

Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

16 NOVEMBER 2011

REPORT OF FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.3 CORPORATE BUDGET MONITORING REPORT FOR THE SECOND QUARTER OF 2011/12

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide an overview of the Council's actual financial position against the budget as at the end of September 2011.

EXECUTIVE SUMMARY

The Council's financial position against the approved budget has been prepared for the second quarter of 2011/12.

The position to the end of September 2011, as set out in more detail in the Executive Summary attached, shows that overall the actual General Fund Revenue position is behind the profiled budget by **£4.449m**. A considerable element of this variance is due to the timing of expenditure and income although some emerging issues have been identified which have been set out below. It is also worth highlighting that the Fit for Purpose and Contingency budgets, that now also reflect the savings that have been identified as the year has progressed, will be subject to further commitments and will be considered as part of the budget setting process for 2012/13 as a fundamental element of supporting a balanced budget next year and beyond. Although reflecting a sizeable one-off sum in 2011/12, the savings are of the magnitude required to balance the budget in future years.

In respect of other areas of the budget such as the Housing Revenue Account, Capital Programme, debt recovery and treasury activity, there are no significant issues that have been identified to date.

Where emerging issues have been identified, these will be monitored and updates provided in future budget monitoring reports where further action may be required and / or considered as part of the Financial Strategy and budget setting framework for 2012/13.

Following their review of the Budget Monitoring Report for the first quarter of 2011/12, the Corporate Management Committee have provided their comments to Cabinet in respect of the position emerging against the Council's Print Unit Budget. Actions are already underway in the third quarter of 2011/12 in response to the emerging Print Unit position.

RECOMMENDATION(S)

It is recommended that:

- (a) The financial position as at the end of September 2011 is noted.
- (b) The budgetary adjustments set out in the report are approved.
- (c) Cabinet review and determine a response to the comments from the Corporate Management Committee regarding the Council's Print Unit budget.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Effective budgetary control is an important tool in ensuring the financial stability of the authority by drawing attention to issues of concern at an early stage so that appropriate action can be taken. Financial stability plays a key role in delivering the Council's corporate and community aims and priorities.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The financial implications are considered in the body of the report.

Risk

A number of variances will be subject to change as the year progresses although at this stage it is expected that any adverse position can be managed within the overall budgets. The budget position will be monitored and reviewed as part of both the future budget monitoring arrangements and the Financial Strategy Process currently underway.

LEGAL

The Local Government Act 2003 makes it a statutory duty that Local Authorities monitor income and expenditure against budget and take appropriate action if variances emerge.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

The delivery of crime and disorder preventions and equality and diversity measures are managed within the overall budget.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Council's financial position against the approved budget has been prepared for the second quarter of 2011/12.

Adjustments to the budget were made as part of the Quarter 1 budget monitoring report to reflect savings of **£1.180m** identified via the various efficiency strands of the Fundamental Service Reviews. A significant element of this is on-going so will also be reflected from 2012/13 onwards as part of the Financial Strategy and budget setting process later in the year. **£0.500m** of the identified savings was allocated to the contingency budget whilst the balance of **£0.680m** was added to the one-off fit for purpose budget in accordance with Cabinets recommendations.

Some expenditure or income trends may still be emerging although various issues

identified within the Quarter 1 position remain. These may be subject to change over the second half of the year or actions have been identified to address them including reviewing a number of items as part of the budget setting process currently in progress.

Significant issues that remain along with any new issues emerging to date have been highlighted and comments provided as necessary.

Response from the Corporate Management Committee

The Corporate Management Committee considered the first quarter's position at their meeting on 5 September 2011 and resolved:

That Cabinet be informed this Committee recommends that whilst the Council operates its own Print Unit and can satisfy itself that this is the most economic and efficient way to have Council documents printed that Heads of Department ensure that it is used in preference to external suppliers.

The Print Unit has been identified as an on-going issue with the latest position set out further on in this report.

