

**OVERVIEW AND SCRUTINY COMMITTEE**

**DATE OF MEETING: 20 FEBRUARY 2018**

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

**Report of: Head of Corporate Services**

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

**I PURPOSE OF REPORT**

- 1.1 To advise Members of the position on revenue and capital expenditure at the end of December 2017. The Cabinet will consider this report at its meeting on 1 March 2018.

**2 OFFICER RECOMMENDATION**

- 2.1 Committee submits comment to Cabinet on the revised projections and reasons for the main variations shown in Appendix 1 and Paragraph 4 below and notes the current spending position on the Capital Programme shown in Appendix 2.

**3 COMMENTARY**

- 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 possible that a contribution to reserves of £19k will be made.

The main reasons for the current financial position are:

- Planning Appeals £592k (Grove Farm and current expenditure on Bramshill)
- 5 Councils contract start dates not brought forward £155k
- Appointment of a Project Manager £87k

**5 CAPITAL EXPENDITURE MONITORING**

- 5.1 There has only been capital expenditure of £1.379m by 31st December.

**6 MANAGEMENT OF RISK**

- 6.1 The monthly budget monitoring process examines all income and expenditure against budgets so that 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 ACTION**

- 7.1 At this stage no further action is required as it is still early in the budget monitoring process.

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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 9 DECEMBER					
	Controlable Current Budget	Year to Date Controlable Actuals	Controlable Full Year Forecast Outturn	Forecast Year End Variance	Commentary
<b>CORPORATE SERVICES</b>					
Civic Function & Chairman	9,140	6,717	10,206	1,066	
Corporate - Apprentices	26,320	16,067	23,082	-3,238	
Corporate Communication	168,060	94,309	147,328	-20,732	
Leadership Team	550,335	364,731	641,044	90,709	One off savings in Licence fees £8k, Saving in publicity due to delay in Business Mentoring, LGPS saving on staff take up £5k Project Management £87k, Advertising and Recruitment Support £29k and Contractor costs supporting 5C's £5k off set by £25k saving in Consultants for Unitary Options
Corporate Performance Team	59,244	37,192	56,136	-3,108	
External Audit	66,660	33,330	58,660	-8,000	Refund from previous years
Climate Change	18,870	13,643	18,370	-500	
Hart Development	54,717	43,784	55,561	844	Temporary cover - Scanning Assistant
Neighbourhood Planning	0	0	0	0	
Strategy & Policy	51,743	35,322	52,982	1,239	
Hart Lottery	0	0	-3,035	-3,035	
Customer Services Contract	248,675	143,092	243,997	-4,678	Saving on the actual Historic Capita Contract
IT Contract	151,885	153,364	153,244	1,359	
HR Contract	8,978	-8,688	53,550	44,572	Unable to bring forward Lot 1 contract
Internal Audit	94,880	44,819	95,680	800	
Legal Services	290,840	145,429	296,659	5,819	Reflects unbudgeted charge in 17/18 deed £8k, and an estimated shortfall in fee income £13k off set by savings in Consultants £13k.
Customer Services Client	55,102	35,601	55,984	882	
IT Client	167,300	191,840	192,922	25,622	Checkpoint Support £5k unbudgeted but assumed we didn't need for 5 Councils, PSN Connection £8k additional commitment, Tape Mgt £2k, unbudgeted Covalent£4k, EMS element of Microsoft Invoice £7
HR Client	31,200	2,952	22,802	-8,398	£5k saving on Corporate Training
Local Land Charges	-159,000	-222,974	-159,000	0	
5 Council Contract - Lot 1	1,322,238	529,407	1,429,670	107,432	Effect of the delay in the Lot 1 contract £222k off set by the estimated payments for Lot 2 Oct 17 - Mar 18 £309k and pension advice and contractor support 5C's £19k
5 Council Contract - Lot 2	292,428	2,762	2,500	-289,928	Saving on the Lot 2 Contract payment Oct17 - Mar 18
