

COUNCIL BUDGET - MONTH 11 2010/11 REVENUE AND CAPITAL MONITORING

Cabinet Member	Councillor Jonathan Bianco
Cabinet Portfolio	Finance and Business Services
Report Author	Paul Whaymand, Central Services
Papers with report	None

HEADLINE INFORMATION

Purpose of report	<p>The report sets out the council's overall 2010/11 revenue & capital position, as forecast at the end of Month 11 (February). The in year revenue position is currently forecast as being £3,422k less net expenditure than budgeted on normal activities and a £3,593k pressure on exceptional items, an improvement of £80k on Month 10.</p> <p>Total forecast capital expenditure for the year is estimated to be £63,897k (Month 10, £67,079k), £12,370k below the revised 2010/11 budget.</p>
Contribution to our plans and strategies	Achieving value for money is an important element of the Council Plan for 2010/11.
Financial Cost	N/A
Relevant Policy Overview Committee	Corporate Services and Partnerships
Ward(s) affected	All

RECOMMENDATIONS

That Cabinet:

1. Note the current forecast budget position for revenue and capital as at Month 11.
2. Note the treasury update at Appendix B.
3. Approves the retaining of agency staff as detailed in Appendix C.
4. Approves the concessionary fees and charges for Pest Control for the 2011/12 financial year as detailed in Appendix D.
5. Accepts the proposed contribution towards the costs associated with planning and associated environmental functions associated with Heathrow Airport for 2010/11 set out in paragraph 3.
6. Agrees the Schedule of Fees in Appendix E and that the negotiation of any further adjustment to these fees for the 2011/12 financial year, as well as the negotiation of any additional payments and associated planning agreements, be delegated to the Leader of the Council in consultation with the Deputy Chief Executive and Corporate Director for Planning, Environment, Education and Community Services.

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 2010/11.
2. Recommendation 4 is required to agree fees and charges for Pest Control which were not in the main fees and charges schedule that was agreed by Cabinet in February.
3. Recommendations 5 and 6 are required to agree gift funding from BAA. The Council has negotiated gift funding contributions from BAA in relation to work associated with Heathrow Airport since 2002. A contribution of £260k for the 2009/10 financial year was accepted by Cabinet at a meeting held on 24 September 2009. Since the 2009/10 gift funding was agreed, Officers from BAA and the Council have held discussions on the options for future gift funding and changes to the planning system. It is proposed that the gift funding be more closely tied to specific activities for which there is currently no fee income but generate additional planning related work for the Council associated with Heathrow Airport. A draft Schedule of fees for the last quarter of 2010/11 and 2011/12 is attached (Appendix E). In addition, it is proposed that:
 - Where there are large scale applications proposed consideration will be given to the use of planning performance agreements with an agreed straight forward format including provision for the negotiation of additional charges associated with work generated
 - Additional charges may also be agreed for other related activities, such as the ending of the Cranford agreement.
4. These fees are consistent with Section 93 of the Local Government Act 2003, which enables a local planning authority to charge for the provision of discretionary services on a cost recovery basis. The following payments have been made for 2010/11:

Activity	Cost
Planning Work for which there is no fee income received	£49,290
Work associated with the Cranford Agreement	£15,000
Total:	£64,290

Alternative options considered

5. There are no other options proposed for consideration.

SUMMARY

A) Revenue

6. The in year revenue monitoring position as at Month 11 (February) shows that current forecast net expenditure for the year 2010/11 is £171k more than the budget (an underspend of £3,422k on normal activities and a £3,593k overspend on exceptional items), an improvement of £80k on Month 10. The underspend on normal activities has now effectively mitigated the majority of the in-year overspend caused by the government grant cuts. The moratorium on new discretionary expenditure has continued to the year end.

7. The remaining balances at the year end on both unallocated growth (£935k) and HIP contingency (£148k) have now been built into the projected year end balances. The £935k unallocated growth has been carried forward and made up to £1m for 2011/12 and a further £500k for HIP projects is included in the 2011/12 budget.
8. The demographic pressure on Older People's Services (£1,444k) is still the most significant pressure contributing to the net overspend although there was a £172k improvement from Month 10 in this service, as a result of a further net reduction in residential care placements in this service.
9. The main reason for the £3,593k pressure on exceptional items is the impact of the Government's announcement on local government in-year grant reductions for 2010/11 (£2.9m) and the required impairment of Icelandic Investments (£2.5m). The impairment has been referred to in the previous monitoring reports and is now factored into the year end figures. The cuts notified are in Area Based Grant (£1.8m), Housing and Planning Delivery Grant (£0.1m), LAA Reward Grant (£0.6m) and LABGI (£0.4m). The LAA reward grant position has improved by £700k in the last month due to the government agreeing to a revised split between the revenue (70%) and capital (30%) elements of the grant following lobbying from the Council. The previous plans were for the grant to be split 50:50 between revenue and capital. The government has turned down the Councils outstanding capitalisation applications in the last month so the potential improvements noted in previous months reports will not now happen.
10. In addition pressures due to the economic downturn are now being highlighted as exceptional items, Commercial property rental (£166k), Stockley Park Golf Course (£91k) and Development Control (£111k). The amount for Development Control is in addition to the amount being provided for in contingency (£310k).
11. An in-year recovery plan has been developed to recover the £2.9m grant reduction through permanently reducing expenditure in areas previously funded by the grants being reduced or through accelerating BID efficiency proposals. £2m has been identified through reviewing ABG funded activities and the remaining £900k has been achieved through the projected underspend on normal activities.
12. The budget position on contingency shows an improvement of £501k in the last month. This is primarily due to an improved asylum funding offer from UKBA for 2009/10 (£510k) following negotiations with Council officers. An offer from UKBA for the first half of 2010/11 is not yet factored in and will be finalised as part of outturn. There was also a small adverse movement in the building control income position (£9k).
13. Capital financing costs are projected to underspend by £2,079k, no change from Month 10. The overall underspend is due to budgets set aside in advance for schools capital financing and other priority projects which will not be needed in this financial year (£1m) and through a revised projection for the Minimum Revenue Provision (MRP) required to be set aside this year and the impact of recent debt restructuring which will produce a saving of £550k in the current year. The favourable variance due to reappportioning capital financing costs between the HRA and the General Fund is £569k no change on Month 10.
14. The balances brought forward at 31st March 2010 were £17,745k. £1,500k of this sum was applied in support of the 2010/11 budget as part of the budget strategy agreed at Council Tax setting. The forecast balances as at 31st March 2011 are £16,793k as a result of the budgeted drawdown from balances (-£1,500k), the current forecast in-year overspend (-£171k) and after the transfer from earmarked reserves (+£719k).

B) Capital

15. Total forecast capital expenditure for the year is estimated to be £63,879k (Month 10, £67,079k), £12,370k below the revised 2010/11 budget. This variance represents the rephasing of projects into 2011/12 and will result in corresponding savings in revenue financing costs for 2011/12.
16. Although this rephasing will result in reduced financing costs in 2012/13, £2,545k pressures within the 2011/12 capital programme will be funded from Council Resources and result in on-going MRP and interest costs in the region of £230k per annum in future years.

A) Revenue

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

Table 1

2010/11 Original Budget	Budget Changes		2010/11 (As at Month 11)		% Var of budget	Variances (+ adv/- fav)		
			Current Budget	Forecast		Variance (As at Month 11)	Variance (As at Month 10)	Change from Month 10
£'000	£'000		£'000	£'000		£'000	£'000	£'000
223,425	9,795	Directorates Budgets on normal activities	233,220	231,877	-1%	-1,343	+617	-1,960
-27,731	-9,795	Corporate Budgets on normal activities	-37,526	-39,605	6%	-2,079	-2,079	0
195,694	0	Sub-total Normal Activities	195,694	192,272	-2%	-3,422	-1,462	-1,960
		Exceptional items:						
		Central govt grant cuts		2,900		+2,900	+3,600	-700
		In-year recovery savings		-2,000		-2,000	-2,000	0
		Icelandic Impairment		2,500		+2,500	0	+2,500
		Team bonus underspend		-175		-175	-175	0
		Development Control		111		+111	+31	+80
		Commercial property rental		166		+166	+166	0
		Golf Stockley Park		91		+91	+91	0
0	0	Sub-Total	0	3,593		+3,593	+1,713	+1,880
195,694	0	Total net expenditure	195,694	195,895	0%	171	251	-80
-			-					
194,194	0	Budget Requirement	194,194	-194,194		0	0	0
1,500	0	Net total	1,500	1,671		171	251	-80
-17,745		Balances b/f 1/4/010	-17,745	-17,745		0	0	0
		Transfer from earmarked reserves		-719		-719	-719	0
-16,245	0	Balances c/f 31/3/11	-16,245	-16,793		-548	-468	-80

