

Supplementary Committee Agenda



Finance and Performance Management Scrutiny Panel Tuesday, 13th November, 2007

Place: Committee Room 1, Civic Offices, High Street, Epping

Room: Committee Room 1

Time: 7.00 pm

Committee Secretary: A Hendry - Democratic Services Officer
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6. QUARTERLY FINANCIAL MONITORING REPORT (Pages 3 - 14)

(Director of Finance and ICT) to consider the attached report.

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| | 07/08 Full Year Budget | | Second Quarter | | 07/08 Variance | | Comments |
|---|------------------------|------------|----------------|--------------|----------------|------------|--|
| | £'000 | £'000 | 07/08 Budget | 07/08 Actual | £'000 | % | |
| Finance, Performance Man't & CSS | | | | | | | |
| Youth Sports Facilities | 132 | 0 | 0 | 0 | 0 | 0 | Although no grants have been paid this year so far, Roydon (£40,000) is completed. It is hoped that all the schemes will be completed this year, however Buckhurst Hill may take longer . |
| Messenger Vehicle | 15 | 15 | 15 | 15 | 0 | 0 | |
| Civic Office Works (including Planning Service Accommodation works) | 77 | 39 | 39 | -5 | -25 | 0 | An outstanding creditor has yet to be cleared. |
| IEG funded ICT schemes | 304 | 152 | 152 | 139 | -13 | -9 | The implementation of the Revenues and Benefits system, which represents £240,000 of the full year budget, is broadly on target. |
| Other ICT Projects | 439 | 188 | 188 | 113 | -75 | -40 | Most of the underspend relates to the General IT budget which is planned to be spent in the second half of the year |
| General Capital Contingency | 181 | 0 | 0 | 0 | 0 | 0 | This unallocated budget is automatically profiled into month 12 unless authority is granted to use it on a specific scheme. It is then moved to the relevant General Fund Capital heading. |
| Total | 1,148 | 393 | 393 | 262 | -113 | -29 | |
| Leader's Portfolio | | | | | | | |
| Merlin Way Land Sale | 15 | 7 | 7 | 5 | -2 | -29 | |
| Total | 15 | 7 | 7 | 5 | -2 | -29 | |

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| | 07/08 Full Year Budget £'000 | | Second Quarter 07/08 | | 07/08 Variance | | Comments |
|--------------------------------------|------------------------------|--------------|----------------------|--------------------|-----------------------|-----------|---|
| | Budget £'000 | Actual £'000 | 07/08 Budget £'000 | 07/08 Actual £'000 | Budget v Actual £'000 | % | |
| Leisure | | | | | | | |
| Loughton Leisure Centre | 14 | 0 | 0 | 0 | 0 | 0 | This budget has been approved to finalise two health and safety issues and for work to the the hot water system which are planned for completion in the next few months |
| Ongar Leisure Centre | 3 | 0 | 0 | 0 | 0 | 0 | Expenditure is planned for the end of the year when work will commence in support of a scheme to improve the pitches at Ongar as a multi-sports hub. |
| N W Airfield Market Improvements | 110 | 59 | 55 | 59 | 4 | 7 | Works on infrastructure improvements at the Airfield are progressing well, with much being completed in the summer months |
| Museum Redisplay Programme | 8 | 2 | 4 | 2 | -2 | -50 | Work at the museum is expected to be completed by the end of the year |
| Total | 135 | 61 | 59 | 61 | 2 | 3 | |
| Environmental Protection | | | | | | | |
| Bobbingworth Tip | 1,000 | 334 | 400 | 334 | -66 | -17 | Contract payments to Viola Limited (formally Cleanaway) are now being processed monthly |
| Refuse and Street Cleansing Vehicles | 800 | 800 | 800 | 800 | 0 | 0 | The purchase of the vehicles from the leasing company was completed in May 2007 |
| Wheeled Bins | 20 | 0 | 0 | 0 | 0 | 0 | This budget was carried forward from 2006/07 to complete the programme of purchasing wheeled bins |
| Total | 1,820 | 1,134 | 1,200 | 1,134 | -66 | -6 | |

