

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

SUMMARY AND RECOMMENDATIONS:

SUMMARY:

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

RECOMMENDATIONS:

Members are requested to note the latest Revenue Budget monitoring position

1 INTRODUCTION

- 1.1 During October, 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 £50,870 of supplementary estimates have been approved during the second quarter of 2017/18, adding to the £126,530 approved in quarter one. In addition, a budget reduction has been actioned to reflect the reduction in expenditure of £316,630 relating to the new Waste Collection, Recycling, Street Cleansing and Grounds Maintenance contract. This has resulted in a net reduction to the original budget of £139,230 as set out in Appendix B.
- 2.5 24 virements totalling £393,140 have been requested in the first half of the 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 Corporate Leadership Team 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 2

- 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 reduced by the £316,630 stemming from the major contracts renewal as reported in 2.4 above. The remaining balance has now been offset by the following variances:
- a) Budget officers have identified a net underspend of approximately £382,000 against their non-salary budgets as set out at Appendix C and including:
- £147,000 from the Mutually Agreed Resignation Scheme (MARS) which was offered to staff for a limited period to allow for a flexible approach to reducing employee costs and reconfiguring services
 - Significant additional income from Green Waste £76,000, Recycling £36,000, Car Park season tickets £87,000, Bereavement Services £132,000 and sales at Princes Hall £32,000 while the previously estimated reduction in income for Markets and Car Boot Sales appears to have levelled off at £140,000 with no additional downturn projected
 - Additional income from Developers Contributions towards

SANG of around £185,000

- Around £121,000 of reduced income for parking and penalty charge notices.

b) 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

c) Some of the variances identified by service managers will be offset by changes to the level of transfers to or from reserves, for example the SANG contributions. This results in a net unfavourable variance to the general fund of £175,000

d) There is a likelihood that the Council will need to repay £47,000 to HMRC following further case law regarding the VAT status of overpayments for car parking

e) An additional £40,000 of grants has been received in the year

3.3 When combined with the reduction in budgets due to the major contract renewal, the above variances total £551,000 in savings and efficiencies or increased income, which can be set against the target of £550,000.

3.4 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 £150,000 - £170,000 of saving can be identified by the second quarter, which would then support the achievement of the full £320,000 by the year-end.

3.5 However, in the first quarter of 2017/18 an estimated £64,000 savings were almost entirely offset by additional costs stemming from the Council's job evaluation scheme, incurred due to regrades and including an element of back-dating. Whilst net savings are now starting to emerge, the total expected savings for the year have been reduced to £200,000 to reflect expected turnover in the two quarters and the potential for other costs from job evaluation to arise.

3.6 As reported in quarter one, the operation of the business rates retention scheme has once again 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.

3.7 This mechanism artificially pushes balances up in the current year with the

certain knowledge of a shortfall to be accounted for in future years.

- 3.8 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.
- 3.9 As a result of the variations referred to above, the general fund forecast shows a projected year-end balance of £1.399m, just below the mid-point of the agreed range of £1m - £2m. A summary of the movement is set out in the following table:

	£000
Forecast balances at original budget setting	1,520
Less:	
Supplementary Estimates	(177)
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	1,399

4 RESERVES

- 4.1 The two reserves key in supporting the revenue budget are the Stability and Resilience Reserve as referred to in paragraph 3.8 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	2019/20 Forecast
Opening balance on Fund	608,956	0	608,956	608,956	491,066	387,506
Digital & Customer Workstream	20,000	10,000	30,000	30,000	0	0
HR Policy	59,680	0	59,680	59,680	9,950	0
Finance Improvement Projects	0	5,210	5,210	5,210	10,680	0
Legal Compliance	0	8,000	8,000	8,000	0	0
Regeneration backfill				15,000	60,000	60,000
18 month temporary Property Assistant (Legal)				0	22,930	7,640
Total Forecast Expenditure	79,680	23,210	102,890	117,890	103,560	67,640
Closing balance	529,276		506,066	491,066	387,506	319,866

