

RESOURCES

SUMMARY

<u>Cost Centre</u>	Revised Estimate 2017/18 £	Actual 2017/18 £	Variation	
			£	%
Human Resources	4,450	0	(4,450)	(100.0)
Deputy Chief Executive	118,900	0	(118,900)	(100.0)
Director of Legal	90,400	0	(90,400)	(100.0)
Legal Services	(89,600)	0	89,600	(100.0)
Administrative Services	19,067	0	(19,067)	(100.0)
Print Room	15,250	0	(15,250)	(100.0)
Land Charges	(34,500)	(6,701)	27,799	(80.6)
Support Services	900	0	(900)	(100.0)
Post Room	10,350	0	(10,350)	(100.0)
Tea & Vending	8,600	2,100	(6,500)	(75.6)
Finance Department - Management	(116,250)	0	116,250	(100.0)
Finance Department - Audit	4,150	0	(4,150)	(100.0)
Finance Department - Accountancy	19,100	0	(19,100)	(100.0)
Commercial Finance	750	0	(750)	(100.0)
Finance Department - Creditors	300	0	(300)	(100.0)
Debtors	750	0	(750)	(100.0)
Mediation	55,650	69,055	13,405	24.1
Miscellaneous	(1,536,150)	(2,096,454)	(560,304)	36.5
Chief Executive's Office	1,900	0	(1,900)	(100.0)
Corporate Communications	5,400	0	(5,400)	(100.0)
Beeston Square	(317,150)	(266,155)	50,995	(16.1)
Beeston Square Service Charge Account	14,000	0	(14,000)	(100.0)
Bramcote Crematorium	(280,000)	(280,000)	0	0.0
Grant Aid to Parishes/Town Councils	40,600	46,836	6,236	15.4
Members Expenses	294,050	277,714	(16,336)	(5.6)
Civic Affairs	193,800	107,433	(86,367)	(44.6)
Departmental Representation & Management	525,800	438,982	(86,818)	(16.5)
DRM Recharge	(94,500)	(172,007)	(77,507)	82.0
External Audit & Best Value	60,000	96,092	36,092	60.2
Treasury Management & Banking	203,650	158,619	(45,031)	(22.1)
Corporate Management - Administration	282,100	792,479	510,379	180.9
Corporate Management - Housing Revenue A	(190,100)	(292,292)	(102,192)	53.8
Central Overheads	50,750	107,777	57,027	112.4
Security of Public Buildings	200	0	(200)	(100.0)
Council Offices	55,750	0	(55,750)	(100.0)
Town Hall	150	0	(150)	(100.0)
Cavendish Lodge Complex	(5,150)	(9,569)	(4,419)	85.8
14 Devonshire Avenue	0	0	0	
Stapleford Cash Office	150	0	(150)	(100.0)
Eastwood Cash Office	100	275	175	175.0
General Properties & Land	158,600	45,828	(112,772)	(71.1)
Stapleford House	(250)	8,287	8,537	(3,414.7)
Health & Safety	900	0	(900)	(100.0)
Total Resources	(427,133)	(971,699)	(544,566)	127.5

**VARIATIONS BETWEEN ACTUAL AND ESTIMATED INCOME
AND EXPENDITURE 2017/18**

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<u>Cost Centre</u>	Revised Estimate 2017/18 £	Actual 2017/18 £	Variation	
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<u>Human Resources</u>				
<u>Course and Examination Fees</u>				
Examination on course and examination fees in 2017/18 was significantly below the budget for the year and the expenditure of £55,600 incurred in 2016/17.	58,000	39,700	(18,300)	(31.6)
<u>Employee Occupational Health</u>				
The use of the Occupational Health service in 2017/18 was lower than had been anticipated.	28,800	21,900	(6,900)	(24.0)
<u>Mediation</u>				
<u>Redundancy costs</u>				
This cost relates to a voluntary redundancy approved at Policy and Performance Committee on 17 April 2018.	0	13,700	13,700	
<u>Director of Legal</u>				
<u>Salaries</u>	90,400	143,144	52,744	58.3
This overspend is caused by the final settlement for and other costs associated the former Director of Legal and Planning Services as agreed at the Policy and Performance Committee on 6 February 2018.				
<u>Legal Services</u>				
<u>Salaries</u>	183,550	210,362	26,812	14.6
This arose due to a requirement for additional agency staff to cover for maternity absence and due to more staff being members of the Local Government Pension Scheme than had been anticipated.				
<u>Counsel Fees</u>	29,200	5,087	(24,113)	(82.6)
This underspend is due to the completion of work in house that otherwise would have required external counsel to be employed.				
<u>Constitution Health Check</u>	3,700	12,969	9,269	250.5
This budget for review of the Constitution was carried forward from 2016/17. However, after feedback from the external investigation, a more in depth review was required and this led to an overspend. A budget of £2,000 has been established for this in 2018/19 to meet further costs.				

