

Committee: Cabinet

Agenda Item

Date: 1 December 2016

8

Title: 2016/17 Budget Monitoring – Quarter 2

Portfolio Holder: Cllr Simon Howell

Key Decision: No

Summary

1. This report details financial performance relating to the General Fund, Housing Revenue Account, Capital Programme and Treasury Management. It is based upon actual expenditure and income from April to September and predicts a forecast for the end of the financial year.
2. The General Fund is forecasting a Net Operating Underspend of £194,000 and a bottom line underspend of £640,000.
3. The Housing Revenue Account is forecasting a minor overspend on the Net Operating Expenditure of £127,000.
4. The Capital Programme is forecasting an underspend of £6,252,000; this includes £6,211,000 of slippage relating to 2017/18 projects, giving a net underspend of £41,000.
5. Treasury management activity has been routine.

Recommendations

6. The Cabinet is recommended to:
 - Note and approve this report.

Financial Implications

7. Any financial implications are included in the body of the report.

Background Papers

None

Impact

Communication/Consultation	Budget holders and CMT are being consulted and a verbal update will be given.
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None

Sustainability	None
None Ward-specific impacts	None
Workforce/Workplace	None

General Fund

8. On the bottom line, a £640,000 underspend is forecasted. A summary of the budget by portfolio is shown below and this is set out in more detail in Appendix A.

£ '000	2015/16	2016/17			
	Outturn	Original Budget	Current Budget	Final Outturn	Variance
Communities & Partnerships	775	902	902	862	(40)
Environmental Services	1,844	2,380	2,456	2,784	328
Finance & Administration	4,939	5,216	5,139	5,117	(22)
Housing & Economic Development	1,227	1,398	1,398	1,362	(36)
Portfolio (Service) Budgets	8,785	9,895	9,895	10,124	229
Corporate Items	442	805	2,024	1,770	(254)
Total Net Budget	9,227	10,700	11,919	11,894	(25)
Funding	(7,607)	(7,805)	(8,143)	(8,312)	(169)
Net Operating Expenditure	1,620	2,895	3,776	3,582	(194)
Transfers to/from (-) Reserves	1,150	1,932	1,051	605	(446)
OVERALL NET POSITION	2,770	4,828	4,827	4,188	(640)

Current Budget

9. Further to the overspend reported in the quarter 1 outturn position which was in the main due to the capital financing position and the contra reserve position, a full review has been carried out.
10. The review highlighted some presentational errors and an error in the original budget on the waste reserve; this should have been zero in the original budget and not £0.6m as it related to slippage from 2015/16 and should only be presented in the current budget.
11. The current budget has been updated to reflect the capital programme slippage for 2015/16. The slippage was approved by Cabinet as part of the final outturn report presented in June. The current budget has increased by £1.219m. The majority of the slippage relates to the Waste Depot at Gt Dunmow and this is offset by the increased drawdown on the Waste Depot

Reserve of £888,000 (£1.488m – £0.6m) giving a bottom line impact of £331,000.

12. The current funding budget shows an increase of £338,000 compared to the original budget, this relates to extra funding we were not aware of at the time of budget setting. The £338,000 is made up of £277,000 rural services grant and a transition grant of £61,000.
13. The net effect of the above budget movements has resulted in an additional transfer to the Strategic Initiatives Reserves of £7,000 in the current budget.
14. The overall movement on the reserves from original budget to current budget is a net £881,000, the increased drawdown from the Waste Depot Reserve of £888,000 and the transfer of the £7,000 to the Strategic Initiatives Reserve.

Outturn Position

15. The forecast outturn position for quarter 2 is £640,000 underspent compared to the previous quarter of £342,000 overspent, a positive movement of £982,000. The main factors that attribute to this are detailed below;

- The capital financing budget; this is due to the slippage for the Waste Depot for 2015/16 now being included in the current budget (£1,219,000 detailed in points 10 and 11). Plus slippage for the 2016/17 capital programme of £308,000 giving a total of movement of £1,473,000.
 - In summary the 2015/16 slippage was included in the quarter 1 forecast outturn, where this should have been shown in the current budget (an update to the original Budget) as the current forecast outturn position should only reflect the slippage that relates to the 2016/17 capital programme.
- The Planning Policy budget overspend of £385,000 which relates to the local plan is now being funded from the Planning Reserve.
- The updated use of reserves to reflect the correct drawdown for capital projects.

16. The net underspend variance is broken down as below;

	Quarter 1 outturn £'000	Quarter 2 outturn £'000	Movement £'000
Direct Service Budgets	95	229	134
Corporate Costs	1,219	(254)	(1,473)
Funding	(169)	(169)	0
Use of Reserves	(803)	(446)	357
Total	342	(640)	(982)

Variations within the councils control and influence

17. The key variations greater than £20,000 are detailed below (where there are significant movements from the previous quarter figures are shown in brackets);

