

CABINET

DATE OF MEETING: 3 DECEMBER 2020

TITLE OF REPORT: 2020-21 BUDGET MONITORING – TO END OF SEPTEMBER

Report of: Head of Corporate Services

Cabinet Member: Councillor James Radley

1 PURPOSE OF REPORT

- 1.1 To inform Cabinet of the position on revenue and capital expenditure at the end of September. Overview and Scrutiny considered this report at its meeting on 17 November 2020.
- 1.2 At its September meeting, the Council agreed a revised balanced budget. Full details of variances to the end of September are shown in the attached appendix. At the point the variance analysis was carried no variances were considered to be of undue concern, however this will be revisited in the light of the second wave of Covid-19.
- 1.3 Please note a verbal update will be provided to this report detailing changes resulting from the second lockdown imposed on the 5 November 2020.

2 OFFICER RECOMMENDATION

- 2.1 To note the revised projections and reasons for the main revenue variations shown in Appendix 1 and Paragraph 4 below.
- 2.2 To note the current spending position for Capital shown in Appendix 2.

3 BACKGROUND

- 3.1 This report covers the period from 1 April to 30 September 2020.
- 3.2 It is important that regular monitoring of budgets is undertaken to ensure financial targets being set by the Council are being met and to make any necessary changes to approved budgets.

4 REVENUE BUDGET MONITORING

- 4.1 The revenue budget for 2020/21 was approved and is a balanced budget for 2020/21.

This position will be closely monitored for the remainder of the financial year and any variance from this position will be reported at the quarterly updates.

The significant variances this period are:

Pressures

- Closure of Leisure Centre – Loss of Income £315k
- Waste Contract – Invoices of £1.5m not yet raised to BDBC.
- Reduced Car Parking Income - £205k
- Unbudgeted Planning Policy Costs of £29k to date
- Additional IT Costs of £98k Savings
- Staff vacancy savings of £138k

5 CAPITAL EXPENDITURE MONITORING

5.1 Capital expenditure at the 30th September 2020 was £120k.

5.2 The estimate out turn for capital is unchanged from the original budget. There is a risk that the Fleet Pond Green Corridor Engineering Project will slip into the 2021/2022 financial year. The planning application is due to be submitted for review in December after which the tender process can begin.

Assuming no delays, the work will commence in late Q4 20.

Total variances of £445k for the financial year up to September 2020 of which the main ones are as follows: -

Pressures

- IT Upgrades – cost relating to unbudgeted expenditure of £45k.
- £16k cost relating to unbudgeted expenditure at Edenbrook Skate/Bike Park.

Deferred Expenditure

- £15k saving as no expenditure incurred to date in Private Sector Renewals.
- £13k saving as reduced expenditure incurred to date in Mill Corner (Drainage Project).
- £117k saving as reduced expenditure to date in Fleet Pond Green Corridor Engineering
- Disabled Facilities Grant - £255k savings to date due to scheduled work being delayed by Covid 19.

6 MANAGEMENT OF RISK

6.1 The monthly budget monitoring process examines all income and expenditure against budgets in order that significant variances are highlighted immediately and to identify areas where expenditure is being incurred but where insufficient or no budgetary provision exists. This allows officers to take corrective action to maintain overall expenditure within budgets.

7 CONCLUSION

7.1 The budget remains on course to achieve the Council's financial objectives in 2020/21.

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APPENDICES

Appendix 1 Revenue and Capital Variance Commentary

APPENDIX 1 - EXPLANATION OF THE MAIN REVENUE VARIATIONS.

BUDGET MONTORING UPTO THE END OF SEPTEMBER 2020-21.

