

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

15 FEBRUARY 2012

REPORT OF FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.2 CORPORATE BUDGET MONITORING REPORT FOR THE THIRD 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 December 2011.

EXECUTIVE SUMMARY

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

The information set out in this report is now based on the 2011/12 revised budget presented to Council on 7 February 2012. Many significant or key variances previously reported have been addressed by the revised budget process and therefore no longer appear in this latest budget monitoring position. The presentation of the appendices relating to the detailed General Fund and HRA revenue budgets are now in a similar format to those presented to Cabinet as part of the budget setting process. This revised approach aims to support an easier comparison between the detailed estimates, the budget monitoring reports over the course of the year and the outturn position.

The position to the end of December 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 **£4.286m**. 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.

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.

As in previous years, it is recognised that a number of smaller variances within services emerge over the course of the year that would not necessarily be specifically highlighted or discussed within the Corporate Budget Monitoring reports. Although a significant number of budgets have been reduced as part of the 2010/11 outturn review that have been reflected in the revised budgets for 2011/12, it is likely that a range of smaller variances may remain at the end of the year and contribute to the overall position. Also a number of budgets that relate to schemes / initiatives or earmarked for specific purposes may not be fully spent by the end of the year but may be subject to end of year processes such as carry forward requests and therefore remain committed. However at this stage and after taking into account the current position and information available, it is anticipated that any

adverse issues can be managed within the overall budgeted position for the year which in turn is supported by the contingency budget.

Where emerging issues have been identified, these will be monitored and updates provided where appropriate and if necessary considered as part of the Financial Strategy and budget setting framework in future years.

RECOMMENDATION(S)

It is recommended that:

The financial position as at the end of December 2011 is noted.

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 budget.

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 third quarter of 2011/12.

The information set out in this report is now based on the 2011/12 revised budget presented to Council on 7 February 2012. Many significant or key variances previously reported have been addressed by the revised budget process and therefore no longer appear in this latest budget monitoring position.

GENERAL FUND REVENUE

The position to the end of December 2011, as set out in more detail in the Executive Summary attached, shows that overall the actual position is behind the profiled budget by **£4.286m. (£4.449m at the end of the Quarter 2)**. As set out in the Appendices, a considerable element of this variance is due to the timing of expenditure and income or will be subject to carry forward requests at the end of the year. However some emerging issues have been identified which have been set out in the next section of the report.

The presentation of the appendices relating to the detailed General Fund and HRA revenue budgets are now in a similar format to those presented as part of the budget setting process. This aims to support the comparison of the detailed estimates to the budget monitoring reports that are presented over the course of the year and the outturn position.

Where necessary, comments have been provided in **Appendix B**. However the following highlight significant issues that have emerged to date:

- **Income from Sports Facilities** – Although already adjusted as part of the revised budget process, income has fallen behind profile by **£0.186m** due to a worsening position over the course of the third quarter. 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. At this stage it is likely that an adverse situation will remain at the end of the year that will be considered against the overall outturn position for 2011/12.
- **Income from Cemeteries** – Income has fallen behind the profiled budget at the end of December by **£0.038m**. However this is partly offset by increased income at the crematorium along with other favourable variances within the Department. A managed response is being taken with the aim of maintaining this overall offsetting position over the remainder of the year.

In addition to the above a further issue worth highlighting is as follows:

- **Customer Services - Transfer Payments and Government Grants (Benefit subsidy received compared with benefits payments made)** - 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. This will be subject to review as part of the comprehensive end of year processes.

The Fit for Purpose and Contingency budgets total **£2.100m** and **£0.611m** respectively although will be subject to further commitments over the remainder of the year.

HOUSING REVENUE ACCOUNT – REVENUE

An overall position is set out in the Executive Summary with further details included in **Appendix C**.

As at the end of December 2011, the HRA is **£0.812m** behind the profiled budget (**£0.274m** 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.

Some adjustments will be required as part of the implementation of the new self financing arrangements with any additional costs met via the outgoing subsidy system.

CAPITAL PROGRAMME – GENERAL FUND

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

As at the end of December 2011 the programme is behind profile by **£0.457m (£0.046m** behind profile at the end of the second quarter).

