

Budget Monitoring for July 2019

Contents

- 1 Commentaries
- 2 Overall Summary
- 3 Overall Summary by Service
- 4 Cumulative Salary Monitoring
- 5 Direct Services Trading accounts
- 6 Investment Income
- 7 Staffing Statistics
- 8 Income Graphs

Communities and Business – July 19 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
West Kent Partnership	(18)		External funding received in advance
Youth	16		Youth Zone activity costs paid in advance so spend is ahead of profile.
Choosing Health WK PCT	35		External funding to be received.
One You - Your Home Project	(10)		External funding received in advance
PCT Initiatives	(17)		External funding received in advance – will part fund Choosing Health above.
West Kent Kick Start	(12)		External funding received in advance

For noting, figures in brackets represent a favourable variance

Future Issues/Risk Areas

Feasibility costs for property investments and development of council owned. This is carefully monitored

Lesley Bowles
Chief Officer - Communities and Business
July 2019

Corporate Services – July 2019 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Asset Maintenance IT	(48)		Spend as per 10-year asset maintenance plan – any surplus will be moved to the IT Asset Maintenance reserve at year end as agreed.
Elections	10		Current overspend is due to income outstanding relating to the EU Parliamentary Elections. The remaining 25% of the fees will be recovered once accounts are signed off by the Electoral Claims Unit (ECU).
Support - Legal Function	(15)		Underspend due to currently vacant post. This underspend is likely to cover the cost of external advice required. The new postholder starts in October.
Land Charges	9	10	Current underachievement in income is due to a reduced volume of search requests received in April. This will be monitored monthly and potentially offset by increased volumes in later periods.

For noting, figures in brackets represent a favourable variance

Future Issues/Risk Areas

Jim Carrington-West
Chief Officer – Corporate Services
July 2019

Environmental and Operational Services – July 2019 Commentary

Service	Variance to date £'000	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Asset Maintenance Argyle Road	12		Replacement carpets and new rear doors installed off staff car parks. This is within the annual budget.
Asset Maintenance Leisure	34		Works carried out to showers and boilers and lifts at Edenbridge Leisure Centre. This will be contained within the annual asset maintenance budget.
Asset Maintenance Support & Salaries	(35)		This includes the additional asset maintenance budget approved in the 2019/20 budget process. The new emergency generator will be funded from here.
Car Parks	62	60	Full Business Rates bills paid for year. Actual expenditure is £30,000 over budget. Income is £12,000 below target. Day ticket income is down but season ticket income is up.
Estates Management Buildings	47	50	Business Rates bill paid for Meeting Point building in Swanley. This will continue to be paid until the building is demolished.
Housing Premises	(16)	(9)	Income received for Private Sewage treatment works ahead of profile. Income received higher than budget.
Licensing Regime	(13)		Income £10,000 above profile

Service	Variance to date £'000	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Markets	(28)		Income for Swanley Market ahead of profile.
Parks and Recreation Grounds	(18)		First invoice from Consultants for Bradbourne Lakes surveys, paid in 2018/19.
Parks - Rural	(11)		Income received for coppiced timber.
Private Sector Housing	(22)	(12)	Savings on salaries due to vacancies which have now been filled.
Refuse Collection	(80)		£60,000 income received from Kent Resource Partnership. To be used for recycling initiatives.
Support - Central Offices	(11)	(10)	Expenditure is currently below profile on utility bills and repair and maintenance.
Support - General Admin	(11)	(7)	Savings on salaries and postage costs.
Taxis	(10)		Income ahead of profile and charges from DirectServices for taxi testing below profile.
Direct Services - Trading Accounts	48	20	Income £41,000 below profile (Trade waste; workshop; pest control). Expenditure £7,000 above profile.

For noting, figures in brackets represent a favourable variance

Future Issues/Risk Areas

Business Rates amount not yet known for new Sevenoaks Town Car Park.

Richard Wilson
Chief Officer - Environmental & Operational Services - July 2019

Finance – July 2019 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Corporate Management	(16)	(18)	Government have provided an additional grant to local authorities for any necessary preparations for the UK exiting the EU. Until further information about the nature of the UK's exit is known the grant funding will not be committed. The annual forecast will be continually reviewed and adjusted once any necessary spending commitments are known
Corporate - Other	(18)		The savings made from vacant posts are currently ahead of profile for the year to date. Currently the level of savings generated is forecast to reduce in the coming months and to be in line with the budgeted amount by the end of September. Should additional vacancies arise the year-end forecast will be reviewed.
Dartford Partnership Hub (SDC costs)	(64)		Underspend due to staff vacancies mainly in Audit due to the staffing restructure that is to be completed soon.

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned (including changes from previous month)
Equalities Legislation	(20)		The Council holds a budget to ensure it as able to make changes or adaptations to services should it identify a need through an equalities impact assessment. Currently there are no commitments against this budget and the annual forecast will continually be reviewed and adjusted once any necessary spending commitments are known.
External Communications	(15)		The current variance is due to a delay in the receipt of invoices for the production and dispatch of InShape magazine and the support costs for the Council website. It is forecast that the budget for these items will be spent in full this year.
Local Tax	55	22	A new enforcement service is being trialled for a year and is currently not expected to achieve the full £100,000 in the year. The future service provision will be reviewed during the year. £95,000 is due to be received from Kent County Council following SDC's decision at Council on 26/02/19 to amend the Council Tax Empty Property discounts. £43,000 has been spent with business rates valuation experts and is shown as a cost here. A corresponding amount of additional income is shown on the Business Rates line.
Members	(11)		Some positions were unfilled for a period following the election.
Administrative Expenses - Finance	16		Works carried out to improve the Finance IT system.
Support - General Admin	15		Print Studio income is currently below budget from both internal and external customers. Should this pattern continue savings will be sought in expenditure to seek to reduce the adverse variance.

For noting, figures in brackets represent a favourable variance

Future Issues/Risk Areas

The full service of Universal Credit, seeing the transfer of new claims to Universal Credit, commenced in November 2018. Migration for existing claims will be phased after this date; however, pensioner cases will be retained. Regular liaison meetings are taking place with DWP partnership managers.

Adrian Rowbotham, Chief Finance Officer - July 2019

Planning – July 2019 Commentary

Service	Variance to Date £000	Forecast Annual Variance £000	Explanation of variance and action planned
Planning Performance Agreement (PPA)	11		This will be covered by phased payments from a PPA.
LDF Expenditure	12		This will be drawn down from the Local Plan Reserve.
Planning - Appeals	36		This is the result of an award of costs at Fircroft Way, Edenbridge. This cost may be offset by year-end but it is too early to assume at this stage.
Planning - Development Management	(66)		This results from an underspend on salaries due to vacant posts, which are proving difficult to fill, and an overachievement on fee income due to a small number of high fee applications.
Building Control	(24)		This is a result of an overachievement on fee income and is being closely monitored to see if it is a trend.

For noting, figures in brackets represent a favourable variance

Future Issues/Risk Areas

There remains the risk that planning decisions and enforcement action will be challenged, either at appeal or through the Courts. The U+I Public Inquiry has now taken place and a cost award was successful. The effect of that will be reported in future months. Staff turnover remains high and recruiting to vacant posts continues to be difficult. The Local Plan process will likely generate the submission of a small number of potentially high fee applications, which will be carefully monitored.

Richard Morris, Chief Planning Officer - July 2019