- 4.2 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 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.
- 4.3 Since the last monitoring report, a need has been highlighted for funding to support the implementation of General Data Protection Regulations (£8,000). Two other items included in the table will come forward as part of budget setting but are shown here to provide a better indication of the likely draw on the fund over time. These are additional temporary resource to support regeneration and property acquisition, both of which are key priorities for the Council.
- 4.4 Based on the Medium-Term Financial Forecast, updated for the current period monitoring and use of the SIF as set out above, the overall effect on the key working balances would be as follows:

Revenue Balances	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000
General Fund Balance	2,000	1,394	1,500	1,500	1,500
Stability & Resilience Reserve	3,808	3,808	3,008	2,608	2,208
Service Improvement Fund	609	506	491	387	319
Estimated Balances at 31 March	6,417	5,708	4,999	4,495	4,027
	8.02%	7.14%	6.25%	5.62%	5.03%

This would keep working balances marginally above the 5% target (of gross expenditure) approved in the Medium-Term Financial Strategy by the end of 2020/21.

- 4.5 Capital receipts from the sale of surplus assets can also support efficiency projects for a limited three-year period, which commenced in 2016/17.
- 4.6 The Council secured a capital receipt for these purposes in 2016/17 of £500,000 and has identified, but not yet realised, a further £300,000 in 2017/18 to fund the total programme of £800,000. The use of this fund was approved by Council in April 2017 within its Strategy for the Flexible Use of capital Receipts. As the quarterly monitoring position shows, the additional £300,000 will not be required before 31 March 2018, so there is sufficient time for this to be secured and used within the three-year time constraint of the policy.
- 4.7 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		800,000	638,224	341,883	
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	-	6,000	34,000	-
To invest in property, diversifying the asset portfolio and securing greater returns	35,000	10,000	20,000	-	- 5,000
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	60,000	-	15,000	45,000	-
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	-	25,000	-	-
To understand sales trends, price demand and ticket buying behaviour	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	-	17,900	7,100	-
Setting up new governance arrangements and project management support to overall transformation programme	30,000	16,852	5,900	-	- 7,248
Feasibility and implementation of an expanded customer hub model	100,000	-	10,000	90,000	-
Exploration of new models of service delivery within the organisation to include the potential for: - More Shared Services - Outsourcing - More Commercial approach	50,000	-	-	50,000	-
Total Expenditure	800,000	161,776	296,340	294,080	
Closing Balance		638,224	341,883	47,803	

5 RISKS

- 5.1 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 of reserves as set out in the previous section.

5.2 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, which could see the baselines for individual authorities' funding being reset, leading to redistribution of resources across the country and between local government tiers (i.e. Counties and Districts). It has now been confirmed that implementation of the Fair Funding Review will not take place until 2020/21, with the results of the review potentially not being made available until late 2019.

5.3 Other risks that should be considered are:

- Non-delivery or delayed delivery of key projects (Regeneration, Housing) that impact on residents, on Town Centres and on the Council's financial position
- 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, markets and car boot sales and rents.
- 1 Pressure on services from demographic change.
- Pressure on services due to legislative changes, such as Welfare reform, Housing and Planning Act, Homelessness Reduction 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

6 CONCLUSIONS

6.1 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.

