

Key Decision Required:	Yes	In the Forward Plan:	Yes
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**CABINET
6 SEPTEMBER 2013**

REPORT OF FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.7 CORPORATE BUDGET MONITORING REPORT FOR THE FIRST QUARTER OF 2013/14

(Report prepared by Finance and Procurement)

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 June 2013.

EXECUTIVE SUMMARY

- The Council's financial position against the approved budget has been prepared for the period to the end of June 2013 and is the first such report for 2013/14.
- It is relatively early in the financial year and therefore some expenditure or income trends may still be emerging. However any significant issues arising to date have been highlighted and comments provided as necessary.
- The position to the end of June 2013, 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 **£2.234m**. After allowing for significant one-off budgets such as the Fit for Purpose Budget where commitments or decisions are still to be made, the position is revised to **£0.634m** behind the profiled budget. 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. Following the introduction of the Local Council Tax Support Scheme (LCTSS) and Business Rates Retention in 2013/14, additional financial information around these two areas is now included (**Appendix I**).
- Any emerging items that are either new or continue from 2012/13 will be monitored and updates provided in future budget monitoring reports along with their consideration as part of the Financial Strategy and budget setting framework for 2014/15 where a longer term response may be required.

RECOMMENDATION(S)

It is recommended that:

- (a) The financial position as at the end of June 2013 is noted.**

(b) That the £3.000m Coast Protection and Enhancement Budget be moved from Corporate Services to Public Experience to start to bring together the various strands of funding to deliver this project.

(c) That £0.090m of training budgets currently held within services are reallocated as follows:

Corporate Qualification Training Budget	£0.016m
Corporate Management Development and Training Budget	£0.034m
Allocated to Services based on Staff numbers	£0.040m

(d) That where income from Beach Huts is in excess of the net budget for that area, then the excess is reinvested in additional beach huts / sites or other seafront amenities with delegation given to the Corporate Director (Public Experience) in consultation with the Portfolio Holder for Environment and Coast Protection to undertake any associated activity.

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 Financial Strategy Processes.

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.

There are no direct implications arising from this report.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Council's financial position against the approved budget has been prepared for the period ending 30 June 2013.

As this is the first such report on the Council's financial position against the budget for 2013/14, some expenditure or income trends may still be emerging as it is still relatively early in the financial cycle. However any significant issues arising to date have been highlighted and comments provided as necessary.

Following the introduction of the Local Council Tax Support Scheme (LCTSS) and Business Rates Retention in 2013/14, additional information around these two areas is now included (**Appendix I**). In addition, a new appendix (**Appendix H**) has also been included that provides a clearer focus on the Council's significant income budgets given the risk to such areas, especially during the current economic climate.

GENERAL FUND REVENUE

The position to the end of June 2013, as set out in more detail in the Executive Summary attached, shows that overall the actual position is behind the profiled budget by **£2.234m**.

After allowing for significant / one-off budgets such as the Fit for Purpose Budget where commitments or decisions are yet to be made, this position is revised to **£0.634m** behind the profiled budget with further details as follows:

Variance As Set out In Executive Summary	(£2.234m)
<i>Less Variances to date for Significant / One-off Budgets</i>	
Fit For Purpose	£0.850m
Contingency	£0.179m
New Homes Bonus	£0.251m
Big Society	£0.068m
Local Plan	£0.252m
Variance Excluding Significant / One-off Budgets	(£0.634m)

After further excluding the variance for employee costs of **£0.256m**, which is covered separately below, the remaining net variance is **£0.378m**

As set out in the appendices, a considerable element of this remaining variance is due to the timing of expenditure and income or where commitments / decisions have yet to be made.

Appendix B provides further narrative around variances with the following drawing out the significant issues that have emerged to date:

EXPENDITURE BUDGETS

a) Expenditure Budgets Behind Profile

➤ Salaries / Employee Costs

Overall employee expenses are behind profile by **£0.256m**.

Fundamental service reviews (FSR's) have now been completed with significant and on-going savings delivered via these reviews which have been reflected in the 2013/14 base budget. The position above is due the full implementation of FSR's remaining in progress so for example, vacancies remain until the associated recruitment processes are completed. It is also important to highlight that services continue to challenge how they deliver their services so opportunities are taken to further review staffing levels,

such as when vacancies exist, rather than automatically recruit on a like for like basis.

INCOME BUDGETS

As previously mentioned, additional details around the Council's most significant areas of income are set out in **Appendix H** with additional comments below:

a) Income Budgets Ahead of Profile

A number of income budgets are currently ahead of the profile including planning fees, crematorium charges and from Careline. In respect of beach hut income which is also ahead of profile, additional details are set out below which includes a proposed reinvestment of income.

➤ **Beach Hut Income ahead of profile - £0.017m**

As mentioned within **Appendix H**, the position to date primarily reflects income from ECC for the provision of beach huts.

