

# COUNCIL BUDGET - MONTH 10 2009/10

## REVENUE AND CAPITAL MONITORING

<b>Cabinet Member</b>	Councillor Jonathan Bianco
<b>Cabinet Portfolio</b>	Finance and Business Services
<b>Report Author</b>	Paul Whaymand, Finance and Resources
<b>Papers with report</b>	None

### HEADLINE INFORMATION

<b>Purpose of report</b>	<p>The report sets out the council's overall 2009/10 revenue &amp; capital position, as forecast at the end of Month 10 (January). The in year revenue position on normal activities is forecast as being £59k more net expenditure than budgeted, a favourable movement of £194k on the Month 9 position. Exceptional items are unchanged with a favourable variance of £1,706k. The net consequence to date is that the overall revenue position is now forecast to be £1,647k less net expenditure than the revised budget, a favourable movement of £194k on Month 9.</p> <p>Total forecast capital expenditure for the year is estimated to be £83,657k (£83,461k month 9), which is £5,490k less than the latest budget.</p>
<b>Contribution to our plans and strategies</b>	Achieving value for money is an important element of the Council Plan for 2009/10.
<b>Financial Cost</b>	N/A
<b>Relevant Policy Overview Committee</b>	Corporate Services and Partnerships
<b>Ward(s) affected</b>	All

### RECOMMENDATIONS:

That Cabinet:

1. Notes the forecast budget position for revenue and capital as at Month 10.
2. Notes the treasury management update in Appendix B.
3. Approves the revised parking fees & charges for 2010/11 set out in Appendix C
4. Approves the allocation of £18k from General Contingency to fund the Civic Centre Alfresco dining area.
5. Approves the allocation of £200k from balances earmarked with effect from 1 April 2010 for business improvement investment for the HIP Business Improvement Delivery Project and authorises the Appropriate Delegated Officer to accept tenders or contracts for the services of consultants in respect of this project in consultation

with the Cabinet Member for Improvement, Partnership and Community Safety and within the budget available.

6. Notes the virement from Property Enhancement Programme of £80k for the Stables Manor Farm Redevelopment Project in Planning and Community Services.
7. Notes the change of name of the Company that were awarded the Welfare Vehicle Purchase contract at February Cabinet as set out in paragraph 2 of this report.

## **INFORMATION**

### **Reasons for Recommendations**

1. The reason for the monitoring recommendation is to ensure the Council achieves its budgetary objectives. The report informs Cabinet of the latest forecast revenue and capital position for the current year 2009/10.
2. Cabinet provided approval at February cabinet for the purchase of 8 welfare vehicles with the supplier UVM. Between the tender evaluation and cabinet approval the parent company of UVM decided to restructure the business and re-package the welfare vehicle arm of the organisation under the name "Treka". Accordingly, the 8 welfare vehicles approved in February cabinet will now be supplied through Treka Bus Limited under the same terms and conditions as approved by Cabinet in February. Treka remain under the umbrella of the ultimate parent company, AssetCo plc and this is been independently validated. To ensure financial risks are managed appropriately payment will not be made to Treka until vehicles are delivered to, and accepted by, the Council.

### **Alternative options considered**

3. There are no other options proposed for consideration.

## **SUMMARY**

### **A) Revenue**

4. The in year revenue position on normal activities is forecast as being £59k less net expenditure than budgeted, a favourable movement of £194k on the Month 9 position. This is largely due to a favourable movement in the Learning Disability services (-£218k) netted down by an adverse movement of £60k arising from commitments against the Contingency.
5. However, exceptional items have unchanged from Month 9. This still comprises the ongoing government underfunding of asylum of around £3m per annum. The other previously reported exceptional item of £1m relating to the in-year savings programme also remains unchanged. The net consequence to date is the overall revenue position forecast is £1,647k less net expenditure than the revised budget, a favourable movement of £194k on Month 9.
6. The most significant pressures for which contingency provides are in relation to Asylum spend, Transitional Children, Homelessness and Mental Health pressures. At Month 10 total pressures are forecast to be £1,532k more than the contingency budget provides, an adverse movement of £60k from Month 9. This adverse movement is due to movements of £37k on Planning income, an additional £5k for NOTRAG and the recommendation to fund the Alfresco dining area (£18k) from contingency. The remainder of the pressure (£1,569k) is still due to the forecast asylum spend being more than the contingency provides.
7. Capital financing costs are still forecast to underspend by £120k as a result of debt refinancing work undertaken at the start of the year.

8. The balances brought forward at 31st March 2009 were £16,234k. £3,540k of this sum was applied in support of the 2009/10 budget as part of the budget strategy agreed at Council Tax setting. The additional £694k of balances in excess of the £12,000k target level of balances brought forward into 2009/10 was earmarked for potential business efficiency investment. £200k of this sum was allocated to assist the Business Improvement Delivery (BID) project in Month 7. A further £200k is now forecast as required to continue Business Analyst activity through to June 2010. This will leave £294k for further potential drawdown to support BID during the course of 2010/11. The forecast general balances as at 31st March 2010 based on the current forecast underspend of £1,647k are £13,647k.

## **B) Capital**

9. Total forecast capital expenditure for the year is estimated to be £83,657k (£83,461k Month 9), £5,490k less than the latest budget. The projections assume that the remainder of contingency will not be drawn down.
10. The £8,800k budgeted level of capital receipts for 2009/10 will not now be delivered in full. Receipts are now likely to be in the region of £1,200k due to the rephasing of sales into the next financial year when market conditions are expected to improve.
11. The net effect of the reduction in forecast capital receipts and the rephasing on the programme is an increase in the forecast use of unsupported borrowing to £29,976k (£29,918k month 9). The supported borrowing forecast is currently £3,066k.

## A) Revenue

12. Table 1 indicates the overall impact of the expenditure forecasts now reported on the approved budget and the resulting balances position.

**Table 1**

2009/10 Original Budget	Budget Changes		2009/10 (As at Month 10)		Variances (+ adv/- fav)		
			Current Budget	Forecast	Variance (As at Month 10)	Variance (As at Month 9)	Change from Month 9
			£'000	£'000	£'000	£'000	£'000
217,419	-6,744	Directorates Budgets on normal activities	210,675	210,854	+179	+373	-194
-25,844	5,744	Corporate Budgets on normal activities	-20,100	-20,220	-120	-120	0
<b>191,575</b>	<b>-1,000</b>	<b>Sub-total Normal Activities</b>	<b>190,575</b>	<b>190,634</b>	<b>+59</b>	<b>+253</b>	<b>-194</b>
1,210	0	Exceptional Items - Asylum	1,210	2,779	+1,569	+1,569	0
	1,000	In-year recovery savings	1,000	0	-1,000	-1,000	0
	0	Creditors review		-2,275	-2,275	-2,275	0
<b>1,210</b>	<b>1,000</b>	<b>Sub-total Exceptional Items</b>	<b>2,210</b>	<b>504</b>	<b>-1,706</b>	<b>-1,706</b>	<b>0</b>
<b>192,785</b>	<b>0</b>	<b>Total net expenditure</b>	<b>192,785</b>	<b>191,138</b>	<b>-1,647</b>	<b>-1,453</b>	<b>-194</b>
<b>189,245</b>	<b>0</b>	<b>Budget Requirement</b>	<b>189,245</b>	<b>189,245</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>3,540</b>		<b>Net total</b>	<b>3,540</b>	<b>1,893</b>	<b>-1,647</b>	<b>-1,453</b>	<b>-194</b>
<b>-16,234</b>		<b>Balances b/f 1/4/09</b>	<b>-16,234</b>	<b>-16,234</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>0</b>		<b>Transfer to earmarked reserves</b>	<b>694</b>	<b>694</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>-12,694</b>	<b>0</b>	<b>Balances c/f 31/3/10</b>	<b>-12,000</b>	<b>-13,647</b>	<b>-1,647</b>	<b>-1,453</b>	<b>-194</b>

## Directorates' Forecast Expenditure Month 10

13. Table 2 shows further details on the budget, forecast and variance at Directorate level now reported. Further detail on each directorate is shown in Appendix A.

**Table 2**

2009/10 Original Budget	Budget changes	2009/10 Current Budget (as at Month 10)	Directorate	2009/10 Forecast (as at Month 10)	Variances (+ adv/- fav)		
					Variance (As at Month 10)	Variance (As at Month 9)	Change from Month 9
£'000	£'000	£'000		£'000	£'000	£'000	£'000
84,879	-10,114	74,765	Adult Social Care, Health & Housing	75,136	+371	+642	-271
37,274	-4,833	32,441	Environment & Consumer Protection	32,452	+11	-7	+18
57,577	-9,061	48,516	Education & Children's Services	48,516	0	0	0
13,810	-4,876	8,934	Planning & Community Services	8,958	+24	+25	-1
15,179	22,747	37,926	Central Services	37,926	0	0	0
6,900	-40	6,860	Developments Contingency	6,823	-37	-97	+60
0	0	0	Pay Award	-190	-190	-190	0
1,800	-567	1,233	Growth to be allocated	1,233	0	0	0
<b>217,419</b>	<b>-6,744</b>	<b>210,675</b>	<b>Sub-Total</b>	<b>210,854</b>	<b>+179</b>	<b>+373</b>	<b>-194</b>
			<b>Exceptional items:</b>				
1210	0	1,210	Exceptional pressure: Asylum funding	2,779	+1,569	+1,569	0
0	1000	1,000	In-year savings	0	-1,000	-1,000	0
0	0	0	Creditors review	-2,275	-2,275	-2,275	0
<b>1,210</b>	<b>1,000</b>	<b>2,210</b>	<b>Sub-Total</b>	<b>504</b>	<b>-1,706</b>	<b>-1,706</b>	<b>0</b>
<b>218,629</b>	<b>-5,744</b>	<b>212,885</b>	<b>Total</b>	<b>211,358</b>	<b>-1,527</b>	<b>-1,333</b>	<b>-194</b>

14. **Adult Social Care, Health & Housing** are projecting a **pressure of £371k** as at Month 10, a favourable movement of £271k. This is due to a continuation in the trend for an increasing demand pressure on Mental Health and Older Peoples Services which are now forecasting pressures of £504k and £599k respectively. However there is an increased favourable variance in the Learning disability service of £605k reflecting care packages for new and transitional clients starting later. This forecast excludes sums for which contingency provides for Transitional Children (£1,675k), Mental Health Services (£450k) and Homelessness (£1,300k).

