

FINANCIAL DIGEST : APRIL 2018 – MARCH 2019

1 Purpose

- 1.1 This report presents the Financial Digest for the period to 31 March 2019. This represents the outturn position for the Council for the financial year 2018-2019.
- 1.2 At the time of writing the report, the Final Accounts for the financial year 2018-2019 have been submitted to external auditors, but are still subject to audit.

2. Recommendations

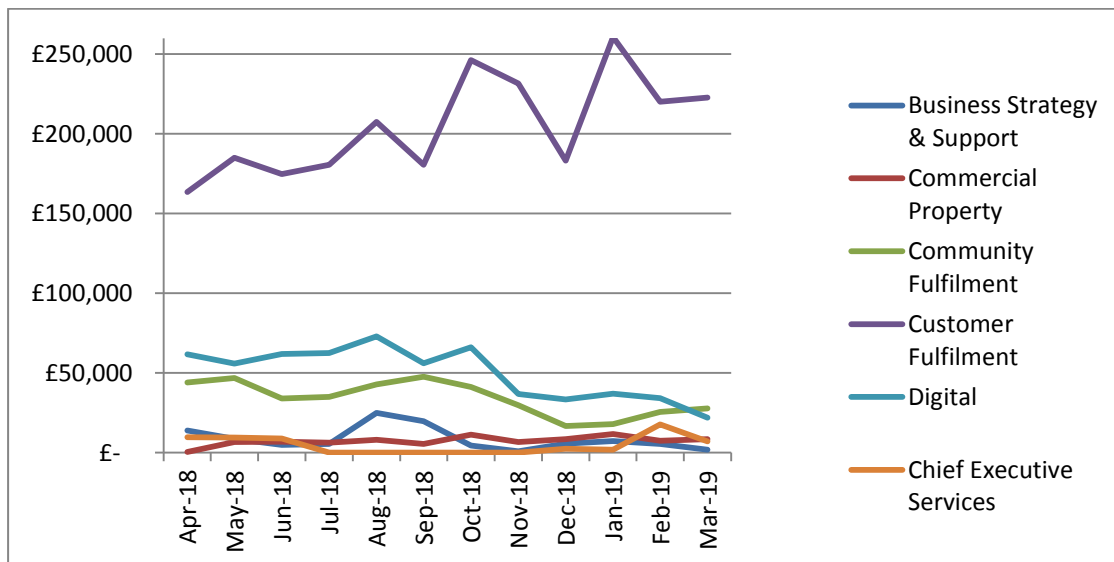
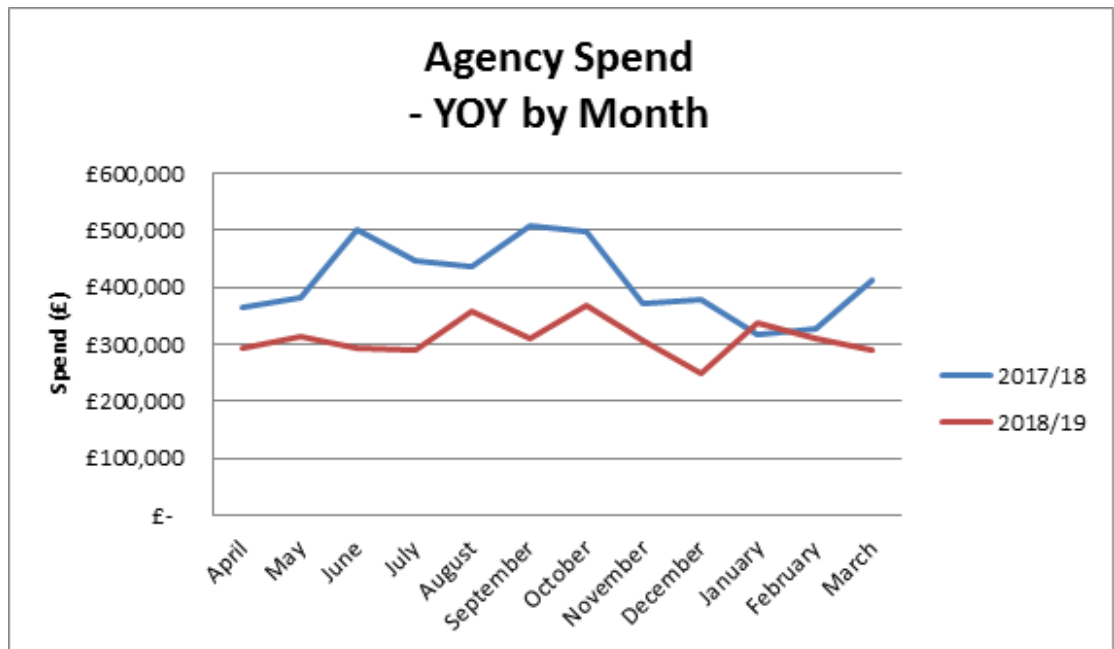
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| 2.1 | Members are requested to consider the digest and its contents. |
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3 Supporting information

- 3.1 This report presents the financial digest for the period to the end of March 2019 for member's consideration.
- 3.2 The financial digest is attached as Appendix 1.
- 3.3 The financial information is based on the actual income and expenditure for the 12 months of the financial year, April to March 2019.
- 3.4 The Council reported a surplus of £432,000 for the financial year 2018-2019 (before the transfer from general fund balances).
- 3.5 The outturn is better than planned by £192,000 and better than forecast by £353,000. A planned surplus of £240,000 had been assumed in budget plans for 2018-2019.
- 3.6 The year end position represents an overspend against the Portfolios of £740,000 which is offset by a favourable variance of £932,000 across the Corporate level budgets.
- 3.7 The table below details the forecast outturn for each Portfolio and the Digest, at Appendix 1 provides detail of the variances

Portfolio (all figures in £000s)	Current Budget	Actuals Spend/ Income	Significant Variances
Civic Amenities	393	(37)	(430)
Communities	1,772	1,721	(51)
Economic Development	936	979	43
Environment & Leisure	4,695	4,536	(159)
Finance & Resources	8,517	9,026	509
Leader	2,013	2,342	329
Planning & Enforcement	756	1,415	659
Strategic Planning & Infrastructure	1,767	1,837	71
Waste & Licencing	8,081	7,849	(232)
Total Portfolio Expenditure	28,930	29,670	740
Total Financing Items	(29,170)	(30,102)	(932)
Total	(240)	(432)	(192)

