

Appendix One

The purpose of this Appendix is to address a number of the queries raised as the Overview and Scrutiny Committee meeting held on the 18th August

Capital Budget Monitoring

The detailed Capital Budget monitoring table has been provided below:

Description	Budget 2019/20	Year End Position 2019/20		Notes
	Original Budget	Actuals	Variance	
IT Upgrade	497,170	0	-497,170	No spend has occurred as yet. It has been deferred into the 2020/2021 financial year.
Investment Property (Edenbrook Apartments)	0	755,368	755,368	Executive Decision and has since been reported to Council.
Frogmore Leisure Centre Investment	0	367,537	367,537	Executive Decision taken by Joint Chief Executives and S151 to improve and develop
The Pavilion, Southampton	0	6,283,095	6,283,095	Purchased was made by Executive Decision and has since been reported to Council.
Capital Corporate Services	497,170	7,406,000	6,908,830	
Disabled Facilities Grant (DFG) - Mandatory	500,000	926,673	426,673	Needs based expenditure - overspend this year but is funded from reserve underspend in prior years.
Private Sector Renewal	30,000	5,154	-24,846	Needs based and requests for assistance has been reduced in 2019/2020.
Grants for Affordable Housing	0	325,000	325,000	Council decision – funding granted by Council to Vivid to purchase a bungalow for disabled adaptation.
Capital Community Services	530,000	1,256,827	726,827	
Dog Warden Van	0	0	0	£13k initially allocated but insufficient to purchase new van. Top up funding to be arranged to allow for purchase in future financial years.
Printers/ Photocopiers	0	39,440	39,440	Did not have an original budget but it was decided by S151 and Joint Chief Executives that this was a good idea to purchase as less costly than current leasing arrangement – net saving l.
Regulatory Services (now renamed Place services)	0	39,440	39,440	
Odiham Common	6,000	0	-6,000	£6k of work carried forward into later financial years due to timing of the work and adverse weather conditions meant that the work could not occur.

Fleet Pond Visitor Enhancement	106,000	0	-106,000	£106k of work deferred as it will form part of the green corridor project.
HW Cent Common Enhancements	17,000	0	-17,000	£17k of work carried forward into later financial years due to timing to do the work and adverse weather conditions meant that the work could not occur.
Bramshot Farm	1,312,750	269,025	-1,043,725	£1,044k of work delayed into future financial years due to timing and adverse weather conditions.
Phoenix Green, Hartley Wintney	21,500	7,180	-14,320	£14k of work to carry forward into future financial years. Only the work that is to be done in year will be shown in the budget and not the whole budget as is in this financial year.
Mill Corner, North Warnborough	35,030	6,510	-28,520	£29k of work to carry forward into future financial years. Only the work that is to be done in year will be shown in the budget and not the whole budget as is in this financial year.
Church Road Car Park Improvements	0	13,892	13,892	£14k of additional works carried over from the prior year for extension of electric charging bays and BT alterations to their plant in the car park and finally the last valuation fees and safety audit.
Kingsway Flood Alleviation Scheme	109,500	34,502	-74,998	£69k of work to carry forward into future financial years. Only the work that is to be done in year will be shown in the budget and not the whole budget as is in this financial year.
CCTV Upgrade	34,000	0	-34,000	£34k of work to carry forward into future financial years as project to renew/ add cameras was put on hold pending review.
S106 Leisure Parish	6,780	31,410	24,630	Spend is dependent upon Parish needs and available funds. £25k of additional spend in this year.
Fleet Pond Nat Reserve	12,000	0	-12,000	£12k of work deferred as it will form part of the green corridor project.
Fleet Pond Access Track	140,320	0	-140,320	£140k of work deferred as it will form part of the green corridor project.
Hazeley Heath Grazing Project	80,000	2,250	-77,750	£77k of work to carry forward into future financial years due to delay awaiting DEFRA decision about approved fencing types.
Hazeley Hth, Dilly Ln Notice Boards	15,000	6,365	-8,635	£9k of work to carry forward into 2020/2021 to finalise the work.
Hazeley Hth Access Improvement	77,000	23,626	-53,374	£53k of work to carry forward into future financial years. Work delayed by available time to do the work and adverse weather conditions.
Hartley Wintney Central Common Access Improve	80,000	0	-80,000	£80k of work to carry forward into future financial years. Work delayed due to adverse weather.
Hartley Wintney QEII Fields	35,000	31,612	-3,388	£3k of work to carry forward into future financial years to finalise the project.
Edenbrook Country Park Play Tree	30,000	0	-30,000	£30k of work to carry forward into future financial years due to late adoption of the site.
Edenbrook Country Park History Walk	20,000	0	-20,000	£20k of work to carry forward into future financial years due to late adoption of the site.
Service Vehicles	0	5,673	5,673	£6k additional spend from an under accrual from last financial year.

