

FINANCIAL OUTTURN 2007/08

Agenda Item 7 (c) (iii)

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Background Papers:- Accountancy Year-end files 2007/08; Cabinet Agenda 31st March 2008; Financial Report – 1st April to 31st December 2007
Financial Implications:- Addressed in report
Equalities Implications:- None
Legal Implications:- None
Options: To receive details of the Council's finances for 2007/08
Risks: The financial outturn is subject to audit by the Council's external auditor

EXECUTIVE SUMMARY

The Council's financial accounts for 2007/08 are required to be finalised and prepared for presentation for audit by 30th June 2008. The revenue accounts, General Fund and Housing Revenue Account, and the capital accounts have been closed and the outturn positions determined.

The General Fund Revenue Account shows a net underspend against the updated budget (allowing for adjustments/carry forwards identified at Quarter 3 and agreed by Full Council in April 2008) for the year of £732,100, this consists of variations on:

Expenditure budgets of £68,400 (overspend), after accounting for efficiency factor (£194,600); and
Income budgets of £800,600 (over-achievement)

Whilst the expenditure budgets overall recorded only a very small variation against budget, the income budgets again proved to be less predictable, albeit a net over- rather than an under-achievement. The main reasons for the over-achievement of income against budget were:

- Additional Housing Benefit subsidy due, following the processing of the subsidy programme after the year-end and additional monies received from repayment of benefit overpayments;
- Higher investment income received over and above that predicted in the Quarter 3 predictions for the year. This was due to the continued uncertainties in the financial markets with higher rates of interest received on the Council's investments;
- Recharges made to the Housing Revenue Account and capital accounts were higher than predicted at the time of the transfer of the housing stock;
- Additional rental income on the Council's investment asset portfolio, following some rent reviews agreed in the fourth quarter;
- An increase in the additional grant from Essex CC in respect of its decision to transfer the disposal locations of residual and green waste;
- Additional income achieved by the Graphic Design and Printing Services from both internal jobs and jobs undertaken for Greenfields CH.

A summary statement together with details of the variations, both expenditure and income, is provided at Appendix A.

The Housing Revenue Account was subject to significant change during 2007/08, with the transfer of the majority of the housing stock to Greenfields CH on 12th November 2007. The final outturn shows a significant variation against the updated budget of £1.89million, resulting in a net withdrawal from the HRA balance of £130,316. There are a number of variations against budget and these are detailed in Appendix A. The most significant variation is the £1.45million increase in the revenue contribution to capital. The use of the HRA balance to finance part of the HRA capital programme in 2007/08 enables the preservation of the capital receipts, which would have been used to finance the programme. The outcome of this being that interest earned on the unused capital receipts will accrue to the General Fund.

The Capital Programmes for 2007/08 show:

	Updated Budget	Outturn	Variance	Slippage
	£'000	£'000	£'000	£'000
General Fund	9,771	7,538	(2,233)	2,066
Housing:				
Former Council dwellings	4,295	4,632	337	
Private Sector Grants	958	765	(193)	193
LA Social Housing Grant	1,586	65	(1,521)	1,521
Choice Based Lettings	56	0	(56)	56
LSVT Levy		1,073		

The 'slippage' column indicates the budgets requested to be carried forward to 2008/09 and future years to complete a number of the projects that are either currently in progress or are scheduled to commence. A schedule listing the projects is attached at Appendix B.

A summary statement, together with details of the variations, is provided at Appendix C.

As in previous years the outturn position for all services will be reviewed against current budgets as part of the update of the Medium Term Financial Strategy to identify where current and/or future budgets may be revised to take account of the outturn for 2007/08.

DECISION

- 1. To accept the financial outturn for 2007/08 and proposed action for the Medium Term Financial Strategy; and**
- 2. To agree the capital budgets to be carried forward to 2008/09 as detailed in Appendix B.**

