME GENERATION – PROPERTY ACQUISITIONS

- 4.1 Exploring new income generation or investment opportunities is a key part of the Council's 8-Point Plan, in order to create additional income that will substantially ease the Council's revenue position, taking due regard of minimising risk whilst promoting long-term financial sustainability.
- 4.2 A significant project within this stream is the acquisition of commercial property to boost rental income and the Solicitor to the Council has been reporting to Cabinet on the progress of this initiative.
- 4.3 At the Council meeting of 27th July, a budget of £15 million was approved for the acquisition of further commercial properties during 2017/18. As these properties are yet to be sourced, no additional rental income or borrowing costs have been factored in to the figures above. However, any net receipts from acquisitions during the year will contribute to the remaining saving target for 2017/18 and as the income will be on-going, will contribute to the financial gap over the medium term.

5 RESERVES

- 5.1 The two reserves key in supporting the revenue budget are the Stability and Resilience Reserve as referred to in paragraph 3.12 and the Service improvement Fund (SIF). The latest forecast of spending from the Service

Improvement Fund is shown below:

SERVICE IMPROVEMENT FUND	2017/18 Original Budget	2017/18 Supplementary Estimates	2017/18 Total Budget	2017/18 Forecast	2018/19 Forecast
Opening balance on Fund	608,956		608,956	608,956	514,066
Digital & Customer Workstream	20,000	10,000	30,000	30,000	0
HR Policy	59,680	0	59,680	59,680	9,950
Finance Improvement Projects*	0	5,210	5,210	5,210	10,680
Expenditure in year	79,680	15,210	94,890	94,890	20,630
Closing balance	529,276		514,066	514,066	493,436

5.2 The Fund was replenished at the end of 2016/17, by £481,000 in order to leave the General Fund balance at £2 million. This was a vital injection of funds to support key projects such as invest-to-save schemes, which underpin the Council's 8-Point Plan for a sustainable organisation. If additional resources had not been allocated, the Service Improvement Fund would have been almost wholly depleted by the end of 2017/18. However, given the additional resources, further projects can be considered for funding by the Service Improvement Fund. Since the last monitoring report, a need has been highlighted for funding for a period of 18 months to provide backfill to enable support to the Head of Financial Services for projects, research work and improvement of finance processes (see * in table above).

5.3 Based on the existing Medium-Term Financial Forecast adjusted for the current monitoring position and use of the SIF as set out above but with the addition of a significant drawdown in 2018/19 as new projects come on stream, the overall effect on the key working balances would be as follows:

Revenue Balances	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
General Fund Balance	2,000	1,449	1,335	1,443
Stability & Resilience Reserve	3,808	3,808	3,008	2,608
Service Improvement Fund	609	514	493	293
Estimated Balances at 31 March	6,391	5,311	4,718	4,122
	7.99%	6.64%	5.90%	5.15%

This would keep working balances marginally above the 5% target (of gross expenditure) approved in the Medium-Term Financial Strategy by the end of 2019/20.

5.4 Efficiency projects can also be supported by capital receipts from the sale of surplus assets for a limited three-year period which commenced in 2016/17.

5.5 The latest forecast of expenditure for these projects is shown in the following table:

Project Description	Total Budget	Actuals 2016/17	Forecast 2017/18	Forecast 2018/19	Variance
Opening Balance		500,000	338,224	263,535	
Additional funds			300,000	-	
Creation of new income generating assets	24,500	24,225	-	-	- 275
Explore options for the development of a Special Purpose Vehicle/Housing company	40,000	-	30,000	10,000	-
To invest in property, diversifying the asset portfolio and securing greater returns	35,000	10,000	25,000	-	-
Review the functional and organisational arrangements of the Council, identifying a range of possible options for the design of the organisation and the implications of future ways of working	154,000	98,200	23,520	-	- 32,280
To explore new ways of delivering services while maintaining or improving service standards and reducing costs (Leisure Contract)	60,000	-	50,000	10,000	-
Making better use of existing assets by utilising land for advertising hoardings in order to maximise revenue return.	6,500	6,500	-	-	-
To successfully implement the new waste contract	70,000	6,000	61,020	2,980	-
A comprehensive IT approach to integrate the client and contractor systems	85,000	-	85,000	-	-
Making the best use of technology and improving our service delivery for customers	25,000	16,852	8,148	-	-
To understand sales trends, price demand and ticket buying behaviour (Princes Hall)	15,000	-	12,000	-	- 3,000
Developing commercial trading opportunities by setting up commercial or alternative delivery models	80,000	-	15,000	65,000	-
Explore the options of a joint venture	25,000	-	25,000	-	-
Setting up new governance arrangements and project management support to overall transformation programme	30,000	-	30,000	-	-
Feasibility and implementation of an expanded customer hub model	100,000	-	-	100,000	-
Exploration of new models of service delivery within the organisation to include the potential for: - More Shared Services - Outsourcing - More Commercial approach	50,000	-	10,000	40,000	-
Total Expenditure	800,000	161,776	374,689	227,980	
Closing Balance		338,224	263,535	35,555	

