

Committee: Community & Housing

Agenda Item

Date: 9 September 2010

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Title: 2010/11 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.
2. The report sets out financial performance for the period April to July 2010 and a forecast outturn to the end of the financial year.
3. The Committee's General Fund expenditure is forecasted to end the year with a net favourable variance of £22,000.
4. Capital schemes are forecasted to end the year with a net favourable variance of £941,000 due primarily to the continued delays relating to the Heritage Quest Centre project.
5. The HRA is forecasted to end the year with a net favourable variance of £8,000.
6. 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 16 September.
7. The Committee will receive an update on its budgets in January.

Recommendations

8. The Committee is recommended to note and approve this report.

Financial Implications

9. There are no direct financial implications arising from the recommendations.

Background Papers

[2010/11 Budget Book](#)

Impact

Communication/Consultation	The forecasts in the report have been provided by budget holders and scheme managers
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

Community & Housing Committee General Fund - Summary

Net favourable variance is forecast	<p>Overall, the Committee's expenditure is forecasted to underspend the budget by £22,000.</p> <p>There are no significant forecasted variances to bring to the Committee's attention.</p> <p>Details are Appendix A.</p>
Other comments	<p>The Leisure PFI budget has had to be adjusted to reflect changes in accounting rules coming in to force from April 2010. Costs deemed to be capital lease payments and associated interest are now classified as capital financing costs which appear "below the line" in the Council's accounts, and therefore do not appear in the service budget lines featured in this report. No significant variances or problems are envisaged.</p>

Community & Housing Committee Capital Programme - Summary

Net favourable variance is forecast

An overall net underspend of £941,000 is forecasted.

Expenditure of £951,000 relating to the Heritage Quest Centre project is postponed pending a decision on the Sainsburys planning application.

The demand for Disabled Facilities Grants now exceeds the historical annual sum budgeted; this year expenditure of £200,000 is forecasted compared with a budget of £110,000. This is a mandatory demand-led scheme so the budget needs to be adjusted accordingly.

Planned expenditure of £50,000 on Thaxted Play Equipment has been suspended due to withdrawal of government funding for play projects.

A budget adjustment has been made to reflect the final estimated costs of the Holloway Crescent Project – now budgeted at £650,000. HCA funding is yet to be confirmed, but the Committee has already approved a fallback financing strategy in the event that the money is not received, so there are no financial obstacles to completing the project.

Adjustments have been made to HRA Works Programme budget (and associated supervision costs) to match the decision to apply £400,000 of HRA contributions this year.

Details are in Appendix B.

Housing Revenue Account - Summary

Small net favourable variance is forecast

- An overall net underspend of £8,000 is forecast.
 - There are no significant variances.
 - Details are in Appendix C.
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Reform of HRA – details awaited

- Members will recall that the Council has responded to a consultation regarding draft proposals to reform council housing finance.
 - Details of confirmed proposals are awaited.
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Budget adjustments recommended

- None at this stage.
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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 July			2010/11 Financial Year			
	Current Budget April to July	Actual April to July	Variance April to July	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Animal Warden	10	9	-1	31	31	31	0
Community Information Centres	24	23	-1	56	56	46	-10
Community Safety	45	84	39	55	55	55	0
Community & Leisure Management	15	15	0	48	48	48	0
Community Wardens	15	0	-15	61	61	61	0
Conveniences	40	47	7	122	122	103	-19
Day Centres	24	22	-2	58	58	67	9
Drug Awareness	1	-4	-5	-2	-2	-2	0
Emergency Planning	12	12	0	43	43	43	0
Environmental Management & Admin	30	31	1	89	89	89	0
Grants & Contributions	171	147	-24	211	211	213	2
Homelessness	-8	-44	-36	87	90	90	0
Housing Grants	0	0	0	15	15	15	0
Leisure & Administration	21	12	-9	42	42	42	0
Leisure PFI	-37	-33	4	255	-114	-114	0
Life Line	68	67	-1	-67	-67	-71	-4
Museum Saffron Walden	88	94	6	237	237	230	-7
Pest Control	2	2	0	17	17	17	0
Public Health	120	115	-5	374	374	382	8
Sports Development	16	23	7	38	38	38	0
Tourist Information Centre	10	10	0	10	10	9	-1
Committee Total	667	632	-35	1,780	1,414	1,392	-22