Services

Overspends

- Planning Policy - £405,000 (£112,000) is the cost of the use of consultancy and contractors for the local plan (reduced effect, see note in underspends below).
- Legal Services - £137,000 is the agency cover for vacant posts, this is offset by savings detailed in the underspends section for Corporate Management and Legal.
- Grants and Contributions - £80,000 relates to the additional community grant to assist in the purchase of Fairycroft House, this has net nil bottom line impact as it will be funded from the Transformation Reserves.
- Human Resources – £79,900 (£25,000) is the project costs of set up and implementation for the new corporate HR and Payroll System plus corporate training requirements as identified by CMT. The element relating to HR and Payroll System of £66,000 is funded from the Transformation Reserve and reduces the bottom line impact.
- Corporate Management - £58,000 is the cost effect of the historic balance being written back to revenue identified as part of the 2015/16 audit. This was one of the 2 errors identified by our external auditors and presented to the Performance and Audit Committee, where it was agreed that this sum will be written off to the revenue account in the current year.
- Planning Management - £57,900 relates to the cost of the interim Assistant Director, maternity cover plus costs of back scanning.
- Corporate Team - £48,500 relates to set-up costs of the council's commercialisation and income generating projects.
- Car Parking – £30,000 is the repayment of car parking income reimbursement to Waitrose.
- Development Control - £29,000 relates to the cost of agency to cover vacant posts.

- Waste and Recycling - £23,000 is an increased cost of disposal.

Underspends

- Corporate Management - £62,500 relates to the vacant post of the Assistant Chief Executive (Legal).
- Waste and Recycling - £50,000 is related to efficiencies gained on the quantity/cost of diesel.
- Planning Policy - £35,900 due to the vacant Team Leader post.
- Business Improvement - £33,000 due to natural staff turnover and a review of the service requirements one post has been frozen.
- Vehicle Management - £30,000 is due to efficiencies achieved on the purchases of vehicle tyres.
- Legal Services - £25,000 is due to the Solicitor vacancy.
- Health Improvement - £23,000 is the part year saving from a vacant post and it is expected that this will be recruited to by the end of the year.
- Housing Benefits - £26,000 (£48,000) based on the current subsidy report and caseload this is the net effect of reduction in expenditure and income.
- Environmental Mgt & Admin - £20,000 is the net effect of the service restructure.

Increased Income

- Council Tax Discounts – £149,000 relates to the increased income from the Essex Sharing Agreement which is generated from our increased taxbase and positive outcomes on the fraud and compliance work.
- PFI - £85,000 is the effect of a reduced payment which is calculated using a specific model, following the 15/16 audit it was identified that the model should be reviewed to ensure that the calculations are accurate. The review is currently in process and the surplus income has been added to reserves as following the review there is a risk that we will need to increase payments and this may include back dating any shortfalls in previous payments. The bottom line effect of this will be zero.

- Waste and Recycling - £133,000 increased recycling credits from ECC and increased uptake on the green waste kerbside collections.
- Licensing - £31,000 relates to increased taxi driver applications.
- Health Improvement - £27,000 is the new Health and Wellbeing Grant for Public Health Improvement Projects.
- Land Charges - £20,000 increased fee income.

Corporate Items

- Capital Financing – £308,000 underspend. The £1,219,000 overspends previously reported as an outturn variance related to the slippage from the capital programme for 2015/16 (mainly the waste depot). This has now been reflected in the current budget (please see point 10,11 and 14 above) which is the correct accounting process and the contra entry reflected in the reserves. The actual outturn variance relates to current year slippage for;
 - Disabled Facilities Grant
 - Lower Street Car Park
 - Superfast Broadband

Variations outside of the councils control and influence

18. The key variances greater than £20,000 that are outside of officers control and influence are detailed below

- NNDR Funding - £126,000 is the increased funding for Section 31 grant relating to rates relief the council is required to grant to Local Businesses. Plus £134,000 of business rates for renewable energy of which the council receives 100%.

Reserves Position

19. The net drawdown on reserves is predicted at £605,000 compared to the current budget of £1,051,000. This includes the movement from the original budget of £881,000 relating to the capital financing drawdown detailed in point 10 and 11.

20. Details of the forecast movements in the reserves are detailed in the main body of the report above, below is a summary of these movements and a table showing the full reserves position is set out at Appendix B.

- £385,000 from the Planning Reserve for Local Plan costs
- £66,000 from the Transformation Reserve for the HR and Payroll project.
- £80,000 from the Strategic Initiatives Reserve for Fairycroft House

The final reserves position will be reported in the year-end report for Cabinet approval.

Risks and Assumptions

21. The outturn forecast is the most informed prediction we have at this point in time and there is an element of risk to the outturn predictions in the year to some areas. These risks could impact on the final outturn position.

22. Detailed below are the areas which are the highest risk and would have the potential to affect our year-end financial position.

- Business Rates Retention - the total business rate income recognised in the Council's account is subject to change, due to the difficulty in estimating the year end business rate levy and realisation of appeals. The total business rate levy is linked to the net use of business rates appeals provision within the year. The Council is reliant on the Valuation Office Agency (VOA) to release these figures and for UDC's consultant to assess the potential impact on the appeals provision at year end promptly. The actual position is not known until year end and it is difficult to estimate this during the year.
- Housing Benefit Subsidy Income Claims – due to the complexity of the subsidy claim, a change in number of claimants throughout the year and the high financial value of the subsidy income, even a small % change can have a significant impact on the budget. For example a 1% change to caseload can increase or decrease the bottom line by approximately £68,000.
- Council Tax Sharing Agreement – Uttlesford is part of an Essex Wide Agreement to improve collection performance, reduce fraud and increase the taxbase. This income source could fluctuate throughout the year.