5.6 The Council secured a capital receipt in 2016/17 of £500,000 and has identified a further £100,000 in 2017/18. This leaves £200,000 in capital receipts still to be identified to fund the total programme of £800,000 but as the first quarter monitoring position does not indicate that this will be required

before 31 March 2018, there is time for this to be secured.

6 RISKS

- 6.1 The most significant risk facing the Council is the non-achievement of its financial savings targets over the medium-term. This could be caused by non-delivery of projects within the 8-point plan due to lack of resources and essential skills. This risk is mitigated against by use the use of the reserves as set out in the previous section.
- 6.2 Another major risk is the operation of the business rates retention scheme, including potential changes should a 100% scheme be introduced. Of particular concern, is the Fair Funding Review currently taking place, which could see the baselines for individual authorities' funding being reset, leading to redistribution of resources across the country and between local government tiers (Counties and Districts).
- 6.3 Other risks that should be considered are:
- The playing out of the consequences of the UK's decision to leave the European Union. This may include implications for pension schemes and the Council's future contributions to the Hampshire Pension Fund; the value of properties including those recently purchased; the interest earned on the Council's investments or payable on its borrowings.
 - Deterioration in income streams due to the economic climate including planning fees, parking income and rents.
 - The potential centralisation of land charges.
 - Pressure on services from demographic change.
 - Pressure on services due to legislative changes, such as Welfare reform, Housing and Planning Act.
 - Risk of change to the growth threshold within the New Homes Bonus which could raise the point at which NHB becomes payable and therefore reduce local funding if local growth is not keeping pace with the national picture
 - Maintaining a balance between new priorities and achieving savings targets
 - The effect of decisions made by other external institutions to reduce/cease funding that may affect the financing of Council activities, or place pressure on Rushmoor to meet the shortfall in order to maintain service levels

7 CONCLUSIONS

- 7.1 There will always be variances reported in-year against budgets due to the Council adapting its priorities to manage inevitable changes in demand pressures and having a flexible approach to changing circumstances. While we would not want financial constraints to hamper this responsive approach, which works well for residents, the Council does need to reduce its net cost of services (by reducing costs or increasing income) to achieve financial

sustainability.

- 7.2 This first quarter budget monitoring cycle includes some significant savings as a result of projects in the 8-Point Plan, and the anticipated further investment in commercial property should generate additional income which will also build towards a sustainable future.
- 7.3 However, unfavourable variances within existing services must be corrected if the long-term sustainability of the organisation is to be achieved. On-going 8-Point Plan savings should be contributing to the overall reduction in service budgets rather than offsetting underachievement of existing income streams or additional costs. In addition, the operation of the business rates retention scheme continues to cause annual fluctuations in budgets that are disjointed from their eventual effects due to the operation of the surplus/deficit on the collection fund.
- 7.4 The current monitoring position shows general fund balances close to the mid-point of the range for balances at £1.449 million, assuming the achievement of an additional £191,000 of savings during the year.
- 7.5 Should the additional savings not be achieved there is short-term flexibility to support the general fund balance through use of the Stability and Resilience reserve but reductions in net expenditure must be achieved in the longer-term to avoid reliance on one-off funding.
- 7.6 While this report provides reassurance for the current financial year, the scale of the challenge over the medium-term is considerably greater and efforts should be concentrated on moving forward the 8-Point Plan to achieve a sustainable financial future.