FINANCIAL MANAGEMENT STATEMENT 2007/08 - FULL YEAR REVIEW AS AT QUARTER 4

				ACTUAL £'000					
		Approved Controllable Budget	Adj/ Vire	Updated Controllable Budget	Full Year Spend	Budget variance Exp Adverse/ (Favourable)	Income Adverse/ (Favourable)	Allocated Vacancy Factor	Net Variance
General Fund - Business Plans									
APM	Asset Management	111.3	(148.0)	(36.8)	(138.3)	(6.7)	(94.9)	5.2	(96.4)
CMP	Corporate Management Plan	730.9	73.5	804.4	819.8	15.4	(0.0)	0.0	15.4
COR	Law & Governance	1,466.5	38.6	1,505.1	1,414.9	(95.5)	5.4	9.8	(80.4)
CUS	Exchequer & Customer Services	1,633.4	(62.9)	1,570.5	1,181.0	(183.4)	(206.1)	31.0	(358.4)
ECO	Economic Development & Rural Policy	177.2	1.9	179.1	162.2	14.1	(31.1)	2.2	(14.8)
ENV	Environmental Health	1,332.7	(96.4)	1,236.2	1,155.3	(48.0)	(32.9)	17.3	(63.6)
FIN	Financial Services	1,056.6	(735.7)	320.9	(117.7)	(33.8)	(404.8)	11.7	(426.8)
HUR	Human Resources	239.5	44.6	284.0	284.2	0.1	0.0	2.7	2.8
ICT	ICT Services	1,168.3	(103.5)	1,064.8	1,044.6	(18.8)	(1.4)	1.6	(18.6)
ORG	Organisational Development	219.4	(32.7)	186.7	183.6	(3.1)	0.0	1.0	(2.1)
DEV	Development	17.3	21.0	38.3	203.8	132.2	33.4	17.7	183.2
POL	Partnerships & Performance	511.6	(32.1)	479.6	366.0	(28.7)	(84.8)	3.9	(109.7)
PRO	Procurement	99.8	(24.5)	75.2	52.8	(28.5)	6.1	0.0	(22.4)
PHL	Public Protection & Health Living	2,297.9	67.7	2,365.6	2,351.7	(3.0)	(11.0)	11.2	(2.8)
STH	Strategic Housing	906.7	88.2	994.9	936.8	(179.4)	121.2	6.8	(51.4)
SSO	Street Scene	2,700.4	196.8	2,897.2	3,055.5	186.2	(27.9)	35.1	193.4
SUS	Sustainable Development	766.5	167.3	933.8	925.7	(10.3)	2.2	8.5	0.4
WST	Waste & Energy Management	3,424.1	60.7	3,484.7	3,248.0	95.2	(331.9)	29.1	(207.7)
	Business Plan Controllable	18,859.9	(475.6)	18,384.3	17,129.9	(195.9)	(1,058.5)	194.6	(1,059.8)
CF	Corporate Financing	1,813.0	(576.7)	1,236.3	1,617.6	69.7	311.6	-	381.3
EFF	Efficiency and Customer First Targets	(202.2)	7.5	(194.6)	-	194.6	0.0	(194.6)	-
GFC	Charges to GF Capital Projects	(373.4)	0.0	(373.4)	(394.9)	0.0	(21.5)	-	(21.5)
CBF	Net Recharge to Housing (HRA)	(2,931.2)	1,044.8	(1,886.5)	(1,918.7)	68.4	(768.3)	0.0	(699.9)
						0.0	(32.2)	-	(32.2)
Total - General Fund		17,166.1	0.0	17,166.1	16,433.9	68.4	(800.6)	0.0	(732.1)
Note (1) - Net Expenditure variance = Gross Exp variance + income variance less expected variance based on a share of the vacancy factor									
Housing Revenue Account									
HRA	Housing Revenue Account			(1,882.3)	10.3	2,406.7	(514.1)	0.0	1,892.6

Notes on Projected Full Year Variances (£10k or over)		Projected Outturn		
		Exp Variance	Income Variance	Net Exp Variance
APM	Asset Management - Net additional income from the Property rental portfolio, plus additional cost/ fee recoveries and including adjustment for prior year accrual not required for Warners Mill (£15.7k)		(81.4)	(81.4)
APM	Business Rates adjustment - Prior year adjustment relating to Lanham Green Depot	(18.9)		(18.9)
CMP	External Audit fees - Increase in fees of 3%, with additional fees for BV inspection and new charges for Use of Resources targeted work in preparation for the forthcoming comprehensive area assessments.	27.1		27.1
CMP	Corporate Management Team - various service unit budgets underspent, primarily salaries due to vacancy in year (£7k)	(13.2)		(13.2)
COR	Law & Governance - Net underspend on salaries across service due to vacant posts.	(26.0)		(26.0)
COR	Electoral services: under spend primarily as a result of unutilised extra funds provided to modernise the electoral system and processes - delayed due to preparations focused on the May elections and subsequent new councillors, as well as vacancy in the year of Electoral Manager post - see addition to reserve	(31.2)		(31.2)
COR	Civic Budgets - Civic budgets not fully utilised in 06/07 and 07/08 financial years. The intention is to add the underspend to reserves ring fenced to support an enhanced civic programme in 2008/-9, and inaugural civic awards scheme - see addition to new reserve	(12.3)		(12.3)
COR	Member Budgets - Underspends on member training (£10.6k), member computer allowances (£8.2k), member travel (£3.7k), after allowing for £34k carry forward for future member development programme.	(22.5)		(22.5)
CUS	Exchequer Services salaries - Net under spend across housing benefits, local tax collection, recovery, fraud, and cashier units. Mainly due to vacancies and the arrangements put in place after staff retirement. Includes engagement of bailiffs to collect outstanding debt, in particular HRA debt (21.3k)	(92.7)		(92.7)
CUS	Customer Contact Centre -Salaries vacancy saving £32.7k - vacancies held whilst assessment of the new ACD system takes place. £17.6k under spend on IT maintenance. Restructure currently being undertaken by the new CSC & ICT Services Manager with a £40k ongoing savings target.	(41.7)	(1.0)	(42.7)
CUS	Mailing & Messenger - £24k under spend on postage costs due to restrictions on use of first class mail and changes to the basis of postal charges. Recharges to GCH for postal services £8.8k over that estimated for Service Level Agreement.	(29.1)	(8.8)	(37.9)
CUS	Benefits Service - additional income from: overpayment recoveries £62k; Subsidy on benefits paid out £61.6k; Discretionary Housing payments grant received £21.5k; and administration subsidy £38.2k. (Note: subsidy on benefits paid out is a provisional figure and subject to software fixes to Integrated Revenues and Benefits system)		(183.3)	(183.3)
CUS	Benefit Fraud - Net additional income from administrative penalties and legal costs recovered through the courts		(13.9)	(13.9)
ECO	Community Transport - £24k over achievement of income generated by an additional driver, together with £8.9k Bus Service Operators Grant backdated to 2002 received. This is offset by £4.4k additional transport running costs and other minor overspends. Expansion of the service is required under the Corporate Action Plan meaning the purchase of an additional bus will take place in 2008/09 to expand the fleet from 6 to 7 vehicles. This is to be funded from existing Capital and Revenue resources.	6.5	(32.6)	(26.1)
ENV	Environmental Engineering - Under spend due to non filling of a vacancy prior to housing transfer.	(10.4)	(6.1)	(16.5)
ENV	Health Protection - Salary under spend due to vacancies and member of staff on career break	(34.0)	2.0	(32.0)
ENV	Licensing - Salary under spend due to full time staff working part time hours for a temporary period.	(16.3)	(3.0)	(19.3)
ENV	Public Health And Housing - Following the Greenfields transfer a requirement to reduce salary costs within Public Health And Housing was identified. Although a variance is reported for 2007/08 one member of staff has now been transferred into a vacant post within Health Protection.	13.6	(1.3)	12.3
ENV	Other Environmental Health - Additional income received from dog bins sponsorship, higher than anticipated pest control and environmental protection contracts and one off income from renovation grant recoupments	(0.9)	(24.5)	(25.4)
FIN	Financial services staffing - Appointment made at lower point than provided in budget for the post	(16.2)		(16.2)
FIN	Treasury Management - debt management cost savings £18.2k, net additional interest £404k, which includes one-off interest of an estimated £180k arising from the receipt of an exceptional amount of VAT input tax resulting from the housing transfer. This amount is net of the 50% share which will be due to Greenfields Community Housing under the transfer agreement.	(16.2)	(404.7)	(420.9)