When Cabinet considered the outturn position for 2012/13 at its 14 June 2013 meeting, it allocated **£0.009m** from beach hut income in 2012/13 for reinvesting in seafront amenities for the provision of new beach huts / sites with delegation given to the Corporate Director (Public Experience), in consultation with the Environment and Coast Protection Portfolio Holder to undertake any associated activity.

Set against the background of the Clacton to Holland Coast protection scheme and the opportunity to maximise any commercial / economic growth that this will bring, it is proposed on continuing the above approach by 'recycling' any income achieved in excess of the beach hut net budget for investment in seafront amenities / beach hut sites. An associated recommendation is set out above.

b) Income Budgets Behind Profile

A number of income budgets are currently behind profile. It is worth highlighting that in respect of leisure income, a managed response remains in place in terms of managing expenditure and income to deliver the service within the overall net budget along with continuing to explore opportunities to maximise income through commercial and promotional activities.

In respect of parking income, the summer months generate significant income and with the good weather experienced in July and August, the position at the end of the second quarter of the year will be important to enable a clearer picture to emerge along with the impact of the resident's free parking initiative.

OTHER BUDGETS

➤ **External Legal Advice**

Following the request from Cabinet, the amount of money spent on external legal advice is now being captured via the introduction of a separate accounting code rather than a more generic code which made it difficult to isolate such costs.

The position to date is as follows:

<i>Expenditure on External Legal Advice – Full Year Budget</i>	<i>= £0.098m</i>
<i>Expenditure on External Legal Advice – Actual to the end of June 2013</i>	<i>= £0.012m</i>

This revised approach is still being embedded with the possibility that some costs may be charged to alternative budgets in error. This is being monitored and transfers made where necessary to develop the necessary clarity around this area of the Council's

expenditure.

➤ **LCTSS / NNDR**

As previously mentioned, following the introduction of the Local Council Tax Support Scheme (LCTSS) and Business Rates Retention in 2013/14, additional information around these two areas is now included (**Appendix I**).

There are no significant issues to highlight at the present time.

BUDGET ADJUSTMENTS

➤ A **£3.000m** budget to support the Clacton to Holland Coast Protection Scheme was carried forward from 2012/13. The budget has been held corporately within the Corporate Services Directorate. However given the progress of the scheme and in terms of general financial ‘housekeeping’, it would now be more appropriate to move this budget across to Coastal Projects and Engineering Services within the Public Experience Directorate to start to bring together the necessary strands of funding in one place.

➤ Services currently hold various training budgets that total **£0.090m** corporately. A recent review has identified the need to look to centralise some of these budgets to support the Council in maximising its resources and effectively deliver against wider training needs such as management development. Therefore it is proposed on bringing together a number of smaller budgets that make up the **£0.090m** total, to enable the following reallocation to be made:

Corporate Qualification Training Budget	£0.016m
Corporate Management Development and Training Budget	£0.034m
Allocated to Services based on Staff numbers	£0.040m
TOTAL	£0.090m

The above adjustments form part of the recommendations that are set out earlier in the report.

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 June 2013, the HRA is **£0.396m** behind the profiled budget with no significant issues to highlight to date as this largely reflects the timing of expenditure such as maintenance and repairs and interest payable on HRA debt.

CAPITAL PROGRAMME – GENERAL FUND

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

As at the end of June 2013 the programme is behind profile by **£0.073m**.

Where schemes are currently being delivered, relevant information is provided in the appendix. Given the lead in time to some schemes, some capital projects are subject to development and detailed procurement processes for example, with additional information planned on being provided in future budget monitoring reports as they progress. There are no significant issues to highlight at the present time with additional comments set out in **Appendix D**.

CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT

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

As at the end of June 2013 the programme is behind profile by **£1.063m**.

This budget relates primarily 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 procurement processes completed.

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 Revenue Account Budget Position
- Appendix D – Capital Programme
- Appendix E – Corporate Debt
- Appendix F – Treasury Activity
- Appendix G – Income from S106 Agreements
- Appendix H – Significant Fees and Charges
- Appendix I – LCTSS and NNDR

Tendring **District Council**



Appendices Included:

Executive Summary	A summary of the overall position.
Appendix A	A summary of the overall position by Portfolio
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.
Appendix H	Position against significant fees and charges budgets
Appendix I	Local Council Tax Support Scheme and NNDR

Corporate Budget Monitoring

June 2013

Corporate Budget Monitoring - Executive Summary as at the end of June 2013

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
	£	£	£	£
Chief Executive and Executive Support	(140)	54,690	54,193	(497)
Corporate Services	(21,520,090)	(2,720,133)	(4,417,330)	(1,697,197)
Public Experience	13,876,800	847,790	408,728	(439,063)
Life Opportunities	5,122,810	2,133,296	2,448,010	314,714
Planning	2,520,620	468,817	56,697	(412,119)
Total	(0)	784,460	(1,449,701)	(2,234,162)

