

BUDGET MONITORING - KEY SERVICE AREAS 2013/14
1 APRIL 2013 - 31 DECEMBER 2013

APPENDIX B

Main Code	Service Area	Latest Approved Budget £	Budget to Period 9 £	Adjusted Actual to Period 9 £	-----Variance----->		Projected Full Year Variance () = Favourable £		
					Adverse £	Favourable £			
	General Expenses								
	<u>EXPENDITURE</u>								
050	Waste Management Contractor Costs	2,019,400	1,342,933	1,339,423		3,510	6,000	☺	£5.5k is expected re house number increases for 2013.14. VOs remain low and will be monitored during the remainder of the year. Current forecast is based on VOs staying at this level and the house number increase being in line with that expected. Note: any underspend will help to reduce any shortfall in the £44k re top up tonnages from 12/13 (as mentioned in income line below)
372	Rent Rebates - Non HRA	17,580	87,390	87,390		-	0	☺	The projected year end position reflects an increase in predicted subsidy (85.00% budgeted, 97.85% predicted). The most likely reason for the increase is the lower usage to date of bed and breakfast accommodation which attracts lower subsidy, an element of which would have been factored into the original subsidy % prediction. However due to the volatile nature of benefit subsidy generally and the fact that levels of B&B usage may rise, caution should be exercised with regard to any predictions made. In addition we have recently been advised of a potential repayment of subsidy following the audit of the 2012-13 benefit subsidy claim in the region of £29,000 which will impact on the overall benefit position. The overall position of this service is broadly offset with that for the HRA element of rent rebates and so for simplicity the two have been shown with no variation at the year end to reflect that virements could be actioned between the two to address any variations.
373	Rent Rebates-HRA Properties (Net)	(23,980)	(117,985)	(184,236)		66,251	0	☺	The projected year end position reflects an increase in predicted subsidy (99.32% budgeted, 98.54% predicted). However due to the volatile nature of benefit subsidy generally caution should be exercised with regard to any predictions made. In addition we have recently been advised of a potential repayment of subsidy following the audit of the 2012-13 benefit subsidy claim in the region of £29,000 which will impact on the overall benefit position.
375	Rent Allowance Payments (Net)	(30,970)	(37,972)	17,243	55,215		(15,647)	☺☺	The projected year end position reflects an increase in predicted subsidy (99.32% budgeted, 98.54% predicted). However due to the volatile nature of benefit subsidy generally caution should be exercised with regard to any predictions made. In addition we have recently been advised of a potential repayment of subsidy following the audit of the 2012-13 benefit subsidy claim in the region of £29,000 which will impact on the overall benefit position.

BUDGET MONITORING - KEY SERVICE AREAS 2013/14
1 APRIL 2013 - 31 DECEMBER 2013

APPENDIX B

Main Code	Service Area	Latest Approved Budget £	Budget to Period 9 £	Adjusted Actual to Period 9 £	Variance		Projected Full Year Variance () = Favourable £
					Adverse £	Favourable £	
General Expenses							
410	Homelessness	141,480	124,700	120,706		3,994	0
470	Parkside	574,520	388,853	378,407		10,446	0
685	Council Tax Benefit Payments (Net)	(36,530)	1,798	11,567	9,769		(22,393)
Total Expenditure		2,661,500	1,789,717	1,770,500	64,984	84,201	(32,040)

The level of people being assisted remains high although pro-active prevention work is reducing the number being placed in Bed and Breakfast and currently we have needed to make limited usage of B&B this year. At present the financial position appears ok but the levels of homelessness and potential financial impact is subject to constant review. The successful management of the service in 2012/13 meant that no monies were needed from the Mortgage Rescue Programme grant monies and this remains available to mitigate any financial impact that may arise. The year end position thus assumes no financial impact whilst these monies remain available.



There are no concerns at present



Although Council Tax benefit is no longer being granted there is a potential impact in this year associated with adjustments made in respect of benefit awarded or related to prior years (principally clawback of benefit or additional entitlement). The year end prediction reflects this potential impact as it stands in the current year.