Notes on Projected Full Year Variances (£10k or over)

BP Ref		Projected Outturn		
		Exp Variance	Income Variance	Net Exp Variance
ICT	Central ICT Budgets - Further ICT contract saving made following renegotiation of contract requirements following Housing transfer	(16.0)		(16.0)
DEV	Development Control - Consultants costs £143.5k overspent offset by £49.8k under spend on salaries. Fee income received for 2007/08 was £586k which is £54k over budget of £532k and £115k less than 2006/07. An additional £50k has been added to base budget for 2008/09 to align the budget to anticipated income levels. Statutory fee increases approved by Parliament wef 6th April 2008 indicate approx 23% increased income, i.e. £135k, of which £50k has also been added to base budget for 2008/09. Any income surplus will most likely be required to offset an income shortfall on Land Charges.	137.0	(60.1)	76.9
DEV	Land Charges - introduction of the HIPS packages in 2007 has resulted in an increase in personal searches by commercial search agencies (@ £16) and a reduction in the number of full basic searches (@ £159 net). This has resulted in an income shortfall of £92k (offset by £15k reduced payments to ECC). An amount of £120k has been provided in the budget for next year to meet the projected future impact on income from this switch in searches. However, based on average applications during the last 3 months of 2007/08 it is probable that further budgetary provision of £120k may be required. This could be partly offset by a predicted surplus of £85k Development Control income. The position will be kept under review and updated at the first quarter for 2008/09.	(22.6)	91.4	68.8
POL	Graphic Design & Printing Services - Additional income from internal jobs and recharges to Greenfields.	(12.9)	(69.5)	(82.4)
POL	PACT contribution - for Council support given for the year.		(15.0)	(15.0)
POL	Corporate Policy salaries - Under spend Local Strategic Partnership co-ordinator post	(16.3)		(16.3)
PRO	Procurement - Reduction in Marketplace, the on-line ordering system, subscription + inherent base budget saving 38.2k, income rebated from hub less than estimated	(28.6)	6.2	(22.4)
PHL	Cultural Services - Salary overspend £24k mainly due to £19k net cost of restructure approved by Cabinet (incl. one off pension costs) + other minor overspends across Arts Development, Museum and Tourism. Business Efficiency review currently being undertaken by Alexander Consulting.	35.7	0.0	35.7
PHL	Sports Development - Successful bid to Sport Essex for £4,325 pa for 3 years for sports coaching for Football & Basketball. This offsets some existing coaching costs resulting in an underspend of the service.	5.9	(10.8)	(4.9)
PHL	Young Peoples Services - officer time was largely focussed on an application to the Big Lottery Fund for 'Baintree at Play'. This was successful in achieving a grant award of £97,217 towards projects costing £224,000 involving 3 organisations. This focus meant that existing budgets were underspent during 2007/08.	(20.6)	(1.5)	(22.1)
STH	Welfare Rights - Salary underspend due to maternity leave of service manager, which is being covered by existing staff as an interim measure.	(29.5)		(29.5)
STH	Research & Development - Salary underspend due to vacant posts in early part of the year, which have now been filled on lower hours / points.	(9.3)		(9.3)
STH	Supporting People - Prior to the assignment of the supporting people contract to Greenfields, a reconciliation exercise has been undertaken with ECC on both client and pricing. This has identified previous year overpayments by ECC, the outcome of which is still to be finalised and against which a provision of £100k has been set aside. Under spend on expenditure reflects a lower contract payment to the Primary Care Trust, and lower contribution to the HRA for Craig House as expenditure was less than anticipated.	(22.2)	121.6	99.5
STH	General Fund contribution to HRA for shared amenities - A lower contribution is required due to under spend against estates maintenance budgets in the HRA as well as a proportional reduction to reflect the housing transfer.	(114.5)		(114.5)
SSO	Parks And Open Spaces - Higher operational and maintenance costs partly offset by increased income including from ECC for Highway verges. Maintenance costs are incurred across a range of issues, including: handrails, signage, fencing repairs, bollards, etc.	90.0	(24.7)	65.3
SSO	Cemeteries - New contract cleaning charges following the building of additional toilets plus inherent shortfall in grounds maintenance and grave digging budget.	47.1	(6.3)	40.8
SSO	Discovery Centre - Inherent reported shortfall of budget against net operational costs. Due to a delay in ECC taking over the Centre a further loss of income has arisen due to no bookings being taken from the date of the originally proposed transfer	18.0	54.8	72.8
SSO	Horticultural Services - Saving on salary costs due to vacancies (including not taking on apprentices)	(40.1)	(9.8)	(49.9)
SSO	Street Cleansing - A saving on salaries due to vacancies. Additional income mainly from a new SLA with Greenfields.	(34.8)	(36.5)	(71.3)