CURRENT POSITION – GENERAL FUND REVENUE

The position to the end of September 2011, as set out in more detail in the Executive Summary attached, shows that overall the actual position is behind the profiled budget by **£4.449m. (£1.999m at the end of the Quarter 1)**. As set out in the Appendices, a considerable element of this variance is due to the timing of expenditure and income although some emerging issues have been identified which have been set out in the next section of the report. It is also worth highlighting that the Fit for Purpose and Contingency budgets, that now also reflect any savings that have been identified as the year has progressed, will be subject to further commitments and will be considered as part of the budget setting process for 2012/13 as a fundamental element of supporting a balanced budget next year and beyond.

- A portfolio analysis is set out in **Appendix A**
- A detailed analysis of the position against key indicators is set out in **Appendix C**

SIGNIFICANT ITEMS EMERGING TO DATE – GENERAL FUND REVENUE

The following relate to significant issues that have emerged in the first half of 2011/12.

a) Expenditure Budgets Behind Profile

- **Salaries**

A detailed analysis of the position against salaries budgets is set out in **Appendix B** which highlights that expenditure is currently **£0.293m** behind profile. (**£0.194m** behind profile at the end of the last quarter).

Although significant work remains on-going to finalise the Council's establishment budget as part of the budget setting process, this position reflects the latest senior management reorganisation where the associated savings up to the end of March 2012 of approximately **£0.800m** have been included and at this stage have been transferred to the Fit for Purpose budget.

At this stage a number of vacant posts remain, although they will form part of the wider and on-going reorganisation and fundamental service reviews in addition to the finalisation of the establishment budget as mentioned above.

- **Other Budgets**

As set out in the appendices a number of budgets are subject to the timing of expenditure and income with only a limited number of potential issues emerging to date, with further details set out below:

- **Refuse, Recycling and Street Cleansing Contract costs less than budgeted –** Although the overall variance within the Environmental Portfolio is not significant at this stage (£0.015m behind profile against ‘other’ budgets) it is worth highlighting the following:
 - The savings from the recent retendering process for the Waste, Recycling and Street Cleansing contracts have now been reflected in the annual budget for 2011/12 although savings will not emerge until the last quarter of the year given the contract renewal date of January 2012.
 - There remains a continuing underspend against budgets for the existing Waste and Recycling contracts with the current position reflecting £0.080m behind profile at the end of September 2011. This will be reviewed as part of the budget setting process currently in progress which may need to reflect a revised forecast for the year.
- **Benefit Subsidy net income more than budgeted -** As in previous years the difference in timing between payments and the receipt of subsidy from the Government can ‘mask’ the potential favourable outturn position for the year. Further work to reflect a potentially revised forecasted year end position will be undertaken as part of the budget setting process currently in progress.
- **Income from Sports Facilities –** Income remains behind profile against this area of income. A managed response is being taken with the aim of achieving offsetting reductions within corresponding expenditure budgets to deliver an overall net neutral position by the end of the year. Similarly to the comments above, further work will be undertaken as part of the budget setting process currently in progress to reflect the impact on the budgets in 2011/12 and beyond.
- **Print Unit Income less than budgeted -** As at the end of September 2011 the Print Unit is showing an overall net deficit of £0.026m. The Corporate Management Committee’s comments in respect of this issue have been highlighted earlier on in this report.

A review has been undertaken with actions proposed for implementation in the second half of this year. These proposed actions include the requirement for departments to place all printing work via the Print Unit as appropriate, which can either be done in-house or placed with an external provider. This should provide a number of advantages from a corporate perspective over and above addressing just the financial issue that has emerged. One such advantage is that the Council’s printing work will be coordinated by one service where economies of scale can be potentially maximised or by enabling a reduction in overlap or repetition where departments currently undertake similar procurement activities within their own services.

These action address the comments from the Corporate Management Committee previously mentioned.

In respect of the one-off **Fit for Purpose** budget, this is currently in excess of **£4.000m** although this will be subject to further commitments and decisions as the year progresses and will form part of the wider budget setting process currently in progress to support the delivery of a balanced and sustainable budget from 2012/13 and beyond.

