

### **Introduction**

The overall budgetary position for the Council is set out below. In addition to the usual year to date position, this report includes a year end forecast for each service provided by the budget holder.

### **General Fund 2014/15 (see General Fund Position summary page 3)**

At month 6 there is a variance of £2,499k underspend (see Variance YTD column), budget holders are forecasting an underspend of £591k by the end of the year (see Budget Outturn Variance column). The projected underspend includes the unallocated funds held within the Contingency Fund (Finance Portfolio) of £306k plus £275k confirmed recurring budget savings. The projected year end underspends across the other service areas therefore amount to £10k. The forecasted surplus does not take account of any service restructuring costs e.g. redundancies.

### **General Fund Position Appendix 5A**

Budgets have been split into controllable and non-controllable budgets. Forecasts for controllable budgets have been provided by services and a variance has been calculated against the controllable budget.

Non-controllable budgets relate to overhead costs, depreciation and Repairs & Renewals budgets. While these are monitored centrally, they cannot be controlled by individual budget holders and have been separated from the current analysis.

A general fund summary showing the individual portfolios and the above mentioned variances is shown after budgetary risks.

### **Repairs & Renewals Expenditure Appendix 5B**

At period 6, £327k has been spent on R&R against a YTD budget of £428k. It is forecasted there will be an underspend of £101k by the end of the year.

### **Major Projects Appendix 5C**

Detailed figures for Major Projects are shown at Appendix 5C. At the end of September 2014 a total of £8.4m has been spent.

### **CIL Appendix 5D**

The latest position and information on the implementation steps and timetables for all projects to be funded from S106 and CIL for the current financial year is shown at appendix 5D .

### Budgetary Risks - Projections

The chart below outlines other key budgetary risks and prospects for 2014/15. Details on these are provided within the portfolio summaries below. It should be noted that savings transferred to the contingency are not included below. No provision has been made for redundancy costs.

#### RED - Adverse variance $\geq$ £20k with stable / declining prospect

	Income Expenditure	Recurring	Non Recurring
		£	£
Homelessness salaries	Expenditure		50,000
Waste avoidable financial pressures	Expenditure		45,000
Easton Street Car Park	Income		50,000
Parking Income	Income	32,000	293,000
Planning CIL Salaries	Expenditure		42,000
Council Tax and Housing Benefits salaries	Expenditure		77,000
<b>Sub-total</b>		<b>32,000</b>	<b>557,000</b>

#### AMBER - Adverse variance < £20k with stable / improving prospects

	Income Expenditure	Recurring	Non Recurring
		£	£
Food Safety Backlog of Inspections	Income		18,000
SKIDZ grant	Expenditure		15,000
Legal Salaries			17,000
Golf Centre income	Income		17,000
<b>Sub-total</b>		<b>0</b>	<b>67,000</b>

#### GREEN - Better than budget

	Income Expenditure	Recurring	Non Recurring
		£	£
Land charges income	Income		28,000
Building Control Salary Savings	Expenditure		21,000
Recycling Credits	Income	81,000	
Projects & Development	Expenditure		22,000
Estates income	Income		100,000
CCTV income	Income		36,000
Daws Hill Receipt	Income		20,000
Planning Development	Income	50,000	104,000
Parks & Environment	Expenditure		12,000
Tourism, Excl. Redundancy Costs	Expenditure		88,000
Temporary Accommodation Repairs	Expenditure		44,000
Mobile Home Site	Income		25,000
HB Overpayments	Income		66,000
Queen Victoria Road	Expenditure		35,000
<b>Sub-total</b>		<b>131,000</b>	<b>566,000</b>

There is not yet sufficient information to give them a reliable estimate in the forecast outturns for the following opportunities and threats:

#### THREATS

- Land Charges - final settlement is likely to exceed £102k provision and further compensation from government is not certain.

