

JUNE 2017 - SALARIES

<u>DIRECTORATE</u>	<u>2017/18</u>			<u>2016/17</u>		
	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>
	<u>TO 30/06/17</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>	<u>TO 30/06/16</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>
	<u>£000</u>	<u>(ORIGINAL)</u>	<u>(ORIGINAL)</u>		<u>(ORIGINAL)</u>	<u>(ORIGINAL)</u>
	<u>£000</u>	<u>£000</u>	<u>%</u>	<u>£000</u>	<u>£000</u>	<u>%</u>
CHIEF EXECUTIVE	118	131	-9.9	66	65	1.5
RESOURCES *	1,405	1,497	-6.1	1,385	1,463	-5.3
GOVERNANCE *	910	907	0.3	898	919	-2.3
NEIGHBOURHOODS *	1,261	1,266	-0.4	1,178	1,231	-4.3
COMMUNITIES *	1,945	1,982	-1.9	1,875	1,928	-2.7
TOTAL	5,639	5,783	-2.5	5,402	5,606	-3.6

* Agency costs are included in the salaries expenditure.

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

	17/18 Full Year Budget £'000	First Quarter			17/18 Variance Budget v Actual		Comments
		17/18 Budget £'000	17/18 Actual £'000	16/17 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	125	60	59	69	-1	-2	There are no major variances.
Bed & Breakfast Accommodation	271	67	124	21	57	85	The anticipated increase in caseload has been exceeded and this is expected to continue. As a result, expenditure in the first quarter is higher than expected but rental income has also risen during the same period, as seen below.
Grants to Voluntary Groups	88	1	0	18	-1	-100	It is difficult to accurately forecast expenditure patterns from year to year as timings are dependent on the receiving organisations providing the necessary information to enable grants to be released. As a general rule, however, expenditure is low in the first quarter as grant release tends to be slow initially. Given the forecast profiling for the current financial year, no major variances have occurred.
Voluntary Sector Support	174	93	93	93	0	0	There are no variances.
<u>Major income items:</u>							
Bed & Breakfast Accommodation	280	70	117	37	47	67	Rents are higher than expected due to the increased caseload.
	938	291	393	238			

	17/18 Full Year Budget £'000	First Quarter			17/18 Variance Budget v Actual		Comments
		17/18 Budget £'000	17/18 Actual £'000	16/17 Actual £'000	£'000	%	
Major income items							
Development Control	1,098	260	218	263	-42	-16	The first quarter of 2017/18 has seen reduced levels of fee income compared to the first quarter of the previous year and the budget to date. This is possibly because major developers are awaiting the publication of the Local Plan prior to submitting any planning applications within the district.
Building Control Fee Earning	450	126	160	149	34	27	Uncertainty in the housing market is having a positive effect on the Building Control fees which has exceeded the profiled budget and the previous year actual. In addition, the Building Control service have formed a number of partnerships with outside bodies helping to resist the threat of competition from the commercial sector.
Local Land Charges	164	46	49	45	3	7	The actual at quarter one is on target with the budget and the previous year comparative.
	1,712	432	427	457			

	17/18	First Quarter			17/18		Comments
	Full Year	17/18	17/18	16/17	Variance		
	Budget	Budget	Actual	Actual	Budget v Actual		
£'000	£'000	£'000	£'000	£'000	%		
<u>Major expenditure items:</u>							
Refuse Collection	1,417	231	217	141	-14	-6	} The in year variance is due to timing differences in phasing of contract payments. A difference arises between the two years due to the contractor now being paid by Direct Debit at the start of the month following the works being carried out,
Street Cleansing	1,375	215	203	87	-12	-6	
Recycling	2,870	469	441	288	-28	-6	
Highways General Fund	62	6	1	7	-5	-83	The level of replacement of street furniture and litter bins is hard to predict and hence causes timing differences on expenditure.
Off Street Parking	442	176	137	213	-39	-22	In 2016/17 NEPP was the contractor for administering the Off Street Parking service and had charged £68,000 in the first quarter. This financial year the new contractor had submitted no invoices to date.
North Weald Centre	207	77	69	64	-8	-10	A great deal of expenditure on this heading is for maintenance items.
Land Drainage & Contaminated Land	208	14	9	3	-5	-36	This is a maintenance driven budget and has a volatile pattern of spend.
	6,581	1,188	1,077	803			

	17/18 Full Year Budget £'000	First Quarter			17/18 Variance Budget v Actual		Comments
		17/18 Budget £'000	17/18 Actual £'000	16/17 Actual £'000	£'000	%	
<u>Major expenditure items</u>							
Forward Planning/Local Plan	1,248	96	38	31	-58	-60	The Cabinet will receive an update on the scheduling of the Local Plan and its financing in October.
<u>Contract cost Monitoring</u>							
Leisure Facilities:-							
Loughton Leisure Centre	-158	-26	0	-47	26	-100	} The new leisure contract commenced in April 2017, and the contract schedule of payments is to be paid via Direct Debit 1 month in arrears. Actual payment did not commence until July, once the contracts had been signed. As can be seen by the estimate and previous years spend a saving will be generated overall.
Epping Sports Centre	234	39	0	26	-39	-100	
Waltham Abbey Pool	8	1	0	87	-1	-100	
Ongar Sports Centre	98	16	0	50	-16	-100	
	182	30	0	116			