Housing Revenue Account

23. The HRA is forecasting a minor overspend of £127,000 on the net operating costs. A summary is shown below and full details can be seen in Appendix C.

£ '000	2015/16	2016/17			
	Outturn	Original Budget	Current Budget	Final Outturn	Variance
Total Service Income	(15,455)	(15,455)	(15,455)	(15,321)	134
Total Service Expenditure	4,338	4,240	4,240	4,289	50
Total Corporate Items	7,457	7,725	7,725	7,668	(57)
OPERATING (SURPLUS)/DEFICIT	(3,660)	(3,490)	(3,490)	(3,364)	127
Funding of Capital Programme from HRA	2,161	7,503	7,503	3,513	(3,990)
Use of Reserves	1,498	(4,013)	(4,013)	(150)	3,863
Total Use of Reserves/Funding	3,659	3,490	3,490	3,363	(127)
(SURPLUS)/DEFICIT	0	0	0	(0)	(0)

24. The key variances are detailed below

- Housing Repairs is forecasting an overspend of £95,000 which in the main relates to the following;
 - £115,000 overspend on a higher level of repairs required on existing council dwellings
 - £87,000 underspend due to reduction in costs for Asbestos Removal and Legionella management due to new supplier contracts.
 - £76,000 loss of income due to staff shortages and work having to be contracted out.
- Funding of Capital items has a decreased requirement in the current year of £3,990,000 due to the capital projects slippage and this has been reallocated to the reserves.
- Details of the capital programme can be seen in the capital programme at appendix D.

25. The HRA reserves are summarised below.

Reserve	Actual Balance 1 April 2016	Forecast transfer from HRA	Forecast transfer to HRA	Transfers between Reserves	Estimated Balance 31 March 2017
£'000					
<u>RINGFENCED RESERVES</u>					
Working Balance	463				463
	463	0	0	0	463
<u>USABLE RESERVES</u>					
<u>Revenue Reserves</u>					
Transformation/Change Management	180				180
Revenue Projects	60				60
	240	0	0	0	240
<u>Capital Reserves</u>					
Capital Projects	3,538		(150)		3,388
Potential Development Projects	2,298		0		2,298
Sheltered Housing Projects	318		0		318
	6,154	0	(150)	0	6,004
TOTAL USABLE RESERVES	6,394	0	(150)	0	6,244
TOTAL RESERVES	6,857	0	(150)	0	6,707

Capital Programme

26. Forecasted capital expenditure is £12,385,000 against a current budget of £18,637,000. The movement relates to £6,211,000 of requested slippage and a net underspend of £41,000.

27. The major project slippage items are detailed below;

General Fund

- £0.1m - Lower Street Car Park Extension
- £0.1m - Superfast Broadband

Housing Revenue Account

- £3.33m - Reynolds Court
- £1.40m - Hatherley Court
- £0.45m – Sheds Lane
- £0.41m – Walden Place

28. The capital programme is set out in more detail in Appendix D which includes a separate table detailing the current level of S106 balances held.

Treasury Management

29. Activity during the period 1 April to 30 September 2016 has been set out in Appendix E.
30. All deposits placed complied with the Council's Treasury Management Strategy.
31. In the last quarter interest rates have fallen. At the start of the year due to changes in the strategy allowing investments of up to 1 year with specified counterparties, we were able to secure some better 'deals' than in previous years, ranging from 0.65% to 0.97%. We are currently monitoring the ongoing effect of the reduced interest rates.
32. The DMO in the first quarter was consistent at 0.25%; the rate has now dropped to 0.15%. This reduction in interest rates has been consistent with other counterparties.
33. The average interest rate for quarter 1 was 0.43% compared to 0.21% in quarter 2.
34. Balances as at the 30 September 2016 totalled £145.5m and were held at an average interest rate of 0.32% for the first 6 months of the year.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Actual income and expenditure will vary from forecast, requiring adjustments to budget and/or service delivery. Detailed risks are detailed in point 21/22 in the main body of the report.	2 – some variability is inevitable	2 – budgets will be closely monitored and prompt action taken to deal with variances	Budgetary control framework