BUDGET MONITORING - KEY SERVICE AREAS 2013/14
1 APRIL 2013 - 31 DECEMBER 2013

APPENDIX B

Main Code	Service Area	Latest Approved Budget	Budget to Period 9	Adjusted Actual to Period 9	-----Variance----->		Projected Full Year Variance
		£	£	£	Adverse £	Favourable £	() = Favourable £

General Expenses
INCOME

050	Waste Management Income	836,430	575,311	442,513	132,798		0	☺	Current variances shown are mainly due to timing of invoices, i.e. awaiting adjustment credits for dry recycling and green waste credits for September, October, November and December. Green waste credits continue to perform well but it is expected that this increase will decline for the remainder of the year due to weather conditions. Co-mingled waste remains in a positive position against the processing costs. The value per tonne for the last quarter has increased from £70.17 to £72.45. Some of the current surpluses will be mainly offset by additional processing costs as a result of the additional tonnages and the shortfall in dry recycling credits as previously reported. Part of the current variance shown is due to a reserve which was raised in 2012/13 for £44k re the "top up" for the guaranteed tonnages under year one of the new contract. This invoice has not yet been raised as Biffa are disputing the value and discussions are underway to resolve this. This issue is currently with legal.
120	Car Park Income	568,670	414,248	422,541		8,293	0	☺	Parking fees continue to exceed budget expectations. Should the trend continue, this is expected to offset the shortfall in staff parking and the potential shortfall in PCN income as risks around PCN income remain. Forecast based on information received up to end of December. The MMMP have written to request a change in fees paid on the tavern and exhibition hall. The outcome is awaited but it is possible that it will adversely affect the cattle market income at least in the short term. Current forecast shown is based on receiving half of the agreement amount (i.e. 6% and 6.25% instead of 12% and 12.5%). This forecast will be updated as further information becomes available. The current forecast also shows the reduction in income received to date against budget. It should be noted that in total (excluding the tavern and exhibition hall) income received for periods 1-9 has reduced by £16.5k against that received in 12/13. Responses re the reduction in income are still awaited from the market partners. The projected full year variance is based on the assumption that the current decline continues for the remainder of the year.
300	Cattle Market Income	424,820	248,529	229,228	19,301	-	70,250	☹	
340	Planning Application Fees	333,120	244,929	324,418		79,489	0	☺	Income is currently exceeding expectation due to a number of major applications received during the year. Forecast is worse case scenario with the potential to receive up to an additional £40k.
355	Building Control Fees	148,600	111,470	110,350	1,120	-	0	☺	Income levels in period 9 were below that expected. It is anticipated that income will meet budget at the year end.

BUDGET MONITORING - KEY SERVICE AREAS 2013/14
1 APRIL 2013 - 31 DECEMBER 2013

APPENDIX B

Main Code	Service Area	Latest Approved Budget	Budget to Period 9	Adjusted Actual to Period 9	-----Variance----->		Projected Full Year Variance	()	=	Favourable
		£	£	£	Adverse £	Favourable £	£			
General Expenses										
470	Parkside Income	357,240	337,675	337,991		316	0	☺		Women's Aid have handed in their notice which will be effective from 1st February 2014, officers are reviewing to see if any arrangements can be made to keep them in occupation at the present time the assumption has been made that they will vacate.
472	Phoenix House Income	109,130	86,348	53,014	33,334		13,920	☹		VAM will vacate on 31st March 2014. Driving Standards Agency and East Midlands Ambulance Service are now occupying. There are assumed to be no further daily lettings this financial year.
570	Industrial Estates - Rents	125,350	93,068	87,952	5,116	-	6,460	☹		Leases have now been finalised on a number of units providing further detail on the rents receivable, including rent free periods for new leases. Unit 82 was also given a rent free period as it required works to be completed. This and vacancy periods are the basis for the forecast year end position. Also unit 64 arrears written off due to new lease agreement. Unit 80 remains vacant and is not expected to be let by the year end
730	Retained Business Rates	1,216,070	1,216,070	1,208,000	8,070		0	☺		The predicted position of 0 takes into account the expected level of appeals in the year as well as the recent payment from government for the small business rate relief, although this amount is not confirmed as the final payment for the year.
	Total Income	4,119,430	3,327,648	3,216,007	199,739	88,098	90,630			
	Net Position	-1,457,930	-1,537,931	-1,445,507	264,723	172,299	58,590			
730	Collection Fund Surplus/Deficit				0		-2,590	☺☺		Predicted amount of collection fund surplus attributable to MBC which will impact on Council Tax setting for 2014/15 based on information provided to LCC as part of the monthly monitoring of Council Tax and Business Rates.