HOUSING REVENUE ACCOUNT – REVENUE

An overall position is set out in the Executive Summary attached.

As at the end of September 2011, the HRA is **£0.274m** behind the profiled budget (£0.044m behind the profiled budget at the end of the last quarter) with no significant issues to highlight to date as this largely reflects the timing of expenditure such as maintenance and repairs.

CAPITAL PROGRAMME – GENERAL FUND

The overall position is set out in **Appendix D**

As at the end of September 2011 the programme is behind profile by **£0.046m** (£0.051m behind profile at the end of the first quarter).

Where schemes are currently being delivered, relevant information is provided in the Appendix along with an updates against significant schemes that have not yet commenced or expenditure has not yet been incurred. There are no significant issues to highlight at this stage.

CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT

The overall position is set out in the Executive Summary attached

As at the end of September 2011 the programme is behind profile by **£0.537m** (£0.117m behind the profile at the end of the first quarter).

This budget relates to the on-going major repairs and improvements to the Council's own dwellings. There are no specific issues to highlight at this stage and the expectation is that expenditure / commitments will be broadly in line with the budget over the course of the year as work is progressed and contracts let.

CORPORATE DEBT

A detailed analysis of the current position is shown in **Appendix E**.

There are no significant issues to highlight at the present time. Income will continue to be collected over the remainder of the year with recovery arrangements and action taken as necessary.

TREASURY ACTIVITY

A detailed analysis of the current position is shown in **Appendix F**

There are no significant matters to highlight at the present time with investment and borrowing activity on-going in line with the Treasury Strategy and associated practices / requirements.

The Council agreed the Treasury Strategy for 2011/12 on 29 March 2011 and in accordance with the Financial Procedure Rules (14.2.2) this strategy has been subject to a half yearly review with outcomes set out below:

Investments

The mood in the markets has significantly worsened, primarily reflecting concerns about sovereign indebtedness. The outlook for growth has deteriorated both at home and globally which has led to falling market expectations of future interest rates. The national economic position is that recovery remains limited and sluggish which is a position repeated within the housing market. Against this background the base rate has remained at 0.5% and at the present time is forecast to remain at this level for an extended period. This means there is little likelihood of investment returns increasing significantly directly from changes to interest rates. Actual investment returns to date remain broadly in line with the budget with any changes over the remainder of the year reflecting investment returns from cash flow advantages rather than increases in interest rates.

The CPI was at 4.5% in August which is much higher than the Bank of England target of 2%, although it is expected to fall back to this level in the medium term, however this remains to be seen.

With changes to credit ratings alongside minimising risk as an underlying principle for our investment decisions, the Council has a very restricted counterparty list. The recent downgrading of credit ratings has only had a minimal impact on the Council with details of the Council's current investments set out in **Appendix F** where Treasury Bills remain the main source of investment. All investments have been undertaken in accordance with the strategy and the Counterparty limits set out in the Treasury Management Practices have been complied with.

Borrowing

The 'flip' side to the above is that borrowing rates that the Council can access remain relatively low. The next borrowing decision required relates to the debt settlement associated with the Housing Revenue Account self financing reform from April 2012. Based on draft settlement figures published by the Government, the Council will need to borrow **£33m** under the new arrangements. Various options to fund this level of borrowing were being considered up until the recent announcement by the Government that preferential borrowing rates would be available from the Public Works Loan Board (PWLB). These rates will be significantly lower than alternative options within the wider financial markets but will only be applicable to fund the housing self financing debt settlement rather than being part of any wider reduction in PWLB rates. The Housing Revenue Account business plan and associated budgets will be reviewed over the coming months which will reflect the reduced borrowing costs that these revised PWLB rates will provide.

