

JUNE 2016 - SALARIES

| <u>DIRECTORATE</u> | <u>2016/17</u> | | | <u>2015/16</u> | | |
|--------------------|--|--|---|--|--|---|
| | <u>EXPENDITURE</u> <u>TO 30/06/16</u> | <u>BUDGET</u> <u>PROVISION</u> <u>(ORIGINAL)</u> | <u>VARIATION</u> <u>FROM BUDGET</u> <u>(ORIGINAL)</u> | <u>EXPENDITURE</u> <u>TO 30/06/15</u> | <u>BUDGET</u> <u>PROVISION</u> <u>(ORIGINAL)</u> | <u>VARIATION</u> <u>FROM BUDGET</u> <u>(ORIGINAL)</u> |
| | <u>£000</u> | <u>£000</u> | <u>%</u> | <u>£000</u> | <u>£000</u> | <u>%</u> |
| CHIEF EXECUTIVE | 66 | 65 | 1.5 | 45 | 45 | 0.0 |
| RESOURCES * | 1,385 | 1,463 | -5.3 | 1,384 | 1,446 | -4.3 |
| GOVERNANCE * | 898 | 919 | -2.3 | 806 | 837 | -3.7 |
| NEIGHBOURHOODS * | 1,178 | 1,231 | -4.3 | 1,098 | 1,162 | -5.5 |
| COMMUNITIES * | 1,875 | 1,928 | -2.7 | 1,799 | 1,833 | -1.9 |
| TOTAL | 5,402 | 5,606 | -3.6 | 5,132 | 5,323 | -3.6 |

* Agency costs are included in the salaries expenditure.

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

The expenditure figures now include the 1% pay increase, including backpay.

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-----|---|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major expenditure items:</u> | | | | | | | |
| Museum | 84 | 58 | 69 | 25 | 11 | 19 | Business rates were paid in Month 3 in 2016/17 there was a slight delay last year meaning the charge was not applied until month 4. This amounts to £27,000. Since this time last year the museum have had additional storage costs owing to the impending closure of Langston Road. This amounts to £17,000 a quarter. |
| Bed & Breakfast Accommodation | 147 | 25 | 64 | 21 | 39 | 156 | The expected increase in caseload has been exceeded and is expected to continue. Rents shown below are also higher as a result. |
| Grants to Voluntary Groups | 93 | 23 | 18 | 10 | -5 | -22 | The spend on grants is lower initially as Grant release tends to be slow in first part of the year. It is often difficult to predict exact expenditure patterns from year to year as timing is dependant on the organisations providing the necessary information to enable the grants to be released. |
| Voluntary Sector Support | 170 | 93 | 93 | 76 | 0 | 0 | The variance between years is because the safer places contribution in 2015/16 was not paid until month 5. |
| <u>Major income items:</u> | | | | | | | |
| Bed & Breakfast Accommodation | 150 | 25 | 64 | 37 | 39 | 156 | Rents are up due to increased caseload. |
| | 644 | 224 | 308 | 169 | | | |

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|----|--|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| Major income items | | | | | | | |
| Development Control | 928 | 211 | 263 | 237 | 52 | 25 | Uncertainty in the economy is having a positive effect on planning application and pre-planning application submissions as householder extensions become the preferred option against moving house. |
| Building Control Fee Earning | 425 | 110 | 149 | 125 | 38 | 35 | Building Control fees are higher than the profiled budget and greater than the previous year actual which is a reflection of the change in the building industry. In addition, the Building Control service have continued to grow the Local Authority Building Control Partnership portfolio which has seen additional members joining in the first quarter of 2016/17 allowing them to increase its share of the market. |
| Local Land Charges | 176 | 48 | 45 | 50 | -3 | -6 | The first quarter of 2016/17 has seen reduced levels of fee income compared to the first quarter of the previous year and the budget to date. It is difficult to predict the number of searches the service will receive as it is determined by the buoyancy of the housing market. |
| | 1,529 | 369 | 457 | 412 | | | |