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

CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT

The overall position is included in **Appendix D**.

As at the end of December 2011 the programme is behind profile by **£0.815m (£0.537m** behind the profile at the end of the second 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.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Front Cover and Executive Summary

Appendix A – Summary by Portfolio / Committee

Appendix B – General Fund Budget Position by Department

Appendix C – Housing Revue Account Budget Position

Appendix D – 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.
Appendix A	A summary of the overall position by Portfolio / Committee
Appendix B	An analysis by Department of all General Fund Revenue budgets.
Appendix C	An analysis of Housing Revenue Account budgets.
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

December 2011

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

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

General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£	£	£	£
Customer Services	1,406,080	1,237,850	796,024	(441,827)
Planning & Regeneration	3,489,270	1,594,062	1,180,871	(413,190)
Life Opportunities	3,545,120	2,607,135	2,498,981	(108,154)
Public Experience	7,963,460	4,395,622	4,025,137	(370,485)
Resource Management	(18,439,810)	(6,368,294)	(8,953,659)	(2,585,365)
Management Team and Executive Corporate Support	2,035,880	2,375,166	2,007,867	(367,299)
Total	0	5,841,540	1,555,220	(4,286,320)

Housing Revenue Account

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£	£	£	£
Total HRA	0	(4,788,705)	(5,601,011)	(812,306)

Capital

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£	£	£	£
General Fund	7,063,720	2,913,340	2,456,284	(457,056)
Housing Revenue Account	3,835,830	2,729,424	1,914,023	(815,401)
Total	10,899,550	5,642,764	4,370,307	(1,272,457)

Debt

	Arrears this month as % of Amount Collectable to date	Variance to date
General Debt	6.56%	
Housing Rents	2.14%	
Council Tax		-0.05%
NNDR		-1.90%

Treasury

	£'000
Total External Borrowing	22,035
Total Investments	34,392

Revenue Budget Position at the end of December 2011

Portfolio / Committee Summary

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile
	£	£	£	£
Benefits and Revenues	1,297,900	2,081,264	1,716,130	(365,134)
Customer and Central Services	519,620	3,183,057	3,006,819	(176,238)
Environment	5,085,560	2,822,395	2,584,005	(238,390)
Finance and Asset Management	8,662,030	3,617,392	1,184,652	(2,432,740)
Housing General Fund	1,430,140	1,359,938	1,157,647	(202,291)
Planning	2,461,930	1,076,669	886,491	(190,178)
Regeneration	2,274,270	1,887,616	1,218,139	(669,477)
Technical Services	1,657,460	946,297	809,767	(136,531)
Tourism and Community Life	2,863,100	725,401	824,056	98,655
Development Control Committee	17,690	23	51	29
Human Resources Committee	(0)	126,393	119,381	(7,012)
Licensing Committee	134,450	(74,768)	(98,749)	(23,982)
Regulatory Committee	431,170	151,166	155,885	4,719
Net Cost of Services	26,835,320	17,902,844	13,564,275	(4,338,569)
Revenue support for Capital Investment	1,103,760	0	0	0
Financing Items	(742,410)	1,604,050	1,656,282	52,232
Budget Before use of Reserves	27,196,670	19,506,894	15,220,556	(4,286,338)
Contribution to / (from) earmarked reserves	(8,526,180)	0	0	0
Total Net Budget	18,670,490	19,506,894	15,220,556	(4,286,338)
National Non - Domestic Rates	(8,357,650)	(6,539,865)	(6,539,865)	0
Revenue Support Grant	(2,583,380)	(1,226,850)	(1,226,845)	5
Collection Fund Surplus	(80,000)	(64,000)	(64,000)	0
Parish Precepts	1,424,710	1,424,710	1,424,710	0
Income from Council Tax Payers including Parish Precepts	(9,074,170)	(7,259,349)	(7,259,336)	13
	0	5,841,540	1,555,220	(4,286,320)