Notes on Projected Full Year Variances (£10k or over)

BP Ref		Projected Outturn		
		Exp Variance	Income Variance	Net Exp Variance
SSO	Community Wardens - Savings on fleet and other expenditure due to lower than anticipated operating costs for the scheme. Additional income receivable from Essex Police as contribution towards shared vehicle costs	(31.4)	(13.4)	(44.8)
SSO	Car Parks - Additional costs include employing a consultant to review potential partnership working with other authorities and from insurance claims. Income variance is due to significant forecasted shortfalls in pay and display income £90k and off street PCN income £38k although this is partly offset by forecasted additional season ticket income £20k, On Street PCN's £24k and ECC DPE deficit support of £63k.	23.1	17.5	40.6
SSO	Public Halls - A saving on salaries due to vacancies.	(15.2)	2.7	(12.5)
SSO	Concessionary Fares - Take up of free bus pass significantly greater than previously forecasted. There are still a number of operator appeals to be settled which may subsequently change the costs being reported. A reserve was set up at the end of last year due to continuing uncertainties over the concessionary travel scheme, however, at the present time the projected over spend is being offset against the corporate position for the year rather than applying any of these funds. A one off grant has been received from the Department Of Transport (£65k) which is for the purpose of setting up a smartcard system ahead of the introduction of the National Scheme in April 2008. However, the costs to Braintree in 0708 were £22k. The surplus has been retained to fund ongoing unbudgeted smartcard costs in future years rather than being reported as an under spend within the corporate position	113.3	(3.2)	110.1
WST	Refuse & Recycling - Income variance includes a 'one off' £200k additional grant income from ECC following a decision to transfer the disposal locations of residual and green waste. Additional income variances resulted mainly from trade waste contracts, and the sale of recyclable materials. Expenditure variances include higher vehicle operating costs partly offset by lower labour costs due to vacancies and lower promotional expenditure due to the receipt of 'WRAP' external grant monies. A Business Efficiency Review (BER) is in progress and is due to report in June 2008. This will recommend options on the future service provision and by implication the long term budgetary requirements. In view of this, the replacement of vehicles has been deferred and short term decisions reached which include extending the use of existing vehicles where these are serviceable and using the spot hire market.	66.5	(268.4)	(201.9)
WST	Fleet Management Service Unit - Saving on salary costs due to vacancy following retirement of previous member of staff partly offset by additional fuel issues to Greenfields. Extra income from the recovery of costs including the recharge of fuel issues to Greenfields	(5.8)	(17.8)	(23.6)
WST	Waste Services Management & Admin - A saving on salaries due to vacancies	(15.8)	0.0	(15.8)
WST	Cordons Farm - Increases in operating costs offset by additional income from the HRA	38.9	(40.9)	(2.0)
CF	Unapportionable Overheads - Payment to the Pension fund anticipated to be slightly higher than estimated, more than offset by contribution due from HRA	10.2	(59.7)	(49.5)
CF	Earmarked Reserves - The net transfer to reserves is higher than reflected in the updated budget as result of decisions made at the 3rd Quarter Review to earmark funds from the corporate under spend to meet the following: £100k addition to the Invest to Save reserve; £160k to fund an interim director for a period of two years; £30k to meet one-off costs associated with extending the recycling service in 2008/-9; £50k to fund carbon emission reduction projects; and £10k to support a feasibility review at the Discovery Centre for an all weather sports pitch. Further additions have been made to reserves to reflect the underspend on the elections service (£24.5k) and civic budget (13.3k) (both reported on above). A drawdown from the Building Control Reserve has been provided to match the deficit on the fee earning account recorded for the year (-£8.9k).		377.9	377.9
CF	Corporate Provision for Doubtful Debts - A review of outstanding debt at the end of the year has indicated that a reduction in the corporate provision can be made - the total amount outstanding at the end of the year for non-housing/ benefit debt, was £**m against which a total provision has been made for non-collection of £250,000	(17.0)		(17.0)
CF	Revenue contributions to capital - Acquisition of a tractor (£26.7k), which was originally intended to be leased, however, as no further assets for lease had been purchased within 6-months the relatively small value was unlikely to attract a favourable lease rate and therefore the asset has been funded outright by revenue contribution to capital. The impact will be to reduce future year plant leasing costs that can be re-invested to meet the higher demands on the plant leasing and replacement budgets. The balance is a further revenue contribution to capital to meet the reimbursement cost of ICT/ telephone systems that have been provided at the new Braintree Pool by the leisure management operator.	84.2		84.2

