

ESSENTIAL REFERENCE PAPER 'E'

SUMMARY OF PREVIOUSLY REPORTED VARIANCES ON THE REVENUE BUDGET

		Projected Outturn 31 March 2012 £'000	
1.1	April	0	
	May	100	Favourable
	June-July	331	Favourable
	August	333	Favourable

ITEM (in order of Corporate Priority)		MONTH(S) REPORTED
People		
1.2	TURNOVER Salary budgets are constantly monitored and <u>Essential Reference Paper 'C'</u> shows the budget is broadly in line with the projected expenditure.	May
1.3	TURNOVER Salary budgets are constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected small under spend of £4k.	June-July
1.4	REVENUES AND BENEFITS At the Joint Revenues and Benefits Committee on 19 July 2012 it was identified that due to the increased workload and to avoid increasing backlogs of work both councils needed to fund an additional £201k each for agency staff to support the service. As a consequence a Supplementary Revenue estimate from the council of £120k requires approval. The greater than allowed for under spend in 2011/12 permits for this funding to be approved from the general reserve.	June-July

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1.5 COMMUNITY PLANNING Income of £58,800 was received in 2011/12 for Community Planning Resource Mapping, but the final payment of £11,169 was not made until 2012/13.	June-July
1.6 STANSTED AREA HOUSING PARTNERSHIP Stansted Area Housing Partnership – As part of the process for granting planning permission for the expansion of Stansted Airport, the section 106 agreement provided a sum of money for affordable housing in East Hertfordshire. This sum of money amounts to approximately £358,000. At present a site in Sawbridgeworth is being developed, with section 106 agreement providing for affordable homes. The site meets the location criteria of the Stansted S.106.	June-July
1.7 TURNOVER Salary budgets are constantly monitored and <u>Essential Reference Paper 'C'</u> shows a projected small under spend of £34k.	August
1.8 PEST CONTROL Due to extremely low levels of wasp nest treatments income is anticipated to be down by £16k. This is partly off set by a reduction in external resources, to supplement house resources of £11k. Giving a net £5k projected adverse position.	August
1.9 ANIMAL CONTROL Envirocrime and the Dog Control Officer have been very effective at re-homing stray dogs and keeping kennelling costs to a minimum, despite no reduction in the number of stray dogs. Thus projecting a saving of £6k.	August
Place 1.10 WASTE CONTRACT Early indications show that the costs of transition to the new waste contract have to date been lower than expected and an under spend of up to £100k is possible.	May

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<p>1.11 RECYCLING INCOME</p> <p>An under recovery of £59k of recycling income is expected from the sale of recyclable materials collected at the kerbside believed to be due to the economic downturn and the increasing use of electronic communication (reducing the amount of newspapers and magazines consumed).</p>	June-July
<p>1.12 ORGANIC WASTE</p> <p>There is a likely under spend in the contracted costs of organic waste collection of £50k</p>	June-July
<p>1.13 MATERIALS HANDLING</p> <p>An under spend of £7k is expected in the costs of materials handling at the Service Centre.</p>	June-July
<p>1.14 ENVIRONMENT AGENCY</p> <p>The Environment Agency has withdrawn the funding for the land drainage work East Herts carries out on their behalf. This has repercussions for the cost of any similar work that would have been carried out by East Herts under the same terms. A separate report will be considered by Corporate Management Team.</p>	June-July
<p>1.15 BULKY WASTE INCOME</p> <p>Bulky waste income is forecasting a £6k adverse variance believed to be due to the economic climate.</p>	June-July
<p>1.16 RECYCLING BANKS</p> <p>As there are less recycling banks to maintain there is a forecast under spend of £7k.</p>	June-July
<p>1.17 CLINICAL WASTE COLLECTION</p> <p>Clinical Waste Collection income is forecasting additional income of £6k due to additional business in the first part of the year.</p>	June-July
<p>1.18 KERBSIDE DRY RECYCLING</p> <p>The kerbside dry collections budget is likely to be overspent by £18k. £11k is due to indexation on fuel</p>	August

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being higher than forecasted and £7k is due to property growth, as approximately 1,000 more flats are receiving full recycling services.	
1.19 ALTERNATIVE FINANCIAL MODEL The latest Altrernative Financial Model (waste reduction) income forecast for 2011/12 is £419,000. £16k below the sum accrued.	August
1.20 TRADE WASTE COLLECTION The Trade Waste Collection service is estimating an additional £20k of income due to an increased level of business. This will be partly off set by additional costs of £12k, giving a net £8k favourable position.	August
Prosperity	
1.21 BUILDING CONTROL INCOME If the current trend continues the indications are a short fall of circa £150k in Building Control income. Processes being considered to rectify the situation are to possibly increase fees and potential other sources of income.	June-July
1.22 CAR PARKING PAY AND DISPLAY Car Parking Pay and Display income is predicted to produce a £89,000 favourable variance by year end.	June-July
1.23 CAR PARKING PENALTY CHARGE NOTICE Car Parking Penalty Charge Notice income is under achieving as at the end of July and is likely to show a shortfall of circa £75k. This is due in part to the bedding in of the new enforcement contract and the inability to process Notices to owners due to a new system migration at DVLA.	June-July
1.24 INVESTMENT INCOME Investment funds have been and are continuing to be placed on fixed deposit with U.K. clearing banks to take advantage of the rates being offered. (See report to Council July 2012). Expectations are that the 2012/13 estimated Investment income will be exceeded by circa	June-July

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<p data-bbox="293 304 407 338">£350k.</p> <p data-bbox="188 357 516 390">1.25 AUDIT FEES</p> <p data-bbox="293 411 1146 485">A reduction in core audit fees of £20k will result in a favourable variance.</p>	June-July
<p data-bbox="188 506 940 539">1.26 SHARED INTERNAL AUDIT SERVICE</p> <p data-bbox="293 560 1235 768">The Shared Internal Audit Service Board agreed on the 7 December 2011 to increase the daily charge for Audit services from £240/day to £255/day. An increase of 6.25%. The effect of this coupled with a prior year adjustment will have an adverse £17k on the budget.</p>	August