

**ESSENTIAL REFERENCE PAPER 'E1'**

**SUMMARY OF PREVIOUSLY REPORTED VARIANCES  
ON THE REVENUE BUDGET**

		Projected Outturn 31 March 2012 £'000	
1.1	April	212	Adverse
	May	223	Adverse
	June	42	Adverse
	July	62	Favourable
	August	114	Adverse
			<b>MONTH(S) REPORTED</b>
	<b>ITEM (in order of Corporate Priority)</b>		
	<b>Promoting prosperity and well being</b>		
1.2	LOCAL SUPPORT SERVICES GRANT		April
	The Department for Communities and Local Government announced on 22 March 2011 that East Herts Council is being awarded a Local Services Support Grant of £50k.		
1.3	CONCESSIONARY FARES		May
	The costs associated with Concessionary Fares for 2010/11 are lower by £19k than anticipated when the accounts were closed and this will result in a favourable position in 2011/12.		
1.4	HACKNEY CARRIAGE/PRIVATE HIRE SERVICE		June
	The general down turn in the economy is reflected in the demand for the Hackney Carriage/Private Hire service. As a consequence licence fees are anticipated to be adverse by £8k.		
1.5	EMERGENCY PLANNING		August
	Issues around Travellers at Birch Green and the need to use Bailiffs over a weekend will result in the Emergency Planning budget being overspent. When the full implications are costed and after discussions have been taken place between the Director of neighbourhood		

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>Services and the Portfolio Holder any further action that is required will be undertaken. To date a delegated decision was approved on 31 August 2011.</p>	
<p><b>Fit for purpose</b></p>	
<p>1.6 TURNOVER</p> <p>Salary budgets are constantly monitored and <b><u>Essential Reference Paper 'C'</u></b> shows a projected overspend of £607k. This is predicted to be a worse case scenario and should reduce as more budgeted savings begin to be delivered.</p>	April
<p>1.7 EFFICIENCY SAVINGS</p> <p>Efficiency savings planned to be made in 2011/12 within the Printing and Desk Top Publishing services have yet to be resolved and total £53k.</p>	April
<p>1.8 TURNOVER</p> <p>Salary budgets are constantly monitored and <b><u>Essential Reference Paper 'C'</u></b> shows a projected overspend of £612k. This is predicted to be a worse case scenario and should reduce as more budgeted savings begin to be delivered. However, any redundancy and new strain costs have not been accounted for here, as there is a specific reserve set up for these costs in the MTFP.</p>	May
<p>1.9 TURNOVER</p> <p>Salary budgets are constantly monitored and <b><u>Essential Reference Paper 'C'</u></b> shows a projected over spend of £587k. This is predicted to be a worse case scenario and should reduce as more budgeted savings begin to be delivered.</p>	June
<p>1.10 TURNOVER</p> <p>Salary budgets are constantly monitored and <b><u>essential Reference Paper 'C'</u></b> shows a projected overspend of £526k. This is predicted to be a worse case scenario and should reduce as more budgeted savings begin to be delivered.</p>	July

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
1.11 HARTHAM The sale of land associated with the supermarket development at Hartham will generate a windfall sum of £50k.	July
1.12 OFFICE MOVES Costs associated with the office moves such as the disposal of redundant files, physical storage and moving staff temporarily during the refurbishment works is estimated to cost £21k.	July
1.13 INVESTMENT INCOME The movement and uncertainty in the financial markets has not made it conducive at this moment to invest further in structured deposits as per the original estimate. Therefore, investment income is anticipated to be £55k less than estimated.	July
1.14 TURNOVER Salary budgets are constantly monitored and <b><u>Essential Reference Paper 'C'</u></b> shows a projected over spend of £506k. Restructuring proposals are now underway to address the position.	August
1.15 INVESTMENT INCOME A report to Audit Committee on 21 September 2011 related that Investment Income will be less than estimated by circa £200k due to the economic climate. <b>Pride in East Herts</b>	August
1.16 CAR PARKS (PAY AND DISPLAY) A supplementary estimate was approved in 2010/11 to enable the car park pay and display machines to be altered to allow for a change in coinage.	April
1.17 CAR PARK COURT AND LEGAL FEES The Car Park's Court and Legal fees budgets will overspend by £10k due to a last minute 40% increase in debt registration fees imposed by the County Court.	May

