

**REVENUE BUDGET MONITORING & FORECASTING 2018/19  
POSITION AT JULY 2018**

**SUMMARY:**

This report sets out the anticipated financial position for 2018/19, based on the monitoring exercise carried out during July 2018.

**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 2018/19 as approved by Council on 22 February 2018 plus any subsequently approved supplementary estimates, virements and budget carry-forwards from 2017/18.
- 1.3 This information is consolidated to produce an updated forecast of the revenue position at the end of 2018/19 at Appendix A.

**2 OPENING BALANCES AND BUDGET ADJUSTMENTS**

- 2.1 The final outturn position for 2017/18 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 and allowing for a transfer to the Stability and Resilience Reserve of £550,000.
- 2.2 This improvement was due to a combination of factors including continued spending restraint by budget officers; additional income achieved by services; further savings on employee costs across the organisation and some additional grant funding.
- 2.3 As indicated in paragraph 1.2, the current approved budget includes carry-forwards of unspent budgets from 2017/18 of £341,440, of which £109,280 is to be met from grants received in prior years, with the remainder being funded from underspends in 2017/18, 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 2018/19 resulting in a net increase to the budget of £110,620.
- 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. Budget holders are required 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 but should be expected to reduce the pressure for growth in the year.
- 2.6 In order to balance the revenue budget for 2018/19, and to support the future financial sustainability of the Council, savings and efficiencies of £1,550,000 are required for the year, in addition to staff turnover savings of £325,000.
- 2.7 Savings of £614,020 have already been delivered and removed from the base budget during quarter 1. This includes £408,000 from commercial property rent, £111,000 additional income from planning fees, £114,000 saving in staffing costs and £15,000 procurement savings partially offset by a one-off increase in IT costs of £34,000, which delivers savings in future years. This leaves a savings target of £935,980 to deliver during the year.
- 2.8 This new approach of adjusting the budget as soon as savings are certain, rather than waiting until revised budgets are confirmed in February, means that savings are easily tracked via a separate dataset within the Council's financial management system. This makes the process more transparent and easier for budget holders to manage their remaining budgets. In addition, procurement savings are now tracked and budgets adjusted at the close of each procurement exercise, giving greater clarity on the outcome of procurement work.

### **3 REPORTED VARIANCES - QUARTER 1**

- 3.1 Service managers have identified a net favourable variance (underspend) of £260,810 as likely to occur in 2018/19. Major variances are set out in Appendix B.
- 3.2 Some of the identified variances will be offset by changes to the level of transfers to or from reserves. For example, a decrease in income from on-street parking will decrease the amount of surplus generated for the Civil Parking Enforcement (CPE) Account and therefore reduce the transfer to the CPE account shown in transfers to reserves. This results in a favourable variance of £82,000 to the general fund. Income received in the year for the maintenance of Suitable Alternative Natural Green Space (SANG) is transferred to earmarked reserves to support SANG maintenance in future years. This increases the transfer to reserves by approximately £375,000 and shows as an unfavourable variance. Additional grants of £160,600 have been received during quarter 1, some of which will also be transferred to

reserves for use in future years.

- 3.3 There is a net increase of £24,500 in corporate expenditure resulting from minor reductions in both interest payable on borrowing and receivable on investments, offset by a one-off refund for Licensing Fees and an increase in the provision for doubtful debts resulting from an increase in the number of unpaid rent deposits and bond claims.
- 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 £70,000 - £100,000 of saving can be identified at the first quarter, which would then support the achievement of the full £325,000 by the year-end. This has again been the case for the current year after adjusting for the effects of staffing changes already planned as part of the savings requirement.
- 3.5 The original budget had built in sufficient savings to enable a transfer of £240,960 to be made to the General Fund to boost balances to the top of the approved range (£2m). The approval of supplementary estimates (additional expenditure) of £110,620 reduces the available transfer to £130,340. However, the improved outturn for 2017/18, as referred to in paragraph 2.1, had already increased the general fund balance to the maximum £2m so the transfer is no longer required and can be offset against the savings target.
- 3.6 Once combined, the above variances total £116,115 in savings and efficiencies or increased income, which can be set against the remaining target of £935,980. This report assumes that the remaining £819,825 savings will be achieved during the year. This is not unreasonable, given the further property purchases expected to be completed during the year, alongside return on other local investments currently nearing completion.
- 3.7 As a result of the variations referred to above, the general fund forecast continues to show a projected year-end balance of £2 million. A summary of the movement is set out in the following table:

	£000
<b>Forecast balances at original budget setting</b>	<b>1,703</b>
Less:	
Supplementary Estimates	(111)
Transfer to GF no longer required	(130)
Plus:	
Improvement in balances at close of 2017/18	538
<b>Current forecast balances for end of 2018/19</b>	<b>2,000</b>

#### **4 RESERVES**

- 4.1 The two reserves key in supporting the revenue budget are the Stability and

Resilience Reserve (SARR) and the Service improvement Fund (SIF). While the SARR is available to manage one-off fluctuations in the Council's net expenditure budgets the SIF is designed to support invest-to-save schemes that provide a long term benefit to the Council. The latest forecast of spending from the Service Improvement Fund is shown below:

	2018/19 Original Budget	2018/19 Supplementary Estimates	2018/19 Total Approved Budget	2018/19 Forecast	2019/20 Forecast
<b>SERVICE IMPROVEMENT FUND</b>					
Opening balance on Fund			890,766	890,766	99,432
Additional Income			0		
HR Policy	9,950	0	9,950	9,756	0
Finance Improvement Projects	10,810	0	10,810	10,810	2,970
Legal Compliance	6,050	0	6,050	6,050	0
Temporary Property Assistant	24,930	0	24,930	24,930	8,390
Regeneration Support	60,000	0	60,000	60,000	60,000
Organisational Redesign & Structure Review	0	300,000	300,000	300,000	0
Rushmoor 2020	0	379,788	379,788	379,788	0
Expenditure in year	111,740	679,788	791,528	791,334	71,360
<b>Closing balance</b>			<b>99,238</b>	<b>99,432</b>	<b>28,072</b>

4.2 The Service Improvement Fund received an injection of income towards the end of 2017/18 of just under £380,000 from proceeds the Council received for the release of a covenant. This was a vital injection of funds to support key projects such as Rushmoor 2020.

4.3 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:

<b>Revenue Balances</b>	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
General Fund Balance	2,000	2,000	2,000	2,000
Stability & Resilience Reserve	4,358	4,358	4,358	4,358
Service Improvement Fund	891	99	28	-
<b>Estimated Balances at 31 March</b>	<b>7,249</b>	<b>6,457</b>	<b>6,386</b>	<b>6,358</b>
	9.06%	8.07%	7.98%	7.95%

This will maintain working balances above the 5% target (of gross expenditure) approved in the Medium-Term Financial Strategy. The Council intends to work to a more risk-based analysis of its reserves in the next iteration of the Medium-Term Financial Strategy in order to provide a more in-depth analysis of its reserves make-up and ensure that the level of reserves adequately mitigates the financial risks facing the Council.

4.4 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 but has now been extended for a further three years.