15. **Environment & Consumer Protection** are forecasting a **pressure of £11k** as at Month 10, an adverse movement of £18k. There is a pressure of £95k in the Street Cleansing service and residual costs and loss of economies of scale on Harlington Road Depot (£169k) net of actions being taken to reduce costs. There is still a pressure being forecast in the Street scene locality team due to the enhanced scheme activity and now a pressure in Off-Street Car parking (£35k) due to the adverse impact from the severe weather conditions. Savings are forecast in Waste Disposal (£300k) and Trade waste (£40k) which offset these

pressures. This forecast excludes the additional amount for the Waste Disposal Levy (£720k), Waste and Recycling services (£200k) and Vehicle Fuel costs (£85k) which are contingency items, where the forecasts are in line with the original budgeted amounts. There is now an additional contingency item of £50k required to cover the increased costs of the winter gritting.

16. **Education & Children's Services** are forecasting a **nil variance** as at Month 10 on normal activities. The remainder of the unallocated recovery savings have now been applied to the individual service areas. The E&CS position excludes the pressure on asylum (£2,199k) and Exhausted All Appeal cases (£580k) which are being treated as contingency items. The Month 10 forecast for asylum represents a pressure of £1,569k on the contingency budget assumptions, no change from Month 9.
17. **Planning & Community Services** are projecting a **pressure of £24k** as at Month 10, an improvement of £1k on Month 9. An adverse movement of £24k in the Arts Service due to pressures on income streams is offset by a £25k favourable forecast movement in Planning & Transportation. The Group position excludes pressures on Development Control (£519k), Building Control (£178k) and Land Charges (£749) income and Golf (£262k) for which contingency provides. In total there is currently a forecast pressure of £236k on these contingency funded items, an adverse movement of £37k on Month 9. There is also an additional call on contingency of £60k for the ice rink as reported in month 9.
18. **Central Services** are forecasting a **nil variance** as at Month 10. There are gross pressures totalling £302k within Finance & Resources including an ongoing pressure of £172k on income streams from commercial properties, a shortfall of £44k on income from schools buy back of Facilities Management services and £56k on income from the hire of the Middlesex Suite and a pressure of £30k due to maintaining and keeping secure surplus properties prior to their disposal. These pressures have been netted down by savings totalling £302k.
19. **Pay award:** The 2009/10 budget was based on an assumed pay award of 1.5%. Of that, 0.3% was utilised to fund the late additional award for 2008/09, leaving a balance of 1.2%. Employers settled on 1% which results in an underspend of around £190k.
20. **Exceptional items:** The forecast pressure on asylum funding is still £1,569k as a result of the release of £261k from the 2008/09 provision against the Special Circumstances grant for that year which has now been paid in full. The in-year recovery plan of £1m is unchanged from Month 9. The review of creditor provisions in the balance sheet is still £2,275k. Overall exceptional items are still being forecast as a favourable variance overall of £1,706k.

**Development & Risk Contingency: £1,532k pressure (£60k adverse)**

21. £8,110k of potential calls on the Development & Risk Contingency were identified as part of the budget setting process for 2009/10, £7,320k is held in the base budget and £790k is budgeted to be met from balances. Table 3 shows the amounts that have been allocated or committed as at Month 10.

**Table 3**

<b>Development and Risk Contingency</b>	<b>2009/10 Budget</b>	<b>Agreed</b>	<b>Forecast as needed</b>	<b>Variance (+adv / - fav)</b>
<i>2009/10 allocations:</i>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Total net contingency at start of the year</b>	<b>8,110</b>			
<b>Allocations approved</b>				
Christmas Lights Fund for Town Centres	0	30	30	+30
<b>Commitments:</b>				
General Contingency	500		0	-500
Increase in Transitional Children due to Demographic Changes	1,675		1,675	0
Increase in Mental Health Packages due to Demographic Changes	450		450	0
Homelessness Budget - Reduction in DWP Funding	1,050		1,300	+250
Asylum non-EAA monitoring pressure	660		2,199	+1,539
Asylum Exhausted All Appeals	550		580	+30
Waste Disposal Levy	720		732	+12
Cost Pressures on Recycling Service	200		200	0
Vehicle Fuel Monitoring Pressure	85		60	-25
Local Land Charges Income	715		749	+34
Development Control Income	350		519	+169
Building Control Income	108		178	+70
Golf Courses Income	262		262	0
Uninsured claims	450		450	0
Legal Challenges	120		125	+5
Civic Centre Energy Monitoring Pressure	100		0	-100
Provision for Planning Inquiries	75		0	-75
Joint Appointment of Director of Public Health	40		5	-35
Winter Gritting	0		50	+50
Ice Rink	0		60	+60
Alfresco dining area	0		18	+18
<b>Total net contingency</b>	<b>8,110</b>		<b>+9,642</b>	<b>+1,532</b>

22. A large proportion of the total contingency is expected to be required in full and the pressure on asylum in particular has resulted in an overall pressure of £1,569k on the contingency budget. If the asylum pressure were excluded there would be an underspend of £37k on contingency.

23. The forecast asylum pressure remains unchanged at £2,779k. This is £1,569k in excess of the net sum for which contingency provides (£1,210k). The pressure on the non EAA element of Asylum (£1,800k) comprises a pressure on over 18's due to the ongoing demand for service and the continued under-funding by the Government and a pressure on under 18's due to the moderation of the special circumstances claim. However, the UKBA has recently agreed to reimburse all the Special Circumstances claims by the Council for 2008/09. This means that £261k from the provision made in 2008/09 will now be applied to the current year pressure and nets the non-EAA variance down to £1,539k. The current forecast in Exhausted all Appeals cases is £580k.
24. Within ASCH&H the contingency items in relation to Transitional Children and Mental Health are forecast to be needed in full at this early stage of the year. The pressure on the Homelessness contingency budget due to a reduction in DWP funding (£1,050k) is now expected to exceed this by £250k due to inflation on Private Sector Landlord rents and capped housing benefit.
25. Pressures related to the economic downturn which were highlighted in 2008/09 as exceptional items are in 2009/10 budgeted within contingency. However, as at Month 10 they are projected as being £273k more than provided within contingency, an adverse movement of £37k from month 9. Development control income is forecast as a gross pressure of £519k, £169k in excess of that provided for within contingency. The main area of pressure is due to the limited number of major applications, however this is a volatile area and given the scale of the fees the position could change during the year. Land charge income has moved to a cost recovery basis due to a change in regulations enacted in December 2008 and current projections show a pressure on contingency of £34k. The forecast for building control income is a gross pressure of £178k, £70k above that provided for within contingency based on a reduction in income of 18% from the same period in 2008/09.
26. A sum of £85k has also been included in the contingency to cover fuel pressures. At Month 10 it is forecast that £60k will be needed.
27. In addition it is forecast that £450k will be required from contingency for uninsured claims, £200k for the Recycling service, £262k for Golf income and £125k for legal costs (including an additional £5k for NOTRAG).
28. As reported in month 9 there are additional calls on contingency for winter gritting costs (£50k) and the ice rink (£60k).
29. There is a recommendation included in this report to fund £18k for the alfresco eating area from General Contingency as recommended by the HIP Steering Group.

**Priority Growth: Nil variance (No change)**

30. £1,500k was included in the 2009/10 budget for priority growth of which £800k was for HIP Initiatives new growth and the continuation of schemes developed in 2008/09 including Hillingdon First and recycling pilots developed through the Waste and Energy project. In addition there is £700k of unallocated non specific growth.
31. Table 4 summarises the position with regards to each element of priority growth.



**Table 4**

<b>Priority Growth</b>	<b>2009/10 Budget</b>	<b>Agreed draw downs</b>	<b>Commitments</b>	<b>Unallocated</b>
<i>2009/10 Unallocated Priority Growth at start of the year</i>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>HIP Initiatives New budget:</b>	500			
<b>Agreed:</b>				
Angling amenities		10		
Civic pride		26		
Organisation People & Performance - PADA Audit work		6		
Corporate finance		65		
Communications		54		
Heritage - Works of art & Stained glass window		11		
Customer Experience - Hillingdon First		77		
Customer Experience - Integrated booking system		10		
Waste and energy	300	22	278	<b>0</b>
<b>HIP Initiatives unallocated balance</b>	<b>800</b>	<b>281</b>	<b>278</b>	<b>241</b>
<b>Unallocated non specific growth</b>	700			<b>700</b>
Christmas parking concessions		45		<b>-45</b>
Accessibility event		5		<b>-5</b>
Highways Maintenance		400		<b>-400</b>
<b>Balance of unallocated growth</b>	<b>700</b>	<b>450</b>	<b>0</b>	<b>250</b>
<b>Total</b>	<b>1,500</b>	<b>731</b>	<b>278</b>	<b>491</b>

32. HIP Steering group have approved £281k of revenue allocations so far this year the detail of which is set out in table 4. This now includes £4k for citizenship ceremony pins and £5k for Civic awards and volunteer pins and £10k for the customer experience integrated telephone and web based booking system approved at January Steering Group. In addition there are pressures of £278k forecast in Waste associated with recycling initiatives. If it transpires that E&CP cannot absorb these costs within existing budgets there could be a potential request for funding from HIP contingency.

33. Cabinet agreed to fund £45k of costs associated with Christmas parking concessions for Hillingdon First card holders from the £700k unallocated non specific growth. The sum will be allocated once the final cost of the scheme is known.

34. There is a provisional allocation from priority growth for £400k to be allocated to enable a £1.1m programme of priority highways maintenance work to be undertaken by the end of March. A survey of road conditions has been undertaken following the recent severe weather and the roads in the most urgent need of repair have been put into a programme of works which will be undertaken by the end of March. As works progress it may be that some of the revenue patching work is more cost effectively dealt with as capital resurfacing works.

If this is the case then the financing of that work will be adjusted from revenue to capital at the year end.

35. As at Month 10 there is an estimated £241k remaining from the HIP initiatives budget, and £250k of unallocated non-specific priority growth budget. The Month 10 forecast assumes that the balance of unallocated growth will be spent.

**Corporate Budgets' Forecasts: £120k favourable (No change)**

36. Table 5 shows budget, forecast and variance now reported on corporate budgets as at Month 10.

**Table 5**

2009/10 Original Budget	Budget Changes	2009/10 Current Budget (as at Month 10)	Corporate Budgets	2009/10 Forecast Outturn (as at Month 10)	Variances (+ adv/- fav)		
					Variance (As at Month 10)	Variance (As at Month 9)	Change from Month 9
£'000	£'000	£'000		£'000	£'000	£'000	
-1,892	115	-1,777	Unallocated savings	-1,777	0	0	0
9,026	-18	9,008	Financing Costs	8,888	-120	-120	0
3,690	4,572	8,262	FRS 17 Pension Adjustment	8,262	0	0	0
-24,703	0	-24,703	Asset Management A/c	-24,703	0	0	0
-11,965	-93	-12,058	Corporate Govt Grants	-12,058	0	0	0
<b>-25,844</b>	<b>4,576</b>	<b>-21,268</b>	<b>Corporate Budgets</b>	<b>-21,388</b>	<b>-120</b>	<b>-120</b>	<b>0</b>

37. Debt financing costs are still forecast to be underspent by around £120k due to debt refinancing work undertaken since the start of the year. A report on treasury management activity is attached at Appendix B.