Notes on Projected Full Year Variances (£10k or over)

BP Ref		Projected Outturn		
		Exp Variance	Income Variance	Net Exp Variance
CBF	Net Charges Between General Fund and other Funds (HRA and Capital)		(53.7)	(53.7)
	Sum of other minor variances across all services	(9.3)	(22.9)	(32.2)

HRA:

	Estates Maintenance/ GF contribution to Shared Amenities - lower spend than anticipated offset by reduction in the amount recharged to the General Fund	(153.8)	44.8	(109.0)
	Pilot Schemes - This budget was a form of "contingency" to trial new initiatives on housing matters.	(45.2)		(45.2)
	Housing Management - Interim manager backfilling for staff transferred to the Greenfields set-up team	69.9		69.9
	Management - Refund of insurance premia negotiated from the Council's insurers. Other income reflects ground rents, wayleaves, and small capital receipts	(87.8)	(37.6)	(125.4)
	Pension Fund - Post-transfer the HRA is still being charged with a cost to reflect its share of the deficit related to staff who have left/ retired prior to housing transfer. A recharge has also been made where staff retired during 2007/-8 according to the proportion that they worked on HRA related activities.	172.7		172.7
	Major Repairs Allowance/ Capital Charge - the statutory charge for capital is less than anticipated in the revised budget.	(85.9)		(85.9)
	Dwelling/ non-dwelling rental income - Higher level reflecting lower number of housing sales and the extended operation of housing units e.g. College and Craig house		(108.7)	(108.7)
	Revenue contribution to capital - Contribution to capital reflects the actual spend on the housing programme, which was over budget by £337,409, plus funding of the LSVT levy of £1.073m	1,454.1		1,454.1
	Housing subsidy - Housing subsidy payable to DCLG higher than anticipated due to a positive LSVT receipt which is taken into account when determining interest income offset in the subsidy calculations, offset by the full-year premia charge (see below)	227.7		227.7
	Premia - Full-year charge for amortised premia that was originally paid on debt rescheduling. The additional charge is taken into account in the subsidy final calculation as per item above.	463.9		463.9
	Interest on balances/ capital - Until the HRA is formally closed the account will continue to attract full-years interest on it balances		(412.6)	(412.6)
	Provision for bad debt - Net movement on bad debt provision after taking account of the debt assigned/ written off at transfer date. The council continues to hold the debt of former tenant arrears, court cost recoveries, void property and other recharges billed up to date of transfer	80.9		80.9
	Provision for disrepair claims - There is no requirement to hold a provision for disrepair claims post housing transfer.	(74.7)		(74.7)
	Maintenance expenditure - Expenditure on responsive repairs higher than profiled £123k. Specialist repairs higher £67k (mainly on gas servicing offset by underspend on electrical works). Void and planned works +£58k	248.7		248.7
	Charges from other funds - Charges to the HRA from the GF are higher than anticipated in the profiled budget to transfer date. This reflects that certain service areas continue to support the HRA post-transfer, e.g. financial services, treasury management activities etc.	128.3		128.3
	Net other under spend across remaining HRA services	8.0		8.0