Housing Revenue Account

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£	£	£	£
Total HRA	0	(2,176,642)	(2,572,300)	(395,658)

Capital

	Full Year Budget	Profiled Budget to Date	Actual to Date	Variance to Profile
	£	£	£	£
General Fund	6,461,457	136,000	62,559	(73,441)
Housing Revenue Account	5,305,937	1,354,184	291,154	(1,063,031)
Total	11,767,394	1,490,184	353,713	(1,136,472)

Debt

	Arrears this month as % of Amount Collectable to date	Collected to Date (Against Budgeted Collection)
General Debt	15.34%	
Housing Rents	2.20%	
Council Tax		31.22%
NNDR		37.21%

Treasury

	£'000
Total External Borrowing	55,197
Total Investments	46,274

Appendix A - Revenue Budget Position at the end of June 2013

Portfolio / Committee Summary

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile
	£	£	£	£
Environment and Coast Protection	7,779,640	471,520	154,364	(317,157)
Finance and Asset Management	9,798,700	1,656,662	112,662	(1,544,000)
Housing, Benefits, Revenues, Sports Facilities	5,177,070	(32,074)	(124,168)	(92,094)
Inward Investment and Growth	3,083,370	325,806	233,944	(91,862)
Planning and Corporate Services	2,830,980	1,243,168	745,759	(497,409)
Development Control Committee	15,880	8	184	177
Human Resources Committee	76,530	65,890	28,468	(37,422)
Licensing Committee	125,130	(20,655)	(10,279)	10,377
Regulatory Committee	286,560	12,270	163,207	150,937
Net Cost of Services	29,173,860	3,722,594	1,304,141	(2,418,453)
Revenue support for Capital Investment	1,908,730	0	0	0
Financing Items	(958,250)	275,289	317,661	42,371
Budget Before use of Reserves	30,124,340	3,997,883	1,621,802	(2,376,082)
Contribution to / (from) earmarked reserves	(12,478,070)	0	0	0
Total Net Budget	17,646,270	3,997,883	1,621,802	(2,376,082)
Funding:				
Revenue Support Grant	(6,719,940)	(3,154,754)	(3,154,754)	0
Business Rate Income	(4,503,510)	(1,336,851)	(1,590,588)	(253,737)
Collection Fund Surplus	(151,130)	(30,226)	(30,226)	0
Parish Precepts	1,287,010	643,505	643,505	0
Income from Council Tax Payers (including Parish Precepts)	(7,558,700)	(1,511,740)	(1,511,740)	0
Total	(0)	(1,392,182)	(4,022,001)	(2,629,819)

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Chief Executive and Executive Support

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	212,290	53,072	53,174	102	53,072	
Transport Related Expenditure	640	160	94	(66)	160	
Supplies & Services	4,960	1,458	925	(533)	1,598	
Total Direct Expenditure	217,890	54,690	54,193	(497)	54,830	
Net Direct Costs	217,890	54,690	54,193	(497)	54,830	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	(218,030)	0	0	0	0	
Total for Chief Executive and Executive Support	(140)	54,690	54,193	(497)	54,830	

Department - Chief Executive and Executive Support

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Chief Executive and Support	(140)	54,690	54,193	(497)	
Total for Chief Executive and Executive Support	(140)	54,690	54,193	(497)	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Corporate Services

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	6,148,120	1,082,582	964,757	(117,826)	1,241,742	
Premises Related Expenditure	141,520	0	0	0	135,580	
Transport Related Expenditure	48,560	9,418	9,273	(145)	26,868	
Supplies & Services	13,038,930	3,964,044	2,601,579	(1,362,465)	2,392,479	
Third Party Payments	735,190	183,797	145,429	(38,368)	183,797	
Interest Payments	241,860	(5,567)	(5,536)	31	120,604	
Total Direct Expenditure	20,354,180	5,234,275	3,715,502	(1,518,773)	4,101,071	
Direct Income						
Government Grants	(1,104,920)	(308,016)	(339,519)	(31,503)	(262,763)	
Other Grants reimbursements and Contributions	(635,940)	(147,953)	(86,848)	61,105	(175,707)	
Sales, Fees and Charges	(208,830)	(48,972)	(15,093)	33,879	(59,912)	
Rents Receivable	(200)	(50)	0	50	(50)	
Interest Receivable	(143,390)	(48,644)	(36,636)	12,008	(47,169)	
Formula Grant and Council Tax	(22,821,230)	(7,400,998)	(7,654,735)	(253,738)	(5,047,852)	
Total Direct Income	(24,914,510)	(7,954,633)	(8,132,832)	(178,199)	(5,593,452)	
Net Direct Costs	(4,560,330)	(2,720,358)	(4,417,330)	(1,696,972)	(1,492,381)	
Total Indirect Income/Expenditure	(4,481,690)	225	0	(225)	225	
Contributions to/(from) reserves						
Contributions to/ (from) Reserves	(12,478,070)	0	0	0	0	
Total Contributions to/(from) reserves	(12,478,070)	0	0	0	0	
Net Contribution to/(from) Reserves	(12,478,070)	0	0	0	0	
Total for Corporate Services	(21,520,090)	(2,720,133)	(4,417,330)	(1,697,197)	(1,492,156)	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Corporate Services