APPENDIX B

COMMUNITY & HOUSING COMMITTEE CAPITAL PROGRAMME

£000	Actual April to July	2010/11 Financial Year					Forecast Outturn	Forecast Variance
		Original Budget	Slippage from 2009/10	Additional External Funding in Year	Other Budget Adjustments	Updated Budget		
Community & Housing								
<u>Capital Grants</u>								
Community Project Grants	25	70	0	0	0	70	70	0
Disabled Facilities Grants	45	110	0	0	0	110	200	90
Dunmow CCTV	0	50	0	0	0	50	50	0
Empty Dwellings	0	50	0	0	0	50	20	-30
Felsted Playground	25	0	25	0	0	25	25	0
Play Programme	0	0	3	0	0	3	3	0
Private Sector Renewal Grants	-7	40	0	0	0	40	30	-10
Swimming Grant	0	0	22	0	0	22	22	0
Thaxted Play Equipment	0	50	0	0	0	50	0	-50
<u>Capital Works</u>								
Heritage Quest Centre	0	972	19	0	0	991	40	-951
Total - Community & Housing Committee	88	1,342	69	0	0	1,411	460	-951
<u>Housing Revenue Account</u>								
Capital Repairs	543	1,915	0	0	150	2,065	2,065	0
<u>Capital Works</u>								
Depot Works	0	50	0	0	-6	44	44	0
Holloway Crescent	2	315	0	225	110	650	650	0
Temporary Accommodation	78	100	0	0	-11	89	89	0
Capital Vehicles	31	238	0	0	0	238	248	10
Tenants Grants	4	40	0	0	0	40	40	0
HRA Supervision	0	0	0	0	275	275	275	0
Total - Housing Revenue Account	658	2,658	0	225	518	3,401	3,411	10

APPENDIX C

HOUSING REVENUE ACCOUNT

£000	April to July			2010/11 Financial Year			
	Current Budget April to July	Actual April to July	Variance April to July	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Dwelling Rents	-3,876	-3,610	266	-11,340	-11,340	-11,310	30
Garage Rents	-71	-66	5	-210	-213	-213	0
Other rents etc	-1	-2	-1	-6	-3	-3	0
Charges for Services & Facilities	-161	-153	8	-477	-477	-477	0
Contributions towards expenditure	-71	-63	8	-87	-88	-74	14
Investment Income	0	0	0	-5	-5	-5	0
Sub-total – Direct Income	-4,180	-3,894	286	-12,125	-12,126	-12,082	44
Housing Repairs	635	598	-37	1,650	1,692	1,675	-17
Housing Services	0	0	0	337	334	322	-12
Property Services	193	179	-14	412	365	347	-18
Rent Collection & Accounting	22	19	-3	81	81	81	0
Sheltered Housing Services	115	114	-1	360	390	410	20
Common Service Flats	116	123	7	371	371	371	0
Housing Sewerage	10	17	7	13	13	15	2
Estate Maintenance	66	67	1	199	199	199	0
Rents, Rates & Other Property Charges	30	42	12	30	30	42	12
Negative Housing Subsidy	1,480	1,462	-18	4,937	4,937	4,898	-39
Depreciation - Dwellings	0	0	0	1,955	1,955	1,955	0
Depreciation - Other assets	0	0	0	211	211	211	0
Bad Debt Provision	0	0	0	59	59	59	0
Revenue Contribution to Capital	0	0	0	400	400	400	0
Sub-total - Direct Expenditure	2,667	2,621	-46	11,015	11,037	10,985	-52
Recharge from General Fund	0	0	0	930	930	930	0
HRA Share of Corporate Core	0	0	0	267	267	267	0
Pension Fund	0	0	0	51	51	51	0
Sub-total - Total Net Expenditure	0	0	0	12,263	12,285	12,233	-52
Operating surplus(-) /deficit	-1,513	-1,273	240	138	159	151	-8
Transfer from Major Repairs Reserve	0	0	0	-211	-211	-211	0
In year surplus (-) / deficit	-1,513	-1,273	240	-73	-52	-60	-8
Working Balance							
Balance 31 March 2010				-796	-796	-796	0
In year surplus (-) / deficit				-73	-52	-60	-8
Forecast Balance 31 March 2011				-869	-848	-856	-8