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
		Current Budget	Actuals + GRN Commitments	Variance		
HACOML	Commercialisation	£38,606.00	£53,816.53	£15,210.53	Costs incurred to date on the site of The Swan PH North Warnborough are to ensure that the site remains safe and secure. Total cost to date £15k includes spend on Scaffolding, Architects and Bat Survey.	£15K unplanned costs to make safe the site of the Swan PH in North Warnborough.
HAAPPT	Corporate - Apprentices	£4,665.00	£6,057.70	£1,392.70	September 2020 Apprentice Levy was not journalled in September £1k.	
HACOMM	Corporate Communication	£74,233.00	£84,498.87	£10,265.87	Total of £10k of invoices received now that were forecasted to occur later in the year.	£10K spend made earlier than budgeted.
HAPERF	Corporate Performance Team	£38,594.00	£37,442.32	(£1,151.68)	£1k of salary related increases which took effect in October.	
HACVID	Covid19	(£8,426,801.00)	(£8,445,503.74)	(£18,702.74)	The income and expenditure for Covid-19 is expected to balance by the end of the financial year. Grants were received in April 2020, which will be utilised over the course of the year. Some grants are ring fenced for specific purposes e.g. business grants, whilst others will be used to support the community in general. Any underspends will be returned to the Awarding Body.	The income and expenditure for Covid-19 is expected to balance by the end of the financial year. Grants were received in April 2020, which will be utilised over the course of the year. Some grants are ring fenced for specific purposes e.g. business grants, whilst others will be used to support the community in general. Any underspend will be returned to the Awarding Body.
HASCCO	Customer Services Contracts	£97,377.00	£6,463.66	(£90,913.34)	Awaiting invoices from Basingstoke and Deane Borough Council for Q1 and Q2 £91k.	Invoices delayed from BDBC to cover services received YTD (£91k)
HADIGI	Digitalisation	£38,137.00	£36,822.11	(£1,314.89)	£1k of salary related increases which took effect in October.	
HAXAUD	External Audit	£31,734.00	£21,576.40	(£10,157.60)	Q1 and Q2 invoices totalling £32k had not been received at 30th September. Offset by £22k of additional work for 2018/2019 audit that was unforecast. The forecast has been amended to include the additional cost.	Invoices delayed of (£32k) off-set by additional expenditure £22K relating to 2018/19 audit.
HAHRCO	HR Contract	£46,110.00	£17,853.24	(£28,256.76)	£18k saving in salaries due to the delay in recruitment of the HR Business Partner. Recruited to position on 1st November 2020. £10k of Corporate Management Training was yet to be delivered due to current working circumstances.	(£18K) saving due to HR Business Partner vacancy. (£10K) postponed training.
HALOTT	Hart Lottery	£0.00	(£15,184.06)	(£15,184.06)	£11k generated in 2019/2020 yet to be allocated to the Mayors designated charities. At 30th September, invoices totalling £3k for the lottery provider had not yet been received. Expenditure £1k on Publicity for the lottery had yet to be incurred.	Variances due to accounting allocations not yet made. (£11K) - 2019/20 - to be distributed to designated charities
HAITCO	IT Contract	£235,178.00	£332,970.75	£97,792.75	£94k had been spent on upgrading the Wi-Fi connections within the Civic Offices, setting up the VPN for remote working, and the purchase of laptops and mobile telephones to ensure officers could work remotely and effectively. It is envisaged that these costs will be capitalised. Expenditure also included £3k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	£94K spend on upgrading IT equipment and systems to enable staff to work remotely. This is part of the Digitalisation strategy which was accelerated due to COVID.
HALEGL	Legal Services	£162,178.00	(£5,191.80)	(£167,369.80)	Q1 and Q2 of invoices for the shared service had not been received from Basingstoke & Deane £167k.	BDBC Legal have not yet issued invoices for Q1 & Q2 - (£167K).
HANEIG	Neighbourhood Planning	(£20,000.00)	(£42,090.00)	(£22,090.00)	Neighbourhood planning work had yet to commence due to Covid work resulting in less associated expenditure as at 30th September of £22k.	Planned spend delayed due to COVID - (£22K).
HASETT	New Settlement	£34,280.00	£47,654.43	£13,374.43	£13k of unforecasted spend related to the Covid survey that was issued to residents to understand the impact of Covid on different communities.	Unplanned spend - COVID residents survey - £13K.
HANODC	Non Distributed Costs	£0.00	£77,786.34	£77,786.34	Costs of £78k received for H2 2019/2020 that was not accrued for. Forecast was adjusted to reflect this amendment in October.	Accounting adjustment for pension added years.
HAPPLY	Planning Policy	£148,703.00	£172,762.08	£24,059.08	£6k of salary related increases which took effect in October. Unbudgeted expenditure of £34k was incurred to date in respect of consultant use (£29k) and printing (£5k). £4k of invoices to East Hants District Council had not been received as at 30th September as the work was delayed due to Covid.	Unplanned spend on Planning Consultancy £29K. Delayed printing invoice (£5K).
Corporate Services		(£7,497,006.00)	(£7,612,265.17)	(£115,259.17)		
HACAPI	5 Council Contract - Capita	£1,331,700.00	£347,758.69	(£983,941.31)	Invoices from South and Vale for Indexation and monthly fees to September 2020 not received at 30th September £984k	indexation & client cost invoice delay from 5C contract - as these need to be agreed collectively by all 5151 officers (984k).
HAVINC	5 Council Contract - Vinci	£0.00	£0.00	£0.00		
Corporate Services Contracts		£1,331,700.00	£347,758.69	(£983,941.31)		
HACIVC	Civic Function & Chairman	£4,285.00	£17.00	(£4,268.00)	£4.3k of savings due to no events for the Chairman to attend during Covid.	Chairman unable to attend events due to COVID (£4K).
HAHDEV	Hart Development	£19,534.00	£38,448.21	£18,914.21	£20k of EM3 LEP subscription costs unbudgeted. This forecast movement was amended in October. £1k of salary related increases which took effect in October.	£20K unbudgeted spend on EM3 Local Enterprise Partnership membership. This will assist in the economic development of Hart post COVID.
HALEAD	Leadership Team	£389,950.00	£393,704.71	£3,754.71	£12k LGA Membership. The cost will be moved to HAMEMB to match the forecasted spend. £5k of salary related increases which took effect in October. £1k of training refunded as the course could not go ahead due to Covid. Incorrect coding of £2k credit to be corrected.	LGA membership £12K budgeted in 'Support to Elected Bodies' cost centre but paid by Leadership cost centre.
Democratic Services		£413,769.00	£432,169.92	£18,400.92		