Directorates' Forecast Expenditure Month 11

18. 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

2010/11 Original Budget £'000	Budget changes £'000	2010/11 Current Budget (as at Month 11) £'000	Directorate		2010/11 Forecast (as at Month 11) £'000	% Var of budget	Variances (+ adv/- fav)		
							Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Change from Month 10 £'000
279,115	14,257	293,372	Adult Social Care, Health & Housing	<i>Exp</i>	297,982	2%	+4,610	+4,674	-64
-185,595	-17,250	202,845		<i>Inc</i>	-205,408	1%	-2,563	-2,431	-132
93,521	-2,994	90,527		Total	92,574	2%	+2,047	+2,243	-196
98,326	-4,295	94,032	Planning, Environment & Community Services	<i>Exp</i>	93,842	0%	-190	-240	+50
-49,523	5,240	-44,283		<i>Inc</i>	-43,903	-1%	+380	+450	-70
48,804	945	49,749		Total	49,939	0%	+190	+210	-20
313,819	12,581	326,400	Education & Children's Services	<i>Exp</i>	325,687	0%	-713	-553	-160
-261,246	-4,328	265,573		<i>Inc</i>	-265,308	0%	+265	+265	0
52,573	8,253	60,827		Total	60,379	-1%	-448	-288	-160
28,759	11,097	39,856	Central Services	<i>Exp</i>	39,406	-1%	-450	-514	+64
-12,792	-6,930	-19,722		<i>Inc</i>	-20,001	1%	-279	-215	-64
15,967	4,166	20,133		Total	19,404	-4%	-729	-729	0
10,760	0	10,760	Developments Contingency Growth to be allocated		9,440	-11%	-1,320	-819	-501
1,800	-576	1,224			141	-88%	-1,083	0	-1,083
223,425	9,795	233,220	Sub-Total Normal Activities		231,877	-1%	-1,343	+617	-1,960

19. **Adult Social Care, Health & Housing** are projecting a **pressure of £2,047k (£196k improvement)** as at Month 11. The improvement from Month 10 is primarily as a result of a continued net reduction in residential care placements in Older People's Services which has again improved projections in this service by £172k. There has been no change in the projections for Learning disabilities (£748k) and for Physical disabilities (£543k), but there has been a slight improvement of £16k in Mental Health services (£653k) as a result of a revised client based income forecast. The management team are continuing to apply the measures in their recovery plan to mitigate these pressures. These forecasts exclude sums provided for in contingency for Transitional Children (£2,300k), Mental Health Services (£450k), Homelessness (£800k) and Older People's Services (£800k).

20. **Planning, Environment & Community Services** are projecting a **pressure of £190k (£20k improvement)** as at Month 11. The most significant ongoing pressure of £595k relates to the corporate landlord service, no change from Month 10. Within the service the main pressures are on Fleet Management (£195k), Corporate Facilities and property (£340k) and Leisure (£60k). Public Safety & environment are showing a favourable variance of £405k, an improvement of £20k on Month 10 within Waste Services. There is also a pressure due to the economic downturn at Stockley Park Golf Course (£91k) which is highlighted as an exceptional item. The pressure on Development Control which is also highlighted as an exceptional item has increased to £111k over and above the contingency provision. This is due to two expected major application fees dropping out of the forecast for 2010/11. Other pressures are on Development Control Income (£310k), Golf (£262k), Waste Disposal Levy (£1,528k), Recycling services (£150k), Highways Maintenance (£500k) and Vehicle Fuel costs (£150k) and are all provided for within contingency.
21. **Education & Children's Services** are forecasting a **£448k underspend (£160k improvement)** as at Month 11. This excludes the pressure on Asylum and Exhausted All Appeal cases, which are being treated as contingency items. The improvement is mainly in Resources, Policy and Performance (£137k) due to efficiency savings from non staffing budgets, savings from staffing budgets, delays in recruiting to a vacant post and commissioning surveys put on hold until the next financial year. There is an adverse movement of £138k in Access and Inclusion and an improvement of £138k in Children and families due to a switch in the reallocation of Surestart grant to a budget that falls within the Children and Families area. There is no net change as a result of this adjustment. As at Month 11 the pressure on Asylum is £941k an improvement of £510k on Month 10. This is primarily due to an improved asylum funding offer from UKBA for 2009/10 following negotiations with Council officers. An offer from UKBA for the first half of 2010/11 is currently being calculated and will be factored into the outturn position.
22. **Central Services** are forecasting a **£729k underspend (no change)** as at Month 11. This comprises of a projected underspend of £450k on expenditure budgets an adverse movement of £64k on Month 10, due mainly to an increase in the costs of redundancy that have been accounted for following the reorganisation of the Council in March 2011. There is also a £279k surplus of income, an improvement of £64k on Month 10, due in the main to a further review of Insurance costs and provisions. There are also pressures on Building Control income (£41k), Land Charges (£715k) income and the Self Insurance fund (£420k) which are all provided for within contingency.

Development & Risk Contingency: £1,320k underspend (£501k improvement)

23. £10,760k of potential calls on the Development & Risk Contingency were identified as part of the budget setting process for 2010/11 held in the base budget. Table 3 shows the amounts that have been allocated or earmarked as at Month 11.

Table 3

Development and Risk Contingency	2010/11 Budget	Agreed	Forecast as needed	Variance (+adv / - fav)
<i>2010/11 allocations:</i>	£'000	£'000	£'000	£'000
Total net contingency at start of the year	10,760			
Commitments:				
General Contingency	1,000		73	-927
Increase in Transitional Children due to Demographic Changes	2,300		2,300	0
Social Care Pressures (Adults & Children's)	800		800	0
Homelessness Budget - Reduction in DWP Funding	800		800	0
Increase in Mental Health Packages due to Demographic Changes	450		450	0
Waste Disposal Levy	1,528		1,528	0
Highways Maintenance (Recovery from Snow and Ice)	500		500	0
Cost Pressures on Recycling Service	150		150	0
Vehicle Fuel Monitoring Pressure	80		150	+70
Asylum non-EAA monitoring pressure	850		101	-749
Asylum Exhausted All Appeals	360		840	+480
Self insurance fund	420		420	0
Local Development Framework (LDF) legal & consultancy fees	100		0	-100
Local Land Charges Income (volume pressures)	715		715	0
Development Control Income	310		310	0
Building Control Income	135		41	-94
Golf Courses Income	262		262	0
Total net contingency	10,760		+9,440	-1,320

24. A large proportion of the total contingency is expected to be required in full, however the assumption that £927k of the £1m general contingency will not be drawn down has resulted in an overall underspend of £1,320k on the contingency budget.

25. The budget position on contingency shows an improvement of £501k in the last month due to an improvement in contingency of £510k on Asylum and an adverse movement on building control income of £9k.

26. The forecast asylum spend is £941k an improvement of £510k on Month 10. This is due to an improved asylum funding offer from UKBA for 2009/10 (£510k) following negotiations with Council officers. The Impact of a similar improved offer for the first 6 months of 2010/11 is still being assessed.

27. Within ASCH&H the contingency items in relation to Transitional Children, Mental Health and homelessness are forecast to be needed in full at this stage of the year.
28. Development control income is forecast as a gross pressure of £421k (an adverse movement of £81k on Month 10). This adverse movement is due to two expected major application fees dropping out of the forecast for 2010/11. The £111k over and above the contingency provision of £310k is now being highlighted as an exceptional item. Land charge income is still in line with the contingency provision with a gross pressure of £715k. The forecast for building control income is a gross pressure of £41k (an adverse movement of £9k on Month 10) and £94k less than provided for within contingency.
29. At Month 11 the fuel pressure is £150k, no change on the Month 10 forecast.
30. In addition there is a forecast pressure of £420k for the self insurance fund, £150k for the Recycling service, £500k for Highways winter maintenance, and £262k on Golf income, all of which are expected to be required in full at this stage.

Priority Growth: Nil variance (no change)

31. £1m was included in the 2010/11 budget for priority growth and £800k for HIP Initiatives (including £300k for waste & recycling projects).
32. In addition to the new budgeted amounts there was £205k of unspent priority growth from 2009/10 carried forward in earmarked balances to potentially fund one-off priority growth in 2010/11. £14k of this sum was allocated against a playground at Hillingdon hospital and the remaining balance (£191k) was transferred back to general reserves.
33. Table 4 summarises the position with regards to each element of priority growth.

Table 4

Priority Growth	2010/11 Budget	Agreed draw downs	Commitments	Unallocated
<i>2010/11 Unallocated Priority Growth at start of the year</i>	£'000	£'000	£'000	£'000
HIP Initiatives New budget:	800			
Agreed:				
Recycling initiatives		300		
Heritage		199		
Environmental projects		153		
Transferred to Balances		148		
HIP Initiatives unallocated balance	800	800	0	0
Unallocated non specific growth	1,000			
Library refurbishment		65		
Transferred to Balances		935		
Balance of unallocated growth	1,000	1,000	0	0
Total	1,800	1,800	0	0

34. HIP Steering group have approved £348k of allocations from the HIP revenue contingency. Some approved projects are now being deemed as capital in nature, Ruislip Lido rain shelters (£33.5k), Little Britain Lakes toilet facilities (£56.3k), Little Britain Lakes CCTV & lighting (£44.1k), Eastcote House Dovecote (£150k) and Ruislip Lido toilet block (£222k) are being funded from the Environmental Assets capital budget. A further review of HIP spend is being undertaken to see if there is any further spend that could be capitalised. Any decision to capitalise will be taken at the year end and will be influenced by the capital and revenue outturn positions.
35. The sum of £300k allocated to Waste and recycling will now be drawn down in 2010/11. The budget will remain going forward into 2011/12 and will be broadened to become an environmental initiatives budget.
36. January cabinet agreed the £65k to be allocated from priority growth to fund the cost of extended opening hours for refurbished libraries. This has reduced the priority growth budget from £1m to £935k.
37. The £148k remaining from the HIP initiatives budget and £935k of unallocated non-specific priority growth budget have now been built into the projected year end balances.