APPENDIX A

GENERAL FUND SUMMARY – Period 6

£000	2015/16	2016/17						
	Outturn	April to Sept			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Portfolio budgets								
Communities & Partnerships	775	565	415	(150)	902	902	862	(40)
Environmental Services	1,844	1,095	919	(176)	2,380	2,456	2,784	328
Finance & Administration	4,939	3,023	3,250	227	5,216	5,139	5,117	(22)
Housing & Economic Development	1,227	702	568	(134)	1,398	1,398	1,362	(36)
Sub-total – Portfolio Budgets	8,785	5,385	5,152	(233)	9,895	9,895	10,124	229
Corporate Items								
Capital Financing Costs	1,866	0	0	0	2,497	3,716	3,408	(308)
Investment Income	(97)	(0)	(0)	0	(119)	(119)	(65)	54
Pension Fund - Added Years	110	0	0	(0)	92	92	92	0
Recharge to HRA	(1,132)	0	0	0	(1,330)	(1,330)	(1,330)	0
HRA Share of Corporate Core	(305)	0	0	0	(335)	(335)	(335)	0
Sub total - Corporate Items	442	0	0	0	805	2,024	1,770	(254)
Sub total - Budget	9,227	5,385	5,152	(233)	10,700	11,919	11,894	(25)
Funding								
Council Tax - Collection Fund Balance	(90)	0	0	0	(152)	(152)	(152)	0
Council Tax - Freeze Grant 15/16	(51)	0	0	0	0	0	0	0
DCLG - Other Funding	(8)	0	0	0	0	0	0	0
New Homes Bonus Grant	(3,603)	(900)	(1,073)	(174)	(4,280)	(4,280)	(4,280)	0
NNDR - UDC share (net of Tariff)	(1,793)	0	0	0	(2,407)	(2,407)	(2,407)	0
NNDR - Levy Payment/(Safety Net Reimbursement)	673	0	0	0	505	505	596	91
NNDR - Section 31 Funding	(669)	(136)	(113)	23	(536)	(536)	(662)	(126)
NNDR - Collection Fund Balance	2,338	0	0	0	(231)	(231)	(231)	0
NNDR - Renewable Energy Schemes	0	0	0	0	0	0	(134)	(134)
NNDR - Transfer to/(from) Ringfenced Reserve	(3,170)	0	0	0	(20)	(20)	(20)	0
Rural Services Grant	0	0	(139)	(139)	0	(338)	(338)	0
Settlement Funding	(1,234)	(466)	(200)	266	(684)	(684)	(684)	0
Sub-total – Funding	(7,607)	(1,501)	(1,525)	(24)	(7,805)	(8,143)	(8,312)	(169)
Sub-total – Net Operating Expenditure	1,620	3,884	3,627	(257)	2,895	3,776	3,582	(194)
Transfers to/from (-) Reserves								
Access Reserve	(200)	0	0	0	0	0	0	0
DWP Reserve	(123)	0	0	0	50	50	50	0
Economic Development Reserve	(50)	0	0	0	0	0	0	0
Elections Reserve	(70)	0	0	0	25	25	25	0
Licensing Reserve	(15)	0	0	0	(16)	(16)	(16)	0
Planning Development Reserve	(159)	0	0	0	0	0	(385)	(385)
Strategic Initiatives Reserve	2,024	0	0	0	2,369	2,376	2,296	(80)
Transformation Reserve	(40)	0	0	0	0	0	(66)	(66)
Waste Depot Relocation Project	(12)	0	0	0	(600)	(1,488)	(1,488)	0
Waste Reserve	(249)	0	0	0	70	70	70	0
NHB Ward Members	39	0	0	0	0	0	0	0
Voluntary sector Grants	41	0	0	0	0	0	0	0
Private Finance Initiative (PFI)	0	0	0	0	0	0	85	85
Working Balance	(36)	0	0	0	34	34	34	0
Sub-total - Movement in Earmarked Reserves	1,150	0	0	0	1,932	1,051	605	(446)
COUNCIL TAX REQUIREMENT (BOTTOM LINE)	2,770	3,884	3,627	(257)	4,828	4,827	4,188	(640)
Council Tax (precept levied on Collection Fund)	(4,653)				(4,828)	(4,828)	(4,828)	0
OVERALL NET POSITION					0	(0)	(640)	(640)

APPENDIX A (continued)

COMMUNITY PARTNERSHIPS & ENGAGEMENT PORTFOLIO

Description	2015/16 Actual	April - Sept			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Community Information	48	33	23	(10)	47	47	47	(0)
Day Centres	39	20	28	8	35	35	48	13
Emergency Planning	42	21	22	1	44	44	45	1
Grants & Contributions	318	351	284	(67)	373	373	424	51
Leisure Management	60	0	0	0	0	0	0	0
Leisure & Performance	69	35	33	(2)	77	77	74	(2)
Saffron Walden Museum	169	96	75	(21)	180	180	163	(17)
New Homes Bonus	75	43	21	(23)	117	117	117	0
Private Finance Initiative	(86)	(35)	(71)	(36)	30	30	(56)	(85)
Renovation Grants	(1)	0	0	0	0	0	0	0
Sports Development	43	0	0	0	0	0	0	0
	775	565	415	(150)	902	902	862	(40)

APPENDIX A (continued)

ENVIRONMENT PORTFOLIO

Description	2015/16 Actual	April - Sept			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Animal Warden	33	16	15	(1)	32	32	31	(1)
Grounds Maintenance	211	114	122	8	223	223	240	18
Conservation	0	0	0	0	(0)	(0)	0	0
Car Park	(607)	(249)	(356)	(107)	(613)	(613)	(585)	27
Development Control	(385)	(196)	(253)	(57)	(364)	(325)	(280)	45
Depots	54	41	33	(8)	60	60	56	(4)
Env Management & Admin	107	32	44	12	112	64	44	(20)
Street Cleansing	297	148	154	6	294	294	295	1
Housing Strategy	94	60	49	(11)	114	115	105	(10)
Highways	(12)	10	14	4	(13)	(13)	(8)	4
Local Amenities	28	8	11	3	8	8	15	7
Licensing	(236)	(108)	(136)	(28)	(126)	(126)	(157)	(32)
Vehicle Management	345	180	162	(17)	378	378	350	(28)
Pest Control	(1)	0	0	0	0	0	0	0
On Street Parking	(1)	0	0	0	0	0	0	0
Public Health	377	293	280	(13)	521	610	595	(14)
Planning Management	403	193	243	50	388	382	442	60
Planning Policy	353	139	313	174	278	279	664	385
Planning Specialists	207	91	83	(8)	182	182	173	(9)
Waste Management	271	112	(67)	(179)	479	479	357	(122)
Community Safety	55	72	70	(2)	149	149	171	22
Street Services	248	138	138	(0)	277	277	276	(1)
	1,844	1,095	919	(176)	2,380	2,456	2,784	328