## GENERAL FUND POSITION SUMMARY

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,576	Leader	Expenditure	4,684	3,108	1,552	1,636	84	3,358	3,422	314
(1,051)		Income	(1,372)	(321)	(160)	(514)	(354)	(606)	(669)	(348)
525		<b>Net Expenditure</b>	<b>3,312</b>	<b>2,787</b>	<b>1,392</b>	<b>1,122</b>	<b>(270)</b>	<b>2,752</b>	<b>2,753</b>	<b>(34)</b>
1,479	Economic Development and Regeneration	Expenditure	3,464	1,985	1,138	950	(188)	1,931	2,029	44
(1,647)		Income	(6,182)	(4,535)	(2,238)	(2,536)	(298)	(4,634)	(4,641)	(106)
(168)		<b>Net Expenditure</b>	<b>(2,718)</b>	<b>(2,550)</b>	<b>(1,100)</b>	<b>(1,586)</b>	<b>(486)</b>	<b>(2,703)</b>	<b>(2,612)</b>	<b>(62)</b>
4,540	Community, Housing and Big Society	Expenditure	11,118	6,578	3,118	2,787	(331)	5,915	5,957	(621)
(972)		Income	(3,219)	(2,247)	(968)	(767)	201	(1,795)	(1,819)	428
3,568		<b>Net Expenditure</b>	<b>7,899</b>	<b>4,331</b>	<b>2,150</b>	<b>2,020</b>	<b>(130)</b>	<b>4,120</b>	<b>4,138</b>	<b>(193)</b>
1,749	Environment	Expenditure	10,199	8,450	4,017	1,339	(163)	8,281	8,435	(15)
(68)		Income	(4,623)	(4,555)	(2,209)	(1,465)	744	(4,456)	(4,195)	360
1,681		<b>Net Expenditure</b>	<b>5,576</b>	<b>3,895</b>	<b>1,808</b>	<b>(126)</b>	<b>581</b>	<b>3,825</b>	<b>4,240</b>	<b>345</b>
1,489	Planning & Sustainability	Expenditure	4,581	3,092	1,502	1,448	(54)	2,996	3,146	54
0		Income	(1,910)	(1,910)	(986)	(1,276)	(290)	(2,068)	(2,109)	(199)
1,489		<b>Net Expenditure</b>	<b>2,671</b>	<b>1,182</b>	<b>516</b>	<b>172</b>	<b>(344)</b>	<b>928</b>	<b>1,037</b>	<b>(145)</b>
1,545	HR, ICT & Customer Services	Expenditure	6,083	4,538	2,372	2,185	(187)	4,450	4,551	13
(5,811)		Income	(5,811)	0	0	(26)	(15)	(9)	5	5
(4,266)		<b>Net Expenditure</b>	<b>272</b>	<b>4,538</b>	<b>2,372</b>	<b>2,159</b>	<b>(202)</b>	<b>4,441</b>	<b>4,556</b>	<b>18</b>
1,791	Finance	Expenditure	53,478	51,687	24,695	23,748	(947)	51,436	51,356	(331)
(1,029)		Income	(51,448)	(50,419)	(25,112)	(25,813)	(701)	(50,627)	(50,608)	(189)
762		<b>Net Expenditure</b>	<b>2,030</b>	<b>1,268</b>	<b>(417)</b>	<b>(2,065)</b>	<b>(1,648)</b>	<b>809</b>	<b>748</b>	<b>(520)</b>
14,169	GENERAL FUND TOTAL	Expenditure	93,607	79,438	38,394	34,093	(1,786)	78,367	78,896	(542)
(10,578)		Income	(74,565)	(63,987)	(31,673)	(32,397)	(713)	(64,195)	(64,036)	(49)
3,591		<b>Net Expenditure</b>	<b>19,042</b>	<b>15,451</b>	<b>6,721</b>	<b>1,696</b>	<b>(2,499)</b>	<b>14,172</b>	<b>14,860</b>	<b>(591)</b>

## Portfolio Summaries

### Commentary on Leader Portfolio Variances

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
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(1,051)		Income	(1,372)	(321)	(160)	(514)	(354)	(606)	(669)	(348)
525		Net Expenditure	3,312	2,787	1,392	1,122	(270)	2,752	2,753	(34)

### Legal

This service is predicting a £17k overspend at year end. This is due to the unusual volume of staff turnover and the requirement for locums in the first half of the year due to high workloads.