Corporate Budgets' Forecasts: £2,079k underspend (no change)

38. Table 5 shows budget, forecast and variance now reported on corporate budgets as at Month 11.

Table 5

2010/11 Original Budget	Budget Changes	2010/11 Current Budget (as at Month 11)	Corporate Budgets	2010/11 Forecast Outturn (as at Month 11)	Variances (+ adv/- fav)		
					Variance (As at Month 11)	Variance (As at Month 10)	Change from Month 10
£'000	£'000	£'000		£'000	£'000	£'000	
-2,564	2,164	-400	Unallocated savings	-400	0	0	0
10,109	-42	10,067	Financing Costs	7,988	-2,079	-2,079	0
			FRS 17 Pension				
9,161	0	9,161	Adjustment	9,161	0	0	0
-23,535	-11,634	-35,169	Asset Management A/c	-35,169	0	0	0
-20,901	-283	-21,184	Corporate Govt Grants	-21,184	0	0	0
-27,731	-9,795	-37,526	Corporate Budgets	-39,605	-2,079	-2,079	0

39. Financing costs show a forecast underspend of £2,079k at Month 11, no change on the Month 10 projection. There is a favourable variance on the element of capital financing costs that will be picked up by the HRA (£529k). In addition there is a favourable variance of £550k arising from debt restructuring and an updated projection for Minimum Revenue Provision (MRP) required to be set aside this year and also the £1,000k being set aside for capital financing for schools or other priority projects which is not likely to be needed in 2010/11.
40. A summary of treasury management activity is attached at Appendix B.

B) Capital

Current Year Expenditure

41. Table 6 shows actual spend to date and projected outturn for 2010/11.

Table 6

Groups	Original Budget	Revised Budget	Capital Spend Month 11	Actual Spend % of Revised Budget	Forecast outturn	Variance (Forecast)
	£'000	£'000	£'000	%	£'000	£'000
Adult Social Care, Health & Housing	4,960	4,387	3,265	74%	4,200	-187
Education & Children's Services*	27,241	15,394	12,014	78%	14,403	-991
Planning, Environment and Community Services	14,031	12,867	4,691	36%	10,827	-2,040
Finance & Business Services	1,378	1,317	702	53%	855	-462
Deputy Chief Executive	300	300	139	46%	300	0
Major Construction Projects	26,576	21,636	11,071	51%	16,135	-5,501
Partners – LAA Reward Grant	670	749	0	0%	749	0
Group Total	75,156	56,650	31,882	56%	47,469	-9,181
Recovery from Contingency					0	0
Programme Contingency	1,500	1,500	0	0%	0	-1,500
Contingency	500	445	0	0%	0	-445
Contingency Total	2,000	1,945	0	0%	0	-1,945
HRA	22,568	17,672	12,304	70%	16,428	-1,244
Total	99,724	76,267	44,186	58%	63,897	-12,370

* Actual spend of £11,969k shown above includes schools' returns for the first three quarters.

42. The forecast Capital outturn shows a variance of £12,370k against revised budgets as at Month 11 (Month 10, £9,148k) as detailed in Table 6 above. Further adjustments to forecast phasing of Major Construction Projects account for the majority of this change, with forecast expenditure in 2011/12 increasing accordingly.

43. Capital expenditure incurred as at Month 11 accounts for 70% of forecast expenditure, with the £19,711k outstanding expenditure attributable to works completed but not yet invoiced and works due to be completed by 31 March 2011.

44. The forecast outturn contains £2,545k pressures (Month 10, £2,530k) detailed in Table 7, along with the current funding strategy for each item.

Table 7

Scheme	Funding Strategy	Revised Budget £'000	Actual Spend (incl Accruals) £'000	Forecast Outturn (Month 11) £'000	Variance 2010/11 £'000	Total Project Variance £'000
Botwell Green Leisure Development	Council Resources	627	1,995	2,934	+2,307	+2,593
Breakspear Crematorium	Council Resources	0	13	29	+29	+29
Disabled Facilities Grants	Council Resources	2,577	2,131	2,710	+133	+133
Property Enhancements Programme Contingency	Council Resources	0	5	5	+5	+5
Purchase of Vehicles	Invest-to-save efficiencies	471	482	482	+11	+11
Schools Access Programme	Supported Borrowing	150	152	210	+60	+116
Total 2010/11 Pressures		3,825	4,778	6,370	+2,545	+2,887
Hillingdon Cemetery & Chapel	Council Resources	264	60	192	-72	+20
Hillingdon Sport & Leisure Centre	Council Resources	1,266	490	516	-750	0
Total Project Pressures		8,553	8,098	10,485	+1,932	+3,172

45. Current year pressures are expected to result in additional financing costs from 2011/12 in the region of £230k per annum, however these will be mitigated in the short term by significant rephasing of Council Resourced expenditure on most major projects.

46. The forecast previously overspend on Children's Centres Phase 2 has been reduced as the level of remaining liabilities is confirmed, allowing additional grant to be applied to Phase 3 and reducing the potential call on supported borrowing.

47. An additional increase of £50k in the Disabled Facilities Grant outturn is to be funded from Council Resources, which had been included in the agreed budget for 2010/11 prior to the rephasing exercise.

Current Year Financing

48. Table 8 shows the proposed financing of the budget and expected outturn.

Table 8

2010/11	Unsupported £'000	Capital Receipts £'000	HRA Capital Receipts £'000	Supported £'000	Grants £'000	HRA (inc MRA) £'000	Section 106 and other contributions £'000	Total Capital Programme £'000
Revised budget 2010/11	18,272	1,500	0	2,578	39,698	10,043	4,176	76,267
Outturn 2010/11	12,997	1,500	1,394	2,257	34,445	8,653	2,651	63,897
Variance	-5,275	0	1,394	-321	-5,253	-1,390	-1,525	-12,370

49. Forecast levels of unsupported borrowing required for 2010/11 are £12,997k (Month 10 - £15,111k), with the majority of the £5,275k variance against revised budget falling into 2011/12. This will result in total unsupported borrowing at 31 March 2011 reaching £47,683k.
50. Deferral of Council Resourced capital expenditure into 2011/12 is expected to allow for the deferral of both MRP and interest charges, with £30m borrowing previously scheduled for 2010/11 now due to take place in 2011/12.
51. Both General Fund and HRA capital receipts are available for financing as set out above, however the deferral of significant capital receipts will substantially offset savings generated from rephasing of capital expenditure.

CORPORATE CONSULTATIONS CARRIED OUT

Financial Implications

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

CORPORATE IMPLICATIONS

Corporate Finance

53. This is a Corporate Finance report.

Legal

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

BACKGROUND PAPERS

55. Monitoring report submissions from Groups.

APPENDIX A – Detailed Group Forecasts

Adult Social Care, Health & Housing

Revenue: **£2,047k Pressure** (£196k improvement)

- The continued improvement from the start of this calendar year continues to be in Older People's services and results from a continued net reduction in residential care placements. The introduction of the enhanced out of hours Careline service which includes a homecare out of hours response service has assisted in maintaining this improvement and the launch this month of the new enhanced TeleCareLine service is also significant in this respect. Other action taken to date has included bringing forward achievable savings from the new WLA Homecare framework agreement and, recruitment and use of agency staff continues to be reviewed along with other decisions to further reduce expenditure.
- In summary the department is reporting an adverse position of £2,047k on a £279m gross budget.

Services		2010/11 (As at Month 10)		% Var of budget	Variances (+ adv /- fav)		
		Current Budget	Forecast		Variance (As at Month 11)	Variance (As at Month 10)	Change from Month 10
		£'000	£'000		£'000	£'000	£'000
Older Peoples Services	<i>Exp</i>	+39,408	+42,864	9%	+3,456	+3,622	-166
	<i>Inc</i>	-8,185	-10,197	25%	-2,012	-2,006	-6
	Total	+31,223	+32,667	5%	+1,444	+1,616	-172
Physical & Sensory Disability Services	<i>Exp</i>	+9,248	+10,127	10%	+879	+867	+12
	<i>Inc</i>	-881	-1,215	38%	-335	-323	-12
	Total	+8,368	+8,912	7%	+544	+544	0
Learning Disability Services	<i>Exp</i>	+31,340	+31,809	1%	+469	+345	+124
	<i>Inc</i>	-12,242	-11,963	-2%	+279	+403	-124
	Total	+19,098	+19,846	4%	+748	+748	0
Mental Health Services	<i>Exp</i>	+5,665	+6,279	11%	+615	+615	0
	<i>Inc</i>	-402	-365	-9%	+38	+54	-16
	Total	+5,262	+5,915	12%	+652	+668	-16
Housing Benefits	<i>Exp</i>	+148,963	+149,393	0%	+430	+430	0
	<i>Inc</i>	-145,961	-147,150	1%	-1,189	-1,189	0
	Total	+3,002	+2,243	-25%	-760	-760	0
Housing Needs Services	<i>Exp</i>	+19,651	+18,908	-4%	-742	-742	0
	<i>Inc</i>	-17,261	-16,608	-4%	+653	+653	0
	Total	+2,390	+2,300	-4%	-89	-89	0
ASCH&H Other Service	<i>Exp</i>	+25,506	+25,009	-2%	-497	-462	-35
	<i>Inc</i>	-3,976	-3,973	0%	+3	-24	+27
	Total	+21,530	+21,036	-2%	-493	-485	-8
Total Expenditure		+279,781	+284,390	2%	+4,610	+4,674	-65
Total Income		-188,908	-191,471	1%	-2,563	-2,432	-131
ASCH&H Total		+90,873	+92,919	2%	+2,047	+2,243	-196

Older People Services: £1,444k adverse (£172k improvement)

3. This service has improved its forecast by £172k which builds on the £360k improvement reported since the start of the calendar year which is a result of a net reduction in residential care placements. The underlying cause of the £1,444k adverse position is as previously reported and primarily due to the effect of residential and nursing placements. At the present time the significant winter period has not resulted in increased demand for services beyond that originally forecast.
4. This forecast also assumes that the £760k can be drawn down from the Earmarked Reserve held for Older People Services reducing the pressure from £2,204k to £1,444k as reported in this forecast.