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>1.18 CAR PARKS ADVERTISING</p> <p>The Car Park's advertising budget is anticipated to overspend by £15k due to the requirement to advertise new On-street Traffic Regulation Order for East Herts which is being prepared by Herts County Council. This was not advised at the point of preparing the 2011/12 budgets.</p>	May
<p>1.19 CCTV</p> <p>The Executive agreed in February 2011 that the subsidy towards the full cost of CCTV cameras in town centres be continued for 2011/12 only and that the issue be considered further as part of the Community Safety Review. The maximum income will be £52k which is £13k short to that stated in the Estimates.</p>	June
<p>1.20 RECYCLING MATERIALS HANDLING PROJECT</p> <p>The Recycling Materials Handling project to introduce sorting/bailing equipment has been delayed due to the new contract and this coupled with the volatility of material prices will result in an under spend of £40k.</p>	June
<p>1.21 WASTE CONTRACT BUDGETS</p> <p>There is an early warning that within various Waste Contract budgets there will be an under spend of approximately £125k in 2011/12 with a full year effect £136k resulting from implementing shared services with neighbouring authorities through the new waste contractor. A full report will be submitted later in the year.</p>	June
<p>1.22 HERTFORD THEATRE</p> <p>The planned hydro electric plant located at the Hertford Theatre has been delayed with an adverse £11k effect.</p>	July
<p>1.23 BULKY WASTE INCOME</p> <p>Bulky waste income is currently under recovering by 25% due to falling demand for the service and could result in a £13k adverse position.</p>	July

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
1.24 WASTE CONTRACT – TRANSITION COST There is an early indication that the costs of transition to the new waste contract have been lower than expected to date and an under spend of £100k is probable.	July
1.25 KERBSIDE DRY RECYCLING INCOME There is a possible £80k under recovery of income due to falling tonnage of materials collected regards kerbside dry recycling. This is a national trend associated with the economic downturn.	July
1.26 RECYCLING BANKS MAINTENANCE The recycling banks maintenance costs are reducing following the successful removal of glass, cans and plastic banks thus resulting in a £8k favourable position.	July
1.27 KERBSIDE DRY RECYCLING INCOME The situation regarding Kerbside dry recycling income is estimating a shortfall of £120k as opposed to £80k reported last month due to falling tonnage of materials collected. This is a national trend associated with the economic downturn. In the event that there is no improvement in the position by year end short fall in income will be met by a call on the earmarked reserve set up to meet volatility in this income stream.	August
1.28 TEXTILE BANK SCHEME There is a net adverse position of £6k estimated on the Textile Bank scheme which is based on the first full months trading.	August
1.29 CAR PARK TICKET ADVERTISING Income of £2k will not be achieved through advertising on car park tickets as there is no market for the service.	August
1.30 CAR PARK RESIDENTS SCHEME Income of £5k from car park charges at Elm Road will not be achieved due to the delay of the Chantry Residents Scheme.	August

ITEM (in order of Corporate Priority)	MONTH(S) REPORTED
<p>1.31 TRADE WASTE SERVICE</p> <p>The net favourable position on the Trade Waste service of £23k is primarily as a result of an under spend on the contract of £33k resulting from lower levels of business in the current economic climate. Partly offset by £10k less income again as a result of the economic climate.</p>	August
<p>1.32 TRAVELLER INCURSION</p> <p>Unplanned expenditure of £1k for security costs at grange Paddocks to prevent Traveller incursion has been incurred.</p>	August
<b>Shaping now, shaping the future</b>	
<p>1.33 NEW HOMES BONUS GRANT</p> <p>The DCLG announced the New Homes Bonus scheme. A sum of £415k has been awarded to East Herts Council. As yet, the MTFP makes no provision either for income from this source or how that income might be applied. The Local Development Panel will make proposals on the application of this funding for consideration by the Executive with recommendations to Council at its meeting on the 26 September 2011.</p>	April
<p>1.34 PLANNING DISCHARGE OF CONDITIONS</p> <p>Income from Planning Discharge of Conditions is predicted to be £12k favourable due to a greater level of developer activity than anticipated.</p>	June
<p>1.35 DEVELOPMENT CONTROL INCOME</p> <p>Development Control income has begun to fall against profile and as at the end of period five is £32k adverse. It is too early to predict an outturn.</p>	August
<b>LEADING THE WAY, WORKING TOGETHER</b>	
<p>1.36 MEMBERS ALLOWANCE</p> <p>A review of the budget for Members Allowance has been identified an under spend of circa £65k.</p>	July

<b>ITEM (in order of Corporate Priority)</b>	<b>MONTH(S) REPORTED</b>
<p data-bbox="185 398 727 432">1.37 MEMBERS IT EXPENSES</p> <p data-bbox="290 450 1197 613">Following a review of IT support given to Members, approval of a virement of £18k is sought from the projected under spend on Member's Allowance to cover Member IT expenses.</p>	August