

Crawley Borough Council

**Report to Cabinet
26th June 2019**

Financial Outturn 2018/19

Budget Monitoring - Quarter 4

Report of the Head of Corporate Finance FIN/472

1. Purpose

- 1.1 The report sets out a summary of the Council's outturn for the year for both revenue and capital spending for the financial year 2018/19. It identifies the main variations from the approved spending levels and any potential impact on future budgets.

4. Background

- 4.1 As part of the Budget Strategy, the Council has in place robust budget monitoring systems to ensure that unapproved overspends are avoided. The Council also manages and analyses underspending to identify potential savings that could help meet current and future years' priorities.
- 4.2 Budget monitoring is undertaken on a monthly basis with budget holders. There are quarterly budget monitoring reports to Cabinet with the Corporate Management Team receiving regular update reports on key areas and any other areas of concern. The Overview and Scrutiny Commission also have the opportunity to scrutinise expenditure. Quarterly monitoring information is also included in the Councillors' Information Bulletin.
- 4.3 This report outlines the final outturn for 2018/19.

5. Budget Monitoring Variations

5.1 General Fund

The table below summarises the variances in the relevant Portfolio.

[F indicates that the variation is favourable, U that it is unfavourable]

Further details of these variances are provided in Appendix 1(i & ii) attached to this report.

	Variance at Quarter 4 £'000		Variance at Quarter 3 £'000
Cabinet	(6)	F	5
Public Protection & Community Engagement Resources	(23)	F	(47)
Housing	(76)	F	(89)
Environmental Services & Sustainability	(435)	F	(105)
Wellbeing	(185)	F	(4)
Planning & Economic Development	74	U	5
	445	U	66
Investment Interest	(175)	F	(236)
Other year end financing	1	U	-
Tilgate Investment reserve transfer	10		-
Grant for Business Rates Levy Surplus	(55)	F	-
TOTAL SURPLUS	(425)	F	(405)

In addition £9,766 was transferred to the reserve for investment in Tilgate Park and Nature Centre as part of the five year plan.

5.2.6 Wellbeing

Installation of a security fence and equipment at Metcalf Way Vehicle workshop was an additional cost in Quarter 4 of £20,000.

Additional hire costs whilst waiting for delivery of new vehicles and costs associated with a tipper being stolen totalled £35,000.

An overspend of £34,000 was incurred in the maintenance and replacement of bridges, footpaths and walls. These were emergency works required on health and safety grounds and were identified as part of the Shrub Bed project.

Under recovery of income of £21,000 from Manor Royal District maintenance due to less work being requested.

Extra income was received in the quarter of £39,000 from the revised contract with Everyone Active (K2).

5.2.7 Planning & Economic Development

Planning income has fallen considerably over the year despite the 20% fee increase applied at the end of 2017/18 (this was an increase recommended by Central Government). Brexit uncertainty is considered a large factor in this fee drop and the unfavourable variance of £94,000 at the end of the financial year which is £68,000 less income than projected at Quarter 3. The Head of Economy and Planning will be

7. Council Housing Service – Revenue

7.1 The table below provides details of the 2018/19 HRA variances.

HOUSING REVENUE ACCOUNT

	Q4 Variation	Q3 Variation
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	Original Budget 2018/19	Revised Budget 2018/19	Outturn 2018/19	Under/ (overspend)	Re-profiled to/(from) future years
	£000's	£000's	£000's	£000's	£000's
Cabinet	2,267	2,545	2,120	0	425

8.10 New Build Schemes-

HRA Developments:

**REVENUE MONITORING SUMMARY 2018/19
GENERAL FUND**

	Original Budget £000's	Latest Budget £000's	Outturn £000's	Variance £000's	
Cabinet	1,263	1,397	1,391	(6)	F
Public Protection & Community Engagement Resources	1,659	1,777	1,754	(23)	F
Environmental Services & Sustainability	1,285	1,400	1,324	(76)	F
Housing	5,882	6,015	5,830	(185)	F
Wellbeing	2,589	2,976	2,541	(435)	F
Planning & Economic Development	8,314	9,722	9,796	74	U
	(2,815)	(1,417)	(971)	445	U
Total Portfolio	18,176	21,870	21,664	(206)	F
Depreciation	(3,596)	(3,940)	(3,940)	0	
Renewals Fund	400	400	400	0	
Investment Interest	(848)	(863)	(1,038)	(175)	F
New Homes Bonus	(1,467)	(1,467)	(1,467)	0	
Transfer to Tilgate Park Investment reserve			10	10	
Grant - Business Rates Levy Surplus		0	(55)	(55)	F
Year-end Financing	0	(1,971)	(1,970)	1	U
Transfer to General Fund Reserve			425	425	
Sub Total	12,665	14,029	14,029	(0)	
Funded by -	0				
Council Tax	(6,930)	(6,930)	(6,930)	0	
RSG	(575)	(575)	(575)	0	
NNDR	(5,160)	(6,524)	(6,524)	0	
Sub Total	(12,665)	(14,029)	(14,029)	0	
Transfer from Business Rates Equalisation Reserve	0	0	570	570	
Net Transfer (from) / to General Fund Reserve	0	0	995	995	

Main Variations identified for 2018/19 - General Fund

Appendix 1 (ii)

Cabinet

Insurance Premiums – changes in discount rate on claims
 Back dated pensions adjustment for previous years
 Vacancies in the Finance team
 Vacancy - Transformation Officer
 Minor variations – various small variations across portfolio

Public Protection & Community Engagement

Vacant Community Development Manager post
 Unfilled hours NASB team
 Underspend to voluntary organisations
 Minor variations

Resources

Vacancy in HR for part of the year, now fully staffed

Q4 Variation £000's	Q3 Variation £000's	
24	24	ongoing one-off one-off review
20	-	
(56)	(37)	
(25)	(14)	
31	32	
(6)	5	review review review
(7)	(16)	
(21)	(23)	
(22)	-	
27	(8)	
(23)	(47)	
(26)	(7)	one-off

Wellbeing

Vacant posts in the community facilities team
Additional staff –equipment to clean Queen’s Square
Vacant post and unfilled hours in Play
Vacant Post, Metcalf Way vehicle workshop

Q4 Variation £000's	Q3 Variation £000's	
(20)	(19)	one-off
35	35	one-off
(16)	(23)	one-off

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate £'000s	Outturn £'000s	Variation £'000s
Income			
Rental Income	(44,697)	(44,875)	(178)
Other Income	(2,022)		

Main Variations Identified - Housing Revenue Account

Q4 Variation	Q3 Variation
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Appendix 2 Capital Programme



Appendix 2 Capital Programme

Scheme Description	Original Budget 2018/19 £	Latest Budget 2018/19 £	Outturn £	Under/(Over Spend) £	Slippage £	Budget 2019/20 £	Budget 2020/21 £	Budget 2021/22 £
Stafford Bridge Ifield Green							78,900	
Waterlea Furnace Green Flood Works	102,112	102,112	64,550		37,562	37,562		
Billington Drive Maidenbower	28,000					28,000		
Broadfield Brook Flood Works	115,000	10,000	8,065		1,935	31,935		

Appendix 2 Capital Programme

Scheme Description	Original Budget 2018/19 £	Latest Budget 2018/19 £	Outturn £	Under/(Over Spend) £	Slippage £	Budget 2019/20 £	Budget 2020/21 £	Budget 2021/22 £
Travellers Prevention Measures		18,104	17,450	654				
Refurb Playgrounds Future Schemes						39,600		
Skate Park Equipment						46,000		
Memorial Gardens Improvements		3,500	3,500			33,400		
New Museum Tree (HLF)	514,369	514,369	377,989	136,380				
Wakehams Play Refurbishment	65,000						65,000	

Appendix 2 Capital Programme