Physical Disabilities: £543k adverse (no change)

5. This service is currently forecasting a £543k adverse position due to increasing pressures to support people to live independently and increases in the cost of individual residential care packages following care reviews.

Learning Disability: £748k adverse (no change)

6. This service is currently forecasting a £748k adverse position due to increasing pressures to support people to live independently; increases in the cost of individual residential care packages following care reviews; and the cost of children transferring from E&CS. The movement in the gross and income forecast is related to PCT funded cases which LBH manage on their behalf as part of the s75 arrangement.
7. The forecast assumes that the £2,300k corporate contingency held for transitional children are received thereby reducing the pressure from £3,048k to the £748k reported.

Mental Health: £653k adverse (£16k improvement)

8. This marginally favourable movement in forecast results from a revised client based income forecast. Previous reports have referred to a potential transfer of financial responsibility for a number of clients currently funded by Health. Senior Officers from both organisations have agreed to resolve this impasse by engaging an independent and experienced senior officer who will review these cases. At the same time all procedural arrangements between LBH and Health will be reviewed which will ensure that future decisions are soundly based. However until this is resolved the worst case full year liability remains at £2m and although it is difficult at this stage to establish the exact liability relating to the current financial year, a firm estimate will have been established for accrual purposes..
9. The forecast therefore does not include any allowance for this but does assume that the £1,250k corporate contingency held for Mental Health Services is received thereby reducing the pressure from £1,903k to the £653k reported.

Housing Benefits: £760k favourable (no change)

10. This service is currently forecasting a £760k favourable outturn on a gross budget of £138m which is primarily based on the favourable outcome of the external audit of the £150.6m claim relating to 2009/10.

Housing Need Services: £89k favourable (no change)

11. Previous reports have referred to management action being taken to mitigate early year pressures which have proved to be successful and as a result are continuing in view of the overall pressure on the department's budget.

Other ASCH&H Services: £493k favourable (£8k improvement)

12. The primary reason for this favourable variance relates to the in-year action plan on recruitment and a reduced use of agency staff which in itself continues to be critically reviewed on an on-going basis to further reduce expenditure.

Contingent Items: Gross Pressure £4,350k (no change)

13. The Authority's 2010/11 contingent budget contains provision for areas of expenditure or income for which there is a greater degree of uncertainty. The net position after the application of the contingency is shown in the table below.

Division of Service	Gross Pressure Month 11	Gross Pressure Month 10	Change from Month 10	Contingency	Net Pressure
Increase in Transitional Children	2,300	2,300	0	2,300	0
Social Care Pressures	800	800	0	800	0
Homelessness Budget - Reduction in DWP Funding	800	800	0	800	0
Increase in Mental Health Packages	450	450	0	450	0
ASCH+H – Total	4,350	4,350	0	4,350	0

Housing Revenue Account (HRA)

14. This service is currently forecasting a favourable outturn of £3,004k; an improvement of £406k from the Month 10 position as set out in the table below.

2010/11 Current Budget (as at Month 11) £000	Division of Service	Variance (as at Month 11) £000	Variance (as at Month 10) £000	Change from Month 10 £000
+15,487	General and Special Services	-1,483	-1,490	+7
+10,853	Repairs Services	0	0	0
+11,040	Subsidy Payment to Government	+273	+273	0
+9,746	Capital Funded from Revenue (RCCO)	-1,093	-700	-393
+4,314	Other Expenditure	-707	-700	-7
-53,330	Income	+6	+19	-13
-1,890	In Year (Surplus) / Deficit	-3,004	-2,598	-406

15. The main reason for the movement is a £393k favourable variation for Capital Funded from Revenue. Within the context of a budget of over £10m this represents less than 4% and is due to delays in tenders for contract and extended consultations with leaseholders on works affecting their properties.

Planning Environment and Community Services (PECS)

Revenue: **£190k (£20 favourable)**

1. At Month 11, the Group is forecasting an adverse variance of £190k an improvement of £20k from month 10. The forecast variances are expressed net of any contingency provisions, which are detailed within the report.

Services		2010/11 as at Month 11		% Var of budget	Variances (+ adv/- fav)		
		Current Budget	Current Forecast		Variance (As at Month 11)	Variance (As at Month 10)	Change from Month 10
		£'000	£'000		£'000	£'000	£'000
Corporate Landlord	<i>Exp</i>	37,624	37,687	0%	55	55	0
	<i>Inc</i>	-22,275	-21,735	-2%	540	540	0
	Total	15,349	15,952	4%	595	595	0
Public Safety & Environment	<i>Exp</i>	47,048	47,311	-1%	-245	-295	50
	<i>Inc</i>	-17,129	-18,202	1%	-160	-90	-70
	Total	29,918	29,109	-1%	-405	-385	-20
Planning, Trading Standards & Environmental Protection	<i>Exp</i>	5,046	5,047	0%	0	0	0
	<i>Inc</i>	-2,005	-2,005	0%	0	0	0
	Total	3,041	3,042	0%	0	0	0
Transportation & Planning Policy	<i>Exp</i>	4,408	4,389	0%	0	0	0
	<i>Inc</i>	-2,163	-2,143	0%	0	0	0
	Total	2,244	2,245	0%	0	0	0
Total Expenditure		94,125	94,434	0%	-190	-240	50
Total Income		-43,573	-44,085	-1%	380	450	-70
		50,552	50,348	0%	190	210	-20

Exceptional Items: **Gross Pressure £678k (£81k adverse)**

2. The table below shows those items that have been considered as exceptional due to the downturn in the economy.

Division of Service	Gross Pressure Month 11	Gross Pressure Month 10	Movement Month 10 to 11	Contingency	Net Pressure
Development Control	421	340	81	310	111
Commercial Property Rental	166	166	0	0	166
Golf Stockley Park	91	91	0	0	91
P&CS – Total	678	597	81	310	368

3. The forecast for Development Control income is a gross pressure of £421k, the net position after the application of the contingency is an adverse variance of £111k.
4. The forecast position for Development Control Income shows a reduction in the forecast from Month 10. This is due to 2 expected major application fees dropping out of the forecast for 2010/11. Minor and Other applications have both shown positive trends over the last quarter of 2009/10 and this has initially continued in the first 3 months of 2010/11 but has fallen back over the remainder of the year. Minor applications are at 90% (month 10 91%) of the 4 years average, and other applications are at 94% (month 10 93%), compared to the 4 year average.
5. There is an ongoing pressure on income streams from commercial properties of £166k, due to a number of vacant tenancies in the Warnford Industrial Estate (£136k including bad debt provisions), 192 High Street, where premises have remained vacant (£16k) and a vacant unit in the Uxbridge Market (£14k). There has been little movement on these service areas during the year, with the pressures considered to be influenced by the uncertain economic situation.
6. The lease for Stockley Park Golf course has been reassigned to a new operator as of the beginning of October 2010. This was a result of the previous operator UK Golf going into administration earlier in the year. The current year impact is a pressure of £22k that relates to a part year reduced income level for the remaining 6 months of 2010/11. There was also a write off agreed via the Month 7 Budget Monitoring report to Cabinet for the outstanding rent of £69k relating to UK Golf. These 2 figures combine to give the full exceptional cost of £91k.

Contingent Items: Gross Pressure £2,090k

7. The Authority's 2010/11 contingent budget contains provision for areas of expenditure or income for which there is a greater degree of uncertainty. The net position after the application of the contingency is shown in the table below.