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| | 07/08 Full Year Budget | | Second Quarter | | 07/08 Variance | | Comments |
|--|------------------------|------------|----------------|-------------|-----------------|---|---|
| | £'000 | £'000 | 07/08 | | Budget v Actual | % | |
| | | | Budget | Actual | | | |
| Planning & Economic Dev't | | | | | | | |
| TCE: Loughton High Road Works | 53 | 27 | -56 | -83 | 0 | | The negative actual spend relates to expenditure charged to 2006/07. This is a disputed invoice with the County Council yet to be paid in 2007/08. |
| TCE: Loughton Broadway Works | 165 | 41 | 31 | -10 | -25 | | The main works are expected to take place in 2008/09 due to the road surface tests being carried out. The bulk of the budget provision has therefore been slipped into 2008/09 |
| PDG Capital Scheme | 65 | 0 | 0 | 0 | 0 | | Notification of the Planning Deleivery Grant allocation for 2007/08 has only recently been received. £65,000 is expected to be for capital expenditure. |
| Total | 283 | 68 | -25 | -93 | -137 | | |
| Civil Engineering & Maintenance | | | | | | | |
| Car Parking & Traffic Schemes | 309 | 102 | -69 | -171 | -168 | | The negative actual spend relates to expenditure charged to 2006/07. This is a disputed invoice with the County Council yet to be paid in 2007/08. |
| Other Civil Engineering Schemes | 158 | 0 | -1 | -1 | 0 | | The acquisition of the new tractor for grounds maintenance is expected this month and work on flood alleviation works is expected to take place in the second half of the year. The small negative actual spend relates to expenditure charged to 2006/07 but not paid until 2007/08. |
| Total | 467 | 102 | -70 | -172 | -169 | | |

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| Housing General Fund | 07/08 Full Year Budget £'000 | Second Quarter | | 07/08 Variance Budget v Actual | | Comments |
|-------------------------------------|------------------------------|--------------------|--------------------|--------------------------------|------------|--|
| | | 07/08 Budget £'000 | 07/08 Actual £'000 | £'000 | % | |
| Contributions to Affordable Housing | 1,235 | 710 | 710 | 0 | 0.00 | A payment of £710,000 was made to London and Quadrant Housing Trust in May 2007 to provide affordable housing at the Quarter, Chipping Ongar. This was the subject of a report to Cabinet on 13 November 2006. The first half of the £1 million contribution to Estuary H.A. is due to be paid over at the end of the financial year. |
| Disabled Facilities Grants | 500 | 250 | 141 | -109 | -44 | Although expenditure is low at Month 6, it is still thought that the full budget will be spent by the end of the year. Profiling is difficult to assess as grant payments tend to occur in peaks and troughs during the year. |
| Other Private Sector Grants | 275 | 92 | 27 | -65 | -71 | The new Private Sector Grants policy was up and running from June 2007. The lead in time to approving grant payments can be quite long as there are more rigorous inspection requirements than under the previous arrangements. As a result, the profiling of these estimates have been reassessed as part of the Capital Programme Review and this reduces the budget in 2007/08 from £620,000 to £275,000 and assumes a peak in 2009/10. |
| Other Housing General Fund Schemes | 387 | 7 | 1 | -6 | -86 | The majority of this budget relates to the compulsory purchase of 8/8a Sun Street, Waltham Abbey. It is hoped that the acquisition, estimated at £350,000 will take place at the end of this financial year but it may have to be delayed until 2008/09. |
| Total | 2,397 | 1,059 | 879 | -180 | -17 | |

