

## VARIANCE ANALYSIS OF SERVICES

### OUTTURN

Note: In Table 2: "Principal Variances" the Pay Award pressure £147K is shown as a total. The Pay Awards have been detailed by service area in the tables below.

#### **1 Senior Leadership Team**

Service Area	Underspend OR Income over- recovery (-)  £	Overspend OR Income under- recovery (+)  £	Key reasons for forecast variance
Corporate Costs	0	5,028	Cost brought forward from previous COVID marshal expenses.
Senior Leadership Team	(40,041)	0	Savings on Strategic Director posts due to changes in post holders.
<b>TOTAL</b>	<b>(40,041)</b>	<b>5,028</b>	
Net Forecast (Under)/Overspend	<b>(35,013)</b>		

## 2 Finance & Resources (Including Corporate Budgets)

Service Area	Underspend OR Income over- recovery (-) £	Overspend OR Income under- recovery (+) £	Key reasons for forecast variance
Corporate Management	0	68,514	£18K Health insurance £18K, sundry debt write offs etc £36K, £6K apprentice levy underbudgeted.
Vacancy Target		166,099	Corporate vacancy savings target removed.
Non-Distributed Costs	(5,789)	0	Pension added years from LGPS
Internal Audit	(4,050)	0	Savings on costs
Finance	(30,210)	0	£(37)K vacancy savings, £6K professional service costs (CIVICA, LG Futures)
Photocopiers	(14,499)	0	
Postage	0	814	Postage slightly greater than expected.
Emergency Callout	0	1,940	
Insurance	0	36,808	Impact of inflation
Council Tax	0	18,904	Hired staff to cover for vacancies after promotion and a resignation.

Service Area	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Non-Domestic Rates	(35,678)	0	Vacancy savings
Housing Benefit	(1,725)	0	Excess new Burdens Grant received.
Benefits Team	0	24,398	Pay award and team restructure.
Net Cost of Benefit	0	264,140	Mainly homeless costs for temporary accommodation offset by improved recovery of overpayments
Head of Finance, Revenues & Benefits	(39,809)	0	Improved savings on salaries due to team restructure, including travel costs.
ICT	(39,478)	0	Vacancy savings
Systems Administration	(27,236)	0	Vacancy savings (post frozen from August 2023).
Corporate Projects	(23,624)	0	Salary savings from part-time working.
<b>TOTAL</b>	<b>(222,097)</b>	<b>581,617</b>	
Net Forecast (Under)/Overspend	<b>359,520</b>		

### 3 The Built Environment

Service Area	Underspend OR Income over- recovery (-) £	Overspend OR Income under- recovery (+) £	Key reasons for forecast variance
Environment Strategy	(43,344)	0	Correction of revenue overspend in previous years due to incorrect split between capital and revenue grant funding.
Building Control	0	1,000	No cost, no income.
Building Control Section	0	36,152	Due to economic downturn and cost of living crisis there is a shortfall in anticipated income resulting from contributions to the delegated Leicestershire Building Control Partnership.
Planning Control	0	58,504	Mostly £43K from unachieved planning income, and £15K salary pressures and minor variances.
Planning Policy	(63,750)	0	Surplus arose from grant to fund expenditure across difference services.
Planning Section	(2,853)	0	Savings on professional fee payments for planning section.
Economic Development	(96,331)	0	<b>£(73)K</b> due to some salary capitalisation not achieved, pressure from Pay Award mitigated by vacancy savings on Economic Regeneration Manager and 2x Officers, and <b>£(18)K</b> savings from costs charged elsewhere, <b>£(6)K</b> savings on town events being funded.

