

Details of Revenue Variance by Service Area

1. Customer engagement and Corporate services

1.1 The outturn variance of £82k is largely in customer services and is due to the scaling down of transferring services to the contact centre due to the unitary decision.

2. Chief Executive

2.1 The £226k under spend is mainly due to maintaining vacancies and reduced professional fees following the unitary decision.

3. Director of Resources

3.1 This under spend can be broken down further:

Service	Variance £000	Explanation
Finance	(371)	Maintenance of vacancies, reduced professional fees
Human Resources	156	Additional staffing and agency costs to support unitary work.
Corporate Governance	(341)	Receipt of energy rebates in procurement, reduced member schemes and the planned transfer to election reserve not being required
Corporate Services	(298)	Reduces IT schemes, cessation of contracts and reduced licence fees.

4. Children's Services

4.1 The full year outturn position is £0.837m under spend mainly due to the delay in the Building Schools for the Future Programme. This has been transferred in to the Building Schools for the Future earmarked reserve.

4.2 There are a number of variations within this outturn and these had been managed overall by the Director, however, there are underlying pressures in Education ICT, Transport and Children with Disabilities which the successor authorities are aware of. Education ICT and transport are both services for review and efficiency savings measures. Central Bedfordshire have factored these three elements into the budget realignment process and dealt with the pressures within their budget.

5. Environment

5.1 The main reasons for the £79k under spend is due to:

- savings in waste services from improved landfill diversion and the effects of the revised residual waste contract implemented from December and a cheaper recycling contract implemented from March in Household Waste Disposal, (£604k)
- £480k of unbudgeted section 278 admin fees and planning application income.
- An overspend in Public Transport of £293k arising from contractual inflation pressures, and
- A £279k overspend on highways relating to snow clearing runs in February and additional maintenance work arising from the extreme weather conditions.
- There has also been an increase in expenditure on "credit crunch" business support within Economic Growth, leading to an overspend in this area of £242k.

6. Community Services

6.1 Learning Disabilities is the main contributor to the overall overspend with a £2.1m overspend. £1.1m of the overspend is on Purchased Services mainly Homecare and unachievable savings, £1m for Direct Services due to pressure in the staff budgets and £241k relating to clients who are no longer funded by the PCT.

6.2 For the Learning Disability service there continues to be issues with the PCT regarding the Section 256 Agreement for clients in the former BLPT provision. As the outcome of these issues is still to be quantified, a provision has been made of £561k to cover potential loss of income relating to this contract. This has reduced the expected income within Learning Disabilities accordingly.

6.3 Cultural Services overspent by £203k, the majority of this is within Adult and Community Learning as a result of reduced income, an unexpected claw back of funding from the Learning and Skills Council relating to 2004/05 financial year and additional expenditure on the Elstow pre School.

6.4 Within this Cultural services outturn £83k music service outstanding debt has been written off.

7. Capital Financing, Treasury Management Charges

7.1 The £888k under spend is mostly due to reduced interest payments as a result of lower loan interest for premium amortisation and temporary borrowing.

7.2 Furthermore, £450k of NOF funding was incorrectly shown on the balance sheet and has been brought back into revenue for 2008/09.

8. Contingency

8.1 The balance of contingency remaining as at the end of the year was £1.305m. This represents the balances of earmarked reserves that are no longer required and have been cancelled and the writing back of old uncleared goods receipt notes across the organisation as part of the year end closure programme.

9. Schools

10. The balances held by schools at the end of the year are transferred to school reserves. This amounted to £1.771m for 2008/09 and will be transferred back to the schools in the new financial year. There is also £961k transferred to earmarked reserves for schools specific contingency.