- 6.2 This second quarter budget monitoring cycle includes some significant savings as a result of projects in the 8-Point Plan, and anticipated further investment in commercial property, following the approval of a £15m budget, should generate additional income, which will also build towards a sustainable future.
- 6.3 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. Additionally, budget holders should seek to vire existing budgets or cease other services in order to spend resource on new priorities, thus avoiding the continuing requirement for supplementary estimates, which put pressure on budgets during the year or growth items in the budget preparation for next year.
- 6.4 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.
- 6.5 The current monitoring position shows general fund balances marginally below the mid-point of the range for balances at £1.399m, with the full £550,000 savings target for the year having been met.
- 6.6 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.
- 6.7 This report provides reassurance for the current financial year, while the Medium Term forecast presented to Cabinet at its meeting in October, showed an improved position when compared to the previous year. However, the scale of the challenge over the medium-term remains significant 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	376	346
2 Environment and Service Delivery	3,723	3,777	3,646
3 Concessions and Community	1,845	1,933	1,998
4 Health and Housing	1,335	1,366	1,376
5 Business, Safety and Regulation	2,673	2,553	2,469
6 Leisure & Youth	4,447	4,361	4,150
7 PORTFOLIO NET EXPENDITURE	14,307	14,366	13,985
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	12,615	12,234
11 Reductions in Service Costs/Income Generation	(550)	(550)	-
12 Vacancy Monitoring	(320)	(320)	(200)
13 Corporate Income and Expenditure	93	93	105
14 Contributions to/(from) Reserves	(351)	(544)	26
15 Central Government Funding	(5,139)	(5,139)	(5,700)
16 NET TOTAL EXPENDITURE	6,289	6,155	6,465
17 Contribution to/(from) balances	(425)	(291)	(601)
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)	(291)	(601)
21 31 March	1,520	1,654	1,399

Notes:

13 Corporate Income and Expenditure			
Interest Receivable	(839)	(839)	(837)
Interest Payable	51	51	40
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	-	-	47
Total	93	93	105
14 Contributions to/(from) Reserve Accounts			
Transfer to CPE Surplus Account	205	205	207
Contributions to/(from) earmarked reserves/prior year grants	(76)	(269)	(96)
Transfer to/(from) Service Improvement Fund	(80)	(80)	(85)
Transfer to/(from) Stability and Resilience Reserve	(400)	(400)	0
Total	(351)	(544)	26
15 Central Government Funding			
New Burdens Grant/Other non ring-fenced funding	(40)	(40)	(80)
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)	(5,700)

Supplementary Estimates for Quarter 2 2017/18 of £177,000 are shown below:

	£000
<i>Corporate Services Portfolio</i>	
Additional costs in providing maternity cover in Legal Services	12
Legal and Estates extra staffing resource and staffing adjustments	87
Consultant employed to review the current and possible uses of Devereux House	2
Use of external organisation to carry out inspections of vacant properties	5
Facilities Service restructure	(5)
<i>Environment and Service Delivery Portfolio</i>	
18 month post for a Traffic Management apprentice (to be funded from Service Improvement Fund)	5
Additional budget required to recruit one FTE following staff transfer to the Aldershot Regeneration project	(5)
Cost of undertaking a car parking study in Aldershot to support Planning and Regeneration projects	6
Honorarium re waste contract	13
Street Cleansing and Weed Control Staffing. Increase in staffing to accommodate increased levels of monitoring	4
	9
<i>Concessions and Community</i>	
Support for the Nepali speaking customer advisor position at the Citizens Advice	5
Community Lottery annual licence and membership fee	1
Overtime in relation to Optional RTI directly funded by the Department of Works and Pensions (DWP). Costs £22,810 offset by DWP funding of the same amount resulting in a nil revenue effect for the Council	0
Rent Relief Package in 2016/17 and 2017/18 for Aldershot Town Football Club and Farnborough Football Club	54
<i>Health and Housing Portfolio</i>	
Shortfall in grant funding received by Step by Step (for 2017/18 only)	13

<i>Business, Safety & Regulation Portfolio</i>	
Honorarium re waste contract and Street Cleansing and Weed Control Staffing. Increase in staffing to accommodate increased levels of monitoring	1
<i>Leisure and Youth Portfolio</i>	
Review and changes to Playschemes	(32)
Princes Hall Staffing, redeveloping existing posts with a Sales and Marketing Officer and a Sales and Development Officer	2