- 3.8 A total spend of £150.702m was incurred in the delivery of the Council services in 2018-19, and income levels of £151.134 were generated.
- 3.9 As a consequence of the outturn, General fund balances will be marginally higher than predicted as at the end of March 2019. The level of general balances for the financial year is now £2.353m. This is above the minimum assessed level of balances of £2.0m.
- 3.10 The financial outturn position is also consistent with that used in budget planning for 2019/20.
- 3.11 Members will note that the draft annual accounts will be presented to the Audit Committee meeting on 15 July 2019. The accounts were completed by the deadline of 31st May 2019. Final approval of the accounts is due by 31 July 2019. Members should note that the audit of the accounts will be undertaken in September 2019 due to the inability of the External Auditors to resource a timely audit and the accounts will not be completed within the set timescales.
- 3.12 The year end position within the statutory accounts contains transactions which are required by the accounting regulations.
- 3.13 The statutory accounts only present actual expenditure and income, without reference to budgeted levels. Therefore, whilst the accounts present the definitive position on the Authority by way of its financial resources, it does not inform the reader as to whether this was a planned or expected position.
- 3.14 The Quarterly Financial Digest is the primary reporting tool for in-year financial management. The digest provides management information and is designed to explain significant financial events which occurred during the year by comparing them with the expected or budgeted equivalent figures.
- 3.15 The financial position for the year is largely being driven by above budgeted levels of staff costs. Spending on agency staff, in particular, has been a priority area in terms of focused financial management. Granular detail of spend is reviewed to support on-going financial decision making.
- 3.16 Agency is employed in a number of key operational areas to support project work and service delivery.
- 3.17 Agency spend is incurred for a number of reasons including
- To support funded project work e.g. Connected Knowledge programme and GDPR.
 - To support service delivery where there are vacancies or activity related pressures.
 - To provide flexibility of service provision
- 3.18 The use of agency to support vacancies and activity pressures incurs a premium cost and adverse variance to agreed budgets. The spend was largely as forecast.
- 3.19 The graphs below detail the year to date spend across the organisation, at Sector level with comparative information for 2017/18. A total of £3.716m has been incurred to the end of March 2019.



- 3.20 As previously reported to the Finance Services and Scrutiny Committee, the significant spend on agency is incurred within the Customer Fulfilment Sector, and primarily in the provision of planning services. The spend in this area accounts for 66% of the total spend across the organisation.
- 3.21 For the planning department, staff vacancies and demands on workload continue to drive agency spend. Agency staff is also being utilised in the e Housing Benefit administration and Enforcement teams as a result of staff vacancies from sickness and turnover.
- 3.22 Agency staffing is also used for Digital (IT) services and at March 2019 accounted for circa 16% of total agency spend for the Organisation. The use of agency staff to support the CK programme allows for flexibility of project delivery and for general IT, a number of in-year vacancies resulted in use of agency staff.

- 3.23 To a lesser extent, spend on agency staff has also been incurred within the People and Payroll department where agency costs have been incurred to support both vacancies and prolonged periods of sickness absences and also at the depot where agency loaders provide flexibility to meet staffing patterns.
- 3.24 The dependency on high cost agency staff continues to be targeted to reduce risk of further in-year overspends. For all of the areas identified as using agency, plans are being developed to address spend and mitigating actions being taken. Some vacancies are being filled and proposals are being put forward for most effective delivery models. Budgets for some areas e.g. planning have been adjusted in 2019-20 to address recurrent budgetary pressures in relation to staffing.
- 3.25 Despite these known pressures on staff costs (adverse variance of £1.8m to budget), it has been possible to largely offset agency costs with additional efficiencies and income. These include:
- savings against budget in relation to transitional relief for business rates;
 - increased income from commercial rents particularly at Pembroke Road, and for garden waste and commercial waste services;
 - savings on vehicle costs at the depot due to previous capital investment; and
 - general efficiencies in the running costs of departments including savings on GDPR implementation provisions.
 - savings on interest charges due to lower than planned level of borrowing;
 - Revision downwards of minimum revenue position required as a result of prudent borrowing position
 - Higher than planned income on Business rates and collection fund

4 Forecast Outturn

- 4.1 The draft outturn position is better than forecast at December 2018.
- 4.2 The outturn is better than planned by £192,000 and better than forecast by £353,000. A planned surplus of £240,000 had been assumed in budget plans for 2018-2019.
- 4.3 The table below details the changes from the forecast made at December 2018.

Portfolio (all figures in £000s)	Current Budget	Actuals Spend/ Income	Significant Variances	Expected Variances	Significant Variances Between Forecast and Actual Outturn
Civic Amenities	393	(37)	(430)	(331)	(99)
Communities	1,772	1,721	(51)	(24)	(27)
Economic Development	936	979	43	145	(101)
Environment & Leisure	4,695	4,536	(159)	(14)	(145)
Finance & Resources	8,517	9,026	509	274	235
Leader	2,013	2,342	329	141	189
Planning & Enforcement	756	1,415	659	696	(37)
Strategic Planning & Infrastructure	1,767	1,837	71	23	47
Waste & Licencing	8,081	7,849	(232)	(265)	33
Total Portfolio Expenditure	28,930	29,670	740	644	96
Total Financing Items	(29,170)	(30,102)	(932)	(484)	(448)
Total	(240)	(432)	(192)	161	(353)

- 4.4 In preparing forecasts, best estimates of income and expenditure are made in line with known expectations and intelligence on emerging issues in liaison with budget managers. Inevitably, organisational changes can lead to variation in spending patterns from the forecast set. Where this happens, action is required and taken to address variations across both portfolios and also within corporate budgets.
- 4.5 The changes to the forecast include:
- an increase of £96k on portfolio spend. A number of factors contribute to this change across all portfolios including increased levels of staff costs and also revision to income targets and other spend levels. The impact of staff changes across the organisation have been difficult to assess with precise accuracy. For operational issues, some changes didn't happen as quickly as forecast.
 - Lower than anticipated collection fund levy
 - Realisation of dividend payments not previously forecast
 - Above planned levels of business rates income particularly retained enterprise zone relief
 - lower than forecast spend against contingency budget. It had been previously assumed that budget will be fully utilised.
 - Higher than planned interest payments and lower borrowing costs.
- 4.6 We are working in a dynamic financial environment. To ensure forecasting is as accurate as possible, members of the finance team engage on a regular basis with budget holders to ensure that any emerging issues in relation to finance and related activities are flagged as early as possible to allow corrective action as required.

