

**SEPTEMBER 2015 - SALARIES**

<u>DIRECTORATE</u>	<u>2015/16</u>			<u>2014/15</u>		
	<u>EXPENDITURE TO 30/09/15</u>	<u>BUDGET PROVISION (ORIGINAL)</u>	<u>VARIATION FROM BUDGET (ORIGINAL)</u>	<u>EXPENDITURE TO 30/09/14</u>	<u>BUDGET PROVISION (ORIGINAL)</u>	<u>VARIATION FROM BUDGET (ORIGINAL)</u>
	<u>£000</u>	<u>£000</u>	<u>%</u>	<u>£000</u>	<u>£000</u>	<u>%</u>
CHIEF EXECUTIVE	91	91	0.0	108	113	-4.4
RESOURCES *	2,771	2,885	-4.0	2,772	2,781	-0.3
GOVERNANCE	1,653	1,673	-1.2	1,657	1,708	-3.0
NEIGHBOURHOODS *	2,226	2,324	-4.2	2,045	2,118	-3.4
COMMUNITIES *	3,611	3,666	-1.5	3,565	3,590	-0.7
<b>TOTAL</b>	<b>10,352</b>	<b>10,639</b>	<b>-2.7</b>	<b>10,147</b>	<b>10,310</b>	<b>-1.6</b>

\* Agency costs are included in the salaries expenditure.

Please note a vacancy allowance of 1.50% has been deducted in all directorate budget provisions.

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	75	36	36	31	0	0	No major variances.
Bed & Breakfast Accommodation	121	50	73	45	23	46	This year has seen an increase in placements compared to 2014/15. It is likely that the budget will need to be increased as a result.
Grants to Voluntary Groups	87	44	56	73	12	27	The spend on grants is lower in the first six months compared to last year, profile set quarterly at the present time. Grant release tends to be slow in first part of the year.
Voluntary Sector Support	170	170	93	153	-77	-45	Both main Grants were paid by Month 6 in 2014/15. Only one had been paid by Month 6 in 2015/16. Similarly the Grant to VAEF is down for the same reason.
<u>Major income items:</u>							
Bed & Breakfast Accommodation	107	45	76	58	31	69	This year has seen an increase in placements compared to 2014/15. It is likely that the budget will need to be increased as a result.
	560	345	334	360			

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major income items</u>							
Development Control	675	299	490	397	191	64	Development Control fees are profiled on the average of the previous three years. The income received in the first half of the year has significantly exceeded both the budget to date and the previous year's actual due to the up-turn in the market resulting in a vast increase in the number of planning applications received.  The £191,000 additional income received in comparison to the budget at the end of quarter two includes £179,000 in development control fees and charges and £12,000 in pre application consultation fees.
Building Control Fee Earning	386	209	240	218	31	15	Income is higher than expected this year and the previous year, which is a reflection of the nationally strengthening market and the high standard of service provision. The Building Control service are marketing themselves amongst local architects to form a Local Authority Building Control Partnership Scheme to increase its share of the market.
Local Land Charges	215	113	99	121	-14	-12	Income is lower than estimated and the previous year due to a reduction in the number of searches carried out by the Council. The number of searches received is approximately 150 less than the same period last year.
	1,276	621	829	736			

	15/16	Second Quarter			15/16		Comments
	Full Year	15/16	15/16	14/15	Variance		
	Budget	Budget	Actual	Actual	Budget v Actual		
£'000	£'000	£'000	£'000	£'000	%		
<u>Major expenditure items:</u>							
Refuse Collection	1,270	431	415	349	-16	-4	The expenditure variance is due to delays as regards Biffa invoicing.
Street Cleansing	1,208	403	416	415	13	3	The overspend relates to Street Arisings.
Recycling	2,411	806	798	990	-8	-1	No major variance. Sacks and Gate Fees are part of the contract now, the Total Expenditure and Income on this cost centre has shifted downwards since 2014-15 due to the new contract.
Highways General Fund	54	24	4	17	-20	-83	The expenditure variances relate to Bus Shelters, Litter Bins and Street naming.
Off Street Parking	561	331	299	294	-32	-10	Budget heads under spent such as Other Maintenance, NDR, Equipment and Advertising.
North Weald Centre	209	113	121	85	8	7	Due to their nature, timing differences arise. It is a volatile budget. Equipment up £2,000, Marketing £2,000, and £23,000 maintenance of Market car park.
Land Drainage & Contaminated Land	185	18	14	14	-4	-22	Expenditure tends to be heavier in the second half of the year.
	5,898	2,126	2,067	2,164			

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major expenditure items</u>							
Forward Planning/Local Plan	217	126	75	42	-51	-40	There has been less expenditure in the first six months than expected due to slippage in the programme. This budget is due to be reviewed in detail shortly to assess when money will be spent and how much will be required to complete the process.
<u>Contract cost Monitoring</u>							
Leisure Facilities:-							
Loughton Leisure Centre	-132	-33	-47	-70	-14	42	}
Epping Sports Centre	321	132	79	103	-53	-40	The in year variances are due to contractor invoices being two months in arrears at the end of September 2015. The budget profile assumes one month in arrears so the actual spend at Month 6 only contains 3 monthly payments. }
Waltham Abbey Pool	523	218	130	170	-88	-40	}
Ongar Sports Centre	301	125	75	98	-50	-40	}
	1,013	442	237	301			

