

DECEMBER 2009 - SALARIES

<u>SERVICE</u>	<u>2009/10</u>			<u>2008/09</u>		
	<u>EXPENDITURE</u> <u>TO 31/12/09</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 31/12/08</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>
OFFICE OF THE CHIEF EXECUTIVE	631	656	-3.8	640	639	0.2
DEPUTY CHIEF EXECUTIVE	1,061	1,092	-2.8	998	1,007	-0.9
CORPORATE SUPPORT SERVICE DIRECTORATE *	1,849	1,851	-0.1	1,767	1,739	1.6
FINANCE & ICT DIRECTORATE *	2,929	2,878	1.8	2,787	2,897	-3.8
HOUSING DIRECTORATE *	3,779	3,955	-4.5	3,783	3,820	-1.0
ENVIRONMENT & STREET SCENE DIRECTORATE *	2,707	2,882	-6.1	2,635	2,708	-2.7
PLANNING & ECONOMIC DEVELOPMENT DIRECTORATE *	1,553	1,749	-11.2	1,592	1,736	-8.3
TOTAL	14,509	15,063	-3.7	14,202	14,546	-2.4

* Agency costs are included in the salaries expenditure.

Please note a vacancy allowance has been deducted in all service budget provisions.

The Budget Provision figures for 2009/10 include 3.36% inflation (2.60% Pay Award & 0.76% Ers Superannuation)

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		Comments
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Major Expenditure Items</u>							
Grants to Voluntary Groups	195	95	89	25	-6	-6.09	As a result of a change in the method of accounting, grants committed in 2008/09 but not paid out are no longer carried forward as credits to expenditure but as an increase to the budget. The value of grants carried forward amounted to £64,412, of which £3,000 has been identified as available to re-allocate and £24,514 is outstanding at the end of Quarter 3. Grants approved in the first three quarters amount to £77,953 of which £41,676 has been paid out.
Voluntary Sector Support	165	162	161	140	-1	-0.49	The figures include grants to the CAB and VAEF which are paid twice yearly in 50% instalments in April and October 2009
	360	257	250	165			

	09/10 Full Year Budget	Third Quarter			09/10 Variance Budget v Actual		Comments
		09/10 Budget	09/10 Actual	08/09 Actual	£'000	%	
	£'000	£'000	£'000	£'000			
<u>Major Expenditure Items</u>							
Building Maintenance	348	149	137	155	-12	-7.93	As expenditure patterns of building maintenance work are difficult to forecast the budget profiling has been based on the average for the previous three years. The current years expenditure is slightly behind the trend set previously.
<u>Major Income Items</u>							
Fleet Operations MOTs	225	161	218	176	57	35.40	MOT tests are undertaken by the Fleet Operations unit at Langston Road depot, which has seen a steady increase in numbers and related income as the facility has become popular and firmly established in Loughton.
Hackney Carriages	148	111	147	138	36	32.64	There has been a continuing increase in the number of applications for private hire driver and vehicle licenses possibly due to rising levels of unemployment, and the switch to this occupation. Income achieved to quarter three is almost the total expected for the year.
Licensing & Registrations	101	87	83	89	-4	-4.86	This financial year has seen a decrease in the number of premises license, temporary event and gambling applications received, demonstrating the effect of the current economic climate on the hospitality industry.
	474	359	448	403			

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		Comments
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Major Income Items</u>							
Local Land Charges	150	118	134	120	16	13.44	With reports of an improvement in the housing market, and a significant increase on previous quarters, land charges income has achieved more income than that reported at quarter three of 2008/09. The number of official searches up to the end of quarter three stands at 1136, and personal searches at 1495 both showing an increase on the previous year. As a result of changes in Government legislation controlling local authority charges for property searches the official search fee was reduced from £120 to £100 on 6 April 2009. The new charging regime for personal searches has assisted in achieving a higher level of income from this source.
Industrial Estates	877	842	846	856	4	0.52	Included in this item is additional income from rent arrears for properties at Oakwood Hill Industrial Estate where leases have been reviewed and backdated to April 2008. There have been reductions in income at Brooker Road Industrial Estate resulting from units becoming vacant.
Land & Property	224	121	143	144	22	18.12	Rental income for other Land and Property is higher than budgeted, but in line with the previous year.
	1,251	1,081	1,123	1,120			