## B) Capital

### Background

38. A budget of £88,195k was set by council in February 2009 which was revised to £94,806k following the amendments to budgets, as a result of the final outturn in 2008/9.

39. The revised budget for January 2010 is now £89,147k (£88,168k month 9). There are a number of additions, these include increases of £13k for TfL, £210k for HRA -Decent Homes Works, £756k schools contributions towards additional works on Devolved Formula Capital (£661k), Specialist Schools £85k) School Kitchens (£5k) and School Access (£5k).

### Current Year Expenditure

40. Table 6 shows the actual spend to date and the projected outturn for 2009/10.

**Table 6**

Groups	Original Budget £'000	Revised Budget £'000	Capital Spend Month 10 £'000	Actual Spend % of Revised Budget %	Forecast outturn £'000	Variance £'000
Adult Social Care, Health & Housing	3,715	5,288	4,062	77%	5,306	+18
Environment & Consumer Protection	8,193	8,781	5,760	66%	8,963	+182
Education & Children's Services	23,613	22,457	10,799	48%	20,606	-1,851
Planning & Community Services	2,351	2,411	1,375	57%	2,456	+45
Finance & Resources	2,576	2,498	1,586	63%	2,892	+394
Deputy Chief Executive	2,125	1,951	571	29%	1,975	+24
Major Construction Projects	29,181	30,222	22,059	73%	29,996	-226
<b>Group Total</b>	<b>71,754</b>	<b>73,608</b>	<b>46,212</b>	<b>63%</b>	<b>72,194</b>	<b>-1,414</b>
Recovery from Contingency					-1,718	-1,718
Programme Contingency	3,196	2,725	0	0%	1,000	-1,725
Contingency	1,500	1,137	0	0%	718	-419
<b>Contingency Total</b>	<b>4,696</b>	<b>3,862</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>-3,862</b>
HRA	11,745	11,677	6,884	59%	11,463	-214
<b>Total</b>	<b>88,195</b>	<b>89,147</b>	<b>53,096</b>	<b>60%</b>	<b>83,657</b>	<b>-5,490</b>

41. A summary of the programme for the Major Construction Projects is shown below in more detail:

MCP Group	Original Budget £'000	Revised Budget £'000	Capital Spend Month 10 £'000	Actual Spend % of Revised Budget %	Forecast outturn 2009/10 £'000	Variance 2009/10 £'000
<b>Planning &amp; Community Services Projects</b>	17,682	19,550	15,532	79%	19,678	+128
<b>Education &amp; Children's Projects</b>	9,884	10,132	6,332	62%	9,830	-302
<b>Finance and Resources Projects</b>	15	10	0	0%	10	0
<b>Environment Projects</b>	1,600	430	195	45%	418	-12
<b>Project QS Support</b>		100	0	0%	60	-40
<b>MCP Group Total</b>	<b>29,181</b>	<b>30,222</b>	<b>22,059</b>	<b>73%</b>	<b>29,996</b>	<b>-226</b>

42. The overall Capital Programme budget is projecting an underspend of £5,490k as at Month 10. This is detailed in table 6.

43. Actual spend to date is £53,096k, which equates to 60% of the total 2009/10 programme budget. This change is slightly distorted as the school spend is being reported quarterly.

44. There are a number of schemes currently forecasting a potential overspend. These potential overspends total £1,975k, an increase of £221k from the £1,754k forecast in Month 9. This increase relates to a number of pressures being identified including the Library Refurbishment Programme, Improving Information Management project and the Private Sector Renewal Support Grant (PSRSG) for West London Empty Property Grant. There has also been an increase on the projected outturn for Breakspear Crematorium which is funded 33% by the London Borough of Harrow.

45. The funding for pressures being identified is shown in the table below.

Scheme	Funding	Revised Budget	Actual Spend (incl accruals)	Forecast Outturn (Month 10)	Variance
		£'000	£'000	£'000	£'000
HRA - Long Lane- Mental Health Units	HRA	30	0	28	-2
HRA – Pipeline project	HRA	0	0	8	+8
HRA -Decent Homes Works	HRA	9,972	5,985	10,022	+50
Boxing Club	Council	0	36	41	+41
Manor Farm	Council	0	0	250	+250
Civic Centre Electrical Works	Council	55	377	395	+340
Chrysalis	Council	1,018	520	1,067	+49
Hillingdon Sport & Leisure Centre	Council	8,372	6,881	8,372	-0
Botwell Green Leisure Development	Council	10,391	8,369	10,621	+230
Photovoltaic Cells - Civic Centre Roof	Council /grant	34	35	35	+1
Uxbridge High	Grant/Council/School Contribution	1,247	1,220	1,578	+331
Breakspear Crematorium	Mixed	1,876	2,240	2,240	+364
Civic Centre Boilers	Council	50	53	53	+3
Public Conveniences (ECP other schemes)	Council	185	193	215	+30
Library Refurbishment Programme	Council	1,500	994	1,570	+70
PSRSG for WL Empty Property Grant	Grant	1,150	886	1,200	+50
Improving Information Management	Mixed	735	540	795	+60
<b>Total</b>		<b>36,615</b>	<b>28,329</b>	<b>38,590</b>	<b>+1,975</b>

46. A proportion of these overspends are schemes that are not fully funded through Council resources e.g. Schools, S.106 etc. In addition where possible Council funded scheme overspends will be funded by virement from other parts of the capital programme within the Group concerned. After taking these factors into account the remaining potential pressure on contingency is £948k. Further work continues to be undertaken to refine the pressure and identify funding options.

## **Current Year Financing**

47. Table 7 shows the financing of both the budget and the expected outturn.

**Table 7**

<b>2009/10</b>	<b>Unsupported</b>	<b>Capital Receipts</b>	<b>Supported</b>	<b>Grants</b>	<b>HRA (inc MRA)</b>	<b>Section 106 and other contributions</b>	<b>Total Capital Programme</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Revised budget 2009/10	25,802	8,800	3,379	36,435	10,196	4,535	89,147
Outturn 2009/10	29,976	1,200	3,066	34,896	10,166	4,353	83,657

48. The level of unsupported borrowing forecast as at Month 10 is £29,976k (£29,918k Month 9), an increase of £58k on the previous month. The supported borrowing forecast is reporting no change at £3,066k.

49. The £8,800k budgeted level of General Fund capital receipts for 2009/10 will not now be delivered in full due to market conditions. However, receipts of £1,200k are now projected.

## **CORPORATE CONSULTATIONS CARRIED OUT**

### **Financial Implications**

50. The financial implications are contained in the body of the report.

## **CORPORATE IMPLICATIONS**

### **Corporate Finance**

51. This is a Corporate Finance report.

### **Legal**

52. There are no legal implications arising from this report.

## **BACKGROUND PAPERS**

53. Monitoring report submissions from Groups.

## APPENDIX A – Detailed Group Forecasts

### Adult Social Care, Health and Housing (ASCH&H)

Revenue: **£371k adverse** (**£271k improvement**)

1. The improved position from last month is due to a reduction in the forecast for Learning Disability due to changes in anticipated start dates and costs relating to transitional children and some movement between the PCT and LBH on funding arrangements. The DWP have now confirmed the final settlement of the 2007/08 Housing Benefit claim which totalled £124m. The DWP letter confirms that £32.7k will be recovered following the external audit of this claim. This is an exceptional performance. The impact of this settlement is now being analysed to be reported next month.
2. The ASCH&H budgets are predominantly demand led and affected by demographic trends and the pattern of demand experienced to date confirms the pressures first identified in the latter part of last year across a range of service areas, most notably Housing Benefit, Housing Needs and Mental Health which to date have been largely mitigated by management action. Officers continue to pursue a number of measures to minimise the overspend projected with a view to achieving a break even position by year end. However at the moment those measures whilst mitigating demand have yet to reduce the pressure although there is some evidence of the demand curve slowing. This work is doubly important to ensure that the department starts next year with a balanced position. In the context of a demand led volatile service spending approx £290 million this becomes a finely balanced approach with inherent risks.
3. The Month 10 report is showing an adverse variance of £371k reflecting a favourable movement of £271k from the Month 9 position. The overall position for ASCH&H is set out in the table below.

<b>Division of Service</b>	<b>Forecast Variance Month 10 £'000</b>	<b>Forecast Variance Month 9 £000</b>	<b>Change from Month 9 £000</b>
Older Peoples Services	+599	+599	0
Physical & Sensory Disability Services	-53	0	-53
Learning Disability Services	-605	-387	-218
Mental Health Services	+504	+504	0
Housing Benefits	-150	-150	0
Housing Need Services	0	0	0
ASCH&H Other Services	+77	+77	0
<b>ASCH&amp;H - Total</b>	<b>+371</b>	<b>+642</b>	<b>-271</b>

**Older People Services: £599k adverse (No change)**

4. The primary reason for this adverse position has been reported previously and relates to the recent unprecedented demand from Hillingdon Hospital following the adverse weather in January. This caused a knock on effect on ASC as a significant number of services were required at short notice to allow safe discharge which was achieved without incurring any 'delayed discharge' fines. Notwithstanding this current unprecedented demand the service has to date managed to contain underlying pressures for increased demand for Nursing care and additional costs incurred in arranging alternative residential and nursing placements due to concerns about the quality of care delivered by one provider.

5. However in addition to this the demand for nursing and homecare provision remains a pressure which Officers have established isn't necessarily related to new placements but instead that the number of people no longer requiring residential or nursing care has not fallen as expected.
6. This service is managing a gross budget of £41.7m, received £170k of unavoidable growth, £38k of growth; and a savings target of £1.1m as part of the 2009/10 budget setting process.

**Physical Disabilities: £53k favourable (£53k improvement)**

7. The favourable movement is as a result of a number of small favourable movements across the service. This service is managing a gross budget of £10.1m, and has a savings target of £100k as part of the 2009/10 budget setting process.

**Learning Disability: £605k favourable (£218k improvement)**

8. The favourable movement first reported in Month 4 has improved as a result of slippage to the anticipated 'transfer' dates from E&CS relating to transitional children and some favourable movement between the PCT and LBH on funding arrangements for individual clients. The forecast assumes that the £1.7m corporate contingency held for transitional children is received reducing the gross pressure.
9. This service is managing a gross budget of £31.5m, received £935k of unavoidable growth; and a savings target of £100k as part of the 2009/10 budget setting process.

**Mental Health: £504k adverse (No change)**

10. The forecast is unchanged from last month as Officers continue to take mitigating actions to alleviate this pressure which is primarily related to residential placements.
11. The forecast also assumes that the £450k corporate contingency held for Mental Health Services is received reducing the gross pressure from £954k to £504k reported in this forecast. This service is managing a gross budget of £5.3m, received £208k of unavoidable growth; and a savings target of £25k as part of the 2009/10 budget setting process.

