

## Summary of latest financial position

2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>R&amp;R PORTFOLIO</b>							
73	<b>Housing Strategy &amp; Development</b>							
	Housing Strategy & Development	(16)	(16)	(4)	12	1	12	0
<b>73</b>		<b>(16)</b>	<b>(16)</b>	<b>(4)</b>	<b>12</b>		<b>12</b>	<b>0</b>
	<b>Planning</b>							
15	Building Control	(22)	17	17	0	2	0	0
(169)	Land Charges	(281)	(168)	(168)	0		0	0
1,011	Planning	801	803	823	20	3	0	0
1,264	Renewal	1,167	1,229	1,217	(12)	4	(12)	0
<b>2,121</b>		<b>1,665</b>	<b>1,881</b>	<b>1,889</b>	<b>8</b>		<b>-12</b>	<b>0</b>
	<b>Recreation</b>							
2,610	Culture	2,315	2,313	2,313	0		0	0
5,285	Libraries	4,816	4,842	4,842	0	5	0	0
374	Town Centre Management & Business Support	294	312	312	0		0	0
<b>8,269</b>		<b>7,425</b>	<b>7,467</b>	<b>7,467</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>10,463</b>	<b>TOTAL CONTROLLABLE R&amp;R PORTFOLIO</b>	<b>9,074</b>	<b>9,332</b>	<b>9,352</b>	<b>20</b>		<b>0</b>	<b>0</b>
	<b>Non Controllable Expenditure</b>							
4,181	Non Controllable Expenditure	2,207	2,211	2,181	(30)	6	0	0
2,294	Excluded Recharges	1,957	1,957	1,957	0		0	0
<b>16,938</b>	<b>TOTAL R&amp;R PORTFOLIO</b>	<b>13,238</b>	<b>13,500</b>	<b>13,490</b>	<b>(10)</b>		<b>0</b>	<b>0</b>

## Reconciliation of latest approved budget

£'000

## Original budget 2012/13 (as per FCB)

13,245

Transfer of AEC to ECS Department

(7)

## Revised original budget 2012/13

13,238

Allocation from contingency for Land Charges

112

Allocation from contingency for Building Control Charges

38

Allocation from Contingency Inbucon Pay Awards

8

Carry forward for Local Development Framework studies

60

Carry forward for libraries shared service one-off costs

40

Property Services Rental Income

4

## Latest Approved Budget for 2012/13

13,500

## **Renewal & Recreation - Budget Monitoring Notes as at 30 November 2012**

### **1) Housing Strategy & Development Dr £12k**

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As a result of deferral of part of the 2012-13 savings initiatives and following final settlement in September, there is an overspend of £12k.

Within income from affordable housing charges, there is a projected deficit of £60k. This is largely due to the on-going effects of the economic downturn, which have seen reduced planning & building initiatives and therefore a reduced requirement to provide affordable housing.

This deficit is being offset by a projected underspend within salaries of £60k, resulting from two vacant posts being held vacant.

### **2) Building Control £0k**

Based on information to date, an income deficit is projected of £180k. This is being offset by savings of £180k from management action to reduce costs, including holding 3.7ftees vacant.

### **3) Planning Dr £20k**

Income from non-major planning applications is £235k below budget for the first eight months of the year and a deficit of £300k is projected for the year. The actual income for the April to November 2012 is £60k higher than that received for the first eight months last year. Total income is therefore expected to be £72k higher than 2011/12, however, still some £300k below budget. The income projections have taken into account the statutory price increase in November. Full year effect of the price increase is expected to be around Cr £130k and will not therefore offset the current deficit forecast.

£159k has been received for major applications this year, compared to £137k for the same period last year. Planning officers within the major team have provided a schedule of potential future income that may be received before the year end of approximately £155k, and therefore a shortfall of income totalling £50k is projected from major planning applications.

There is a projected surplus within income from pre-application meetings of £50k, (which could be as high as £60k), due to higher than budgeted activity levels. Overall, this gives rise to a net projected deficit within income of £300k.

Continuing management action to hold 6.6fte posts vacant, has resulted in a projected underspend within salaries of £255k. There are further projected underspends across supplies and services budgets of £45k, which fully meet the income deficit.