Notwithstanding the above, there are currently no changes to circumstances or budgets that necessitate a change to the agreed Treasury Strategy.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Front Cover and Executive Summary

Appendix A – Analysis of Salaries Variance

Appendix B – Portfolio Summary Position

Appendix C – General Fund Key Indicators

Appendix D – General Fund Capital Programme

Appendix E – Corporate Debt

Appendix F – Treasury Activity

Appendix G – Income from S106 Agreements

Tendring

District Council



Appendices Included:

Executive Summary - A summary of the overall position for General Fund, Housing Revenue Account and Capital.

Appendix A - A detailed analysis of the salary budget by Portfolio.

Appendix B - An analysis by Portfolio of all budgets excluding salaries.

Appendix C - This sets out the position to date on a range of Key General Fund indicators analysed between those linked to Council priorities or those linked to risk/ volatility.

Appendix D - The position to date for all capital projects.

Appendix E - Position on corporate debt.

Appendix F - Treasury activity.

Appendix G - Section 106 monies.

Corporate Budget Monitoring

September 2011

Corporate Budget Monitoring - Executive Summary as at the end of September 2011

The table below shows the summary position for the General Fund, Housing Revenue Account, Capital, Debt and Treasury Activity.

General Fund

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£'000	£'000	£'000	£'000
Salaries	16,026	7,866	7,573	(293)
Key Indicators Linked to Risk/Volatile Areas	(4,979)	(2,662)	(2,602)	60
Other Budgets	14,602	8,820	4,604	(4,216)
Total before use of Reserves	25,649	14,024	9,575	(4,449)

Housing Revenue Account

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£'000	£'000	£'000	£'000
Housing Repairs	3,275	1,111	953	(158)
Other HRA Expenditure	9,417	1,622	1,454	(168)
Income	(13,050)	(6,258)	(6,206)	52
Total HRA	(358)	(3,525)	(3,799)	(274)

Capital

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£'000	£'000	£'000	£'000
General Fund	6,919	1,113	1,067	(46)
Housing Revenue Account	3,810	1,842	1,305	(537)
Total	10,729	2,955	2,372	(583)

Debt

	Arrears this month as % of Amount Collectable to date	Variance to date
General Debt	8.44%	
Housing Rents	2.21%	
Council Tax		-0.03%
NNDR		-3.98%

Treasury

	£'000
Total External Borrowing	22,035
Total Investments	35,907

Appendix A - Salaries Budgets : Position at the end of September 2011

Variations against Salary budgets by portfolio are set out below.

SALARIES

Portfolio	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile	Comments
	£'000	£'000	£'000	£'000	
Benefits and Revenues	1,867	934	893	(41)	
Environment	1,586	813	789	(24)	
Finance & Asset Management	1,013	531	505	(26)	
Housing	1,233	617	555	(62)	
Tourism and Community Life	3,140	1,616	1,547	(69)	
Planning	1,499	782	786	4	
Regeneration	1,223	642	638	(4)	
Customer and Central Services	2,733	1,422	1,340	(82)	
Technical Services	1,021	538	520	(18)	
Vacancy Provision	(58)	(29)	0	29	
Total Salaries	15,257	7,866	7,573	(293)	See general comment re salaries in report

Appendix B - Budgets : Position at the end of September 2011

The following table sets out the position against the budget by Portfolio.

Further information in respect of significant issues that have emerged is set out in the main body of the report as applicable.

