

BUDGET MONITORING - KEY SERVICE AREAS 2016-17
1 APRIL 2016 - 31 JULY 2016

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								
<u>EXPENDITURE</u>								
050	Waste Management Contractor Costs	2,041,020	680,340	510,753		169,587	0	☺ Although a slight saving is being shown against profiled budget it is expected that by the year end this will be in line with budget. There is currently one invoice outstanding.
372	Rent Rebates - Non HRA	2,860	14,000	14,000		0	8,470	☹ At the stage of budget setting, a number of claims were included under this budget which have since been re-defined under budgets Rent Rebates HRA and Rent Allowances. The claims that remain in this budget are those which attract less subsidy and this has resulted in the subsidy % falling to 77.07% against a budget of 93.19%. B&B and homelessness levels, which also affect this budget, have increased significantly and are expected to increase further.
373	Rent Rebates-HRA Properties (Net)	(51,210)	(17,070)	(31,377)		14,307	(69,080)	☺ Subsidy is currently higher than budgeted due to lower claimant errors than previously predicted which is having a positive influence on the budget. However, this is a highly volatile budget and can fluctuate - the position will continue to be closely monitored. The year end position on overpayments (which amounts to £25k of the projected variance) has been re-adjusted due to the level of invoices raised in relation to overpayments being reduced. DWP processes have also changed in relation to attachment to benefits which means that any invoices which are being paid in that way will have to be cancelled, this is because any overpayment will now be collected by a file sent from Northgate directly to the DWP rather than through raising of an invoice.. It should also be noted that for the overpayments raised if claimants return to benefits, the invoices will be cancelled.
375	Rent Allowance Payments (Net)	(98,790)	(32,930)	(109,066)		76,136	(6,240)	☺ Subsidy predicted is slightly higher than anticipated. The first four months have seen fluctuations and the position will continue to be closely monitored - at present there are no trends and no particular reason for the fluctuations. The year end position on overpayments has been re-adjusted in line with budget due to the level of invoices raised in relation to overpayments being reduced. DWP processes have also changed in relation to attachment to benefits which means that any invoices which are being paid in that way will have to be cancelled. It should also be noted that for the overpayments raised if claimants return to benefits, the invoices will be cancelled.

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410	Homelessness	119,960	47,987	45,129		2,858	7,730 ☹	During April-July there was long term B&B usage due to service demand and accommodation required for vulnerable persons (including a 16 year old), of which these costs are only partially recoverable. This particular case has now ended. However, there has been the requirement for emergency accommodation for families fleeing domestic violence of which high cost B&B accommodation is now being incurred due to a delay in voids and lack of available properties.
471	Customer Services	803,600	325,032	343,051	18,019		1,160 ☹	Redundancy costs as a result of bringing the FTEs back in line with the establishment. Partially offset by other savings within the existing budget such as essential user lump sum and uniforms.
507	Environmental Maintenance	390,440	138,042	113,280		24,762	0 ☺	Employee costs are lower than budget at the moment due to staff vacancies however this will be needed for standby staff completing the required duties. Some re-profiling of budget is required as many expenses are later in the year. It is expected that the budget will be met at year end.
730	Retained Business Rates	273,599	273,599	174,879	98,720		(98,720) ☺☺	Although levy is less than we initially predicted, this means we will not have to pay out as much money to the pool
	Total Expenditure	3,481,479	1,429,000	1,060,649	116,739	287,650	(156,680)	

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	<u>INCOME</u>						
050	Waste Management Income	744,130	248,043	145,056	102,987		23,000 ☹️
							Invoices for the first quarter have now been received, some conservative estimates have been made, at this point income is expected to be £23k lower than budget. This is mainly due to the dry recycling, the price per tonne is currently the same as 15/16, (£51.37), the tonnages have been forecast using 15/16 data which will result in £27k shortfall of income. This has been slightly offset by additional income in other areas such as street sweeping and comingled processing costs saving, however this is to be continually reviewed as the year progresses. It is currently thought the situation will improve as there are some reconciling items to be reviewed with regards to income from LCC.
120	Car Park Income	667,610	231,983	226,683	5,300		(35,000) 😊😊
							Another positive outcome for income on both short & long stay, averaging around 15% above last years income. The exception being St Marys way where the introduction of the 20 mins free stay on 9 spaces. The free stay spaces appear to be working well and there is sufficient income from other sites to amply cover any shortfalls.
300	Cattle Market Income	325,100	46,150	69,947		23,797	0 😊
							There is some surplus at present, the contractors on site have handed back some additional car parking, which will help to retain customer base at the market, however it does appear that there are a few profiling of budget issues that are being explored with the auctioneers this month. We expect a good month in September with two popular events. It is too early to predict a year end position given the volatility of the markets.
340	Planning Application Fees	501,150	167,050	304,516		137,466	(200,000) 😊😊
							The additional income reflects the additional quantity and nature of the applications received in quarter 1. The surplus suggests a possibility of £200k additional income at year end, this has been reinforced by the receipt of £95k relating to a single fee. However demand fluctuates during the year, also there some concerns of the Brexit agenda, this may result in a slow down in the development industry.

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355	Building Control Fees	156,070	52,023	53,905		1,882	0 ☺
							Whilst income is still at a slight surplus it has been noted that demand has fallen slightly. It is anticipated that additional income may be achieved following further marketing of the service. Assuming this can be achieved it is expected that the income will be as budgeted at the year end, however this will be closely monitored, as seasonal trends indicate a reduced workload towards the year end.
470	Parkside Income	324,060	210,721	211,306		585	0 ☺
							The budget is currently anticipated to be met. Discussions with LPT are taking place at a strategic level, it is currently assumed that they will vacate in accordance with their notice served last year. We are in discussions with CAB about introducing additional desk space and assessing the implications in terms of capital cost and additional rent. A paper went to MT on 15.8.16 with regard to the occupiers.
472	Phoenix House Income	51,320	21,451	21,453		2	(300) ☺☺
							There is currently no anticipated change to the longer term occupants, there has been a casual letting of the G10 office which will result in an additional £300 in rental income.
	Total Income	2,769,440	977,421	1,032,866	108,287	163,732	(212,300)
	Net Position	712,039	451,579	27,783	225,026	451,382	-368,980
730	Council Tax Collection Fund Surplus/Deficit	15,000	15,000	(6,000)	21,000		25,000 ☹
							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.