Division of Service	Gross Pressure Month 11	Gross Pressure Month 10	Movement Month 10 to Month 11	Contingency	Net Pressure
Waste Disposal Levy	1,528	1,528	0	1,528	0
Recycling Services	150	150	0	150	0
Vehicle Fuel	150	150	0	80	70
Golf	262	262	0	262	0
P&CS – Total	2,090	2,090	0	2,020	70

8. The Council's 2010/11 contingent budget contains sums relating to the Waste Disposal Levy, cost pressures on Recycling Services and Vehicle Fuel which impact on the PECS Group position. The Waste Disposal Levy was formally set by West London Waste Authority at the end of January 2010. The contingency contains the last two years' increases in the levy, and the gross pressure reflects the actual requirement based on the levy notification received in February 2010.
9. The forecast position for Vehicle Fuel Pressure is a pressure of £70k on the level set in the contingency and is a result of the recent price increases. The bulk diesel purchase price has shown an increase since the beginning of October, after having been relatively stable for the first six months of the year. In January and February the price has risen to £1.09 per litre, indications are that this is increasing further with the latest prices at £1.14 in March.

10. Although it is difficult to be precise about the extent of any further increase, the evidence of the recent price increases, plus the current industry commentaries suggest a worsening position. The latest projections of fuel spend are consistent with a £70k pressure over and above the contingency provision of £80k.

Corporate Landlord: £595k pressure (no change)

11. Fleet Management continues to report a pressure of £195k. The pressure areas continue to maintenance and lease costs, relating to the increasing age of the fleet. A service wide review of “transport needs” i.e. being undertaken, with the current focus on vehicle procurement requirements and options. A number of business cases for vehicle replacement have been produced and are currently under consideration.

12. Corporate Facilities and Property are reporting a series of ongoing pressures that total £340k. These are listed below.

- There is a projected shortfall of £72k on income from the hire of the Middlesex Suite, due to a general slow down in demand set against a challenging income target. The marketing of this service has been reviewed and updated, in anticipation that this could have a positive impact on the income levels.
- There is an anticipated shortfall of £81k on income from schools buy back of Facilities Management (FM) services, due to schools opting to procure services directly rather than through the FM Team. In order to try and address this position efforts continue to be made to raise awareness of the service offer, including activities such as visits to schools.
- There is a pressure of £28k on the cost of maintaining and keeping secure surplus properties prior to their disposal.
- There is a pressure on the Harlington Road depot of £159k. This 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. A number of space rationalisation measures have been implemented, such as Block A being decommissioned during November, resulting in some minor savings on rates and utilities. Further rationalisation and income generation possibilities are also being examined, in order to mitigate the position.

Off-Street Parking: Nil variance (no change)

13. The reduced levels of Car Park income experienced during 2009/10 continued into the first half of 2010/11, with the economic climate considered to be a significant factor. The 3rd quarter has suggested a more positive trend, however the adverse weather over the Christmas period is considered to have reduced the usual seasonal boost. Although there has been some recovery in February of the income from the surface car parks, in order to achieve a nil variance it has been assumed that management action can be undertaken to reduce expenditure that will be sufficient to offset the anticipated income reduction. This position also factors in the funding of the free parking costs estimated at £38k for the Christmas period, which was agreed at February Cabinet, and assumes that there will be some recovery in income levels in the final quarter of 2010/11.

Leisure: £60k Pressure (no change)

14. The service is reporting a £71k pressure due to the impact of the late opening of Botwell on the GLL management fee together with the associated delay in closing Hayes Pool, and a £9k pressure resulting from the need to pay security costs to undertake enforcement at car parks. This is being mitigated to a limited extent by savings in other budgets to achieve a net £60k pressure.
15. The Golf budgets were set to match the contracted income levels from Mack Trading, the contingency of £262k was set on the basis of the difference between the original budgeted income from Golf prior to the current arrangements. This budget is still required and will need to be allocated to the service, to ensure a balanced position. The Operator has recently requested a rent reduction, this request was rejected and the position therefore reflects full achievement of income.
16. The operator for the Gym at Minet has formally requested a reduction in its annual rent from £200k to £100k backdated to September 2009. The operator has been struggling to achieve its original projections for membership growth against the economic backdrop and increased competition from Botwell. This request has been rejected, and the position therefore reflects full achievement of this income.

Public Safety & Environment: £405k favourable (£20k favourable)

Waste Services: £360k favourable (£20k favourable)

17. Street Cleansing: The month 11 forecast is a £60k adverse expenditure variance which represents no change on the month 10 position.
18. Recycling Costs: At month 11 forecast is consistent with previous months and can be covered by release of the £150k recycling services contingency. There continues to be a positive trend in recycling rates which pressures the variable elements of the budget, particularly Gate Fees and recycling bags. The income trends for recyclable materials and the green waste rebates are similar to the previous financial year, with the COWSLOPS (organic waste) rebate currently slightly ahead of budget.
19. Waste Disposal: The gross pressure of £1,528k reflects that the increase in the 2009/10 and 2010/11 waste levy that has now been confirmed by West London Waste Authority (WLWA) and is currently held in contingency. The Section 52(9) budget was reset for the new financial year as part of the Levy process and therefore reflects the reduced tonnages experienced during 2009/10. There has been a recovery in residual waste tonnages since September, though with some seasonal variation. A continuation of this trend into the final quarter with confirmation of the January tonnages and provisional February tonnages, gives a forecast pressure of £100k. This represents a £50k adverse movement from month 10.
20. Trade Waste: Income streams continue to be relatively robust for Trade Waste. A favourable income variance of £200k is now forecast, an improvement of £70k from month 10. The latest position on aged debt continues to suggest that the existing levels of bad debt provision will be sufficient to meet most of the anticipated write-offs. The need for any further bad debt provision will be the key influence on the final outturn position for this service, but the current forecast allows for an increase, which is anticipated given the economic climate.
21. Civic Amenity Sites: The income levels at New Years Green Lane which dipped during December and January and have improved in February, and the income variance is now

forecast at of £20k. While the metal prices have remained buoyant the position reflects a reduction in activity which could be partly attributable to the adverse weather in December. This position allows for a pressure resulting from a backdated NNDR revaluation.

22. There is a £300k underspend being reported against waste and recycling initiatives which is currently offsetting variances elsewhere in the Directorate.

Community Safety: £45k Underspend (no change)

23. The underspend represents a saving on staffing due to maternity and sabbatical leave (£18k), and a saving on the Police ASB team, due to a favourable variance on pay costs (£27k).

Arts Service: Nil Variance (no change)

24. Across the service the income pressures are now forecast to be up to £45k, and it is anticipated will be compensated for from Arts expenditure budgets.

Education and Children Services (E&CS)

Revenue: £448k underspend (£160k improvement)

1. The Group is projecting an underspend of £448k as at Month 11, an improvement of £160k from Month 10. 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.
2. The projected variances at Month 11 are summarised in the following table:

		2010/11 (As at Month11)		% Var of budget	Variances (+ adv/- fav)		
		Current Budget	Current Forecast		Variance (As at Month11)	Variance (As at Month10)	Change from Month 10
		£'000	£'000		£'000	£'000	£'000
Schools & Central DSG	<i>Exp</i>	228,508	228,508	0%	0	0	0
	<i>Inc</i>	-227,198	-227,198	0%	0	0	0
	Total	1,310	1,310		0	0	0
Resource, Policy & Performance	<i>Exp</i>	4,123	3,948	1%	-175	-38	-137
	<i>Inc</i>	-2,174	-2,263	4%	-89	-89	0
	Total	1,949	1,685		-264	-127	-137
ECS Central Budget	<i>Exp</i>	19,355	19,225	1%	-130	-130	0
	<i>Inc</i>	-3,546	-3,546	0%	0	0	0
	Total	15,809	15,679		-130	-130	0
Learning & School Effectiveness	<i>Exp</i>	19,971	20,641	3%	+670	+693	-23
	<i>Inc</i>	-14,907	-15,062	1%	-155	-155	0
	Total	5,064	5,579		+515	+538	-23
Director's, Youth & Connexions	<i>Exp</i>	8,969	8,799	2%	-170	-170	0
	<i>Inc</i>	-1,010	-990	2%	+20	+20	0
	Total	7,959	7,809		-150	-150	0
Access & Inclusion – Children	<i>Exp</i>	5,544	5,234	8%	-310	-448	+138
	<i>Inc</i>	-2,211	-2,182	1%	+29	+29	0
	Total	3,333	3,052		-281	-419	+138
Children & Families Services	<i>Exp</i>	28,541	27,943	3%	-598	-460	-138
	<i>Inc</i>	-3,678	-3,218	11%	+460	+460	0
	Total	24,863	24,498		-138	0	-138
Recovery Plan Savings			0		0	0	0
Total Exp		315,011	314,298	0%	-713	-553	-160
Total Inc		-254,724	-254,459	0%	+265	+265	0
Total		60,287	59,839		-448	-288	-160

Schools: Nil variance (no change)

3. 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.

4. Any underspend or overspend of the Schools Budget in 2010-11 would be carried forward into 2011-12 and would have no effect on the General Fund.

Resources, Policy & Performance: £264k Underspend (£137k improvement)

5. The service is projecting an underspend of £264k, an improvement of £137k. The Research and Stats team is projecting a £118k improvement from the following areas: Payment of £30k to School Improvement Services for provision of IT expertise support will not be needed, £52k efficiency savings from non-staffing budgets and £36k savings from staffing budget from directors support.
6. There is a further £19k saving within Organisation & Resources due to delays in recruiting to a vacant post and commissioning surveys put on hold until next financial year.