BUDGETS BY PORTFOLIO

	Adjusted Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile	Salaries Variance	Key Indicators Linked to Risk/Volatile Areas	Other Budget Variance	Comments	Next Quarters Net Profile
	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
Benefits and Revenues	1,537	1,415	441	(974)	(41)	0	(933)	As in the previous quarters and earlier years there is a timing difference between benefit payments and when subsidy is receivable which is the primary reason for the current position.	909
Environment	4,997	2,048	1,996	(52)	(24)	(13)	(15)	At present 2 months of recycling credit income is due from ECC which is expected to be received during quarter 3. Although the annual budget now reflects a proportionate reduction in costs following the recent retendered Waste, Recycling and Street Cleansing contracts there remains an underspend against the existing contract. This will be reviewed as part of the detailed revised budget process that is currently in progress.	1,841
Finance and Asset Management	7,662	3,215	665	(2,550)	(26)	0	(2,523)	The current position primarily relates to the Fit for Purpose and Contingency budgets against which expenditure will be incurred and / or subject to further decisions as the year progresses. In addition to this the Council has recently received the 2011/12 New Homes Bonus Grant of £0.283million which will be considered as part of the detailed budget process currently in progress. There are also underspends against the external audit fee and insurance premiums as invoices have yet to be received and paid.	2,039
Housing	1,413	729	632	(97)	(62)	0	(35)		555
Tourism and Community Life	2,963	369	305	(64)	(69)	120	(115)	This position is made up of a range of smaller favourable variances including those affected by the timing of spend such as building maintenance. It is also worth highlighting that the current position forms part of the managed approach being taken in response to lower income than expected within sports facilities as set out within the key indicators on Appendix C. This response will be reflected in the budget process currently in progress with the aim of achieving an overall net neutral position when taking income and spend as a whole.	453
Planning	2,432	741	568	(173)	4	2	(179)	Similarly to the Tourism and Community Life Portfolio above, the current position is made up of a number of smaller variances but primarily those relating to the Local Development Framework, Planning and Enforcement including legal, professional and consultants fees.	528
Regeneration	2,234	1,532	974	(558)	(4)	(66)	(488)	This current position primarily relates to the timing of expenditure against a number of budgets such as Big Society, Community Cohesion and Tendring Regeneration Limited which will be subject to decisions and commitments over the second half of the year.	911
Customer and Central Services	624	2,067	1,977	(90)	(53)	0	(37)	The most significant issue influencing the current variance relates to expenditure against the Corporate IT budget which continues to be partly attributable to the late delivery of technical services, from an external provider, that have resulted in delays to a number of infrastructure enhancements and their associated revenue expenditure. The issue concerning reduced income within the Print Unit is discussed in more detail in the main body of the report.	1,611
Technical Services	1,605	683	597	(86)	(18)	18	(86)	There are a number of smaller variances across a range of service areas within the portfolio.	335
Development Control Committee	18	0	0	0	0	0	0		0
Licensing Committee	139	(134)	(154)	(20)	0	0	(20)		(71)
Human Resources Committee	(10)	67	64	(3)	0	0	(3)		48
Regulatory Committee	435	81	122	41	0	0	41		84
Finance - Capital Investment	443	0	0	0	0	0	0		0
Finance - Other Financing Items	(843)	1,212	1,388	176	0	0	176		785
Total Other Budgets	25,649	14,024	9,575	(4,449)	(293)	60	(4,216)		10,028

Appendix C - Key Indicators : Position as at the end of September 2011

The Key indicators set out below are in respect of the Councils direct costs only.

KEY INDICATORS LINKED TO RISK / VOLATILE AREAS

		Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile	Emerging Issue	Comments
		£'000	£'000	£'000	£'000		
Spend							
Utilities - Electric, Gas, Oil and Water		707	279	225	(54)		Inherent in the reporting of the position against these budgets is the timing of bill payments which can differ year on year and therefore against profile. This also needs to be considered against the increased cost over the winter months which will emerge across quarters 3 and 4. Although usage remains under constant review, it is important to note that a specific managed approach is actively being undertaken within sports centres to support the offsetting of the challenging position in respect of reduced income that is being experienced within sports facilities as set out below. Collaborative utility contracts are currently being reviewed on a national level which may have an impact on utility budgets.
Repairs and Maintenance		100	82	59	(23)		
Income							
Off-Street Parking		(698)	(532)	(514)	18		
Land Charges		(175)	(88)	(91)	(3)		
Building Control		(201)	(110)	(108)	2		
Cemetery and Crematorium		(1,304)	(645)	(645)	0		
Planning fee Income		(500)	(250)	(247)	3		
Careline Income		(536)	(268)	(287)	(19)		
Income from Sports Facilities		(2,372)	(1,130)	(994)	136		As highlighted in Appendix B, reduced income is being experienced across a number of the Council's sports facilities. A managed response is being taken to offset this position where possible such as managing utility, staffing and other items of expenditure with the aim of delivery a net neutral position over the whole of the year. This approach will be reflected in the budget setting process currently in progress.
Total		(4,979)	(2,662)	(2,602)	60		

Appendix D - Capital Programme : Position at the end of September 2011

The position against capital budgets are set out below for the General Fund and the Housing Revenue Account. In respect of the General Fund schemes, these are highlighted by portfolio.