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
		Current Budget	Actuals + GRN Commitments	Variance		
HAHEL	Hart Election Costs	£49,534.00	£48,080.62	(£1,453.38)	£1k of salary related increases which took effect in October.	
HARELC	Rechargeable Elections	£0.00	£14,384.06	£14,384.06	£14k of costs associated with the general election. Reimbursement from Central Government is expected in December 2020.	This over spend will be reimbursed by Central Government in Q3.
HARGST	Register Of Electors	£90,063.00	£64,115.61	(£25,947.39)	£16k of canvassing costs yet to be incurred. £3k postage had not yet been fully incurred and related to the electoral register reminders issued to residents.	(£16K) costs not yet incurred. (£3K) postage not yet incurred.
HAMEMB	Support To Elected Bodies	£201,896.00	£182,258.95	(£19,637.05)	£4k of salary related increases which took effect in October. £1k of savings from no training & travel costs incurred due to Covid. £3k unspent of members IT allowances. £12k of LGA membership which was shown in HALEAD but has now been moved to match the budget.	LGA membership (£12K) budgeted in this cost centre but paid by Leadership cost centre.
Elections		£341,493.00	£308,839.24	(£32,653.76)		
HACFIN	Corporate Finance	£298,957.00	£206,197.82	(£92,759.18)	£63k of savings as a result of recruitment delays. £2k of unspent staff travel savings due to Covid. Consultant costs £13k for September not received at the reporting date of 30th September. £15k of software purchase not yet received relating to council tax software to check all properties invoice was in HARBCO but now moved to match forecasted spend.	(£63K) saving due to vacancies/recruitment delay. (£15K) delayed spend on Council Tax software. (£13K) delayed consultancy invoices.
HAIAUD	Internal Audit	£44,129.00	£41,693.75	(£2,435.25)	£2k relates to the NFI audit invoice for 2019/2020 not received at 30th September.	
Finance		£343,086.00	£247,891.57	(£95,194.43)		
HAFLCT	Frogmore LC Building	£0.00	£29,335.88	£29,335.88	£29k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	Accounting adjustments relating to depreciation.
HAHLCT	Hart Leisure Centre Building	£0.00	£0.00	£0.00		
HALEIS	Leisure Centres	(£271,886.00)	£176,879.31	£448,765.31	£136k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR. £315k of reduced income as a result of the Leisure centre being closed during Covid. £1k of salary related increases which took effect in October. £2k of invoices expected for Staff memberships at the leisure centre not yet received.	Accounting adjustments relating to depreciation £136K Income loss due to enforced COVID closure £315K.
Leisure		(£271,886.00)	£206,215.19	£478,101.19		
HAHCTB	Housing/Council Tax Benefits	(£14,800.00)	£135,499.76	£150,299.76	£199k of additional rent allowances paid out offset by £49k of additional rent allowance subsidy. A further grant was requested from Central Government to eliminate the difference.	Addition rent allowances paid - £199k, off-set by additional rent subsidy (£49K). Overspend should be eliminated by Government Grant application.
HARBCO	Revenues & Benefits Contract	(£174,420.00)	(£133,581.92)	£40,838.08	£8k of software purchase was moved to HACFIN to match the forecasted spend. £37k of reduced income from Court fees. Offset by £4k of unspent court costs and bailiffs fees due to Covid.	Unbudgeted Court Fees £37K
Revenue and Benefits		(£189,220.00)	£1,917.84	£191,137.84		
HASAFE	Community Safety	£88,588.00	£5,444.71	(£83,143.29)	Invoice for Q1 and Q2 from Rushmoor Borough Council £83k not received as at 30th September.	Rushmoor BC have not yet issued invoices for Q1 & Q2 - (£83K).
Community Safety		£88,588.00	£5,444.71	(£83,143.29)		
HAPRIV	Private Sector Housing	£95,216.00	£113,494.05	£18,278.05	£3k of salary related increases which took effect in October. £1k of staff travel not incurred during Covid. £1k of subscription costs not yet spent. £2k of overtime costs incurred from staff working on the Hart Response Hub. £18k of work undertaken on Providence House which will be funded from reserves at year end. £3k of reduced income due to no reports of any Houses of Multiple Occupancy received to date.	£18k of work undertaken on Providence House which will be funded from reserves.
Private Sector Hsg		£95,216.00	£113,494.05	£18,278.05		
HAHOUS	Strategic Housing Services	£62,049.00	(£365,006.62)	(£427,055.62)	£3k of overtime that was unbudgeted relating to staff working on the Hart Response Hub. £430k of developer contributions that have been moved into reserves. Opposite side is in HAZTDC.	(£430k) of developer contributions moved into reserves
Strategic Housing		£62,049.00	(£365,006.62)	(£427,055.62)		
HADOMA	Domestic Abuse	(£494,773.00)	(£31,352.01)	£463,420.99	£463k relating to grants that have already been paid out at the beginning of the year but the budget profile was equally split across the year. This will diminish as the year progresses.	Domestic Abuse is funded by a Government Grant. Hart is the lead authority for several counties. The grant is apportioned evenly over the year but the payments are made to other authorities in advance. The variance will reduce to zero over the financial year.
HANEED	Housing Needs Service	£177,558.00	£228,602.84	£51,044.84	£2k of overtime relating to Hart Response Hub work. £19k of Software costs budgeted for later in the year. £13k of additional rent deposit payments. £81k of grant received but sitting in HAINCL. This has now been moved. £5k of housing register sales not yet invoiced. Expected to occur December/January. £9k of salary related increases which took effect in October. £2k of staff travel and £2k of medical fees not incurred during Covid. £28k of homelessness costs and £7k of debt write off costs not yet incurred. £14k of Bed and Breakfast costs invoices had not been received. £7k of additional cost recovery.	Grant allocations (£81K) to be added to Housing Needs. Homeless costs £28K under budget
HAPRSF	PRSAcessFund	£0.00	(£97,200.00)	(£97,200.00)	£97k of grant funding received in 2019/2020 but had not yet been paid to BDBC.	(£97K) grant funding to be paid to BDBC.
Homelessness		(£317,215.00)	£100,050.83	£417,265.83		
HABLAZ	Homelessness Trailblazer	£0.00	£0.00	£0.00		
HAINCL	Social Inclusion & Partnership	(£92,733.00)	(£208,503.43)	(£115,770.43)	£81k grant received that has been transferred to HANEED. £9k of salary related increases which took effect in October. £25k of homelessness related costs not yet incurred.	Grant allocations (£81K) to be transferred to Housing Needs. Homeless costs (£25K) under budget
Social Inclusion		(£92,733.00)	(£208,503.43)	(£115,770.43)		
HATAXI	Hackney Carriages	£8,835.00	(£43,755.43)	(£52,590.43)	£52k of invoices not yet received for Q4 2019/2020 to Q2 2020/2021 from Basingstoke & Deane.	BCBC Licencing have not yet issued invoices for Q1 & Q2 - (£53K).