Planning Policy	578,031	227,081	549,581	-28,450	Staffing and Contractor saving £22k. Saving against budgeted travel and subsistence costs£6k
	<b>4,087,646</b>	<b>1,889,780</b>	<b>3,997,923</b>	<b>-89,723</b>	
Rechargeable Elections	0	55,312	-5	-5	
Register Of Electors	117,633	80,735	114,033	-3,600	Printing Costs lower than budget
Election Expenses	93,148	66,989	87,001	-6,147	Income owing from rechargeable elections
Support To Elected Bodies	297,995	215,177	321,933	23,938	Unbudgeted 18% increase in members allowances and special Responsibility Allowances, agreed January 2017.
	<b>508,776</b>	<b>418,213</b>	<b>522,962</b>	<b>14,186</b>	
Revs & Bens Contractor Costs	309,000	600,369	667,916	358,916	Effect of the delay in the Lot 1 contract and additional works see client
Revs & Bens Client Costs	-275,770	-211,429	-353,456	-77,686	Additional works done by Capital charged in Contractor Costs. Refund due from Northgate£12k, reduction in court cost actuals £4k, additional one of grant income £4k
Housing/Council Tax Benefits	152,300	565,059	55,293	-97,007	DHP 17/18 £30k off set by provision for bad debts £10k. Additional overpayment recovered £50k and reduction in Subsidy payments £20k
Bank Charges	53,000	31,631	51,000	-2,000	
Finance Client	111,575	83,184	114,925	3,350	
Finance Contract	237,535	229,256	229,256	-8,279	Saving on the Finance Contract
	<b>587,640</b>	<b>1,298,072</b>	<b>764,934</b>	<b>177,294</b>	
Leisure Centre Maintenance	0	2,779	2,799	2,799	
Leisure Strategy	0	2,000	2,292	2,292	
Leisure Centre Contract	-334,000	-201,283	-255,264	78,736	Budget slippage of EA Contract year 2
Leisure Centre Client	60,126	31,799	54,146	-5,980	Leisure 365 Card Income
Hart Leisure Centre (Client)	228,400	25,745	213,892	-14,508	NNDR and Insurance charge higher than budget. Termination of Locker Lease. Off set by £10k saving on contractors, £7k utilities, £4k R&M £2k Equip.
Frogmore LC (Client)	3,200	-784	564	-2,636	
Leisure Centres (Re-Billing)	0	17,443	0	0	
	<b>-42,274</b>	<b>-122,302</b>	<b>18,429</b>	<b>60,703</b>	
<b>COMMUNITY SERVICES</b>					
Community Safety - Shared Service	178,889	71,141	150,349	-28,540	Staffing Saving as advised by RBC
Private Sector Housing	201,590	116,374	148,991	-52,599	HIA budget saving now included in Capital and vacancy saving flexible retirement change in hours. Off set by Interim Cover
Strategic Housing Services	109,258	84,345	107,045	-2,213	
Housing Needs Service	518,730	313,003	465,024	-53,706	Additional rent deposit income collected £8k. Consultant saving £2k. Additional income recovery of costs from Sentinel for the Housing Register £6k. Housing Options Officer vacancy £23k, Reduction in Rent Deposit payments £13k
Help for Single Homelessness	0	8,000	0	0	
Domestic Abuse	0	-116,349	0	0	
Homelessness Trailblazer	0	-116,538	0	0	
Flexible Homelessness	0	-89,928	0	0	
	<b>1,008,467</b>	<b>270,048</b>	<b>871,409</b>	<b>-137,058</b>	
<b>REGULATORY SERVICES</b>					
Dog Warden	48,770	32,624	49,591	821	
Pest Control	710	2,515	4,830	4,120	
Env Health Commercial	143,250	87,561	141,457	-1,793	
Environmental Protection	166,090	125,940	178,835	12,745	Agency fee to end of June £6k. Agency Finder Fee £4k
Churchyards	7,500	0	7,500	0	
Out Of Hours Noise Service	25,420	14,243	21,960	-3,460	
Health & Safety	27,630	4,973	27,548	-82	
Licences	-9,200	-6,708	-8,860	340	
Hackney Carriages	-21,830	-40,806	-19,050	2,780	
Health & Policy	47,430	34,314	48,430	1,000	
Business Support Unit	299,259	200,881	308,453	9,194	Maternity Cover and 0.22fte increase in Hours
Business Support Non Staff	189,251	276,586	188,581	-670	
Print Room & Photocopying	19,300	27,944	49,920	30,620	Unbudgeted licences for Photocopiers and rolling monthly contract as originally thought this was covered by Lot 2.