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GENERAL FUND REVENUE BUDGET SUMMARY

APPENDIX A

	Original Estimate 2017/18 £000	Current Approved Estimate 2017/18 £000	Forecast Outturn 2017/18 £000
PORTFOLIO EXPENDITURE			
1 Corporate Services	284	403	465
2 Environment and Service Delivery	3,723	3,869	3,462
3 Concessions and Community	1,845	1,879	1,937
4 Health and Housing	1,335	1,365	1,366
5 Business, Safety and Regulation	2,673	2,678	2,675
6 Leisure & Youth	4,447	4,433	4,384
7 PORTFOLIO NET EXPENDITURE	14,307	14,627	14,289
8 Capital Accounting Charges - reversed	(1,761)	(1,761)	(1,761)
9 IAS 19 Pension costs - reversed	10	10	10
16 NET EXPENDITURE AFTER ADJUSTMENTS	12,556	12,876	12,538
11 Reductions in Service Costs/Income Generation	(550)	(550)	(191)
12 Vacancy Monitoring	(320)	(320)	(200)
13 Corporate Income and Expenditure	93	93	58
14 Contributions to/(from) Reserves	(351)	(544)	(130)
15 Central Government Funding	(5,139)	(5,139)	(5,660)
16 NET TOTAL EXPENDITURE	6,289	6,416	6,415
17 Contribution to/(from) balances	(425)	(552)	(551)
18 COUNCIL TAX REQUIREMENT	5,864	5,864	5,864
REVENUE BALANCES			
19 1 April	1,945	1,945	2,000
20 General Fund Transfer	(425)	(552)	(551)
21 31 March	1,520	1,393	1,449

Notes:

13 Corporate Income and Expenditure			
Interest Receivable	(839)	(839)	(848)
Interest Payable	51	51	51
Minimum Revenue Provision	190	190	164
Collection Fund (Surplus)/deficit - CTax	(88)	(88)	(88)
Collection Fund (Surplus)/deficit - NNDR	779	779	779
Other corporate income and expenditure	-	-	-
Total	93	93	58
14 Contributions to/(from) Reserve Accounts			
Transfer to CPE Surplus Account	205	205	237
Contributions to/(from) earmarked reserves/prior year grants	(76)	(269)	(287)
Transfer to/(from) Service Improvement Fund	(80)	(80)	(80)
Transfer to/(from) Stability and Resilience Reserve	(400)	(400)	0
Total	(351)	(544)	(130)
15 Central Government Funding			
New Burdens Grant/Other non ring-fenced funding	(40)	(40)	(40)
New Homes Bonus	(1,450)	(1,450)	(1,450)
Revenue Support Grant	(536)	(536)	(536)
RBC share of rates collected	(18,990)	(18,990)	(18,990)
Tariff payable	15,443	15,443	15,443
Levy payable	828	828	828
S31 grants in relation to business rates	(394)	(394)	(915)
Total	(5,139)	(5,139)	(5,660)

Supplementary Estimates for Quarter 1 2017/18 of £127,000 are shown below:

£000

Corporate Portfolio	
Additional costs in providing cover for maternity leave in Legal Services	12
Use of external organisation to carry out inspections of vacant properties	5
Facilities Service restructure	(5)
Legal and Estates extra staffing resource and staffing adjustments	87
Environment and Service Delivery Portfolio	
Additional budget required to recruit one FTE following staff transfer to the Aldershot Regeneration project	6
Cost of undertaking car parking study in Aldershot to support Planning and Regeneration projects	13
Honorarium re waste contract	4
18 month post for a Traffic Management apprentice (to be funded from Service Improvement Fund	5
Street Cleansing and Weed Control Staffing. Increase in staffing to accommodate increased levels of monitoring	9
Concessions and Community Portfolio	
Support for the Nepali speaking customer advisor position at the CAB	5
Overtime in relation to Optional RTI directly funded by the Department of Works & Pensions (DWP). Cost £22,810 offset by DWP funding of the same amount resulting in a nil revenue effect for the Council	0
Community Lottery annual licence and membership fee	1
Health and Housing Portfolio	
Shortfall in grant funding received by Step by Step (for 2017/18 only)	13
Business, Safety and Regulation Portfolio	
Honorarium re waste contract, & Street Cleansing and Weed Control Staffing. Increase in staffing to accommodate increased levels of monitoring	1
Leisure and Youth Portfolio	
Review and changes to Playschemes	(31)
Princes Hall Staffing, redeveloping existing posts with a Sales and Marketing Officer and a Sales and Development Officer	2

