

BUDGET MONITORING- KEY SERVICE AREAS 2017-18

APPENDIX B

1 APRIL 2017 -28 JANUARY 2018

Main Code	Service Area	Latest Approved Budget	Budget to Period 10	Adjusted Actual to Period 10	<-----Variance----->		Projected Full Year Variance
		£	£	£	Adverse £	Favourable £	() = Favourable £
	General Expenses						
	<u>EXPENDITURE</u>						

060	Leisure Vision	55,910	30,747	25,209	-	5,538	19,830
-----	----------------	--------	--------	--------	---	-------	--------



Based on Q1 and Q2 SLM info (Q3 awaited) it is expected that the management fee is broadly in line with that budgeted for with the exception of utilities which are expected to be higher. It is hoped that due to the majority of R&M works at the site being completed in years 1 and 2 the underspend on contract works can offset this additional utilities cost with any further savings carried forward into 18/19 to cover condition survey works expected. Shortfall in income due to football club rent free period and Rugby club income expected to be £6.25k with a £1k increment yearly going forwards. The £6.25k is due a review at year end and is assumed to be reduced to £5.25k due to amounts over £5k which the Rugby Club have incurred in maintenance costs. £18k of costs in relation to consultancy fees previously charged to capital now need to be written off to revenue due to the timing of the expected phase 2 project, i.e. not for another four years and therefore we cannot capitalise something for which the actual delivery of the scheme is so far in advance with no certainty. There is a further £17k within the capital scheme for which the works are now also expected to be revenue due to the timing and the nature (i.e. feasibility study) it is not yet clear which year this will fall into but it is assumed 2018/19 and therefore not reflected in the year end forecast.

372	Rent Rebates - Non HRA	10,310	35,000	35,000	-	-	(8,720)
-----	------------------------	--------	--------	--------	---	---	---------



When the budget was set, it was not known that these claims would be included under universal credit (UC). The introduction of UC means that there are likely to be very few claims under this type as most claimants will be under UC and are therefore not entitled to housing benefits. To date there have only been very minimal claims. However, poor weather conditions (i.e. long periods of cold weather) means there is a further duty to house homeless which could potentially impact as the B&Bs used are likely to be outside of the area which will result in a HB claim. For all other cases, those that are entitled to HB alternative accommodation options are being sought due to lack of local temporary accommodation.

APPENDIX B

Main Code	Service Area	Latest Approved Budget	Budget to Period 10	Adjusted Actual to Period 10	Variance		Projected Full Year Variance	
		£	£	£	Adverse £	Favourable £	() = Favourable £	
	General Expenses							
373	Rent Rebates-HRA Properties (Net)	(99,700)	(89,220)	(248,142)	-	158,922	(11,380)	☺☺
								Subsidy predicted, based on mid year subsidy, slightly higher than budgeted for. Volatile budget which fluctuates. Verification of Earnings and Pension Information which has allowed real time information on customers earnings when claiming housing benefits is expected to lead to an increase in claimant error overpayments which attracts a lower subsidy which can impact on the subsidy % received. Change in the process around end of tenancy overpayment recovery from rent accounts which means expenditure is likely to be reduced which may also impact on the subsidy but impact of this yet to be determined. Due to number of factors and activities ongoing it should be noted that the predictions for subsidy %s may not fully be known until Feb/March 2018. It should be noted that the underspend predicted has been increased by £5k due to forecast additional overpayment recovery against budget which is as a result of Verification of Earnings and Pension Information and Real Time Information (RTI).The Interim Benefits Manager has identified potential overpayments not recovered which could amount to a significant sum of income. This will be monitored and reported on when there is any update. Note, no allowance for this in the est year end forecast.
375	Rent Allowance Payments (Net)	(94,190)	(85,933)	(335,302)	-	249,369	2,750	☹
								Subsidy predicted is below the % budgeted for. Forecasts are currently based on mid year subsidy which is higher than current actuals but there have been a number of ongoing cases for which payments have been on hold which account for the dip in current actual subsidy % which has been seen over the previous few months. It is expected that this will reverse and subsidy % will go back up as these payments are released and there will also be a further revision of entitlement which is also likely to increase the %. A slight increase has been seen each month. This position will continue to be monitored but should the increase not be seen, this will adversely impact on the budget. Due to number of factors and activities ongoing it should be noted that the predictions for subsidy %s may not full be known until Feb/March 2018. It should be noted that the reduction in subsidy predicted has been mitigated by £15k due to forecast additional overpayment recovery against budget which is as a result of Verification of Earnings and Pension Information and Real Time Information (RTI). The Interim Benefits Manager has identified potential overpayments not recovered which could amount to a significant sum of income. This will be monitored and reported on when there is any update. Note, no allowance for this in the est year end forecast.

BUDGET MONITORING- KEY SERVICE AREAS 2017-18

APPENDIX B

1 APRIL 2017 -28 JANUARY 2018

Main Code	Service Area	Latest Approved Budget	Budget to Period 10	Adjusted Actual to Period 10	<-----Variance----->		Projected Full Year Variance () =	
		£	£	£	Adverse £	Favourable £	Favourable £	
	General Expenses							
410	Homelessness	178,690	159,026	131,207	-	27,819	21,360	☹️
								New Housing Options Officer post vacant for first part of the year. B&B usage is lower than increased budget (based on forecast and 16/17 estimates). As previously reported there are now £77k of debts from 2004 onwards which are to be put forward for write off (or as a credit for previous errors, i.e. duplication of invoices). A new process in now in place to prevent a reoccurrence of this.
471	Customer Services	808,170	681,743	629,747	-	51,996	(7,660)	😊😊
								Employee related costs lower than budgeted for due to vacancies only being part filled and at a lower band. Also secondments to other services for a longer period. Potential to request to carry forward into 2018/19 to help with the interim arrangements before a revised structure is put forward for approval in July.
627	Wheels to Work	(87,740)	(72,605)	(2,233)	70,372		97,090	☹️
								Previous comments re Northampton scheme, delay in approval of fees and charges, increase in contract for one post not in the establishment, less requirement for contribution to funds and use of the W2W reserve still stands. The number of hirers is below that expected and that required to receive the output related funding. As the funding through the Access fund is output related, the year end forecast assumes loss of one quarters income from the Access Fund. It also now assumes loss of one quarter from the County following latest correspondence, although this is still yet to be confirmed. The current level of bad debts, now assumes that there will only be a 60% recovery rate which is reflected in the year end forecast.
	Total Expenditure	771,450	658,758	235,486	70,372	493,644	113,270	
	Net Position	771,450	658,758	235,486	70,372	493,644	113,270	