Any areas where actuals to date are significantly different to the profiled budget and where the position does not relate to the timing of expenditure of income are highlighted as an emerging issue with further details set out in the main body of the report.

General Fund

Portfolio	Commenced	Source of Funding - external (Ext) or internal (Int)	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile	Emerging Issue	Comments
			£'000	£'000	£'000	£'000		
Benefits and Revenues								
Replacement of High Volume Printers	rolling programme of replacement	Int	7	0	0	0		
Customer and Central Services								
Upgrade of Contact Centre software	yes	Int	4	0	0	0		
ICT Core Infrastructure	ongoing	Int	190	26	26	0		
Implementation of Virtualisation technology	yes	Int	12	12	13	1		
Environment								
Dovercourt public conveniences	yes	Int	9	8	8	0		Completed
Provision of a public convenience at West End, Dovercourt	yes	Int	1	0	0	0		Completed - retention monies still held
Environmental database migration	yes - long term ICT project	Int	12	0	0	0		
Public Access Module to CAPS	yes - long term ICT project	Int	56	0	0	0		
Weeley Crematorium Car Park	no	Int	100	0	0	0		Negotiations are ongoing with an external partner regarding the potential development of a church which could provide shared car parking facilities.
Finance and Asset Management								
Audit management software	yes	Int	6	0	0	0		
Replacement debit and credit card payment facility	yes	Int	15	0	0	0		
Agresso e-procurement	no	Int	31	0	0	0		
Housing								
Disabled Facilities Grants	yes - ongoing	Ext/Int	1,447	386	378	(8)		
Private Sector Renewal Grants	yes - ongoing	Ext/Int	16	0	0	0		
Private Sector Leasing	yes - ongoing	Int	33	0	0	0		
Planning								
Corporate roll-out of GIS	yes - long term ICT project	Int	7	4	6	2		
End to End Planning	yes - long term ICT project	Int	6	6	0	(6)		
Regeneration								
Harwich Masterplan	yes	Ext	105	38	44	6		Overall the externally funded budget has been reduced by £60k as the proposed work is now being undertaken by another partner rather than directly by TDC.

Appendix D - Capital Programme : Position at the end of September 2011

Clacton Regeneration	yes	Ext	170	147	76	(71)		Invoices currently being processed
General Fund (cont.)								
	Commenced	Source of Funding - external (Ext) or internal (Int)	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile	Emerging Issue	Comments
			£'000	£'000	£'000	£'000		
Clacton Regeneration CCTV works	yes	Ext	7	0	3	3		
Clacton Seafront Improvements	yes	Ext	136	0	1	1		
Capital Projects at Brooklands and Grasslands	no	Ext/Int	308	0	0	0		Projects will be considered over the remainder of the year in accordance with the agreed delegation to the Strategic Director in consultation with the Regeneration and Finance and Asset Management Portfolio Holders.
Coastal Pathfinder - Crag Walk **	yes	Ext	11	0	(3)	(3)		
Careline Equipment Upgrade to 21CN	no	Int	60	0	0	0		This project is currently subject to reviewing the present need and requirement to replace outdated equipment as part of the wider business planning process
Technical Services								
Fernwood Avenue to Cliff Road East works	no	Ext	2,100	0	7	7		Tenders received and works now commenced.
Holland Haven Sea Wall (Gunfleet Boating Club frontage)	yes	Ext	371	193	189	(4)		The current position includes retention monies due
Rolling vehicle/plant replacement	Yes - long term project	Leasing	306	0	0	0		Expenditure is expected to be incurred in quarter 3
Tourism and Community Life								
Replacement of beach hut supports - The Walings, Frinton	Yes - long term project	Int	4	0	0	0		
Refurbishment of Blue Chalet beach huts	yes	Ext	92	83	83	0		
Dovercourt Swimming Pool - redevelopment	yes	Int	698	0	0	0		Situation currently being reviewed as part of the wider review of the management options for the Council's leisure facilities
Dovercourt Boating Lake	yes	Int	30	26	26	0		
Princes Theatre new box office system	no	Int	12	0	0	0		
Leisure Management System	yes	Int	1	1	1	0		
Brook Country Park	yes	Ext	55	2	1	(1)		
Cranleigh Close, Clacton landscaping works	yes	Ext	52	38	40	2		
The Hangings, Dovercourt landscaping works	no	Ext	39	22	24	2		
Play Route	yes	Ext	36	0	0	0		
MUGA, Welfare Park, Garland Road, Parkeston	yes	Ext	6	0	0	0		
Provision of children's play area, School Road, Tendring	yes	Ext	2	0	0	0		

