

**CABINET**

**DATE OF MEETING: 7 SEPTEMBER 2017**

**TITLE OF REPORT: 2017-18 BUDGET MONITORING – TO END OF JUNE**

**Report of: Head of Corporate Services**

**Cabinet Member: Councillor David Neighbour, Leader and Finance**

**1 PURPOSE OF REPORT**

1.1 To advise Members of the position on revenue and capital expenditure at the end of June. Overview and Scrutiny considered this report at their meeting on 15 August 2017 and their amendments have been incorporated in this report.

**2 OFFICER RECOMMENDATION**

2.1 To comment on the revised projections and reasons for the main variations shown in Appendix 1 and Paragraph 4 below.

2.2 To comment on the current spending position on the Capital Programme shown in Appendix 2.

**3 BACKGROUND**

3.1 This report covers the period from 1 April to 30 June 2017.

3.2 It is important that regular monitoring of budgets is undertaken to ensure financial targets being set by the Council are being met and to make any necessary changes to approved budgets.

**4 REVENUE BUDGET MONITORING**

4.1 The revenue budget for 2017/18 was approved allowing for a contribution to reserves of £66k. Based on the figures currently available it is projected a contribution from reserves of £326k will be needed. However, it is very early in the financial year to predict the final outturn position. The main reasons for the current overspend are:

- Planning Appeals £243k
- Anticipated earlier start dates of 5 Councils Implementation £103k
- Appointment of a Project Manager £86k

**5 CAPITAL EXPENDITURE MONITORING**

5.1 There has only been capital expenditure of £314k by 30th June.

**6 MANAGEMENT OF RISK**

- 6.1 The monthly budget monitoring process examines all income and expenditure against budgets in order that significant variances are highlighted immediately and to identify areas where expenditure is being incurred but where insufficient or no budgetary provision exists. This allows officers to take corrective action to maintain overall expenditure within budgets.

**7. BUDGET PREPARATION 2018/19**

- 7.1 In order to ensure that the Council budgets reflect needs as closely as possible, a “zero based” budgeting exercise was undertaken for the current year’s budget. This process will continue for 2018/19 as the Council works towards making its budget as lean as possible.

**8 CONCLUSION**

- 8.1 The budget remains on course to achieve the Council’s financial objectives in 2017/18.

