

DECEMBER 2018 - SALARIES

<u>DIRECTORATE</u>	<u>2018/19</u>			<u>2017/18</u>		
	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>	<u>EXPENDITURE</u>	<u>BUDGET</u>	<u>VARIATION</u>
	<u>TO 31/12/18</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>	<u>TO 31/12/17</u>	<u>PROVISION</u>	<u>FROM BUDGET</u>
	<u>£000</u>	<u>(REVISED)</u>	<u>(REVISED)</u>	<u>£000</u>	<u>(REVISED)</u>	<u>(REVISED)</u>
		<u>£000</u>	<u>%</u>		<u>£000</u>	<u>%</u>
CHIEF EXECUTIVE	479	487	-1.6	486	500	-2.8
BUSINESS SUPPORT	3,705	3,756	-1.4	3,746	3,848	-2.7
COMMERCIAL & REGULATORY	1,207	1,207	0.0	1,259	1,254	0.4
COMMUNITY & PARTNERSHIP	1,912	1,920	-0.4	1,833	1,854	-1.1
CONTRACT & TECHNICAL	1,516	1,517	-0.1	1,475	1,488	-0.9
CUSTOMER SERVICES	2,592	2,603	-0.4	2,374	2,406	-1.3
HOUSING & PROPERTY	4,401	4,499	-2.2	4,521	4,529	-0.2
PLANNING SERVICES	1,157	1,182	-2.1	839	870	-3.6
TOTAL	16,969	17,171	-1.2	16,533	16,749	-1.3

* Agency costs are included in the salaries expenditure.

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
		£'000	£'000	£'000	£'000	%	
<u>Major Expenditure Items</u>							
Information & Communication Technology	1,562	1,355	1,323	1,023	-32	-2	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 in 2018/19 is higher than the comparative actual due to costs relating to the technology strategy which was approved in November 2017 as part of the transformation programme. Although at quarter three the expenditure is lower than the profiled budget, it is expected that this will be spent in the last quarter of the year for ongoing system projects within the Council.
Bank & Audit Charges	100	23	23	69	0	0	The decrease in expenditure compared to the prior year is the result of a change in the appointment of the council's external auditors who have not provided any services to date.
	1,662	1,378	1,346	1,092			
<u>Major Income Items</u>							
Local Land Charges	160	120	116	130	-4	-3	2018/19 has seen a decrease in the level of fee income compared to the previous year which has been reflected in the current year budgets. The actual at quarter three is just below target with the budget.
Investment Income	103	77	81	81	4	5	No major variances.
	263	197	197	211			

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Museum	140	108	105	88	-3	-3	There are no major variances for 2018-19. Expenditure is higher in quarter three compared to last financial year, 2017-18, due to increase in NNDR and Professional Fees. The Museum is now paying NNDR on 2 further storage facilities as well as 37 Sun Street (15B Oakwood Hill and Building L182 Waltham Abbey, Gun Powder Mill Museum). There is an increase in professional fees due to security costs.
Grants to Voluntary Groups	88	30	30	31	0	0	There are no variances.
Voluntary Sector Support	187	155	157	133	2	1	There are no major variances in this year. In the prior year two payments were made to Voluntary Action Epping Forest in quarter 2 and 4, whereas this year one payment was made in quarter 3.
	415	293	292	252			

	18/19 Full Year Budget £'000	Second Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
		£'000	£'000	£'000	£'000	%	
<u>Major expenditure items</u>							
North Weald Centre	210	172	170	170	-2	-1	No Major variances
Disabled Facilities Grants	550	412	307	391	-105	-25	The surveyors post became vacant during Q2, and a freeze on recruitment has led to fewer final inspections being carried out, and referrals from ECC are slow at coming through. Both of these items have been addressed by the department concerned but it may not have the desired effect until the new financial year.
	760	584	477	561			
<u>Major income items:</u>							
North Weald Centre	905	824	831	825	7	1	Aviation and casual rents income streams are performing better than expected which are offset by a small decrease in rental income.
Hackney Carriages	175	131	125	120	-6	-5	Operator licences are showing a small downturn in income to December 2018, whereas taxi licence income is showing a slight increase.
Licensing & Registrations	114	86	95	100	9	10	Liquor and Gambling licenses are performing better than expected.
Building Control - Fee Earning	535	413	409	431	-4	-1	No major in-year variance. 2017/18 was an exceptional year though income so far is broadly in line with expectations.
Industrial Estates	1,366	1,315	1,283	1,648	-32	-2	Income at the Oakwood Hill plots is down by £25,000. There are a couple of other minor differences on other sites.
Business Premises - Shops	2,341	2,289	2,284	2,222	-5	-0	There are no significant in year variances. The variance between years is due to some lease increases following re-negotiation.
Epping Forest Shopping Park	2,335	1,713	1,713	814	0	0	All units are now let. The variance between years is due to the site not being fully let at this time last year.
Land & Property	215	212	212	200	0	0	No in year variance. The variance between years is due to a renegotiation of the David Lloyd Centre lease.
	7,986	6,983	6,952	6,360			