**Housing Benefits: £150k favourable (No change)**

12. The service is managing a gross budget of over £138m and at this stage is forecasting an underspend of £150k. The favourable movement now being reported is due to a positive external audit of the 2008/09 Housing Benefit claim, and this should in turn result in the finalisation of the claim by the DWP. Officers are confident that as a result a favourable movement can now be brought into the forecast.
13. The department has now received confirmation from the DWP of its final settlement relating to the 2007/08 Housing Benefit claim which totalled £124m. The letter confirms that just £32.7k will be recovered due to errors found by the external audit of the grant claim which is an exceptional performance. The impact of this settlement is now being analysed and will be reported next month.
14. The Housing Benefit budget, as reported previously, is experiencing pressure as a result of increased benefit uptake. Benefit applications within the privately rented accommodation area is showing increases of 23% which is now establishing a pattern which will result in a pressure of over £300k. This pressure has been mitigated by additional one-off admin grant funding from DWP and other compensating actions available to the service, which are being actively pursued.

### Housing Need Services: Nil variance (No change)

15. Although the budget continues to experience considerable pressure the measures identified to mitigate these pressures continue to be successful. The underlying pressure remains around the level reported in recent months with officers continue to focus staffing efforts to contain expenditure within budget; a nil forecast is being reported as a result. This risk has largely been mitigated through strong management of the Private Sector Landlord (PSL) sector with voids being reduced to less than 2% on approx 1,200 properties. However these efforts to contain the pressure is putting at risk the council's ability to achieve the government's 2010 temporary accommodation target as reported previously.

16. The forecast assumes that the £1.3m corporate contingency held for Homelessness is received. This service is managing a gross budget of £39m and received £550k of unavoidable growth as part of the 2009/10 budget setting process; this budget line includes Homelessness.

### Other ASCH&H Services: £77k adverse (No change)

17. The adverse pressure is primarily due to essential works on Careline (£90k) to enable the switchover of existing equipment from an analogue to a digital signal for which the Council has no discretion.

### Housing HRA

18. The HRA has a gross budget of £48.8m. The forecast for Month 10 shows an overall favourable variance of £920, which represents a marginal improvement of £61k from the M9 forecast as set out in the table below:

Division of Service	Forecast Variance Month 10 £'000	Forecast Variance Month 9 £000	Change from Month 9 £000
HH Ltd: General and Special Services	0	0	0
HH Ltd: Repairs Services	0	0	0
LBH: General and Special Services	-191	-130	-61
LBH: Repairs Services	+52	+52	0
Other Expenditure	-233	-387	+154
Income	-548	-394	-154
<b>In Year (Surplus) / Deficit</b>	<b>-920</b>	<b>-859</b>	<b>-61</b>

### Hillingdon Homes: Nil Variance (No change)

19. Hillingdon Homes are reporting a nil variance.

### LBH General and Special Services: £191k favourable (£61k improvement)

20. The LBH General and Special Services forecast has improved by £61k due to reduced staffing costs and gains on long standing leasing arrangements from continuing lower interest rates.

### Other Expenditure: £233k favourable (£154k adverse)

21. The improved income position has allowed the HRA to replace contingency drawn down earlier this year.



**Income: £548k favourable (£154k improvement)**

22. The income forecast has improved by £154k due to improved void rate offset by £18k in lower recharges to Leaseholder for Major work repair as some work is not expected to finish by 31/3/2010.

## Environment and Consumer Protection (E&CP)

### Revenue: **£11k adverse (£18k adverse)**

1. At Month 10, the Group is forecasting an adverse variance of £11k, which compares to a favourable variance of £7k as reported at Month 9. The forecast variances are expressed net of any contingency provisions, which are detailed within the report.

	Forecast Variance Month 10	Forecast Variance Month 9	Change from Month 9
Division of Service	£'000	£'000	£'000
Street Cleansing	+95	+95	0
Harlington Road Depot	+169	+169	0
Waste Disposal	-300	-250	-50
Trade & Clinical Waste net	-40	-40	0
Off Street Parking Income	+35	-33	+68
Street Scene Locality Team	+52	+52	0
Recovery Plan Savings	0	0	0
<b>E&amp;CP - Total</b>	<b>+11</b>	<b>-7</b>	<b>+18</b>

### Contingent Items: **Gross Pressure £992k (No change)**

2. The Council's 2009/10 contingent budget contains sums relating to the Waste Disposal Levy and cost pressures on Recycling Services and Vehicle Fuel which impact on the ECP Group position. West London Waste have set the 2009/10 levy and this utilises the full amount of the contingency with a minor adverse variance of £12k. The Borough's recycling activity continues to exceed base budgeted levels, and the position forecasts full use of the contingency. The bulk diesel purchase price has stabilised but continues to show an upward trend and a contingency requirement forecast of £60k is maintained this month.

	Gross Pressure Month 10	Gross Pressure Month 9	Change from Month 9	Contingency	Net Pressure
Division of Service	£'000	£'000	£'000	£'000	£'000
Waste Disposal Levy	732	732	0	720	+12
Recycling Services	200	200	0	200	0
Vehicle Fuel	60	60	0	85	-25
<b>E&amp;CP - Total</b>	<b>992</b>	<b>992</b>	<b>0</b>	<b>1,005</b>	<b>-13</b>

### Street Cleansing: **£95k adverse (No change)**

3. The adverse position represents the net forecast across Street Cleansing, Graffiti and Litter Abatement services. The pressure relates to the Street Cleansing service and to activity required to maintain service standards. Actions continue to be taken to minimise this pressure without impacting on service levels.

### Waste Services: **£340k underspend (£50k favourable)**

4. **Recycling Costs:** The overall pressure on Recycling is currently forecast at £517k (last month £525k). The major elements of the variance relate to Gate Fees and recycling bags, reflecting a continuing improvement in recycling performance across both Household and Composting

recycling. This position allows for the continuation of new initiatives that were implemented during 2008/09. These are Estates Based recycling, the Blue Sky scheme, Specialist collections and Battery Bank. The forecast position incorporates the expected seasonal variations in the income and expenditure profiles. Income and rebates from recyclable materials continue to be favourable. Whilst as expected green/organic tonnages have dropped in the final quarter of the financial year, the levels of dry recycling have been maintained. There is £200k available in the contingency for Waste & recycling cost pressures that can partially offset this position.

5. **Waste Disposal:** The gross contingency pressure of £732k reflects the actual increase in the 2009/10 Waste Levy confirmed by West London Waste Authority (WLWA) at the authority meeting in January 2009. The Section 52(9) budget was reset as part of the 2009/10 levy setting, however tonnages have continued to show a significant fall during 2009/10. The latest available tonnages confirm the trend set in October that reversed previous seasonal trends. The underspend has therefore been increased by a further £50k. The decreased tonnages are also largely reflected across West London Waste Authority's other constituent Boroughs. As a result, there are not expected to be any implications from the Landfill Allowance Trading Scheme (LATS) in 2009/10.
6. **Trade Waste:** The position remains a £70k favourable variance due to overachievement of income. As previously reported levels of business have reduced during 2009/10. This is considered to be a combination of the cumulative impact price increases linked to the annual increases in Landfill Tax and the economic downturn. Close monitoring and enforcement is currently ensuring that the levels of aged debt are under control. The overachievement on this service has been reduced by the forecast pressure on Clinical Waste explained below, giving a net position of £40k favourable.
7. **Civic Amenity Sites:** A nil variance continues to be forecast across this service area. The position on this service area will continue to be closely monitored in line with variations in activity.
8. **Clinical Waste:** The Council has now taken on the responsibility for the collection and disposal of Clinical waste from residents homes previously undertaken by Hillingdon Primary Care Trust (HPCT), and as required by the Environmental Protection Act 1990. The service transferred during September. The costs incurred to date continue to indicate that the impact will be contained within the estimated impact for 2009/10 of £30k. However this service is subject to client number variations which can affect costs accordingly.

**Harlington Road Depot: £169k adverse (No change)**

9. The pressure on the depot chiefly relates to a reduction in the intensity of usage. This is due to the movement of some Council services to the Civic Centre, together with the loss of Hillingdon Homes contributions for space occupation at the depot and use of the Stores facility. Options to mitigate the pressures continue to be explored. A number of space rationalisation measures were implemented during January. The reported position makes an assumption that these changes will have a favourable part-year impact in 2009/10, after rates and utilities impacts are considered.

**Off-Street Parking: £35K adverse (£68k adverse)**

10. In terms of Car Park income, the expected favourable seasonal variation in the third quarter of the financial year, was evidenced significantly later than previous financial years. The economic climate is considered to be a major factor and will have been exacerbated by the severe weather conditions experienced in December and early January. The forecast position reflects the reduced activity as a result of these adverse factors, and assumes a contingency allocation will be made to offset the income reduction due to the free weekend parking over the Christmas period.

## Parking Revenue Account

11. The severe weather conditions have affected Parking Enforcement, with operations having to be suspended at the height of the snow. This is forecast to further reduce the level of penalty charge notice (PCN) income, which has already seen a fall during 2009/10 when compared to previous years. This underlying decrease is consistent with a London-wide trend, attributed partly to economic downturn and a more general increase in compliance levels. It is currently forecast that a combination of management action and improved performance in the last two months of the financial year will allow the pressure to be accommodated within the ring-fenced Parking Revenue Account. However the reduced income will impact adversely on the unallocated surpluses available for future years.

## Winter Maintenance

12. A further consequence of the weather has been additional activity within the Winter Maintenance service. The winter gritting teams worked almost solidly from mid-December to mid-January. By early January the volume of grit used exceeded by 300 tonnes, that the amount used throughout the whole of the 2008/09 financial year. The current forecast is that as a result of the additional material and manning costs, the service will outturn at approximately £50k over budgeted levels. A contingency allocation has been requested to meet these additional costs.

## Streetscene Locality Team: **£52K adverse (No change)**

13. There has been increased activity incurred through the delivery of the enhanced Streets Ahead Week of Action scheme which has led to additional one-off costs principally on publicity, printing and promotional activities.

## Recovery Plan Savings: **Nil variance (No change)**

14. Actions have now been identified that are anticipated to be sufficient to deal with the residual pressures faced by the Group.

## Vehicle Fuel Pressure – contingency item: **£25k underspend (No change)**

15. The bulk diesel purchase price continues to fluctuate, moving between 91p and 95p per litre during January. However the underlying trend remains upwards. This view is consistent across the industry, with forecasts showing that increases are set to continue throughout 2010/11.

16. The current pressure is estimated to be £50k, and therefore a forecast of £60k on the contingency sum is retained this month. At this time there are no significant issues to report on the prices of oil based/dependent materials.

