

SEPTEMBER 2008 - SALARIES

| <u>SERVICE</u>                                | <u>2008/09</u>                           |  |   | <u>2007/08</u>                           |  |   |
|---|--|--|---|--|--|---|
|   | <u>EXPENDITURE</u><br><u>TO 30/09/08</u> | <u>BUDGET</u><br><u>PROVISION</u><br><u>(ORIGINAL)</u> | <u>VARIATION</u><br><u>FROM BUDGET</u><br><u>(ORIGINAL)</u> | <u>EXPENDITURE</u><br><u>TO 30/09/07</u> | <u>BUDGET</u><br><u>PROVISION</u><br><u>(ORIGINAL)</u> | <u>VARIATION</u><br><u>FROM BUDGET</u><br><u>(ORIGINAL)</u> |
|   | <u>£000</u>                              | <u>£000</u>  | <u>%</u>  | <u>£000</u>                              | <u>£000</u>  | <u>%</u>  |
| OFFICE OF THE CHIEF EXECUTIVE                 | 415                                      | 426  | -2.6  | 428                                      | 462  | -7.4  |
| DEPUTY CHIEF EXECUTIVE *                      | 651                                      | 671  | -3.0  | 628                                      | 670  | -6.3  |
| CORPORATE SUPPORT SERVICE DIRECTORATE *       | 1,144                                    | 1,160  | -1.4  | 1,147                                    | 1,158  | -0.9  |
| FINANCE & ICT DIRECTORATE *                   | 1,822                                    | 1,931  | -5.6  | 1,795                                    | 1,886  | -4.8  |
| HOUSING DIRECTORATE *                         | 2,463                                    | 2,547  | -3.3  | 2,362                                    | 2,462  | -4.1  |
| ENVIRONMENT & STREET SCENE DIRECTORATE *      | 1,715                                    | 1,805  | -5.0  | 1,641                                    | 1,736  | -5.5  |
| PLANNING & ECONOMIC DEVELOPMENT DIRECTORATE * | 1,041                                    | 1,157  | -10.0   | 1,080                                    | 1,089  | -0.8  |
| <b>TOTAL</b>                                  | <b>9,251</b>                             | <b>9,697</b>   | <b>-4.6</b>   | <b>9,081</b>                             | <b>9,463</b>   | <b>-4.0</b>   |

\* Agency costs are included in the salaries expenditure.

The Budget Provision figures for 2008/09 include 2.45% inflation.

2008/09 PORTFOLIO FINANCIAL MONITORING - COMMUNITY WELLBEING

|                            | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter                  |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | <u>Comments</u>  |
|----------------------------|---------------------------------------|---------------------------------|--------------------------|--------------------------|--------------------------------------|--------|--|
|                            |                                       | 08/09<br>Budget<br>£'000        | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |  |
|                            |                                       | <u>Major expenditure items:</u> |                          |                          |                                      |        |  |
| Grants to Voluntary Groups | 133                                   | 63                              | 22                       | 24                       | -41                                  | -65.08 | 2008/09 actual includes a credit of £24,000 relating to grants approved in 2007/08 but which remain as yet unpaid. Commitments in the current year amount to £62,000 of which £37,000 has been paid. |
| Voluntary Sector Support   | 174                                   | 81                              | 82                       | 81                       | 1                                    | 1.23   |  |
|                            | <u>307</u>                            | <u>144</u>                      | <u>104</u>               | <u>105</u>               |                                      |        |  |

2008/09 PORTFOLIO FINANCIAL MONITORING - FINANCE &  
PERFORMANCE MANAGEMENT

ANNEX 3

|                                 | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |       | Comments   |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|-------|--|
|                                 |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %     |  |
|                                 |                                       |                          |                          |                          |                                      |       |  |
| <u>Major expenditure items:</u> |                                       |                          |                          |                          |                                      |       |  |
| Bank & Audit Charges            | 243                                   | 42                       | 42                       | 24                       | 0                                    | 0.00  | The billing arrangements adopted by the external auditor (PKF) are different than those of the audit commission in previous years. The result is that expenditure occurs earlier than before.  |
|                                 | 243                                   | 42                       | 42                       | 24                       |                                      |       |  |
| <u>Major income items:</u>      |                                       |                          |                          |                          |                                      |       |  |
| Investment Income               | 3,069                                 | 1,535                    | 1,800                    | 1,589                    | 265                                  | 17.26 | Investment interest has exceeded expectations to date. The budget assumed that there would be a reduction in rates achieved during 2008/09. In the first two quarters an average rate of 5.89% was achieved as opposed to 5.25%. The final position will exceed the original budget. |
|                                 | 3,069                                 | 1,535                    | 1,800                    | 1,589                    |                                      |       |  |