5 Reserves and Provisions

- 5.1 Detail of the reserves and provisions currently held by the Council are detailed on page 14 of the digest. These reserves are held against specific risks and commitments. The closing balance for the financial year is £30.608m. This represents a decrease of £3.391m over the balance held at the end of the previous financial year. These reserves are held against specific risks and commitments.
- 5.2 In year, a decision was made to utilise reserves to support the financial impact of the unitary decision. An ear-marked reserve of £5m has now been created.

6 Capital Spend

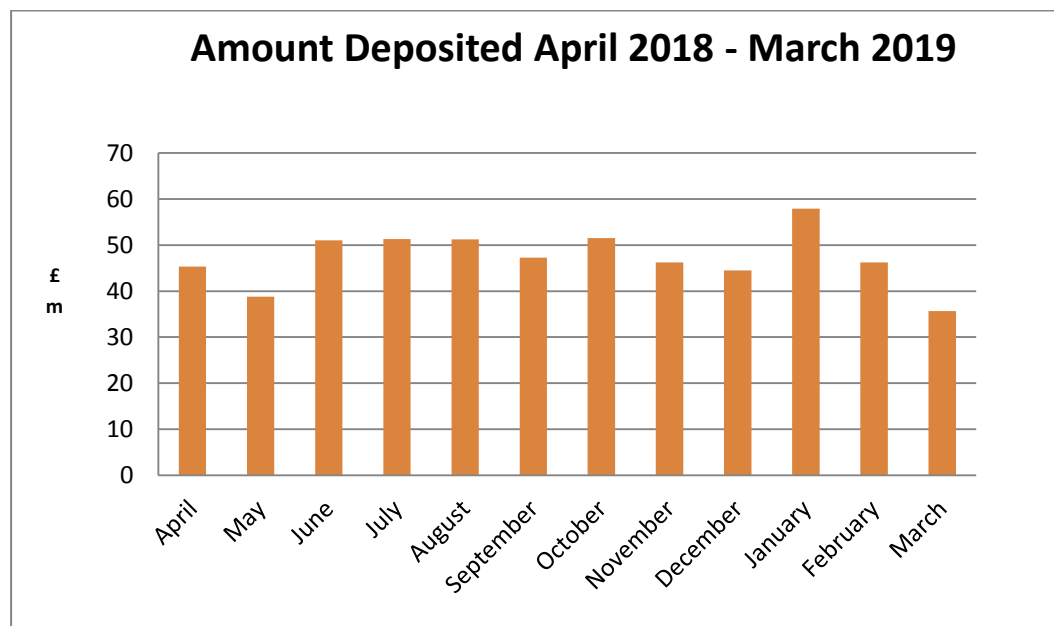
- 6.1 As well as the revenue budget the digest, on page 15, also reports on the level of capital spend for the financial year.
- 6.2 The Council reported a total spend on its capital plans of £9.166m. Of this, £3.024m was incurred in the creation of new assets including the Public Realm Waterside North and the Pembroke Road depot scheme. A further £6.142m was incurred to support capital development in relation to financing

for the Public Realm Waterside North scheme and also the Enterprise Zone at Silverstone.

- 6.3 Capital expenditure was financed by revenue contributions and capital receipts (which includes planned use of New Homes Bonus). It was anticipated during the year that a significant element of the programme would be funded from prudential borrowing.
- 6.4 The Council has taken a prudent approach to financing the capital programme by deploying revenue reserves and cash balances instead of using external borrowing where possible as this produces a lower net cost. The change in funding has therefore reduced the on-going financing cost of the capital programme.
- 6.5 In relation to the capital schemes, it is anticipated that any slippage in spend from 2018-19 will be carried forward to 2019-20. There is no perceived risk on the delivery of the overall schemes.

7 Investment and Borrowing

- 7.1 On page 16 there is information on the level of investments and borrowings over the twelve months of the financial year. No new borrowing has been taken out so the current level remains at £18.5m.
- 7.2 The council had £35.66m invested at the end of March 2019, in a combination of banks, building societies and money market funds. The table below details monthly investment figures.



- 7.3 With interest rates still at low levels, the actual amount of deposit income generated was £376,000. This was £16,000 higher than planned. This was due to the high level of money available for deposit from unspent reserves and balances held to meet capital programme obligations.

8 Budget Management 2019-20

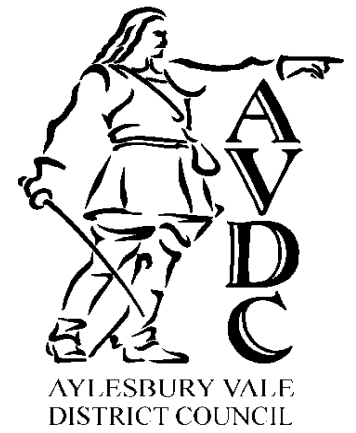
- 8.1 It is clear that the Council's financial performance in 2018/19 continues to be good. The overall revenue outturn surplus of £432,000 was better than planned and the Council has sufficient reserves and balances to provide financial resilience for 2019/20 and future years.
- 8.2 The 2018-2019 outturn financial position is an increase on the £240,000 surplus assumed in budget plans for 2019/20.
- 8.3 The financial environment for 2019/20 will remain challenging, particularly as the organisation will need to manage the uncertainty in relation to becoming a unitary organisation. In particular, it is recognised that the uncertainty from the unitary decision on staff retention and recruitment may potentially lead to further reliance on agency and temporary staffing arrangements. As a direct response to emerging financial risks, the Council will continue to identify where things could be done more efficiently, and at reduced cost, maximise all opportunities to increase income to the Council, and reduce spend on non-pay items where possible.
- 8.4 Escalation processes will be in place, during 2019-20, to monitor performance in year against the agreed plan.
- 8.5 The key financial management messages for the Organisation, based on the forecast outturn for 2018-19 and the financial plan for 2019-20 will be highlighted as being:
- Reduce agency spend and dependency on temporary staffing solutions
 - Identify where things could be done more efficiently, and at reduced cost
 - Maximise all opportunities to increase income to the Council
 - Reduce spend on non-pay items where possible
- 8.6 The focus of the Council continues to be delivering financial stability and a balanced position for the new unitary Council.
- 8.7 A part of routine financial management arrangements, budget holders' are being asked to review all of their areas of responsibility to assess areas where spend can be minimised and income opportunities optimised. Budget managers are encouraged to review anticipated staff costs and agency costs over the coming months, with an emphasis to manage within budget whilst still maintain service delivery.