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Service/Function</u>						
Total for Corporate Director (Corporate Services) and Admin.	13,120	126,907	60,105	(66,802)		Current position primarily relates to employee budgets with further details set out in main body of the report
Total for Democratic Services	861,820	249,430	384,393	134,962		This reflects the position where expenditure on elections has been incurred in advance of external funding being received
Total for Legal Services	62,070	63,087	53,469	(9,618)		
Total for Business Manager	595,020	55,133	41,820	(13,313)		
Total for Human Resources	274,950	153,180	130,450	(22,730)		
Total for Asset Management	108,270	56,675	27,338	(29,337)		
Total for Corporate IT	3,850	350,334	289,136	(61,199)		A number of items charged back to last year have yet to be invoiced and paid

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Corporate Services

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
Total for Finance and Procurement	42,440	277,143	231,412	(45,730)		Current position primarily relates to employee budgets with further details set out in main body of the report
Total for F&P - Other Corporate Costs	7,385,700	1,008,543	(351,482)	(1,360,024)		The current variance reflects the position against the Fit for Purpose, Contingency and New Homes Bonus budgets where further commitments will be considered over the course of the year
Total for F&P - Financing Items	(13,221,060)	329,500	359,832	30,332		
Total for F&P - Formula Grant, Business Rates and Council Tax	(17,646,270)	(5,390,066)	(5,643,803)	(253,738)		Income from NNDR is currently slightly ahead of profile - please see Appendix I for further details
Total for Corporate Services	(21,520,090)	(2,720,133)	(4,417,330)	(1,697,197)		

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Public Experience

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	3,541,540	894,876	850,132	(44,744)	911,353	
Premises Related Expenditure	2,686,540	1,397,134	1,350,355	(46,779)	338,467	
Transport Related Expenditure	491,870	73,339	67,653	(5,686)	137,115	
Supplies & Services	6,621,130	805,749	405,116	(400,632)	536,138	
Third Party Payments	4,509,810	511,067	497,916	(13,151)	1,137,911	
Total Direct Expenditure	17,850,890	3,682,164	3,171,172	(510,992)	3,060,985	
Direct Income						
Government Grants	(228,170)	(228,170)	(228,166)	4	0	
Other Grants reimbursements and Contributions	(1,341,100)	(214,665)	(159,130)	55,535	(355,544)	
Sales, Fees and Charges	(2,968,420)	(1,418,150)	(1,379,100)	39,051	(593,855)	
Rents Receivable	(239,580)	(93,494)	(109,448)	(15,955)	(70,198)	
Total Direct Income	(4,777,270)	(1,954,479)	(1,875,844)	78,635	(1,019,596)	
Net Direct Costs	13,073,620	1,727,685	1,295,328	(432,357)	2,041,389	
Total Indirect Income/Expenditure	803,180	(879,895)	(886,600)	(6,706)	(211,642)	
Total for Public Experience	13,876,800	847,790	408,728	(439,063)	1,829,747	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Public Experience

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Service/Function</u>						
Total for Corporate Director (Public Experience) and Admin.	4,180	64,174	51,044	(13,130)		
Total for Pollution and Environment	408,990	60,600	71,552	10,952		
Total for Environment	4,659,100	590,443	372,139	(218,304)		The position currently reflects the 'Weekly Waste Grant' where additional commitments will be made over the course of the year
Total for Food and Health & Safety	314,450	105,175	75,372	(29,803)		
Total for Coastal Projects and Engineering Services	4,574,770	255,489	272,606	17,117		
Total for Regeneration	2,802,320	386,386	264,933	(121,452)		This primarily relates to the timing of spend against the Big Society budget.
Total for Horticultural and Bereavement	823,380	124,742	3,754	(120,988)		The current variance reflects the position against employee budgets, crematorium income (£22k) and the timing of expenditure against grounds maintenance budgets
Total for Streets and Seafronts	289,610	(739,217)	(702,671)	36,546		This primarily reflects the position against Beach Hut and Car Parking Income with further details set out in Appendix I and in the main body of the report
Total for Public Experience	13,876,800	847,790	408,728	(439,063)		