Appendix C

The variances identified by services during the July 2017 budget monitoring exercise and amounting to a net underspend of approximately £338,000 are shown below:

£000

Corporate Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Legal Services	Town Centres	Expenditure on business rates and council tax for unoccupied properties	10
	Wellesley House, 10a Eelmoor Road	Additional business rates on units remaining unoccupied	23
	Support Service	Counsel fees expenditure budget overstated (as has the income budget by the same amount)	(10)
ICT and Facilities	Council Offices/Print Room/Facilities	Reduction in spend on gas and MFD contracts due to a procurement exercise	(13)
ICT and Facilities (continued)	Applications Support	Increase in spend due to increase in application software costs	15
		Accounting correction	15
Audit Services	Support Service	Reduction in spend as a result of the Mutually Agreed Resignation Scheme (MARS)	(31)
Financial Services	Corporate Finance	Increase in insurance premiums	13
		Increase in spend on brokers fees as a result of change in borrowing requirements	13
All other expenditure variances for this portfolio			15
Total Expenditure Variances in Corporate Portfolio			50

Corporate Portfolio		VARIANCES RELATED TO INCOME BUDGETS	£000
Legal Services	Industrial Estates	Changes to tenant lease agreements resulting in an anticipated under achievement of income	38
	Belle Vue Enterprise Centre	Buoyant occupancy coupled with rental increase producing more income expected	(26)
	168 High Street, Guildford	New tenant in place meaning the property is now fully let with improved rental income	(12)
	Wellesley House, 10a Eelmoor Road	Reduction in income as some units remain unoccupied	27
	114-116 Dominion Road, Worthing	Rent review during this financial year	25
	36-62 Union Street, Aldershot	Occupancy of 60-62 Union Street resulting in additional income	(32)
	Support Service	Counsel fees income budget overstated (ref expenditure budget)	10
Corporate Director	Systems Thinking Support	Additional income received relating to recharge of RBC employee to another authority until September 2017	(13)
All other income variances for this portfolio			(4)
Total Income Variances in Corporate Portfolio			13
Total Expenditure Variances in Corporate Portfolio			50
Total Income Variances in Corporate Portfolio			13
Total all Variances in Corporate Portfolio			63
Environment and Service Delivery Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Community Services	Domestic Refuse	Additional costs for the period January to March 2018 as the Council continues to occupy Doman Road depot	39
		Reduction in spend as a result of the Mutually Agreed Resignation Scheme (MARS)	(9)
	Town Centre Management	Business rates cost for the advertising element of the town centre wayfinders	20
	Other Highway Services	Additional spend required for team accreditation renewals training	14
	Maintenance Team	Estimated spend on the Skilled Up project in the current year which will be met via earmarked reserves and external income	15
All other expenditure variances for this portfolio			(8)
Total Expenditure Variances in Environment and Service Delivery Portfolio			71

Environment and Service Delivery Portfolio		VARIANCES RELATED TO NEW WASTE CONTRACT	£000
New Waste Contract			(317)
<p>The introduction of the new Waste Contract starting 31st July 2017 and reported previously to Cabinet (part of 8PP) results in an overall reduction in spend in the year of £316,600. This variance is currently stated within Environment and Service Delivery whilst detailed consideration of its eventual effect across the whole Portfolio structure of the Council is determined. Budget disclosures produced later in the current financial year will show the analysis of this favourable variance within the following Service/Portfolios:</p> <p>Domestic Refuse (Environment and Service Delivery) Recycling (Environment and Service Delivery) Street Cleansing (Environment and Service Delivery) Grounds Maintenance (Leisure and Youth) Public Conveniences (Business, Safety and Regulation)</p>			

