

Cabinet

27 September 2017



Title	Revenue Monitoring Q1		
Purpose of the report	To note		
Report Author	Martin Yates		
Cabinet Member	Councillor Howard Williams	Confidential	No
Corporate Priority	Financial Sustainability		
Recommendations	To note the current level of spend		
Reason for Recommendation	Not applicable		

1. Key issues

1.1 To provide cabinet with the net revenue spend figures to the end of July 2017.

- The forecast outturn at net expenditure level is shown below It shows a positive variance of £0.36M :

	Budget £M	Forecast Outturn £M	Variance £M
Total Expenditure	59.99	59.67	(0.32)
Total Income	(59.95)	(60.26)	(0.31)
Salary budget saving (<i>actual vacancy savings are reflected in services expenditure outturn</i>)	(0.30)	0	0.30
Budget Adjustment	0.26	0.26	-
Revenue Carry forward	-	(0.03)	(0.03)
Net	-	(0.36)	(0.36)

2. Options analysis and proposal

2.1 Cabinet are asked to note the current net revenue spend and forecast position.

The following highlights variances where the variance is greater than 5% of the spend area. In addition, all variances of over £5K are noted.

Leader

Spend Area	Variance	Comment
Democratic Representation and Management	Adverse variance of £6.3K	2% increase on basic allowances
Elections	Positive variance of £8.2K	No further expenditure expected provided there is no by election
Total	Positive variance of £2.6K	

Deputy Leader

Spend Area	Variance	Comment
Emergency Planning	Adverse £7.5K	Training costs for Prevent strategy work but funding received in 2016-17.
Total	Adverse £7.5K	

Corporate Management

Spend Area	Variance	Comment
HR	Adverse £6.7K	Overspends due to increased employees costs to cover extra workload (£16.7K), to be offset by lower consultancy costs (-£10K)
ICT	Positive £46.3K	Network manager post being covered by Elmbridge
Project Management	Adverse £23.5K	Redundancy costs not budgeted in year but delivering ongoing saving (£83.8K). Back scanning project costs to be funded from other expenditure (-60.5K)
Total	Positive £16.4K	

Environment & Compliance

Spend Area	Variance	Comment
DS Management and Support	Adverse Variance £10K	Vacant posts are being covered by Temporary staff and overtime payments which may result in higher costs by end of the financial year
Refuse Collection	Overall Positive Variance of £10K	Variance made up of : £10K Staffing Budget Positive Variance One off payment due to Surrey County Council re changes to recycling credits system :£89.7K adverse variance Higher income expected due to more activity: £89.7K positive variance
Street Cleaning	Positive variance of £5.7K	Savings expected due to vacant posts partially covered by temporary staff & overtime payments.
Public Conveniences	Positive variance of £8K	Savings expected against the business rates budget
Parks Strategy	Positive variance of £16.2K	Savings expected against the business rates budget
Community Safety	Adverse variance of £21.9K	Variance made up of : Temporary staff Expenditure with no budget, Radio Equipment has now been sold to Business Improvement District (BID); adverse £3.2K Savings expected due to lower contribution to Community Safety Partnership Fund (CSP) from this financial year: Positive £17K No recharge Income contribution through CSP from this financial year onwards: adverse £35K
Total	Adverse £2.7K	

Housing

Spend Area	Variance	Comment
Homelessness	Positive variance of £246.5K	B&B usage has been lower than anticipated. This area will be kept under close review as numbers could rise before year end.
Housing Benefits Admin	Overall Positive Variance of £26K	Underspend expected due to current vacant part time posts: Positive £26.9K IT costs : Adverse £19K Revenue grant funding IT costs: Positive variance £18.1K
Total	Positive variance £275.2K	

Community Well Being

Spend Area	Variance	Comment
SPAN	Positive variance of £17.9K	Additional income received for Surrey Telecare Equipment
Day Centres	Adverse variance of £24.3K	Principally made up of: Vacancies at start of the year (£15.4K positive variance) High needs income currently not on target, will review during the year (£44.5K adverse variance)
Spelthorne Troubled Families	Positive variance of £5.4K	Vacant posts are being covered by temporary posts.(Adverse variance £12K) All of the costs are expected to be reimbursed through Surrey County Council as part of Family Support Programme (Positive variance £23.6K)
Spelthorne Leisure Centre	Positive variance of £13.2K	Profit share increased due to RPI increase
Public Halls	Adverse variance of £11.7K	Survey costs for Churchill Centre which cannot be capitalised £7.4K adverse variance Lease surrendered at Churchill Centre and lease reduced for St Martins Hall £4.3K adverse variance
Total	Adverse variance of £10.6K	

Planning and Economic Development

Spend Area	Variance	Comment
Economic Development	Adverse variance of £22.3K	Overspend due to Economic Development Manager in budget for 50% of salary split with Community Safety. This post is now 100% in Economic Development. Vacancies early in year will reduce the overspend
Asset Management Administration	Positive variance of £297.8K	No budget for the Bugle Public House site, to be funded from additional income generated in year. Adverse variance of £174.7K Additional income from asset acquisitions in year. Positive variance of £470.8K
Planning Policy	Positive variance of £29.7K	Two senior planning officer posts currently vacant, to be filled in Sept 17
Planning Development Control	Adverse variance of £56.7K	Regradings to a number of posts due to reflect market requirements- to be funded from central provision or from increased planning fees when implemented by Government
Building Control	Positive variance of £23.9K	Additional cost incurred as a result of structural engineering work due to increased volume of incoming work/applications. Adverse £10K Higher income expected due to more activity. Positive £33.9K
General Property Expenses	Adverse variance of £5.2K	Additional costs relating to works at Cedars Recreation ground. Adverse £15.4K Additional income received for licences. Positive £10.2K
Knowle Green	Positive variance of £86.1K	Business rates lower than budgeted. Positive £100K Reduction in rents, due to tenants vacating Knowle Green offices. Adverse £12.2K
Total	Positive variance of £354.2K	

Finance and Customer Relations

Spend Area	Variance	Comment
Chief Executive	Adverse variance £18.3K	Professional fees for CX recruitment
Accountancy	Adverse variance £22K	Consultants fees paid to recruit for the vacant posts with no budget
Customer Services Management & Support	Positive variance of £39.7K	Savings expected due to current vacant posts, partially covered by temporary /agency staff
Total	Positive variance £0.2K	

3. Financial implications

3.1 As set out within the report and appendices

4. Other considerations

4.1 There are none

5. Timetable for implementation

5.1 Bi – monthly reports are produced for Management team

Background papers: None

Appendices:

A and B