**FINANCIAL MANAGEMENT STATEMENT 2007/08 - Quarter 4
CAPITAL PROGRAMME**

APPENDIX C

	Budget 2007/08 £	Actual Spend 2007/08 £	Variance to Profile 2007/08 £	Proposed Slippage to 2008/09 £	Net Variance 2007/08 £
General Fund					
New Swimming Pools	3,834,820	3,585,354	-249,466	249,470	4
Community Halls	1,318,920	1,266,236	-52,684	86,280	33,596
Sports and Leisure Centre	922,870	481,264	-441,606	278,950	-162,656
Playgrounds	565,050	554,717	-10,333	0	-10,333
IT / eGovernment projects	432,060	239,535	-192,525	168,340	-24,185
Council Offices	331,480	165,418	-166,062	112,280	-53,782
Industrial Units/Land	326,600	3,825	-322,775	250,000	-72,775
Cemetries	301,810	122,093	-179,717	218,260	38,543
CCTV	185,500	0	-185,500	185,500	0
Parks and Open Spaces	173,620	87,078	-86,542	88,170	1,628
Local Committees	150,000	5,000	-145,000	150,000	5,000
Cycleways	210,630	115,865	-94,765	115,040	20,275
Discovery Centre & Car Park	107,550	32,045	-75,505	75,510	5
Town Hall and Museums	101,050	123,217	22,167	0	22,167
Rural Development Fund	73,030	60,924	-12,106	12,110	4
Urgent Council Asset works	57,880	22,612	-35,268	20,000	-15,268
Witham Technology Centre	50,000	50,000	0	0	0
Braintree Town Centre improvements	51,590	28,532	-23,058	23,060	2
Equipment	19,670	9,306	-10,364	0	-10,364
Purchase of Vehicles	122,970	141,902	18,932	0	18,932
Fire Risk,Asbestos and Condition Surveys	33,430	-0	-33,430	33,430	-0
Pedestrian Schemes	0	0	0	0	0
Car Parks	20,000	11,275	-8,725	0	-8,725
Waste Management & Recycling	20,000	29,421	9,421	0	9,421
Environmental Health - Grant to RSPCA	10,000	10,000	0	0	0
Capital Salaries	350,000	392,158	42,158	0	42,158
Total - General Fund	9,770,530	7,537,777	-2,232,753	2,066,400	-166,353
Housing Investment					
Housing Grants - Private Sector	958,100	764,543	-193,557	193,557	0
Social Housing Grants	1,585,900	65,356	-1,520,544	1,520,544	0
Choice Based Lettings	78,000	0	-78,000	78,000	0
Works to Council Houses and Estates	4,294,589	4,631,998	337,409	0	337,409
Total Housing Investment	6,916,589	5,461,897	-1,454,692	1,792,101	337,409

Narrative for Quarterly Report

General Fund

At the end of the 4th quarter the overall programme was £2.2M below budget due to the following project areas :-

New Swimming Pools	-249,466	Spend is behind budget due to the contract completion being behind programme. The original completion date was August 2007, however handover did not take place until March 2008. Proposed c/fwd of £249k.
Sports and Leisure Centre	-441,606	Bramston Sports Ground £183k underspent - dispute with ECC on fees and shared contract costs continuing to be negotiated, offer made to ECC in January 2008 but no response from ECC - delays to demolition of old pavillion preventing football pitch reinstatement. Approx £70k remaining for football pitch but indications of cost up to £250k - proper estimate still required. Further dispute on final account with contractor (Jackons) - awaiting information from Architects and QS. Proposal to c/fwd £183k. Bramston SC £148k underspent - Improvements awaiting outcome of Bramston review - budget not carried forward as provision for urgent repairs and as £450k already approved for 2008/09. Halstead Leisure Centre Improvements (-£70k) - delays to car park & floodlight works due to staff resource concentrating on the new Braintree Pool - proposal to c/fwd £70k.
It Projects / E-Government	-192,525	Electronic Storage (EDRMS) £107k underspent - project required review - £76k proposed c/fwd to complete project by October 2008 Siebel Development £50k underspent - spending held pending review of CSC - now proposed to be c/fwd to fund replacement servers as current servers are experiencing performance problems. Completion October 2009
Council Offices	-166,062	Causeway House £54k underspent - scope of project changed resulting in lower overall cost Millenium Towers £112k underspent - proposed to be carried forward to undertake essential drainage works to the yard.
Industrial Units/Land	-322,775	Harrison Dr/Driberg Way £123k underspent - adoption costings exceeded budget - essential repairs now being planned to be completed during 2008 - proposed c/fwd of £50k Springwood Drive - Contribution towards road adoption works £200k underspent - awaiting on ECC acquiring site before we can undertake adoption works in partnership with ECC - however there is no clear indication of when this project will commence. Proposed c/fwd of £200k.
Cemeteries	-179,717	Bocking Cemetry Extension £200k underspent offset by £38k overspend on Cemetry improvements - site for Bocking extension now identified and negotiations with landowners taking place during 2008 - extension required by 2011. Proposed c/fwd of £200k.
CCTV	-185,500	New digital CCTV system delayed during year due to review of requirements in three town centres. Works to be undertaken during 2008/09 - proposed c/fwd £185k.
Parks and Open Spaces	-86,542	Parks for People bid £45k underspent - bid for match funding continuing during 2008/09 - proposed c/fwd £45k
Local Committees	-145,000	Underspend proposed to be c/fwd to add to £150k approved Capital for 2008/09. Locailty Coordinators currently working on encouraging bids of a capital nature.
Cycleways	-94,765	Blackwater Rail Trail £91k underspent - funded from ECC Highways monies received during 2007/08. - proposed cycleways c/fwd total £115k.
Discovery Centre & Car Park	-75,505	Countryside S106 monies underspent in 2007/08 - under transfer agreement with ECC any unspent monies will be transferred to ECC.
Capital Salaries	42,158	
Other Minor Variances	-135,448	
	-2,232,753	