ECS Central Budget: £130k Underspend (No change)

7. There has been no major change to the position reported within the ECS central budget.

Learning & School Effectiveness: £515k Pressure (£23k improvement)

8. The service is projecting an overspend of £515k, an improvement of £23k due to additional income from Barra Hall room hire & rental.

Director's, Youth & Connexions: £150k Underspend (No change)

9. There has been no major change to the position reported within these areas.

Access & Inclusion – Children: £281k Underspend (£138k Adverse movement)

10. There is an adverse movement of £138k from the figure reported at Month 10 due to a switch in the reallocation of Surestart grant to a base budget that falls within the Children and Families area. The Children and Families area shows a corresponding improvement so there is no net change as a result of this adjustment.

Children and Families: £138k underspend (£138k improvement)

11. The Children & Families reporting an improved position for month 11. This improvement is explained in the preceding paragraph.
12. The planned in-year savings linked to BID projects, Placements Review and the Recruitment & Retention Strategy implemented by the management group has successfully achieved savings to offset the previously reported pressure of £320k arising from activities due to the Southwark Judgement
13. There has been a great deal of work undertaken by the Children and Families Service to reduce the placement costs. This is achieved by ensuring that high cost care packages such as Residential and Secure Accommodation are reviewed regularly and alternatives identified for these children and young people i.e. more cost effective in-house, residential and foster care services. The main factor which is uncertain is DSG education income which ceases when the child reaches statutory school education.
14. The savings were also achieved through earlier than anticipated permanent recruitment to Social Work posts within the Assessment and Care Management team. In addition, the Family Support

Service, the Child Protection Service, In-House Fostering Services and the Other Care Services are reporting improved positions.

Contingent Items: Asylum Service: Gross pressure £941k (£510k improvement)

- 15. The Asylum service is reporting a gross pressure of £941k, an improvement of £510k from Month 10.
- 16. Following negotiations with Council officers, the Council has received an improved asylum funding offer from UKBA for 2009/10 of £510k to partly offset the transition to the new funding regime. A similar offer to fund 50% of the shortfall for the first 6 months of 2011/12 has also been received, the value of this is will be finalised on completion of the grant claim.

Division of Service	Gross Pressure Month11	Gross Pressure Month10	Change from Month10	Contingency	Net Pressure
Asylum Services	941	1,451	-510	1,210	-269
E &CS – Total	941	1,451	-510	1,210	-269

- 17. The current reported pressure for Exhausted All Appeals and ineligible clients' amounts to £840k which includes £55k for Naturalised clients.

Central Services

Revenue: **£729k underspend (no change)**

1. The forecast position for the central services revenue budget as at Month 11 is an underspend of £729k, no change on the Month 10 projections. The following table summarises the overall position for Central Services.

Service		2010/11 (As at Month 11)		% Var of budget	Variances (+ adv/- fav)		
		Current Budget	Forecast		Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Change from Month 10 £'000
		£'000	£'000				
Central Services	<i>Exp</i>	35,798	35,348	-1.26%	-450	-514	+64
	<i>Inc</i>	-21,592	-21,871	-1.29%	-279	-215	-64
Central Services Total	Total	14,206	13,477	-5.13%	-729	-729	0

Expenditure

2. The underspend of £450k on expenditure budgets relates to a number of underspends, totalling £1,392k, netted down by overspends totalling £942k, which are as follows:

Underspends

- An underspend of £649k on staffing costs across the service, where a number of posts have been held vacant and where staffing structures have been reviewed as part of the BID Review process (Policy and Performance £193k, ICT Services £124k, SEN Transport £110k, Bereavement Services £97k, Corporate Communications £59k, Finance and Procurement Services £56k, Human Resources £48k and Legal Services £21k, netted down by a pressure of £59k in Democratic Services).
- An underspend of £372k on non staffing costs across the group due to having a freeze on all non essential expenditure (Bereavement Services £202k, ICT Services £186k, Human Resources £52k and Policy and Performance £43k, netted down by an overspend of £72k in the Imported Food Unit and £39k in Legal Services)
- An overachievement of the in year savings target by £79k, which was identified as part of the Expenditure Review.
- An underspend of £62k on Community Cohesion, following an in-depth review of all expenditure requirements.
- An underspend of £57k on Members' Allowances where the budget provision is £57k in excess of the projected cost for the current administration.
- An underspend of £42k on the cost of printing in the Communications team.
- An underspend of £40k on the cost of Audit fees, due to the cessation of the CAA Audit
- An underspend of £40k on training costs following a review of training courses.
- A surplus of £29k relating to the Childcare Tax Credit Scheme.
- An underspend of £22k on the Voluntary Sector Grants budget, where the grants budget is £47k in excess of the grants that have been awarded, netted down by an additional cost of £25k on Christmas Lights in Town Centres.

Overspends

- An overspend of £413k on SEN Transport, due to an historical increase in the number of SEN children requiring transport.
- An overspend of £317k based on known and estimated redundancy costs.

- An overspend of £113k on ICT Licence and software payments.
- An additional cost of £71k relating to the investment in key HR systems to support the delivery of future savings.
- An overspend of £28k on Postage costs across Accounting Services.

Income

3. The surplus of £279k on income streams relates to an over recovery of income totalling £604k, netted down by a shortfall of £325k, which are as follows:

Over Recovery

- An over recovery of £258k in the Imported Food Unit, following the introduction of new requirements.
- One off income from external sources totalling £258k (including the write on of Credit Balances in the Revenues service and a review of Insurance costs and provisions).
- An over recovery of £59k on Nationality Checking, Citizenship and Registration of Births, Deaths and Marriages.
- An over recovery of £29k from schools purchasing the Occupational Health Service.
- Additional Income from schools and Housing Associations of £12k.

Shortfall

- An under recovery of £201k on Passenger and SEN Transport Services Income, following a reduction in the number of routes and clients supported.
- A projected shortfall of £55k in Legal services relating to services provided to Hillingdon Homes.
- Under-recovery of income from the Hillingdon Business forum and Uxbridge Town Centre of £24k
- A shortfall in the Hillingdon People income of £21k due to a downturn in the number of requests for advertising space, both internally and externally.
- An under recovery of £17k on Building Control Income.
- A shortfall of £7k on the buy back of Payroll services by schools, where three schools have decided not to renew their contract this year.

Contingency Items

4. The Corporate Contingency holds a number of budgets relating to exceptional items linked to the downturn in the economy which has severely impacted the housing market and has continued to depress a number of income streams. The net position after the application of the contingency is shown in the table below.

Contingent Item	Gross Pressure Month 11 £'000	Gross Pressure Month 10 £'000	Movement Month 11 to 10 £'000	Contingency £'000	Net Pressure £'000
Building Control	41	32	+9	135	-94
Land Charges	715	715	0	715	0
Self Insurance Fund	420	420	0	420	0
Total	1,167	1,176	+9	1,270	-94

Building Control Income: £41k Pressure (£9k adverse)

5. The forecast for Building Control income is a gross pressure of £173k, however, a large proportion of this can be offset by an underspend on the salary and non-salary budgets of £132k, which would require only £41k being drawn down from the contingency.

Land Charges: £715k Gross Pressure (no change)

6. Land charge income has moved to a cost recovery basis due to statutory changes in regulations enacted in December 2008. Based on this, the projected shortfall on income is estimated to be £766k. However, due to the underspend across Finance & Business Services, the draw down from the contingency will be £715k, the remaining balance of £51k will be absorbed within the main revenue budget. This also includes the further impact of the Ministry of Justice (MOJ) decision to revoke the charging of a fee for personal searches, where the instruction from the MOJ came into force on 17th August 2010, and will be backdated to when the Environment Information Regulations came into force in January 2005.

Self Insurance Fund: £420k Gross Pressure (no change)

7. The Corporate Risk Contingency holds a budget of £420k to cover the costs of insurance claims, where the Council is liable for the excess, which varies depending on the type of insurance, but in the main stands at £100k. Based on current projections this contingency sum will be fully required to cover the costs of the excess payments made in 2010/11.

Capital Programme

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

HRA: £1,244k Variance (Month 10 - £751k variance)

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

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 11 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
Capital Works to Stock	10,000	9,179	Y	5,512	60%	8,786	-393
HRA - New Build - HRA Pipeline Sites Phase 1	7,508	5,100	Y	4,515	89%	4,700	-400
HRA - New Build - Extra Care Sites Phase 1 (Triscott House)	3,430	2,100	Y	1,598	76%	2,000	-100
HRA - New Build - LD Sites Phase 1	0	100	Y	0	0%	0	-100
HRA - New Build - HRA Pipeline Sites Phase 2	0	191	Y	0	0%	40	-151
Cash Incentive Scheme	150	0	Y	0	0%	0	0
HRA - Estates Improvements	1,280	1,002	Y	679	68%	902	-100
Other Projects	200	0	N	0	0%	0	0
HRA – Total	22,568	17,672		12,304	70%	16,428	-1,244

2. Forecast outturn for Works to Stock has been reduced by £363k to reflect delays in tender awards, extended leaseholder consultation, site access and scoping issues. Given the level of expenditure at Month 11, there remains a significant risk that a number of other projects currently underway will also slip into 2011/12 and significantly reduce outturn on this programme of works.
3. There have been some minor changes to phasing on Pipeline projects since Month 10, with works on Learning Development Sites now expected to commence in 2011/12.