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

Project	Actuals 2016/17	Actuals 2017/18	Original Budget 2018/19	Slippage/ (Pre- Spend) from 2017/18	Total Approved Budget 2018/19	Forecast Spend 2018/19	Variance (Forecast Spend Against Total Approved Budget 2018/19)	Completed (C)
<b>Opening Balance</b>	<b>500,000</b>	<b>338,224</b>	<b>484,873</b>		<b>520,509</b>	<b>520,509</b>	<b>520,509</b>	
<b>Additional Capital Receipt</b>		<b>480,000</b>						
<b>Income Generation &amp; Commercial</b>								
Creation of new income generating assets	24,226	-	-	-	-	-	-	C
To support the delivery of the Housing and Regeneration Programme	-	58,157	13,765	25,338	39,103	39,103	0	
To invest in property, diversifying the asset portfolio and securing greater returns	10,000	20,000	-	-	-	-	-	C
To explore new ways of delivering services while maintaining or improving service standards and reducing costs	-	-	45,000	35,000	80,000	80,000	-	
Making better use of existing assets by utilising land for advertising hoardings in order to maximise revenue return.	6,500	-	-	-	-	-	-	C
Making better use of existing assets by utilising land for advertising hoardings in order to maximise revenue return (Phase 2)	-	-	33,500	-	33,500	-	33,500	
To understand sales trends, price demand and ticket buying behaviour	-	-	-	12,000	12,000	12,000	-	
<b>Organisational Development</b>								
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	98,200	23,391	-	80	80	-	80	C
Review the functional and organisational arrangements of the Council, identifying a range of possible options for the design of the organisation (Phase 2)	-	32,547	289,305	32,547	256,758	256,758	0	
<b>Customer &amp; Digital</b>								
A comprehensive IT approach to integrate the client and contractor systems	-	48,351	32,535	4,114	36,649	36,649	-	0
Feasibility and implementation of an expanded customer hub model	-	51,076	67,740	11,076	56,664	56,664	-	0
Setting up new governance arrangements and project management support to overall transformation programme	16,852	5,900	-	0	0	-	0	C
To successfully implement the new waste contract	6,000	58,293	2,980	2,727	5,707	-	5,707	C
<b>Total Expenditure</b>	<b>161,777</b>	<b>297,715</b>	<b>484,825</b>	<b>35,636</b>	<b>520,461</b>	<b>481,174</b>		
<b>Closing Balance</b>	<b>338,224</b>	<b>520,509</b>			<b>48</b>	<b>39,335</b>		

- 4.6 The Flexible Use of Capital Receipts Strategy 2018/19 was approved at Full Council on 22 February 2018. An update on the 2017/18 Strategy was provided to Full Council on 22 February 2018, when the Strategy for 2018/19 was agreed. The Strategy set aside a total of £980,000 for a period of 3 years, which commenced on 1 April 2016, for projects designed to generate ongoing revenue savings or for income generation. The table details the projects included in the Strategy and shows a forecast position following the latest budget monitoring. A summary of the main variances are as follows:
- 4.7 *Making better use of existing assets by utilising land for advertising hoardings in order to maximise revenue return:* £33.5k was included for major motorway advertising. However, due to the nature of the motorway in the area now being a 'smart' motorway, Highways England has advised permission is unlikely to be granted and therefore the project has ceased.
- 4.8 *To successfully implement the new waste contract:* The waste contract mobilisation is substantially completed and any additional works to ensure all the value added items are mobilised can now be resourced within the service.

## **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 due to lack of resources and essential skills. This risk is mitigated by the use of the reserves as set out in the previous section.
- 5.2 In addition, governance of major projects has been strengthened by the introduction of new, Officer/Member steering groups for both Rushmoor 2020 (modernisation and transformation programme) and for the Regeneration Programme and a preferred investment partner has been selected to support regeneration. The Chief Executive's new organisational structure proposals are being implemented and recruitment to key posts is progressing. All of this supports the Council's ability to deliver its key priorities and achieve the necessary savings (through increased income or reduced expenditure) to provide for a sustainable financial future.
- 5.3 Another major risk is the operation of the business rates retention scheme, including potential changes due to the introduction of a 75% retention scheme in 2020/21. 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). The Council is responding to consultation on these issues and will be considering the recently released consultation on the 2019/20 Local Government Finance Settlement, which includes issues such as New Home Bonus and negative Revenue Support Grant.
- 5.4 Other risks that should be considered are:
- The delivery of major change programmes in the organisation

- 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 or the 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
- Pressure on employee costs from job evaluation for existing posts and potential for costly interim arrangements if recruitment to new roles is unsuccessful

## **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 first quarter budget monitoring cycle includes some significant savings and the anticipated further investment in commercial property and other local investment plans, should generate additional income which will meet the current year's savings target and 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 savings should be contributing to the overall reduction in service budgets rather than offsetting underachievement of existing income streams or additional costs.
- 6.4 The current monitoring position shows general fund balances at the top of the range for balances at £2 million, at the close of 2018/19, assuming the achievement of an additional £819,825 of savings during the year.