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Life Opportunities

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	6,074,690	1,506,165	1,597,623	91,458	1,538,194	
Premises Related Expenditure	1,305,330	661,297	600,142	(61,155)	200,777	
Transport Related Expenditure	127,120	39,825	37,801	(2,024)	29,026	
Supplies & Services	2,867,310	877,853	493,738	(384,115)	730,867	
Transfer Payments	55,503,960	12,029,000	12,960,382	931,382	12,029,000	
Total Direct Expenditure	65,878,410	15,114,139	15,689,686	575,547	14,527,864	
Direct Income						
Government Grants	(57,294,640)	(12,074,980)	(12,393,935)	(318,955)	(11,967,750)	
Other Grants reimbursements and Contributions	(387,740)	(92,375)	(107,890)	(15,516)	(89,540)	
Sales, Fees and Charges	(3,231,490)	(809,068)	(734,629)	74,439	(862,651)	
Rents Receivable	(25,730)	(4,420)	(5,221)	(801)	(4,420)	
Total Direct Income	(60,939,600)	(12,980,843)	(13,241,675)	(260,833)	(12,924,361)	
Net Direct Costs	4,938,810	2,133,296	2,448,010	314,714	1,603,503	
Total Indirect Income/Expenditure	184,000	0	0	0	0	
Total for Life Opportunities	5,122,810	2,133,296	2,448,010	314,714	1,603,503	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Life Opportunities

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Service/Function</u>						
Total for Corporate Director (Life Opportunities) and Admin.	22,100	27,038	23,160	(3,878)		
Total for Private Sector Housing	506,870	99,585	68,123	(31,462)		
Total for Commercial Manager	862,560	416,045	291,388	(124,657)		The variance to date relates to employee budgets along with homelessness budgets where the timing of spend varies across the course of the year and is primarily demand led. Work on preventing / reducing the level of homelessness remains a key focus of the service
Total for Building Services	14,340	77,335	78,519	1,184		
Total for Leisure	1,998,150	473,184	406,259	(66,925)		Although income is marginally behind budget to date (see Appendix I), there are a number of expenditure budgets that are currently more than offsetting this overall position, which forms part of the on-going response to the management of the Council's leisure facilities.

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Life Opportunities

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
Total for Revenues and Benefits	1,610,160	620,810	1,182,296	561,486		As has been the case in previous years, this reflects the expenditure on benefit payments where there is a timing difference in the associated subsidy receivable from the Government
Total for Facilities Management	108,630	419,300	398,266	(21,034)		
Total for Life Opportunities	5,122,810	2,133,296	2,448,010	314,714		

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Planning

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	1,263,870	315,485	295,030	(20,455)	317,415	
Premises Related Expenditure	2,230	557	0	(557)	557	
Transport Related Expenditure	57,460	14,365	7,818	(6,547)	14,365	
Supplies & Services	1,385,320	395,307	60,696	(334,611)	337,817	
Total Direct Expenditure	2,708,880	725,715	363,544	(362,171)	670,155	
Direct Income						
Other Grants reimbursements and Contributions	0	0	(23,068)	(23,068)	0	
Sales, Fees and Charges	(959,150)	(256,898)	(283,779)	(26,881)	(236,185)	
Total Direct Income	(959,150)	(256,898)	(306,847)	(49,948)	(236,185)	
Net Direct Costs	1,749,730	468,817	56,697	(412,119)	433,970	
Indirect Income/Expenditure						
Total Indirect Income/Expenditure	770,890	0	0	0	0	
Total for Planning	2,520,620	468,817	56,697	(412,119)	433,970	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2013

Department - Planning

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
	£	£	£	£	
<u>Analysis by Service/Function</u>					
Total for Head of Planning and Administration	(1,310)	92,502	80,202	(12,300)	
Total for Planning Development	922,060	66,498	(50,104)	(116,602)	Planning fees are currently ahead of profile (See Appendix I), along with employee costs and enforcement costs where commitments will be made over the course of the year
Total for Planning Policy	1,492,290	325,002	38,662	(286,340)	As in previous years, the timing of expenditure against the Local Plan budget is associated with the various strands of work that are required to deliver this project that spans financial years
Total for Building Control	107,580	(15,186)	(12,063)	3,123	
Total for Planning	2,520,620	468,817	56,697	(412,119)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of June 2013