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## Appendix I

Admin Bldgs - R & M	296,169	191,611	431,550	135,381	Unbudgeted Rates and Insurances £4k. Additional spend above budget for Toilet Refurbishment £10k. Unbudgeted air conditioning fitting £19k and general maintenance £9k. Amendments to budgets for Lot 2 Oct 17 - Mar 18 Maintenance £40k, Cleaning £20k, Staff £22k Supplies and Services £11k
	<u>1,239,749</u>	<u>951,677</u>	<u>1,430,745</u>	<u>190,996</u>	
Planning Development	-187,995	-281,900	-161,297	26,698	Cost of Appeals, Bramshill, Nether House More Copse and Cross Farm £592k. Additional contractor spend on Hartland and Hollywood £56k Additional staffing and pressures £133k. Additional income from s106 agreements £321k and additional income from Planning application charges £274k and recovery of cost income £166k
Building Control - Fee Earning	-137,720	-105,499	-137,720	0	
Building Control - Non-Fee	78,660	23,090	78,633	-27	
Street Naming & Numbering	-3,905	-9,301	-12,448	-8,543	Additional fee income above budget
	<u>-250,960</u>	<u>-373,610</u>	<u>-232,832</u>	<u>18,128</u>	
<b>TECHNICAL &amp; ENVIRONMENTAL MAINT.</b>					
Emergency Planning	40,330	29,944	41,076	746	
Waste Client Team	-727,296	-712,446	-891,862	-164,566	Staffing Maternity Cover and staff evaluations costing £16k, off set by additional garden waste clients, now 10,500, generating additional income of £46k, garden waste bin sales £28k, savings on bin purchases £14k, revised estimated recycling credit income £86k and saving in Publicity £9k
Waste Contract Split Orders	0	52,956	0	0	
Hart Drainage	83,370	38,340	78,112	-5,258	delays in obtaining consent for works have produced a contract saving for 17/18
Waste Contract	1,682,209	1,031,018	1,704,554	22,345	Effect of inflation on first 6 months of the contract £68k. Default settlement agreed £50k from 2013/14.
Grounds Mtn Contract	325,770	242,165	302,770	-23,000	As per proposed budget provided by BDBC
Street Cleaning	542,550	250,516	508,314	-34,236	As per proposed budget provided by BDBC
Clinical and Bulky	-6,420	-17,508	-21,980	-15,560	Increased usage of the clinical and bulky waste collection service
Basingstoke Waste Contract	0	903,018	0	0	
Street Furniture	10,700	3,087	7,550	-3,150	
Highways Traffic Management	49,020	21,786	46,757	-2,263	Additional equipment requirement £5k, staff Honorarium £1k. Reduction in advertising spend £9k
Highways Agency - Development	13,930	1,517	17,811	3,881	
Estates/Asset Management	49,520	35,757	67,352	17,832	Unbudgeted NNDR for toilets £6k. Effect of the delay in the Lot 2 Contract £10k
Off Street Parking	-557,568	-318,430	-509,118	48,450	Pressure due to a 6 month delay in the lot 2 Contract off set by additional parking income £30k
On Street Parking	5,363	37,498	35,865	30,502	Pressure due to a 6 month delay in the lot 2 Contract.
CCTV	168,860	87,453	166,740	-2,120	
Flood repairs & Maint work	0	0	0	0	
Fair Trade	2,000	-535	-500	-2,500	
	<u>1,682,338</u>	<u>1,686,136</u>	<u>1,553,441</u>	<u>-128,897</u>	
Land Repossessions	4,480	0	4,480	0	
Fleet Pond	64,480	36,487	59,314	-5,166	Staffing re-apportionment in line with Bramshot Farm implementation plan, which is capitalised.
Commons	44,120	24,615	38,989	-5,131	Staffing re-apportionment in line with Bramshot Farm implementation plan, which is capitalised.
Odiham Common	53,220	3,387	32,998	-20,222	Staffing re-apportionment in line with Bramshot Farm implementation plan, which is capitalised.
Elvetham Heath Nature Reserve	49,590	30,835	45,737	-3,853	Staffing re-apportionment in line with Bramshot Farm implementation plan, which is capitalised.
Edenbrook Country Park	60,410	29,985	44,398	-16,012	Saving in Staffing Contractors as site not yet adopted
QE II Fields	8,280	1,843	8,316	36	
Biodiversity	27,113	15,222	25,261	-1,852	
Bramshot Farm	46,590	65,307	0	-46,590	Staffing saving as funded from Capital
Landscape & Conservation	58,230	36,862	55,683	-2,547	
Environmental Promotion - Stra	157,885	98,356	146,935	-10,950	
Tree Preservation Orders	134,260	70,296	123,208	-11,052	Staff saving, reduction in working hours.
	<u>708,658</u>	<u>413,196</u>	<u>585,319</u>	<u>-123,339</u>	
<b>ACCOUNTING TREATMENT</b>					
Parish Council Precepts	2,969,040	2,969,040	2,969,040	0	
Other Operating Costs - Income	212,330	161,484	212,330	0	
Grants And Taxes	-13,009,736	-12,864,844	-13,024,381	-14,645	Unbudgeted Grants
MIRS Appropriations	0	0	0	0	
MIRS Capital & Pensions	0	0	0	0	
MIRS Transfers From Reserves	-972,394	76,431	-974,255	-1,861	
Interest	-128,660	-63,589	-113,071	15,589	Interest forecast
	<u>-10,929,420</u>	<u>-9,721,477</u>	<u>-10,930,337</u>	<u>-917</u>	
Total excluding Accounting Treatment	9,530,040	6,431,210	9,512,330	-17,710	
Grand Total	-1,399,380	-3,290,267	-1,418,007	-18,627	