- 6.5 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.
- 6.6 At the same time as delivering on-going core services and major change programmes (Rushmoor 2020/Regeneration), the Council is making significant changes to its leadership team and its operating structure, the effect of which needs to be monitored closely to avoid any slippage in delivery of priorities and/or savings which could jeopardise the financial future of the authority.

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## GENERAL FUND REVENUE BUDGET SUMMARY

## APPENDIX A

	Original Estimate 2018/19 £000	Current Approved Estimate 2018/19 £000	Forecast Outturn 2018/19 £000
<b>PORTFOLIO EXPENDITURE</b>			
1 Corporate and Democratic Services	5,553	5,577	5,544
2 Customer Experience and Improvement	(6)	(3)	38
3 Major Projects and Property	(1,354)	(1,688)	(1,608)
4 Operational Services	7,819	7,957	7,596
5 Planning and Economy	2,634	2,710	2,722
<b>6 PORTFOLIO NET EXPENDITURE</b>	<b>14,646</b>	<b>14,553</b>	<b>14,292</b>
7 Capital Accounting Charges - reversed	(1,491)	(1,491)	(1,491)
8 IAS 19 Pension costs - reversed	(613)	(613)	(613)
<b>9 NET EXPENDITURE AFTER ADJUSTMENTS</b>	<b>12,542</b>	<b>12,449</b>	<b>12,188</b>
10 Reductions in Service Costs/Income Generation	(1,550)	(936)	(820)
11 Vacancy Monitoring	(325)	(325)	(325)
12 Corporate Income and Expenditure	163	163	188
13 Contributions to/(from) Reserves	(35)	(445)	(34)
14 Central Government Funding	(4,888)	(4,888)	(5,049)
<b>15 NET TOTAL EXPENDITURE</b>	<b>5,907</b>	<b>6,018</b>	<b>6,148</b>
16 Contribution to/(from) balances	241	130	0
<b>17 COUNCIL TAX REQUIREMENT</b>	<b>6,148</b>	<b>6,148</b>	<b>6,148</b>
<b>REVENUE BALANCES</b>			
18 1 April	1,462	1,462	2,000
19 General Fund Transfer	241	130	0
20 31 March	1,703	1,592	2,000

## Notes:

<b>12 Corporate Income and Expenditure</b>			
Interest Receivable	(846)	(846)	(835)
Interest Payable	296	296	269
Minimum Revenue Provision	807	807	807
Collection Fund (Surplus)/deficit - CTax	(100)	(100)	(100)
Collection Fund (Surplus)/deficit - NNDR	22	22	22
Other corporate income and expenditure	(16)	(16)	25
<b>Total</b>	<b>163</b>	<b>163</b>	<b>188</b>
<b>13 Contributions to/(from) Reserve Accounts</b>			
Transfer to CPE Surplus Account	212	212	130
Contributions to/(from) earmarked reserves/prior year grants	(247)	(657)	(164)
Transfer to/(from) Service Improvement Fund	-	-	-
Transfer to/(from) Stability and Resilience Reserve	-	-	-
<b>Total</b>	<b>(35)</b>	<b>(445)</b>	<b>(34)</b>
<b>14 Central Government Funding</b>			
New Burdens Grant/Other non ring-fenced funding	-	-	(161)
New Homes Bonus	(1,095)	(1,095)	(1,095)
Revenue Support Grant	(190)	(190)	(190)
RBC share of rates collected	(19,797)	(19,797)	(19,797)
Tariff payable	15,709	15,709	15,709
Levy payable	1,267	1,267	1,267
S31 grants in relation to business rates	(782)	(782)	(782)
<b>Total</b>	<b>(4,888)</b>	<b>(4,888)</b>	<b>(5,049)</b>