Of this underspend, there are requested carry forwrad totalling £2.066M, leaving a net underspend of £166,000

Housing Investment Schemes

At the end of the 4th quarter the overall programme was £1.45M underspent, of which £337k related to overspends on HRA stock due to the following areas :-

Void Modernisations	144000
Windows	109000
Other	84,409
	337409

Capital Programme 2007/08 - Proposed Carry Forwards to 2008/09					
Project	Project Managers Proposed Slippage to 2008/09	Works in Progress	Works not Started	Proposed Carry Forwards	Notes
	£	£	£	£	
General Fund					
Adoption work at Harrison Drive/Driberg Way.	122,780		122,780	50,000	Adoption costings have significantly exceeded the budget available. We are now intending to carry out essential repair works to these roads.
Adoption works Springwood Drive, Braintree.	200,000		200,000	200,000	Related to proposed new Civic Amenity Site at end of Springwood Drive. Awaiting ECC acquiring site before adoption works can commence in partnership with ECC. There is no clear indication when this project will commence.
Causeway House - Improvements & refurbishment.	53,790		53,790	-	Part of overall redesign that releases up space for rental & creates better customer reception. Project Manager has suggested that under spend is carried over to finance any office moves and improvements next year.
Millenium Tower - Improvements	112,280	112,280		112,280	C/fwd underspend for works still to be carried out
Provision for urgent works to Council assets.	35,270		35,270	20,000	Silver End Village Hall (re Sharon Wood) needs urgent work to boiler support and works to prevent flooding of the basement which houses the boiler. Estimate for boiler support (Beardwells) £13,235 + vat - (Max £20k allowed)
Asbestos Removal	15,000		15,000	15,000	Contingency provisions
Fire Risk Assessments - works identified phased over two years.	18,430		18,430	18,430	Contingency provisions
Asset Management	557,550	112,280	445,270	415,710	
Community Transport - Replacement vehicle.	8,050		8,050	-	
Local Ctee Btree	65,000	2,465	62,535	65,000	further £65k budget allocation approved for 2008/09
Local Ctee Witham	45,000	5,000	40,000	45,000	further £45k budget allocation approved for 2008/09
Local Ctee Halstead	40,000	39,634	366	40,000	further £40k budget allocation approved for 2008/09
Economic Development	158,050	47,099	110,951	150,000	
CCTV Upgrade.	185,500		185,500	185,500	Works to be undertaken during 2008/09
Exchequer & Customer Services	185,500	-	185,500	185,500	
Replacement PC programme	25,000		25,000	25,000	To be spent during 2008/09 - all PCs to be updated to Office 2003 to ensure all software continues to be supported. Timescale for Completion March 2009
Siebel Development	49,900		49,900	49,900	To be spent during 2008/09 - this is due to fund the requirement for new servers. These servers are coming to the end of their life, they are currently 5 years old, and are beginning to experience performance issues. The recommendation from Serco is that these servers are upgraded. A freeze was put on the spending of this budget, to re-assess the priorities for the Customer Service Centre. Timescale for Completion October 2009

Capital Programme 2007/08 - Proposed Carry Forwards to 2008/09					
Project	Project Managers Proposed Slippage to 2008/09	Works in Progress	Works not Started	Proposed Carry Forwards	Notes
	£	£	£	£	
Deployment Of Edrms (Ph3 & 4) - IDOX	75,710		75,710	75,710	The EDRMS project, has now been rolled out across the organisation, so that all services have been provided with a proof of concept that they can then develop. The Environmental Health category has had significant difficulties with integration, but this is near completion. The remaining costs that are committed relate to back-scanning of documents and rolling out. Test system for IDOX - Latest release of software for IDOX- Env. Health module- Other minor developments underway, including Staff Records, Audit, Insurance and Procurement. It is anticipated that further developments will be as requested by departments, and bid for as part of a business case. Timescale for Completion of current departments October 2008
I-Con & Website Dev (Ph2-Ph4) - E Bookings	17,730	17,730		17,730	Review of the Council's website to increase the number of transactions available online (potentially online e-bookings). Introduce a look up function for Waste and Recycling on the website. Timescale for Completion August 2008.
ICT Services	168,340	17,730	150,610	168,340	
Rural Communities Development Fund.	12,110	12,110		12,110	£12.1k Capital & £34.3k Revenue carried forward - total £46.4k - against Grant Approvals
PPHL - Cultural/Other	12,110	12,110	-	12,110	
Braintree Swimming Pool.	249,470	249,470		249,470	Budget fully required to meet Final Account. Note currently no provision has been made for meeting an extension of time claim from the contractor and associated professional fees.
Stevens Road, Witham - Artificial Pitch and Changing Facilities.	148,010	148,010		148,010	Final account still awaited
Stevens Road, Witham - Boundary fence replacement.	35,000		35,000	35,000	To be completed by March 2009 - planning application to be submitted June 08
Bramston Sports Centre - Refurbishment of changing rooms.	3,040		3,040	-	Earmarked for extractor fan for Bramston male & female wetside changing rooms.
Bramston Sports Centre - Improvements 07-08	145,190		145,190	-	Contingency sum for emergency works on Bramston. May be additional cost incurred on other leisure projects which the Project Manager has suggested this sum could be used against.
Halstead Leisure Centre - Improvements.	69,750		69,750	69,750	Planned extension of car park and barrier to be completed by March 09 and replacement floodlighting to be completed by September 08
Braintree Leisure Centre - Improvements.	7,920		7,920	7,920	Earmarked for BLC boiler replacement O/s costs £3k (blanking boards/kerbing for jump pits) & £5k (steepchase) & £1k (signage) - £5.7k (retention) - Total o/s approx £15k
Braintree Leisure Centre - Athletics Track.	18,270	18,270		18,270	
PPHL - Leisure	676,650	415,750	260,900	528,420	
Witham Public Hall - Improvements.	9,930	9,930		-	The main hall needs to be redecorated. The lighting in the main hall is out of character and needs to be replaced to address the carbon footprint of the building. There are some internal alterations that could be beneficial to the use of the hall and its profitability, but this might involve us in renegotiating our terms and conditions to benefit the Council. The seating for the theatrical productions needs to be replaced. The removal of the disused oil tank at the rear to provide more space for dressing rooms - new bid required.