Housing Revenue Account

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
Analysis by Type of Spend						
Direct Expenditure						
Employee Expenses	583,640	62,295	51,350	(10,945)	62,295	
Premises Related Expenditure	3,599,560	546,448	422,492	(123,955)	839,491	
Transport Related Expenditure	5,500	1,375	2,011	636	1,375	
Supplies & Services	421,830	94,949	79,535	(15,414)	92,628	
Third Party Payments	1,030	258	0	(258)	258	
Transfer Payments	17,000	4,250	3,550	(700)	4,250	
Total Direct Expenditure	4,628,560	709,575	558,938	(150,636)	1,000,297	
Direct Income						
Government Grants	(140,000)	0	0	0	0	
Other Grants reimbursements and Contributions	(8,000)	0	619	619	0	
Sales, Fees and Charges	(732,390)	(161,389)	(168,020)	(6,631)	(251,921)	
Rents Receivable	(13,065,670)	(2,993,673)	(2,931,213)	62,460	(3,541,027)	
Interest Receivable	(61,600)	0	0	0	0	
Total Direct Income	(14,007,660)	(3,155,061)	(3,098,613)	56,448	(3,792,949)	
Net Direct Costs						
	(9,379,100)	(2,445,487)	(2,539,675)	(94,188)	(2,792,652)	
FRS17 Pension Costs	(240,010)	0	0	0	0	
Service Unit and Central Costs	2,033,540	0	0	0	0	
Capital Financing Costs	7,924,660	268,844	(32,626)	(301,470)	268,848	
Recharged Income	(28,710)	0	0	0	0	
Total Indirect Income/Expenditure	9,689,480	268,844	(32,626)	(301,470)	268,848	
Contributions to/(from) reserves						
Contributions to/ (from) Reserves	(310,380)	0	0	0	0	
Total Contributions to/(from) reserves	(310,380)	0	0	0	0	
Total for HRA	0	(2,176,642)	(2,572,300)	(395,658)	(2,523,803)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of June 2013

Housing Revenue Account

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Next Quarters Profile	Comments
	£	£	£	£	£	
<u>Analysis by Service/Function</u>						
Total for F&P - Financing Items	766,310	0	0	0		
Total for Commercial Manager	(766,310)	(2,176,642)	(2,572,300)	(395,658)		The position to date relates to the timing of repairs and maintenance work and interest payments on HRA debt
Total for HRA	0	(2,176,642)	(2,572,300)	(395,658)		

Corporate Budget Monitoring - General Fund Capital Programme Budget Position at the end of June 2013

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
			£	£	£	£	
Environment and Coast Protection Portfolio							
Weeley Crematorium Car Park	no	Int	100,000	0	0	0	Negotiations with the Church developer have now stalled and it is now likely that the allocated budget will be required to progress this scheme
Mercury Abatement Equipment and Cremator replacement	yes	Int	700,000	3,000	2,910	(90)	
Vehicle Replacement	Yes - long term project	L	226,000	0	0	0	
Replacement of beach hut supports - the Walings	Yes - long term project	Int	11,620	0	(3,506)	(3,506)	Current position reflects payment charged to 2012/13 for which an invoice has not yet been received.
Brook Country Park	yes	Ext	8,780	3,000	3,442	442	
Refurbishment of Children's Play Area, Marine Parade West, Clacton	no	Ext	160,000	0	0	0	
Cranleigh Close, Clacton, landscaping works	yes	Ext	13,320	0	0	0	
The Hangings, Dovercourt, landscaping works	yes	Ext	32,710	9,000	8,601	(400)	
Migration of databases to CAPS	yes - long term ICT project	Int	5,250	0	0	0	
Public Access Module to CAPS	yes - long term ICT project	Int	56,000	0	0	0	

Appendix D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
Cliff Road Sea Wall	yes	Ext	50,000	0	0	0	Retention outstanding and discussions on-going with consultants to finalise scheme costs
Clacton and Holland on Sea Coastal Protection Works	yes	Ext/Int	200,000	0	0	0	
Total for Environment and Coast Protection Portfolio			1,578,680	26,447	7,893	(3,554)	
Finance and Asset Management Portfolio							
Audit management software	yes	Int	6,000	0	0	0	
Replacement debit and credit card payment facility	yes	Int	14,630	0	0	0	
Agresso e-procurement	no	Int	73,000	0	0	0	Initial investigations are being carried out with a phased approach to the project planned
Total for Finance and Asset Management Portfolio			93,630	0	0	0	
Housing, Benefits, Revenues, Sports Facilities Portfolio							
Replacement folding and inserting machine	rolling programme of replacement	Int	30,000	0	0	0	Existing machine currently being maintained. This position is being monitored to identify if any further commitment is required against this budget

Appendix D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
Replacement of High Volume Printers	rolling programme of replacement	Int	7,000	0	0	0	Existing machine currently being maintained. This position is being monitored to identify if any further commitment is required against this budget
Replacement of Northgate Unix Server	no	Int	60,000	0	0	0	Existing machine currently being maintained. This position is being monitored to identify if any further commitment is required against this budget
Dovercourt Swimming Pool - redevelopment	yes	Int	698,870	0	0	0	Project currently being progressed
Replacement of Careline alarms in Group Schemes	yes	Int	34,470	2,000	1,635	(365)	
Renovation Grants	yes - ongoing	Ext/Int	3,994	0	(981)	(981)	
DFGs	yes - ongoing	Ext/Int	1,977,397	114,000	113,980	(20)	
Private Sector Leasing	yes - ongoing	Int	33,000	0	0	0	
Empty Homes funding	no	Ext	1,290,913	0	0	0	Applications currently being received.
Total for Housing, Benefits, Revenues, Sports Facilities Portfolio			4,135,644	116,000	114,634	(1,366)	
Inward Investment and Growth Portfolio							
Clacton seafront improvements	yes	Ext	7,180	0	0	0	

