

TEWKESBURY BOROUGH COUNCIL
2014 - 2015 Q4 Budget Statement

| Analysis Level | Full Year Budget £ | Q4 Actual Position £ | Savings / (Deficit) £ | Budget Variance % | Q3 positon £ | Movement on previous Q (deficit) | Comments |
|---|-----------------------|----------------------------|-----------------------------|-------------------------|--------------------|--|--|
| Employees | 8,930,852 | 9,142,563 | (211,711) | (2.37) | (128,832) | (82,878) | Employee cost pressures continue to increase as the Agency Staff budget overspend increases to cover staff sickness, with some long term sickness cover being required. There is also demand on limited staff time, as well as vacant posts which has meant that agency staff have been required. One Legal, Development Services and Environmental Services in particular have overspends . Finally there has been increased recruitment and filling of vacant posts over the last quarter so reducing staff savings through holding vacancies. |
| Premises | 766,221 | 775,597 | (9,376) | (1.22) | 33,198 | (42,574) | Generally there is an underspend across the various premises expenditure budgets, the reported overspend is a result of a single creditor at the year end in relation to a claim for service charges for the rent of the Depot at Swindon Lane going back 5 years. The council is discussing this cost with Cheltenham Borough Council |
| Transport | 854,160 | 837,322 | 16,838 | 1.97 | 14,297 | 2,541 | The savings are a result of underspends in relation to staff travel expenses and fuel costs, however the surplus has reduced due to an increase in repairs and maintenance costs, which are difficult to predict in the budget, when and how much it will cost |
| Supplies & Services | 2,136,821 | 2,127,059 | 9,762 | 0.46 | 9,497 | 264 | |
| Payments to Third Parties | 1,002,687 | 1,048,352 | (45,665) | (4.55) | (21,318) | (24,348) | The deficit position has been contributed to by unforeseen costs associated with various investigations, and also the clarification of Council's liability in respect of Land Charges legal claims. |
| Transfer Payments - Benefits Service | 19,176,000 | 18,898,878 | 277,122 | 1.45 | 337 | 276,785 | Actual benefit payments have been less in year than projected, however this has been matched by a similar reduction in income against budget. Net effect for the Benefits Service for the year was that there was a deficit against the budget of £70k |
| Capital Charges | 984,546 | 951,939 | 32,607 | 3.31 | 0 | 32,607 | Impact of revaluations as a result of a review of the property portfolio by professional valuers has resulted in surplus against budget. This is only realised at the end of the financial year. |
| Income | (24,991,632) | (25,160,551) | 168,919 | (0.68) | 139,861 | 29,058 | Income from the Development Service has been significantly higher than budget. Planning income of £160k and Land Charges of £41k above budget were realised in the year. Of this £73k of the planning income, which is nearly 50% of the surplus achieved, was received in the last quarter of the year with several large planning applications made. Also Income on Garden waste and trade waste is higher than budget. Car parking income has also performed better than budgeted, although this will come under pressure in future as car parking tariffs have been reduced from the 1st April 2015. |
| Treasury Mg Activity | (270,735) | (239,682) | (31,054) | 11.47 | (9,134) | (21,919) | Treasury Management returns continued to deteriorated towards the end of the financial year in light of changing banking legislation and continuance of a low base rate against forecast budgets from when the budget was set. |
| TOTAL | 8,588,920 | 8,381,478 | 207,442 | 2.42 | 37,906 | 169,536 | The councils position at the year end has shown a significant increase in the surplus mainly as a result of much higher than expected income. |
| Reconciliation to Council Agreed Budget (27/02/14) | | | | | | | |
| Support Services costs | | 0 | | | | | |
| Movement in reserves | - | 6,218,222 | | | | | |
| New Homes bonus (Ring-fenced budget) | | 638,655 | | | | | |
| | | <u>3,009,353</u> | | | | | |