Service Area	Underspend OR Income over- recovery (-) £	Overspend OR Income under- recovery (+) £	Key reasons for forecast variance
Private Housing	0	25,000	Management part of Lightbulb Project costs covered by the Council.
Climate Change	0	583	Shared service costs.
Homelessness	(281,378)	0	Mainly from additional homeless grants income and housing benefit receipts.
Belmont House Hostel	0	5,878	£3K overspend on gas central heating. £1K overspend on maintenance of fire & security alarms. £2K overspend on management & supervision costs.
Rent Plus	0	96	Retained management fee.
Cleaning Contract	0	8,041	Pressure from salary increases and travel between sites.
	<b>(487,656)</b>	<b>135,254</b>	
Net Forecast (Under)/Overspend	<b>(352,402)</b>		

#### 4 Law and Democracy

Service Area	Underspend OR Income over- recovery (-)  £	Overspend OR Income under- recovery (+)  £	Key reasons for forecast variance
Non service-specific	0	32,000	The full cost of staff in the Environmental Health Admin & Enforcement budget was not fully reflected. As reported previously.
Environmental Health Administration / Enforcement	0	22,511	£12K Unbudgeted Apprentice post and £2K Pay Awards, £8K overspend on Air Quality equipment.
Environmental Protection	(7,373)	0	Savings due to fewer vehicles being abandoned than expected.
Health and Safety	0	2,024	Pay Award pressure and additional costs for First Aiders.
Local Land Charges	0	403	Inflationary increase in cost of outsourcing service not budgeted for.
Democratic Representation & Management	0	1,258	Mostly Pay Award
Register of Electors	(21,919)	0	Savings achieved from postage recharges.
Election Expenses	0	4,726	Increased staff costs at polling station to assist with introduction of voter ID offset by gov't grants provided elsewhere (Finance).

Service Area	Underspend OR Income over- recovery (-) £	Overspend OR Income under- recovery (+) £	Key reasons for forecast variance
Legal & Admin Service	(2,535)	0	Professional costs offset by cost awards made.
Taxi Licences	(37,422)	0	Additional income from new drivers' licences.
Other Licences	(830)	0	Exceeded expectations on some of the minor licences.
Alcohol and Entertainment Licences	(27,549)	0	Mostly due to recovery of historical uncollected premises licences.
Gambling Act Fees	0	3,293	Refund of duplicated payment from 22/23
Selective Property Licensing Scheme	0	121,477	Mainly from underachieved income from Private Landlord Property licences.
Licensing Service	(39,736)	0	Due to £(32)K salary, £(2)K grant funding and £(5)K subscription changes recharged elsewhere.
Net Forecast (Under)/Overspend	<b>(137,482)</b>	<b>187,692</b>	
	<b>50,210</b>		

## 5 Community & Wellbeing

Service Area	Team	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Community & Wellbeing	Non service-specific	0	118,000	Error in the detailed budget setting when the transfer of the Community Wellbeing function to Blaby was reflected (the cost of transferring the service to Blaby remains as previously presented and agreed by members). This was reported at Q1.
Community & Wellbeing	Community Development	0	22,363	Underachievement of Community Lottery income which started in July but budgeted for full year.
Community & Wellbeing	Health Promotion	(4,600)	0	Savings: service outsourced
Community & Wellbeing	Grants	(14,814)	0	Fewer than expected grant payments to 3rd parties.



Service Area	Team	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Community & Wellbeing	Recreation & Leisure	0	1,630	Shortfall in funding to BDC for Physical Activity/ Health Work.
Community & Wellbeing	Multicultural	(300)	0	N/A
Community & Wellbeing	Swimming Pools & Leisure Centre	0	463,442	Income shortfall on the leisure management fee income previously reported an overspend external contractor costs.
Community & Wellbeing	Crime and Disorder Partnership	(58,448)	0	Unbudgeted cumulative CSP funding for 2021-24 and <b>£(51)K</b> and <b>£(22)K</b> saving on OPCC Youth prevention work.
Community & Wellbeing	Civil Contingencies and Emergency Planning	0	952	Contribution to the local resilience forum.
Community & Wellbeing	Children and Young Persons	(1,500)	0	Overspend on youth boxing sessions which will be fully funded by YEA grant in grants reserve.

Service Area	Team	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Corporate Assets	Allotments	(1,744)	0	Savings: lower water consumption in winter months.
Corporate Assets	Sports Grounds	0	19,202	Overspends mainly from higher utility costs and a reduced hire income.
Corporate Assets	Freer Community Centre	0	21,505	Overspends mainly from higher utility costs and a reduced hire income.
Corporate Assets	Sheila Mitchell Pavilion	0	1,323	Higher utility costs.
Corporate Assets	Walter Charles Centre	(2,094)	0	Higher utilisation
Corporate Assets	Cemeteries	0	53,652	Mostly from reduced fees income.
Corporate Assets	Public Conveniences	0	1,144	Higher utility costs.
Corporate Assets	Car Parks	(10,749)	0	Slightly higher parking income than expected.