**GENERAL FUND REVENUE ACCOUNT 2018/19  
PRINCIPAL VARIATIONS FROM CURRENT APPROVED BUDGET**

The variances identified by service during July 2018 budget monitoring exercise and amounting to a net underspend of approximately £260,810 are shown below

<b>Corporate and Democratic Services Portfolio</b>		<b>VARIANCES RELATED TO EXPENDITURE BUDGETS</b>	<b>£000</b>
Corporate Manager Legal Services	Support Service	Counsel's Fees have a potentially favourable variance due to increase in last year's budget and subsequently this years to cover additional costs that have not materialised	(20)
	Community Transport	Reduction in spend on the Community Transport grant to Dial A Ride due to efficiency savings	(8)
All other expenditure variances for this portfolio			(3)
<b>Total Expenditure Variances in Corporate and Democratic Services Portfolio</b>			<b>(31)</b>

Total Expenditure Variances in Corporate and Democratic Services Portfolio	(31)
Total Income Variances in Corporate and Democratic Services Portfolio	(1)
<b>Total Net Variance in Corporate and Democratic Services Portfolio</b>	<b>(32)</b>

<b>Customer Experience and Improvement Portfolio</b>		<b>VARIANCES RELATED TO EXPENDITURE BUDGETS</b>	
Head of Customer Experience	Customer Services Unit	Reduction in spend on postages	(5)
	Communications	Budget for web development not included at budget process stage	16
Head of IT, Projects and Facilities	Applications Support	Increase in spend on applications software due to a number of upgrades and patches required to several systems	10
	Council Offices	Significant increase in disposal of confidential waste as a result of GDPR. There will be an ongoing increase in shredding due mainly to GDPR	10
All other expenditure variances for this portfolio			15
<b>Total Expenditure Variances in Customer Experience and Improvement Portfolio</b>			<b>46</b>

<b>Customer Experience and Improvement Portfolio</b>		<b>VARIANCES RELATED TO INCOME BUDGETS</b>	
Head of Customer Experience	Communications	Increase in income due to income generation through advertising space in Arena magazine	(6)
All other income variances for this portfolio			0
<b>Total Income Variances in Customer Experience and Improvement Portfolio</b>			<b>(6)</b>
Total Expenditure Variances in Customer Experience and Improvement Portfolio			46
Total Income Variances in Customer Experience and Improvement Portfolio			(6)
<b>Total Net Variance in Customer Experience and Improvement Portfolio</b>			<b>40</b>

<b>Major Projects and Property Portfolio</b>		<b>VARIANCES RELATED TO EXPENDITURE BUDGETS</b>	
Executive Head of Regeneration and Property	Estates	Adverse variance for valuation and viability costs due to increase in number of surveys	8
	168 High Street, Guildford	Adverse variance on repairs and maintenance for render repair to exterior of Steamer Trading building	60
	Wellesley House, 10a Eelmoor Road	Adverse variance on repairs and maintenance due to unforeseen work on Wellesley House; water leak and drain damage repairs plus works to secure the site from fly tipping and tarmac damage. Also, adverse variance for Management Fee and Service Charges due to new managing agent and additional costs for support and out-of-hours help desk that they provide	6
	36-63 Union Street, Aldershot	Additional NNDR bill for 52 Union Street. Newly purchased property and tenant has vacated	5
All other expenditure variances for this portfolio			8
<b>Total Expenditure Variances in Major Projects and Property Portfolio</b>			<b>87</b>

<b>Major Projects and Property Portfolio</b>		<b>VARIANCES RELATED TO INCOME BUDGETS</b>	
Executive Head of Regeneration and Property	Wellesley House, 10a Eelmoor Road	Favourable variance in rents received and service charge income due to new tenant	(6)
All other income variances for this portfolio			(1)
<b>Total Income Variances in Major Projects and Property Portfolio</b>			<b>(7)</b>

Total Expenditure Variances in Major Projects and Property Portfolio			87
Total Income Variances in Major Projects and Property Portfolio			(7)
<b>Total Net Variance in Major Projects and Property Portfolio</b>			<b>80</b>