### Members Expenses

Members underspent in 11/12, 12/13 and 13/14. Recurring savings of £31k have been transferred to the Contingency fund as reported last quarter. At month 6 spending is still under budget by £10k but this is predicted to decrease to £3k by year end.

### Land Charges

A creditor provision of £102k was brought forward into 14/15 to pay for personal search fee refunds (arising from retrospective changes required by Government as a result of litigation proceedings). Some settlements have been agreed. CLG previously awarded local authorities grant funding to meet the cost of refunds. Wycombe received £34k. The LGA are lobbying government for funding to meet the higher level of refunds/costs faced by local authorities. The position is likely to change once settlement is reached as interest and legal fees will also have to be paid in addition to the fees being refunded. On the income side, income is currently £33k ahead of the estimate at month 6 and it is predicted that there will be an extra £28k at year end as compared to £19k reported last quarter.

### Elections

Early payment was received for the new Individual Electoral Registration scheme (IER) and for the recent European election. This makes the service look in credit at present however during the year there will be expenditure to match this income and the service is predicting it will be in balance at the year end when the final grant is received.

### Corporate Management

New Burdens Grant income of £24k was brought forward from 2013/14. £16k has been received in 14/15. This has not yet been spent and therefore this service is showing an underspend however the prediction is that all headings will be on target by year end.

### Democratic Core

Last quarter Democratic Core was predicting an underspend of £23k. Since then a council motion has requested scrutiny work and standards training for members at a cost of £10k, therefore only £13k of budget has been transferred to contingency as a recurring saving.

Total recurring savings within the portfolio of £46k have been transferred to contingency. The prediction is now close to the revised budget.

## Commentary on Economic Development and Regeneration Portfolio Variances

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,479	Economic Development and Regeneration	Expenditure	3,464	1,985	1,138	950	(188)	1,931	2,029	44
(1,647)		Income	(6,182)	(4,535)	(2,238)	(2,536)	(298)	(4,634)	(4,641)	(106)
(168)		Net Expenditure	(2,718)	(2,550)	(1,100)	(1,586)	(486)	(2,703)	(2,612)	(62)

### Wycombe Heights Golf Centre

The 13/14 accounts have now been received from the managing agents at the golf centre. Based on these the predicted income for the year is now expected to be £17k less than the original budget.

### Wycombe Swan

The anticipated saving of £71k due to the operator subsidy being less than when the estimate was set has now been moved into the contingency fund.

### General Estates

Income is showing a surplus of £302k at month 6, at year end it is projected to be £100k better than estimate as compared to £71k last quarter but again primarily because income from 13/14 for the Dovecot car park (Sainsburys) is now expected to be received. The current underspend of £66k on expenditure includes salaries and repairs budgets but it is expected these will be required by year end.

### Queen Victoria Road

Last quarter a saving of £47k was predicted, the recurring element for business rates (£14k) has been transferred to the Contingency fund. There is a saving on both expenditure and income at present. The expenditure is primarily repairs (R & R - see appendix H), the external income figure is not so certain and it is now predicted that by year end the overspend against the revised budget will be £12k.

Total recurring savings within the portfolio of £85k have been transferred to the contingency fund.

## **Commentary on Community, Housing and Big Society Portfolio Variances**

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
4,540	Community, Housing and Big Society	Expenditure	11,118	6,578	3,118	2,787	(331)	5,915	5,957	(621)
(972)		Income	(3,219)	(2,247)	(968)	(767)	201	(1,795)	(1,819)	428
3,568		Net Expenditure	7,899	4,331	2,150	2,020	(130)	4,120	4,138	(193)

### **Sports Centres**

Working budgets have been reduced by £25k to reflect the reduction in management fee of the athletics track as reported last quarter. Budgets have been realigned following the commencement of the new contract. It is anticipated that in this first part year of operation there will be a £25k deficit across all centres.

### **Parks & Environment**

£12k savings are forecast by year end resulting from salaries (£7k), utilities (£5k), as compared to £49k savings reported last quarter across various supplies and services. The saving of £18k from footway sweeping has been transferred to contingency.