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**APPENDICES**

- Appendix 1 Revenue Monitoring  
Appendix 2 Capital Monitoring

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**Appendix I**

REVENUE BUDGET OUTTURN 2017/2018 PERIOD 3 JUNE					
	Controlable Current Budget	Year to Date Controlable Actuals	Controlable Full Year Forecast Outturn Outturn	Forecast Year End Variance	Commentary
<b>CORPORATE SERVICES</b>					
Civic Function & Chairman	9,140	10,861	9,140	0	
Corporate - Apprentices	26,320	2,327	24,894	-1,426	
Corporate Communication	168,060	36,873	164,270	-3,790	
Leadership Team	550,335	100,466	636,844	86,509	Project Management post
Corporate Performance Team	59,244	14,267	59,150	-94	
External Audit	66,660	0	66,660	0	
Non Distributed Costs	0	0	0	0	
Climate Change	18,870	4,548	18,870	0	
Business Support Unit	299,259	79,096	297,369	-1,890	
Business Support Non Staff	189,251	150,246	188,581	-670	
Hart Development	54,717	22,033	58,260	3,543	
Neighbourhood Planning	0	0	0	0	
Strategy & Policy	51,743	13,246	52,982	1,239	
Customer Services Contract	248,675	23,218	248,675	0	
IT Contract	151,885	76,741	151,885	0	
HR Contract	8,978	-8,688	53,550	44,572	Effect of the delay in the Lot 1 contract
Internal Audit	94,880	14,925	94,880	0	
Legal Services	290,840	5,078	292,719	1,879	
Customer Services Client	55,102	15,484	55,084	-18	
IT Client	167,300	81,319	181,262	13,962	Checkpoint Support £5k unbudgeted but assumed we didn't need for 5 Councils. PSN Connection £8k additional commitment
HR Client	31,200	-3,808	31,152	-48	
Print Room & Photocopying	19,300	10,073	21,800	2,500	
Local Land Charges	-159,000	-139,418	-159,000	0	
5 Councils Contract - Lot 1	1,322,238	14,532	1,076,030	-246,208	Effect of the delay in the Lot 1 contract
5 Councils Contract - Lot 2	292,428	0	292,428	0	
Planning Policy	578,031	60,546	577,650	-381	
Admin Bldgs - R & M	296,169	169,558	303,751	7,582	Unbudgeted Rates and Insurances
	<b>4,891,625</b>	<b>753,522</b>	<b>4,798,886</b>	<b>-92,739</b>	
Rechargeable Elections	0	-24,642	0	0	
Register Of Electors	117,633	31,121	117,633	0	
Election Expenses	93,148	30,731	93,148	0	
Support To Elected Bodies	297,995	79,400	315,007	17,012	
	<b>508,776</b>	<b>116,610</b>	<b>525,788</b>	<b>17,012</b>	
Revs & Bens Contractor Costs	309,000	295,518	613,701	304,701	Effect of the delay in the Lot 1 contract
Revs & Bens Client Costs	-275,770	-156,162	-275,770	0	
Housing/Council Tax Benefits	152,300	79,769	111,908	-40,392	DHP 17/18
Meals On Wheels	0	0	0	0	
Housing Act & Housing Ass. Adv.	0	0	0	0	
Bank Charges	53,000	11,885	53,000	0	
Finance Client	111,575	29,263	111,575	0	
Finance Contract	237,535	114,628	237,535	0	
	<b>587,640</b>	<b>374,900</b>	<b>851,949</b>	<b>264,309</b>	
Leisure Centre Maintenance	0	2,779	2,799	2,799	
Leisure Strategy	0	0	0	0	
Leisure Centre Contract	-334,000	-69,816	-255,264	78,736	Budget slippage of EA Contract year 2
Leisure Centre Client	60,126	9,330	59,638	-488	
Hart Leisure Centre (Client)	228,400	149,656	241,717	13,317	NNDR and Insurance charge higher than budget. Termination of Locker Lease
Frogmore LC (Client)	3,200	4,216	4,944	1,744	
Leisure Centres (Re-Billing)	0	797	0	0	
	<b>-42,274</b>	<b>96,961</b>	<b>53,834</b>	<b>96,108</b>	
<b>COMMUNITY SERVICES</b>					
Community Safety - Shared Service	178,889	0	152,889	-26,000	3 year agreed savings from EMR
Private Sector Housing	201,590	50,758	151,325	-50,265	HIA budget saving now included in Capital
Strategic Housing Services	109,258	37,847	111,465	2,207	
Housing Needs Service	518,730	126,252	518,910	180	
Help for Single Homelessness	0	4,000	0	0	
Domestic Abuse	0	-140,253	0	0	
Homelessness Trailblazer	0	-165,939	0	0	
Flexible Homelessness	0	-111,488	0	0	
	<b>1,008,467</b>	<b>-198,824</b>	<b>934,589</b>	<b>-73,878</b>	