Adult Social Care, Health and Housing: £187k Variance (Month 10 - £27k Pressure)

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

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 11 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
PSRSG for WL Empty Property Grant	1,100	900	Part	468	52%	579	-321
Mental Health – Mead House	114	250	Y	162	65%	250	0
Disabled Facilities Grants	3,000	2,577	Y	2,131	83%	2,710	133
Private Sector Renewal Grants	450	430	Y	278	65%	430	0
Colne Park Caravan Sites	296	230	Y	226	98%	231	1
ASC,H&H – Total	4,960	4,387		3,265	362%	4,200	-187

5. £321k of externally funded expenditure on Empty Property grants previously expected to take place in the current year is to be rephased into 2011/12. Levels of external funding are not affected by this rephasing and can be carried utilised in the new financial year.
6. An additional £50k of Disabled Facilities Grants is expected to be awarded in the current financial year, increasing forecast outturn to £2,710k. Council Resources are to fund £1,061k of this programme, which remains with the original budget agreed by Council in February 2010.

Education and Children's Services: £991k Variance (Month 9 - £915k variance)

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 11 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
100% Grant/Externally Funded							
Early Years Foundation Stage – Surestart	1,169	70	0	70	100%	70	0
Extended Schools	251	485	Y	307	63%	322	-163
Formula Capital Devolved to Schools	3,876	4,894	N/A	3,284	67%	4,894	0
Guru Nanak - Expansion 2010	5,710	4,295	Y	4,294	100%	4,295	0
Pathfinder (Playgrounds)	598	338	Part	338	100%	338	0
Pinkwell	0	189	Y	0	0%	30	-159
Primary School Expansions – Minor Works	1,942	44	Y	0	0%	25	-19
Primary School Expansions – Unallocated	5,150	0	Y	0	0%	0	0
Rosedale College S106 – only	0	26	N	0	0%	0	-26
School travel Plans	0	101	Y	78	77%	101	0
Schools Kitchens	4,928	2,285	Part	1,668	73%	1,785	-500
Specialist Schools	0	62	Y	60	97%	62	0
Surestart - AHDC short breaks	365	41	Y	10	24%	41	0
Vehicle Workshops - West Drayton Young People's Centre	0	40	N/A	0	0%	0	-40
Investment in Young People's Facilities	167	84	Part	0	0%	0	-84
Island U - Virtual School Project	0	60	N	0	0%	0	-60
Total 100% Grant/Externally Funded	24,156	13,014	0	10,109	78%	11,963	-1,051
Non Grant Funded							
Expansion Haydon	0	14	Y	0	0%	14	0
Urgent Building Condition Projects (Modernisation)	1,985	2,124	Part	1,696	80%	2,124	0
School Places Provision (Basic Needs)	0	92	Part	57	62%	92	0
Building Schools for the 21st Century	1,000	0	0	0	0%	0	0
Schools Access Programme	100	150	Part	152	101%	210	60
Total 100% Non Grant Funded	3,085	2,380		1,905	80%	2,440	60
E&CS – Total	27,241	15,394		12,014	78%	14,403	-991

- Capital expenditure at Month 11 does not include Q4 schools expenditure, which is expected to amount to approximately £2,000k and meet outturn forecasts included above for devolved capital budgets.
- Forecast outturn on the IslandU – Virtual School Project has been reduced to reflect rephasing of this project into early 2011/12. This project is intended to be fully funded from a ring fenced DfE grant; however this would become repayable if not fully spent by 31 August 2011.

Planning, Environment and Community Services: £2,040k Variance (Month 9 - £1,521k variance)

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 10 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
Grant/Externally Funded							
S106/S278 Schemes	0	535	Part	462	86%	496	-39
Safer Stronger Communities Fund	50	50	Y	50	100%	50	0
Botwell Multi Use Games Area	100	242	Part	228	94%	242	0
BSP funded by Transport for London	4,000	3,824	Part	683	18%	3,646	-178
Total Grant/Externally Funded	4,150	4,651		1,423	31%	4,434	-217
Other							0
Winston Churchill Hall Refurbishment	430	430	Y	2	0%	50	-380
Manor Farm Stables Development	371	451	Y	2	0%	50	-401
Willow Tree Centre	300	0	N	0		0	0
William Byrd Pool	250	0	N	0		0	0
North Hillingdon Adult Education Centre Roof Replacement	155	78	Y	68	87%	78	0
Manor Farm	0	55	Y	1		55	0
Property Works Programme	500	500	Part	29	6%	495	-5
Property Works Programme Contingency	0	0	N	5		5	5
Youth Offending Team consolidation into Link 1A / cashiers	0	30	Y	9	30%	30	0
Civic Centre Security Improvements	0	107	Y	52	49%	107	0
Civic Centre Works	1,590	1,290	Part	335	26%	1,075	-215
Libraries Refurbishment	622	1,037	Y	474	46%	887	-150
Harmondsworth Dog Free Mini Football Area	0	5	Y	0	0%	5	0
Ruislip Lido Toilets	0	302	Y	284	94%	302	0
CCTV Programme	230	0	N	0	#DIV/0!	0	0
Chrysalis Programme	1,000	915	Y	348	38%	800	-115
Highways Improvements	1,100	1,100	Y	844	77%	1,100	0
Highways Localities Programme	258	258	Y	1	0%	258	0
Road Safety	250	114	Y	28	25%	70	-44
Street Lighting	300	300	Y	52	17%	150	-150
Town Centre Initiative	525	525	N	108	21%	200	-325
Purchase of Vehicles	0	471	Y	482	102%	482	11
Environmental Assets	2,000	100	Part	0	0%	50	-50
Fassnidge Park adiZone	0	148	Y	144	97%	144	-4
Total Other	9,881	8,216		3,268	40%	6,393	-1,823
PE&CS – Total	14,031	12,867		4,691	36%	10,827	-2,040

9. The forecast outturn position on the Civic Centre Works and Town Centre Initiative budgets have been reduced by £215k and £325k respectively to reflect projects which are not to be undertaken in 2010/11, leading to a reduced call on Council Resources and associated on-going revenue savings.

10. Forecast outturn on Chrysalis projects has been reduced to reflect savings on a number of projects, in addition to rephasing part of the Yiewsley MUGA project into 2011/12 following

delays in the appointment of contractors.

Major Construction Projects: £5,501k Variance in 2010/11 (Month 10 - £3,878k Variance)

Capital Schemes 2010/11	Revised Budget	Budget Released	Capital Spend Month 10	Actual % of Revised Budget	Forecast Outturn 2010/11	Forecast Outturn 2011/12 onwards	Forecast Variance 2010/11	Forecast Variance Total Project
	£' 000	Y/N	£' 000	%	£' 000	£' 000	£' 000	£' 000
Planning, Environment and Community Services								
Arundel Road Development HIP	18	Part	3	17%	18	2,000	0	0
Botwell Green (including Gymnastics Centre)	627	Y	1,995	318%	2,934	286	+2,307	+2,593
Brookfield – Second Floor	15	Y	10	67%	15	0	0	0
Farm Barns	320	Y	9	3%	178	297	-142	0
South Ruislip Development	1,400	Part	342	24%	600	7,019	-800	0
Highgrove Pool Phase II	300	Y	7	2%	300	3,800	0	0
Hayes End Library Development	600	Part	116	19%	145	2,455	-455	0
Hillingdon Sports and Leisure Centre	1,266	Y	490	39%	516	750	-750	0
Minet Cycle Club	339	Y	337	99%	339	10	0	0
New Years Green Lane Civic Amenity Site	1,900	Part	95	5%	200	3,273	-1,700	0
Queensmead Fitness Centre Refurbishment	28	Y	25	89%	28	0	0	0
Education and Children's Services								
Children's Centres – Phase 2	701	Y	526	75%	669	0	-32	-32
Children's Centres – Phase 3	4,109	Y	2,170	53%	3,545	564	-564	0
Glebe Primary School	31	Y	2	6%	31	0	0	0
Heathrow Primary	18	Y	2	11%	18	0	0	0
Longmead - Laurel Lane	1,612	Y	1,026	64%	1,542	0	-70	-70
Merrifields fit out for short breaks	389	Y	358	92%	389	0	0	0
New Young People's Centre	1,726	Y	1,236	72%	1,615	111	-111	0
Pinkwell New Classrooms	304	Y	195	64%	304	0	0	0
Pinkwell School Hall	478	Y	491	103%	478	0	0	0
Primary School Expansions	4,658	Y	1,215	26%	1,571	3,087	-3,087	0
Ruislip High School - Construction	273	Y	268	98%	273	0	0	0
Ruislip High School - Expansion	150	Y	4	3%	125	1,375	-25	0
Targeted Capital - Oak Farm	44	Y	26	59%	44	0	0	0
Targeted Capital - Uxbridge High	32	Y	29	91%	32	0	0	0
Finance & Resources								
Hillingdon Cemetery & Chapel - Insurance work	264	Insurance	60	23%	192	92	-72	+20
Council Wide								
Project QS support	34	N/A	34	100%	34	0	0	0
Major Construction Project Fees	0	N/A	0	0%	0	0	0	0
Major Construction Projects – Total	21,636		11,071	51%	16,135	25,119	-5,501	2,511

11. Year to date expenditure on MCP Projects of £11,071k includes £628k of fees for nine months, contributing towards the cost of architects, design and project management costs. Full year outturn on these fees is anticipated to be £838k, of which £339k is to be funded from Council Resources.