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| Housing Revenue Account | 07/08 Full Year Budget £'000 | Second Quarter | | 07/08 Variance Budget v Actual | | Comments |
|--|------------------------------|--------------------|--------------------|--------------------------------|-------------|---|
| | | 07/08 Budget £'000 | 07/08 Actual £'000 | £'000 | % | |
| Springfields, Waltham Abbey | 617 | 40 | 15 | -25 | -63 | The budget for this year was reduced from £1,838,000 to £617,000 as part of the Capital Review but the contract start date has subsequently been agreed ahead of expectations and cash flow predictions from the QS suggest £1,481,000 could be spent by the end of the financial year, excluding fees. |
| Heating/Rewiring | 1,063 | 532 | 682 | 151 | 28 | Expenditure on heating upgrades is continuing ahead of expectations. Virements totalling £200,000 were approved into new heating upgrades from the windows and drainage budgets as part of the Capital Programme review in October 2007. |
| Windows/Roofing / Asbestos / Water Tanks | 744 | 191 | 154 | -37 | -19 | Expenditure in 2006/07 was lower than expected and as a result a carry forward to 2007/08 was agreed at Cabinet on 16 July. However, there has been a reallocation of capital resources from this category into kitchen & bathroom replacements and new heating upgrades, approved as part of the Capital Programme Review |
| Other Planned Maintenance | 533 | 221 | 142 | -79 | -36 | The main variations here relate to energy efficiency works and drainage works. Regarding the former, British Gas invoice the authority for the Council's proportion of the costs and billing is lagging behind expectations. |
| Other Capital Works | 3,182 | 1,196 | 868 | -328 | -27 | The budget for kitchen & bathroom replacements has been enhanced significantly by virements from other budget heads, which will enable an acceleration of the programme in the second half of the year. Although most other schemes are more or less on target, environmental works to be carried out on the estates and on the shops are now expected to be carried out later in the year. |
| Total | 6,139 | 2,179 | 1,861 | -318 | -117 | |

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| Capital Project | Original Start Date | Latest Est/ Actual Start Date | Original Finish Date | Latest Est/ Actual Finish Date | Original Total Project Cost | | Latest Total Project Cost | | Variance % | Actual Exp To Date |
|---|---------------------|-------------------------------|----------------------|--------------------------------|-----------------------------|-------|---------------------------|-------|------------|--------------------|
| | | | | | £'000 | £'000 | £'000 | £'000 | | |
| Bobbingworth Tip | May-05 | Mar-07 | Nov-05 | Oct-08 | 1,107 | 2,380 | 1,107 | 2,380 | 115% | 699 |
| <p>There was a delay in the commencement of the works and construction activity commenced on 19 March 2007, almost nine months later than previously planned. As a result the third party tenders relating to the contract have now expired. These third party elements have been re-tendered and costs increased. The poor weather has also added to the delays and it is unlikely that completion will be achieved much before October 2008. Following a report to Cabinet on 3 September 2007, a top up sum of £270,000 was approved by Council on 30 October. The original project cost figure relates to the original scheme which is substantially different to the scheme that is now being pursued.</p> | | | | | | | | | | |
| Loughton High Road Town Centre Enhancement | Jul-05 | Aug-05 | Mar-06 | May-06 | 996 | 1,574 | 996 | 1,574 | 58% | 1,465 |
| <p>The second phase of the Loughton High Road Town Centre Enhancement scheme is now complete and the final account is nearing completion. The final position is expected to be more or less in line with the budget.</p> | | | | | | | | | | |
| Loughton Broadway Town Centre Enhancement | Jul-06 | Oct-06 | Oct-06 | Dec-06 | 3,003 | 3,175 | 3,003 | 3,175 | 6% | 1,042 |
| <p>Road surface tests are currently being undertaken with a view to ascertaining the best way to proceed. A meeting with the County Council is due to be held in August to discuss the findings which will be the subject of a Cabinet report in September 2007. Whatever the outcome there will be no more substantive works carried out until the 2008/09 financial year.</p> | | | | | | | | | | |
| Customer Services Transformation Programme | n/a | n/a | n/a | n/a | 2,500 | 2,500 | 2,500 | 2,500 | n/a | 0 |
| <p>An allocation still exists within the capital programme for this, however at this stage it is unlikely that this scheme will proceed in the near future.</p> | | | | | | | | | | |
| Springfields Improvement Scheme Works (HRA) | Jul-04 | Nov-07 | Feb-06 | Jan-09 | 4,033 | 4,033 | 4,033 | 4,033 | 0% | 285 |
| <p>Cabinet on 16 July approved the tender of Apollo London to carry out the improvement scheme. The Head of Housing Services was authorised to reduce the contract sum based on a shorter contract period however this option is currently being evaluated. The contract is due to start in November 2007 with a finish date of around January 2009.</p> <p>All the repurchases of leasehold flats have now occurred at a final cost of £686,000, with only one leaseholder opting to remain as such. These costs have been excluded from the above figure.</p> | | | | | | | | | | |

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