## **Education and Children Services (E&CS)**

### **Revenue: Nil variance (No change)**

1. The Group is projecting a nil variance as at Month 10 for the 2009/10 financial year.
2. This excludes the overall pressure on asylum funding and the cost of exhausted all appeals cases which are reported under exceptional items elsewhere in this report.
3. The projected variances at Month 10 are summarised in the following table:

<b>Division of Service</b>	<b>Forecast Variance Month 10 £'000</b>	<b>Forecast Variance Month 9 £'000</b>	<b>Change from Month 9 £'000</b>
Schools	0	0	0
Director & Youth Services	0	0	0
Resources, Policy & Performance	-21	-21	0
Learning & School Effectiveness Service	-4	-4	0
E&CS Central Budget	0	-138	+138
Children & Families Service	+25	+163	-138
<b>E&amp;CS – Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Schools: Nil variance (No change)**

4. The Schools Budget is ring fenced and funded from the DSG. Schools' payroll and non-payroll expenditure is monitored quarterly with any forecast year-end deficits being the subject of detailed discussions with the schools concerned. Schools forecasting deficits are required to supply recovery plans identifying how they intend to eliminate their deficit, but these do not affect the general fund.
5. Any underspend or overspend of the Schools Budget in 2009-10 would be carried forward into 2010-11 and would have no effect on the General Fund.

### **Director & Youth Services: Nil variance (No change)**

6. There has been no major change to the position reported within the service areas.

### **Resources, Policy & Performance: £21k Underspend (No change)**

7. There has been no change to the improvement reported within the Resources, Policy & Performance.

### **Learning & School Effectiveness: £4k underspend (£4k improvement)**

8. There has been no change to the position reported within the Learning & School Effectiveness service areas.

### **E&CS Central Budget: Nil variance (£138k change)**

9. The savings achieved through reviewing all ECS grant allocation applications and continued monitoring of recruitment to new and vacant posts by senior managements has been allocated to reduce pressure to other areas within ECS.

**Children and Families: £25k pressure (£138k improvement)**

10. This service area reporting an improvement of £138k due to agency staff reduction as a result of Social Work Practice in operation, also reduction in the unit cost of expensive Private & Voluntary placements.

**Exceptional Items: Asylum Service £2,779k pressure (No change)**

11. The UKBA has agreed to reimburse all the Special Circumstances claims by the Council for 2008/09. This means that the provision made in 2008/09 can be applied to the current year overall pressure, which will reduce it down to £2,779k.

12. There is no change in the previously reported overall underlying budget pressure of £3,040k for the service for 2009/10. This is due to the ongoing demand for the service and the continued under-funding by the Government and in respect of the moderation of the Special Circumstances grant for under 18's.

13. Action has already been undertaken to reduce the shortfall on Asylum funding whilst maintaining service levels. However, the age profile of the clients has led to a decrease in grant income as more asylum seekers turn 18. This has led to the net position being worse than in previous years even though numbers are falling. However, continuing to provide services to asylum seekers over 18 costs the authority less than the provision for general non-asylum Leaving Care clients, so this in effect reduces the overall Council pressure.

14. The Corporate Director (Education & Children's Services) with Senior Council Officers, along with senior representatives from LB Croydon and Kent County Council has met with senior UKBA officials with regard to our ongoing pressures. Various proposals were discussed with the UKBA regarding funding for Gateway authorities and further meetings are planned to progress these proposals. From the last meeting it is expected that the UKBA is aiming to finalise and agree the proposed bespoke contract with gateway authorities by end of March 2010.

## Planning and Community Services (P&CS) Month 10

### Revenue: **£24k Overspend** (£1k favourable)

- The Group has a draft outturn position of £24k overspent, excluding all pressure areas that have identified contingent provisions.

Division of Service	Forecast Variance Month 10 £'000	Forecast Variance Month 9 £'000	Change from Month 9 £'000
Community Safety	-211	-211	0
Arts Service	+75	+51	+24
Libraries	0	0	0
Adult Education	0	0	0
Leisure	+125	+125	0
Planning & Transportation	+35	+60	-25
<b>P&amp;CS - Total</b>	<b>+24</b>	<b>+25</b>	<b>-1</b>

### Contingent Items: **£1,708k Gross Pressure** (£37k adverse)

- The Planning income streams were identified as exceptional items last year. This was due to the downturn in the economy which had impacted the housing market severely and has continued to depress these income streams. The Authority's 2009/10 contingent budget contains provision for these affected income streams. The net position after the application of the contingency is shown in the table below.

Contingent Item	Gross Pressure Month 10 £'000	Month 9	Change from Month 9	Contingency £'000	Net Pressure £'000
Development Control	+519	+472	+47	+350	+169
Building Control	+178	+184	-6	+108	+70
Land Charges	+749	+753	-4	+715	+34
Golf	+262	+262	0	+262	0
<b>P&amp;CS - Total</b>	<b>+1,708</b>	<b>+1,671</b>	<b>+37</b>	<b>+1,435</b>	<b>+273</b>

### Development Control Income: **£519k Gross Pressure** (£47k adverse)

- The forecast for Development Control income is a gross pressure of £519k which has increased from month 9 by £47k. The net position after the contingency is £169k.
- Major applications are now currently forecast to fall by as much as 32% compared to 2008/09. The Major applications forecast has dropped by £74k due to 4 sites where fee income was expected now being delayed beyond March. This reduction in the Majors has been partly compensated for by an increase of £27k in the Minor applications forecast. This is due to a better than expected level of activity for January ( 50 applications, 14 more than January 2009).
- The Major applications is a volatile area given the significant scale of fees, and the limited volume of applications. This area normally accounts for 2/3rds of the Development Control Income. The other areas of income that are for Minor and Other applications continue to be depressed. They are down by 22% ( 28% in Month 9) and 20% (no change) respectively from the 3 year average levels.

**Building Control Income: £178k Gross Pressure (£6k favourable)**

6. The forecast for Building Control income is a gross pressure of £178k. This has improved marginally by £6k and the net position after the contingency is now forecast to be £70k. Income for April to January is down by 15% from the same period in 2008/09.

**Land charges: £749k Gross Pressure (£4k favourable)**

7. Land charge income has moved to a cost recovery basis due to a change in regulations enacted in December 2008. The net pressure currently forecast after the contingent allocation would be £34k.
8. Not reflected in the forecast yet is the potential impact of the guidance issued from the Information Commission Office (ICO). The guidance suggests that the majority of property search data is Environmental Information and that Local Authorities are therefore obliged to allow inspection of this information at no charge. This remains an ongoing issue on which the LGA is leading.

**Golf: £262k Gross Pressure (No change)**

9. This position assumes the allocation of £262k from contingency for Golf. The Golf budgets have been set to match the expected income from Mack trading. The fixed contract element is £280k (£210k courses and £70k driving range) with a further £100k for the variable element relating to the driving range, giving £380k in total. However the budget held in contingency of £262k is still required and will need to be allocated to the service.

**Community Safety: £211k underspend (No change)**

10. The position remains underspent by £211k. This is a result of the decision to not commit any further expenditure from the community safety fund, resulting in a £150k underspend. There are also underspends on staffing £41k and £20k on the MPA grant.

**Arts Service: £75k Pressure (£24k adverse)**

11. As previously reported the service is reporting a pressure on its income streams. This is due to range of factors related to the general difficulties arising from the current economic conditions, e.g. cancellation of bookings. Although the service has worked to mitigate these pressures it has not been possible to improve these income streams within Arts.

**Libraries: Nil variance (No change)**

12. The Library service is currently forecasting a nil variance

**Adult Education: Nil variance (No change)**

13. The grant allocation for 2009/10 has now been finalised with the LSC and the forecast has been updated to reflect this. There are currently no budget pressures.
14. The national position regarding Adult Education is under review by government and it is likely that the outcome of this will have an implication on the way the service is funded.

**Leisure: £125k Pressure (No change)**

15. The forecast remains as a pressure of £125k due to the revenue impacts from the delay in the practical completion of Botwell. The first indications from GLL are that they are prepared to annualise the cost of the delay in the opening of Botwell. This is consistent with the treatment



that has previously been adopted for the management fee. This will reduce the impact in the current financial year. This has been cautiously estimated to be sufficient to balance out the expectation that the Hayes subsidy saving is now entirely lost for the current financial year. However key to this position will be the date of the satisfactory handover of Botwell and its subsequent opening to the public.

**Planning and Transportation: £35k overspend (£25k favourable)**

16. The improved position of £35k overspend is due an improvement in the income received against the S106 management fees and a slippage in the recruitment of a number of planning posts.
17. There are still pressures due to pre applications income which is linked to the general downturn in the housing market and the subdued activity of developers (see above re major applications down by 32% in 2009/10 compared to 2008/09).

**2009/10 In-year Efficiency Target**

18. The Group is currently on target to meet its in-year savings target of £90k by slowing down some of the recruitment to its vacant posts.

## Central Services

### Revenue: Nil variance (No change)

1. The forecast position for the central services revenue budget is a breakeven position. The Deputy Chief Executive's Office is still projecting to breakeven position. However, the Finance & Resources Directorate is now reporting a breakeven position, an improvement of £183k on last month's projections, due to the effective implementation of proposed savings plans.

Division of Service	Forecast Variance Month 10 £000	Forecast Variance Month 9 £000	Change From Month 9 £000
Deputy Chief Executive's Office	0	0	0
Finance and Resources	0	+183	-183
Recovery Plan Savings	0	-183	+183
<b>Central Services - Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Finance & Resources: breakeven (£183k improvement)

2. The Finance & Resources Directorate budgets are projecting a breakeven position at Month 10, an improvement of £183k on last month's projections.
3. The gross pressures within Corporate Property Services, totalling £302k, are as set out below:
  - There is an ongoing pressure on income streams from commercial properties of £172k, due to a number of vacant tenancies in the Warnford Industrial Estate (£104k), 192 High Street, where the premises have remained vacant for a number of months (£29k) and a recent vacant unit that exists in Uxbridge Market (£39k).
  - There is an anticipated shortfall of £56k on income from the Hire of the Middlesex Suite, due to an organisation not renewing its annual hire agreement, and a general slow down in the demand for hiring large sites, especially over the Christmas period.
  - There is an anticipated shortfall of £44k on income from schools buy back of FM services, due to schools opting to procure services directly rather than through the FM Team.
  - There is a pressure of £30k on the cost of maintaining and keeping secure surplus properties prior to their disposal.
4. These pressures are netted down by savings totalling £302k, which relate to the following:
  - The receipt of a rebate from Matrix totalling £185k.
  - Additional income of £47k from leases within the General Corporation Estate.
  - A saving of £70k due to a negotiated reduction in the cost and the receipt of one off refunds of a number of Civic Centre Service Contract.

### Recovery Plan Savings:

5. Identified recovery savings have now being factored into the relevant services where applicable.

## **Capital Programme: £5,490k Underspend (£217k Adverse)**

1. The overall Capital Programme budget is projecting an underspend £5,490k of as at Month 10 (£4,707k Month 9).
2. Expenditure to Month 10 across the whole capital programme is £53,096k (£49,240k Month 9) which equates to 60% of the revised programme. Further detail is provided below for each individual department.