Service Area	Team	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Corporate Assets	Borough Engineering	(4,932)	0	Reactive maintenance for various items of street furniture. Low demand this year.
Corporate Assets	Street Cleansing	0	8,133	Overspends on supplies and services.
Corporate Assets	Grounds Maintenance	0	13,011	Mainly salary overspends: pay award and overtime costs.
Corporate Assets	Facilities Management Holding Account	0	45,884	Salary costs: SLT approved recruitment of Manager mostly financed by savings from an apprentice vacancy and services/supplies savings.
Corporate Assets	Structural Maintenance	(2,409)	0	Underspend on repairs now that Bushloe House vacant.
Corporate Assets	Bushloe House Offices and Grounds	0	76,270	Delays in sale, incurred utility costs (under investigation).
Corporate Assets	Brocks Hill Move	0	83,371	Moving costs, utilities and maintenance of new conferencing system.

Service Area	Team	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Corporate Assets	Brocks Hill	(2,954)	0	Underspend due to reduction in supplies and services costs.
Corporate Assets	Land Drainage	(93)	0	N/A
Depot	Domestic Refuse Collection	0	47,907	Overspend due to contractual payments for working bank holidays.
Depot	Recycling Collection	0	12,668	Overspend due to contractual payments for working bank holidays.
Depot	Recycling Disposal	(1,201)	0	Increased income from recycling and textiles collection.
Depot	Waste Minimisation	0	1,802	Overspend due to contractual payments for working bank holidays.
Depot	Garden Waste Collection	0	3,648	Lower revenue from garden waste.
Depot	Mechanics Workshop	(1,027)	0	Vacancy saving
Depot	Oadby Depot	0	1,777	Underspends in services and supplies.

Service Area	Team	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Depot	Fleet Management	0	11,508	Unexpected vehicle repairs.
	Net Forecast (Under)/Overspend	<b>(106,865)</b> 902,238	<b>1,009,193</b>	

## 6 Customer Service & Business Transformation

Service Area	Underspend OR Income over-recovery (-) £	Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
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Information & Public Relations	(23,435)	0	Event programme delivered under anticipated budget. Less need for external communications expertise/graphic design skills than anticipated.
Customer Services	(28,670)	0	Savings resulting from reduction in provision for software.
Head of Customer Services & Transformation	0	3,321	Pay Award pressure.
Customer Service Improvement	0	517	Pay Award pressure.
Telephones	0	7,837	Increase in calls.
Mobile Phones	0	2,504	Increased contract cost subject to contract review.
Human Resources	(4,385)	0	Salary/corporate training savings.
Net Forecast (Under)/Overspend	<b>(56,490)</b>	<b>14,179</b>	
	<b>(42,312)</b>		

## 7 HRA Recharges

Service	Variance £'000	Reason for variance
HRA Recharges	-	Not applicable – balanced position

## 8 Capital Financing

Service Area	Forecast Underspend OR Income over-recovery (-) £	Forecast Overspend OR Income under-recovery (+) £	Key reasons for forecast variance
Capital Financing	(418,998)		Savings in capital financing charges due to £(343)K MRP savings, £(29)K savings from interest payable due to slippage, £(47)K additional interest receivable due to interest rate increases.
Net Forecast (Under)/Overspend	<b>(418,998)</b>	-	

### APPENDIX 1.2: Movements from Q3 to Q4

Service	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement
Senior Leadership Team	(35,013)	(65,537)	(30,525)	adverse
Finance & Resources (Including Corporate Budgets)	359,520	491,196	131,677	favourable
Law & Democracy	50,210	65,553	15,344	favourable
The Built Environment	(352,402)	(208,324)	144,078	favourable
Community & Wellbeing, Corporate Assets, Depot	902,328	729,963	(172,365)	adverse
Customer Service & Business Transformation	(42,312)	(33,865)	8,447	favourable
Capital Financing	(418,998)	(415,728)	3,270	favourable
<b>Total</b>	<b>463,333</b>	<b>563,258</b>	<b>99,926</b>	<b>favourable</b>