	17/18 Full Year Budget £'000	First Quarter			17/18 Variance Budget v Actual		Comments
		17/18 Budget £'000	17/18 Actual £'000	16/17 Actual £'000	£'000	%	
<u>Major income items:</u>							
Refuse Collection	77	19	19	16	0	0	No major variances.
Recycling	1,485	0	0	0	0	0	Recycling credit income is always slow to materialise in the first quarter of the year.
Off Street Parking	1,415	254	256	219	2	1	No major in year variance. The variance between years arises due to the timing of the receipt of Penalty Charge Notices and Telephone Banking since taking the contract away from NEPP.
North Weald Centre	812	293	320	296	27	9	All income streams are ahead of estimates at present, but the main increase is due to a rent increase on Market Rents from January 2017 of £50,000 per annum.
Hackney Carriages	181	54	52	57	-2	-4	No major variances
Licensing & Registrations	114	12	13	12	1	8	No major variances
Fleet Operations MOTs	205	51	52	46	1	2	The relocation of the service to Oakwood Hill has now been completed and the income is showing signs of recovery.
	4,289	683	712	646			

	17/18	First Quarter			17/18		<u>Comments</u>
	Full Year	17/18	17/18	16/17	Variance		
	Budget	Budget	Actual	Actual	Budget v Actual		
	£'000	£'000	£'000	£'000	£'000	%	
<u>Major income items:</u>							
Industrial Estates	1,259	588	670	547	82	14	A revision of leases at Brooker Road have brought larger rental income than originally anticipated.
Business Premises - Shops	2,204	1,102	1,073	1,080	-29	-3	No major variances.
Land & Property	215	29	8	8	-21	-72	The lease on the David Lloyd Leisure Centre has been revised, and to date no rental income has been invoiced. This will be recovered shortly with increased rental income received.
	3,679	1,719	1,753	1,635			

	17/18 Full Year Budget £'000	First Quarter			17/18 Variance Budget v Actual		Comments
		17/18 Budget £'000	17/18 Actual £'000	16/17 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Building Maintenance	582	50	37	46	-13	-26	Expenditure fluctuates from one year to another due to Building Maintenance works being determined on a rolling five year programme which identifies and prioritises the works required to the non-office assets but generally works are undertaken in the latter part of the year which allows for preparation work to take place initially. The actual spend to date at quarter one is lower than the previous year due to some planned maintenance works placed on hold pending the outcome of the next stage of the accommodation review in November/December.
Information & Communication Technology	1,003	695	694	558	-1	0	The full year budget includes the cost of the councils Multi-Function Devices, Network Telephone & Mobiles, provision of the Service Desk and maintenance for all Systems in use. Expenditure is in line with the current budget spending profile as the renewal of maintenance contracts for the Councils systems are paid at the beginning of the year with network and consultancy charges continuing to be paid throughout the year.
Benefit relating to Bed & Breakfast cases (Non-HRA Rent Rebates)	280	70	87	72	17	0	2017/18 has seen a further increase in the number of homeless people placed in Bed and Breakfast accommodation compared to the previous year. Whilst some growth was included in the original budget this will need reviewing during the forthcoming budget process
Bank & Audit Charges	122	1	1	1	0	0	No significant expenditure occurs in either audit or bank charges until quarter 2.
	1,987	816	819	677			
<u>Major income items:</u>							
Investment Income	194	49	51	83	2	4	No major in-year variance. The variance between years arises due to lower interest rates now being received and reducing investment balances as capital schemes progress.
	194	49	51	83			

	17/18 Full Year Budget £'000	First Quarter			17/18 Variance Budget v Actual		Comments
		17/18 Budget £'000	17/18 Actual £'000	16/17 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Management & General	289	51	25	40	-26	-51	Expenditure is lower than expected in the first quarter of 2017/18 due to less spend on consultants' fees within the Policy & Management budget than originally anticipated.
Housing Repairs	6,063	653	591	819	-62	-9	This underspend relates to expenditure on both planned maintenance (£41,000) and responsive repairs (£33,000). However, expenditure on voids was marginally higher than anticipated. With regard to responsive repair works, it is always difficult to forecast when they will arise due to the demand-led nature of the works.
Special Services	1,108	235	203	186	-32	-14	The largest underspend in this section relates to tree felling within the grounds maintenance budget. Other areas showing an underspend include utility costs and caretaking and cleaning.
	7,460	939	819	1,045			
<u>Major income items:</u>							
Non-Dwelling Rents	893	221	205	218	-16	-7	The reduction in income relates to garage rents.
Gross Dwelling Rent	31,613	7,903	7,876	7,939	-27	0	The reduction in rental income from dwellings this financial year compared to 2016/17 is due to the rent decrease of 1% from April 2017, combined with reduced stock numbers due to the high number of Right To Buy sales last year. Void levels are around 1%, running broadly in line with expectations.
	32,506	8,124	8,081	8,157			