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
		Current Budget	Actuals + GRN Commitments	Variance		
HALNCE	Licences	£16,974.00	£11,503.36	(£5,470.64)	£24k of savings from not having received Q1 and Q2 2020/2021 invoices from Basingstoke & Deane. £19k of income not yet received from Basingstoke. Licences extended by Basingstoke to allow for continued trading during lockdown.	BDBC Licencing have not yet issued invoices for Q1 & Q2 - £24K. BDBC income not yet received - (£19K).
Licences		£25,809.00	(£32,252.07)	(£58,061.07)		
HAEHCM	Env Health Commercial	£78,667.00	£78,673.21	£6.21		
HAEHPR	Environmental Protection	£125,482.00	£97,298.65	(£28,183.35)	£28k of salary related savings due to recruitment delays and the increases which took effect in October.	(£28K) saving due to vacancies/recruitment delay.
HAOOHN	Out Of Hours Noise Service	£10,778.00	£8,217.51	(£2,560.49)	£3k of savings due to reduced demand during lockdown.	
HAPEST	Pest Control	(£61.00)	£1,724.77	£1,785.77	£2k of reduced income from the sub contractor. Officer is investigating this.	
Environmental Health		£214,866.00	£185,914.14	(£28,951.86)		
HABLDG	Admin Bldgs - R & M	£276,441.00	£254,012.93	(£22,428.07)	£3k of overtime not yet transferred to provide cover during lockdown. £55k of building repairs, £11k of electricity, £3k of gas invoices, £5k of water rates, £3k of catering costs, £3k of security systems and £3k of contract cleaning invoices not yet received. Costs expected to be reduced due to officer remote working. £2k of additional income from rent of office space. £5k of additional equipment for Covid such as hand sanitisers and desk wipes. £24k of additional AV equipment which is funded from a reserve for the Council chamber. £37k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	Invoices expected which will eliminate the underspend.
HABSST	Business Support Staff	£222,026.00	£361,411.19	£139,385.19	£147k of software costs that had been forecast later in the year. £4k of agency staff invoices not received and £4k saved on stationery due to remote officer working.	IDOX software expense, budgeted for later in the year £147K. Agency Staff Invoices not yet received (£4K). Reduced stationery use due to staff working remotely (£4K).
HAPRNT	Print Room & Photocopying	£11,000.00	£7,252.21	(£3,747.79)	£4K saved due to officers remote working and so reduced use of the print room.	
Business Support		£509,467.00	£622,676.33	£113,209.33		
HASHRC	Churchyards	£6,000.00	£6,064.20	£64.20		
HADOGS	Dog Warden	£33,695.00	£27,589.87	(£6,105.13)	£3k of sub contractor, £1k of kennelling fees, £1k of vets fees and £1k of vehicle servicing and licence fees invoices not yet received.	Invoices expected which will eliminate the underspend.
HAECDV	EconomicDevelopment	£26,897.00	£21,778.98	(£5,118.02)	£5k of publicity not yet incurred.	
HAHSFY	Health & Safety	£32,996.00	£30,334.88	(£2,661.12)	£1k of salary related increases which took effect in October. £2k of training not yet incurred.	
HAWELL	Health and Wellbeing	£27,843.00	£27,191.18	(£651.82)		
HALCHG	Local Land Charges	(£38,725.00)	(£63,984.58)	(£25,259.58)	£25k of invoices not yet received from Hampshire County Council.	HCC have not yet issued invoices for Q1 & Q2 - (£25K).
Regulatory Services		£88,706.00	£48,974.53	(£39,731.47)		