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment
Senior Leadership Team	Corporate Costs	5,028	(33,718)	(38,746)	adverse	Cost brought forward from previous COVID marshal expenses.
	Senior Leadership Team	(40,041)	(31,820)	8,221	favourable	Savings on Strategic Director posts due to changes in post holders.
Finance & Resources (Including Corporate Budgets)	Corporate Management	68,514	58,984	(9,530)	adverse	£18K Health insurance £18K, sundry debt write offs etc £36K, £6K apprentice levy underbudgeted.
	Vacancy Target	166,099	119,299	(46,800)	adverse	Corporate vacancy savings target removed.



Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse / Favourable Movement	Comment
	Non-Distributed Costs	(5,789)	0	5,789	N/A	Pension added years from LGPS
	Internal Audit	(4,050)	0	4,050	favourable	Savings on costs
	Finance	(30,210)	19,488	49,698	favourable	£(37)K vacancy savings, £6K professional service costs (CIVICA, LG Futures)
	Photocopiers	(14,499)	(1,685)	12,814	favourable	
	Postage	814	(100)	(914)	adverse	Postage slightly greater than expected.
	Emergency Callout	1,940	2,050	110	favourable	
	Insurance	36,808	0	(36,808)	adverse	Impact of inflation
	Council Tax	18,904	15,744	(3,160)	adverse	Hired staff to cover for vacancies after promotion and a resignation.
	Non-Domestic Rates	(35,678)	(36,460)	(782)	adverse	Vacancy savings
	Housing Benefit	(1,725)	(9,364)	(7,639)	adverse	Excess new Burdens Grant received.
	Benefits Team	24,398	5,272	(19,127)	adverse	Pay award and team restructure.
	Net Cost of Benefit	264,140	354,659	90,519	favourable	Mainly homeless costs for temporary accommodation offset by improved recovery of overpayments
	Head of Finance, Revenues & Benefits	(39,809)	(20,180)	19,629	favourable	Improved savings on salaries due to team restructure, including travel costs.
	ICT	(39,478)	39,210	78,688	favourable	Vacancy savings
	Systems Administration	(27,236)	(30,151)	(2,916)	adverse	Vacancy savings (post frozen from August 2023).
	Corporate Projects	(23,624)	(25,569)	(1,945)	adverse	Salary savings from part-time working.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment
Law & Democracy	Non service-specific	32,000	32,000	0	N/A	The full cost of staff in the Environmental Health Admin & Enforcement budget was not fully reflected. As reported previously.
	Environmental Health Administration / Enforcement	22,511	17,422	(5,089)	adverse	£12K Unbudgeted Apprentice post and £2K Pay Awards, £8K overspend on Air Quality equipment.
	Environmental Protection	(7,373)	(1,000)	6,373	favourable	Savings due to fewer vehicles being abandoned than expected.
	Pest Control	0	0	0	N/A	N/A
	Dog Control	(119)	0	119	favourable	N/A
	Health and Safety	2,024	1,657	(367)	adverse	Pay Award pressure and additional costs for First Aiders.
	Local Land Charges	403	400	(3)	adverse	Inflationary increase in cost of outsourcing service not budgeted for.
	Democratic Representation & Management	1,258	9,939	8,681	favourable	Mostly Pay Award
	Register of Electors	(21,919)	(15,034)	6,885	favourable	Savings achieved from postage recharges.
	Election Expenses	4,726	18,955	14,230	favourable	Increased staff costs at polling station to assist with introduction of voter ID offset by gov't grants provided elsewhere (Finance).
	Externally funded elections	0	0	0	N/A	N/A
	Legal & Admin Service	(2,535)	(6,637)	(4,103)	adverse	Professional costs offset by cost awards made.
	Taxi Licences	(37,422)	(28,373)	9,049	favourable	Additional income from new drivers' licences.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse / Favourable Movement	Comment
	Other Licences	(830)	(4,550)	(3,720)	adverse	Exceeded expectations on some of the minor licences.
	Alcohol and Entertainment Licences	(27,549)	(30,090)	(2,541)	adverse	Mostly due to recovery of historical uncollected premises licences.
	Gambling Act Fees	3,293	1,108	(2,185)	adverse	Refund of duplicated payment from 22/23