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2011

Department - Customer Services

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
Analysis by Type of Spend						
Direct Expenditure						
Employee Expenses	2,799,720	2,109,527	2,064,464	(45,064)	690,193	
Premises Related Expenditure	477,370	266,734	259,582	(7,152)	210,636	
Transport Related Expenditure	41,570	33,890	34,420	530	7,680	
Supplies & Services	1,583,460	1,097,892	653,633	(444,258)	456,679	
Transfer Payments	70,228,330	36,086,550	37,791,618	1,705,068	34,141,780	This relates to the timing of benefit payments compared with the receipt of Government grant income as set out under the relevant income line below.
Total Direct Expenditure	75,130,450	39,594,593	40,803,716	1,209,123	35,506,967	
Direct Income						
Government Grants	(72,407,730)	(35,903,250)	(37,517,622)	(1,614,372)	(36,493,850)	
Other Grants reimbursements and Contributions	(527,980)	(337,445)	(323,638)	13,807	(107,275)	
Sales, Fees and Charges	(2,289,010)	(1,979,005)	(2,041,758)	(62,753)	(310,005)	
Rents Receivable	(146,760)	(137,042)	(128,624)	8,418	(9,718)	
Total Direct Income	(75,371,480)	(38,356,743)	(40,011,643)	(1,654,900)	(36,920,847)	
Net Direct Costs	(241,030)	1,237,850	792,073	(445,777)	(1,413,880)	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	1,647,110	0	3,950	3,950	1,647,110	
Total for Customer Services	1,406,080	1,237,850	796,024	(441,827)	233,230	

Department - Customer Services

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Head of Customer Services and Administration	0	1,265,842	1,212,831	(53,011)	
Total for Revenues	746,710	10,343	(8,563)	(18,906)	
Total for Benefits	556,050	671,975	379,368	(292,608)	The current position relates to the Housing Administration budget, which was funded by Government grant, against which future commitments / decisions will be made.
Total for Customer Contact	4,550	216,998	214,407	(2,591)	
Total for Streets and Seafronts	98,770	(927,307)	(1,002,019)	(74,711)	The position to date reflects a number of small underspends along with parking income moving ahead of the profiled budget at the end of December by £0.028m.
Total for Customer Services	1,406,080	1,237,850	796,024	(441,827)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2011

Department - Planning & Regeneration

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	2,161,590	1,588,122	1,629,574	41,452	580,408	
Premises Related Expenditure	20,920	17,982	22,960	4,978	2,938	
Transport Related Expenditure	70,990	52,930	50,745	(2,185)	18,060	
Supplies & Services	1,423,530	722,785	237,151	(485,634)	706,735	
Third Party Payments	870	653	0	(653)	218	
Total Direct Expenditure	3,677,900	2,382,472	1,940,430	(442,042)	1,308,358	
Direct Income						
Government Grants	0	0	0	0	0	
Other Grants reimbursements and Contributions	(40,100)	(39,163)	(40,652)	(1,489)	(937)	
Sales, Fees and Charges	(959,280)	(711,336)	(664,957)	46,379	(247,944)	
Rents Receivable	(50,550)	(37,913)	(53,951)	(16,038)	(12,637)	
Total Direct Income	(1,049,930)	(788,411)	(759,559)	28,851	(261,519)	
Net Direct Costs	2,627,970	1,594,062	1,180,871	(413,190)	1,046,838	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	861,300	0	0	0	886,720	
Total for Planning & Regeneration	3,489,270	1,594,062	1,180,871	(413,190)	1,933,558	

Department - Planning & Regeneration

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Regeneration Projects	832,990	482,483	280,267	(202,215)	This current position primarily relates to the timing of expenditure against a number of budgets such as regeneration projects and the contribution to Tendring Regeneration Limited which remain subject to further decisions and/or commitments.
Total for Inward Investment and Business Liaison	194,350	34,910	14,113	(20,797)	
Total for Planning	2,323,690	1,074,579	869,953	(204,626)	This reflects a number of smaller underspends including those against legal and professional budgets in addition to the more significant amount relating to the Local Development Framework where further commitments will be made to deliver the necessary outcomes.
Total for Building Control	138,240	2,090	16,538	14,448	
Total for Planning & Regeneration	3,489,270	1,594,062	1,180,871	(413,190)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2011