Appendix D - Capital Programme : Position at the end of September 2011

Refurbishment of Children's Play Area, Harwich and Dovercourt	yes	Ext						Works in progress for completion by October with the scheme recently extended and funded by additional S106 money that has been subject to separate approval by the Portfolio Holder
			100	43	43	0		
Refurbishment of children's play area, Marine Parade West, Clacton	yes	Ext	160	0	0	0		Project at design stage
Refurbishment of children's play area, Windsor Avenue, Clacton	no	Ext	22	21	21	0		
Refurbishment of Children's play Area, Burrs Road, Clacton	no	Ext	10	0	9	9		Delivery of project ahead of profile
Refurbishment of Children's play Area, Hereford Road, Holland on Sea	no	Ext	15	0	14	14		Delivery of project ahead of profile
Refurbishment of Children's Play Area, St Andrew's Close, Alresford	no	Ext	13	13	13	0		
Improved Disabled Access to children's Play Areas	yes	Ext	46	44	44	0		
TOTAL			6,919	1,113	1,067	(46)		

Housing Revenue Account

	Commenced		Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile		Comments
			£'000	£'000	£'000	£'000		
Improvements, enhancement & adaptation of the Council's housing stock	Yes - long term project	Ext/Int	3,324	1,587	1,086	(501)		-
Disabled adaptations for Council tenants	Yes - long term project	Ext/Int	403	215	210	(5)		-
Information Technology upgrade and replacement	Yes - long term project	Ext/Int	23	10	9	(1)		-
Cash Incentive Scheme	Yes - long term project	Ext/Int	60	30	0	(30)		-
TOTAL			3,810	1,842	1,305	(537)		

Appendix E - Corporate Debt : Position at the end of September 2011

The position against General debt, Housing debt and Council Tax / NNDR due for the year are set out separately below.

GENERAL DEBT

	Amount Collectable to date	Arrears this month	Arrears last month	Arrears this month as % of Amount Collectable to date		Comments
	£'000	£'000	£'000	%		
Sundry / General Debt	3,294	278	255	8.44%		<p>The current position is made up of a number of individual invoices ranging from careline charges, licences to homelessness rent deposit guarantees.</p> <p>The current level of debt remains consistent with previous years where the amount outstanding decreases as the year progresses resulting in only a limited level of overall arrears by the end of the financial year.</p>

HOUSING RENTS

	Total Due for the Year	Amount Collectable to date	Arrears this month	Arrears last month	Arrears this month as % of Total Due	Comments
	£'000	£'000	£'000	£'000	%	
Housing Rents and Service Charges	12,192	6,307	270	267	2.21%	No significant issues have arisen to date

