

BUDGET MONITORING - KEY SERVICE AREAS 2015-16
1 APRIL 2015 - 31 JULY 2015

APPENDIX B

Main Code	Service Area	Latest Approved Budget £	Budget to Period 4 £	Adjusted Actual to Period 4 £	-----Variance-----		Projected Full Year Variance () = Favourable £		
					Adverse £	Favourable £			
General Expenses EXPENDITURE									
050	Waste Management Contractor Costs	2,066,390	547,708	539,066	0	8,642	(29,500)	☺☺	Baxters has not yet been applied to the invoices; it is expected that it will be finalised in August. There will be a decrease of 0.45% against a budgeted increase of 1% and therefore a saving which will be used to help to minimise the shortfall in income as below.
372	Rent Rebates - Non HRA	7,810	26,667	26,667	-	-	(7,234)	☺☺	Subsidy receivable is higher due to reclassification of properties previously treated as Non-HRA which were HRA, thereby reducing the number of claimants. In addition the number of claimants in B&B accommodation which attracts higher penalties due to the high cost of this accommodation is low at the present time.
373	Rent Rebates-HRA Properties (Net)	(55,330)	(12,776)	(102,068)	0	89,292	(14,975)	☺☺	Predicted subsidy receivable is higher due to the lower instances of claimant and Local Authority errors identified to date. This is unpredictable and can fluctuate as the year goes forward. Overpayments are also ahead due to proactive invoicing, we need a better understanding of these invoices to inform whether they are old (more likely to be written off) or new. Proactive collection now needs to be prioritised.
375	Rent Allowance Payments (Net)	(90,540)	(24,513)	(221,408)	-	196,895	(37,248)	☺☺	Predicted subsidy receivable is higher due to the lower instances of claimant and Local Authority errors identified to date. This is unpredictable and can fluctuate as the year goes forward. Overpayments are also ahead due to proactive invoicing, we need a better understanding of these invoices to inform whether they are old (more likely to be written off) or new. Proactive collection now needs to be prioritised.
410	Homelessness	79,120	37,347	42,687	5,340	0	7,500	☹	Employee costs are higher than budget due to additional posts being charged here, this is still to be reviewed. Bills for short term accommodation come in when the person leaves so when this is used as a longer term solution larger bills accrue and are paid in a larger lump. This also has a knock-on effect to the income as this cannot in turn be recharged until the invoice is received. The expectation is therefore that higher debtor invoices will be produced in P5.

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507	Environmental Maintenance	434,230	152,387	171,327	18,940	-	10,060	☹
<p>Use of standby staff to offset the high workload required during the spring and summer in order that acceptable standards are maintained. Also addition of cemetery assistant post for a three month period. Shortfall is estimated to be £12,560, £2.5k of which can be met from savings within the environmental maintenance budget as shown in the forecast, the remainder is currently expected to be covered by virements from elsewhere in August.</p>								
630	Me and My Learning	31,090	(214,890)	(41,907)	172,983		0	☺
<p>This is an evolving service, childcare links with Leics Adult Learning & GP surgeries are being investigated, which will utilise the Childcare budget. Current overspend due to ESF claim income profiled in q1, receipt received in p5. It is not currently anticipated there will be any variance to the budget</p>								
730	Retained Business Rates	253,255		288,338			35,083	☹
<p>This budget reflects the current situation with the levy. Although we are receiving more rates than forecasted, this will mean that we will have to pay out a larger levy this year. We will however, benefit from this increased rate income next year.</p>								
Total Expenditure		2,726,025	511,930	702,702	197,263	294,829	(36,314)	

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General Expenses

INCOME

050	Waste Management Income	697,180	171,581	154,716	16,865	-	102,830	☹	Anticipated shortfall of around £111k due to further declines in the value per tonne for commingled waste (Q1 £44.49 and Q2 £39.86) against budgeted value £62/tonne. This assumes the value for q2 remains for the rest of the year however initial indications are that there will be an increase but it is not yet clear if/when this will materialise. This shortfall is expected to be slightly reduced by additional dry recycling credits as a result of expected additional tonnages and other slight increases in income should they materialise. Note: July tonnage information not yet received.
120	Car Park Income	585,330	191,370	189,087	2,283	-	5,000	☹	Information received from HDC/LCC re the PCN income is showing estimated income of £30k against a budget of £44k. Officers have requested a comment from HDC/LCC explaining the reasons for the shortfall. Car parking income remains slightly under budget. It is still not possible to download all of the data from cale briparc to investigate the performance for any further comment as it is still not fully operational. Further analysis will be reported once resolved. Part of the shortfall is due to the loss of income from Play Close following the handing over to Town Estate. Also, HRA receive a proportionate share of total Chapel Street income due to the increase in spaces, however there has been no increase in income and therefore an additional shortfall in the car parking budget income.

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300	Cattle Market Income	332,680	55,093	51,251	3,842	-	6,280	☹	<p>It is not yet clear when the re-development works will commence due to grant funding, however an assumption has been made that the works will commence in January 2016 and therefore the forecast allows for 13 weeks of compensation payments to the Market Partners as per the agreement.</p> <p>July's information has not yet been received from the MMMP however, April - June returns show a further decline (of around £8k) in the income against that for the same period in 2014/15 and a decline in the number of animals. One reason provided by the MMMP is that over the last year there has been a 20% reduction in the value of sheep and the weak euro is impacting on prices generally. Whilst the budget had been reduced against 2014/15, there is still a potential shortfall in all areas and the projected forecast is based on the current trends continuing. Officers are monitoring the position and liaising closely with the MMMP to try and mitigate the impact and to analyse performance.</p>
340	Planning Application Fees	460,150	186,717	267,631		80,914	(30,000)	☺☺	<p>Income is slightly higher than budgeted for due to the number and nature of applications, i.e. some major applications have been received which attract the higher fee.</p>
355	Building Control Fees	151,320	50,440	49,527	913		0	☺	<p>Applications appear to have increased over the last month and include a couple of larger developments. This alongside an increase in commencements has resulted in an increase in income.</p>
470	Parkside Income	376,300	134,647	208,407		73,760	0	☺	<p>There are no changed circumstances for the occupiers that we are aware of at present, therefore it is currently anticipated the budget will be met</p>
472	Phoenix House Income	93,450	58,267	58,591		324	0	☺	<p>Melton College vacated their usage of the car park from 7th August. VAM will vacate on 21st August, it is not anticipated this area will be re-let this financial year. The shortfall on these two vacancies is offset by the occupation of the Venue on the ground floor. The year end position assumes all other tenants remain in occupation for the year.</p>
570	Industrial Estates - Rents	129,240	81,020	78,879	2,141		0	☺	<p>There are currently no vacancies expected, with all leases due to expire being renewed.</p>

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730	Council Tax Collection Fund Surplus/Deficit	(10,080)				0	(6,495) ☺☺
	Total Income	2,815,570	929,135	1,058,089	26,044	154,998	77,615
	Net Position	-89,545	-417,205	-355,387	223,307	449,827	41,301

Predicted amount of collection fund surplus/deficit attributable to MBC which will impact on Council Tax setting for 2016/17 based on information provided to LCC as part of the quarterly monitoring of Council Tax and Business Rates.