## DIRECTORATE FINANCIAL MONITORING - NEIGHBOURHOODS (3)

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major income items:</u>							
Refuse Collection	41	21	27	81	6	29	No major variances
Recycling	1,408	382	270	636	-112	-29	The income variance is made up of £142,000 less than expected in recycling credits not yet received, but the full year budget is still the anticipated income for the year. Avoided Disposal Payment not received until after the year end. Since 2014-15 a feature of the new contract is a significant reduction in recycling credits.
Off Street Parking	1,226	560	519	398	-41	-7	Pay and display income is £12,000 less than profile, Season Tickets are £8,000 down and Penalty Notices are £21,000 down.
North Weald Centre	774	494	414	646	-80	-16	There is one rent review ongoing and related rent arrears to be collected. During 2014/15 the basis for charging for the market was changed from a fixed rental to an income share. This resulted in a refund of some of the income shown at this stage in 2014/15 and reduced the full year estimate. The lease of the current operator ends at 31 December 2015 and an exercise is underway to find a replacement.
Hackney Carriages	181	90	90	94	0	0	No major variances.
Licensing & Registrations	114	57	49	55	-8	-14	Income is a little behind this time last year however a number of reminders have recently been sent out which should see this income received.
Fleet Operations MOTs	228	114	117	118	3	3	No major variances.
	3,972	1,718	1,486	2,028			

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major income items:</u>							
Industrial Estates	1,162	837	816	777	-21	-3	Rents from the Industrial units are slightly below expectations due to a number of units being vacant at the Oakwood Hill Workshop Units and a number of voids affecting the Langston Road Seedbed Centre income.
Business Premises - Shops	2,156	1,617	1,599	1,624	-18	-1	This income relates to non housing assets which include shops, doctors surgeries, a petrol station and public houses. Income is slightly below the profiled budget. The actual also includes rents billed in advance for the third quarter of around £530,000.
Land & Property	142	32	31	33	-1	-3	Commission is received from the David Lloyd Centre based on their turnover. Income relating to 2015/16 will be accounted for at the end of the year, but received during the initial part of 2016/17. Income received from land and property in the first half year is on target with the profiled budget.
	3,460	2,486	2,446	2,435			

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		Comments
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Building Maintenance	510	114	115	149	1	1	Building Maintenance works are difficult to forecast but generally works are undertaken in the latter part of the year which allows for preparation work to take place initially. The expenditure to date is in line with the profiled budget but lower than the previous year comparative. This is due to the overall reduction in the full year budget in comparison to the budget of 14/15 which was £703,000.
Information & Communication Technology	940	695	699	757	4	1	The full year budget now comprises of the total cost of the councils ICT expenditure including the Switchboard, Mobile Phones and the annual contract costs for all of the major systems in use. The prior year comparative has been adjusted to reflect this change. Expenditure is in line with the current budget spending profile as the majority of maintenance contracts for systems are paid at the beginning of the year with network charges continuing to be paid throughout the year. Although the previous year comparative is greater than the current year actual it is expected that in quarter 3 the actual and comparative will be on target.
Bank & Audit Charges	142	23	23	29	0	0	No major variances
	1,592	832	837	935			
<u>Major income items:</u>							
Investment Income	470	235	190	217	-45	-19	Investment interest is below that expected. Investment balances are around £14m lower than last year. There are a number of significant capital projects that have drawn on these funds. Having said that the timings of capital spend are somewhat unpredictable and the actual income received will be heavily dependent on the progress of these schemes in general and the retail park in particular.
	470	235	190	217			



2015/16 DIRECTORATE FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 6

	15/16 Full Year Budget £'000	Second Quarter			15/16 Variance Budget v Actual		<u>Comments</u>
		15/16 Budget £'000	15/16 Actual £'000	14/15 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Management & General	312	131	110	112	-21	-16	Expenditure is lower in 2015/16 due to no spending on Document Archiving.
Housing Repairs	6,378	3,037	2,723	2,280	-314	-10	The underspend mainly relates to the responsive repairs of the HRA. The budget is profiled evenly across the year, as it is unknown when responsive repairs will arise. Gas servicing contract was expected to increase in cost but hasn't.
Special Services	1,158	520	298	246	-222	-43	The main areas showing an underspend are: Gas and Electricity, Tree Maintenance, Equipment and Cleansing.
	<u>7,848</u>	<u>3,688</u>	<u>3,131</u>	<u>2,638</u>			
<u>Major income items:</u>							
Non-Dwelling Rents	858	424	423	412	-1	0	Garage rents increased 2.5% year on year.
Gross Dwelling Rent	32,177	16,089	16,138	15,749	49	0	The variance between years is due to the annual rents increase which was 2.2% from April 2015.
	<u>33,035</u>	<u>16,513</u>	<u>16,561</u>	<u>16,161</u>			