Appendix D

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
Dovercourt High Street - new lighting columns	yes	Ext	30,470	0	(68,058)	(68,058)	Current position reflects payment charged to 2012/13 for which an invoice has not yet been received.
Clacton Regeneration	yes	Ext/Int	46,640	3,000	3,000	0	
Regeneration Capital Projects	no	Ext/Int	308,000	0	0	0	Projects to be developed in conjunction with economic development strategy
Total for Inward Investment and Growth Portfolio			392,290	3,000	(65,058)	(68,058)	
Planning and Corporate Services Portfolio							
Upgrade of Contact Centre software	yes	Int	3,920	0	0	0	
ICT Core Infrastructure	ongoing	Int	272,293	2,000	1,537	(463)	All ICT capital budgets currently being reviewed
Total for Planning and Corporate Services Portfolio			276,213	2,000	1,537	(463)	
Total General Fund Capital			6,461,457	136,000	62,559	(73,441)	

	Commenced	Source of Funding - External (Ext) or Internal (Int) or Leasing (L)	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
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Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of June 2013

			£	£	£	£	
Improvements, enhancement & adaptation of the Council's housing stock	Yes - long term project	Ext/Int	3,269,036	1,183,794	217,779	(966,016)	This budget covers a range of individual schemes which will be delivered as the year progresses and are subject to the appropriate procurement processes, which are planned, being progressed or are underway.
IT Upgrade & Replacement	Yes - long term project	Ext/Int	20,000	4,056	0	(4,056)	
Disabled Adaptations	Yes - long term project	Ext/Int	433,010	140,638	47,799	(92,840)	Similarly to the above, it is anticipated that works will be progressed over the remainder of the year
Cash Incentive Scheme	Yes - long term project	Ext/Int	78,000	18,293	18,000	(293)	
Compulsary Purchase and Refurbishment	Yes	Ext	234,207	3,069	3,178	109	
New Build Initiatives and Acquisitions	Yes	Ext/Int	1,271,685	4,333	4,399	65	
Total Housing Revenue Account Capital			5,305,937	1,354,184	291,154	(1,063,031)	

Corporate Debt : Position at the end of June 2013

The position against General debt and Housing debt are set out 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	2,582	396	457	15.34%		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. Appropriate recovery action will be taken on outstanding amounts. It is also worth noting that a significant single debt of £105k that was outstanding at the end of June has subsequently been paid which if taken into account would have significantly reduced the arrears percentage being reported

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	13,791	3,309	303	304	2.20%	No significant issues have arisen to date.

Treasury Activity : Position at the end of June 2013

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

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April 2013	Borrowing to date	Borrowing Repaid to date	Balance to Date	Comments
	£'000	£'000	£'000	£'000	
Long Term PWLB Borrowing - GF	2,781	0		2,781	
Long Term PWLB Borrowing - HRA	52,956	0	540	52,416	
TOTAL BORROWING	55,737	0	540	55,197	

Investments	Opening Balance 1 April 2013	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	25,500	60,750	47,650	38,600	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure.
Investments with UK financial Institutions (including Money Market Funds)	8,244	7,880	8,450	7,674	At the end of the period, investments were held with 4 counterparties
Investments with non-UK Financial institutions	0	14,000	14,000	0	
Total Investments for less than a year	33,744	82,630	70,100	46,274	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	33,744	82,630	70,100	46,274	

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 - GF	235	0	0	0	The average rate of interest on the Council's GF borrowing is currently 8.67%.
Interest Paid on Borrowing - HRA	1,646	362	362	0	The average rate of interest on the Council's HRA borrowing is currently 3.15%.
Interest Received on Investments	156	49	39	10	The average rate of interest being received on the Council's investments is currently 0.32%.

PRUDENTIAL INDICATORS

	Approved Indicator	Highest amount reached in the period	Comments
	£'000	£'000	
Authorised limit for external borrowing	77,159	55,794	Borrowing has remained within approved limits.
Operational boundary for external borrowing	68,138		
Debt Cap - HRA	60,285	53,012	

Income from S106 Agreements

Information in respect of S106 income has been split across three areas in the table below - Where money has been formally allocated / being spent, where the money has been 'earmarked' but has not yet been formally included in the Council's spending programmes and where money remains unallocated / uncommitted.

The information below relates to only S106 amounts applicable to TDC.
Where related to Capital schemes - see Appendix D for overall scheme progress.

