

Appendix A

Budget Monitoring Variances October 2022

Following changes to reporting tools in the current year, Budget Monitoring reviews are better able to focus attention on both prior year actuals and current year to date actuals. This has resulted in challenge to the level of budgets in current and future years leading to budgets being reduced or removed, which then better reflects both current spending and income needs

Amounts in (Brackets) are favourable and others are adverse movements.

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Central Services – deficit £19,390				
Adobe Licence Fee for Graphics not been budgeted for	2,250			Yes
Training income budget removed as delivery of training to other parties not generating levels of income	5,000			Yes
At Homes event has been postponed for the last 2 years due to covid, this will mean 2 events taking place this year. Increase in budget to cover the additional costs in year.		1,950		No
Print room business rates and Cleaning Contract not been budgeted for, following move to new premises from King's Court.		9,090		Yes
Miscellaneous		1,100		Yes
Total	7,250	12,140	19,390	
Health, Wellbeing and Public Protection – surplus £16,730				
Careline – Rent for industrial unit not budgeted for this year	1,620			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Financial Assistance – Cost of car parking passes for King's Lynn Festival staff. Expected to be the last year of funding this cost.	2,370			No
Community Safety and Neighbourhood Nuisance – as agreed at Cabinet – 16 th November 2021, a new revenue budget to be included for additional vehicle running costs and associated IT and ancillary costs associated with new Enforcement posts in relation to Clean Neighbourhoods, Fly-Tipping and Environmental Enforcement.	17,500			Yes
Re-allocation of budgeted employee costs to reflect recharges based on actual workload. increase is covered by reduction in Legal Services *	12,000	0		Yes
The Council's Lily support service is grant and council funded. Following successful bid for further funding the funding transitions from phase 4 to phase 5 resulting in a reduced cost to the Council by removing the old budget.		(50,220)		Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Reduce income from Careline income target unachievable due to large numbers of cancellations		80,000		Yes
Removal of T/F to reserves budget due to increasing cancellations and decreasing income		(80,000)		Yes
Total	33,490	(50,220)	(16,730)	
Programme and Project Delivery – Surplus £17,550				
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	2,290			Yes
Income from Boston BC for contribution to procurement services not budgeted for. Contracted up to and including 2024-25.		(19,840)		Yes
Total	2,290	(19,840)	(17,550)	
Legal Services – surplus £23,810				
Recharge of costs budgeted in Legal Services to reflect actual workload in other services. *	(23,810)			Yes
Total	(23,810)	0	0	
Environment and Planning – Surplus £129,720				
Rent of an industrial unit used by Emergency Planning not in budget for this year, has been in budget last two years but appears to have been removed in error	2,500			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Miscellaneous	(200)			No
Re-allocation of budgeted employee costs to reflect recharges based on actual workload. increase is covered by reduction in Legal Services *	11,810			Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	2,800			Yes
New document scanner required at a cost of approximately £5,000 in the Corporate Scanning team. Replacement of existing equipment expected to reduce current spend on maintenance and call out costs.		3,000		No
Planning income has increased over the course of 2022-23, due to a number of windfarm applications and large-scale builds. This amount is net of 20% transferred to Planning earmarked reserve.		(160,000)		Yes
Revised fees for technical support on pollution and prevention control.		8,870		Yes
Enforcement Income is forecasted to be lower than budget for Air Quality in year.		4,500		No
Street Naming & Numbering – grant from Royal Mail & Geoplace for maintenance of address data		(3,000)		No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Total	16,910	(146,630)	(129,720)	
Operations and Commercial – deficit £267,330				
Adjustments to CCTV internal recharges to other service areas following review. Some areas have not had a CPI (Consumer Price Index) increase applied, have not been charged when should have been and an increase in cameras at some sites **	(32,800)			Yes
Correction of budget to £17,500 to cover cost of leasing two visitor Pontoons from the Kings Lynn Harbour Authority, budget was incorrect last year	5,000			Yes
Income budget removed for Sunday Market 'regular' tolls only casual market tolls paid for the Sunday Market	13,700			Yes
Vehicle fuel costs in July 2022 are 49.7% higher than at the same time in the previous year. It is not known at this stage if prices will remain at these high levels and therefore an estimated increase of 36% over 2021/22 actuals, which assumes that prices will reduce later in the year	50,000			Yes
Miscellaneous	340			No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
New Crazy Golf at The Walks generating additional income for council, no budget originally. To be extended into future years.	(1,800)			Yes
Successful reclaim of VAT on non-BC Car Parks from HMRC	(126,780)			No
Waste collection (brown bins) – net impact of 1,400 tones less than budgeted following extremely hot summer.	56,600			Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	249,540			Yes
Reduced parking permit requirements from corporate clients, i.e. Freebridge and NHS Norfolk and Waveney CCG		19,590		Yes
Business Rates for depot at Old Meadow Road (Factory) whilst property vacant 2022-23		25,300		No
Cleaning of bunded fuel tank at depot as a result of a condition inspection – one off cost		5,890		Yes
Maintenance of the Forklift Trucks no budget provision previously made		4,340		Yes
Miscellaneous		(1,590)		Yes
Total	213,800	53,530	267,330	

