

SEPTEMBER 2016 - SALARIES

<u>DIRECTORATE</u>	<u>2016/17</u>			<u>2015/16</u>		
	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>
	<u>TO 30/09/16</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>	<u>TO 30/09/15</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>
	<u>£000</u>	<u>£000</u>	<u>%</u>	<u>£000</u>	<u>£000</u>	<u>%</u>
CHIEF EXECUTIVE	148	146	1.4	91	91	0.0
RESOURCES *	2,806	2,927	-4.1	2,771	2,885	-4.0
GOVERNANCE *	1,825	1,844	-1.0	1,653	1,673	-1.2
NEIGHBOURHOODS *	2,360	2,477	-4.7	2,226	2,324	-4.2
COMMUNITIES *	3,773	3,856	-2.2	3,611	3,666	-1.5
TOTAL	10,912	11,250	-3.0	10,352	10,639	-2.7

* Agency costs are included in the salaries expenditure.

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

	16/17 Full Year Budget £'000	Second Quarter			16/17 Variance Budget v Actual		<u>Comments</u>
		16/17 Budget £'000	16/17 Actual £'000	15/16 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	84	66	86	36	20	30	The increase in the costs this financial year are due to the extension of the museum and its reopening at the end of last financial year. The main costs that have increased are Non Domestic Rates and rental of the unit at Oakwood Hill industrial estate. An overspend of at least the £20,000 currently shown looks likely.
Bed & Breakfast Accommodation	147	63	147	73	84	133	There has been an increase in Bed & Breakfast placement this current financial year. Expenditure levels at month 6 have reached the full year estimated position. This is reflected in the increased income. Any additional costs as a result of an increase in placements falls on Housing Benefit payments on Resources shown on Annex 5.
Grants to Voluntary Groups	93	46	22	56	-24	-52	A 3 year service level agreement was in place until 31st March 2016 which has now ended. Organisations now have to apply for grants on an annual basis. The applications have been slow coming in.
Voluntary Sector Support	170	93	93	93	0	0	No variances.
<u>Major income items:</u>							
Bed & Breakfast Accommodation	150	63	153	76	90	143	This budget relates to Housing Benefits awarded and invoices raised for non eligible charges. The recent increase in Bed & Breakfast placements is now showing here in the form of increased income.
	644	331	501	334			

	16/17 Full Year Budget £'000	Second Quarter			16/17 Variance Budget v Actual			<u>Comments</u>
		16/17 Budget £'000	16/17 Actual £'000		15/16 Actual £'000			
							%	
<u>Major income items</u>								
Development Control	928	431	597		490	166	39	Development Control income continues to exceed expectations with the number of planning applications increasing year-on-year.
Building Control Fee Earning	425	219	275		240	56	26	The Building Control service is continuing to grow the Local Authority Building Control Partnership allowing the service to increase its share of the market thus increasing the level of income year-on-year.
Local Land Charges	176	92	86		99	-6	-7	In contrast to the Development Control income above the number of searches carried out by the service have decreased over the past year resulting in a reduction in the income received. It is difficult to predict the number of searches the service will receive as it is down to the buoyancy of the housing market.
	1,529	742	958		829			

	16/17 Full Year Budget £'000	Second Quarter			16/17 Variance Budget v Actual		<u>Comments</u>
		16/17 Budget	16/17 Actual	15/16 Actual	Budget v Actual		
		£'000	£'000		£'000	%	
<u>Major expenditure items:</u>							
Refuse Collection	1,346	477	453	415	-24	-5	The expenditure variance is due to invoicing delays as regards Biffa, offset by variations for extra new properties.
Street Cleansing	1,338	464	443	416	-21	-5	The underspend relates to weedspraying.
Recycling	2,681	807	898	798	91	11	The overspend relates to additional costs incurred relating in part to the prior year. A report is due to come to Cabinet regarding additional finance requirements for the Waste Management service.
Highways General Fund	112	31	19	3	-12	-39	Spending is always lower in the first half of the year, however it is even lower than expected but ahead of last year.
Off Street Parking	552	336	243	299	-93	-28	Maintenance is underspent but is often so at month 6. Payments to NEPP are paid quarterly in advance, however the second quarter was not received until October and paid at the same time as quarter 3.
North Weald Centre	209	120	103	121	-17	-14	Underspend relates to utility costs and maintenance
Land Drainage & Contaminated Land	177	40	23	35	-17	-43	The main area of underspend is Maintenance. The profile takes account of higher spend in the second half of the year and some of the spend is reactive. Expenditure is £12,000 lower than the prior year.
	6,415	2,275	2,182	2,087			

	16/17 Full Year Budget £'000	Second 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	645	243	237	75	-6	-2	Expenditure is in line with the profiled budget. The current allocation is inadequate to complete the process and a report is coming forward to Cabinet to increase the funding from the DDF.
<u>Contract cost Monitoring</u>							
Leisure Facilities:-							
Loughton Leisure Centre	-244	-81	-64	-47	17	-21	This Budget includes savings from new leisure contract, however this will now commence from 1st April 2017, therefore the budget will need to be revised with the savings now falling into } 2017/18.
Epping Sports Centre	310	103	106	79	3	3	} No major variance.
Waltham Abbey Pool	516	173	175	130	2	1	}
Ongar Sports Centre	294	98	101	78	3	3	}
	876	293	318	240			