### **Projects and Development**

£9k savings are expected from a staff vacancy which is expected to be appointed to by the end of October. This figure was £26k last quarter the difference being that the cost of the new Project officer are not known at this time. There are also £13k expenditure savings in promotion of events and other expenditure lines.

### **Assistance to Voluntary Bodies**

A £15k overspend has been forecast following the Cabinet Member decision to award £15k to SKIDZ. This overspend will be offset by savings elsewhere within the department.

### **Community Safety**

£50k salary saving is forecast as the result of double counting the salary of a post currently funded by the Home Office, this has been transferred to contingency. Unbudgeted expenditure relating to the Prevent Programme reduces controllable expenditure forecast to underspend by £28k. This will be fully reclaimed from the Home Office and accounts towards the £32k income surplus.

### **Tourist Information Centres**

Cabinet has recently approved the rationalisation of Marlow and Princes Risborough TICs into town libraries. £96k relocation costs will be funded from Transformation Fund. Princes Risborough relocation will be completed this financial year and should realise approximately 3 months savings from its current rental lease. Marlow is not due to be completed until 2015/16. The current underspend forecast of £88k, including £59k on salaries as reported last quarter, does not yet take into account redundancy costs which will be funded from within the service.

### **CCTV**

At month 6 CCTV is £97k under budget but this is mainly a profiling issue on the income. By year end this underspend is predicted to reduce to £36k. Further saving opportunities are under review by the budget holder.

Total recurring savings within the portfolio of £140k have been transferred to the contingency fund.

**Temporary Accommodation (Saunderton Lodge, WDC Licensed Properties and Bed & Breakfast)**

Temporary accommodation is showing an underspend of £123k at present (£100k last quarter) however this is due to a £130k creditor provision which was brought forward from 13/14 which has not yet been paid and slow spending of the budget. By year end it is expected the service will be showing a £44k underspend as not all of this provision is expected to be required.

**Improvement Grants**

This service is showing an overspend at present but this is a timing issue - government grant has not yet been received. By year end Improvement Grants are expected to be broadly on budget.

**Homelessness**

The YTD overspend is £43k, by year end this is predicted to increase to £60k. Primarily this is a salaries issue. This is an increase of £35k on the last quarter due to 2 staff not leaving when it was thought that they would do. Savings on other headings (choice based lettings and other expenditure) are predicted to cut this overspend.

**Mobile Home**

Although this service is £28k under budget at month 6, this is expected to reduce to £25k at year end. Income from sales and rent is better than expected.

## Commentary on Environment Portfolio Variances

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
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1,749	Environment	Expenditure	10,199	8,450	4,017	1,339	(163)	8,281	8,435	(15)
(68)		Income	(4,623)	(4,555)	(2,209)	(1,465)	744	(4,456)	(4,195)	360
1,681		Net Expenditure	5,576	3,895	1,808	(126)	581	3,825	4,240	345

### **Off-Street Parking**

Off-Street Parking is projecting a £381k deficit at Q2, compared to a £165k deficit at the end of the first quarter. Daily parking charges are projecting a £192k deficit due to a number of issues affecting car parks across the district. Railway Place car park suffered a loss of power for two weeks, Easton Street car park was closed for 8 weeks and extra downtime during the installation of ANPR has resulted in a total loss approximately £160k income. The remaining £32k follows a long term downward trend in parking income. Standard Charges are forecasting a deficit of £183k following a reduction in income.

### **Environmental Health**

£20k transformation savings for salaries will be achieved by year end. Two contracts are currently being let for dog waste and for pest and dog control which will contribute approximately £8k towards the £40k transformation savings objective from November. There is a pressure of £18k in Food Safety as the backlog of work is cleared following the recent food standards report (this is a temporary issue). This budget is expected to be under continuing pressure in future years as the numbers of inspections needed has increased. This is a nationwide trend.

### **Joint Waste Client & contract (including Flood Prevention and Engineering Services)**

Grants totalling £15k to date have been paid to residents following the flooding last year. This will be fully recouped from DEFRA.