Capital Programme 2007/08 - Proposed Carry Forwards to 2008/09					
Project	Project Managers Proposed Slippage to 2008/09	Works in Progress	Works not Started	Proposed Carry Forwards	Notes
	£	£	£	£	
The Institute, Braintree - Improvements.	8,200	8,200		8,200	Resurfacing of front car park required from c/fwd. Additional works required to resurface rear car park and replacement of chairs at approx £30k - (new bid required)
Spring Lodge Community Hall - Refurbishment.	16,000	16,000		16,000	Dispute with contractor on works carried out - all certs paid other than retention approx £16k (to be paid shortly).
Silver End V. Hall First Floor	55,083	55,080		55,080	Based on provisional final account
Rivenhall Community Facilities	7,000	7,000		7,000	£7k retention to pay
Bocking Cemetery Extension	200,000		200,000	200,000	1 - We have now received a written report from the Environment Agency which indicates that the proposed site of the new extension to the cemetery is very likely to be suitable for use as a burial ground 2 - On this basis we have instructed Estates & Valuations to open negotiations with the landowner for the purchase of the site 3 - At the present rate of burials taking place in the Braintree area it is estimated that this new extension will be required by the end of 2011 so we need to proceed with the project as planned
Closed Churchyards - Repairs to boundary walls.	18,260	18,260		18,260	St Marys Church, Bocking - Work to start April 2008 - final costs difficult to estimate as state of wall unknown
Parks for People - Stage 1 Bid (Witham Park)	45,280	45,280		45,280	Preparatory Work for Bid for Match Funding - these costs are not claimable from Heritage Lottery Fund
Discovery Centre - Internal conversion, conservatory extension, access road & car park resurfacing, disabled link to PARC & footpath to bridleway (Fritch Way).	75,510	75,510		75,510	Any underspend to be handed to ECC as part of transfer agreement (Funds provided from s106 Agreement)
Street Scene	435,263	235,260	200,000	425,330	
Fritch Way	7,190	7,190		7,190	s106/ 3rd Party contributions towards scheme
Maltings Lane.	8,600	8,600		8,600	s106/ 3rd Party contributions towards scheme
Marks Farm/Beckers Green	890	890		890	s106/ 3rd Party contributions towards scheme
Blackwater Rail Trail	91,150	91,150		91,150	s106/ 3rd Party contributions towards scheme
Footpath/ Cycleway Panfield Lane	7,210	7,210		7,210	s106/ 3rd Party contributions towards scheme
Street Furniture & Cyclway Maintenance	8,060	8,060		8,060	
Silver End Park (New Toilet)	42,890	42,890		42,890	Works to achieve Green Flag award
St Michael's Fountain 07-08	15,000		15,000	15,000	H&S - Some temporary making good has taken place to paving damage around the fountain but permanent repairs are needed of a high quality as befits this prestigious site. DDA - the ramp for Fountain Court is DDA work - at present, CAB seem to be making do with a portable ramp to access wheelchairs but a permanent solution is required including modification of cobblestone paving just in front of the main entry to CAB
Sustainable Development	180,990	165,990	15,000	180,990	
Total General Fund	2,374,453	1,006,219	1,368,231	2,066,400	
Housing Investment Programme					
Private Sector Grants	193,557	193,557		193,560	
Local Authority Social Housing Grants	1,520,544		1,520,544	1,520,540	
Choice Based Lettings	56,000	56,000		56,000	Grant funding of £22k in addition to this budget allocation is currently being held by the lead authority on this project

Capital Programme 2007/08 - Proposed Carry Forwards to 2008/09					
Project	Project Managers Proposed Slippage to 2008/09	Works in Progress	Works not Started	Proposed Carry Forwards	Notes
	£	£	£	£	
Total Housing Investment Programme	1,770,101	249,557	1,520,544	1,770,100	