9 Resource Implications

- 9.1 The resource implications are as detailed within the digest. The digest represents the main forum for reporting budget performance to members.

10 Response to Key Aims and Objectives

- 10.1 Budget monitoring helps us to ensure resources are deployed in a way that is consistent with our key aims and outcomes.



FINANCIAL DIGEST MARCH 2019

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Main points of note contained within digest

The Main Message

- The Council spent £740k more on the provision of services for the financial year 2018/19 , more than allowed for in the budget.
- Pay budgets are overspent against budget for the year to March 2019. Agency staff have been employed in a number of key operational areas to support project work and service delivery.
- Vacant posts have been filled by temporary and contract staff and this has resulted in a year to date overspend on employment costs of £1.9m
- A number of factors offset the year to date reported overspend:
For the period to date, savings of £240k have been reported in relation to transitional relief in business rates.
For the period to date, income above budget has been achieved in relation to a number of properties and services.
General efficiencies have been achieved during the year, with a number of costs centres reporting underspends
Above planned income levels across Corporate budgets has resulted in underspends .
Spend on borrowing was below planned levels and the resultant provision for debt was reduced in year, a favourable variance
- The outturn is better than planned by £192,000 and better than forecast by £353,000

The Main Issues

The main issues arising are highlighted below, with further analysis included in the main body of the digest:

	Variance to Date £	Predicted Outturn £	
Top 5 Over Budget			
Planning Services	686,979	740,000	Consultancy & agency staff costs
Assistant Directors	89,384	77,000	Salary, consultancy & agency staff costs
Personnel Services	74,854	110,700	Agency staff & redundancy costs
Office Accommodation	66,585	89,500	Increased utilities & building maintenance costs
Finance & Payroll Services	62,130	66,900	Employee & additional software maintenance costs
Top 5 Under Budget			
Car Park Management	(261,741)	(294,600)	Savings from transitional relief in business rates, increased P&D income
Waste & Recycling - Commercial	(53,839)	(195,000)	Increased Garden Waste income
Housing Pathways	(36,810)	(40,000)	Savings in running costs & increased partner income
Leisure Centres	(26,691)	(35,700)	Additional income from increased management charges
Forward Plans	(21,127)	(24,700)	Backdated s106 fee income

GENERAL FUND SUMMARY AS AT 31ST MARCH 2019

GENERAL FUND STATEMENT OF BALANCES	ACTUAL OUTTURN 2017/18 £'000	ORIGINAL BUDGET 2018/19 £'000	EXPECTED OUTTURN 2018/19 £'000
Brought Forward 1st April	(2,873)	(1,924)	(1,977)
Planned Contribution to Balances	0	(240)	(240)
Less General Over/(Under)spend Assumption	453	0	(192)
Contribution to the HS2 Fund	3	0	6
Commercial AVDC Change Project	440	0	0
Commercial Activities	0	50	50
Net Use of/(Contribution to) Balances	896	(190)	(376)
Working Balance Carried Forward	(1,977)	(2,114)	(2,353)

Portfolio	Current Budget	Actual Spend/ Income	Significant Variances
Civic Amenities	393,300	(36,818)	(430,118)
Communities	1,772,300	1,721,209	(51,091)
Economic Development	936,200	979,444	43,244
Environment & Leisure	4,694,600	4,535,827	(158,773)
Finance & Resources	8,517,200	9,026,419	509,219
Leader	2,012,700	2,342,072	329,372
Planning & Enforcement	756,200	1,415,334	659,134
Strategic Planning & Infrastructure	1,766,800	1,837,485	70,685
Waste & Licencing	8,081,000	7,849,089	(231,911)
Total Portfolio Expenditure	28,930,300	29,670,060	739,760
Net Interest Payable/(Receivable)	510,400	(281,223)	
Contribution To Reserves	14,693,200	14,690,294	
Contribution From Reserves	(13,142,500)	(13,062,354)	
Contingency Items	18,900	225,372	
Asset Management	(4,730,700)	(4,702,177)	
Financing Items	(924,300)	(1,133,342)	
District Expenditure	25,355,300	25,406,630	
Aylesbury Special Expenses	(841,800)	(841,800)	
Contribution from Special Expenses Balances	(22,900)	(42,328)	
Net District Expenditure	24,490,600	24,522,503	
Government Grant	(12,581,600)	(12,805,549)	
Collection Fund	(12,149,000)	(12,149,000)	
Underspend	(240,000)	(432,047)	

Expected Variances	Significant Variances Between Forecast and Actual Outturn
(330,900)	(99,218)
(24,300)	(26,791)
140,500	(97,256)
(13,800)	(144,973)
373,900	135,319
140,500	188,872
696,000	(36,866)
23,200	47,485
(265,000)	33,089
740,100	0

Please Note: Figures in brackets are underspending/additional income

Fund	General
Portfolio	Civic Amenities

Service	Current Budget	Actual Spend/ (Income)	Significant Variances	Expected Variances	Significant Variances Between Forecast and Actual Outturn
Car Park Management	(482,000)	(758,267)	(276,267)	(294,600)	18,333 ①
Leisure Centres	881,400	801,906	(79,494)	(35,700)	(43,794) ②
Market	6,900	8,031	0	0	0
Public Burial Fees	3,000	(36,484)	(39,484)	0	(39,484) ③
Public Conveniences	123,200	144,631	21,431	(600)	22,031 ④
Theatre & Leisure Centre Management	91,100	92,007	0	0	0
Town Centre Manager	202,000	181,092	(20,908)	0	(20,908) ⑤
Town Centre Open Spaces	44,200	49,865	0	0	0
Waterside Theatre	(476,500)	(519,598)	(43,098)	0	(43,098) ⑥
Grand Total	393,300	(36,818)	(430,118)	(330,900)	(99,218)

Notes

- ① £276,267 higher income/lower costs - savings from transitional relief in business rates & additional pay & display income reduced by higher buildings insurance premiums for Hampden House & lower service charge income.
- ② £79,494 higher income/lower costs - higher management charge income due to CPI increases plus savings across a range of costs.
- ③ £39,484 lower costs - transfer of income held released from the balance sheet into the general fund.
- ④ £21,431 lower income -
- ⑤ £20,908 - higher income/lower costs - increased partnership income and a number of savings across a range of cost headings.
- ⑥ £43,098 - lower costs - a number of savings across a range of services.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Communities