Department - Life Opportunities

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	3,977,700	2,984,982	2,855,705	(129,277)	992,718	
Premises Related Expenditure	847,860	658,117	640,762	(17,355)	200,243	
Transport Related Expenditure	103,740	77,782	81,709	3,927	25,958	
Supplies & Services	1,496,250	1,078,571	765,209	(313,363)	417,679	
Third Party Payments	0	0	2	2	0	
Transfer Payments	216,330	0	0	0	216,330	
Total Direct Expenditure	6,641,880	4,799,453	4,343,388	(456,066)	1,852,927	
Direct Income						
Government Grants	(191,230)	(63,750)	(64,100)	(350)	(127,480)	
Other Grants reimbursements and Contributions	(121,000)	(64,865)	(63,103)	1,762	(56,135)	
Sales, Fees and Charges	(2,783,650)	(2,051,688)	(1,704,959)	346,729	(698,132)	
Rents Receivable	(24,020)	(12,015)	(12,244)	(229)	(12,005)	
Total Direct Income	(3,119,900)	(2,192,318)	(1,844,407)	347,911	(893,752)	
Net Direct Costs	3,521,980	2,607,135	2,498,981	(108,154)	959,175	
Total for Life Opportunities	3,545,120	2,607,135	2,498,981	(108,154)	982,315	

Department - Life Opportunities

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Private Sector Housing	778,130	299,323	245,990	(53,333)	There are currently vacancies within the service along with a variance against the Housing In Multiple Occupation project which remains in progress and subject to further commitments.
Total for Housing Management	630,110	191,575	82,604	(108,971)	This primarily relates to reduced homelessness costs at the present time.
Total for Landlord Services	20,910	1,029,300	987,134	(42,166)	This reflects the current level of vacancies within the service.
Total for Building Services	17,690	228,401	225,918	(2,483)	
Total for Leisure	2,098,280	858,536	957,334	98,798	Income across sports facilities and a range of activities remain as a challenging issue in the current economic climate. Although expenditure budgets remain under on-going review to identify opportunities to reduce spend to offset this position, it is likely that a significant under recovery of income will remain at the end of the year. In addition to the above, the Princes Theatre is also reflecting a net deficit position of £0.027m at the end of December which will remain under review over the last quarter of the year.
Total for Life Opportunities	3,545,120	2,607,135	2,498,981	(108,154)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2011

Department - Public Experience

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	2,816,500	2,143,749	2,093,229	(50,520)	677,363	
Premises Related Expenditure	2,530,480	1,923,467	1,823,994	(99,473)	596,513	
Transport Related Expenditure	450,610	271,040	259,641	(11,399)	179,570	
Supplies & Services	1,251,610	737,753	637,039	(100,714)	509,357	
Third Party Payments	4,476,860	2,683,170	2,431,881	(251,289)	1,638,407	
Transfer Payments	0	0	0	0	0	
Total Direct Expenditure	11,526,060	7,759,179	7,245,784	(513,395)	3,601,210	
Direct Income						
Government Grants	(1,000)	(500)	0	500	(500)	
Other Grants reimbursements and Contributions	(1,220,110)	(711,110)	(611,858)	99,251	(429,000)	
Sales, Fees and Charges	(1,714,830)	(1,275,690)	(1,226,355)	49,335	(439,140)	
Rents Receivable	(41,190)	(33,902)	(35,313)	(1,410)	(7,288)	
Total Direct Income	(2,977,130)	(2,021,202)	(1,873,526)	147,676	(875,928)	
Net Direct Costs	8,548,930	5,737,978	5,372,258	(365,719)	2,725,281	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	(585,470)	(1,342,356)	(1,347,121)	(4,765)	761,386	
Total for Public Experience	7,963,460	4,395,622	4,025,137	(370,485)	3,486,667	

