

Period7

Directorate City Development

													(Under) / Over Spend for the current period	
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments		Capital £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	Previous Month (Under) / Overspend £000
								to External Bodies £000	Transfer Payments £000					
R	Planning and Sustainable Development	Chief Planning and Sustainable Development Officer	160	(20)	44	48	10	0	0	0	243	1,149	1,392	1,232
R	Economic Development	Chief Economic Development Officer	(20)	(3)	(52)	3	16	0	0	0	(57)	183	127	133
R	Asset Management	Chief Officer Asset Management	77	(93)	80	(35)	(123)	0	0	0	(94)	546	453	495
G	Highways and Transportation	Chief Officer Highways and Transportation	(9)	186	(350)	(168)	454	0	0	7	119	(448)	(329)	(329)
G	Libraries, Arts and Heritage	Chief Libraries, Arts and Heritage Officer	(605)	73	153	27	7	0	(48)	0	(393)	249	(144)	(138)
R	Recreation	Chief Recreation Officer	619	(81)	210	(35)	33	1	(27)	0	720	(304)	416	412
G	Resources and Strategy	Chief Officer Resources and Strategy	4	(1)	(385)	(7)	17	0	0	0	(373)	0	(372)	(260)
R	Total		226	62	(301)	(168)	414	1	(75)	7	166	1,376	1,542	1,347

CITY DEVELOPMENT DIRECTORATE: 2011/12 BUDGET – PERIOD 7 REPORT

1.0 Introduction

This report sets out the financial position for City Development Directorate for Period 7.

2.0 Overall Summary

The Period 7 position for City Development Directorate shows a projected overspend of £1.54m. There is no change from the Period 6 position of £1.54m although there are minor variations between services. The underlying budget issues continue to be planning and building fee income, markets income, advertising income, planning appeal costs and staffing in some service areas. These budget pressures total over £3m. To offset these additional budget pressures all service areas have been asked to review planned spend for the rest of the year with a view to identifying further savings. The projection reflects budget saving plans agreed with services but also allows for further savings to be agreed and also assumes further staff will leave the directorate under the corporate Early Leaver Initiative scheme.

3.0 Explanation of the Projected Overspend

The main reasons for the projected overspend are an overspend on staffing of £0.23m based on current staffing numbers, known leavers and assumed further leavers from the corporate ELI scheme. The projected year end overspend on staffing has continued to reduce as actions have been taken to control staffing. Offsetting this improvement is an increase in the overall shortfall in income to £1.3m. Additional costs being incurred include an additional £0.35m arising from ongoing planning appeal cases.

Good progress has been made in implementing the £13m savings and budget actions included in the 2011/12 budget. These include significant reduction to the staffing budget, rationalisation of Sport and Library buildings, reduction in Highways spend, energy and procurement efficiency savings, reduction to contributions to external organisations and additional income generation proposals

The continuing poor economic conditions are having a significant impact and achieving the Directorate's £94m income target is looking increasingly difficult. It is possible that the situation could improve later in the year and although planning income is showing some signs of increasing in the last few months other income areas are not showing signs of improvement.