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Property and Projects – deficit £117,290				
A realignment of budgets for Property Services. This comprises of budgets for postage, water bills, contract cleaning and minor adjustments to repairs and equipment budgets, to reflect the running costs of let premises.	(10,110)			Yes
A contribution to reserves is made each year for King's Court furniture hired by DWP who are tenants of the building, this is provided under the SLA. But had not been budgeted for	16,740			Yes
No budget provision for annual subscription for Property Services. To be corrected from next year	1,740			Yes
A loss of income for shops, offices and units is forecast for the first quarter due to vacant properties following loss of tenants, the properties are being marketed to be re let, will be reviewed	9,820			Yes
Miscellaneous	800			No
Increase in business rates for general properties in use by the Council.	23,180			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Reduction of travel budget in Property Services reflecting actuals. Amount of travel has reduced, compared to historic expectations	(7,080)			Yes
Miscellaneous		(1,980)		Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	157,630			Yes
Business Rates budget decreased as DWP have been paying the rates for the ground floor of the building at King's Court for over 3 years and budget is now up to date to reflect this		(65,900)		Yes
Priory Centre – Premises now let, impact on Business Rates and Lease Income		(22,270)		Yes
Further loss of income from shops, offices, and units due to vacant properties following loss of tenants.		19,820		Yes
Income for Legal Fees in relation to lease agreements		(5,100)		Yes
Total	192,720	(75,430)	117,290	
Regeneration, Housing and Place – deficit £88,440				
An increase in internal recharges for CCTV following review **	2,210			Yes
Estimated savings following reduced need by Economic development for room hire	(1,200)			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	1,780			Yes
Tourism – income removed for brochures, and leaflet. No longer doing West Norfolk Holiday Guide and Where to go in West Norfolk leaflet. Costs now focused towards on-line presence.		35,250		Yes
Miscellaneous		400		Yes
Total	2,790	35,650	38,440	
Resources – deficit £77,160				
Adjustment following notification of current year's Housing Benefit Subsidies and Grant adjusted from estimated levels.	(35,060)			Yes
Removal of professional fees budget within Revenues and Benefits as no longer required	(1,000)			Yes
Miscellaneous	(4,650)			Yes
Welfare Reform – Professional Fees realigned following review	14,240			No
DWP Welfare Reform grant increased in line with actuals	27,770			Yes
Increased expenditure for software maintenance and for telephones to work through Microsoft Teams	3,050			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Loss of income from rental property, vacated with no immediate plans to remarket as pending redevelopment.	21,840			Yes
Increase in bank charges budget to match increased charges in year, similar spend last year. Charges on income from card transactions, recently retendered to reduce fees.		52,600		Yes
Mains electrical room batteries, to support uninterruptible power supply for IT not budgeted for in ICT hardware maintenance		10,000		Yes
Increased expenditure for cost of software maintenance subscriptions and licences.		5,000		No
Internal Audit Support costs charges at actual rate lower than budgeted.		(5,160)		Yes
Miscellaneous		(1,610)		No
Remove/reduce various staff travel budgets as no longer required due to reduced travel		(9,860)		No
Total	26,190	50,970	77,160	
Leisure and Community Facilities – deficit £532,420				
An increase in internal recharges for CCTV following review **	31,730			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	50,430			Yes
Miscellaneous	760	(500)		No
As a result of uncertainty around the level of support that AWN required in 2021/2022 a provision was made in the 2022/ 2023 budget to recover the grant but was in fact recovered in 2021/2022. The net effect is zero across the two accounting periods		450,000		No
Total	82,920	449,500	532,420	
Grand Total	554,550	309,670	864,220	
Impact on Financial Planning				
Yes	666,300	(161,130)	503,170	
No	(111,750)	472,800	361,050	

Notes

*Movement of staffing budget across service areas – net nil impact

**Adjustment in recharges for CCTV across service areas – a net impact of £1k increase across budgets60