|                        | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments   |
|------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|--|
|                        |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |  |
|                        |                                       | Major expenditure items: |                          |                          |                                      |        |  |
| Information Technology | 859                                   | 580                      | 602                      | 357                      | 22                                   | 3.79   | The budget and actuals for 2008/09 include centralised maintenance costs, a change from the previous year. A significant number of these maintenance agreements are payable annually in advance. |
| Telephones             | 223                                   | 112                      | 64                       | 93                       | -48                                  | -42.86 | There have been significant delays in invoicing from Cable and Wireless, the new outbound call service provider.   |
|                        | 1,082                                 | 692                      | 666                      | 450                      |                                      |        |  |

|                            | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments   |
|----------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|--|
|                            |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |  |
|                            |                                       |                          |                          |                          |                                      |        |  |
| <u>Major income items:</u> |                                       |                          |                          |                          |                                      |        |  |
| Hackney Carriages          | 143                                   | 69                       | 84                       | 78                       | 15                                   | 21.74  | The variation between budget and actuals relates to an increase in the number of license applications in the first two quarters. The budget has increased from the previous year, it is therefore expected that the original budget will be exceeded.  |
| Licensing & Registrations  | 96                                    | 42                       | 58                       | 51                       | 16                                   | 38.10  | The income from licences is up by 15% on last years. With 50% of the income being received at month 6, it is anticipated that the outturn for the current year will be around £116,000, showing a significant increase on the original budget.   |
| Local Land Charges         | 400                                   | 215                      | 90                       | 184                      | -125                                 | -58.14 | The downturn in the property market coupled with the introduction of Home information packs, and the related movement to personal searches has lead to a significant shortfall in income. The projected shortfall in the current year could be as much as £250,000. A report on the current situation is being considered by Cabinet on 10 November 2008   |
| Industrial Estates         | 872                                   | 608                      | 613                      | 639                      | 5                                    | 0.82   | The 2007/08 actuals included temporary rental income for car parking at the T11 site at Langston Road which has subsequently been sold.  |
| Land & Property            | 208                                   | 84                       | 99                       | 84                       | 15                                   | 17.86  | The actual figure for 2007/08 commission relating to the David Lloyd Centre was better than anticipated with the additional income showing in the 2008/09 figures. The commission due for 2008/09 will not be received until June 2009, but is anticipated to be around £82,000. Rent arrears for the review of Greenyards, Waltham Abbey is also included where a new tenant has taken over the doctors surgery. Income is therefore expected to exceed the estimate. |
|                            | 1,719                                 | 1,018                    | 944                      | 1,036                    |                                      |        |  |

|                                | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments   |
|--------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|--|
|                                |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |  |
|                                |                                       |                          |                          |                          |                                      |        |  |
| <u>Major expenditure items</u> |                                       |                          |                          |                          |                                      |        |  |
| Forward Planning               | 368                                   | 53                       | 42                       | 2                        | -11                                  | -20.75 | The publication of the East of England plan in May has delayed work on the Local Development Framework further than previously anticipated. A number of studies in relation to the LDF will commence shortly and interim payments for these projects will be made in the third and final quarters of 2008/09. Much of this is DDF money and at this stage last year none had been spent. |
| Development Control            | 130                                   | 65                       | 55                       | 59                       | -10                                  | -15.38 | The expenditure on Pre Application Consultation has been less than anticipated and is closely correlated to the income received which is also lower than estimated.  |
|                                | 498                                   | 118                      | 97                       | 61                       |                                      |        |  |
| <u>Major income items</u>      |                                       |                          |                          |                          |                                      |        |  |
| Development Control            | 646                                   | 301                      | 328                      | 224                      | 27                                   | 8.97   | Development Control income has been particularly buoyant in the first two quarters with a number of large schemes being applied for.   |
| Building Control Fee Earning   | 674                                   | 357                      | 321                      | 344                      | -36                                  | -10.08 | Budgeted Building Control fee income was increased in 2008/09 after a particularly successful year in 2007/08 however it has suffered a considerable downturn in the first two quarters. In order to bring the ring fenced account back into balance a reduction in the use of consultants has been made.  |
|                                | 1,320                                 | 658                      | 649                      | 568                      |                                      |        |  |

