

Committee: Community & Housing

Agenda Item

Date: 21 January 2010

7

Title: 2009/10 Budget Monitoring

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Item for decision

Summary

- 1 The Committee is responsible for overseeing various General Fund Service Budgets, the Housing Revenue Account (HRA) budget and Capital Programme Schemes. This report details income and expenditure for the period April to November 2009, and a forecast for the end of 2009/10.
- 2 The Committee's General Fund expenditure is forecasted to overspend by £17,000.
- 3 The HRA is forecasting an overspend of £101,000.
- 4 Capital expenditure on General Fund schemes is forecasted to be in line with budget. HRA schemes are expected to be £93,000 above budget.
- 5 The information in this report will be collated into a report covering the Council's corporate financial position to be received by the Finance & Administration Committee on 28 January.

Recommendations

The Committee is recommended to approve this report.

Background Papers

[2009/10 Budget Book](#)

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Finance	Detailed in the report
Health and Safety	None
Human Rights	None

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

Community & Housing Committee General Fund – Summary

Slight overspend is forecast

Overall, the Committee's expenditure is forecasted to overspend the budget by £17,000.

Details are in Appendix A.

Overspending areas

The **Port Health** budget is forecasted to overspend by £22,000, because the costs of discontinuing the service are not recoverable.

The **Public Health** budget is forecasted to overspend by £16,000, mainly due to a reduction in income from Border inspection fees.

No other significant overspends anticipated.

Underspending areas

Sports Development is forecasted to underspend £19,000, due to funding provided by Essex County Council that was not in the budget.

The **Saffron Walden Museum** budget is forecasted to underspend by £13,000 mainly due to a decision to keep an Education Officer post vacant.

No other significant underspends anticipated.

Community & Housing Committee Capital Programme – Summary

General Fund schemes – no variances expected

The capital budgets have been adjusted to reflect previous Member decisions and the level of external funding expected.

Expenditure on the Heritage Quest Centre capital works is no longer expected to occur in 2009/10. This budget will carry forward into 2010/11.

After making these adjustments, no variances are forecasted to arise on General Fund schemes.

Details are in Appendix B

HRA schemes – overspend of £93,000 forecasted

The HRA capital programme is expected to overspend by £93,000, mainly due to a planned acceleration to the boiler replacement programme of £100,000.

This will be financed by a revenue contribution from the HRA, as mentioned below.

Details are in Appendix B.

Housing Revenue Account – Summary

Overall overspend is forecast	<p>An overall net overspend of £101,000 is forecast.</p> <p>The budget is for an in-year deficit of £22,000, now forecasting in-year deficit of £123,000.</p> <p>Details are in Appendix C.</p>
Underspending areas	<p>An under spend of £56,000 has arisen in Property Services due staff vacancies.</p> <p>An under spend of £40,000 in Housing Services mainly because the budget erroneously includes costs of homelessness services that are charged to the General Fund.</p> <p>It is estimated that pensions costs charged to the HRA will be £37,000 below the budgeted amount.</p> <p>No other significant underspends anticipated at this stage.</p>
Overspending areas	<p>Due to property voids being at a level higher than estimated in the budget, dwelling rent income is forecasted to be £100,000 below budget.</p> <p>A revenue contribution to the capital programme of £100,000 is to be made, as noted above.</p> <p>The net contribution towards overheads and General Fund costs is estimated to be £28,000 above budget.</p> <p>No other significant overspends anticipated at this stage.</p>
Budget profiles require review	<p>At face value, the finance system-generated budget and actual figures for the period April to November suggest that a large underspend has arisen with the HRA. Officers do not expect that in practice a substantial underspend is likely and believe that in some cases the budget profiles require adjustment. This is being investigated; a verbal update will be provided at the Committee meeting.</p>
HRA Working Balance above target level	<p>It is forecasted that the HRA Working Balance will be £661,000 as at 31 March 2010, above the target level of £496,000.</p>

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Actual income and expenditure will vary from forecast, requiring adjustments to budget and/or service delivery	2 – some variability is inevitable	2 – budget will be closely monitored and prompt action taken to deal with variances	Budgetary control framework

