

**Reasons for increases or decreases of over £5,000 between the 2019/20 initial budget and proposed 2020/21 budget for services in Policy & Finance Committee**

<b>Variances between 2019/20 initial budget and proposed 2020/21 budget by service (cost centre)</b>	<b>Increase or (Decrease) in budget (£m)</b>
<b>Internal Audit:</b> The majority (£0.014m) of this decrease relates to a reduction in the number of internal audit days scheduled for the council in the 2020/21 draft plan.	(0.012)
<b>Human Resources:</b> The majority (£0.019m) of this increase relates to an increase in the proportion of the business manager's time charged to this cost centre, as well as expected increases in basic pay (2%) and the council's pension contributions (3.1%).	0.014
<b>Committee Section:</b> The majority (£0.015m) of this increase relates to an increase in the grade of the democratic services assistant post, as well as expected increases in basic pay (2%) and the council's pension contributions (3.1%).	0.014
<b>Legal Section:</b> The majority (£0.057m) of this increase relates to making permanent a senior legal officer post which had previously been on a two-year fixed-term contract (FTC), as well as expected increases in basic pay (2%) and the council's pension contributions (3.1%). The other main change is a reduction (£0.019m) in the costs expected to be recharged to the Housing Revenue Account (HRA), in line with the council's capital development programme.	0.075
<b>Central Personnel Expenses:</b> The majority (£0.025m) of this decrease relates to a reduction in the number of apprentices budgeted for, as the FTCs of some of the apprentices have either ended or are scheduled to end in 2019/20.	(0.024)
<b>Information Governance:</b> The majority (£0.009m) of this increase relates to expected increases in basic pay (2%) and the council's pension contributions (3.1%). The other main change is the creation of an income budget (£0.002m) for charging Arkwood Developments Ltd.	0.006
<b>Senior Leadership Team (SLT):</b> The majority (£0.092m) of this increase is the net effect of an increase in employee costs (£0.286m) and associated income (£0.194m) from recharging these employee costs, primarily to capital (£0.083m), the HRA (£0.089m) and Arkwood (£0.023m). The majority of the increase in employee costs relates to the creation of capital and corporate projects manager posts, a director of housing post and expected increases in basic pay (2%) and the council's pension contributions (3.1%).	0.090
<b>Financial Services:</b> The majority (£0.191m) of this increase relates to the centralisation of all council insurance budgets into this service. Other main changes include a reduction (£0.018m) in expected consultancy costs, particularly treasury management support; an increase in employee and agency costs (£0.020m) and net reduction (£0.019m) in expected recharge income, particularly from the HRA.	0.221
<b>Organisational Development:</b> The majority (£0.016m) of this decrease relates to the removal of the 2019/20 budget for maternity cover costs (£0.027m), partly offset by an increase in employee costs related to expected increases in basic pay (2%) and the council's pension contributions (3.1%).	(0.016)
<b>Procurement:</b> This increase relates to expected costs for the ProContract procurement portal (£0.002m); an inflationary increase to the expected costs for the council's outsourced procurement service (£0.002m); and a reduction in expected income from recharging the HRA (£0.002m).	0.007
<b>Administration Services:</b> The majority (£0.004m) of this decrease relates to the removal of the insurance recharge budget as part of the centralisation of insurance	(0.005)

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recharge budgets.	
<b>Council Tax:</b> The majority (£0.056m) of this decrease relates to the apportionment of 55% of the costs of the business manager post to other services (£0.036m) and an increase in expected income from Court Summons (£0.020m).	(0.062)
<b>Rent Allowances:</b> This decrease relates to both a reduction in expenditure, as the implementation of Universal Credit (UC) results in the Department for Work & Pensions (DWP) rather than the council paying the housing benefit (HB)-related costs for non-council tenants, and an increase in the proportion of this expenditure recoverable from DWP.	(0.083)
<b>Rent Rebates:</b> The majority (£0.052m) of this decrease relates to both an increase in expenditure, as the value of expected rent increases outweighs the value from reductions in the number of council tenants for whom the council (rather than the DWP) expects to pay HB-related costs, and an increase in the proportion of this expenditure recoverable from DWP. The other main decrease (£0.012m) is an increase in the value of HB overpayments the council expects to recover.	(0.064)
<b>Housing Benefit Administration:</b> The majority (£0.074m) of this increase is in employee costs (£0.035m) and a reduction in the value of expected grants from DWP (£0.039m). The majority (£0.033m) of the increase in employee costs relates to the apportionment of 50% of the costs of the business manager post to this service. Other main changes include the removal of the budgets for agency staff (£0.008m) and insurance (£0.004m) (as part of the centralisation of insurance recharge budgets) and a reduction in the expected costs of computer software maintenance (£0.006m).	0.057
<b>Business Rates Property Unit:</b> This increase is because the service did not exist in 2019-20. As the lead authority for the project, the council has created two property inspector posts to identify businesses in four Nottinghamshire district councils (including NSDC) that are not paying as much business rates as they should. The council incurs 100% of the costs, though recovers 75% of this from the other authorities (25% from each authority).	0.019
<b>Risk Management:</b> The majority (£0.021m) of this decrease relates to changes in the proportions of certain posts coded to this cost centre and expected increases in basic pay (2%) and the council's pension contributions (3.1%). The other main decrease (£0.008m) is in recharge income from the HRA.	(0.014)
<b>Castle House:</b> The majority (£0.062m) of this increase is the net effect of reduced income (£0.029m), largely based on the current occupancy of council partners; an increase in electricity costs (£0.016m); and an increase in employee costs (£0.017m), largely because of the creation of an additional part-time facilities management officer post (£0.015m).	0.058
<b>Corporate Property:</b> The majority (£0.006m) of this decrease is the net effect of increased income (£0.041m), particularly from recharging capital (£0.014m), the HRA (£0.011m) and Active4Today (£0.013m); largely offset by a net increase in employee and agency costs (£0.022m) and the transfer of rent payments for Farrar Close to this cost centre (£0.012m).	(0.007)
<b>Commercialisation &amp; Major Projects:</b> The majority (£0.079m) of this decrease relates to increased income from recharging the HRA (£0.075m) and Arkwood (£0.004m). The other main change is an increase in employee costs (£0.016m) related to an honorarium expected to be payable and expected increases in basic pay (2%) and the council's pension contributions (3.1%).	(0.064)
<b>Other Financial Transactions:</b> This decrease is because the council assumes it will	(0.040)

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save the same percentage in <b>Error! Reference source not found.</b> from posts being vacant (3.5%) as in 2019/20, and as total <b>Error! Reference source not found.</b> salary costs are greater than total 2019/20 salary costs. As it is not known which services will have vacancies next year, the total council-wide savings expected from vacant posts is accounted for on this cost centre.	
<b>Corporate Management:</b> The majority (£0.014m) of this decrease relates to a reduction in expected audit fee costs.	(0.018)
<b>Combined Service Costs:</b> The majority (£0.006m) of this increase relates to inflationary increases expected for hybrid mail licence costs.	0.007
<b>New Burden Council Tax Reform:</b> In the year (2018/19) when the council received this grant from DWP, it was unable to spend the entire grant amount. The unspent amount was transferred to reserves at year-end so that it could be spent in future years. This budget represents the amount the council expects to spend in 2020-21 to be funded from the reserve previously created.	0.035