

**TITLE: BUDGET MONITORING REPORT**

Committee: Regulatory Services Committee

Date: 21<sup>st</sup> January 2019

Author: Finance Manager

[T187]

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1. ISSUE

1.1 This report provides Members with budget monitoring information for services under the Regulatory Services Committee.

2. RECOMMENDATION (S)

2.1 Members are requested to note that this Committee has a projected revenue underspend of £140,000 compared to its approved budget of £3,546,687.

2.2 Members are also requested to note that this Committee has a projected capital programme outturn of £1,584,849, which is an underspend, compared to the revised budget, of £795,950.

3. BACKGROUND/OPTIONS

3.1 Under Financial Regulations each policy committee is required to consider projections of financial performance against both its revenue and capital budget on a quarterly basis.

3.2 This is the third report for the 2018-19 financial year and details actual expenditure incurred as at 31<sup>st</sup> December 2018 and projections of the yearend position at that time. It should be noted that “underspend” is used as a general term for both spending lower than budget, but also income in excess of budget.

3.3 The revenue budget for each service that falls under the stewardship of this Committee has been reviewed with appendix 1 detailing the variance to-date and forecast outturn figure for each service line.

3.4 The significant variances of actual spend compared to profiled budgeted spend at the end of December are detailed below:

Service	Variance £	Explanation
Dog Warden Scheme	(13,442)	Expenditure is currently behind profile, but invoices remain outstanding for the kennelling of stray dogs, once these are received a better understanding of the yearend position will be known.
Planning	21,952	Additional fee income has been earned during the first nine months of the year partly as a consequence of new Government legislation increasing Planning fees by 20% from the 17 <sup>th</sup> January 2018 and partly because the Council lost its 5-year land supply following a Gladman's appeal. We are assuming that the additional rate of income collection will continue over the remainder of the year; not least because, with the Council losing its 5-year land supply, it is probable that the number of planning applications will remain high. However there have been a number of Public Inquiries and Appeal Hearings held in the past quarter which have required barristers, specialist planners to defend ECDC decisions. A number of consultants have also been required to assess technical information following a Judicial review at the FP McCann site in Littleport. This has wiped out the excess income as reported at the end of September when we were projecting the £50,000 underspend. Further, there have also been vacancies within the Planning Team that have been and are being filled by agency workers at a higher cost than would have been the case if employing our own staff.
Homelessness	(£416,416)	This services receives a number of Government grants, all of which have been received during the first nine months of the year. Expenditure however will be incurred throughout the year, so this distorts the position at this point. Further, where the grant conditions have not been met, some grants may be carried forward for use in future years.

National Practitioners Support Programme	162,545	Any over or underspend on this account will be transferred to a reserve account at year end.
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3.5 Explanations for the forecast outturn variances reported are detailed in the below table.

Service	Variance £	Explanation
Building Regulations	(£15,000)	Fee levels in the first nine months of the year have been in excess of that budgeted. It is unclear whether this trend will continue for the remainder of the year, so the forecast provides a prudent estimate.
Environment	(20,000)	There has been a saving on staff costs as a result of difficulties in recruiting after employees have left ECDC, this resulting in a forecast £10,000 underspend. Further, the Health & Wellbeing grant for 2018/19 will not be spent, due to the lack of demand for individual projects. This will result in a further £10,000 underspend.
Land Charges	(40,000)	Income for Land Charges were in excess of the budget for the first nine months of the year. No allowance has been made for this continuing for the remainder of the year.
Health & Safety (Work)	(15,000)	The Health & Safety function is being undertaken by an officer from another district council on a secondment basis, saving this Authority £15,000 when compared to the original budget.
Homelessness	(£50,000)	This reported underspend is a combination of a saving on staffing; the Housing Team had two vacancies in the first half of the year (these are now filled) and a saving on hotels and hostels during the first nine months of the year, as it has not been necessary to provide this kind of emergency accommodation.
<b>Total</b>	<b>(140,000)</b>	

4. ARGUMENTS/CONCLUSIONS

4.1 The projected net revenue expenditure for this Committee, as detailed in appendix 1, is £3,406,687, this being £140,000 less than the net budget for the Committee.

4.2 The revised capital budget for this Committee, with slippage from 2017-18 now added, is £2,380,799. At this point in the year, we are forecasting an underspend of £795,950. This underspend relates to the planned refurbish of the depot which has now been deferred into 2019/20, while further feasibility work takes place and costings of the project reviewed.

5. FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

5.1 There is a saving of £140,000 compared to this Committee's approved revenue budget.

5.2 Equality Impact Assessment (INRA) not required.

6. APPENDICES

6.1 Appendix 1 – Regulatory Services Committee Budget Monitoring Report – 31<sup>st</sup> December 2018.

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Background Documents

Location

Contact Officer

Council Budget as approved by Council 22<sup>nd</sup> February 2018

Room 104  
The Grange  
Ely

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