Department - Public Experience

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Head of Public Experience and Administration	(16,670)	187,405	166,857	(20,548)	
Total for Pollution and Environmental Control	492,440	191,099	186,302	(4,797)	
Total for Environment	4,773,450	2,689,594	2,472,720	(216,874)	This currently reflects the timing of contract payments and recycling credit income which will be brought in line with the budget over the remainder of the year.
Total for Food and Health & Safety	349,560	306,386	295,960	(10,426)	
Total for Engineering Services	1,638,150	646,218	552,803	(93,415)	The current position reflects a number of smaller variances along with the timing of spend such as the budget for Town Centre Maintenance. A more significant variance relates to coast protection works which remain subject to future commitments.
Total for Coastal Projects and Drainage	13,290	172,524	160,634	(11,890)	
Total for Horticultural and Bereavement	713,240	202,397	189,862	(12,535)	The cemeteries budget is currently reflecting a reduced income position of £0.038m. This is partly offset by increased crematorium income and other favourable variances elsewhere within the Department. This position will be monitored over the remainder of the year with the aim of delivery an overall balanced position at year end.
Total for Public Experience	7,963,460	4,395,622	4,025,137	(370,485)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2011

Department - Resource Management

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	5,948,470	3,364,257	3,412,320	48,062	2,573,201	
Premises Related Expenditure	618,620	558,568	501,599	(56,969)	60,052	
Transport Related Expenditure	36,970	36,990	38,901	1,911	(20)	
Supplies & Services	7,929,590	3,395,973	850,351	(2,545,622)	2,174,737	
Third Party Payments	770,070	561,690	461,529	(100,161)	208,380	
Transfer Payments	0	0	(56)	(56)	0	
Total Direct Expenditure	15,303,720	7,917,479	5,264,645	(2,652,834)	5,016,349	
Direct Income						
Government Grants	(475,380)	(455,960)	(455,961)	(1)	(19,220)	
Other Grants reimbursements and Contributions	(585,540)	(461,323)	(447,796)	13,527	(124,217)	
Sales, Fees and Charges	(29,680)	(12,270)	1,832	14,102	(17,410)	
Rents Receivable	(42,480)	(30,390)	(14,186)	16,204	(12,090)	
Interest Receivable	(135,870)	(97,838)	(183,532)	(85,694)	(38,032)	
Use of Reserves	(8,526,180)	0	0	0	(7,647,030)	
Formula Grant and Council Tax	(18,670,490)	(13,665,354)	(13,665,336)	18	(4,608,155)	
Total Direct Income	(28,465,620)	(14,723,136)	(14,764,979)	(41,844)	(12,466,153)	
Net Direct Costs	(13,161,900)	(6,805,657)	(9,500,334)	(2,694,677)	(7,449,804)	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	(5,277,910)	437,363	546,675	109,312	(5,753,673)	
Total for Resource Management	(18,439,810)	(6,368,294)	(8,953,659)	(2,585,365)	(13,203,477)	

Department - Resource Management

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Head of Resource Management and Administration	0	81,292	79,103	(2,190)	
Total for Finance and Procurement	0	916,320	859,173	(57,147)	This reflects a number of small variances including current vacancies held within the Internal Audit Service whilst the outcome of the recent tender process was completed.
Total for Asset Management	3,044,260	91,632	87,336	(4,296)	
Total for Corporate IT	0	1,040,336	875,141	(165,195)	The most significant issue influencing the current variance relates to the lead in time of a number of enhancements and projects.
Total for Legal Services	0	155,092	154,092	(1,001)	
Total for Human Resources	61,900	214,778	207,042	(7,736)	

APPENDIX B

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
Total for Facilities Management	104,480	706,922	639,778	(67,144)	This primarily reflects the timing of expenditure against building repair budgets and utility bills.
Total for F&P - Other Corporate Costs	8,114,860	2,826,162	516,875	(2,309,288)	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. There are also underspends against the external audit fee and insurance premiums as invoices have yet to be received and paid.
Total for F&P - Financing Items	(11,094,820)	1,264,525	1,293,138	28,613	
Total for F&P - Formula Grant and Council Tax	(18,670,490)	(13,665,354)	(13,665,336)	18	
Total for Resource Management	(18,439,810)	(6,368,294)	(8,953,659)	(2,585,365)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2011

