

Appendix 4 - Analysis of Budget by Group Manager Unit

	Full Year Budget	Q2 Budget Position	Q2 Actual Position	Budget Under / (over) spend	Budget Variance %	Notes
Chief Executive	0	118,305	116,666	1,639	1	
Employees	233,103	116,399	113,540	2,859	2.5	
Premises	0	0	60	(60)	0.0	
Transport	2,280	1,142	1,177	(35)	(3.0)	
Supplies & Services	1,600	764	1,889	(1,125)	(147.3)	
Payments to Third Parties	0	0	0	0	0.0	
Support Services	(236,983)	0	0	0	0.0	
Income	0	0	0	0	0.0	
Deputy Chief Executive	0	58,213	58,000	213	0	
Employees	109,508	54,777	54,803	(26)	(0.0)	
Premises	0	0	0	0	0.0	
Transport	2,450	1,226	1,183	43	3.5	
Supplies & Services	3,300	2,210	2,014	196	8.9	
Support Services	(115,258)	0	0	0	0.0	
Income	0	0	0	0	0.0	
One Legal	0	559,202	543,720	15,482	3	
Employees	1,088,669	545,199	555,294	(10,095)	(1.9)	1
Premises	0	0	0	0	0.0	
Transport	26,280	12,400	5,709	6,691	54.0	
Supplies & Services	95,088	47,283	108,938	(61,655)	(130.4)	2
Payments to Third Parties	10,160	5,230	3,201	2,029	38.8	
Support Services	(270,279)	0	0	0	0.0	
Income	(949,918)	(50,910)	(129,422)	78,512	(154.2)	3
<p>1) The overspend on employee's is due to continuing to have unfilled vacancies in the section and therefore using locums to cover these vacancies.</p> <p>2) £50,163k overspend on Supplies and Services is related to disbursements, which is additional work that One Legal have undertaken in the first 6 months of the year. All of these additional costs are being recovered through Income, as costs are recharged back to the various clients. These leaves an overspend mainly on books and publications of £6k making up the remained, although it is expected that the budget for books will not overspend on the full year budget.</p> <p>3) After taking account of the additional income on disbursements, the additional income relates to additional work that One legal has done for UBICO and Cheltenham Leisure Trust</p>						
Democratic Services	1,686,891	432,712	415,363	17,349	4	
Employees	224,000	134,746	144,194	(9,448)	(7.0)	
Premises	0	5,107	5,107	0	0.0	
Transport	18,610	9,310	9,713	(403)	(4.3)	
Supplies & Services	549,519	266,064	247,082	18,982	7.1	4
Payments to Third Parties	30,106	19,444	14,101	5,344	27.5	
Support Services	862,297	0	0	0	0.0	
Depreciation	2,609	0	0	0	0.0	
Income	(250)	(1,959)	(4,834)	2,874	(146.7)	

4) The recent Borough elections alongside the Parliamentary election has meant that some costs have been shared with Central Government and so in year savings have been made.

Whilst individual lines continue to show variances, there is still some work to do to recode expenditure to show it against the correct heading and reduce the underspend on supplies and services.

Corporate Services	494,834	617,748	558,454	59,294	10	
Employees	844,510	422,239	375,190	47,049	11.1	5
Premises	0	0	0	0	0.0	
Transport	8,610	4,314	2,791	1,523	35.3	
Supplies & Services	389,343	169,537	169,100	437	0.3	
Payments to Third Parties	47,700	23,458	14,929	8,529	36.4	
Support Services	(836,598)	0	0	0	0.0	
Depreciation	45,769	0	0	0	0.0	
Income	(4,500)	(1,800)	(3,556)	1,756	(97.6)	

5) Corporate services is the reorganised Group from Business Transformation and Policy and Performance. Savings in staff costs have been recognised as the budget was set assuming that there would be two group managers in 2015/16. Also other staff vacancies have contributed to a saving. As posts in the new structure are being appointed, the total savings in staff costs over the remainder of the year is expected to reduce.

Environmental and Housing	3,876,850	1,665,308	1,618,891	46,417	3	
Employees	937,190	468,783	458,397	10,386	2.2	6
Premises	3,595	1,321	74	1,247	94.4	
Transport	37,100	18,560	17,141	1,419	7.6	
Supplies & Services	139,126	64,800	60,177	4,623	7.1	
Payments to Third Parties	3,737,739	2,157,141	2,163,821	(6,680)	(0.3)	
Support Services	591,530	0	0	0	0.0	
Depreciation	72,410	0	0	0	0.0	
Income	(1,641,840)	(1,045,297)	(1,080,719)	35,422	(3.4)	7

6) Underspend on employees relates to savings from staff on maternity leave and holding vacancies on staff posts. Some of the savings have been used to pay contractors to cover the vacancies, but the overall position continues to show a surplus.