	Selective Property Licensing Scheme	121,477	112,357	(9,120)	adverse	Mainly from underachieved income from Private Landlord Property licences.
	Licensing Service	(39,736)	(42,601)	(2,865)	adverse	Due to £(32)K salary, £(2)K grant funding and £(5)K subscription changes recharged elsewhere.
The Built Environment	Environment Strategy	(43,344)	0	43,344	favourable	Correction of revenue overspend in previous years due to incorrect split between capital and revenue grant funding.
	Building Control	1,000	0	(1,000)	adverse	No cost, no income.
	Building Control Section	36,152	15,493	(20,659)	adverse	Due to economic downturn and cost of living crisis there is a shortfall in anticipated income resulting from contributions to the delegated Leicestershire Building Control Partnership.
	Planning Control	58,504	76,120	17,616	favourable	Mostly £43K from unachieved planning income, and £15K salary pressures and minor variances.
	Planning Policy	(63,750)	(7,626)	56,124	favourable	Surplus arose from grant to fund expenditure across difference services.
	Planning Section	(2,853)	(933)	1,921	favourable	Savings on professional fee payments for planning section.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment
	Economic Development	(96,331)	(82,938)	13,392	favourable	£(73)K due to some salary capitalisation not achieved, pressure from Pay Award mitigated by vacancy savings on Economic Regeneration Manager and 2x Officers, and £(18)K savings from costs charged elsewhere, £(6)K savings on town events being funded.
	UK Shared Prosperity Fund	0	0	0	N/A	N/A
	Private Housing	25,000	0	(25,000)	adverse	Management part of Lightbulb Project costs covered by the Council.
	Climate Change **new	583	1,682	1,100	favourable	Shared service costs.
	Homelessness	(281,378)	(226,757)	54,622	favourable	Mainly from additional homeless grants income and housing benefit receipts.
	Belmont House Hostel	5,878	8,990	3,111	favourable	£3K overspend on gas central heating. £1K overspend on maintenance of fire & security alarms. £2K overspend on management & supervision costs.
	Rent Plus	96	(609)	(705)	adverse	Retained management fee.
	Improvements for People with Disabilities	0	0	0	N/A	N/A
	Boulter Crescent Flat	1	0	(1)	adverse	N/A
	Cleaning Contract	8,041	8,254	214	favourable	Pressure from salary increases and travel between sites.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment
Community & Wellbeing, Corporate Assets, Depot	Non service-specific	118,000	118,000	0	adverse	Error in the detailed budget setting when the transfer of the Community Wellbeing function to Blaby was reflected (the cost of transferring the service to Blaby remains as previously presented and agreed by members). This was reported at Q1.
	Community Development	22,363	10,437	(11,926)	adverse	Underachievement of Community Lottery income which started in July but budgeted for full year.
	Health Promotion	(4,600)	(4,600)	0	adverse	Savings: service outsourced
	Grants	(14,814)	(12,944)	1,870	favourable	Fewer than expected grant payments to 3rd parties.
	Recreation & Leisure	1,630	10,755	9,125	favourable	Shortfall in funding to BDC for Physical Activity/ Health Work.
	Multicultural	(300)	0	300	N/A	N/A
	Swimming Pools & Leisure Centre	463,442	260,206	(203,236)	adverse	Income shortfall on the leisure management fee income previously reported an overspend external contractor costs.
	Crime and Disorder Partnership	(58,448)	(10,647)	47,801	favourable	Unbudgeted cumulative CSP funding for 2021-24 and £(51)K and £(22)K saving on OPCC Youth prevention work.
	Civil Contingencies and Emergency Planning	952	(548)	(1,500)	adverse	Contribution to the local resilience forum.
	Children and Young Persons	(1,500)	3,936	5,436	favourable	Overspend on youth boxing sessions which will be fully funded by YEA grant in grants reserve.