Client side costs for the joint waste contract are currently forecast to be £38k under budget, which includes the impact of the 2013/14 Avoided Financial Pressures shortfall of £86k. This has been offset by improved recycling credits income and projected AFP for the current year. Further income is expected from Chiltern District Council in respect of its early roll-out of the joint waste contract. Chiltern DC have yet to supply information for client side income or expenditure and accounts for the large YTD variances.

Contract side expenditure is forecast to be on budget and takes into account increased household numbers and variable costs associated with Marlow Bypass cleansing.



## Commentary on Planning & Sustainability Portfolio Variances

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
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1,489	Planning & Sustainability	Expenditure	4,581	3,092	1,502	1,448	(54)	2,996	3,146	54
0		Income	(1,910)	(1,910)	(986)	(1,276)	(290)	(2,068)	(2,109)	(199)
1,489		Net Expenditure	2,671	1,182	516	172	(344)	928	1,037	(145)

### Planning Policy

The one-off receipt of £20k for Daws Hill appeal costs are recognised but is offset by an overspend on salaries due to maternity cover.

### Community Infrastructure Levy

CIL is projecting a deficit of £45k. This has improved since last quarter by £25k due to monies received from the development of the new sports centre. This is made up of a £42k pressure on salaries against cash limit. When CIL was implemented SMB agreed an increase in cash limit but the Head of Service at that time thought it was not necessary as income would cover staff costs but it has since proved not to be the case. There is a shortfall of £3k on income.

### Development Management Applications & Advice

Development Management is projecting an underspend of £162k as compared to £298k for the previous quarter. The proposal to create extra posts has now been firmed up with SMB approval and £120k has been included within the outturn for salaries which will be covered by the additional income and is the difference between that reported last quarter and what is being reported for month 6. There is a 20% increase in fee income compared to last year (surplus of £104k), with the trend set to continue. Pre-application advice for major applications is forecasting a £50k surplus.

### Building Control

Building Control is projecting an underspend of £21k which is a £10k increase from last quarter. This is due to two new staff starting later than was originally thought. Fees from domestic alterations have increased and are projecting a £22k surplus. This has offset income deficits elsewhere within Building Control (most notably £10k deficit for non-domestic applications).

## Commentary on HR, ICT and Customer Services

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
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1,545	HR, ICT & Customer Services	Expenditure	6,083	4,538	2,372	2,185	(187)	4,450	4,551	13
(5,811)		Income	(5,811)	0	0	(26)	(15)	(9)	5	5
(4,266)		Net Expenditure	272	4,538	2,372	2,159	(202)	4,441	4,556	18

## **HR, ICT and Internal Shared Services Business Units**

The Business Units are showing an overall overspend of £18k at present, which is on salaries. Efforts to minimise this overspend are currently underway.

## Commentary on Finance Portfolio Variances

Brackets indicate income or a favourable variance

Non-Controllable	Cabinet Portfolio	Analysis	Full Year Budget	Controllable Budget FY	Controllable Budget YTD	Actual inc. Commitments	Variance YTD	Previous Quarter Forecast Outturn	Controllable Forecast Outturn	Budget Outturn Variance
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,791	Finance	Expenditure	53,478	51,687	24,695	23,748	(947)	51,436	51,356	(331)
(1,029)		Income	(51,448)	(50,419)	(25,112)	(25,813)	(701)	(50,627)	(50,608)	(189)
762		Net Expenditure	2,030	1,268	(417)	(2,065)	(1,648)	809	748	(520)

## **Council Tax**

At month 6 Council tax is showing an overspend of £63k, mainly due to a forecast overspend of salaries £44k, following a re-allocation of cost on Housing Benefits. See below.

## **Housing Benefits**

The Housing benefits are showing an underspend of £8k by the year end. This is due to an expected increase in HB overpayment credits £66k but is offset by overspends in salaries (£33k) and other costs (£33k). The rent allowances are expected to decrease by £1,064k and the grant income is expected to decrease by the same amount.

## **Contingency Fund**

£130k has been committed so far. The remainder is unallocated at present but budget savings of £275k have been moved into the fund and £96k is being assessed by the budget holders - see appendix E.