7) Income is up on garden waste, private hire licensing and also incentive grants for recycling from Gloucestershire CC. Small positive positions in all these areas of income against budget is helping contribute to a reasonable surplus at the end of Q2.

Finance and Asset	1,077,093	851,482	856,802	(5,321)	(1)	
Employees	2,519,754	1,170,598	1,154,518	16,080	1.4	8
Premises	623,213	354,956	327,363	27,593	7.8	9
Transport	10,580	5,300	5,637	(337)	(6.4)	
Supplies & Services	646,148	269,224	249,571	19,653	7.3	10
Payments to Third Parties	161,450	73,043	85,632	(12,589)	(17.2)	11
Support Services	(780,172)	0	0	0	0.0	
Depreciation	273,946	0	0	0	0.0	
Income	(2,188,991)	(927,222)	(888,205)	(39,017)	4.2	12
Treasury Mg Activity	(188,835)	(94,418)	(77,715)	(16,703)	17.7	13

8) Staff savings have been achieved principally at Cascades, where staff levels are matched to demand. Reduced demand at the swimming pool has resulted in reduced staffing levels required and consequently this is offset against a reduced amount of income received. (see point 13)

9) Savings have been made on responses maintenance requirements on a number of assets, as well as savings on utility costs in the first 6 months against budget

10) Small underspends across a variety of expenditure types such as equipment, goods for resale and postages have resulted in an overall saving to date.

11) Additional expenditure on Burial services has been incurred, but also offset against income. Additional expenditure was also incurred on receiving specialist advice from consultants on undertaking out bank tender.

12) as noted in 8 above income is down on cascades to reflect less demand from users, which has been offset against staff costs, to ensure that overall there is no impact on budget overall for this service. Whilst the council is receiving surplus from car parking and cemeteries (also linked to 11 above), there is a deficit on budget income targets from property investments.

13) Treasury Mgt activity is showing a negative position against the budget. The main reason for this is the reduced investment income from treasury activities as anticipated following £10.7m refund to Virgin Media. An equalisation reserve has been established to balance the budget.

Revenues and Benefits	829,395	1,189,579	1,279,058	(89,479)	(8)	
Employees	794,528	397,424	385,788	11,636	2.9	14
Transport	11,610	5,808	5,244	564	9.7	
Supplies & Services	135,092	83,378	74,661	8,717	10.5	
Payments to Third Parties	26,750	4,996	5,083	(87)	(1.7)	
Transfer Payments - Benefits Service	19,665,790	10,501,532	10,628,075	(126,543)	(1.2)	15
Support Services	426,099	0	0	0	0.0	
Depreciation	9,247	0	0	0	0.0	
Income	(20,239,721)	(9,803,560)	(9,819,795)	16,235	(0.2)	16

14) Savings have been made on employee costs through the first 6 months of the year as there are currently 2 vacant posts in the group.

15) The Council has produced a mid year estimate of what the full cost of Housing Benefits will be. We have updated the report to take account of the projected loss above the budget of this service. Currently the projection is that the service will have an additional shortfall of £126,543 as expenditure increases and the amount we are able to reclaim in subsidy is reduced due to level of overpayments being recorded.

16) The Council has received 2 additional grants, under the new burdens scheme from central government which has meant that we are receiving an additional £16,235 above what was budgeted.

Development Services	1,295,617	327,568	80,195	247,373	76	
Employees	1,336,035	661,878	634,000	27,878	2.7	17
Premises	41,586	7,374	8,108	(734)	(8.9)	
Transport	48,870	23,169	19,515	3,653	16.7	
Supplies & Services	369,507	148,379	149,274	(895)	(6.4)	
Payments to Third Parties	215,410	25,100	14,175	10,925	10.9	18
Support Services	359,364	0	0	0	0.0	
Depreciation	39,897	0	0	0	0.0	
Income	(1,115,052)	(538,332)	(744,878)	206,546	(0.6)	19

17) Employee Costs are showing an underspend due to staff turnover and changes in employment patterns in the quarter.

18) Savings are due to a temporary underspend in the building regulation joint service with Cheltenham Borough Council, due to staff vacancies, however, changes to the allocation of staff costs have been agreed, which will be reflected in Q3.

19) Planning income from both standard applications and also from pre-planning advice is significantly above the budgeted income. Demand is higher than expected and also include several high value applications in terms of fee charged.