

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

Main Code	Service Area	Latest Approved Budget	Budget to Period 5	Adjusted Actual to Period 5	Variance		Projected Full Year Variance () = Favourable	£	
					Adverse	Favourable			
		£	£	£	£	£	£	£	
General Expenses									
<u>EXPENDITURE</u>									
050	Waste Management Contractor Costs	2,009,940	678,420	669,551		8,869	0	☺	Baxters(0.78%) has not yet been applied to invoices. There will also be a charge for the increase in number of houses for which no allowance was made (as reported in 12/13). However, this shortfall is expected to be covered by additional income that is expected to be generated by current material sales values and the continued tonnages of mixed recyclables being collected, both of which exceed budgeted levels, together with the saving in Baxters compared to that budgeted for.
372	Rent Rebates - Non HRA	17,480	48,550	48,550		-	(15,462)	☺☺	The projected year end position reflects an increase in predicted subsidy (85.00% budgeted, 97.11% predicted). The most likely reason for the increase is the lower usage to date of bed and breakfast accomodation 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.
373	Rent Rebates-HRA Properties (Net)	(30,620)	(9,992)	(86,124)		76,132	(3,012)	☺☺	The projected year end position reflects an increase in predicted subsidy (99.32% budgeted, 99.41.% predicted). However due to the volatile nature of benefit subsidy generally caution should be exercised with regard to any predictions made.
375	Rent Allowance Payments (Net)	(45,100)	(14,517)	(108,424)		93,907	(51,571)	☺☺	The projected year end position reflects an increase in predicted subsidy (99% budgeted, 100% predicted). However due to the volatile nature of benefit subsidy generally caution should be exercised with regard to any predictions made.
410	Homelessness	141,480	54,770	48,384		6,386	0	☺	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.
470	Parkside	572,520	265,662	244,922		20,740	0	☺	Expenditure is anticipated to be in line with budget.
685	Council Tax Benefit Payments (Net)	0	0	0		-	(35,572)	☺☺	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.
Total Expenditure		2,665,700	1,022,893	816,859	0	206,034	(105,617)		

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

Main Code	Service Area	Latest Approved Budget	Budget to Period 5	Adjusted Actual to Period 5	Variance		Projected Full Year Variance	
					Adverse	Favourable		
		£	£	£	£	£	() = Favourable	
General Expenses INCOME								
050	Waste Management Income	820,130	287,548	235,885	51,663		0 ☺	Current variances mainly shown due to timing of invoices, i.e. awaiting adjustment credits for dry recycling and green waste for June-July. Green waste credits continue to perform well. Co-mingled waste is now in a positive position with the value per tonne received for the first quarter confirmed at £70.57 and £72.43 for the second quarter, compared to processing costs of £69.61. These small surpluses will be mainly offset by additional processing costs as a result of the additional tonnages but will still contribute towards shortfalls already identified, such as the house number increases referred to above in the contractor costs line. There is no indication at present that the material values may weaken. 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.
120	Car Park Income	566,920	236,059	232,266	3,793		0 ☺	PCN income shows a drop in the level of income expected from PCNs with review of the number of PCNs issued showing a significant drop. Discussions have taken place with HDC and LCC and they have advised that there is a drop of around 30% across the whole Borough. HDC have also confirmed that all Council's in the Harborough 5 PCN counts have declined and HDC are working closely with the County on this. Whilst the Burton Street works continues, staff parking remains free and therefore no income is being received. Burton Street works still appear to have little impact on the level of parking fees received with income received to date exceeding budget expectations to the value of approx £8k. Therefore forecast based on current car parking trends continuing and offsetting the fall in PCN and staff parking income.
300	Cattle Market Income	424,820	113,135	98,360	14,775		40,000 ☹	Current forecast variance at year end is based on receiving income in line with that received in 12/13 – as usual, factors at the cattle market are variable and this is deemed to be a realistic forecast. However, it should be noted that the latest information from cattle market partners is that income could be as much as 5% below that received in 12/13 (income is currently approx 8.7% below 12/13) The view of the cattle market partners is that many aspects of agriculture are approximately four weeks behind schedule. A number of aspects, as previously reported, have contributed to the decline particularly in animal auctions. The partners have investigated the tavern and exhibition hall income shortfalls and are currently looking at three different options on how to take these forward - with one option being to hand back to the Council for managing as they do not consider it to be a profitable part of their business.
340	Planning Application Fees	294,480	121,033	199,066		78,033	(30,000) ☺☺	Income is currently exceeding expectation due to a number of major applications received. A virement has also been completed to offset maternity cover and additional public inquiry costs.
355	Building Control Fees	148,600	61,963	70,326		8,363	0 ☺	Income levels are above expected. It is expected that this will balance out as the year progresses and therefore it is hoped that income will meet budget at year end. See attached narrative.
470	Parkside Income	356,680	193,034	197,431	(4,397)		0 ☺	JCP will occupy from October 2013. Women's Aid have handed in their notice which will be effective from 1st April 2014, officers are reviewing to see if any arrangements can be made to keep them in occupation. CAB have confirmed occupation for a further year to September 2014. It is anticipated the budget will be met.

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

Main Code	Service Area	Latest Approved Budget	Budget to Period 5	Adjusted Actual to Period 5	Variance		Projected Full Year Variance	()	
					Adverse	Favourable			
		£	£	£	£	£	£		
General Expenses									
472	Phoenix House Income	81,050	33,771	34,835		1,064	7,000	☹	There is a risk VAM will vacate this year, but it is currently assumed that the Driving Standards Agency will replace them. The year end position shown includes daily lettings income from Sainsburys (45 days usage); and Learn Direct rent (occupation commencing in September) The current proposals awaiting approval are to change the use of the ground floor (quasi rental off the Sainsburys frontage, as the current usage is not fit for purpose) and the first floor to a training facility, this may impact the year end position.
570	Industrial Estates - Rents	129,720	61,756	60,772	984		0	☺	Three lettings currently underway with one new vacancy (unit 80) coming. If complete should improve the income substantially and therefore it is expected to be in line with budget at the year end.
730	Retained Business Rates	1,216,070	1,216,070	1,227,750		11,680	-11,680	☺☺	The prediction takes into account the current business rates position of £1,228k compared to the revised budget position of £1,216k (£1,238k original less virement of £22k for our share of reliefs granted which is no longer required), and includes an estimate of additional rates from Sainsburys of £58k (less levy of 50% so £29k). In addition government arrangements for the granting of mandatory small business rate relief are as yet unknown and further advice is being sought. The small increase predicted is due to a reduction in the net cost of small business rate relief.
	Total Income	4,038,470	2,324,369	2,356,691	66,818	99,140	5,320		
	Net Position	-1,372,770	-1,301,476	-1,539,832	66,818	305,174	-100,297		
730	Collection Fund Surplus/Deficit					0	-10,509	☺☺	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.