HABCFE	Building Control - Fee Earning	(£45,696.00)	(£76,654.20)	(£30,958.20)	£25k of invoices from Rushmoor BC for Q2 not received. £5k of additional income.	Rushmoor BC have not yet issued invoices for Q1 & Q2 - (£25K).
HABCNF	Building Control - Non-Fee	£52,085.00	(£7,275.11)	(£59,360.11)	£59k of Rushmoor BC invoices not yet received.	Rushmoor BC have not yet issued invoices for Q1 & Q2 - (£59K).
HAPDEV	Planning Development	£64,423.00	£18,266.49	(£46,156.51)	£34k of salary related increases which took effect in October. £2k of additional developers contributions. £10k of cost recovery from planning appeals won.	Accounting adjustments relating to salary increases will reduce this variance in October (£34K). Planning appeal won (£10K).
HANAME	Street Naming & Numbering	(£1,551.00)	(£5,448.48)	(£3,897.48)	£4k of additional sales income.	
Planning		£69,261.00	(£71,111.30)	(£140,372.30)		
HABIOD	Biodiversity	£27,947.00	(£80,913.95)	(£108,860.95)	£104k of developers contributions that have been transferred to reserves. The opposite entry is in HAZTDC. £5k of savings from delay in recruitment. Post recruited in October.	Developers contribution transferred to reserves - £104K.
HABSNG	Bramshot Farm	£50,532.00	(£868,409.20)	(£918,941.20)	£931k of S106 developer contributions moved into reserves. The opposite entry is in HAZTDC. £3k of salary related increases which took effect in October. £2k of Clothing and uniforms not yet incurred. £17k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	Developers contribution transferred to reserves - (£931k). Accounting adjustments relating to depreciation - £17K.
HAESNG	Edenbrook Country Park	£27,432.00	£12,500.24	(£14,931.76)	£11k of S106 developer contributions that were transferred into reserves. The opposite entry is in HAZTDC. £3k of sub contracted work invoices not yet received.	Developers contribution transferred to reserves - (£11K).
HAEHNR	Elvetham Heath Nature Reserve	£1,490.00	(£1,619.52)	(£3,109.52)	£3k of Sub-Contractor invoices not yet incurred.	
HAEVPO	Environment Promotion Strategy	£214,960.00	£127,178.51	(£87,781.49)	£24k of salary related savings from recruitment delay and increases which took effect in October. £4k of vehicle servicing, £3k of equipment purchases, £30k of sub-contracted work not yet incurred. £20k of Blackwater Valley Canal Project costs not yet received. £5k of clothing costs not yet spent. £2k of publicity not yet incurred.	(£24K) saving due to vacancies/recruitment delay. (£30K) saving on sub-contract work on delayed projects. Invoices not yet received (£27K), including: Blackwater Valley Canal Project (£20K).
HAPOND	Fleet Pond	£30,477.00	£37,422.69	£6,945.69	£5k of repairs and maintenance costs and £1k of sub-contracted work Invoices not yet received. £13k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	Accounting adjustments due to depreciation - £13K off-set by invoices not yet received (£6K).
HACOMS	Hartley Wintney Commons	(£2,618.00)	(£986.33)	£1,631.67	£2k of sub contracted work that was forecast later in the year.	
HAREPO	Land Repossessions	£0.00	£0.00	£0.00		
HACONS	Landscape & Conservation	£30,155.00	£28,718.05	(£1,436.95)	£1k of salary related increases which took effect in October.	
HAOCOM	Odiham Common	£897.00	(£1,208.94)	(£2,105.94)	£2k of Sub-Contracted work invoices not yet received.	