Total of all £000 > 177

Budget reduction of £316,630 relating to the new Waste, Recycling, Street Cleansing, Public Conveniences, Grounds Maintenance contract (reported to Cabinet in February 2017)

£

<i>Corporate Services Portfolio</i>	
Town Centres	(21,650)
Council Offices	(6,710)
<i>Environment and Service Delivery Portfolio</i>	
Domestic Refuse	(97,980)
Recycling	(25,750)
Street Cleansing	106,290
Car Parks	(61,080)
Other Highway Services	(13,540)
<i>Business, Safety and Regulation Portfolio</i>	
Cemeteries	(54,400)
Crematorium	(45,920)
Public Conveniences	(23,630)
<i>Leisure and Youth Portfolio</i>	
Farnborough Leisure Centre	(6,670)
Grounds Maintenance Contract	(71,470)
Parks and Recreation Grounds	5,880

Appendix C

The variances identified by services during the October 2017 budget monitoring exercise and amounting to a net underspend of approximately £382,000 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 costs as over half of the floor space remains unoccupied	23
	Support Service	Counsel fees expenditure budget overstated (as has the income budget by the same amount)	(10)
ICT and Facilities	Applications Support	Modification to accounting process resulting in one-off overspend against budget	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
	Treasury Management and Bank Charges	Increase in spend on brokers fees as a result of change in borrowing requirements	10
All other expenditure variances for this portfolio			(4)
Total Expenditure Variances in Corporate Portfolio			26

Corporate Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Legal Services	Belle Vue Enterprise Centre	All units are occupied producing more income in the year	(26)
	Town Centres	Increase in rental income resulting from final 2016/17 profit share figures for Wellington Centre and Kingsmead	(21)
	Wellesley House, 10a Eelmoor Road	Reduction in income received as over half of the floor space remains unoccupied	50
	Optrex Business Park	Under achievement of income due to an empty unit	12
	Union Street, Aldershot	Occupancy of 60-62 Union Street resulting in additional income	(32)
	Support Service	Counsel fees income budget overstated (as has the expenditure budget by the same amount)	10
		Reduction in Legal fees recharged. Work being carried out externally due to work pressures within the authority	12
ICT and Facilities	Council Offices	Increase in occupancy income (part of 8PP)	(12)
Corporate Director	Systems Thinking Support	Additional income received relating to recharge of RBC employee to another authority until February 2018 (part offset by increase in salary)	(34)
All other income variances for this portfolio			(15)
Total Income Variances in Corporate Portfolio			(56)
Total Expenditure Variances in Corporate Portfolio			26
Total Income Variances in Corporate Portfolio			(56)
Total Net Variances in Corporate Portfolio			(30)

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 will still be using the Doman Road depot	27
		Further reduction in spend on contractor payment	(12)
		Reduction in spend on supplies and services	(11)
	Car Parks	Unable to recharge credit and debit card surcharges due to a change in law as from January 2018	11
	Town Centre Management	Business rates costs for the advertising element of the town centre wayfinders	20
	Maintenance Team	Estimated spend on the skilled up scheme in 2017/18 (which will be funded partly from Skilled Up Earmarked Reserve and from income from externally funded sources)	16
	Parking Management/Drains & Sewerage/Car Parks	Reduction in spend as a result of the Mutually Agreed Resignation Scheme (MARS)	(16)
All other expenditure variances for this portfolio			4
Total Expenditure Variances in Environment and Service Delivery Portfolio			39
Environment and Service Delivery Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Community Services	Recycling	Additional income relating to green waste sales	(76)
		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. This favourable variance is directly offset by equivalent unfavourable variance within "Grants to Major Organisations"	(65)
		Additional season ticket permit income	(87)
		Shortfall in Pay & Display incomes as smartcards top ups have declined/ceased with the smartcard scheme coming to an end and the smartcard customers have been converting to permits instead of Pay & Display	62
		Shortfall in penalty charge notice income due to staff vacancies in quarter one monitoring	29
Parking Management	Shortfall in On-Street parking income	30	
All other income variances for this portfolio			(28)
Total Income Variances in Environment and Service Delivery Portfolio			(171)
Total Expenditure Variances in Environment and Service Delivery Portfolio			39
Total Income Variances in Environment and Service Delivery Portfolio			(171)
Total Net Variances in Environment and Service Delivery Portfolio			(132)