Service	Current Budget	Actual Spend/ (Income)	Significant Variances
Community Safety	409,300	427,700	18,400
Concessionary Travel	40,700	10,545	(30,155)
Grants	548,000	545,246	0
Housing Pathways	52,600	(30,296)	(82,896)
Housing Services	753,500	799,814	46,314
Strategy & Partnerships	(31,800)	(31,800)	0
Grand Total	1,772,300	1,721,209	(51,091)

Expected Variances	Significant Variances Between Forecast and Actual Outturn
27,300	0 ①
0	(30,155) ②
(1,600)	0
(40,000)	(42,896) ③
(10,000)	56,314 ④
0	0
(24,300)	(26,791)

Notes

- ① £18,400 higher costs - additional staffing costs offset by other smaller cost savings.
- ② £30,155 lower costs - lower costs associated with the taxi token scheme which is currently under review.
- ③ £82,896 higher income/lower costs - higher partner income plus savings in running expenses.
- ④ £46,314 higher costs - higher than predicted bed & breakfast payments.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Economic Development

Service	Current Budget	Actual Spend/ (Income)	Significant Variances	Expected Variances	Significant Variances Between Forecast and Actual Outturn
Bus Station	149,900	159,143	0	(8,800)	18,043 ①
Commercial Property	(1,597,400)	(1,616,573)	(19,173)	31,300	(50,473) ②
Economic Development	271,400	240,973	(30,427)	0	(30,427) ③
Facilities Management	51,400	50,781	0	10,000	(10,619) ④
Highway and Amenity Areas	7,300	2,065	0	0	0
Industrial Estates and Town Centre Props	563,900	566,109	0	2,500	0
Land Charges	(1,900)	23,796	25,696	16,000	0 ⑤
Non Operational Property	(28,600)	(40,112)	(11,512)	0	(11,512) ⑥
Office Accommodation	1,330,800	1,407,458	76,658	89,500	(12,842) ⑦
Standby Services	10,200	9,304	0	0	0
Sustainability	154,200	151,983	0	0	0
Town Centre Open Spaces	25,000	24,515	0	0	0
Grand Total	936,200	979,444	43,244	140,500	(97,256)

Notes

- ① The forecast had been amended to reflect increased income following a rent reconciliation, which was later offset by a backdated VAT issue on rent and service charge costs.

£19,173 higher income/higher costs - increased rentals income as a result of a rent reconciliation, new catering income streams &

- ② unexpected rental revenue, offset by reduced Waterside service charge income and the deferment of the Residential Assets & Lettings service.

- ③ £30,427 lower costs - a number of savings across a range of services.

- ④ The forecast had been amended to reflect the reduction in built environment income which was later offset by a number of savings across a range of cost headings.

- ⑤ £25,696 lower income - reduced income due to as a result of staffing issues.

- ⑥ £11,512 higher income - increased income as a result of granting of access rights across AVDC land.

- ⑦ £76,658 - higher costs - increased building costs offset by a number of smaller savings across a range of other services.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Environment & Leisure

Service	Current Budget	Actual Spend/ (Income)	Significant Variances
Abandoned Vehicles	2,200	210	0
Communities	589,100	564,802	(24,298)
Community Centres	1,818,600	1,807,686	(10,914)
Environmental Services	1,202,700	1,059,624	(143,076)
Land Drainage	52,500	8,954	(43,546)
Parks, Pitches & Open Space	1,029,500	1,094,550	65,050
Grand Total	4,694,600	4,535,827	(158,773)

Expected Variances	Significant Variances Between Forecast and Actual Outturn
0	0
(11,800)	(12,498) ①
(3,500)	0 ②
0	(143,076) ③
0	(43,546) ④
1,500	63,550 ⑤
(13,800)	(144,973)

Notes

- ① £24,298 lower costs - a number of savings across a range of services.
- ② £10,914 higher income/lower costs - hire income achieved better than budget plus a number of cost savings across a range of services.
- ③ £143,076 lower costs - reductions in private sector housing running expenses.
- ④ £43,546 lower costs - a number of savings across a range of services.
- ⑤ £65,050 - lower income/higher costs - shortfall in football & all-weather pitch income plus increased horticultural costs.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Finance & Resources

Service	Current Budget	Actual Spend/ (Income)	Significant Variances
Car Pooling Scheme	106,600	91,597	(15,003)
Contract & Procurement Services	265,600	266,622	0
Core Costs	1,438,900	1,386,664	(52,236)
Democratic Services	495,500	492,973	0
Digital Services	707,600	801,038	93,438
Finance & Payroll Services	527,100	610,772	83,672
General Admin Office	256,600	325,235	68,635
Governance	41,900	57,691	15,791
Housing Benefits	2,143,500	2,255,943	112,443
Insurances	95,500	95,285	0
IT Services	72,600	163,113	90,513
Personnel Services	66,500	146,880	80,380
Project Management Office	1,814,100	1,799,484	(14,616)
Rating & Recovery Services	485,700	505,443	19,743
Training	(500)	27,680	28,180
Grand Total	8,517,200	9,026,419	509,219

Expected Variances	Significant Variances Between Forecast and Actual Outturn
0	(15,003) ①
0	0
(55,000)	0 ②
0	0
59,100	34,338 ③
66,900	16,772 ④
20,000	48,635 ⑤
7,000	0 ⑥
25,000	87,443 ⑦
0	0
90,000	0 ⑧
110,700	(30,320) ⑨
3,000	(17,616) ⑩
0	19,743 ❶
47,200	(19,020) ❷
373,900	135,319

Notes

- ① £15,003 lower costs - savings in car leasing and hire costs.
- ② £52,236 lower costs - reduction in audit fees.
- ③ £93,438 higher costs - increased employee costs & agency staff cover.
- ④ £83,672 higher costs - increased employee & system contract costs.
- ⑤ £68,635 higher costs - increased employee & agency staff costs as a result of maternity cover & staff turnover plus increased stationery & photocopying costs.
- ⑥ £15,791 higher costs - increased employee costs.
- ⑦ £112,443 higher costs - increased employee & agency staff costs plus higher than anticipated provision for bad debts.
- ⑧ £90,513 higher costs - agency staff costs covering vacant posts.
- ⑨ £80,380 higher costs - higher agency staff costs incurred to support the People and Culture department, driven by vacancies and sickness levels.
- ⑩ £14,616 lower costs - salary savings from maternity cover plus reduced GDPR costs
- ❶ £19,743 higher costs - agency staff costs & additional system licences.
- ❷ £28,180 higher costs - increased employee costs mitigated by reduced training costs.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General	
Portfolio	Leader	