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		<u>Comments</u>
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Major Expenditure Items</u>							
Forward Planning	505	154	153	113	-1	-0.78	The majority of this budget relates to the Local Development Framework, work for which is on-going but has been delayed due to the extension of the public consultation exercise and the legal challenges to the East of England plan. The full year expenditure is expected to be £184,000 less than the original forecast, this is reflected in the revised budgets.
	505	154	153	113			
<u>Major Income Items</u>							
Development Control	605	434	406	437	-28	-6.34	Development Control income has seen a decrease in applications in comparison to the same period of 2008/09. The fall in anticipated income has been reflected in the revised budgets.
Building Control Fee Earning	642	489	379	453	-110	-22.45	Following the trend in the decrease in Development applications, there has been a corresponding fall in building work undertaken, and subsequently a fall in control fees. However going forward things look more promising in that the council has recently won a contract to deal with Building Control issues relating to the Bank of England development.
	1,246	923	785	890			

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		<u>Comments</u>
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Major Expenditure Items</u>							
Information Technology	822	755	722	699	-33	-4.32	The majority of maintenance contracts payments are now made to suppliers annually in advance, as a result the expenditure is higher than in previous years and the budget has been reprofiled accordingly. There have been some increases in maintenance costs but these can be contained within the overall ICT budgets.
Telephones	192	145	133	103	-12	-8.26	Maintenance costs for the switchboard are now paid annually in advance, instead of on a quarterly basis, which accounts for the variance between 2008/09 and the current year.
Bank & Audit Charges	247	102	84	96	-18	-17.29	Much of the expenditure falls in the second half of the year and the budget has been profiled accordingly. There is expected to be a small ongoing saving on Bank Charges.
	1,260	1,002	940	897			
<u>Major Income Items</u>							
Investment Income	2,142	1,607	901	2,723	-706	-43.93	Investment interest has been lower than expected, due to the worsening market rates since the estimates were produced and the early return of a long term investment by the borrower. The estimated level of investment interest has been reduced within the revised estimates.
	2,142	1,607	901	2,723			

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		<u>Comments</u>
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	85	65	72	73	7	10.77	The museum have been occupying space at the Royal Gunpowder Mills free of charge, however a charge for this is now made which has led to an overspend. This will be covered by underspends on the salary budget within the Museum cost centre.

2009/10 FINANCIAL MONITORING - HOUSING GENERAL FUND

ANNEX 7

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		<u>Comments</u>
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
		<u>Major expenditure items</u>					
Bed & Breakfast Accommodation	138	104	56	99	-48	-46.15	The underspend on expenditure and the reduction in income is due to a drop in placements in Bed & Breakfast Accommodation. The work of the Homelessness prevention team has been instrumental in achieving this. The actual income has been reduced by £13,000 for write offs.
<u>Major income items</u>							
Bed & Breakfast Accommodation	158	118	36	93	-82	-69.5	

	09/10	Third Quarter			09/10		Comments
	Full Year	09/10	09/10	08/09	Variance		
	Budget	Budget	Actual	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	£'000	%	
<u>Major expenditure items:</u>							
Refuse Collection	1,818	1,157	984	1,074	-173	-14.95	} The underspend is due to the contract payment for November 2009 not being submitted by the end of December. The new waste service commenced in September 2009 which has resulted in costs between the three cost centres being reallocated. This has been reflected in the revised estimates.
Street Cleansing	1,436	890	800	776	-90	-10.11	
Recycling	2,182	1,515	1,548	1,352	33	2.18	
Highways General Fund	371	255	243	252	-12	-4.71	Work on highway trees is currently showing an under spend of £12,000. This has been committed and will be spent by the year end.
Off Street Parking	553	421	380	412	-41	-9.74	Contractor invoices are currently one month in arrears. Legal and maintenance costs for off street parking are currently below expectation, but are expected to be spent by the year end.
On Street Parking	380	247	223	234	-24	-9.72	
Playgrounds & Open Spaces	230	175	173	144	-2	-1.14	
North Weald Centre	316	201	192	204	-9	-4.48	The main variance relates to runway maintenance being below expectations, but is expected to be spent by the year end.
	7,286	4,861	4,543	4,448			

