

Cabinet

22 November 2017



Title	Revenue Monitoring Report		
Purpose of the report	To note		
Report Author	Laurence Woolven (Chief Accountant)		
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 September 2017.

- The forecast outturn at net expenditure level is shown below It shows a positive variance of £0.58M :

	Budget £M	Forecast Outturn £M	Variance £M
Total Expenditure	60.00	59.94	(0.06)
Total Income	(59.98)	(60.90)	(0.92)
Salary budget saving (<i>actual vacancy savings are reflected in services expenditure outturn</i>)	(0.30)	0	0.30
Interest Earnings	0	0.08	0.08
Debt Interest Payable	0	0.05	0.05
Budget Adjustment	0.28	0.28	-
Revenue Carry forward	-	(0.03)	(0.03)
Net	-	(0.58)	(0.58)

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
Corporate Governance	Adverse £43k	Employee saving of £7k due to cessation of shared service with Reigate BC off set by £50k income budget not being achievable
Democratic Representation and Management	Adverse £6.6K	2% increase on basic allowances
Elections	Positive £5.9K	No further expenditure expected provided there is no by election
Total	Adverse £44.0K	

Deputy Leader

Spend Area	Variance	Comment
Corporate Publicity	Adverse 19.5K	Incorrect recharge re web support for Runnymede reversed out in this financial year
Emergency Planning	Adverse £7.5K	Training costs for Prevent strategy work but funding received in 2016-17.
Total	Adverse £29.1K	

Corporate Management

Spend Area	Variance	Comment
HR	Adverse £23.5K	Overspends due to increased employees costs to cover extra workload
ICT	Positive £70.1K	Underspend on Network manager post being covered by Elmbridge partially offset by one off e-tendering costs for hosting and training fees

Project Management	Positive £147.4K	Redundancy costs not budgeted in year but delivering ongoing saving (£12.5K). Back scanning project costs to be carried forward to 18/19 (£-159.9K)
Total	Positive £194.2K	

Environment & Compliance

Spend Area	Variance	Comment
Depot	Adverse £13.9K	Insurance excess charges with no budget
DS Management and Support	Adverse £25K	Out of hours and overtime payments in relation to traveller incursions and elections
Refuse Collection	Positive £108.7K	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: £198.4K positive variance
Street Cleaning	Positive £25K	Savings expected due to vacant posts partially covered by temporary staff & overtime payments Offsets DS Management overspend above, Street Scene budget therefor on target
Waste Recycling	Positive £14K	School recycling income higher due to more activity
Public Conveniences	Positive £8K	Savings expected against the business rates budget
Parks Strategy	Positive £16.2K	Higher expenditure on windfall projects offset by additional grant
Car Parks	Adverse £61.2K	Business Rates above budget
Environmental Health Admin	Adverse £26.5K	Higher software costs and no recharge income as DFG work now undertaken by Independent Living
Community Safety	Adverse £51.1K	Variance made up of : Temporary staff Expenditure with no budget, Radio Equipment has now been sold to Business Improvement District (BID); adverse £8K Higher CCTV telephone maintenance costs partially offset by lower contribution to CSP Fund; net adverse £7.4K

		No recharge Income contribution through CSP from this financial year onwards: adverse £35.7K
Total	Adverse £9.8K	

Housing

Spend Area	Variance	Comment
Housing Needs	Positive £34.6K	Vacant posts in year covered by secondments in the team
Homelessness	Positive £212.8K	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	Positive £30.5K	Underspend expected due to current vacant part time posts: Positive £31.4K IT costs : Adverse £19.1K Revenue grant funding IT costs: Positive variance £18.2K
Housing Benefits Payments	Adverse £164K	Overpayments raised are less than budgeted, due to slow down of real time info from DWP
Total	Positive £113.9K	

Community Well Being

Spend Area	Variance	Comment
SPAN	Positive £17.7K	Additional income received for Surrey Telecare Equipment
Day Centres	Adverse £13.6K	Principally made up of: Vacancies at start of the year (£11.5K positive variance) High needs income currently not on target, will review during the year (£27.6K adverse variance)
Spelthorne Troubled Families	Adverse £11.4K	Vacant posts are being covered by temporary posts. Costs are expected to be partially offset by reimbursement through Surrey County Council as part of Family Support Programme

Spelthorne Leisure Centre	Positive £13.2K	Profit share increased due to RPI increase
Public Halls	Adverse £10.4K	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 £3K adverse variance
Total	Adverse £9.6K	

Planning and Economic Development

Spend Area	Variance	Comment
Economic Development	Adverse £13.6K	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 £671.8K	Development Surveyor vacant and delay in filling other posts has led to positive variance of £46.2K No budget for the Bugle Public House site, to be funded from additional income generated in year. Adverse variance of £275.1K Additional income from asset acquisitions in year. Positive variance of £900.7K
Planning Policy	Positive £31.7K	Two senior planning officer posts were vacant earlier in year (both now filled)
Planning Development Control	Adverse £103.4K	Use of overtime and temporary staff for increased workload Consultancy costs higher than budgeted Income slightly below target due to no large planning applications
Building Control	Positive £25.3K	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 £38.9K
General Property Expenses	Positive £1.1K	Additional costs relating to works at Cedars Recreation ground. Adverse £17.1K Additional income received for licences. Positive £18.2K
Knowle Green	Positive £196.4K	Underspend due to Senior Facilities Manager vacancy. Positive £25.4K

		Business rates lower than budgeted. Positive £182.4K Reduction in rents, due to tenants vacating Knowle Green offices. Adverse £11.4K
Total	Positive £812.7K	

Finance and Customer Relations

Spend Area	Variance	Comment
Chief Executive	Adverse £31.2K	Professional fees for CX recruitment
Accountancy	Adverse £42K	Cost of agency staff to cover posts and consultants fees paid to recruit for the vacant posts with no budget
Committee Services	Positive £19.8K	Underspend due to Committees Manager retiring
Total	Negative £53K	

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