Department - Management Team and Executive Corporate Support

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	1,408,110	1,146,325	1,152,567	6,243	261,785	
Transport Related Expenditure	23,820	17,868	18,424	556	5,952	
Supplies & Services	1,995,740	1,559,578	986,587	(572,992)	436,162	
Total Direct Expenditure	3,427,670	2,723,771	2,157,578	(566,192)	703,899	
Direct Income						
Government Grants	(45,050)	(45,050)	(45,048)	2	0	
Other Grants reimbursements and Contributions	(195,400)	(156,650)	(53,120)	103,530	(38,750)	
Sales, Fees and Charges	(10,430)	(7,825)	(2,737)	5,088	(2,605)	
Total Direct Income	(250,880)	(209,525)	(100,905)	108,620	(41,355)	
Net Direct Costs	3,176,790	2,514,246	2,056,673	(457,573)	662,544	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	(1,140,910)	(139,080)	(48,807)	90,273	(1,001,830)	
Total for Management Team and Executive Corporate Support	2,035,880	2,375,166	2,007,867	(367,299)	(339,286)	

Department - Management Team and Executive Corporate Support

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Management Team	0	282,345	280,345	(2,000)	
Total for Executive Corporate Support	2,035,880	2,092,821	1,727,522	(365,299)	<p>The variance to date relates to budgets held as part of partnership arrangement and so will be subject to commitments or carried forward at the end of the year.</p> <p>This is in addition to the current position against the Big Society budget which is behind profile by £0.300m although commitments will be made subject to appropriate applications being received. Although the print unit is still reflecting a deficit of £0.040m, action has now been implemented to ensure print work is placed with the in-house service in accordance with the recent request by Cabinet.</p>
Total for Management Team and	2,035,880	2,375,166	2,007,867	(367,299)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of December 2011

Housing Revenue Account

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
Analysis by Type of Spend						
Direct Expenditure						
Employee Expenses	408,400	35,183	24,109	(11,074)	373,217	
Premises Related Expenditure	3,568,200	2,344,851	1,776,214	(568,637)	1,223,349	
Supplies & Services	480,890	316,417	261,048	(55,369)	164,473	
Third Party Payments	0	0	340	340	0	
Transfer Payments	2,255,580	1,803,614	1,578,855	(224,759)	451,966	
Total Direct Expenditure	6,713,070	4,500,065	3,640,566	(859,499)	2,213,005	
Direct Income						
Government Grants	(133,930)	(100,448)	(100,457)	(9)	(33,482)	
Other Grants reimbursements and Contributions	(8,000)	0	(7,765)	(7,765)	(8,000)	
Sales, Fees and Charges	(751,140)	(584,360)	(547,538)	36,822	(166,780)	
Rents Receivable	(11,471,950)	(8,603,963)	(8,585,817)	18,146	(2,867,987)	
Interest Receivable	(68,060)	0	0	0	(68,060)	
Total Direct Income	(12,433,080)	(9,288,770)	(9,241,578)	47,193	(3,144,310)	
Net Direct Costs	(5,720,010)	(4,788,705)	(5,601,011)	(812,306)	(931,305)	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	5,361,620	0	0	0	5,361,620	
Contributions to/(from) reserves						
Contributions to/ (from) Reserves	358,390	0	0	0	358,390	
Total Contributions to/(from) reserves	358,390	0	0	0	358,390	
Total for HRA	0	(4,788,705)	(5,601,011)	(812,306)	4,788,705	

Housing Revenue Account

	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Housing Management	(10,538,620)	(8,474,498)	(8,479,969)	(5,471)	
Total for Landlord Services	11,581,830	3,685,792	2,878,957	(806,835)	The current position reflects the timing of the latest negative subsidy payment which fell to the first week of January, along with expenditure against the repairs budget which will be subject to further commitments over the remainder of the year.
Total for F&P - Financing Items	(1,043,210)	0	0	0	
Total for HRA	0	(4,788,705)	(5,601,011)	(812,306)	

Corporate Budget Monitoring - General Fund Capital Programme Budget Position at the end of December 2011

