

BUDGET MONITORING- KEY SERVICE AREAS 2018-19
1 APRIL 2018 - 31 JANUARY 2019

APPENDIX B

Main Code	Service Area	Latest Approved Budget	Budget to Period 8	Adjusted Actual to Period 8	-----Variance----->		Projected Full Year	Variance () = Favourable £	
		£	£	£	Adverse £	Favourable £	£		
General Expenses EXPENDITURE									
050	Waste Management Contractor Costs	1,872,430	1,577,000	1,294,414	-	282,586	(51,830)	☺☺	The VO's have been higher than budget and there have been increases in the rejected contaminated loads resulting in an overspend of £39k. However there is expected to be a £28k saving against budget for the new contract and a £42k saving on the green waste collection costs. Due to redirection from LCC of green waste disposal there will no longer be any processing costs, this is offset by loss of income from LCC, however we are to be charged a mileage rate by the contractor for the redirection, this is expected to reduce the underspend by £11k.
340	Planning Professional Fees	52,200	44,000	23,934		20,066	(8,000)	☺☺	There is one outstanding planning appeal cost award for which the amount is currently unknown. At this time the budget is expected to cover the costs resulting in an expected £8k saving; this will be closely monitored as any new appeals may clear this saving.
372	Rent Rebates - Non HRA (Net)	520	1,933	(1,714)	-	3,648	(2,060)	☺☺	Improved projection due to overpayment recovery position.
373	Rent Rebates-HRA Properties (Net)	(55,110)	(45,925)	(165,752)	-	119,827	(29,167)	☺☺	Based on mid year estimates to DWP forecast has been reviewed and outturn is expected projected to be better than budget. As above overpayment recovery position to be reviewed.
375	Rent Allowance Payments (Net)	(31,070)	(25,892)	(255,862)	-	229,970	(97,210)	☺☺	Based on Dec estimates to DWP forecast has been reviewed and outturn is expected projected to be better than budget. As above overpayment recovery for aged debt position has resulted in an improvement in net contribution.
410	Homelessness	152,120	128,180	141,495	13,315	-	1,900	☹	Demand is continuing to remain high due to the changes in legislation. Agency costs are £7k more than budget due to long term sicknesses in the team in the first half of the year. The overspend will be offset by virements from areas with savings.
471	Customer Services	882,550	690,164	622,497	-	67,667	0	☺	Salary savings due to vacant posts (including Customer Experience Manager), secondments, salary sacrifice for additional holiday pay and maternity leave. Additional DWP funding confirmed in relation to UC against that expected and other DWP grants received. Work is underway to identify where additional DWP New Burdens income will be used and if not committed will be reserved at y/e.
507	Environmental Maintenance	410,290	322,082	295,601		26,481	(6,100)	☺☺	It is expected that by the year end a saving of £5,900 could be achieved within the salaries lines due to some short vacancies during recruitment and the officers starting on lower spinal points. An additional £200 income has also been received from the BID. This will be closely monitored.
627	Wheels to Work	31,750	28,353	33,749	5,396	-	21,000	☹	Adverse position due to additional redundancy costs which has been partly offset from monies from sales of equipment. Supplementary Estimates of £74k have already been approved and processed. Finally £17k for bad debts has been included.

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		£	£	£	£	£	£
General Expenses							
730	Retained Business Rates	335,358	335,358	440,635	105,277	-	93,668
	Total Expenditure				123,988	750,245	(77,798)

This budget reflects the current situation with the levy. The current year end forecast is for the levy to be £426K. Although it is expected that we will have to pay more over to the Levy, this means that the Council will have received more NNDR than expected and the benefit of this will be received next year.

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General Expenses									
INCOME									
050	Waste Management Income	390,610	325,508	298,465	27,043		87,660	⊖	The recycling prices per tonne had been budgeted at £46.22, however over the first 6 months the price per tonne has been only an average of £23, this has resulted in a shortfall of £67k. There has also been increased contamination levels within the recyclate and has resulted in a shortfall of £9k from the LCC credits. The redirection of the green waste disposal has resulted in a loss of income from October 2018, this is partially offset by the reduced disposal costs. Some additional income has been projected from bulky waste etc which has reduced the deficit.
120	Car Park Income	678,950	565,792	534,313	31,479		29,630	⊖	The YTD income relating to parking fees is currently £29k behind budget. Income continues to be lower than expected. Continued works on the public conveniences which is impacting on the car park income at St Marys Way and Wilton Road. Using the actuals to date and projecting forward it is currently expected that there will be a £38k shortfall in parking fees. However the Arla lease has been renewed, which will produce an additional income of £9.5k. Within the budget there is £4k relating to car parking overpayments the budget will not be met for this item. Due to the additional income the expected year end position is currently a shortfall of £29k.
300	Cattle Market Income	298,840	248,763	198,768	49,995		60,270	⊖	The contractor pays MBC the income share via block payments, these are calculated at the beginning of the year to ensure MBC receives the income regularly, due to the calculation the actual income will not match budget throughout the year however separate analysis is completed to understand the actual income position throughout the year. The actual income is currently showing a shortfall of £60k could be expected by the year end, based on the remittances received from the contractor. We are currently reviewing the impact of the brewery development and any impact positive/negative will be factored in to the future forecasts. The projected income is based on YTD actuals for 18/19 and the remaining actuals for 17/18.
340	Planning Application Fees	780,000	650,000	527,674	122,326		110,000	⊖	The current shortfall relating to planning application fees is £122k. The year end income position has been projected to be a £110k deficit, as it now considered that there isn't enough time to recover the current deficit. This is believed to be due to the uncertainty within the current market due to Brexit.
355	Building Control Fees	154,940	129,117	75,877	53,240		63,890	⊖	The current shortfall of £53k has been projected forward, resulting in the expected year end shortfall to be £64k. The budget had previously been reduced in line with expectations at the time of setting the budget. Meetings have been held with the Commercial and Marketing Consultant and a Business Plan is currently being implemented. There is a general downturn in the construction industry which seems to be due to uncertainty within the market due to Brexit. The budget will be closely monitored going forward.

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General Expenses							
470	Parkside Income	249,500	176,180	185,015		8,835	0 ☺
472	Phoenix House Income	62,550	41,700	48,717		7,017	0 ☺
	Total Income	2,615,390	2,137,060	1,868,829	284,083	15,852	351,450
	Net Position	-2,615,390	-2,137,060	-1,868,829	408,071	766,097	273,652
730	Council Tax Collection Fund Surplus/Deficit	(17,000)	(17,000)	(21,265)		4,265	15,000 ☹

Space planning exercise has been deferred, however, commercial letting at satellite offices and public sector letting at Parkside is anticipated to generate sufficient revenue to meet the projected outturn figure.

Negotiations re Driver Standards Agency for Saturday opening have been put on hold, so are now unlikely to generate any additional income in 2018-19.

£15,000 deficit. Predicted amount of collection fund surplus/deficit attributable to MBC which will impact on next year's council tax setting. Main difference to budget figure is due to a change in calculating Bad Debt Provision to meet external audit requirements