|                                 | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments   |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|--|
|                                 |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |  |
|                                 |                                       |                          |                          |                          |                                      |        |  |
| <u>Major expenditure items:</u> |                                       |                          |                          |                          |                                      |        |  |
| Refuse Collection               | 1,856                                 | 789                      | 349                      | 1,187                    | -440                                 | -55.77 | The variances on these three headings relate to 2007/08 expenditure and invoices for July and August that were still outstanding at 30 September. As a result of the recent Partnership Board meeting the backlog of invoices will soon be cleared up. |
| Street Cleansing                | 1,305                                 | 546                      | 209                      | 825                      | -337                                 | -61.72 |  |
| Recycling                       | 1,761                                 | 812                      | 658                      | 864                      | -154                                 | -18.97 |  |
|                                 | 4,922                                 | 2,147                    | 1,216                    | 2,876                    |                                      |        |  |
| <u>Major income items:</u>      |                                       |                          |                          |                          |                                      |        |  |
| Refuse Collection               | 151                                   | 49                       | 42                       | 33                       | -7                                   | -14.29 | Tipping away contributions are less than expected, £4,000 relating to the final settlement of 07/08 and £3,000 for the first quarter 08/09.  |
| Recycling                       | 760                                   | 317                      | 392                      | 216                      | 75                                   | 0.00   | Recycling credits are invoiced monthly, the actual and budget in 2008/09 therefore represent five months income. Based on current recycling levels the budget should be exceeded by around £100,000.   |
|                                 | 911                                   | 366                      | 434                      | 249                      |                                      |        |  |

|                                 | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments  |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|---|
|                                 |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |   |
|                                 |                                       |                          |                          |                          |                                      |        |   |
| <u>Major expenditure items:</u> |                                       |                          |                          |                          |                                      |        |   |
| Highways General Fund           | 356                                   | 142                      | 162                      | 133                      | 20                                   | 14.1   | The spending on trees has been higher in 2008/09 when compared to the same period in 2007/08 contributing to most of the variance. The final position however is likely to be in line with the budget.  |
| Off Street Parking              | 581                                   | 314                      | 279                      | 271                      | -35                                  | -11.15 | } The contractor is submitting invoices later than scheduled. Also the Off Street Parking maintenance budget of £42,000 for 2008/09 has been fully spent.   |
| On Street Parking               | 384                                   | 160                      | 114                      | 144                      | -46                                  | -28.75 |   |
| Concessionary Fares             | 698                                   | 325                      | 288                      | 380                      | -37                                  | -11.38 | Expenditure has reduced in the current year due to a change in the method of calculating payments. There is also an element of contingency within the budget which may become payable but this is dependant on the outcome of any bus company appeals.  |
|                                 | 2,019                                 | 941                      | 843                      | 928                      |                                      |        |   |
| <u>Major income items:</u>      |                                       |                          |                          |                          |                                      |        |   |
| Off Street Parking              | 1,058                                 | 513                      | 546                      | 489                      | 33                                   | 6.43   | Income from Fees and Charges and Penalty Charge notices are higher than at this point in 2007/08. There were some enforcement difficulties in early 2007/08 that contributed to the low figure. Off Street Parking Season ticket income is above expectations at quarter 2 in 2008/09. Income levels are therefore likely to exceed the budget. |
| On Street Parking               | 547                                   | 250                      | 246                      | 221                      | -4                                   | -1.60  |   |
|                                 | 1,605                                 | 763                      | 792                      | 710                      |                                      |        |   |