Service	Current Budget	Actual Spend/ (Income)	Significant Variances	Expected Variances	Significant Variances Between Forecast and Actual Outturn
Assistant Directors	103,600	175,750	72,150	77,000	0
Chairman's Expenses	32,400	6,094	(26,306)	(8,700)	(17,606)
Chief Executive's Support Services	90,500	144,220	53,720	45,000	0
Commercial Solutions	213,100	332,034	118,934	83,800	35,134
Communications & Marketing	67,500	41,791	(25,709)	0	(25,709)
Democratic Services	1,075,400	1,053,182	(22,218)	(13,500)	0
Director - AS	25,000	25,040	0	0	0
Director - TA	30,200	45,598	15,398	0	15,398
Electoral Services	365,700	349,349	(16,351)	(25,100)	0
Legal Services	(16,900)	142,797	159,697	(18,000)	177,697
Unitary	26,100	26,118	0	0	0
Vale Lottery	100	100	0	0	0
Grand Total	2,012,700	2,342,072	329,372	140,500	188,872

Notes

- ① £72,150 higher costs - increased employee, agency & contractor costs.
- ② £26,306 lower costs - savings from reductions in running expenses.
- ③ £53,720 higher costs - additional employment & consultancy costs.
- ④ £118,934 - lower income - the variance reflects less than planned income in relation to sale of services.
- ⑤ £25,709 lower costs - a number of cost savings across a range of services.
- ⑥ £22,218 lower costs - savings in member support costs.
- ⑦ £15,398 higher costs - increased employee & consultancy costs.
- ⑧ £16,351 lower costs - salary savings due to staff secondment to cover a maternity position.
- ⑨ £159,697 lower income/higher costs - lower s106 income than expected plus increased spend on agency staff and consultancy.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Planning & Enforcement

Service	Current Budget	Actual Spend/ (Income)	Significant Variances
Design Awards	0	(103)	0
Heritage	688,300	637,558	(50,742)
Planning Services	67,900	777,880	709,980
Grand Total	756,200	1,415,334	659,134

Expected Variances	Significant Variances Between Forecast and Actual Outturn
0	0
(4,000)	(46,742) ①
700,000	0 ②
696,000	(36,866)

Notes

① £50,742 lower costs - correction of prior years' errors in relation to Dinton Castle loan repayments.

② £709,980 higher costs - consultancy & agency staff fees currently employed to reduce high number of planning applications backlog.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Strategic Planning & Infrastructure

Service	Current Budget	Actual Spend/ (Income)	Significant Variances
Aylesbury Garden Town	0	0	0
Forward Plans	913,800	899,101	(14,699)
HS2	0	0	0
Planning Services	421,600	494,940	73,340
Strategy & Partnerships	431,400	443,444	12,044
Grand Total	1,766,800	1,837,485	70,685

Expected Variances	Significant Variances Between Forecast and Actual Outturn
0	0
(24,700)	10,001 ①
0	0
40,000	33,340 ②
7,900	0 ③
23,200	47,485

Notes

- ① £14,699 higher income - backdated s106 fees received, partially offset by built environment income not achieved.
- ② £73,340 higher costs - increased salary costs covering maternity leave plus agency staff costs.
- ③ £12,044 higher costs - increased salary costs.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Portfolio	Waste & Licencing

Service	Current Budget	Actual Spend/ (Income)	Significant Variances
Environmental Services	373,400	351,238	(22,162)
Health & Safety	9,700	18,647	0
Licensing	(270,900)	(265,521)	0
Waste & Recycling - Commercial	1,357,600	1,175,610	(181,990)
Waste & Recycling - Non Commercial	6,611,200	6,569,114	(42,086)
Grand Total	8,081,000	7,849,089	(231,911)

Expected Variances	Significant Variances Between Forecast and Actual Outturn
0	(22,162) ①
0	0
(20,000)	25,379 ②
(195,000)	13,010 ③
(50,000)	0 ④
(265,000)	33,089

Notes

- ① £22,162 lower costs - a number of savings across a range of services.
- ② The forecast had been amended to reflect increased income which was not achieved.
- ③ £181,990 higher income/higher costs - additional garden waste & trade waste income from increased customer base offset by higher vehicle hire, container purchase & equipment costs.
- ④ £42,086 lower costs - reductions in vehicle costs following procurement of new waste fleet.

Budget profiling

Spend does not incur evenly throughout the year. Budgets are profiled to reflect when spend will be incurred/ income received.

Fund	General
Special	Yes

Service	CC Description	Current Budget	Actual Spend/ (Income)	Significant Variances	Expected Variances	Significant Variances Between Forecast and Actual Outturn
Community Centres	Administration	84,800	83,187	0	(1,000)	0
	Alfred Rose	124,500	130,249	0	(4,400)	10,149
	Bedgrove	442,700	431,414	(11,286)	(8,000)	0
	Haydon Hill	29,300	31,643	0	3,500	0
	Prebendal Farm	100,700	105,451	0	0	0
	Quarrendon and Meadowcroft	520,900	519,689	0	13,600	(14,811)
	Southcourt	129,800	121,054	0	(6,000)	0
Community Centres Total		1,432,700	1,422,688	(10,012)	(2,300)	0
Parks, Pitches & Open Space	Alfred Rose Park	41,300	50,897	0	10,800	0
	Bedgrove Park	65,800	54,201	(11,599)	(6,400)	0
	Edinburgh Playing Fields	50,700	52,335	0	2,000	0
	Fairford Leys	82,200	79,350	0	(1,600)	0
	Meadowcroft Playing Fields	75,900	67,894	0	7,000	(15,006)
	Parks Administration	251,100	275,045	23,945	1,900	22,045
	Vale Park	15,900	23,177	0	14,800	0
	Walton Court Sports Ground	43,500	26,210	(17,290)	(7,000)	(10,290)
Parks, Pitches & Open Space Total		626,400	629,109	0	21,500	(18,791)
Market	Market	6,900	8,031	0	0	0
Market Total		6,900	8,031	0	0	0
Grand Total		2,066,000	2,059,829	0	19,200	(25,371)

Notes

- ① £10,012 higher income/lower costs - hire income achieved better than budget plus a number of cost savings across a range of services.