Concessions and Community Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Community Services	Grants to Major Organisations	Notional increase in "free" parking permits to charities / voluntary organisations. This unfavourable variance is directly offset by equivalent favourable variance within "Car Parks"	65
All other expenditure variances for this portfolio			4
Total Expenditure Variances in Concessions and Community Portfolio			69
Total Expenditure Variances in Concessions and Community Portfolio			69
Total Income Variances in Concessions and Community Portfolio (all minor variances)			(4)
Total Net Variances in Concessions and Community Portfolio			65
Health and Housing Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Environmental Health and Housing	Housing Advice	Increase in costs due to number of cases using bed and breakfast and anticipated additional costs due to SWEP (Severe Weather Emergency Protocol) as winter watch accommodation will not be available this year	10
All other expenditure variances for this portfolio			0
Total Expenditure Variances in Health and Housing Portfolio			10
Total Expenditure Variances in Health and Housing Portfolio			10
No income variances to report for Health and Housing Portfolio			0
Total Net Variances in Health and Housing Portfolio			10
Business, Safety and Regulation Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Environmental Health and Housing	Licensing General/ Pest Control/Pollution and Environmental Control/Dog Warden/Patrol Team/Taxis/CCTV	Reduction in spend as a result of the Mutually Agreed Resignation Scheme (MARS)	(100)
Community Services	Crematorium	Reduction in spend on utility bills	(15)
	Markets and Car Boot Sales	Additional cost of casual staffing due to additional hours to cover Health and Safety and security issues	10
All other expenditure variances for this portfolio			20
Total Expenditure Variances in Business, Safety and Regulation Portfolio			(85)

Business, Safety and Regulation Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Community Services	Crematorium	Additional memorial income	(35)
		Additional cremation fee income	(97)
	Markets and Car Boot Sales	Shortfall in markets and car boot sales income at Aldershot	140
All other income variances for this portfolio			(7)
Total Income Variances in Business, Safety and Regulation Portfolio			1
Total Expenditure Variances in Business, Safety and Regulation Portfolio			(85)
Total Income Variances in Business, Safety and Regulation Portfolio			1
Total Net Variances in Business, Safety and Regulation Portfolio			(84)
Leisure and Youth Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
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)
	Community Leisure	Spend on Communities Cohesion grants and projects funded from the Cohesion/Migration Impact/Gurkha Settlement Earmarked Reserves	11
	Princes Hall	Increased cost of casual staffing being used to cover vacant permanent posts.	50
All other expenditure variances for this portfolio			(7)
Total Expenditure Variances in Leisure and Youth Portfolio			43
Leisure and Youth Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Community Services	Parks and Open Spaces	Developers income received for Southwood Woodlands SANG	(139)
		Developers income received for Rowhill SANG	(46)
		(Both SANG receipts will be transferred to the SANG earmarked reserve from the General Fund at year end)	
	Princes Hall	Anticipated additional ticket sales income expected for 2017/18 following on from the increased ticket sales income achieved in 2016/17	(50)
All other income variances for this portfolio			(19)
Total Income Variances in Leisure and Youth Portfolio			(254)
Total Expenditure Variances in Leisure and Youth Portfolio			43
Total Income Variances in Leisure and Youth Portfolio			(254)
Total Net Variances in Leisure and Youth Portfolio			(211)
Net Total of all Portfolio Variances			(382)
The net Portfolio expenditure variance figure shown above includes items that are part of the 8 Point Plan			(29)