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
			£	£	£	£	
Benefits and Revenues Portfolio							
Replacement of High Volume Printers	rolling programme of replacement	Int	7,000	0	0	0	
Environment Portfolio							
Dovercourt Public Conveniences	yes	Int	8,700	8,692	8,418	(274)	Completed
Public convenience at West End, Dovercourt	yes	Int	1,000	1,000	215	(785)	Completed - retention monies still held
Weeley Crematorium Car Park	no	Int	100,000	0	0	0	Negotiations are ongoing with an external partner regarding the potential development of a church which could provide shared car parking facilities.
Food containers for recycling service	no	Ext	254,710	0	0	0	Payments will shortly be made as the new service is rolled out over the remainder of the year.
Public Access Module to CAPS	yes - long term ICT project	Int	56,000	0	0	0	
Finance and Asset Management Portfolio							
Audit management software	yes	Int	6,000	0	0	0	
Replacement debit and credit card payment facility	yes	Int	14,780	0	0	0	

APPENDIX D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
			£	£	£	£	
Housing (GF) Portfolio							
Renovation Grants	yes - ongoing	Ext/Int	15,620	11,715	11,576	(139)	
DFGs	yes - ongoing	Ext/Int	1,447,330	1,062,165	629,873	(432,292)	There are currently delays in referrals to the Council although the budget is likely to be subject to a carry forward request as part of the end of year processes.
Private Sector Leasing	yes - ongoing	Int	33,000	0	0	0	
Tourism and Community Life Portfolio							
Replacement of beach hut supports - the Walings	Yes - long term project	Int	4,000	0	0	0	
Play Route	yes	Ext	35,830	22,000	23,920	1,920	Project progressing ahead of schedule
MUGA - Welfare Park, Parkeston	yes	Ext	5,670	5,670	5,673	3	
Brook Country Park	yes	Ext	55,090	10,980	14,673	3,693	
Dovercourt Swimming Pool - redevelopment	yes	Int	698,870	5,148	0	(5,148)	This project remains subject to further decisions.
Provision of children's Play Area, School Rd, Tendring	yes	Ext	1,720	0	0	0	
Refurbishment of Children's Play Areas, Harwich and Dovercourt	yes	Ext	100,000	94,000	93,361	(639)	Project completed ahead of schedule
Refurbishment of Children's Play Area, Windsor Avenue, Clacton	yes	Ext	22,000	20,716	20,716	0	
Refurbishment of Children's Play Area, Burrs Road, Clacton	yes	Ext	10,000	10,000	10,416	416	Delivery of project ahead of profile
Improved Disabled Access to Children's Play Areas	yes	Ext	46,000	46,000	46,000	0	

APPENDIX D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
			£	£	£	£	
Dovercourt Boating Lake	yes	Int	30,000	30,000	25,701	(4,299)	
Cranleigh Close, Clacton, landscaping works	yes	Ext	52,000	39,300	50,365	11,065	Project progressing ahead of schedule
The Hangings, Dovercourt, landscaping works	yes	Ext	39,000	26,110	27,885	1,775	
Refurbishment of Blue Chalet beach huts	yes	Ext	92,000	92,000	82,952	(9,048)	Retention monies pending
Refurbishment of Children's Play Area, Hereford Road, Holland on Sea	yes	Ext	15,000	15,000	14,434	(566)	
Refurbishment of Children's Play Area, St Andrew's Close, Alresford	yes	Ext	13,000	12,676	12,676	0	
Provision of Children's Play Area, Welfare Park, Parkeston	yes	Ext	17,000	17,000	0	(17,000)	Project completed with invoices awaited
Extension of Children's Play Area, Park Playing Fields, Frinton	no	Ext	18,000	0	0	0	
Leisure Management System	yes	Int	1,000	1,000	996	(5)	
Planning Portfolio							
Corporate roll out of GIS	yes - long term ICT project	Int	7,000	3,000	6,239	3,239	
End to End Planning	yes - long term ICT project	Int	6,000	6,000	6,000	0	