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<u>Legal (cont'd)</u>				
<u>Miscellaneous Expenses</u> Fewer miscellaneous costs were incurred in 2017/18 compared with previous years. This has been reflected in the 2018/19 budget.	17,000	5,543	(11,457)	(67.4)
<u>Income</u> Income received in 2017/18 was below both the budget and the sum received in the previous year.	(35,000)	(20,891)	14,109	(40.3)
<u>Land Charges</u>				
<u>Land Charges Income</u> Income received from land charges in 2017/18 was significantly lower than the £149,450 received in 2016/17 and reflects a decline in demand for the service.	(120,000)	(99,354)	20,646	(17.2)
<u>Finance Department - Audit</u>				
<u>Salaries</u> The primary factor for this underspend was the vacancy that arose after the departure of the Procurement Officer on 30 June 2017. The post remained vacant for the remainder of the financial year.	238,750	190,211	(48,539)	(20.3)
<u>Miscellaneous Resources</u>				
<u>Apprenticeship Levy</u> No budget was provided for the Apprenticeship Levy that came into effect on 1 April 2017. This has been reflected in the 2018/19 budget	0	36,874	36,874	
<u>Consultancy Fees</u> This expenditure relates to costs incurred in 2017/18 on the external investigation.	0	145,753	145,753	
<u>Miscellaneous Expenses</u> An unexpected one off credit of £14,300 from the Performing Rights Society has offset what would have been an overspend on this heading.	1,000	(4,737)	(5,737)	(573.7)
<u>Third Party Payments</u> These costs relate to payments made to Rushcliffe B.C. for the secondment of an Interim Strategic Director as reported to Policy and Performance Committee on 3 October 2017.	0	59,567	59,567	
<u>Capital Charges and Capital Charges Reversals</u> These variances reflect the actual level of capital expenditure incurred in 2017/18 on specific schemes as compared with the capital programme, Contra entries within the other priority areas result in no overall effect on the Council's net expenditure.	(2,773,150)	(2,507,589)	265,561	(9.6)

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<u>Miscellaneous Resources (cont'd)</u>				
<u>Minimum Revenue Provision (MRP)</u> A review of the Council's MRP arrangements identified an overprovision of £934,100 in respect of MRP charged from 2008/09 to 2016/17 in respect of capital expenditure incurred prior April 2008. This, in addition to a move to an annuity based as opposed to equal life approach to MRP in accordance with the Council's MRP Policy, has resulted in a significant underspend in 2017/18.	902,300	(182,793)	(1,085,093)	
<u>Other Income</u> Other income has been significantly more than was expected when the budget for 2017/18 was set. This includes a one-off £23,600 credit in respect of the charge made to Beeston Allotments in respect of the outstanding debt relating to the 2010 works at the Borehole.	(8,000)	(54,786)	(46,786)	
<u>Corporate Communications</u>				
<u>Employee costs</u> A higher than anticipated number of vacancies during 2017/18 has resulted in this budget underspend.	159,000	146,800	(12,200)	(7.7)
<u>Beeston Square</u>				
<u>Commercial Use Beeston Square</u> There has been more income in 2017/18 from commercial use of Beeston Square than had been anticipated. This has been reflected in the 2018/19 budget.	(4,000)	(10,116)	(6,116)	152.9
<u>Rent</u> Vacancies in some of the units during 2017/18 meant that the rent income budget for the year was not achieved.	(650,000)	(636,838)	13,162	(2.0)