Capital Programme Budget Monitoring 2017/18								
		Original Budget 2017/18	Carried Forward 2016/17	In Year Budget Additions 2017/18	Current Available Budget 2017/18	Actual To Date 2017/18	Forecast Expenditure 2017/18	Variance 2017/18
Capital resources available as at 1st April 2017								
Receipts in year								
Corporate Services	Capital Code	523	50	0	573	32	543	(30)
Housing & Customer Services		560	70	0	630	331	535	(95)
Leisure		0	472	4,179	4,651	694	2,378	3
Environmental Promotion		5,286	(2,608)	12	2,690	169	360	(2,330)
Technical Services		1,422	437	120	1,979	153	200	(1,779)
<b>TOTAL CAPITAL PROGRAMME</b>		<b>7,791</b>	<b>(1,579)</b>	<b>4,311</b>	<b>10,523</b>	<b>1,379</b>	<b>4,016</b>	<b>(4,231)</b>
Capital Resources available as at 1st April 2018								

Service Area	Scheme		Original Budget 2016/17	Carried Forward 2015/16	In Year Budget Additions 2017/18	Current Available Budget	Actual To Date	Forecast Expenditure	Variance
Corporate Services	CCTV-Rushmoor	YY16	0	50		50	55	20	(30)
	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>0</b>	<b>573</b>	<b>32</b>	<b>543</b>	<b>(30)</b>
Housing & Customer Services	Private Sector Renewal - Minor Works Grants(Home trust Loan	YR03	60			60	2	15	(45)
	Grant for 13x 4 bed dwellings.	YR04		70		70	70	70	0
	Disabled Facilities Grants	YR05	500			500	259	450	(50)
			<b>560</b>	<b>70</b>	<b>0</b>	<b>630</b>	<b>331</b>	<b>535</b>	<b>(95)</b>
Leisure	Fleet Area Football (S106)	YL33		180		180	183	183	3
	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	15	53	0
	Frogmore leisure Re-Development	YL30		42		42	24	42	0
	Leisure Centre Construction	YL52		85	179	264	144	264	0
	Leisure Centre Consultants & Fees	YL53		112		112	0	112	0
	Sports Hall - <i>Transfer to revenue</i>	YL68		0	4,000	4,000	328	1,724	0
			<b>0</b>	<b>472</b>	<b>4,179</b>	<b>4,651</b>	<b>694</b>	<b>2,378</b>	<b>3</b>
Environmental promotion	Fleet Pond Project-Restoration	YY00				0	1	0	0
	Edenbrook Country Park (S106 SANG)	YL28				0	0	0	0
	Fleet pond Nature Reserve Visitor Strategy (S106)	YL29		17		17	21	5	(12)
	Odiham Common (S106)	YL32		15		15	9	9	(6)