|                                 | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments  |
|---------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|---|
|                                 |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |   |
|                                 |                                       |                          |                          |                          |                                      |        |   |
| <u>Major expenditure items:</u> |                                       |                          |                          |                          |                                      |        |   |
| Museum                          | 115                                   | 55                       | 49                       | 45                       | -6                                   | -10.91 | Building Maintenance spend is lower than expected at this point. However the full budget is expected to be spent by the year end. |
| Playgrounds & Open Spaces       | 204                                   | 102                      | 103                      | 98                       | 1                                    | 0.98   |   |
| North Weald Centre              | 314                                   | 139                      | 177                      | 134                      | 38                                   | 27.34  |   |
|                                 | 633                                   | 296                      | 329                      | 277                      |                                      |        |   |
| <u>Major income items:</u>      |                                       |                          |                          |                          |                                      |        |   |
| North Weald Centre              | 1,296                                 | 756                      | 704                      | 818                      | -52                                  | -6.88  | Income is below expectations due to Hangar 1 being unoccupied.  |
| <u>Contract cost Monitoring</u> |                                       |                          |                          |                          |                                      |        |   |
| Leisure Facilities:-            |                                       |                          |                          |                          |                                      |        |   |
| Loughton Leisure Centre         | 13                                    | 5                        | 8                        | 22                       | 3                                    | 60.00  | } The payment to Sports and Leisure Management for August was outstanding at the end of the second quarter.                       |
| Epping Sports Centre            | 144                                   | 60                       | 50                       | 57                       | -10                                  | -16.67 |   |
| Waltham Abbey Swimming Pool     | 425                                   | 177                      | 142                      | 185                      | -35                                  | -19.77 |   |
| Ongar Sports Centre             | 270                                   | 113                      | 91                       | 144                      | -22                                  | -19.47 |   |
|                                 | 852                                   | 355                      | 291                      | 408                      |                                      |        |   |

2008/09 PORTFOLIO FINANCIAL MONITORING - HOUSING GENERAL FUND

ANNEX 9

|                                | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter           |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | <u>Comments</u>   |
|--------------------------------|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------|---|
|                                |                                       | 08/09<br>Budget<br>£'000 | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |   |
|                                |                                       |                          |                          |                          |                                      |        |   |
| <u>Major expenditure items</u> |                                       |                          |                          |                          |                                      |        |   |
| Bed & Breakfast Accommodation  | 123                                   | 61                       | 72                       | 58                       | 11                                   | 18.03  | In 2007/08 billing by hotels was lagging slightly behind expectations. The overspend in 2008/09 seems to be because billing is slightly ahead of expectations as use of Bed & Breakfast is unchanged. |
| <u>Major income items</u>      |                                       |                          |                          |                          |                                      |        |   |
| Bed & Breakfast Accommodation  | 155                                   | 78                       | 70                       | 85                       | -8                                   | -10.26 |   |
| Leasehold Services Admin       | 161                                   | 2                        | 1                        | 4                        | -1                                   | -50.00 |   |
|                                | 316                                   | 80                       | 71                       | 89                       |                                      |        |   |

2008/09 PORTFOLIO FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 10

|                            | 08/09<br>Full Year<br>Budget<br>£'000 | Second Quarter                  |                          |                          | 08/09<br>Variance<br>Budget v Actual |        | Comments   |
|----------------------------|---------------------------------------|---------------------------------|--------------------------|--------------------------|--------------------------------------|--------|--|
|                            |                                       | 08/09<br>Budget<br>£'000        | 08/09<br>Actual<br>£'000 | 07/08<br>Actual<br>£'000 | £'000                                | %      |  |
|                            |                                       | <u>Major expenditure items:</u> |                          |                          |                                      |        |  |
| Managing Tenancies         | 273                                   | 245                             | 234                      | 230                      | -11                                  | -4.49  |  |
| Housing Repairs            | 5,875                                 | 2,726                           | 2,598                    | 2,411                    | -128                                 | -4.70  | A number of small underspends are showing across the Housing Repairs Fund generally however, as last year, the largest underspend is due to late billing by gas servicing contractors. |
| Special Items              | 1,519                                 | 739                             | 618                      | 610                      | -121                                 | -16.37 | There are a number of areas showing an underspend the most significant of which is Housing Land Cleansing due to late billing.   |
|                            | <u>7,667</u>                          | <u>3,710</u>                    | <u>3,450</u>             | <u>3,251</u>             |                                      |        |  |
| <u>Major income items:</u> |                                       |                                 |                          |                          |                                      |        |  |
| Gross Dwelling Rent        | 24,378                                | 11,252                          | 11,289                   | 11,830                   | 37                                   | 0.33   | Actual income is higher than expected due to only five council house sales so far this financial year.   |