Edenbrook Country Park - Skate/Bike Park	220,000	0	-220,000	£220k of work to carry forward into future financial years due to late adoption of the site.
Edenbrook Country Park - Teen Health	65,000	0	-65,000	£65k of work to carry forward into future financial years due to late adoption of the site.
Edenbrook Country Park - Visitor Improvements	73,000	0	-73,000	£86k of work to carry forward into future financial years due to late adoption of the site.
Fleet Pond Fencing	35,000	16,310	-18,690	£19k of work to carry forward into future financial years. Work was done in 2019/2020 but quality is unsatisfactory and so may need to be re-done. The work will be re-done or rectified in 2020/2021 (no further cost to the Council).
S106 NEHTS Parish	3,000	7,564	4,564	Executive Decision. Funding used to aid crossing at Ancells Farm with HCC. £5k above budget.
Refuse Vehicle Purchase	183,000	80,537	-102,463	£102k underspent this year but this may be spent in future financial years.
Replacement CEO handheld units	7,700	7,694	-6	Decision to purchase the new handheld was made during the 2019/2020 financial year when old units no longer functioned. This was approved by council. These were funded from savings in both HAPKOF and HAPKON revenue budgets.
Fleet Pond Green Grid Engineering	0	37,695	37,695	Work began towards the end of the 2019/2020 financial year. There is more work to do in future financial years and will be funded by M3 LEP grant and £500k S106 contributions from Hartland Park.
Capital Environmental and Technical Services	2,724,580	581,847	2,142,733	
	3,531,750	9,284,115	5,532,365	

At the Overview and Scrutiny Committee meeting specific reference was made to the underspends on Bramshot Farm and Fleet Pond. The Countryside Manager has confirmed that some works on Fleet Pond were delayed in order to take advantage of the Green Corridor engineering work funding by M3LEP and that these are now in progress. With respect of Bramshot Farm, the original capital budget was highly ambitious for the year and the works that did not take place in 2019/20 have been moved forwards into future years. This is noted for future budgeting purposes and in 2021/22 capital budgets will be based on deliverability at the Council.

Revenue Monitoring Net Service Expenditure Reconciliation

Since the budget was agreed by Council in Feb 2019, there has been a restructure of services within the Council. Officers have therefore prepared some additional information below both to reconcile to the original budget set and to also provide details of the variances.

The report itself reports variances after all of the year-end adjustments and recharges have been done. Examples of this are internal recharges and applications of credit notes.

The below table does look different from the expenditure after all of the year-end adjustments reversed out but the purpose of it is to provide the main variances which are not later reversed out. However this has been designed to inform Members of the key variances

in year which are then not adjusted out through accountancy recharges like for example the large waste income number is then adjusted out as year-end credit note when preparing the accounts.

	Budget	Actual	Variance
Corporate Services	4,899	4,652	-247
Community Services	990	528	-462
Place	1,610	1,543	-67
Technical and Environmental Maintenance	2,327	2,256	-71
	9,826	8,979	-847

The key variances on a net expenditure level are detailed below. Please note this will be different from the information in the report due to accounting adjustments, gross expenditure, recharges and transfers.

Charges to exit Capita services	484
New Settlement - Expenditure removed from budget	-856
Additional revenue Investment in Frogmore	129
Domestic Abuse Grant - Additional income	-462
Waste Contract - round changes and other savings	-200
SANGS revenue costs which couldn't be capitalised	130

I have also provided an explanation of the line in the main report titled Other operating expenditure and Financing and Investment Income, Adjustments and Transfers so that Members can understand what is included within that line.

Other Operating Expenditure - This is where we enter the accounting profit or loss on disposals of the Authority's Fixed Assets.

Financing and Investment Income – This is our investment income which in 19/20 was approximately £420K. This was above budget (£220K) but as detailed in our Treasury Management Strategy remains at much lower levels than enjoyed a number of years ago.

Adjustments and Transfers – These adjustments relate to cost of depreciation and adjustments required to comply with the pensions accounting standard and internal recharges. There are also adjustments here made for late accruals, credit notes and carry forwards.