APPENDIX A (continued)

FINANCE & ADMINISTRATION PORTFOLIO

Description	2015/16 Actual	April - Sept			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Enforcement	142	87	73	(15)	174	97	73	(25)
Benefits Admin	92	70	60	(10)	201	201	183	(18)
Business Improvement	64	40	17	(23)	80	80	47	(33)
Corporate Management	632	307	241	(66)	667	667	650	(17)
Conveniences	23	20	20	0	21	21	21	0
Central Services	361	192	184	(8)	382	382	381	(1)
Corporate Team	99	50	154	104	102	102	150	48
Conducting Elections	86	1	48	48	1	1	1	0
Electoral Registration	52	22	(9)	(31)	60	60	62	2
Financial Services	920	537	553	17	1,050	1,050	1,072	21
Housing Benefits	421	(55)	450	504	153	153	131	(22)
Human Resources	207	145	150	5	228	228	310	82
Internal Audit	110	58	56	(2)	114	114	114	0
Information Technology	1,142	895	796	(99)	1,181	1,181	1,192	12
Land Charges	(131)	(42)	(50)	(9)	(76)	(76)	(95)	(20)
Legal Services	23	53	55	1	99	99	198	99
Local Taxation	(100)	0	0	0	(90)	(90)	(100)	(10)
Non Domestic Rates	(137)	0	0	0	(145)	(145)	(145)	0
Office Cleaning	157	89	76	(13)	179	179	181	2
Offices	384	248	271	22	354	354	389	35
Revenues Admin	387	242	230	(12)	504	504	491	(13)
Council Tax Discounts	7	64	(124)	(188)	(22)	(22)	(187)	(165)
	4,939	3,023	3,250	227	5,216	5,139	5,117	(22)

HOUSING & ECONOMIC DEVELOPMENT PORTFOLIO

Description	2015/16 Actual	April - Sept			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Building Surveying	(107)	(79)	(90)	(11)	(95)	(95)	(118)	(24)
Committee Admin	178	105	106	1	208	208	210	2
Customer Services Centre	332	192	183	(9)	384	384	382	(2)
Democratic Represent	313	173	168	(6)	326	326	318	(9)
Economic Development	133	80	97	16	130	130	143	13
Energy Efficiency	39	26	20	(6)	47	47	44	(3)
Housing Grants	10	0	0	0	10	10	10	0
Health Improvement	24	58	20	(38)	112	112	64	(48)
Homelessness	190	97	77	(20)	175	175	200	26
Lifeline	(140)	(83)	(146)	(64)	(165)	(165)	(165)	0
Communications	255	132	133	1	266	266	275	9
	1,227	702	568	(134)	1,398	1,398	1,362	(36)

APPENDIX B

GENERAL FUND RESERVES

Reserve	Actual Balance 1st April 2016	Forecast transfer from GF	Transfers to / from Reserves	Forecast transfer to GF	Estimated Balance 31st March 2017
£'000					
<u>RINGFENCED RESERVES</u>					
Business Rates	500		(20)		480
DWP Reserve	136	50			186
Licensing Reserve	16		(16)		0
Working Balance	1,246	34			1,280
	<u>1,898</u>	<u>84</u>	<u>(36)</u>	<u>0</u>	<u>1,946</u>
<u>USABLE RESERVES</u>					
<u>Financial Management Reserves</u>					
MTFS Reserve	1,000				1,000
Transformation Reserve	960			(66)	894
	<u>1,960</u>	<u>0</u>	<u>0</u>	<u>(66)</u>	<u>1,894</u>
<u>Contingency Reserves</u>					
Emergency Response	40				40
	<u>40</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40</u>
<u>Service Reserves</u>					
Access Reserve	0				0
Economic Development	194	25			219
Elections	25				25
Homelessness	40				40
Neighbourhood Front Runners Planning	982			(385)	597
Strategic Initiatives	4,506	2,376		(80)	6,802
Waste Depot Relocation Project	1,488		(1,488)		0
Waste Management	130	70			200
NHB Ward Members	39				39
Voluntary Sector Grants	41				41
Private Finance Initiative	0	85			85
	<u>7,445</u>	<u>2,556</u>	<u>(1,488)</u>	<u>(465)</u>	<u>8,048</u>
TOTAL USABLE RESERVES	<u>9,445</u>	<u>2,556</u>	<u>(1,488)</u>	<u>(531)</u>	<u>9,982</u>
TOTAL RESERVES	<u>11,343</u>	<u>2,640</u>	<u>(1,524)</u>	<u>(531)</u>	<u>11,928</u>