	Sports & PA Comm Working Budget	0	0	0	N/A	N/A
	Allotments	(1,744)	(1,351)	393	favourable	Savings: lower water consumption in winter months.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment
	Sports Grounds	19,202	19,753	551	favourable	Overspends mainly from higher utility costs and a reduced hire income.
	Freer Community Centre	21,505	12,358	(9,147)	adverse	Overspends mainly from higher utility costs and a reduced hire income.
	Sheila Mitchell Pavilion	1,323	909	(414)	adverse	Higher utility costs.
	Walter Charles Centre	(2,094)	985	3,079	favourable	Higher utilisation
	Cemeteries	53,652	57,140	3,488	favourable	Mostly from reduced fees income.
	Public Conveniences	1,144	(1,023)	(2,167)	adverse	Higher utility costs.
	Car Parks	(10,749)	4,359	15,108	favourable	Slightly higher parking income than expected.
	Borough Engineering	(4,932)	(4,007)	925	favourable	Reactive maintenance for various items of street furniture. Low demand this year.
	Street Cleansing	8,133	1,317	(6,816)	adverse	Overspends on supplies and services.
	Grounds Maintenance	13,011	13,751	740	favourable	Mainly salary overspends: pay award and overtime costs.
	Facilities Management Holding Account	45,884	9,035	(36,849)	adverse	Salary costs: SLT approved recruitment of Manager mostly financed by savings from an apprentice vacancy and services/supplies savings.
	Structural Maintenance	(2,409)	(15,100)	(12,691)	adverse	Underspend on repairs now that Bushloe House vacant.
	Bushloe House Offices and Grounds	76,270	70,654	(5,615)	adverse	Delays in sale, incurred utility costs (under investigation).
	Brocks Hill Move	83,371	72,205	(11,166)	adverse	Moving costs, utilities and maintenance of new conferencing system.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment
	Brocks Hill	(2,954)	136	3,090	favourable	Underspend due to reduction in supplies and services costs.
	Land Drainage	(93)	0	93	favourable	N/A
	Domestic Refuse Collection	47,907	60,375	12,468	favourable	Overspend due to contractual payments for working bank holidays.
	Recycling Collection	12,668	18,882	6,214	favourable	Overspend due to contractual payments for working bank holidays.
	Recycling Disposal	(1,201)	(916)	285	favourable	Increased income from recycling and textiles collection.
	Waste Minimisation	1,802	1,520	(283)	adverse	Overspend due to contractual payments for working bank holidays.
	Garden Waste Collection	3,648	7,325	3,677	favourable	Lower revenue from garden waste.
	Mechanics Workshop	(1,027)	1,165	2,192	favourable	Vacancy saving
	Oadby Depot	1,777	(12,917)	(14,694)	adverse	Underspends in services and supplies.
	Fleet Management	11,508	38,813	27,305	favourable	Unexpected vehicle repairs.
<b>Customer Service &amp; Business Transformation</b>	Information & Public Relations	(23,435)	(25,553)	(2,118)	adverse	Event programme delivered under anticipated budget. Less need for external communications expertise/graphic design skills than anticipated.
	Customer Services	(28,670)	(11,462)	17,208	favourable	Savings resulting from reduction in provision for software.
	Head of Customer Services & Transformation	3,321	5,924	2,603	favourable	Pay Award pressure.
	Customer Service Improvement	517	2,738	2,221	favourable	Pay Award pressure.
	Telephones	7,837	0	(7,837)	adverse	Increase in calls.

Service	Team	Variance at Q4	Variance at Q3	Q3 to Q4 Movement	Adverse /Favourable Movement	Comment	
	Mobile Phones	2,504	0	(2,504)	adverse	Increased contract cost subject to contract review.	
	Human Resources	(4,385)	(5,512)	(1,126)	adverse	Salary/corporate training savings.	
<b>Capital Financing</b>		0	(418,998)	(415,728)	3,270	favourable	Savings in capital financing charges due to £(343)K MRP savings, £(29)K savings from interest payable due to slippage, £(47)K additional interest receivable due to interest rate increases.
<b>TOTAL</b>		<b>463,333</b>	<b>563,258</b>	<b>99,926</b>			