There will be a £20k overspend on the Community Infrastructure Levy (CIL), a new scheme introduced in 2012/13. This is partly due to initial set-up costs of £10k for the purchase of a new computer software package and slower than anticipated receipt of CIL income. This is not expected to occur in future years. In accordance with legislation, it is hoped that future CIL income received during the next 2 years will cover these set up costs.

**Summary of variations within Planning:**

**£'000**

Shortfall within income from non-major applications	300
Shortfall within income from major applications	50
Surplus within income from pre-application meetings	(50)
Management action - underspends within salaries	(255)
Management action - underspends within supplies & services	(45)
CIL overspend	20
<b>Total variation for planning</b>	<b>20</b>

**The full year effect of the shortfall of income is likely to be £290k and Officers have reviewed income, staffing and supplies and services in order to ensure that there will be a balanced budget in future years.**

**4) Renewal Cr £12k**

There is a projected underspend within salaries of £7k as a result of vacancies occurring during the year and a small variance of Cr £5k within running expenses.

**5) Libraries £0k**

There is an anticipated overspend on the Library IT budgets of £103k. This is largely due to two projects, the replacement of the Library Management System and the handover of responsibility for maintenance of hardware to Capita. Part of this process involved approximately 100 new PCs being installed for frontline staff, as well as costs associated with the transfer of data between the current and incumbent LMS suppliers. All efforts possible are being made to expedite these projects which involve a number of partners and third party contractors.

There is a projected under achievement of income of £60k. The main areas of shortfall are library fines £30k, DVD hire and CD hire £25k, with a net £5k across other income streams. Year on year customers are borrowing fewer items overall which significantly affects both hire charges as well as fines.

To partly offset the above income deficit, management action is being taken to reduce expenditure within the libraries acquisition fund, giving a projected underspend of £40k.

Within the staffing budget, there is a projected underspend of £90k. This is due to holding posts vacant pending Member decisions on potential reductions in opening hours (with consequent staff savings), as well as management action to help balance the overspend on IT budgets and income deficit.

There are also projected underspends within premises budgets of £50k. These comprise of £15k relating to a business rate rebate, £35k relating to lower contract cleaning and electricity costs than previously expected.

There is a further projected underspend within transport costs of £5k. This gives rise to an overall balanced budget across the library service.

There is a projected overspend across general supplies & services budgets of £22k. Within this, £12k relates to photocopier expenses, with the remaining net £10k across other budget lines.

<b>Summary of variations within Libraries</b>	<b>£'000</b>
Overspend within IT budgets	103

Income deficit	60
Underspend from libraries acquisition fund	(40)
Underspend within staffing budget	(90)
Underspend within premises costs	(50)
Underspend within transport costs	(5)
Overspend within general supplies & services	22
<b>Total variation for libraries</b>	<b>0</b>

#### **6. Non-controllable budgets Cr £30k**

For information here, the variation relates to a net surplus within property rental income budgets across the division. Property department are accountable for these variations.

Analysis of Members' Initiatives - Earmarked Reserves @ 30.11.2012

## APPENDIX 2

Item	Divison / Service Area	Responsible Officer	Allocation £'000	Spend To Date £'000	Commitments £'000	Total Spend & Commitments £'000	Balance Available £'000	Comments on Progress of Scheme
Investment in small shopping parades	Recreation - Town Centre Management & Business Support	Martin Pinnell	250	0	7	7	243	Bids have been received for shopping parades in Sunridge Park, Chislehurst and Keston Village and are currently being assessed by officers. Further bids are expected. Officers anticipate that £30k will be spent by 31st March 2013.
Tackling youth unemployment	Recreation - Business Support	Hannah Jackson	500	0	0	0	500	Tendereing process completed. Expected start date 1st April 2013.
Beckenham Town Centre public realm improvements	Planning - Renewal	Kevin Munnelly	250	20	30	50	200	In progress, as highlighted in the R & R business plan report to the PDS November Committee..
<b>TOTAL</b>			<b>1,000</b>	<b>20</b>	<b>37</b>	<b>57</b>	<b>943</b>	