APPENDIX C

HOUSING REVENUE ACCOUNT

£000	2015/16	2016/17						
	Outturn	April to Sept			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Housing Revenue Account Income								
Dwelling Rents	(14,452)	(7,167)	(7,138)	29	(14,335)	(14,335)	(14,335)	0
Garage Rents	(210)	(104)	(97)	7	(208)	(208)	(192)	16
Land Rents	(5)	(2)	(2)	(0)	(3)	(3)	(3)	0
Charges for Services & Facilities	(768)	(496)	(380)	117	(908)	(908)	(790)	118
Contributions towards Expenditure	(20)	0	(0)	(0)	0	0	0	0
Total Service Income	(15,455)	(7,769)	(7,617)	152	(15,455)	(15,455)	(15,321)	134
Housing Finance & Business Management								
Business & Performance Management	234	51	43	(8)	103	103	96	(7)
Rents, Rates & Other Property Charges	83	70	4	(66)	76	76	76	0
	317	121	47	(74)	179	179	172	(7)
Housing Maintenance & Repairs Service								
Common Service Flats	210	113	70	(43)	226	226	226	0
Estate Maintenance	147	72	33	(39)	145	145	145	0
Housing Repairs	2,462	1,156	1,113	(42)	2,324	2,324	2,420	95
Housing Sewerage	54	29	37	8	53	53	55	1
Newport Depot	17	8	14	6	11	11	25	14
Property Services	282	136	174	37	273	273	279	7
	3,171	1,514	1,441	(73)	3,032	3,032	3,149	117
Housing Management & Homelessness								
Housing Services	267	200	179	(21)	394	394	375	(19)
Sheltered Housing Services	566	318	266	(52)	635	635	593	(42)
Supporting People	16	0	0	0	0	0	0	0
	849	518	445	(73)	1,029	1,029	968	(61)
Total Service Expenditure	4,338	2,154	1,934	(220)	4,240	4,240	4,289	50
Corporate Items								
Bad Debt Provision	17	0	0	0	50	50	50	0
Depreciation - Dwellings (transfer to MRR)	3,294	0	0	0	3,281	3,281	3,380	99
Depreciation - Non-Dwellings (transfer to MRR)	89	0	0	0	146	146	0	(146)
Impairment - Non-Dwellings	61	0	0	0	0	0	0	0
Interest/Costs re HRA Loan	2,611	1,313	1,319	6	2,625	2,625	2,625	0
Investment Income	(42)	0	0	0	(52)	(52)	(52)	0
Recharge from General Fund	1,132	0	0	0	1,330	1,330	1,330	0
HRA Share of Corporate Core	305	0	0	0	335	335	335	0
Pension Fund - Added Years	0	0	0	0	19	19	19	0
Pension Fund - Deficit	0	0	0	0	0	0	0	0
Right to Buy Admin Costs Allowance	(10)	0	0	0	(10)	(10)	(20)	(10)
Total Corporate Items	7,457	1,313	1,319	6	7,725	7,725	7,668	(57)
TOTAL EXPENDITURE	11,795	3,466	3,252	(214)	11,965	11,965	11,957	(7)
OPERATING (SURPLUS)/DEFICIT	(3,659)	(4,303)	(4,365)	(61)	(3,490)	(3,490)	(3,364)	127
Funding of Capital Programme from HRA								
Funding of Action Plan Capital Items	1,891	0	0	0	7,503	7,503	3,463	(4,040)
Funding of Capital from Revenue	270	0	0	0	0	0	50	50
	2,161	0	0	0	7,503	7,503	3,513	(3,990)
Transfers to/from (-) Reserves								
Capital Projects Reserve	0	0	0	0	(3,613)	(3,613)	(150)	3,463
Potential Developments (new builds)	1,498	0	0	0	(92)	(92)	0	92
Sheltered Housing Reserve	0	0	0	0	(318)	(318)	0	318
Transformation Reserve	0	0	0	0	0	0	0	0
Working Balance	0	0	0	0	10	10	0	(10)
	1,498	0	0	0	(4,013)	(4,013)	(150)	3,863
Total Use of Reserves/Funding (SURPLUS)/DEFICIT	3,659	0	0	0	3,490	3,490	3,363	(127)
	0	(4,303)	(4,365)	(61)	(0)	0	0	(0)

APPENDIX D

CAPITAL PROGRAMME

£'000	Actuals Apr - Sept	Original Budget 2016-17	Slippage from 2015-16	In Year Budget Adjustments	Current Budget 2016-17	Forecast Outturn	Forecast to Budget Variance	Requested Slippage 17- 18
Community and Partnerships								
S/W Motte & Bailey Castle	87		200		200	200	0	
Community Project Grants	31	110	17	0	127	127	0	
CCTV Thaxted	5	0	35	0	35	35	0	
Community and Partnerships	122	110	252	0	362	362	0	0
Environmental Services								
Vehicle Replacement Programme	0	301	846		1,147	1,147	0	
Mower -Vehicles growth bid	0				0	16	16	
Household Bins	29	70			70	70	0	
Kitchen Caddies	0	10			10	10	0	
Garden Waste Bins	12	20	p		20	20	0	
Trade Waste Bins	8	10			10	10	0	
Lower Street Car Park Extension	0	102			102	0	(102)	102
On-Board Vehicle Weighing Equipment	0	36			36	36	0	
Cycleways Grant	(199)				0	0	0	
Total Environmental Services	(150)	549	846	0	1,395	1,309	(86)	102
Finance & Administration								
IT Schemes								
New members IT Equip	4				0	4	4	
Minor Items IT	28	20			20	28	8	
PSN CoCo Works	5	30	5		35	35	0	
Mobile working - Housing	11		30		30	30	0	
Mobile working - Planning & Env Health	0		69		69	69	0	
PCI Compliance - Cash Receipting	3		32		32	32	0	
PCI Compliance - Direct Debits	0		20		20	20	0	
PCI Compliance - Cap Chg IT	4				0	0	0	
UPS Server	1				0	1	1	
Committee management system	0	20			20	20	0	
Laptops and Tablets	0	20			20	20	0	
CCTV London Road Offices	0	30			30	30	0	
Scanning stations	5	10			10	10	0	
UDC Asset work								
Council Offices Improvements								
- Building works	63	119			119	119	0	
- Heating System	0	36			36	0	(36)	36
Stansted Conveniences - Grant	0		30		30	0	(30)	30
Museum Storage Facility	4	0			0	4	4	
Dunmow Depot	0		1,488		1,488	1,488	0	
Solar Panels - Shire Hill	2		2		2	2	0	
Museum Buildings work	0	52			52	52	0	
Day Centres Cyclical Improvements	0	25			25	25	0	
Total Finance & Administration	129	362	1,676	0	2,038	1,989	(49)	66