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

APPENDIX A

COMMUNITY & HOUSING COMMITTEE – GENERAL FUND BUDGET

£000	April to Nov			2009/10 Financial Year			
	Current Budget April to Nov	Actual April to Nov	Variance April to Nov	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Animal Warden	21	19	-2	31	31	31	0
Bridge End Gardens	36	39	3	55	54	54	0
Community Information Centres	44	42	-2	55	54	56	2
Community Safety	55	101	46	55	54	53	-1
Community & Leisure Management	30	28	-2	48	48	46	-2
Community Wardens	28	28	0	58	58	59	1
Conveniences	80	104	24	113	113	123	10
Day Centres	36	29	-7	68	45	44	-1
Drug Awareness	-3	-5	-2	-2	-2	-2	0
Emergency Planning	24	24	0	43	42	43	1
Environmental Management & Admin	59	59	0	90	89	89	0
Grants & Contributions	168	154	-14	144	144	144	0
Homelessness	-3	-40	-37	57	82	82	0
Housing Grants	15	15	0	15	15	15	0
Leisure & Administration	48	22	-26	47	46	44	-2
Leisure PFI	251	251	0	380	221	222	1
Life Line	31	-1	-32	-77	-77	-77	0
Museum Saffron Walden	185	159	-26	260	258	245	-13
Pest Control	7	10	3	24	23	25	2
Port Health	43	-3	-46	-15	-16	6	22
Public Health	224	240	16	370	365	381	16
Sports Development	48	48	0	37	37	18	-19
Tourist Information Centre	0	20	20	20	20	20	0
Committee Total	1,427	1,343	-84	1,876	1,704	1,721	17

APPENDIX B

COMMUNITY & HOUSING COMMITTEE CAPITAL PROGRAMME

£000	Actual April to Nov	2009/10 Financial Year					
		Original Budget	Brought forward from 2008/09	Budget adjust- ments	Current Budget	Forecast Outturn	Forecast Variance
Community & Housing							
Community Project Grants	42	70	0	0	70	70	0
Play Programme	42	0	0	47	47	47	0
Swimming Grant	0	0	0	22	22	22	0
Private Sector Renewal Grants	38	40	0	0	40	40	0
Disabled Facilities Grants	172	110	0	140	250	250	0
Heritage Quest Centre	36	0	95	-35	60	60	0
Total - Community & Housing Committee	330	220	95	174	489	489	0
Housing Revenue Account							
Annual programme of works	1,078	1,637	0	38	1,675	1,775	100
HRA Supervison Recharges	0	210	0	0	210	210	0
Cash Incentive Scheme Grant	8	40	0	0	40	33	-7
Housing Server Replacement	0	0	0	0	0	0	0
Total - Housing Revenue Account	1,086	1,887	0	38	1,925	2,018	93

APPENDIX C

HOUSING REVENUE ACCOUNT

£000	April to Nov			2009/10 Financial Year			
	Current Budget April to Nov	Actual April to Nov	Variance April to Nov	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Dwelling Rents	-7,412	-7,925	-513	-11,461	-11,118	-11,018	100
Garage Rents	-139	-144	-5	-208	-208	-208	0
Other rents etc	-4	-3	1	-6	-6	-6	0
Charges for Services & Facilities	-325	-316	9	-488	-488	-488	0
Contributions towards expenditure	-69	-99	-30	-103	-103	-103	0
Investment Income	0	0	0	-16	-6	-4	2
Sub-total – Direct Income	-7,949	-8,487	-538	-12,282	-11,929	-11,827	102
Housing Repairs	1,128	864	-264	1,590	1,589	1,589	0
Housing Services	212	198	-14	467	452	412	-40
Property Services	434	343	-91	399	390	334	-56
Rent Collection & Accounting	40	46	6	79	79	86	7
Sheltered Housing Services	244	245	1	368	364	358	-6
Common Service Flats	346	228	-118	480	480	482	2
Housing Sewerage	14	15	1	16	17	17	0
Estate Maintenance	130	107	-23	195	196	195	-1
SP Transitional Protection	17	15	-2	26	26	26	0
Rents, Rates & Other Property Charges	25	38	13	30	30	43	13
Negative Housing Subsidy	3,421	3,592	171	5,469	5,132	5,136	4
Depreciation - Dwellings	0	0	0	1,926	1,926	1,926	0
Depreciation - Other assets	0	0	0	252	252	254	2
Bad Debt Provision	0	0	0	0	0	0	0
DLO (Newport Depot)	7	6	-1	0	0	0	0
DLO (Maintenance Depot)	365	392	27	0	0	0	0
Inflation Saving	0	0	0	0	15	0	-15
Contribution to Capital Programme	0	0	0	0	0	100	100
Sub-total - Direct Expenditure	6,383	6,089	-294	11,297	10,948	10,958	10
Recharge from General Fund	0	0	0	885	885	940	55
HRA Share of Corporate Core	0	0	0	267	267	240	-27
HRA Share of Pension Deficit	0	0	0	103	103	66	-37
Sub-total - Total Net Expenditure	0	0	0	12,552	12,203	12,204	1
Operating surplus(-) /deficit	-1,566	-2,398	-832	270	274	377	103
Transfer from Major Repairs Reserve	0	0	0	-248	-252	-254	-2
In year surplus (-) / deficit	-1,566	-2,398	-832	22	22	123	101
HRA Working Balance							
Balance brought forward				-305	-784	-784	0
In year surplus (-) / deficit				22	22	123	101
Balance carried forward				-283	-762	-661	101