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**Appendix I**

REVENUE BUDGET OUTTURN 2017/2018 PERIOD 3 JUNE

	Controlable Current Budget	Year to Date Controlable Actuals	Controlable Full Year Forecast Outturn Outturn	Forecast Year End Variance	Commentary
<b>REGULATORY SERVICES</b>					
Dog Warden	48,770	23,268	48,991	221	
Pest Control	710	617	710	0	
Env Health Pollution	0	0	0	0	
Env Health Commercial	143,250	44,880	147,296	4,046	
Environmental Protection	166,090	46,187	175,762	9,672	Contractor Fee to end of June
Churchyards	7,500	0	7,500	0	
Env Health Public	0	0	0	0	
Out Of Hours Noise Service	25,420	4,406	25,313	-107	
Health & Safety	27,630	14,545	27,630	0	
Licences	-9,200	-5,245	-9,201	-1	
Hackney Carriages	-21,830	-24,369	-21,830	0	
Health & Policy	47,430	13,933	47,430	0	
	<b>435,770</b>	<b>118,221</b>	<b>449,601</b>	<b>13,831</b>	
Development Control	-187,995	-125,525	55,029	243,024	Cost of Appeals: Bramshill, Netherhouse Moor Copse and Cross Farm
Building Control - Fee Earning	-137,720	-79,975	-137,720	0	
Building Control - Non-Fee	78,660	2,121	78,633	-27	
Street Naming & Numbering	-3,905	-574	-3,910	-5	
	<b>-250,960</b>	<b>-203,953</b>	<b>-7,968</b>	<b>242,992</b>	
<b>TECHNICAL &amp; ENVIRONMENTAL MAINT.</b>					
Emergency Planning	40,330	23,889	41,171	841	
Waste Client Team	-727,296	-450,602	-715,133	12,163	Staffing Maternity Cover off set by additional garden waste clients, now 10,000, generating additional income of £28k
Waste Contract Split Orders	0	11,387	0	0	
Hart Drainage	83,370	14,581	83,263	-107	
Waste Contract	1,682,209	102,577	1,584,212	-97,997	Effect of inflation on first 6 months of the contract £48k. Default settlement agreed £50k from 2013/14.
Grounds Mtn Contract	325,770	48,740	336,320	10,550	As per proposed budget provided by BDBC
Street Cleaning	542,550	-8,310	526,800	-15,750	As per proposed budget provided by BDBC
Clinical and Bulky	-6,420	-6,658	-6,420	0	
Basingstoke Waste Contract	0	355,163	0	0	
Street Furniture	10,700	1,626	10,700	0	
Highways Traffic Management	49,020	23,698	49,041	21	
Highways Agency - Development	13,930	-20,659	16,541	2,611	
Estates/Asset Management	49,520	12,364	49,520	0	
Off Street Parking	-557,568	8,807	-557,473	95	
On Street Parking	5,363	27,268	-2,638	-8,000	Staff Saving for 6 months vacancy
CCTV	168,860	5,716	168,860	0	
Flood repairs & Maintenance work	0	0	0	0	
Fair Trade	2,000	-790	2,000	0	
	<b>1,682,338</b>	<b>148,797</b>	<b>1,586,765</b>	<b>-95,573</b>	
Land Repossessions	4,480	0	4,480	0	
Fleet Pond	64,480	18,801	63,255	-1,225	
Commons	44,120	10,439	45,081	961	
Odiham Common	53,220	2,923	54,185	965	
Elvetham Heath Nature Reserve	49,590	12,300	48,366	-1,224	
Parks/Play Areas Outside Fleet	0	0	0	0	
Edenbrook Country Park	60,410	4,120	60,231	-179	
QE II Fields	8,280	2,024	8,262	-18	
Biodiversity	27,113	9,286	27,113	0	
Bramshot Farm	46,590	20,226	1,614	-44,976	Staffing saving as funded from Capital
Landscape & Conservation	58,230	14,741	58,127	-103	
Environmental Promotion - Stra	144,315	31,912	144,292	-23	
Tree Preservation Orders	134,260	17,558	134,072	-188	
	<b>695,088</b>	<b>144,329</b>	<b>649,078</b>	<b>-46,010</b>	
<b>Grand Total</b>	<b>9,516,470</b>	<b>1,350,564</b>	<b>9,842,522</b>	<b>326,052</b>	

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**Appendix 2**

Capital Programme Budget Monitoring 2017/18							
		Original Budget 2017/18	Carried Forward 2016/17	Current Available Budget 2017/18	Actual To Date	Forecast Expenditure 2017/18	Variance 2017/18
<b>Corporate Services</b>	<b>Capital Code</b>	523	50	573	(23)	573	0
<b>Housing &amp; Customer Services</b>		560	70	630	68	630	0
<b>Leisure</b>		0	472	472	119	472	0
<b>Environmental Promotion</b>		2,092	586	2,678	61	1,013	(1,665)
<b>Technical Services</b>		1,422	437	1,859	89	1,825	(34)
<b>TOTAL CAPITAL PROGRAMME</b>		<b>4,597</b>	<b>1,615</b>	<b>6,212</b>	<b>314</b>	<b>4,513</b>	<b>(1,699)</b>