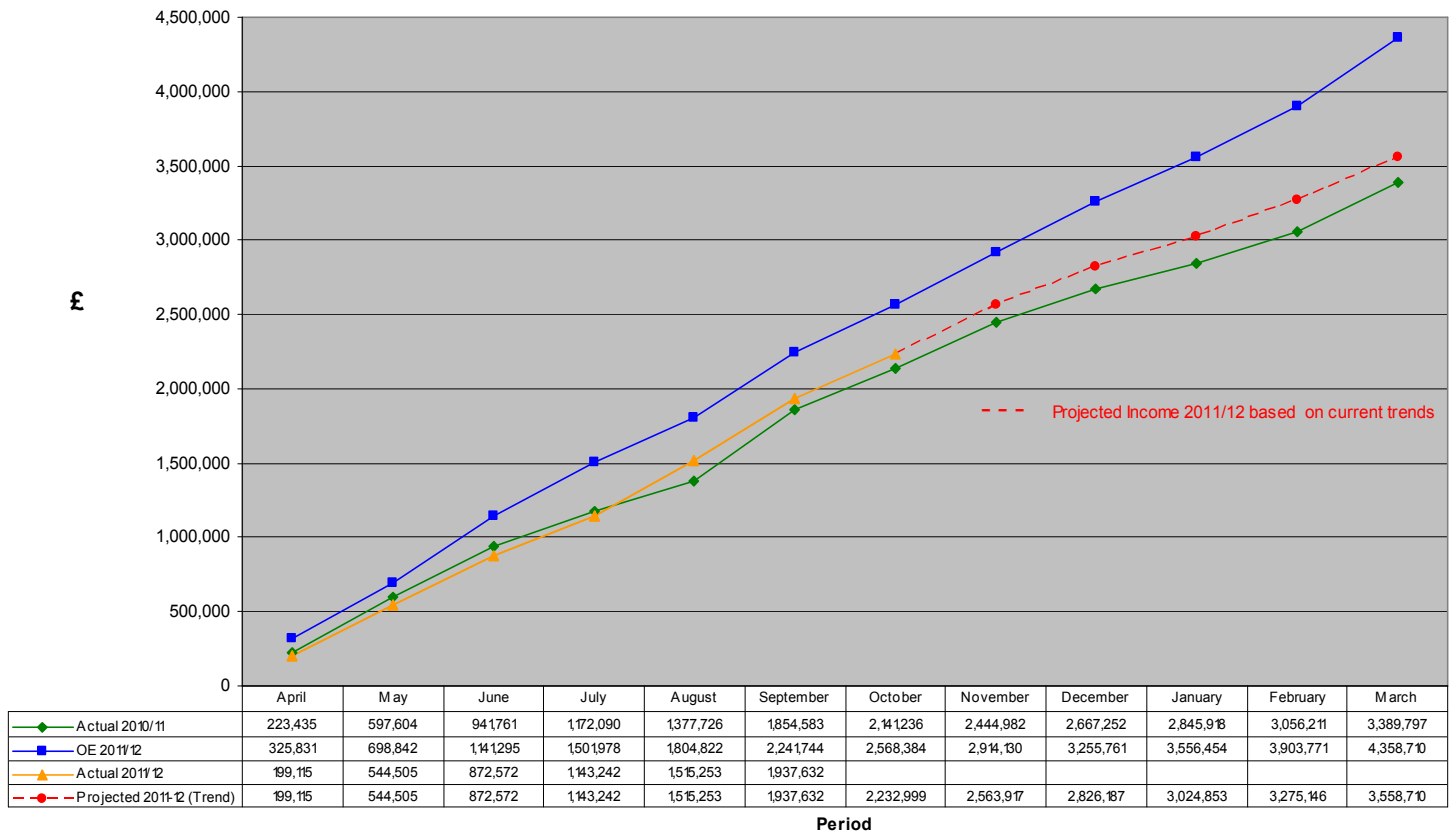
Income

Overall there is a projected income shortfall of £1.3m.

All income targets were reviewed as part of the 2011/12 budget process but in some cases income levels are falling short of the revised targets. The most significant shortfalls are projected to be on Planning and Building fees. At period 7

the combined shortfall is £411k, the projected shortfall for the year is forecast to be just under £0.8m. The graph over the page shows the position to date for planning and building fee income. The budget assumed that there will be an increase in the amount collected in 2011/12 over that in 2010/11 and the last few months have seen an improvement in the amount of planning fees collected although building fee income continues to be at a low level.

Planning and Building Fee Income (Cumulative)



On the whole income in Sport is expected to be in line with budgets and Bodyline income is holding up well.

Other income variations include a shortfall in Markets income of £376k which is a reflection of reduced occupancy levels at Kirkgate Market and a £160k shortfall in Architectural Design Services and Client Services. The 2011/12 budget included additional income of £500k to be raised from new advertising opportunities in the City. A number of new sites have been identified and proposals are being developed with 9 new sites currently being progressed but due to highways, planning and other issues it is currently assumed that the majority of this income will not be received in 2011/12. A shortfall of £250k is projected on income from the Sovereign Street car park but this is expected to be offset in 2011/12 by additional income secured by Asset Management including the Elland Road Option fee payment recently received.

Staffing

Currently it is projected that staffing will overspend the budget by £0.226m, mainly because the saving assumed in the budget on weekend enhancements in Sport are unlikely to be made. The staffing projection assumes that staffing levels will reduce further than the initial budget assumptions but the additional savings will be in the last quarter of 2011/12. Numbers are expected to reduce by an additional 64 FTEs from the current level of 2,355 FTEs as at the end of October 2011. Control measures to actively manage staffing continue to be exercised in the directorate.