## **Adult Social Care, Health and Housing (ASCH&H)**

### **HRA: £214k Underspend (£223k Improvement)**

3. A summary of the programme for HRA is shown below :

Capital Schemes 2009/10	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 10 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
Capital Works	10,000	9,972	Y	5,985	60%	10,022	50
Estates Improvements	1,125	495	Y	0	0%	275	-220
Cash Incentive Scheme	100	100	Y	100	100%	100	0
New Build – Redevelopment	290	120	N	0	0%	120	0
New Build – Long Lane	0	30	Y	28	93%	28	-2
HRA - Pipeline project	0	0	N	0	0%	8	8
Other Projects	230	300	Y	152	51%	250	-50
Townfield Community Centre	0	660	Y	619	94%	660	0
<b>HRA – Total</b>	<b>11,745</b>	<b>11,677</b>		<b>6,884</b>	<b>59%</b>	<b>11,463</b>	<b>-214</b>

4. Expenditure to date is £6,884k out of a revised budget of £11,677k, which accounts for 59% of the total programme budget.
5. The budget increased by £210k on the Capital Works Programme. This relates to a number of additional insurance items totalling £146k and grants, £60k West London Extensions, £4k Energy Trusts.
6. There is reported an underspend on Estate Improvements of £220k. This relates to £120k on the Austin Road estate project and £100k on The Glebe project, due to complications relating to planning permission.
7. There has been identified required spend on the HRA Pipeline Project which was previously anticipated to start in 2010/11, which should occur in 2009/10 in order to allow the project to progress. This will be a grant funded project and will require the funds to be drawn forwards. This is allowable under the grant conditions.
8. There is a projected overspend of £50k on the HRA Capital works. This relates to urgent boiler works, which were brought forward from next year's programme, due to the inclement weather. This will be offset by the underspend on the other projects, which are now anticipated to be incurred in 2010/11.

## Adult Social Care, Health and Housing: £18k overspend (£50k adverse)

9. A summary of the programme for Adult Social Care, Health and Housing is shown below :

Capital Schemes 2009/10	Original Budget	Revised Budget	Budget Released	Capital Spend Month 10	Actual % of Revised Budget	Forecast Outturn	Variance
	£' 000	£' 000	Y/N	£' 000	%	£' 000	£' 000
<b>100% Grant Funded</b>							
PSRSG for WL Empty Property Grant	0	1,150	Part	886	77%	1,200	50
Mental Health – Mead House	114	363	Y	213	59%	363	0
Improving Care Homes Environment for OP	0	3	Y	0	0%	3	0
<b>ASC,H&amp;H (Non HRA – 100% Grant Funded) – Total</b>	<b>114</b>	<b>1,516</b>		<b>1,099</b>	<b>72%</b>	<b>1,566</b>	<b>50</b>
<b>Non-Grant Funded</b>							<b>0</b>
Disabled Facilities Grants	2,040	2,017	Y	1,939	96%	2,017	0
Private Sector Renewal Grants	390	360	Y	300	83%	360	0
LDA Energy Efficiency Grant	0	125	Y	0	0%	93	-32
Colne Park Caravan Sites	302	78	Part	4	5%	78	0
Purchase of Benefits customer self-service facilities	225	121	Part	0	0%	121	0
Purchase of Supporting People software	83	0	N	0	0%	0	0
Improving Information Management and ESCR	218	735	Part	540	73%	795	60
Enabling Electronic Social Care Record	100	276	Y	180	65%	276	0
Learning Disability Modernisation Programme	243	60	N	0	0%	0	-60
Mental Health Phase 2 – Hayes Park House	0	0	N	0	0%	0	0
Mental Health Phase 3 – Group Homes	0	0	N	0	0%	0	0
<b>ASC,H&amp;H (Non HRA – Non Grant Funded) – Total</b>	<b>3,601</b>	<b>3,772</b>		<b>2,963</b>	<b>79%</b>	<b>3,740</b>	<b>-32</b>
<b>ASC,H&amp;H – Total</b>	<b>3,715</b>	<b>5,288</b>		<b>4,062</b>	<b>77%</b>	<b>5,306</b>	<b>18</b>

10. Expenditure to date is £4,062k out of a revised budget of £5,288k, which accounts for 77% of the revised programme budget.

11. Improving Information Management is reporting an extra £60k requirement, this has been reviewed and officers have identified that this will be funded via a revenue contribution.

12. Private Sector Renewal Support Grant (PSRSG) for West London Empty Property Grant is reporting a £50k pressure.

13. The projected underspend on the LDA Energy Efficiency Grant reflects that £32k is anticipated to occur in 2010/11.

14. The Learning Disability Modernisation Programme is now reporting a zero outturn for the current year. This relates to the change in plans for one of the sites, which will now not be developed. It is planned to sell the asset with the costs going to revenue.



## Environment and Consumer Protection: £182k Overspend (£51k Adverse)

15. A summary of the programme for Environment and Consumer Protection is shown below.

Capital Schemes 2009/10	Original Budget	Revised Budget	Budget Released	Capital Spend Month 10	Actual % of Revised Budget	Forecast Outturn	Variance
	£' 000	£' 000	Y/N	£' 000	%	£' 000	£' 000
Highways Improvements	1,358	1,358	Y	405	30%	1,358	0
<b>Cabinet Member Initiatives – Highways</b>							
Road Safety	250	210	Part	22	10%	210	0
Traffic Congestion Mitigation	200	10	N	0	0%	0	-10
Street Lighting	300	300	Part	51	17%	300	0
<b>Cabinet Member Initiatives - Parks &amp; Streetscene</b>							
Green Spaces Strategy	250	187	Part	180	96%	187	0
Street Scene	250	250	Part	-9	-4%	122	-128
<b>Cabinet Member Initiatives – Improvement, Partnerships &amp; Community Safety</b>							
Breakspear Crematorium	1,700	1,876	Y	2,240	119%	2,240	364
Car Park Schemes	200	200	Y	66	33%	200	0
Ruislip Lido	0	18	Y	18	100%	18	0
Hillingdon First – Parking Meters	0	192	Y	157	82%	192	0
Purchase of Vehicles	0	0	Y	0	0%	0	0
Other Schemes - Public Conveniences	0	185	Y	193	104%	215	30
<b>E&amp;CP – Sub Total</b>	<b>4,508</b>	<b>4,786</b>		<b>3,323</b>	<b>69%</b>	<b>5,042</b>	<b>256</b>
BSP funded by Transport for London	3,685	3,995	Y	2,437	61%	3,921	-74
<b>TFL (100% Grant Funded) – Sub Total</b>	<b>3,685</b>	<b>3,995</b>		<b>2,437</b>	<b>61%</b>	<b>3,921</b>	<b>-74</b>
<b>E&amp;CP – Total</b>	<b>8,193</b>	<b>8,781</b>		<b>5,760</b>	<b>66%</b>	<b>8,963</b>	<b>182</b>

16. Expenditure to date is £5,760k out of a budget of £8,781k, which accounts for 66% of the revised programme budget.

17. The majority of the expenditure to date has been incurred on Breakspear Crematorium (£2,240k), where the project is completed. A pressure of £364k has been identified, £150k has been provisionally agreed by Harrow and the balance will be managed through the prudential borrowing provisions which are finalised at the year end.

18. A programme for Highways Improvements for £1,358k has been drafted and the schemes are ready to be commissioned using Enterprise-Mouchel, the Highways commissioning contractor. A further capital release of £531k was approved on 9<sup>th</sup> February 2010.

19. Traffic Congestion Mitigation is now projecting a £10k underspend on the revised budget.

20. The Street Scene outturn has increased to £122k (£87k month 9) to reflect the further moratorium release request.

## Education and Children's Services: £1,851k Underspend (£756k Improvement)

21. A summary of the programme for Education and Children's Services is shown below:

Capital Schemes 2009/10	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 10 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
<b>100% Grant/Externally Funded</b>							0
Early Years Foundation Stage – Surestart	0	1,020	Part	546	54%	1,020	0
Extended Schools	606	419	Y	326	78%	419	0
Extension of Nursery Care / Education	1,854	24	Part	26	108%	24	0
Formula Capital Devolved to Schools	6,388	5,184	N/A	3,760	73%	4,523	-661
Guru Nanak - Expansion 2010	3,000	7,075	Y	3,843	54%	7,075	0
Home Access for Targeted Groups	0	90	Y	62	69%	90	0
Information Systems – Every Child Matters	0	41	Y	41	100%	41	0
ISPP Project (Parents & Providers)	0	24	Y	24	100%	24	0
Pathfinder (Playgrounds)	0	504	Part	0	0%	504	0
Pinkwell	0	30	Y	0	0%	30	0
Primary Capital Programme	3,893	2,975	N	0	0%	2,975	0
Rosedale College S106 – only	26	26	Y	0	0%	0	-26
Ruislip High School	0	60	Y	0	0%	60	0
School travel Plans	112	77	Y	34	44%	77	0
Schools Kitchens	594	999	Part	58	6%	736	-263
Specialist Schools	0	378	Y	279	74%	378	0
Surestart - AHDC short breaks	157	60	Y	0	0%	1	-59
Vehicle Workshops - West Drayton Young Peoples Centre	0	94	N/A	50	53%	94	0
Investment in Young People's Facilities	0	167	Part	31	19%	167	0
<b>Total 100% Grant/Externally Funded</b>	<b>16,630</b>	<b>19,247</b>		<b>9,080</b>	<b>47%</b>	<b>18,238</b>	<b>-1,009</b>
<b>Non Grant Funded</b>							0
Douay Martyrs - Drama, 6th form common rooms	0	65	Y	65	100%	65	0
Expansion Haydon	726	930	Y	718	77%	930	0
School Improvement Programme	2,000	1,875	Part	851	45%	1,250	-625
School Places Provision (Basic Needs)	3,757	100	Part	8	8%	20	-80
Schools Access Programme	500	240	Part	77	32%	103	-137
<b>Total 100% Non Grant Funded</b>	<b>6,983</b>	<b>3,210</b>		<b>1,719</b>	<b>54%</b>	<b>2,368</b>	<b>-842</b>
<b>E&amp;CS – Total</b>	<b>23,613</b>	<b>22,457</b>		<b>10,799</b>	<b>48%</b>	<b>20,606</b>	<b>-1,851</b>

22. Expenditure to date is £10,799k out of a budget of £22,457k which accounts for 48% of the revised programme budget.

23. The budget has increased by £756k schools contributions towards additional works on Devolved Formula Capital (£661k), Specialist Schools £85k) School Kitchens (£5k) and School Access (£5k).

24. A number of projects are now reporting underspend, Devolved Formula Capital £661k, Rosedale £26k, AHDC short breaks £59k.