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
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HASSNG	Small SANG Sites	£17,403.00	(£31,944.51)	(£49,347.51)	£46k of S106 developer fees that were moved to reserves. The opposite side of the transaction is in HAZTDC. £1k of clothing and uniforms not yet incurred. £2k of sub-contracted works invoices not yet received.	Developers contribution transferred to reserves - (£46K).
HATREE	Tree Preservation Orders	£86,949.00	£80,814.71	(£6,134.29)	£2k of salary related increases which took effect in October. £2k of consultants costs and £2k of fees invoices not yet received.	Invoices not yet received (£4K).
Countryside and Ecology		£485,624.00	(£698,448.25)	(£1,184,072.25)		
HAWBDC	Basingstoke Waste Contract	£0.00	£1,476,818.12	£1,476,818.12	£1.5m of invoices not as yet created for the costs in this budget. This will be done in the coming months.	Hart have not yet issued invoices for Q1 & Q2 - £1.5M.
HABULK	Clinical and Bulky	(£13,055.00)	(£25,548.12)	(£12,493.12)	£12k of invoices not yet received. The costs are sitting in HAWSTE and have been moved across to sit with the forecasted spend.	Invoices not yet received (£12K).
HAWCLT	Waste Client Team	(£540,506.00)	(£630,794.06)	(£90,288.06)	£6k of salary related increases which took effect in October. £1k of agency staff savings during Covid. £2k of printing invoices not received from Basingstoke & Deane. £11k of Project MAF contribution invoice not yet received from Hampshire County Council. £88k of additional garden waste income. £15k of GRN'd domestic bin invoice but the invoice has not yet been received. PO has been cancelled. £3k of consultants costs relating to joint governance group work unbudgeted. The forecast has now been updated	Garden Waste income (£88K). These are payments in advance which will be distributed across 12 months - consequently some of this income relates to 2021/22 and will be subject to an accounting adjustment.
HAWSTE	Waste Contract	£845,774.00	£639,620.78	(£206,153.22)	£198k of Serco core contract and £20k of Serco variable contract invoices for September not yet received. Reduced income of £12k against bin sales.	September invoice not yet received from Serco - (£198K).
HAWORD	Waste Contract Split Orders	£0.00	£0.00	£0.00		
HAWCOM	Waste Education & Comms	£10,100.00	(£1,312.38)	(£11,412.38)	£11k of printing costs related to waste recycling leaflets for residents not yet incurred.	Delay in producing and distributing waste information leaflets to residents - (£11K).
Waste & Recycling		£302,313.00	£1,458,784.34	£1,156,471.34		
HAEMPLN	Emergency Planning	£26,808.00	£5,531.94	(£21,276.06)	£21k of invoice from Hampshire CC for Local Resilience Plan not yet received.	Hampshire CC have not yet issued invoice for local resilience plan - (£21K).
HADRNG	Hart Drainage	£71,463.00	£34,199.84	(£37,263.16)	£39k of sub-contracted work had not been incurred. £2k of depreciation had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	(£39K) saving on sub-contract work on delayed projects.
HAHIDC	Highways Agency - Development	£0.00	£0.00	£0.00		
HAHITM	Highways Traffic Management	£32,173.00	£52,948.93	£20,775.93	£2k overspend on overtime due to officer work on the Hart Response Hub. £12k overspend of sub-contracted works relating to the Fleet Road pedestrianisation. Officers have been asked if these costs will be capitalised. £14k less revenue from reduced road closure fees. £4k saved on advertising costs as less demand for road closure notices. £3k of savings on consultants not yet incurred.	£26K over-spend on sub-contract work on Fleet Road pedestrianisation, off set by consultancy savings (£3K).
Infrastructure		£130,444.00	£92,680.71	(£37,763.29)		
HAPKOF	Off Street Parking	(£46,229.00)	£140,536.95	£186,765.95	£2k of salary related increases which took effect in October. £7k of notice board expenditure not yet incurred. £1k of printing cost invoices not yet incurred as a result of the free parking for the period April to July. £1k of software purchases not yet incurred. £5k of sub-contracted work invoices not yet received. £17k of ticket machine cost incurred earlier than forecast. £185k of reduced income as a result of the free parking from April to July. Annual forecast already reduced.	£185K reduced income due to car park closure (April-July).
HAPKON	On Street Parking	£42,105.00	£60,417.42	£18,312.42	£2k of salary related increases which took effect in October. £5k of printing costs not incurred due to free parking from April to August. £3k of software invoices and £2k of sub contracted work invoices yet to be received. £5k of ticket machine additional costs. Forecast has been adjusted accordingly. £2k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.. £23k of lost income due to the free parking from April to July. Annual forecast already adjusted.	£23K reduced income due to car park closure (April-July). Additional spend on car parking equipment (£5K).
Parking		(£4,124.00)	£200,954.37	£205,078.37		
HACCTV	CCTV	£83,684.00	£76,468.28	(£7,215.72)	£11k of Q2 invoice from Rushmoor not yet received. £4k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.	Rushmoor BC have not yet issued invoices for Q2 - (£11K) off-set by accounting adjustment - depreciation -£4K
HACLMT	Climate Change	£20,100.00	£7,157.79	(£12,942.21)	£13k of salary related savings due to recruitment delay and the annual increment which took effect in October.	(£12K) saving due to vacancies/recruitment delay.
HAESTA	Estates/Asset Management	£30,048.00	£20,555.19	(£9,492.81)	£18k of invoices from Southampton City Council for Officers time yet to be received. Offset by £8k of depreciation which had been put through mid year as opposed to year end. Opposite entry is in HAZORR.. £1k wayleaves income not yet invoiced.	Southampton CC have not yet issued invoices for Officers time (£18K), offset by accounting adjustment for depreciation £8K.
HAGNDS	Grounds Mtn Contract	£183,386.00	£82,179.11	(£101,206.89)	£144k of fees and hired services invoices from Basingstoke & Deane for Q1 and Q2 not yet received. £37k of additional cost for Elvetham Heath verge maintenance payment. £6k of reduced income from Hampshire County Council invoice not yet created.	BDBC have not yet issued invoices for Q1 & Q2 - (£144K). Additional cost for Elvetham Heath verge maintenance - £37K.
HASTRT	Street Cleaning	£342,292.00	£150,810.05	(£191,481.95)	£171k of Fees and Hired Services invoices from Basingstoke and Deane BC for Q1 and Q2 not yet received. £20k of invoices from East Hants District Council enforcement not yet received.	BDBC have not yet issued invoices for Q1 & Q2 - (£171K). East Hants DC not yet issued invoices for enforcement - (£20K).
HAFURN	Street Furniture	£1,505.00	£3,794.23	£2,289.23	£2k of equipment purchase was incurred ahead of the forecasted spend.	
Tech Serv		£661,015.00	£340,964.65	(£320,050.35)		