GENERAL FUND REVENUE RESERVES AND PROVISIONS

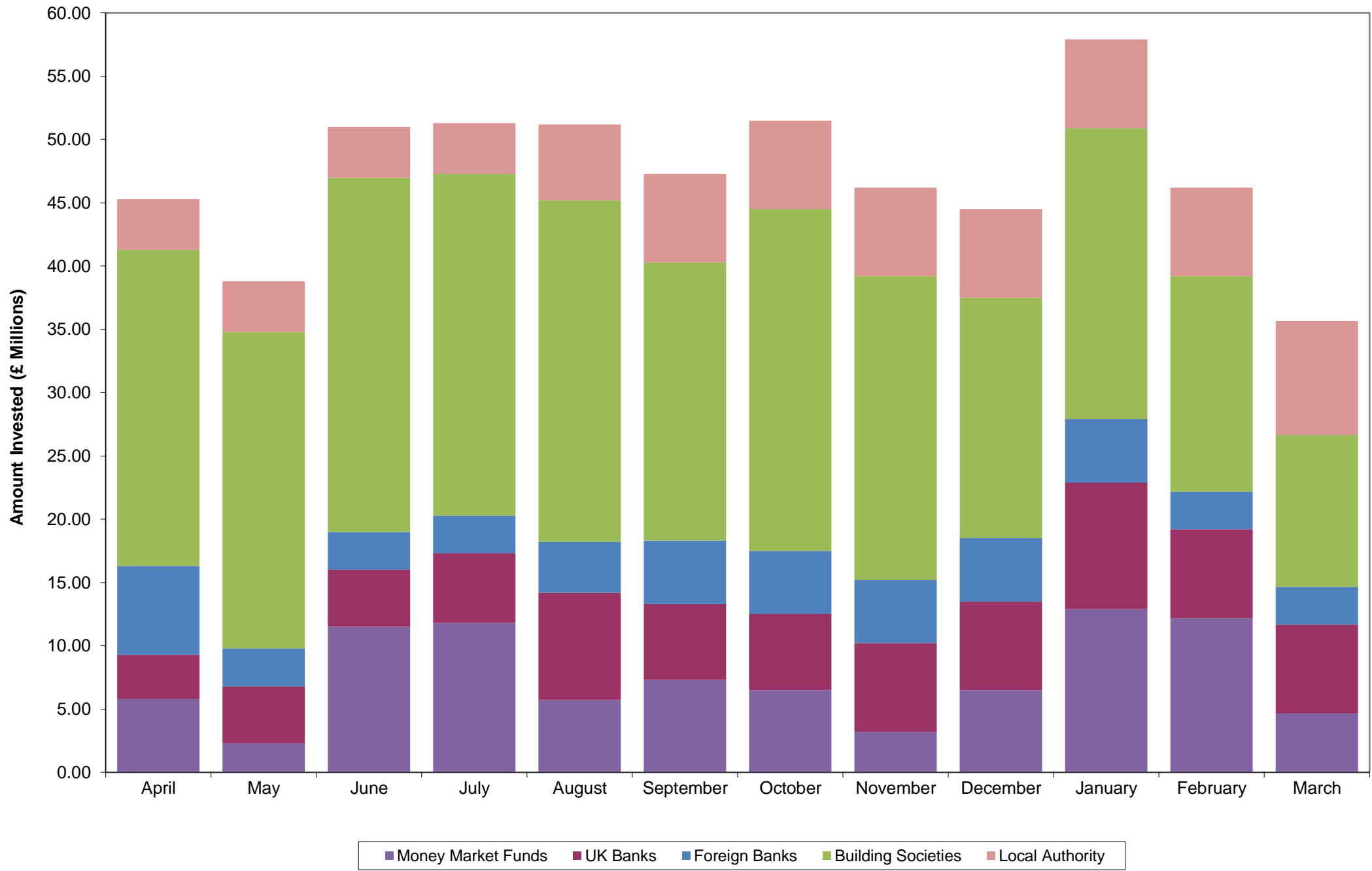
The table shows the current level of provisions and reserves held by the Council at the beginning of the year, the movements in the year and the closing balance at 31st March 2019.

GENERAL FUND REVENUE RESERVES AND PROVISIONS	OPENING BALANCE 01/04/2018 £'000	TRANSFERS OUT £'000	TRANSFERS IN £'000	REALIGNMENT OF RESERVES £'000	CLOSING BALANCE 31/03/19 £'000
PROVISIONS					
NNDR Appeals	(1,662)	0	(379)	0	(2,041)
Refundable Bonds	(306)	19	0	0	(287)
Expected Credit Losses	0	0	(8)	0	(8)
BAD DEBT PROVISIONS					
Housing Benefits Overpayments	(1,826)	121	(392)	0	(2,097)
Local Taxation	(487)	0	(74)	0	(561)
Other	(313)	21	0	0	(292)
Off Street Parking	(79)	26	(27)	0	(80)
Haywoods Way	(41)	0	0	0	(41)
TOTAL PROVISIONS	(4,714)	187	(880)	0	(5,407)
RESERVES					
Unitary	0	26	0	(5,000)	(4,974)
New homes bonus - town centre regeneration	0	0	0	(4,500)	(4,500)
Amenity areas	(3,097)	293	(70)	0	(2,874)
New homes bonus - parishes	(2,338)	339	0	(856)	(2,855)
Business rates	(1,768)	0	(3,248)	3,123	(1,893)
Property sinking	(1,812)	46	0	0	(1,766)
New homes bonus - connected knowledge	0	1,159	0	(2,910)	(1,751)
New homes bonus - uncommitted	0	39	(5,422)	3,835	(1,548)
New homes bonus - high speed broadband	(1,536)	0	0	0	(1,536)
Repairs & renewals	(1,145)	310	(87)	(200)	(1,122)
Fairford Leys riverine	(878)	0	(16)	0	(894)
Planning fees	(559)	1,609	0	(1,658)	(608)
New homes bonus - depot refurbishment	(209)	0	(388)	0	(597)
Property strategy	(540)	0	0	0	(540)
Health licensing income	(529)	31	0	0	(498)
Self insurance	(541)	93	0	0	(448)
Aylesbury special expenses	(467)	42	0	0	(425)
New homes bonus - east/west rail link	(350)	0	0	0	(350)
Car parking	(207)	94	(10)	(100)	(223)
District elections	(164)	12	(48)	0	(200)
Recycling & composting	(292)	620	0	(500)	(172)
Leisure activities	(156)	0	0	0	(156)
Historic buildings	(135)	0	0	0	(135)
Housing needs & section 106	(107)	0	0	0	(107)
Business support fund	(102)	0	0	0	(102)
Information technology	(199)	518	(297)	(100)	(78)
Rent guarantee scheme	(71)	0	0	0	(71)
Market research	(47)	0	0	0	(47)
Playgrounds	(40)	0	0	0	(40)
Benefit subsidy	(33)	593	0	(595)	(35)
Future vehicle costs	(84)	50	0	0	(34)
Business transformation	(29)	0	0	0	(29)
New homes bonus - Waterside North	(8,798)	3,913	0	4,885	0
New homes bonus - affordable housing	(2,158)	2,461	0	(303)	0
Interest equalisation	(2,022)	0	0	2,022	0
New homes bonus - Silverstone heritage	(2,000)	0	0	2,000	0
LABGI	(857)	0	0	857	0
Superannuation	(729)	729	0	0	0
TOTAL RESERVES	(33,999)	12,977	(9,586)	0	(30,608)