	18/19 Full Year Budget £'000	Second Quarter			18/19 Variance Budget v Actual			Comments
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000		%	
Major expenditure items:								
Refuse Collection	1,386	811	730	797	-81		-10	} Although paying via Direct Debit expenditure is not recorded until invoices are received from the contractor and duly authorised by waste services. These have been slow to materialise and hence low amounts of actuals against budget.
Street Cleansing	1,408	854	741	797	-113		-13	
Recycling	3,115	1,845	1,409	1,568	-436		-24	
Highways General Fund	71	46	27	56	-19		-42	The in-year variance relates to expenditure on bus shelters that has not been required to date. The variance between years is due to the highways panel expenditure payment made in April 2017.
Off Street Parking	491	345	312	312	-33		-10	A contingent sum is added to maintenance to cover the winter period, but the mild conditions means it has not been utilised to date.
Land Drainage & Contaminated Land	120	81	42	45	-39		-48	Timing of expenditure can be difficult to predict and like last year is below expectations.
	6,591	3,982	3,261	3,575				

DIRECTORATE FINANCIAL MONITORING - CONTRACT AND TECHNICAL (2)

	18/19 Full Year Budget £'000	Second Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget	18/19 Actual	17/18 Actual			
		£'000	£'000	£'000	£'000	%	
<u>Major income items:</u>							
Refuse Collection	86	65	64	59	-1	-1	Demand for bulky waste collections has increased year-on-year.
Recycling	1,361	682	597	732	-85	0	Essex County Council continue to be slow to reimburse the Council for Recycling Credits though things have improved in recent months.
Off Street Parking	1,402	1,020	1,010	983	-10	-1	No major in-year variances. The increase between years is due mainly to Increased penalty charge notices.
Leisure Contract	644	376	382	0	6	2	The actual for 2017/18 is not shown here as the Council made payments to the contractor in the first year to account for initial start up costs.
Fleet Operations MOTs	215	162	153	163	-9	-5	MOT income is below expectations and indeed down on the previous year too.
	3,708	2,305	2,206	1,937			

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual			<u>Comments</u>
		18/19 Budget	18/19 Actual		17/18 Actual			
		£'000	£'000		£'000			
<u>Major Expenditure Items</u>								
Non-HRA Rent Rebates	295	221	217	211	-4		-2	Expenditure levels can be quite volatile and vary form year to year. However the actual at quarter three compared to the budget and previous year indicates that the number of homeless people placed in Bed and Breakfast accommodation has remained relatively static. There is though a time lag between Bed and Breakfast placement and the award of Housing benefits.
	295	221	217	211				

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Building Maintenance	581	269	251	207	-18	-7	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. Having said that expenditure is a little lower than expected due to timing differences.
Bed & Breakfast Accommodation	353	264	283	281	19	7	Expenditure is in line with the prior year but above the profiled budget. The number of placements is actually quite low but expenditure per case can be quite significant. It does though now appear that an overspend will
Voluntary Sector Support	17	0	0	17	0	0	Expenditure here occurred in month 6 during 2017/18, whereas in 2018/19 expenditure does not show until month 11.
	951	533	534	505			
<u>Major income items</u>							
Bed & Breakfast Accommodation	353	264	256	263	-8	-3	Rents are slightly higher than expected due to the an increase in caseload.

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual			<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000		%	
<u>Major Expenditure Items</u>								
Local Plan	575	431	428	394	-3		-1	Local Plan expenditure is in line with the profiled budget. The remainder of the full year budget is committed to evidence based work to take account of the large number of sites going through the site selection process.
	575	431	428	394				
<u>Major Income Items</u>								
Development Control	1,370	1,026	1,080	703	54		5	The income received has exceeded both the budget to date and the previous year's actual. The generation of income has been steadily improving over the year due to the 20% fee increase and large developer proposals who may have previously been awaiting the publication of the Local Plan. The trend in the Development Control fee has continued into quarter three which suggests that the full year budget may well be exceeded.
Local Plan Implementation (Planning Performance Agreement Income)	78	78	75	0	-3		-4	
	1,448	1,104	1,155	703				

2018/19 DIRECTORATE FINANCIAL MONITORING - HOUSING REVENUE ACCOUNT

ANNEX 9

	18/19 Full Year Budget £'000	Third Quarter			18/19 Variance Budget v Actual		<u>Comments</u>
		18/19 Budget £'000	18/19 Actual £'000	17/18 Actual £'000	£'000	%	
<u>Major expenditure items:</u>							
Management & General	262	168	126	162	-42	-25	The underspend is due to consultants, professional and legal fees.
Housing Repairs	6,093	2,448	2,386	2,171	-62	-3	This underspend mainly relates to expenditure on responsive repairs (£13,000), Gas Servicing to Council Houses (£18,000), Asbestos Removal (£10,000) and Engineering Maintenance (£10,000).
Special Services	1,129	702	574	553	-128	-18	The main underspend in this section relates to outstanding invoices from Biffa, currently 3 months behind. Other factors relating to the underspend are utility costs.
	<u>7,484</u>	<u>3,318</u>	<u>3,086</u>	<u>2,886</u>			
<u>Major income items:</u>							
Non-Dwelling Rents	858	646	646	637	0	0	There are no variances.
Gross Dwelling Rent	31,170	23,378	23,338	23,501	-40	0	The reduction in rental income from dwellings this financial year compared to 2017/18 is due to the rent decrease of 1% from April 2018, combined with reduced stock numbers due to the high number of Right To Buy sales this year. Void levels are around 0.75%, running broadly in line with expectations. With regard to new build, 61 properties were scheduled for 2018/19, therefore the profile for rents is based on the estimate, including the new build, averaged over the year. 25 properties were completed by the end of November
	<u>32,028</u>	<u>24,024</u>	<u>23,984</u>	<u>24,138</u>			