APPENDIX D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
			£	£	£	£	
Regeneration Portfolio							
Careline equipment upgrade to 21CN	no	Int	60,000	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
Clacton seafront improvements	yes	Ext	136,000	4,000	16,824	12,824	
Harwich Masterplan	yes	Ext	104,780	104,780	111,974	7,194	
Clacton Regeneration	yes	Ext	200,070	100,000	95,000	(5,000)	
Regeneration Capital Projects	no	Ext/Int	308,000	0	0	0	Projects will be considered over the remainder of the year in accordance with the agreed delegation in consultation with the Regeneration and Finance and Asset Management Portfolio Holders.
Coastal Pathfinder - Crag Walk	yes	Ext	11,000	0	(3,293)	(3,293)	
Clacton Regeneration CCTV works	yes	Ext	6,780	6,780	7,011	231	
Customer and Central Services Portfolio							
Jaywick CCTV	no	Ext	70,000	0	0	0	Work to commence in January 2012 with estimated completion by February 2012
Upgrade of Contact Centre software	yes	Int	3,920	3,920	0	(3,920)	Retention monies pending
Implementation of Virtualisation technology	yes	Int	12,000	12,000	12,797	797	
ICT Core Infrastructure	ongoing	Int	118,500	37,988	37,988	0	

APPENDIX D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
			£	£	£	£	
Technical Services Portfolio							
Vehicle Replacement	Yes - long term project	L	337,000	31,000	31,000	0	
York Road Sea Wall Strengthening	yes	Ext	11,350	22,700	11,351	(11,349)	
Holland Haven Sea Wall - Gunfleet Boating Club frontage	yes	Ext	371,000	200,000	196,609	(3,391)	
Cliff Road Sea Wall	yes	Ext	2,100,000	850,000	846,933	(3,067)	
Total General Fund Capital			7,063,720	2,913,340	2,456,284	(457,056)	

***Corporate Budget Monitoring - Housing Revenue Account Capital Programme
Budget Position at the end of December 2011***

	Commenced	Source of Funding - External (Ext) or Internal (Int)	2011/12 Current Full Year Budget	2011/12 Profiled Budget to date	2011/12 Actual to date	2011/12 Variance to Profile	Comments
			£	£	£	£	
Improvements, enhancement & adaptation of the Council's housing stock	Yes - long term project	Ext/Int	3,349,820	2,369,189	1,610,908	(758,281)	Projects remain in progress and are subject to tender processes.
IT Upgrade & Replacement	Yes - long term project	Ext/Int	23,130	17,601	9,420	(8,181)	
Disabled Adaptations	Yes - long term project	Ext/Int	402,880	299,220	293,695	(5,526)	
Cash Incentive Scheme	Yes - long term project	Ext/Int	60,000	43,414	0	(43,414)	
Total Housing Revenue Account Capital			3,835,830	2,729,424	1,914,023	(815,401)	

Corporate Debt : Position at the end of December 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	4,407	289	201	6.56%		<p>The current position is made up of a number of invoices rather than individually large amounts. In the case of one invoice where £0.057m was owed in respect of recycling credits from ECC, this has subsequently been paid in early January.</p> <p>The current level of debt remains consistent with previous years where over the year as a whole the amount outstanding decreases resulting in only a limited level of overall arrears by the end of the 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	12,206	9,354	261	273	2.14%	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	61,620	87.18%	87.13%	-0.05%	0.05%	NNDR collection remains lower mainly due to the economic climate. It is unlikely to improve before year end
NNDR	24,380	89.32%	87.42%	-1.90%	-2.02%	
PREVIOUS YEAR	Total Outstanding to Date	Total Outstanding Last Month	Change from last month			Comments
	£'000	£'000	£'000			
Council Tax	1,377	1,446	(69)			Amounts outstanding have reduced from last month
NNDR	429	449	(20)			
TOTAL	1,806	1,895	(89)			

Treasury Activity : Position at the end of December 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	73,550	62,000	25,050	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	39,489	40,945	9,342	At the 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	113,039	102,945	34,392	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	24,298	113,039	102,945	34,392	

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	98	137	-39	The average rate of interest being received on the Council's investments is currently 0.62% 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. (These limits currently exclude the HRA self financing arrangements and associated debt settlement amount.)
Operational boundary for external borrowing	27,691		

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. 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
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
Provision of Children's Play Area, Welfare Park, Parkeston	17
Extension of Children's Play Area, Park Playing Fields, Frinton	18
TOTAL	293

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	-	103	-
Loss of Employment Land	-	-	10
Open Space	-	-	276
TOTAL	0	379	569