Operational Services Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Head of Operational Services	Parks and Recreation Grounds	Spend on Prospect Tree Project (offset by funding from Prospect Estate Big Local)	7
	Car Parks	Reduction in spend on car park lift maintenance as the lift is no longer in operation	(6)
	Parking Management	Reduction in spend on gantry barriers	(8)
	Grounds Maintenance Contract	Reduction in contractor cost due to inventory changes within the contract	(8)
	Domestic Refuse	Additional contractor payment on domestic refuse routine works	15
		Additional spend on bulky waste contract payment due to increased demand in service (covered by additional income)	12
	Recycling	Reduction in spend on contractor payment	(15)
		Additional spend as the contractual inflationary uplift was more than the budgeted inflationary uplift:	
		Grounds Maintenance Contract	5
		Domestic Refuse	9
		Recycling	6
Street Cleansing	8		
	Additional contract leisure contract payment following a revised percentage being used when calculating the Business Rates saving: Aldershot Indoor Pool	6	
All other expenditure variances for this portfolio			24
<b>Total Expenditure Variances in Operational Services Portfolio</b>			<b>55</b>

Operational Services Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Head of Operational Services	Health and Safety	Shortfall in Health and Safety courses and Primary Authority income due to insufficient capacity to promote income generation	7
	Food, Health and Safety	Additional income from work required for the airshow	(5)
	Licensing General	Additional premises licences income	(6)
	Alpine Snowsports Centre	Additional profit share anticipated for 2017/18 activities over and above the accrued estimate	(10)
	Parks and Recreation Grounds	Income for Prospect Tree Project (offset by expenditure)	(7)
		Developers income received for Southwood Woodlands SANG	(146)
		Developers income received for Rowhill SANG * These SANG receipts will be transferred to the SANG earmarked reserve from the general fund at year-end	(229)
	Car Parks	Additional season ticket income	(63)
		Shortfall in penalty charge notice fine income due to staff vacancies	45
	Parking Management	Shortfall in penalty charge notice fine income due to staff vacancies	50
	Crematorium	Additional memorial income mainly from memorial renewals	(18)
	Domestic Refuse	Additional bulky waste income expected due to increased demand in service	(40)
	Recycling	Additional Material Recovery Facilities income due to market conditions	(33)
Additional recycling credit income due to increased volume		(5)	
All other income variances for this portfolio			44
<b>Total Income Variances in Operational Services Portfolio</b>			<b>(416)</b>
Total Expenditure Variances in Operational Services Portfolio			55
Total Income Variances in Operational Services Portfolio			(416)
<b>Total Net Variance in Operational Services Portfolio</b>			<b>(361)</b>

Planning and Economy Portfolio		VARIANCES RELATED TO EXPENDITURE BUDGETS	
Head of Economy, Planning and Strategy Housing	Princes Hall	Reduction in spend on publicity and advertising	(7)
	Special Events	Reduction in spend on the firework event in 2018 Additional spend on the Victoria Day event (of which £3,700 is funded by sponsorship and stalls and funfair income and £1,000 is funded from the Community Grant received at the end of 2017 for the 2018 event and is held in the earmarked reserves)	(16) 5
All other expenditure variances for this portfolio			4
<b>Total Expenditure Variances in Planning and Economy Portfolio</b>			<b>(14)</b>

Planning and Economy Portfolio		VARIANCES RELATED TO INCOME BUDGETS	
Head of Economy, Planning and Strategy Housing	Special Events	Reduction in firework event income	30
	Development Control	Favourable variance for S106 Admin/Monitoring charge. No income is budgeted for as monies relate to historic S106 agreements Adverse variance on sales, due in part to an increase in the availability of information online	(6) 5
All other income variances for this portfolio			(4)
<b>Total Income Variances in Planning and Economy Portfolio</b>			<b>25</b>

Total Expenditure Variances in Planning and Economy Portfolio	(14)
Total Income Variances in Planning and Economy Portfolio	25
<b>Total Net Variance in Planning and Economy Portfolio</b>	<b>12</b>