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|--------------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|------|---|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major expenditure items:</u> | | | | | | | |
| Refuse Collection | 1,292 | 116 | 125 | 98 | 9 | 8 | The variance is due to the additional cost of recently built properties needing the waste collection service. |
| Street Cleansing | 1,226 | 129 | 72 | 115 | -57 | -44 | The underspend relates to Street Arisings and an Opening Creditor on weedspraying. |
| Recycling | 2,681 | 203 | 288 | 199 | 85 | 42 | Profile expects one Biffa payment of the three for the quarter. The variance relates to charges for collections from new properties that came on line during 2015/16 and a rebate to the contractor as recycling income received by Biffa is lower than expected. |
| Highways General Fund | 46 | 0 | 0 | 0 | 0 | N/A | No variance |
| Off Street Parking | 553 | 229 | 213 | 215 | -16 | -7 | This budget includes surface maintenance which tends to be spent in the final quarter. |
| North Weald Centre | 209 | 77 | 44 | 55 | -33 | -43 | Runway Maintenance is up but a wide variety of other budget heads are under spent. |
| Land Drainage & Contaminated Land | 129 | 11 | 0 | 17 | -11 | -100 | This is a maintenance driven budget and has a volatile pattern of spend. No expenditure has been necessary so far this year. |
| | 6,136 | 765 | 742 | 699 | | | |

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|----|---|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major expenditure items</u> | | | | | | | |
| Forward Planning/Local Plan | 643 | 126 | 25 | 2 | -101 | 0 | There was expected to be little expenditure in the first quarter but the actual is lower due to slippage in the programme. |
| <u>Contract cost Monitoring</u> | | | | | | | |
| Leisure Facilities:- | | | | | | | |
| Loughton Leisure Centre | -244 | -41 | -47 | -16 | -6 | 15 | } The in year variances are due to contractor invoices being one month in arrears at the end of June 2016, but the profiles allow for this. This } situation also occurred last financial year. |
| Epping Sports Centre | 310 | 52 | 53 | 26 | 1 | 2 | |
| Waltham Abbey Pool | 517 | 86 | 87 | 43 | 1 | 1 | |
| Ongar Sports Centre | 294 | 49 | 50 | 25 | 1 | 2 | |
| | 877 | 146 | 143 | 78 | | | |

DIRECTORATE FINANCIAL MONITORING - NEIGHBOURHOODS (3)

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|----------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-----|--|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major income items:</u> | | | | | | | |
| Refuse Collection | 54 | 14 | 16 | 12 | 2 | 14 | Bulk waste income is slightly above expectations, there has been an increase in collections made. |
| Recycling | 1,509 | -50 | -136 | 4 | -86 | 172 | In 2015/16 the service enhancement payment from the County Council was received in Month 3 however in 2016/17 this arrived during August. Also recycling credits for April expected in quarter 1 of 2016/17 did not get processed until month 4. |
| Off Street Parking | 1,344 | 249 | 219 | 218 | -30 | -12 | Income from telephone payments is usually received monthly however there were again delays during the first quarter and none was received until month 4. The same thing happened last year. |
| North Weald Centre | 789 | 297 | 296 | 256 | -1 | 0 | No major variance in year. In the prior year there was an on going rent review and outstanding arrears owing that were not resolved until the latter part of 2015/16. |
| Hackney Carriages | 173 | 59 | 74 | 49 | 15 | 25 | This income includes some 3 and 5 year licences paid in advance which distorts the actual figure. This amounts to around £9,000. |
| Licensing & Registrations | 114 | 14 | 11 | 12 | -3 | -21 | Income from liquor licences tend to be received during quarter 2 hence low income compared to the full year budget. |
| Fleet Operations MOTs | 209 | 52 | 41 | 60 | -11 | -21 | MOT income is down due to the uncertainties surrounding the relocation of the service to Oakwood Hill. |
| | 4,192 | 635 | 521 | 611 | | | |