**Planning and Community Services: £45k overspend (£95k adverse)**

25. A summary of the programme for Planning and Community Services is shown below:

Capital Schemes 2009/10	Original Budget	Revised Budget	Budget Released	Capital Spend Month 10	Actual % of Revised Budget	Forecast Outturn	Variance
	£' 000	£' 000	Y/N	£' 000	%	£' 000	£' 000
<b>100% Grant/Externally Funded</b>							<b>0</b>
SSCF	0	100	Y	43	43%	100	0
S106/S278 Schemes	411	307	Y	281	92%	307	0
Botwell Multi Use Games Area		150	Part	7	5%	125	-25
NLDC	0	10	Y	9	90%	10	0
<b>Total 100% Grant/Externally Funded</b>	<b>411</b>	<b>567</b>		<b>340</b>	<b>60%</b>	<b>542</b>	<b>-25</b>
<b>Non Grant Funded</b>							<b>0</b>
Assisted Funding	150	32	N	19	59%	32	0
Libraries Refurbishment	1,500	1,500	Y	994	66%	1,570	70
Voltage Optimisation Equipment	40	40	N	0	0%	40	0
Harmondsworth Dog Free Mini Football Area	0	70	Y	0	0%	70	0
Ruislip Lido Public Conveniences	0	100	Y	0	0%	100	0
The Stables Manor Farm Redevelopment Project	0	80	Y	0	0%	80	0
CCTV Programme	250	22	Part	22	100%	22	0
<b>Total Non Grant Funded</b>	<b>1940</b>	<b>1,844</b>		<b>1035</b>	<b>56%</b>	<b>1914</b>	<b>70</b>
<b>P&amp;CS – Total</b>	<b>2,351</b>	<b>2,411</b>		<b>1,375</b>	<b>57%</b>	<b>2,456</b>	<b>45</b>

26. Expenditure to date is £1,375k out of a budget of £2,411k, which accounts for 57% of the total programme budget.

27. The projected underspend of £25k on the Botwell Multi Use Games Area relates to slippage and will be spent in 2010.

28. There is a reported pressure on the Library Refurbishment Programme. This relates to works on ICT.

29. The Stables Manor Farm Redevelopment Project is currently estimating full spend however officers are investigating the status of the building, as the Manor Farm site is a listed site. The results of the investigations may affect the timing of works and could delay the majority of expenditure to 2010/11.



## Major Construction Projects: £226k underspend (Nil variance)

30. A summary of the programme for Major Construction Projects is shown below:

Capital Schemes 2009/10	Revised Budget	Budget Released	Capital Spend Month 9	Actual % of Revised Budget	Forecast Outturn 2009/10	Forecast Outturn 2010/11	Forecast Variance 2009/10	Forecast Variance Total Project
	£' 000	Y/N	£' 000	%	£' 000	£' 000	£' 000	£' 000
<b>Planning and Community Services</b>								
Brookfield – Second Floor	256	Y	221	86%	256	6	0	-2
Hillingdon Sports and Leisure Centre	8,372	Y	6,881	82%	8,372	346	0	+250
Botwell Green (including Gymnastics Centre )	10,391	Y	8,369	81%	10,621	520	+230	+750
Boxing Club	0	N/A	36	No Budget	41	0	+41	+41
Minet Cycle Club	501	Part	24	5%	358	356	-143	-1
Queensmead Fitness Centre Refurbishment	30	Y	1	3%	30	50	0	0
<b>Education and Children's Services – 100% Grant/Externally Funded</b>								
Children's Centres – Phase 2	1,645	Y	1,864	113%	1,864	215	+219	+434
Children's Centres – Phase 3	1,200	Y	115	10%	650	2,736	-550	-434
Longmead	1,250	Y	599	48%	1,150	1,263	-100	-690
Merrifield's fit out for short breaks	45	Y	0	0%	45	0	0	0
Pinkwell New Classrooms	391	Y	384	98%	391	9	0	0
<b>Education and Children's Services – Non Grant Funded</b>								
Harefield School Nursery	1,247	Y	1,000	80%	1,247	0	0	0
Glebe Primary School	229	Y	201	88%	229	6	0	+6
Heathrow Primary	172	Y	145	84%	170	2	-2	-9
Ruislip High School	308	Y	26	8%	308	0	0	0
Targeted Capital - Oak Farm	398	Y	0	0%	398	0	0	0
Targeted Capital - Uxbridge High	1,247	Y	1,220	98%	1,578	111	+331	+442
New Young People's Centre	2,000	Y	778	39%	1,800	1,369	-200	+170
<b>Finance &amp; Resources</b>							0	
Farm Barns	10	N	0	0%	10	0	0	-5
<b>Environment and Consumer Protection</b>							0	
New Years Green Lane Civic Amenity Site	400	Part	187	47%	400	3,800	0	+2,600
Arundel Road Development HIP	30	Y	8	27%	18	12	-12	0
<b>Council Wide</b>								
Project QS support	100	0	0	0%	60	0	-40	-40
<b>Major Construction Projects – Total</b>	<b>30,222</b>		<b>22,059</b>	<b>73%</b>	<b>29,996</b>	<b>10,801</b>	<b>-226</b>	<b>+3,512</b>

31. Expenditure to date is £22,059k out of a budget of £30,222k, which accounts for 73% of the revised programme budget.

32. The budget has increased by £45k which is Merrifield's fit out for short breaks.

**Central Services: £418k overspend (Nil variance)**

A summary of the programme for Central Services is shown below:

Capital Schemes 2009/10	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 6 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Forecast Variance £' 000
Leader's Initiative	200	125	Y	46	37%	125	0
Chrysalis	1,000	1,018	Y	520	51%	1,067	+49
Town Centre Initiative	325	438	N	0	0%	413	-25
HIP Projects	600	370	Part	5	1%	370	0
<b>DCE - Total</b>	<b>2,125</b>	<b>1,951</b>		<b>571</b>	<b>29%</b>	<b>1,975</b>	<b>24</b>
ICT Asset Management Strategy	500	454	Part	185	41%	454	0
ICT Works at the Crematorium	0	97	Y	19	20%	97	0
Victoria Hall	0	53	Y	51	96%	53	0
Manor Farm	0	0	Y	57	No Budget	250	+250
Hillingdon First Card	182	200	Y	200	100%	200	0
Property Enhancement Programme	500	241	Part	173	72%	241	0
Property Enhancement Programme Contingency	0	179	N	20	11%	179	0
YOT Consolidation Link 1A/Cashiers	372	360	Y	316	88%	360	0
Civic Centre Electrical Works	2	55	Y	377	685%	395	+340
Civic Centre Security Improvements	236	127	Part	30	24%	127	0
Civic Centre - Photovoltaic Cells	34	34	Y	35	103%	35	+1
Civic Centre Enhancements	750	648	Part	70	11%	348	-300
Civic Centre Boilers	0	50	Y	53	106%	53	+3
<b>F&amp;R - Total</b>	<b>2,576</b>	<b>2,498</b>		<b>1,586</b>	<b>63%</b>	<b>2,892</b>	<b>394</b>
<b>Central Services - Total</b>	<b>4,701</b>	<b>4,449</b>		<b>2,157</b>	<b>48%</b>	<b>4,867</b>	<b>418</b>

33. Expenditure to date is £2,157k out of a revised budget of £4,449k, which accounts for 48% of the revised programme budget.

34. The Town Centre Initiative is reporting an underspend of £25k, following the additional section 106 funding allocated to the project.

35. The Manor Farm project is subject to a contractual claim. There is a possibility this will not be resolved this financial year.

**Capital Contingency: £2,144k underspend (£114k adverse)**

36. A summary of the programme contingency is shown below:

Capital Schemes 2009/10	Original Budget £' 000	Revised Budget £' 000	Capital Spend Month 10 £' 000	Actual Spend % of Revised Budget %	Forecast call on contingency £' 000	Variance £' 000
Programme Contingency	3,196	2,725	0	0%	+1,000	-2,196
Contingency	1,500	1,137	0	0%	+718	-419
<b>Contingency – Total</b>	<b>4,696</b>	<b>3,862</b>	<b>0</b>	<b>0%</b>	<b>1,718</b>	<b>-2,144</b>

37. The forecast outturn of £1,718k (£1,604k, Month 9) assumes that all of the pressures identified below will need to be funded from the contingency.

38. However a proportion of these overspends are schemes that are not fully funded through Council resources e.g. Schools, S106 etc. In addition where possible Council funded scheme overspends will be funded by virement from other parts of the capital programme within the Group concerned. After taking these factors into account the remaining potential pressure on contingency is around £1,326k. Further work continues to be undertaken to refine the pressure and identify options to fund.

Calls on Contingency from existing programme	Funding	Revised Budget	Forecast Outturn (Month 9)	Contingency Call 2009-10	Contingency Call 2010-11	Total Contingency Call
		£'000	£'000	£'000	£'000	£'000
<b>Programme contingency</b>						
Hillingdon Sports and Leisure Development	Council	8,372	8,372	-0	+250	+250
Leisure Development - Botwell Green, Hayes	Council	10,391	10,621	+230	+520	+750
<b>Sub Total</b>		<b>18,763</b>	<b>18,993</b>	<b>+230</b>	<b>+770</b>	<b>+1,000</b>
<b>General contingency</b>						
Boxing Club	Council	0	41	+41	0	+41
Manor Farm	Council	0	250	+250	0	+250
Library Refurbishment Programme	Council	1,500	1,570	+70	0	+70
Breakspears Crematorium	Council element	1,876	2,133	+257	0	+257
<b>Sub Total</b>		<b>0</b>	<b>4,094</b>	<b>+718</b>	<b>0</b>	<b>+718</b>
<b>Total</b>		<b>22,139</b>	<b>23,087</b>	<b>+948</b>	<b>+770</b>	<b>+1,718</b>

The Table below details the previous releases from contingency.

Previous releases from contingency	£' 000	£' 000
<b>General Contingency</b>		
<b>Original budget</b>	<b>1500</b>	<b>1500</b>
Approved projects to date		
Harmondsworth Dog Free Mini Football Area		70
Ruislip Lido Toilets		100
Project QS support		100
Douay Martyrs - Drama, 6th form common rooms		65
Brookfield		28
total released to date		363
<b>Balance remaining</b>		<b>1,137</b>
<b>Programme contingency</b>		
<b>Original budget</b>	<b>3,196</b>	<b>3,196</b>
Approved projects to date		
Purchase of Vehicles		471
<b>Balance remaining</b>		<b>2,725</b>

## APPENDIX B – Treasury Management Report

1. The following information is provided to update you on the activities on the Treasury function for the month of January 2010.
2. As at 31 January 2010 the Council's portfolio of deposits and debt were as follows (deposit balances can move substantially from day to day in line with cash flow requirements).