Service Area	Scheme		Original Budget 2017/18	Carried Forward 2016/17	Current Available Budget	Actual To Date	Forecast Expenditure	Variance	
<b>Corporate Services</b>	CCTV-Rushmoor	YY16	0	50	50	0	50	0	
	Rural Broadband	YL37	23		23	(23)	23	0	
	Upgrade to IT Infrastructure	YT07	500		500	0	500	0	
	Civic Office Refurbishment	YY04	0		0	0	0	0	
	Door Entry System	YT16	0		0	0	0	0	
				<b>523</b>	<b>50</b>	<b>573</b>	<b>(23)</b>	<b>573</b>	<b>0</b>
<b>Housing &amp; Customer Services</b>	Private Sector Renewal - Minor Works Grants(Home trust Loan	YR03	60		60	0	60	0	
	Grant for 13x 4 bed dwellings.	YR04		70	70	0	70	0	
	Disabled Facilities Grants	YR05	500		500	68	500	0	
			<b>560</b>	<b>70</b>	<b>630</b>	<b>68</b>	<b>630</b>	<b>0</b>	
<b>Leisure</b>	Fleet Area Football (S106)	YL33		180	180	0	180	0	
	Leisure Centre SCAPE project appraisal	YL34		0	0	0	0	0	
	Strategic Leisure	YL35		0	0	0	0	0	
	Leisure Centre Pre Construction Stage	YL47		53	53	6	53	0	
	Frogmore leisure Re-Development	YL30		42	42	0	42	0	
	Leisure Centre Construction	YL52		85	85	113	85	0	
	Leisure Centre Consultants & Fees	YL53		112	112	0	112	0	
	Sports Hall				0	0	0	0	
			<b>0</b>	<b>472</b>	<b>472</b>	<b>119</b>	<b>472</b>	<b>0</b>	
<b>Environmental promotion</b>	Fleet Pond Project-Restoration	YY00			0	0	0	0	
	Edenbrook Country Park (S106 SANG)	YL28			0	0	0	0	
	Fleet pond Nature Reserve Visitor Strategy (S106)	YL29		17	17	27	17	0	
	Odiham Common (S106)	YL32		15	15	0	15	0	
	Odiham Signs	YL04			0	0	0	0	
	S106 Leisure Parish Funded Projects	YF09		2	2	0	2	0	
	Fleet Pond Access Track	YL54		150	150	0	150	0	
	Fleet Pond Visitor Enhancements	YL55		20	20	10	60	40	
	Hazeley Heath Grazing Project	YL56		80	80	0	40	(40)	
	Hazeley Heath Notice Boards	YL57		15	15	0	15	0	
	Hazeley Heath Access Improvements	YL58		77	77	0	77	0	
	HW Central Common Enhancement	YL59		22	22	5	22	0	
	HW Central Common Access Improvements	YL60		80	80	0	0	(80)	
	HW QEII Fields Improvements	YL61		35	35	0	35	0	
	Edenbrook CP Play Tree	YL62			0	0	0	0	
	Edenbrook CP History Walk	YL63			0	0	0	0	
	Cricket Hill Pond Phase 2	YL64		8	8	0	8	0	
	Service Vehicles	YL65		65	65	0	72	7	
	Countryside Workshop	YL66			0	0	0	0	
	Bramshot Farm	YL67	2,092	0	2,092	19	500	(1,592)	
	Edenbrook CP - Skate/Bike Park	YL69	0	0	0	0	0	0	
Edenbrook CP - Teen Health	YL70	0	0	0	0	0	0		
Edenbrook CP - Visitor Improvements	YL71	0	0	0	0	0	0		
			<b>2,092</b>	<b>586</b>	<b>2,678</b>	<b>61</b>	<b>1,013</b>	<b>(1,665)</b>	
<b>Technical Services</b>	Fernhill Road, Pedestrian Facilities (S106)	YT09		13	13	0	0	(13)	
	S106 NEHTS Parish	YT14		9	9	0	9	0	
	Forgmoor Day Centre Roof Repairs	YT17			0	0	0	0	
	Church Road (Victoria Road) Car Park - Pay on Foot	YL42			0	0	0	0	
	Church Road Improvements	YT18		257	257	0	257	0	
	Post Payment Parking	YT19		120	120	95	100	(20)	
	Phoenix Green, Hartley Wintney	YT10		18	18	(1)	17	(1)	
	Mill Corner, North Warnborough	YT11		20	20	(5)	20	0	
	Kingsway Flood Alleviation Scheme	YT20	22		22	0	22	0	
	Refuse Vehicles	YT21	1,400		1,400	0	1,400	0	
				<b>1,422</b>	<b>437</b>	<b>1,859</b>	<b>89</b>	<b>1,825</b>	<b>(34)</b>
	<b>TOTAL CAPITAL PROGRAMME</b>		<b>4,597</b>	<b>1,615</b>	<b>6,212</b>	<b>314</b>	<b>4,513</b>	<b>(1,699)</b>	