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
		Current Budget	Actuals + GRN Commitments	Variance		
HAZAOE	Other Operating Expenditure	£1,697,737.00	£3,395,473.85	£1,697,736.85	£1,698k relates to the total precepts paid for the year whereas the forecast profile was evenly split.	£1,698K relates to the total precepts paid for the year whereas the budget was split evenly across year.
Other Operating Expenditure		£1,697,737.00	£3,395,473.85	£1,697,736.85		
HAZEFN	Financing & Investment Income	(£166,751.00)	(£269,563.13)	(£102,812.13)	£49k of Q2 interest payable invoice yet to be received. £117k of Q3 income on investment property raised in advance of the forecast. £63k of interest receivable was yet to be received.	(£120K) rental income (unbudgeted) from Investment property received as a reduction in purchase price as compensation for tenants payment holiday.
Financial & Investment Income		(£166,751.00)	(£269,563.13)	(£102,812.13)		
HAZJTG	Taxation & Non Specific Grants	(£3,414,249.00)	(£5,688,544.00)	(£2,274,295.00)	£2,274k of grant income received at the start of the year whereas the forecast shows money split across the year.	(£2,274k) of grant income received at the start of the year whereas the budget is evenly split across the year.
Taxation & Non Specific Grants		(£3,414,249.00)	(£5,688,544.00)	(£2,274,295.00)		
HAZTDC	MIRS - Direct Costs	£0.00	£1,522,081.78	£1,522,081.78	£430k of Affordable Housing, £104k Biodiversity, £931k of Bramshot Farm SANGS, £11k of Edenbrook Country Park SANGS, £46k of Small SANG Sites transfers to reserves.	Developers contributions to be transferred to reserves: Affordable Housing £430K Biodiversity £104K Bramshot Farm £931K Edenbrook Country Park £11K Small SANGS £46K
HAZORR	MIRS - Reversal of Revenue	(£49,388.00)	(£250,731.93)	(£201,343.93)	£201k of depreciation charges as the opposite side of the charges shown above.	Accounting adjustment for depreciation (£201K).
MIRS		(£49,388.00)	£1,271,349.85	£1,320,737.85		
Grand Totals		(£5,141,429.00)	(£5,564,139.16)	(£422,710.16)		