### Outstanding Deposits - Average Rate of Return on Deposits: 1.73%

	Actual £m	Actual %	Bench- mark %
Up to 1 Month	31.5	60.34	50.00
1-2 Months	0.0	0.00	15.00
2-3 Months	0.0	0.00	25.00
3-6 Months	5.0	9.58	5.00
6-9 Months	0.0	0.00	5.00
9-12 Months	0.0	0.00	0.00
12-18 Months	0.0	0.00	0.00
18-24 Months	0.0	0.00	0.00
<b>Subtotal</b>	<b>36.5</b>	<b>69.92</b>	<b>100</b>
Unpaid Maturities	15.7	30.08	0.00
<b>Total</b>	<b>52.2</b>	<b>100</b>	<b>100</b>

3. With the exception of the unpaid Icelandic investments, our deposits are held with UK institutions and Money Market Funds, which hold AA- or AAA long-term credit ratings.
4. Deposits are currently held with the following institutions; Santander, Royal Bank of Scotland, Barclays Bank, Lloyds TSB Banking Group, Clydesdale, Nationwide, Henderson MMF and Invesco Aim MMF.
5. During January fixed-term deposits have continued to mature in line with our cash flow requirements. Any surplus funds have been placed in instant access accounts or short term fixed deposits with the DMO, in order to meet future cash flow requirements.

### Outstanding Debt - Average Interest Rate on Debt: 3.86%

	Actual £m	Actual %
PWLB	109.6	69.5
Long-Term Market	48.0	30.5
Temporary	0.0	0.0
<b>Total</b>	<b>157.6</b>	<b>100</b>

6. There were no natural loan maturities, early debt repayments or rescheduling activities during January. In addition no temporary borrowing was required.

### Prudential Indicators

7. There were no breaches of the prudential indicators during January.

### Ongoing Strategy

8. Longer-term investments are already in place so the current strategy will be to ensure short-term balances remain high to provide liquid funds for future cash flow commitments.
9. The latest advice on repayment and restructuring of debt is to wait until the PWLB reports on its consultation exercise. It is hoped that a new pricing method will reduce fixed rate new borrowing and repayment spreads. The scheduled £15m of replacement variable borrowing due to be taken this financial year will be deferred as long as possible to obviate the cost of carry, however temporary borrowing may be taken to meet cash flow requirements.

## Appendix C – Environment & Consumer Protection Fees & Charges 2010/11

Type of Fee/Charge	Description of Fee / Charge	Stakeholder Type	Current Charges Residents (incl of VAT) £	Current Charges Non Residents (incl of VAT) £	Proposed New Charges Residents (incl of VAT) £	Proposed New Charges Non Residents £	% Increase Residents	% Increase Non Residents	% Discounts
<u>Kingsend South</u>									
<u>Limited Stay</u>									
	up to 1 hour	Residents	0.60	0.70	0.60	0.80	0%	14%	25%
	up to 2 hours	Residents	1.00	1.00	1.00	1.30	0%	30%	23%
<u>Long Stay</u>									
	up to 1 hour	Residents	0.60	0.70	0.60	0.80	0%	14%	25%
	up to 2 hours	Residents	1.00	1.20	1.00	1.30	0%	8%	23%
	up to 3 hours	Residents	1.20	2.40	1.20	2.60	0%	8%	54%
	up to 4 hours	Residents	2.00	4.00	2.00	4.50	0%	13%	56%
	up to 15 hours	Residents	2.20	4.40	2.20	5.00	0%	14%	56%
<u>Kingsend North</u>									
<u>Limited Stay</u>									
	up to 30 mins	Residents	Free	Free	Free	Free	0%	0%	n/a
	up to 1 hour	Residents	0.20	0.60	0.20	0.80	0%	33%	75%
	up to 90 mins	Residents	0.40	0.80	0.40	1.00	0%	25%	60%
	up to 2 hours	Residents	0.60	1.20	0.60	1.30	0%	8%	54%

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<u>Falling Lane &amp; Oaklands Gate</u>									
	up to 30 mins	Residents	Free	Free	<b>Free</b>	<b>Free</b>	0%	0%	n/a
	up to 1 hour	Residents	0.20	0.60	<b>0.20</b>	<b>0.80</b>	0%	33%	75%
	up to 90 mins	Residents	0.40	0.80	<b>0.40</b>	<b>1.00</b>	0%	25%	60%
	(up to 2 hours)	Residents	0.60	1.20	<b>0.60</b>	<b>1.30</b>	0%	8%	54%
	(up to 3 hours)	Residents	1.00	2.00	<b>1.00</b>	<b>2.20</b>	0%	10%	55%
	(up to 4 hours)	Residents	1.80	3.60	<b>1.80</b>	<b>3.80</b>	0%	6%	53%
<u>Other Borough Car Parks</u>									
	(Up to 30 mins)	Residents	Free	Free	<b>Free</b>	<b>Free</b>	0%	0%	n/a
	(Up to 1 hour)	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%
	(Up to 90 mins)	Residents	0.40	0.80	<b>0.40</b>	<b>1.00</b>	0%	25%	60%
	(Up to 2 hours)	Residents	0.60	1.20	<b>0.60</b>	<b>1.50</b>	0%	25%	60%
	(Up to 3 hours)	Residents	1.00	2.00	<b>1.00</b>	<b>2.30</b>	0%	15%	57%
	(Up to 4 hours)	Residents	2.00	4.00	<b>2.00</b>	<b>4.50</b>	0%	13%	56%
	(Up to 9 hours)	Residents	3.70	7.40	<b>3.70</b>	<b>8.00</b>	0%	8%	54%
	(Up to 15 hours)	Residents	6.20	10.00	<b>6.20</b>	<b>11.00</b>	0%	10%	44%
<u>Long Stay Reduced Charge</u>									
	(Up to 30 mins)	Residents	Free	Free	<b>Free</b>	<b>Free</b>	0%	0%	n/a
	(Up to 1 hour)	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%
	(Up to 90 mins)	Residents	0.40	0.80	<b>0.40</b>	<b>1.00</b>	0%	25%	60%
	(Up to 2 hours)	Residents	0.60	1.20	<b>0.60</b>	<b>1.50</b>	0%	25%	60%
	(Up to 3 hours)	Residents	1.00	2.00	<b>1.00</b>	<b>2.30</b>	0%	15%	57%
	(Up to 4 hours)	Residents	1.80	3.60	<b>1.80</b>	<b>4.00</b>	0%	11%	55%
	(Up to 15 hours)	Residents	2.00	4.00	<b>2.00</b>	<b>4.50</b>	0%	13%	56%

## Appendix C – Environment & Consumer Protection Fees & Charges 2010/11

Type of Fee/Charge	Description of Fee / Charge	Stakeholder Type	Current Charges Residents (incl of VAT) £	Current Charges Non Residents (incl of VAT) £	Proposed New Charges Residents (incl of VAT) £	Proposed New Charges Non Residents £	% Increase Residents	% Increase Non Residents	% Discounts
<u>Cedars and Grainges</u>									
	(Up to 1 hour)	Residents	-	-	-	-			
	(Up to 2 hours)	Residents	1.00	1.10	<b>1.00</b>	<b>1.20</b>	0%	9%	17%
	(Up to 3 hours)	Residents	2.00	2.20	<b>2.00</b>	<b>2.20</b>	0%	0%	9%
	(Up to 4 hours)	Residents	2.50	2.70	<b>2.50</b>	<b>2.80</b>	0%	4%	11%
	(Up to 5 hours)	Residents	3.20	3.50	<b>3.20</b>	<b>3.80</b>	0%	9%	16%
	(Up to 6 hours)	Residents	4.50	5.50	<b>4.50</b>	<b>6.50</b>	0%	18%	31%
	(Up to 8 hours)	Residents	6.50	10.00	<b>6.50</b>	<b>10.50</b>	0%	5%	38%
	(over 8 hours)	Residents	8.50	14.00	<b>8.50</b>	<b>15.00</b>	0%	7%	43%
	All Day Sunday	Residents	2.00	2.00	<b>2.00</b>	<b>2.50</b>	0%	25%	20%
	Season ticket per quarter	Residents	300.00	375.00	<b>300.00</b>	<b>400.00</b>	0%	7%	25%
<u>Civic Centre Car Park (Saturdays only)</u>									
	Up to 2 hours	Residents	0.90	1.10	<b>0.90</b>	<b>1.20</b>	0%	9%	25%
	Up to 4 hours	Residents	1.80	2.30	<b>1.80</b>	<b>2.80</b>	0%	22%	36%
	Over 4 hours	Residents	3.50	4.50	<b>3.50</b>	<b>5.00</b>	0%	11%	30%
<u>All car parks that close overnight</u>									
	Hillingdon First Card Holder	Residents	75.00	75.00	<b>75.00</b>	<b>75.00</b>	0%	0%	0%



## Appendix C – Environment & Consumer Protection Fees & Charges 2010/11

Type of Fee/Charge	Description of Fee / Charge	Stakeholder Type	Current Charges Residents (incl of VAT) £	Current Charges Non Residents (incl of VAT) £	Proposed New Charges Residents (incl of VAT) £	Proposed New Charges Non Residents (incl of VAT) £	% Increase Residents	% Increase Non-Residents	% Discounts
<u>Rockingham Recreation Ground</u>									
	First 30 minutes	Residents	free	free	<b>free</b>	<b>free</b>	0%	0%	0%
	After 30 minutes - up to 2 hours - per 30 minutes	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%
	After 2 hours - per 20 minutes to maximum stay	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%

## Appendix C – Environment & Consumer Protection Fees & Charges 2010/11

### On Street Parking

Type of Fee/Charge	Description of Fee / Charge	Stakeholder Type	Current Charges Residents (incl of VAT) £	Current Charges Non Residents (incl of VAT) £	Proposed New Charges Residents (incl of VAT) £	Proposed New Charges Non Residents (incl of VAT) £	% Increase Residents	% Increase Non-Residents	% Discounts
<u>Pay &amp; Display Meters - Town Centres, Local Centres and Parades</u>									
	Town Centres -Upto 30 minutes	Residents	free	free	<b>free</b>	<b>free</b>	0%	0%	0%
	Then per 30 minutes upto 2 hours	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%
	Then per 20 minutes upto Maximum stay	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%
<u>Pay &amp; Display Meters - Uxbridge Town Centre</u>									
	Uxbridge Town Centre - Per 15 minutes	Residents	0.30	0.50	<b>0.30</b>	<b>0.60</b>	0%	20%	50%
<u>Parking Management Schemes</u>									
	Outside shops - first 30 minutes	Residents	free	free	<b>free</b>	<b>free</b>	0%	0%	0%
	Outside shops - after 30 minutes- to maximum stay - per 30 minutes	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%
	Other places - per 20 minutes to maximum stay	Residents	0.20	0.40	<b>0.20</b>	<b>0.50</b>	0%	25%	60%