DIRECTORATE FINANCIAL MONITORING - NEIGHBOURHOODS (3)

	16/17 Full Year Budget £'000	Second Quarter			16/17 Variance Budget v Actual		<u>Comments</u>
		16/17 Budget £'000	16/17 Actual £'000	15/16 Actual £'000	£'000	%	
<u>Major income items:</u>							
Refuse Collection	54	27	35	27	8	30	Fees & Charges have increased due to additional bulk waste collections
Recycling	1,509	430	261	270	-169	-39	The income variance is due to recycling credit and service enhancement income expected in September not being received until October.
Off Street Parking	1,345	575	578	519	3	1	Overall income is in line with expectations, last years figure at this point was low due to delays in receiving pay and display income.
North Weald Centre	789	491	498	414	7	1	Income in 2015/16 was lower than the current year due to the difficulties being experienced with the market income at the time.
Public Hire	181	101	122	90	21	21	The income includes 3 and 5 Year licences and around £25,000 therefore relates to future years. 2016/17 Income is slightly below expectations.
Licensing & Registrations	115	51	39	49	-12	-24	The income for Premises Liquor Licenses is down compared to budget and last financial year, 2015/16.
Fleet Operations MOTs	232	116	89	117	-27	-23	The income for MOT's is down in comparison to budget and last financial year. The move from Langston Road has been completed and income has been affected by this. Work needs to be done to improve income levels over the remaining months of the year.
	4,225	1,791	1,622	1,486			

	16/17 Full Year Budget £'000	Second Quarter			16/17 Variance Budget v Actual			<u>Comments</u>
		16/17 Budget £'000	16/17 Actual £'000	15/16 Actual £'000	£'000		%	
<u>Major income items:</u>								
Industrial Estates	1,132	813	821	816	8		1	No major variance, the rents are generally billed in advance and therefore three quarters income is accounted for as at the end of September.
Business Premises - Shops	2,137	1,603	1,616	1,599	14		1	No major variance, again three quarters income is included.
Land & Property	145	44	62	42	18		41	Commission is received from the David Lloyd Centre based on their turnover. Income relating to 2015/16 was received in 2016/17 but was higher than estimated which is the reason for the additional income.
	3,414	2,460	2,499	2,457				

	16/17 Full Year Budget £'000	Second 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	586	109	179	115	70		64	Building Maintenance works fluctuate on a daily basis as needs arise. This makes the service difficult to profile, with some high value works being brought forward in plans having a large impact on expenditure.
Information & Communication Technology	950	726	710	701	-16		-2	The budget 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. With the exception of the second quarter telephone charges not being paid all other expenditure items are in line with the current budget spending profile.
Benefit relating to Bed & Breakfast cases (Non-HRA Rent Rebates)	82	41	90	71	49		120	The Council is being forced to make more placements in Bed and Breakfast accommodation to meet it's duty to the homeless. Net cost has already passed the full year estimate as a result, however this should improve as subsidy received from the Department for Work and Pensions is still based on the initial claim submitted in March 2016. Payments in line with the recent mid year claim do not get adjusted until November.
Bank & Audit Charges	125	24	25	23	1		0	No Major variances.
	1,743	900	1,004	910				
<u>Major income items:</u>								
Investment Income	378	189	182	252	-7		-4	Investment interest is down £70,000 on the previous year due to lower amounts invested of £5.5million and lower interest rates. During 2016/17 the Shopping Park and St Johns Road developments will reduce balances available for investment further but the exact timing is still not certain.
	378	189	182	252				

2016/17 DIRECTORATE FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 6

	16/17 Full Year Budget £'000	Second Quarter			16/17 Variance Budget v Actual		<u>Comments</u>
		16/17 Budget £'000	16/17 Actual £'000	15/16 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Management & General	276	121	121	112	0	0	No variance
Housing Repairs	6,448	3,098	2,678	2,280	-420	-14	The underspend mainly relates to the responsive, planned and void repairs of the HRA. The budget is profiled evenly across the year, as it is unknown when responsive repairs will arise.
Special Services	1,028	524	356	246	-168	-32	The main areas showing an underspend are various utility costs and grounds maintenance.
	<u>7,752</u>	<u>3,743</u>	<u>3,155</u>	<u>2,638</u>			
<u>Major income items:</u>							
Non-Dwelling Rents	886	438	431	412	-7	-2	No major variances
Gross Dwelling Rent	32,032	16,016	15,879	15,749	-137	-1	The variance between years is due to the annual rents decrease which was 1.0% from April 2016.
	<u>32,918</u>	<u>16,454</u>	<u>16,310</u>	<u>16,161</u>			