12. Expenditure profiles on a number of Major Construction Projects have been reviewed in preparation for year end and current year outturns reduced on Farm Barns (£172k), Hayes End Library Development (£455k), Hillingdon Sports & Leisure Centre (£370k) and Ruislip High School Expansion (£25k). Rephasing on the Hayes End Library Project is a result of the on-going process to appoint a contractor, while timing changes on the other projects are on the basis of projected value of works at 31 March 2011.
13. The latest forecasts for expenditure on the Children's Centre projects are that they are on track to draw down the full Surestart Grant allocation for 2010/11, while delays on the Whitehall Children's Centre and the completion of Deanesfield by May 2011 will result in expenditure of £564k being rephrased into 2011/12. Funding for these rephrased works are to be met from existing supported borrowing and S106 contributions linked to the Deanesfield project.

Central Services: £342k variance (Month 10 - £166k variance)

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 9 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Forecast Variance £' 000
Leader's Initiative	300	300	Part	139	46%	300	0
DCE – Total	300	300		139	46%	300	0
Breakspear Crematorium	0	0	N/A	13		29	29
ICT Single Development Plan	1,378	1,317	Part	689	52%	826	-491
F&R – Total	1,378	1,317		702	53%	855	-462
Central Services – Total	1,678	1,617		841	52%	1,155	-462

14. Forecast outturn on the ICT Single Development Plan has been reduced to reflect a scaling back of on-going projects and residual expenditure on the Improving Information Management and Benefits ICT projects being rephased into 2011/12.

Partners: Nil variance (Month 10 - Nil variance)

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Budget Released Y/N	Capital Spend Month 10 £' 000	Actual % of Revised Budget %	Forecast Outturn £' 000	Forecast Variance £' 000
LAA Reward Grant Share to Primary Care Trust	335	333	N/A	0	0%	333	0
LAA Reward Grant Share to Community Safety Partnership	140	140	N/A	0	0%	140	0
LAA Reward Grant Share to BAA & Uxbridge College	130	128	N/A	0	0%	128	0
LAA Reward Grant Share to Ground Work Trust	65	63	N/A	0	0%	63	0
LAA Reward Grant Share to HAVS	0	85	N/A	0	0%	85	0
Partners – Total	670	749		0	0%	749	0

15. LAA reward grant funding was received by the Council in March 2011 and is due to be passported to partner organisations shortly.

Capital Contingency: £1,945k underspend (Month 10 - £1,945k underspend)

Capital Schemes 2010/11	Original Budget £' 000	Revised Budget £' 000	Capital Spend Month 9 £' 000	Actual Spend % of Revised Budget %	Forecast Outturn £' 000	Variance £' 000
Purchase of Vehicles	1,500	1,500	0	0%	0	-1,500
General Contingency	500	445	0	0%	0	-445
Contingency – Total	2,000	1,945	0	100%	0	-1,945

16. There have been no further allocations from contingency; with the remaining contingency budget partially offsetting overspends within the capital programme.

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 February 2011.
2. As at 28th February 2011 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: 0.82%

	Actual £m	Actual %	Bench- mark %
Up to 1 Month	26.8	53.39	60.00
1-2 Months	5.3	10.56	15.00
2-3 Months	0.0	0.00	10.00
3-6 Months	2.0	3.98	5.00
6-9 Months	3.5	6.97	5.00
9-12 Months	0.0	0.00	5.00
Subtotal	55.1	81.39	100
Unpaid Maturities	12.6	25.10	0.00
Total	67.7	100	100

3. With the exception of the unpaid Icelandic investments, deposits are held with UK institutions, which hold at a minimum, a Fitch AA- long-term credit rating and Money Market Funds (MMF) which are AAA rated.
4. Deposits are currently held with the following institutions; Goldman Sachs MMF, Henderson MMF, Ignis MMF, Standard Life MMF, Royal Bank of Scotland, Barclays Bank, Lloyds TSB Banking Group and Nationwide Building Society.
5. During February, fixed term deposits matured in line with cash flow requirements. One short-term deposit was placed with Clydesdale to ensure there was no breach of counterparty limits. The remainder of surplus funds were placed in instant access accounts in order to meet near term cash flow requirements.

Outstanding Debt - Average Interest Rate on Debt: 3.58%

	Actual £m	Actual %
PWLB	114.4	70.44
Long-Term Market	48.0	29.56
Temporary	0.0	0.00
Total	162.4	100.00

6. There were no naturally maturing loans during the month and no new borrowing was taken. Discounts on loans earmarked for premature repayment reduced by almost 50% during February, therefore rescheduling was unviable.

Prudential Indicators

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

Ongoing Strategy

8. Income receipts will remain low during March as the collection of scheduled Council Tax and Business Rate direct debits have come to an end for this financial year. To ensure funds are available to meet cash flow obligations and maintain liquidity, balances will be placed in instant access accounts and if necessary short term deposits.
9. Long term borrowing will still be deferred to avoid the cost of carry associated with current market conditions. However, it has been identified that temporary borrowing will be required in March to ensure sufficient funds are available to cover cash flow commitments. Early redemption opportunities will continue to be monitored; however it is unlikely the market will move to an extent which will make it viable.

APPENDIX C

Retaining of agency staff for Social Care, Health and Housing Services

a) There are a further tranche of Children's social worker agency staff that have been paid in excess of £50k in 2010/11.

Cost Centre	PID	Projected 2010/2011 £
60057	1225	68,565
60055	1259	50,816
60053	868	57,500
60057	1228	51,810
60053	16649	53,923
60068	16056	59,752
60053	7823	56,197
60068	1202	71,873

b) Within Adult Social Care

Recruitment to this care manager post on a permanent basis is now underway, but cover is urgently required in the interim due to other staff pressures within the team. i.e. two further vacancies within the team; one team member is on secondment and another is off sick, the team is therefore operating at 50% staffing, with a further member of staff due to retire in April 11. It is therefore not possible for the team to absorb additional demand.

ASCH&H Agency staff	Projected 2010/2011 Cost £'000	Projected 2011/2012 Cost £'000
Post 1 Care Manager - Access and Assessment Team	42	14

Retaining of Agency Staff for Planning, Education, Environment and Community Services

Because of the high volume of planning related work associated with the school places project, a full-time planner is needed to deal with planning applications and associated work. The work includes provision of pre-application advice, assessing planning applications, discharging pre-commencement and other planning conditions. It is proposed to retain an Agency worker for this project because of their knowledge of the Borough and experience in working for the Council. The extension of the post will be initially for six months to the end of September 2011. The post will be funded from the capital fund for the School Places Project and cost approximately £30k for the next months. A matrix contract is in place with the agency worker and the post funding exceeded £50k.

Retaining of Agency Staff for Central Services

The need for the Council to achieve £26.2m of savings in 2011/12 and a further £16m in 2012/13 means a significant increase in the size and complexity of the various budget and BID reviews that require support. Central Services need to retain a dedicated resource to coordinate the Central Services response so that it can fully support this significant programme. This resource is also

required to help drive the significant programme of transformation projects within Central Services itself including a large number of projects within Finance & Procurement. This interim resource will be required for the next financial year and is fully funded from an existing Central Service budget which has been used to support this resource over the last year. It does not therefore require funding from the HIP BID contingency. The estimated cost for 2011/12 is around £100k.

APPENDIX D

New Charges for Animal Control Unit 2011/12

Pest Control

1. Owner-occupiers : £50 + 20% VAT = £60 (Maximum of 3 visits), each additional visit £30 + 20% = £36
25% Concessionary rate = £15
2. No Access : £30 + 20% VAT= £36
25% Concessionary rate Not Applicable
3. Emergency appointments: £40 + 20% VAT = £48
25% Concessionary rate = £12
4. Rented properties : £78 + 20% VAT = £93.60
25% Concessionary rate Not Applicable

Stray Dogs

There is no VAT involved.

Statutory fine : £25

Transport cost for **first** offence within a 12 month period £45

Total £70

Transport cost for **second** offence within a 12 month period £70

Total £95

Transport cost for **third** offence within a 12 month period £90

Total £115

Appendix E:

Schedule of Fees for GDPO Applications and other Planning Related Work not currently subject to fees

1. Applications where no additional floorspace created - a fee of £170 (based on Category 2 - "non residential development" - development creating no floorspace)
2. Minor Developments - a fee of £850 (based on an average of 0.5ha per development at £170 per 0.1 ha - Category 9 "Other Operations") where the floorspace to be created would be less than 1,000m², or the site area less than 1 ha.
3. Major Developments –
 - Band A 1,000m² to 10,000m² or between 1 and 5 hectares fee £3,400
 - Band B 10,000m² to 20,000m² or between 5 and 10 hectares fee £6,800
 - Band C above 20,000m² or above 10 hectares fee £18,000
4. A charge of £1,000 for screening/scoping opinions
5. Considerations will be treated in the same way as planning conditions and charged at a rate of £85
6. A standard fee for 6 pre-application meetings a year at £750 per meeting.