ALLOCATED / BEING SPENT

Scheme	Amount Committed / Planned to be Spent in 2013/14
	£'000
Children's Play Equipment - Refurbishment of Children's Play Area, Marine Parade West, Clacton on Sea	160
Cranleigh Close, Clacton - landscaping works	13
The Hangings, Dovercourt - landscaping works	33
Dovercourt High Street - new lighting columns	30
HRA Capital Schemes	548
Revenue Schemes	11
EARMARKED - Replacement/Upgrade Dovercourt Skate Park	15
TOTAL	810

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		-	113
Children's Play Equipment	-	-	-
Dovercourt Town Centre Improvements	-	-	-
Loss of Employment Land	-	10	-
Open Space	-	-	324
TOTAL	0	10	437

Corporate Budget Monitoring - General Fund Income Position Against Significant Fees and Charges Budgets at end of June 2013

Sales Fees and Charges Income Analysis

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
	£	£	£	£	
Leisure Facilities	(2,070,800)	(499,330)	(471,850)	27,479	
Car Parking	(398,580)	(184,323)	(131,181)	53,142	Although income is currently behind profile, the position will be monitored over the important summer months with an update set out in the second quarter's position that will be presented to Cabinet later in the year.
Other Significant Areas					
Development Control - Chargeable Account	(560,150)	(140,038)	(169,632)	(29,594)	Planning fee income is currently ahead of profile with a number of applications made in the first quarter of the year.
Building Regulations-Chargeable Account	(200,560)	(71,573)	(64,414)	7,159	
Land Charges	(175,340)	(43,835)	(49,316)	(5,481)	
Cemeteries	(331,550)	(69,050)	(64,068)	4,982	
Crematorium	(1,044,020)	(281,669)	(303,394)	(21,725)	
Dog Warden	(18,630)	(4,658)	(2,899)	1,759	
Recreation Grounds	(30,530)	(8,928)	(4,935)	3,993	

Corporate Budget Monitoring - General Fund Income Position Against Significant Fees and Charges Budgets at end of June 2013

Sales Fees and Charges Income Analysis

	2013/14 Current Full Year Budget	2013/14 Profiled Budget to date	2013/14 Actual to date	2013/14 Variance to Profile	Comments
	£	£	£	£	
Beach Hut Sites	(802,760)	(779,776)	(796,560)	(16,784)	Income is ahead of the profile to a large extent due to a contribution from ECC. In an extension of the commitment made when Cabinet considered the 2012/13 outturn position earlier in the year, it is currently proposed on 'recycling' income within this service to reinvest on additional beach hut and seafront provision.
Careline	(482,100)	(120,525)	(126,087)	(5,562)	
Licencing	(279,350)	(69,838)	(51,400)	18,437	Income across a range of license areas is currently behind profile. This will need to be monitored over the remainder of the year with the second quarter's report being important to see if an adverse trend is emerging over remainder of the year.
Total	(6,394,370)	(2,273,541)	(2,235,734)	37,807	

LCTSS and Business Rates Retention

The cost / collection performance and analysis of the Local Council Tax Support Scheme along with the level of Business Rates collected to date is set out as follows:

COUNCIL TAX AND LOCAL COUNCIL TAX SUPPORT SCHEME

COLLECTION FUND	Budget	Actual	VAR	Comments
	£'000	£'000	£'000	
Cost of LCTS Discounts	13,533,193	13,595,274	62,081	This will be subject to fluctuations over the year as claims are made or ended. The cost of the LCTSS is also supported by other technical changes to second homes and empty property discounts with the total collectable for the year set out in the figures below.
LCTS Hardship Relief	30,800	1,186	(29,614)	

COUNCIL TAX COLLECTION PERFORMANCE

	Budgeted Collection £	Actual Collection £	Var £	Accounts where LCTS Awarded Actual Collection %	TOTAL Actual Collection %	(for same period last year) TOTAL Actual Collection %
Apr to June	19,776,081	19,527,850	248,230.64	23.03	29.75	30.95
July	25,763,217					
August	31,743,964					
September	37,654,425					
October	43,807,693					
November	49,750,102					
December	55,603,055					
January	61,404,891					
February	62,165,263					
March	62,555,034					
Comments	The amount budgeted to be collected for the year has been calculated by making some broad assumptions around the impact of the option for customers to move to 12 monthly instalments from the previous 10. Therefore although actual collection to date is slightly behind the amount budgeted, this position is expected to start to recover over the the remainder of the year.					

LCTSS and Business Rates Retention

The cost / collection performance and analysis of the Local Council Tax Support Scheme along with the level of Business Rates collected to date is set out as follows:

NDR COLLECTION PERFORMANCE				Comments
	Budgeted Collection	Actual Collection	Var	
	£	£	£	
Apr to June	8,369,457	9,003,801	(634,344)	Actual collection currently ahead of budgeted amount
July	10,559,211			
August	12,865,106			
September	15,115,351			
October	17,413,987			
November	19,652,133			
December	21,769,299			
January	23,721,930			
February	24,012,284			
March	24,196,175			