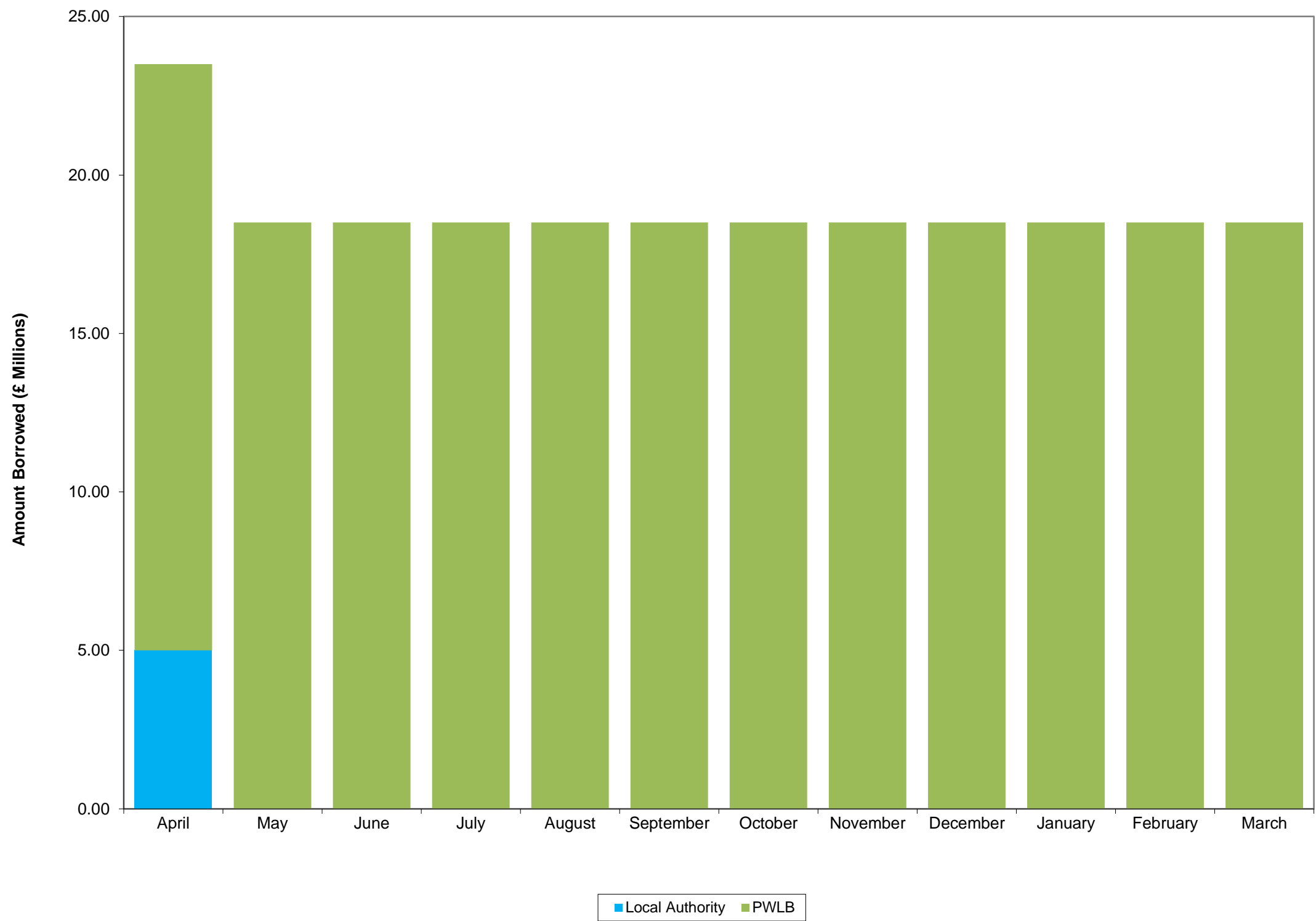
CAPITAL PROGRAMME SPEND TO 31ST MARCH 2019

	REF	APPROVED SPEND £s	PRIOR YEARS' SPEND £s	EXPECTED SPEND 18/19 £s	ACTUAL SPEND AT 31/03/19 £s
University Campus, Aylesbury Vale	8001	16,550,000	16,312,727	237,273	0
Public Realm Waterside North	8004	11,900,000	3,052,456	8,847,544	8,274,631
Refuse Vehicles Replacement	8005	4,100,000	4,089,773	10,227	0
Depot Purchase / Refurbishment	8006	11,305,000	6,199,054	5,105,946	539,520
Car Park Improvement	8007	800,000	0	40,000	40,129
Community Centre Upgrades	8008	405,000	18,228	386,772	46,124
Silverstone Enterprise Zone	8009	2,000,000	0	500,000	202,084
UCAV Groundworks	8010	500,000	0	100,000	46,890

Investments 2018/19



Borrowings 2018/19



MEMBER FEEDBACK / QUESTION SHEET

ISSUE 4 - 18/19

FEEDBACK

If any members have any questions regarding the digest then please ring one of the Finance team on the numbers below or alternatively use the tear off page to record you comments or questions.

<u>Accountancy</u>	<u>Team</u>	<u>Phone No.</u>
Andrew Small	Director	585507
Nuala Donnelly	Corporate Finance Manager	585164
Sharon Russell-Surtees	Corporate Accountant	585391
Gareth Davies	Finance Business Partner	585276
Patricia Burden	Finance Business Partner	585406

FEEDBACK

QUESTION

QUESTION

Feedback Sheet Returned by:

COUNCILLOR

DATE

Please return Feedback / Question sheet to:

Strategic Finance
Aylesbury Vale District Council
The Gateway, Gatehouse Road
Aylesbury
Bucks HP19 8FF