Environment and Service Delivery Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Community Services	Recycling	Additional income relating to green waste sales	(18)
		Additional MRF income due to improved market conditions prevailing the previous year.However, improvement not considered long term	(36)
	Car Parks	Notional increase in free parking permits to charities/voluntary organisations	(49)
		Additional season ticket permit income	(86)
		Shortfall in Pay & Display income in relation to smartcards top ups and conversion to permits	49
		Shortfall in penalty charge notice income related to staff resources	22
	Parking Management	Additional income from penalty charge notices expected in 2017/18	(20)
All other income variances for this portfolio			(24)
Total Income Variances in Environment and Service Delivery Portfolio			(162)

Total Expenditure Variances in Environment and Service Delivery Portfolio	71
Total New Waste Contract Variances in Environment and Service Delivery Portfolio	(317)
Total Income Variances in Environment and Service Delivery Portfolio	(162)
Total all Variances in Environment and Service Delivery Portfolio	(408)

Concessions and Community Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	£000
Democratic and Customer Services Unit	Local Elections	Costs for the by-election and new booths for elections (a proportion of these costs will be recovered against future National and Local Elections)	9
Community Services	Grants to Major Organisations	Notional increase in free parking permits to charities/voluntary organisations. The notional income for these permits is shown in the car parks note within Environment and Service Delivery Portfolio	49
All other expenditure variances for this portfolio			0
Total Expenditure Variances in Concessions and Community Portfolio			58

No Income Variances in Concessions and Community Portfolio to report	0
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Total Expenditure Variances in Concessions and Community Portfolio	58
Total Income Variances in Concessions and Community Portfolio	0
Total all Variances in Concessions and Community Portfolio	58

Health and Housing Portfolio	VARIANCES FOR ALL BUDGETS
No Variances to report for Health and Housing Portfolio	0

Business, Safety and Regulation Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Environmental Health and Housing	Licensing General/Pest Control/Pollution and Environmental Control	Reduction in spend as a result of the Mutually Agreed Resignation Scheme (MARS)	(41)
Environmental Health and Housing (continued)	Dog Warden/Patrol Team/Taxis/CCTV	Reduction in spend as a result of the Mutually Agreed Resignation Scheme (MARS)	(59)
Community Services	Crematorium	Reduction in spend on utility bills	(15)
	Markets and Car Boot Sales	Shortfall in markets and car boot sales income. This is primarily due to the downturn in popularity in Aldershot and options are being developed for the way forward.	140
All other expenditure variances for this portfolio			3
Total Expenditure Variances in Business, Safety and Regulation Portfolio			28

VARIANCES RELATED TO INCOME BUDGETS			
Business, Safety and Regulation Portfolio			£000
Community Services	Crematorium	Additional memorial income which is often as a result of increased number of cremations in the previous financial year	(20)
All other income variances for this portfolio			(10)
Total Income Variances in Business, Safety and Regulation Portfolio			(30)
Total Expenditure Variances in Business, Safety and Regulation Portfolio			28
Total Income Variances in Business, Safety and Regulation Portfolio			(30)
Total all Variances in Business, Safety and Regulation Portfolio			(2)

VARIANCES RELATED TO EXPENDITURE BUDGETS			
Leisure and Youth Portfolio			
Community Service	Aldershot Indoor Pools	Reduction in spend on the leisure contract payment following a revised percentage being used when calculating the business rates saving	(11)
	Aldershot Lido/Farnborough Leisure Centre	Reduction in spend on the leisure contract payment following a revised percentage being used when calculating the business rates saving	(10)
	Princes Hall	Increased cost of casual staffing being used to cover vacant permanent posts. The vacancy savings for the permanent posts is part of the salary budget monitoring variances	28
All other expenditure variances for this portfolio			5
Total Expenditure Variances in Leisure and Youth Portfolio			12

Leisure and Youth Portfolio				VARIANCES RELATED TO INCOME BUDGETS	
Community Services	Princes Hall	Anticipated additional ticket sales income expected for 2017/18 following on from the increased ticket sales income achieved in 2016/17			(40)
		Anticipated additional lettings income based on previous years figures			(16)
All other income variances for this portfolio					(5)
Total Income Variances in Leisure and Youth Portfolio					(61)

Total Expenditure Variances in Leisure and Youth Portfolio	12
Total Income Variances in Leisure and Youth Portfolio	(61)
Total all Variances in Leisure and Youth Portfolio	(49)

Total all Portfolio Variances

(338)