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|----------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-----|--|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major income items:</u> | | | | | | | |
| Industrial Estates | 1,132 | 519 | 537 | 515 | 18 | 3 | Rents from the Industrial units are very slightly above expectations. There have been a few rent review increases agreed recently. |
| Business Premises - Shops | 2,137 | 1,069 | 1,080 | 1,072 | 11 | 1 | This income relates to non housing assets which include shops, doctors surgeries, a petrol station and public houses. Income is slightly above the profiled budget. The actual also includes rents billed in advance for the second quarter of around £540,000. |
| Land & Property | 145 | 9 | 8 | 28 | -1 | -11 | Commission is received from the David Lloyd Centre based on their turnover. Income relating to 2015/16 was accounted for last year, but received during the initial part of 2016/17. Income received from land and property in the first quarter of 2016/17 is on target with the profiled budget. |
| | 3,415 | 1,597 | 1,626 | 1,615 | | | |

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|--|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-----|--|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major expenditure items:</u> | | | | | | | |
| Building Maintenance | 523 | 67 | 46 | 42 | -21 | -31 | 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 actual spend to date at quarter one for building maintenance is similar to the previous years comparative. |
| Information & Communication Technology | 950 | 559 | 558 | 553 | -1 | 0 | The budget comprises of the total cost of the councils ICT expenditure including the Switchboard, Mobile Phones and all of the major systems in use. 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. |
| Bank & Audit Charges | 125 | 1 | 1 | 1 | 0 | 0 | No significant expenditure occurs in either audit or bank charges until quarter 2. |
| | 1,598 | 627 | 605 | 596 | | | |
| <u>Major income items:</u> | | | | | | | |
| Investment Income | 378 | 95 | 78 | 103 | -17 | -18 | Investment interest is distorted slightly by year end debtor journals. Whilst Investment balances are around £10m higher than expected there are a number of significant capital projects that are expected to call on these funds so the original figure is unlikely to be met. 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. Interest rates have also fallen. |
| | 378 | 95 | 78 | 103 | | | |

2016/17 DIRECTORATE FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 6

| | 16/17 Full Year Budget £'000 | First Quarter | | | 16/17 Variance Budget v Actual | | Comments |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-----|--|
| | | 16/17 Budget £'000 | 16/17 Actual £'000 | 15/16 Actual £'000 | £'000 | % | |
| | | | | | | | |
| <u>Major expenditure items:</u> | | | | | | | |
| Management & General | 274 | 59 | 40 | 42 | -19 | -32 | Expenditure is lower in 2016/17 due to less spending on Policy & Management, and Rent Accounting. |
| Housing Repairs | 6,351 | 1,462 | 1,122 | 1,092 | -340 | -23 | The underspend mainly relates to the Planned Maintenance of the HRA, £172,000, and Voids £163,000. The budget is profiled evenly across the year, as it is unknown when responsive repairs will arise. |
| Special Services | 1,147 | 309 | 204 | 178 | -105 | -34 | The main areas showing an underspend are: Sheltered Units and Grounds Maintenance. |
| | <u>7,772</u> | <u>1,830</u> | <u>1,366</u> | <u>1,312</u> | | | |
| <u>Major income items:</u> | | | | | | | |
| Non-Dwelling Rents | 886 | 219 | 218 | 211 | -1 | 0 | No major variances. |
| Gross Dwelling Rent | 32,032 | 8,008 | 7,939 | 8,064 | -69 | -1 | The variance between years is due to the rent decrease which was 1.0% from April 2016. Voids are 1.2%, the Budget assumed 0.7%, a £40,000 difference. |
| | <u>32,918</u> | <u>8,227</u> | <u>8,157</u> | <u>8,275</u> | | | |