	Odiham Signs	YL04				0	0	0	0
	S106 Leisure Parish Funded Projects	YF09		2	12	14	12	14	0
	Fleet Pond Access Track	YL54		150		150	0	10	(140)
	Fleet Pond Visitor Enhancements	YL55		20		20	37	59	39
	Hazeley Heath Grazing Project	YL56		80		80	0	0	(80)
	Hazeley Heath Notice Boards	YL57		15		15	0	0	(15)
	Hazeley Heath Access Improvements	YL58		77		77	0	0	(77)
	HW Central Common Enhancement	YL59		22		22	5	5	(17)
	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
	Crick Hill Pond Phase 2	YL64				8	0	1	(7)
	Service Vehicles	YL65				65	0	72	7
	Countryside Workshop	YL66				0	0	0	0
	Bramshot Farm	YL67	5,286	(3,194)		2,092	83	150	(1,942)
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>5,286</b>	<b>(2,608)</b>	<b>12</b>	<b>2,690</b>	<b>169</b>	<b>360</b>	<b>(2,330)</b>
Technical Services	Fernhill Road, Pedestrian Facilities (S106)	YT09		13		13	0	0	(13)
	S106 NEHTS Parish	YT14		9		9	5	9	0
	Church Road (Victoria Road) Car Park - Pay on Foot	YL42				0	0	0	0
	Church Road Improvements	YT18		257	120	377	37	44	(333)
	Post Payment Parking	YT19		120		120	103	119	(1)
	Phoenix Green, Hartley Wintney	YT10		18		18	5	10	(8)
	Mill Corner, North Wamborough	YT11		20		20	(3)	0	(20)
	Kingsway Flood Alleviation Scheme	YT20				22	6	18	(4)
Refuse Vehicles	YT21	1,400			1,400	0	0	(1,400)	
			<b>1,422</b>	<b>437</b>	<b>120</b>	<b>1,979</b>	<b>153</b>	<b>200</b>	<b>(1,779)</b>
<b>TOTAL CAPITAL PROGRAMME</b>		<b>7,791</b>	<b>(1,579)</b>	<b>4,311</b>	<b>10,523</b>	<b>1,379</b>	<b>4,016</b>	<b>(4,231)</b>	

Capital Funding									
	Disabled Facilities Grant		500	0	0	500	259	450	(50)
	Environment Agency		22	38	0	60	7	28	(32)
	S106 Receipts Housing		0	0	0	0	0	0	0
	S106 Receipts Leisure District/Parish		0	714	12	726	269	321	(405)
	S106 Receipts Leisure Centre		0	0	0	0	0	0	0
	S106 Receipts NHTS		0	129	0	129	109	128	(1)
	SANG		0	0	0	0	0	0	0
	Capital Receipts Housing		60	70	0	130	72	85	(45)
	Internal Borrowing		7,209	(2,630)	4,299	8,978	663	3,004	(3,698)
<b>TOTAL CAPITAL PROGRAMME</b>			<b>7,791</b>	<b>(1,579)</b>	<b>4,311</b>	<b>10,523</b>	<b>1,379</b>	<b>4,016</b>	<b>(4,231)</b>