APPENDIX D

CAPITAL PROGRAMME

£'000	Actuals Apr - Sept	Original Budget 2016-17	Slippage from 2015-16	In Year Budget Adjustments	Current Budget 2016-17	Forecast Outturn	Forecast to Budget Variance	Requested Slippage for 17-18
Housing and Economic Development								
Disabled Facilities Grants	105	260	33		292.50	263	(30)	30
Empty Dwellings	4	50	14		64	15	(49)	
Private Sector Renewal Grants	6	30	19		49	20	(29)	
Compulsory Purchase Order	0	300			300	300	0	
Superfast Broadband	0		100		100	0	(100)	100
Total Housing and Economic Development	115	640	166	0	806	598	(208)	130
Housing Revenue Account								
HRA Repairs	1,057	3,180		0	3,180	3,180	0	
UPVC Fascia's and Guttering	(21)	100	151		251	200	(51)	51
Cash Incentive Scheme Grants	21	50			50	50	0	
Business Plan Items								
Service Chg Planned Rep System - ICT Schemes	0		65		65	20	(45)	45
Housing Contractors Portal & SAM	11	0	46		46	46	0	
Energy Efficiency Schemes	64	150	102		252	252	0	
Internet Café's in Sheltered Hsg	3		2		2	3	1	
Resurfacing access roads	0	150			150	150	0	
New Builds								
Unidentified	0	586	212	(600)	198	0	(198)	198
Catons Lane	206		310		310	288	(22)	22
Sheds Lane	19			600	600	150	(450)	450
Redevelopment Scheme								
Mead court Phase 2	565		642		642	642	0	
Newton Grove	3				0	3	3	
Sheltered Schemes								
Reynolds Court	744	4,200	1,974		6,174	2,844	(3,330)	3,330
Hatherley Court	20	898	809		1,707	300	(1,407)	1,407
Walden Place	0	400	10		410	0	(410)	410
Total HRA	2,690	9,714	4,323	0	14,037	8,128	(5,909)	5,913
Total General Fund ex S106	217	1,661	2,940	0	4,601	4,257	(343)	298
CAPITAL PROGRAMME TOTAL Excluding S106	2,907	11,375	7,262	0	18,637	12,385	(6,252)	6,211

Appendix D

Section 106 Balances

	31 March 2016	Income	Drawn Down -	Balance at 30 Sept
	£'000	£'000	Capital	2016
	£'000	£'000	£'000	£'000
S106 Receipts in Advance				
Priors Green, Takeley	146	-	-	146
Land north of Ingrams, Felsted	10	-	-	10
Oakwood Park Community Hall, Takeley	10	-	-	10
Rochford Nurseries/Foresthall Park, Elsenham	662	-	(98)	564
The Orchard, Elsenham	42	-	-	42
Wedow Road, Thaxted	54	-	-	54
Sector 4 Woodlands Park, Gt Dunmow	10	-	-	10
Keers Green Nurseries, Aythorpe Roding	120	-	-	120
Land adjacent to S/W Hospital	-	31	-	31
Land at Blossom Hill Farm, Henham	-	33	-	33
Land at Webb & Hallett Road, Flitch Green, Felsted	-	33	-	33
Total	1,054	97	(98)	1,053

	31 March 2016	Income	Transferred to	Balance at 30 Sept
	£'000	£'000	other bodies	2016
	£'000	£'000	£'000	£'000
S106 Receipts in Advance				
Sector 4 Woodlands Park (Helena Romanes School)	165	-	-	165
Rochford Nurseries/Foresthall Park, Elsenham	289	-	-	289
Chadhurst, Dunmow Road Takeley	-	85	(85)	-
Brewers End, Takeley	31	-	-	31
Land north side of Hempstead Road, Radwinter	-	261	(261)	-
Land at 1 Pit Cottages & Gravelpit Cottages, Dunmow	-	273	(273)	-
Land adj Hailes Wood, Elsenham	10	-	-	10
Land at Hertford End Brewery, Mill Lane, Hartford	70	-	(70)	-
Land at Flitch Green, Felsted	67	-	-	67
Land adjacent to S/W Hospital	-	157	-	157
Land at Webb & Hallett Road, Flitch Green, Felsted	-	135	(135)	-
Grants and Contributions to Other Bodies	632	911	(824)	719