COUNCIL TAX AND NNDR

CURRENT YEAR	Total Due for the Year	Expected / Profiled Amount Collectable to date	Actual Collected to date	Variance to Date	Variance to Date last month	Comments
	£'000	%	%	%	%	
Council Tax	61,700	59.27%	59.24%	-0.03%	0.08%	Collection rates broadly on target although the collection of NNDR remains slightly behind expectations which will be monitored over the second half of the year
NNDR	24,336	64.63%	60.65%	-3.98%	-3.50%	
PREVIOUS YEAR	Total Outstanding to Date	Total Outstanding Last Month	Change from last month			Comments
	£'000	£'000	£'000			
Council Tax	1,679	1,773	(94)			Amounts outstanding have reduced from last month
NNDR	494	664	(170)			
TOTAL	2,173	2,437	(264)			

Appendix F - Treasury Activity : Position at the end of September 2011

Key Treasury Management Performance Data and Prudential Indicators are set out below.

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April 2011	New Borrowing to date	Borrowing Repaid to date	Balance to Date	Comments
	£'000	£'000	£'000	£'000	
Long Term Borrowing (External) - PWLB	22,138	0	103	22,035	
Long Term Borrowing (External) - Other	0	0	0	0	
Total Borrowing	22,138	0	103	22,035	
Investments	Opening Balance 1 April 2011	New Investments to date	Investments Repaid to date	Balance to Date	Comments
	£'000	£'000	£'000	£'000	
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	13,500	57,050	47,500	23,050	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as underspending or income being received ahead of expenditure that is set out in the other Appendices of this report.
Investments with UK financial Institutions (including Money Market Funds)	10,798	28,224	26,165	12,857	At end of the period, investments were held with 5 counterparties
Investments with non-UK Financial institutions	0	0	0	0	
Total Investments for less than a year	24,298	85,274	73,665	35,907	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	24,298	85,274	73,665	35,907	
Interest Paid / Received	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to date	Comments
	£'000	£'000	£'000	£'000	
Interest Paid on Borrowing	1,091	437	437	0	The current average rate of interest accruing on the Council's borrowing portfolio for the year is 8.3%.
Interest Received on Investments	132	67	123	-56	The average rate of interest being received on the Council's investments is currently 0.63% with the current position due to the timing of the receipt of interest payments

PRUDENTIAL INDICATORS

	Approved Indicator	Highest amount reached in the period	Comments
	£'000	£'000	
Authorised limit for external borrowing	35,419	22,298	Borrowing has remained within approved limits
Operational boundary for external borrowing	27,691		

Appendix G - Income from S106 Agreements

Information in respect of S106 income has been split across two areas in the table below - Where money has been formally allocated / being spent and where money remains unallocated / uncommitted.

The information below relates to only S106 amounts applicable to TDC. Further details regarding S106 income, including amounts relating to ECC is published each month on the Council's Intranet. Details can be accessed via the Intranet home page under the section "**Announcements across the Council**"

The schemes set out below are included in the Capital Programme - see Appendix D for overall scheme progress

ALLOCATED / BEING SPENT

Scheme	Amount Committed / Planned to be Spent in 2011/12
	£'000
Children's Play Equipment - Refurbishment of Children's Play Areas, Harwich and Dovercourt	100
Children's Play Equipment - Refurbishment of Children's Play Area, Marine Parade West, Clacton	160
Refurbishment of Children's Play Area, Windsor Avenue, Clacton	22
Refurbishment of Children's Play Area, Burrs Road, Clacton	10
Clacton Town Centre Improvements - CCTV Works	7
Cranleigh Close, Clacton - landscaping works	52
The Hangings, Dovercourt - landscaping works	39
Children's Play Equipment - Refurbishment of Children's Play Area, Hereford Road, Holland on Sea	15
Children's Play Equipment - Refurbishment of Children's Play Area, St Andrew's Close, Alresford	13
TOTAL	418

UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date		
	Less than 2 Years	2 to 4 Years	4 years +
	£'000	£'000	£'000
Affordable Housing	-	276	274
Children's Play Equipment	-	-	9
Dovercourt Town Centre Improvements	-	102	-
Loss of Employment Land	-	-	10
Open Space	-	-	273
TOTAL	0	378	566