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<u>Beeston Square (cont'd)</u>				
<u>Management Fee Recharge</u> The management fee recharge was smaller than anticipated due to a combination of vacant units for part of the year and adjustments to the accounting arrangements for the service charge payments from tenants following the purchase of the Beeston Square lease in May 2016. This has been reflected in the 2018/19 budget.	(65,000)	(23,610)	41,390	(63.7)
<u>Members Expenses</u>				
<u>Members Allowances</u> The budget for members allowances has been unchanged for a number of years and not adjusted to reflect the move to the committee system model of governance from May 2016. This will be reflected in the 2018/19 budget.	263,500	250,550	(12,950)	(4.9)
<u>Civic Affairs</u>				
<u>Chauffeur Services</u> The cost of chauffeur services in 2017/18 was significantly less than the costs of £18,200 and £19,400 incurred in 2016/17 and 2015/16 respectively.	25,000	14,610	(10,390)	(41.6)
<u>General Properties & Land</u>				
<u>Agency Staff</u> The Finance and Resources Committee on 13 July 2017 agreed to allocate £50,000 to procure project management support for the Beeston Square Phase 2 development. This was not utilised in full during 2017/18 and the Finance and Resources Committee on 12 July 2018 will be asked to carry forward the remaining £14,650 into 2018/19 to fund the continuation of this work.	50,000	35,357	(14,643)	(29.3)
<u>Repairs and Maintenance</u> The requirement for repairs and maintenance in 2017/18 was lower than anticipated and expenditure incurred was similar to that of £12,900 incurred in 2016/17.	25,300	10,163	(15,137)	(59.8)
<u>NNDR</u> No invoice was received for the 2017/18 NNDR charge for Durban House in Eastwood. It is anticipated that this will be received in 2018/19. The Finance and Resources Committee on 12 July 2018 will be asked to carry forward £17,850 into 2018/19 to meet the cost of any outstanding NNDR charges.	22,250	4,406	(17,844)	(80.2)

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<u>General Properties & Land (cont'd)</u>				
<u>Professional Fees</u> The costs relate to valuations by specialist advisors of properties such as Beeston Town Hall and the former Stapleford Police Station for which no budget provision was made in 2017/18.	0	8,950	8,950	
<u>Capital Charges</u> The variance in capital charges reflects the actual level of capital expenditure incurred in 2017/18 as compared with the capital programme. A contra entry elsewhere within the Resources portfolio results in no effect overall in the Council's net expenditure	59,550	46,871	(12,679)	(21.3)
<u>Rent</u> The additional income relates primarily to the £35,000 annual rent from the beautician occupying Durban House in Eastwood.	(92,850)	(124,289)	(31,439)	33.9
<u>Town Hall</u>				
<u>Electricity</u> Electricity charges were lower than anticipated in 2017/18 and reflect the reduced use of the building.	28,200	22,260	(5,940)	(21.1)
<u>Capital Charges</u> The variance in capital charges reflects the actual level of capital expenditure incurred in 2017/18 as compared with the capital programme. A contra entry elsewhere within the Resources portfolio results in no effect overall in the Council's net expenditure	12,550	7,343	(5,207)	(41.5)
<u>Health and Safety</u>				
<u>Employee Costs</u> Cabinet agreed on 5 January 2016 to introduce new arrangements for out of hours emergency response. It was not known at the time where the additional costs would be incurred. This has been reflected in the 2018/19 budget.	67,500	78,800	11,300	16.7

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<u>Central Support Recharges</u>				
Director of Legal	0	(143,144)	(143,144)	
Legal Services	72,400	90,286	17,886	24.7
Civic Affairs	151,500	81,300	(70,200)	(46.3)
Democratic Representation & Management	525,800	438,982	(86,818)	(16.5)
Council Offices	(205,950)	(271,040)	(65,090)	31.6
Health and Safety	9,000	38,800	29,800	331.1
<p>Central Support Recharges represents the cost of employees directly providing the service (including overheads) who are recharged from the directorate budget plus the cost of support departments. Variances represent the difference between budgeted and actual time worked and differences in directorate expenditure totals.</p>				