FINANCIAL MONITORING - ENVIRONMENTAL AND STREET SCENE

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		Comments
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Contract cost Monitoring</u>							
Leisure Facilities:-							
Loughton Leisure Centre	27	17	17	13	0	0.00	}
Epping Sports Centre	292	170	169	88	-1	-0.59	}
Waltham Abbey Swimming Pool	460	267	264	256	-3	-1.12	}
Ongar Sports Centre	297	172	171	165	-1	-0.58	}
	1,076	626	621	522			
<u>Major income items:</u>							
Refuse Collection	151	86	51	42	-35	-40.70	Tipping away income is one quarter in arrears and the contribution has been less than expected. This is now reflected within the revised estimates.
Recycling	910	607	547	392	-60	-9.88	The recycling credits are two months in arrears. This is off set by the contribution towards the new service by Essex County Council, which has been reflected in the revised estimates.
Off Street Parking	1,088	809	859	852	50	6.18) Penalty Charge Notices (PCN) income is currently exceeding projection for the year.
On Street Parking	519	389	415	386	26	6.68	
North Weald Centre	1,361	1,131	1,084	999	-47	-4.16	Hangar 5 is currently vacant and this loss of income is the main cause of the variance. The difference is recognised within the revised estimates.
	4,029	3,022	2,956	2,671			

2009/10 FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 9a

	09/10 Full Year Budget £'000	Third Quarter			09/10 Variance Budget v Actual		Comments
		09/10 Budget £'000	09/10 Actual £'000	08/09 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Managing Tenancies	277	265	266	248	1	0.38	
Housing Repairs	5,947	4,459	3,646	3,764	-813	-18.23	The underspend mainly relates to the responsive repairs area of the repairs fund. The budget is profiled evenly across the year, as it is unknown when responsive repairs will be required. The revised budget has estimated a reduction in the responsive repairs.
Special Services	1,720	1,231	954	988	-277	-22.50	There are a number of areas showing an underspend the most significant relates to utilities (gas & electricity) (£128,000). The Council received a refund of £30,000 relating to estimated charges from previous years, and costs this year have not increased as much as originally anticipated, partly due to a reduction in prices from the market and a change in the contractor. The other areas that show significant underspends relates to Housing Land Cleansing (£32,000) and Tree Maintenance (£48,000), it is anticipated that these will be spent by the end of the financial year.
Housing Subsidy	11,194	8,955	7,801	7,890	-1,154	-12.89	The reduction in expenditure relates to a drop in guideline rent formula following the Government announcement to recommend a reduction in rents from 6% to 3% for 2009-10 and a change in the interest rate to calculate the interest earned.
	19,138	14,910	12,667	12,890			

2009/10 FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 9b

	09/10	Third Quarter			09/10		Comments
	Full Year	09/10	09/10	08/09	Variance		
	Budget	Budget	Actual	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	£'000	%	
<u>Major income items:</u>							
Non-Dwelling Rents	2,552	1,832	1,707	1,863	-125	-6.82	Rental income from shops has decreased due to refunds being made to Broadway shops in month 7, and £20,000 for lower than expected rents on garages due to higher than expected empty units.
Gross Dwelling Rent	25,386	16,598	16,511	17,861	-87	-0.52	The rent base was altered at week 24 due to the average rent increase for the year being reduced from 6.1% to 3%. This has been reflected in revised budgets.
	27,938	18,430	18,218	19,724			