APPENDIX 2 - EXPLANATION OF THE MAIN CAPITAL VARIATIONS

BUDGET MONTORING UPTO THE END OF SEPTEMBER 2020-21.

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
		Current Budget	Actuals + GRN Commitments	Variance		
HAY044	Frogmore Investment	£0.00	£0.00	£0.00		
HAY037	IT Upgrade	£0.00	£44,853.27	£44,853.27	The spend incurred has a £500k reserve that will be drawn down at year end.	Digital Transformation Reserve of £500k to fund expenditure.
HAY040	Investment Property	£22,061.00	£22,061.04	£0.04	This is for the Edenbrook Flats being built. Monthly Management charges.	
HAY009	Sports Hall	£0.00	£0.00	£0.00		
Capital Corporate Serv		£22,061.00	£66,914.31	£44,853.31		
HAY001	Disabled Facs - Mandatory	(£369,322.00)	(£624,605.95)	(£255,283.95)	Grant shown on one line and total expenditure equalling the grant on a second line. If at the end of the year, we have not spent all of the money, the unused grant will go into a reserve HABALS B8062 CGS0001. Due to Covid we have been unable to access homes to carry out the works required.	Due to Covid - Contractors have been unable to access homes to undertake works required.
HAY043	Grants for Affordable Housing	£0.00	£0.00	£0.00		
HAY010	Private Sector Renewal	£15,000.00	£0.00	(£15,000.00)	This is a demand led service. If the spend does not occur as the year progresses, the forecast will be reduced.	This is a demand led service. If the spend does not occur as the year progresses, the forecast will be reduced.
Capital Community Serv		(£354,322.00)	(£624,605.95)	(£270,283.95)		
HAY049	Allotments at Edenbrook	£5,000.00	£0.00	(£5,000.00)	No spend has occurred as yet but will be funded from S106 money.	No expenditure incurred to date. Funding to be transferred at Financial Year End.
HAY008	Bramshot Farm	£0.00	(£1,702.29)	(£1,702.29)	S106 funded and will be drawn down at the year end.	
HAY013	Church Road Improvements	£1,250.00	(£316.45)	(£1,566.45)	Investigation into the failed new car park surface. Waiting for officer to confirm if he has taken this issue to council to request more money to pay for this. No reserves put aside at year end.	
HAY030	Cricket Hill Pond Phase 2	£0.00	£0.00	£0.00		
HAY032	Edenbrook CP - Skate/Bike Park	£0.00	£16,432.00	£16,432.00	Edenbrook is S106 funded. All spend will be drawn down from reserves at year end.	Edenbrook is S106 funded. Funding to be transferred at Financial Year End.
HAY034	Edenbrook CP - Visitor Improve	£0.00	£2,700.00	£2,700.00	Edenbrook is S106 funded. All spend will be drawn down from reserves at year end.	
HAY035	Fleet Pond Fencing	£0.00	(£16,310.00)	(£16,310.00)	Incorrect fencing was installed. Supplier refuses to supply and install correct fencing. Invoice for the wrong fencing is on hold. This is with officers for resolution.	Dispute with regards to incorrect Fence Installed and Invoiced in 2019/20. Invoice will only be paid once dispute resolved.
HAY046	Fleet Pond Green Grid Eng	£118,438.00	£800.00	(£117,638.00)	The funding for this is from S106 and LEP Loan money. This portion is for the engineering works that have just begun. Works delayed by Covid.	The funding for this is from S106 and LEP Loan money. This portion is for the engineering works that have just begun. Works delayed by Covid.
HAY027	HW QEII Fields	£0.00	(£25,207.04)	(£25,207.04)	GRN'd purchase order that has not materialised. Request to officers to close unused PO's before October month end.	Requested to officers that that unused Purchase Order (£25k) be closed.
HAY023	Hazeley Heath Grazing Project	£0.00	£0.00	£0.00	Waiting for acceptable proposals from DEFRA on cow control without using fences.	
HAY025	Hazeley Hth Access Improvement	£0.00	£0.00	£0.00		
HAY024	Hazeley Hth, Dilly Ln NoteBd	£0.00	(£2,046.00)	(£2,046.00)	S106 money funded. GRN'd invoice not materialised. Request for unused PO's to be closed before October month end.	
HAY015	Kingsway Flood Alleviation Sch	£0.00	£1,490.87	£1,490.87	Environment Agency funded. The reserve will be drawn down at the year end.	
HAY012	Mill Corner, North Warnborough	£14,000.00	£750.00	(£13,250.00)	Environment Agency funded. The reserve will be drawn down at the year end.	Environment Agency Funded. Funding to be transferred at Financial Year End.

Cost Centre	Description	Year To Date			Variance Narrative	Variance Analysis
		Current Budget	Actuals + GRN Commitments	Variance		
HAY003	Odiham Common	£0.00	£0.00	£0.00	Timing difference as work is seasonal - Autumn/Winter due to nesting birds.	Expenditure expected to incur over Autumn/Winter Months.
HAY011	Phoenix Green, Hartley Wintney	£0.00	£0.00	£0.00		
HAY039	Refuse Vehicles	£0.00	(£57,399.04)	(£57,399.04)	Invoices to be journalled to offset year end accruals.	Accounting Adjustments to remove (£62k).
HAY017	S106 Leisure Parish	£0.00	£0.00	£0.00		
HAY031	Service Vehicles	£0.00	£0.00	£0.00		
Capital Env and Tech Serv		£138,688.00	(£80,807.95)	(£219,495.95)		
Grand Totals		(£193,573.00)	(£638,499.59)	(£444,926.59)		