	31 March 2016	Income	Drawn Down -	Balance at 30 Sept
	£'000	£'000	Capital	2016
	£'000	£'000	£'000	£'000
S106 Unapplied				
Dunmow Eastern Sector	18	-	-	18
Woodlands Park, Gt Dunmow	83	-	-	83
Friends School, Saffron Walden	28	-	-	28
Bell College, Saffron Walden	15	-	-	15
Priors Green, Takeley	8	-	-	8
Foresthall Park, Elsenham	30	-	-	30
Lt Walden Road/Ashdon Road, Saffron Walden	98	-	-	98
Oakwood Park, Takeley	5	-	-	5
Debden Road, Saffron Walden	100	-	(56)	44
Radwinter Mushroom Farm, Wimbish	76	-	-	76
High Bank and Hill View, Saffron Walden	15	-	-	15
Land at former Lodge Farm, Radwinter Road, Saffron v	395	-	-	395
Total	871	-	(56)	815

TREASURY MANAGEMENT

DEPOSITS MADE 1 APRIL TO 30 September 2016

Date of Outflow	Amount £ 'm	Counterparty	Rate of Interest	Maturity Date
01-Apr-16	3,000,000	Nationwide BS	0.71%	30-Sep-16
01-Apr-16	1,500,000	Bank of Scotland	0.80%	28-Sep-16
07-Apr-16	5,000,000	Herefordshire Council	0.63%	31-Mar-17
07-Apr-16	1,500,000	Bank of Scotland	0.97%	28-Mar-17
29-Apr-16	5,000,000	Lancashire County Council	0.65%	20-Mar-17
07-Apr-16	18,000,000	DMO	0.25%	29-Apr-16
29-Apr-16	5,000,000	Birmingham City Council	0.59%	17-Mar-17
15-Apr-16	2,000,000	DMO	0.25%	18-May-16
29-Apr-16	5,000,000	West Dunbartonshire	0.55%	17-Feb-17
19-Apr-16	2,000,000	DMO	0.25%	18-May-16
29-Apr-16	3,000,000	Telford & Wrekin Council	0.50%	17-Nov-16
10-May-16	1,000,000	DMO	0.25%	17-May-16
16-May-16	2,500,000	DMO	0.25%	31-May-16
23-May-16	2,500,000	DMO	0.25%	31-May-16
01-Jun-16	5,000,000	Thames Valley PCC	0.42%	07-Jun-16
06-Jun-16	5,000,000	Dundee City Council	0.50%	06-Dec-16
03-Jun-16	5,000,000	DMO	0.25%	06-Jun-16
05-Aug-16	3,500,000	Leeds City Council	0.48%	05-Jan-17
08-Jun-16	5,000,000	DMO	0.25%	20-Jun-16
10-Jun-16	2,000,000	DMO	0.25%	13-Jun-16
13-Jun-16	1,500,000	DMO	0.25%	16-Jun-16
21-Jun-16	2,000,000	DMO	0.25%	30-Jun-16
30-Jun-16	2,500,000	DMO	0.25%	22-Aug-16
01-Jul-16	4,500,000	DMO	0.25%	18-Jul-16
06-Jul-16	1,000,000	DMO	0.25%	01-Aug-16
15-Jul-16	4,000,000	DMO	0.25%	18-Jul-16
18-Jul-16	8,500,000	DMO	0.25%	19-Jul-16
19-Jul-16	1,000,000	DMO	0.25%	22-Jul-16
25-Jul-16	1,000,000	DMO	0.25%	31-Aug-16
01-Aug-16	5,000,000	DMO	0.25%	05-Aug-16
02-Aug-16	1,000,000	DMO	0.25%	11-Aug-16
05-Aug-16	1,500,000	DMO	0.15%	11-Aug-16
11-Aug-16	2,500,000	DMO	0.15%	24-Aug-16
12-Aug-16	1,500,000	DMO	0.15%	17-Aug-16
15-Aug-16	3,500,000	DMO	0.15%	17-Aug-16
24-Aug-16	2,000,000	DMO	0.15%	31-Oct-16
01-Sep-16	6,000,000	DMO	0.15%	19-Sep-16
17-Nov-16	3,000,000	Lincolnshire CC	0.25%	17-Mar-17
13-Sep-16	1,000,000	DMO	0.15%	30-Nov-16
15-Sep-16	1,000,000	DMO	0.15%	30-Nov-16
16-Sep-16	2,000,000	DMO	0.15%	19-Sep-16
15-Nov-16	3,000,000	Salford City Council	0.28%	15-Mar-17
29-Sep-16	1,000,000	DMO	0.15%	30-Nov-16
30-Sep-16	3,000,000	Nationwide BS	0.46%	31-Mar-17
Total	145,500,000	Average	0.32%	

APPENDIX E

BALANCES WITH ON CALL DEPOSIT & CURRENT ACCOUNTS
AS AT 30 September 2016

Counterparty/Institution	Amount £M	Interest %
Barclays StockBroker	1	0.38
Barclays Bank FIBCA	1	0.45
Bank of Scotland CA	1	0.4
Money Market Fund - CCLA	1	0.35
Barclays Consolidated Account	1.2	1.5
Total	5.2	