

Third Quarter Financial Update 2022/23

Communities, Housing & Environment – Policy Advisory
Committee

14th February 2023

Lead Officer: Mark Green

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Part A

Executive Summary & Overview



This report provides members with the financial position as at 31st December 2022, covering activity for the Communities, Housing & Environment Policy Advisory Committee's (CHE PAC) revenue and capital accounts for the third quarter of 2022/23.

In 2021/22, income recovered more strongly than expected from the pandemic and the Council generated a modest surplus compared with budget. For 2022/23, there is no more direct government funding to cover the costs of Covid, but the Council has been able to set a balanced budget. Additional provision of £1.3 million was made within the 2022/23 budget for the expected impact of higher inflation on the Council's input costs. The projected peak level of inflation has continued to increase since the budget was set and this is likely to have an impact in particular on contract and energy costs, so the requirement for this provision will be monitored carefully to assess whether it will be adequate. If at any stage it appears that an overspend is likely, measures will need to be taken in-year to bring the budget back into balance.

The headlines for Quarter 3 are as follows:

Part B: Revenue budget – Q3 2022/23

- Overall net expenditure at the end of Quarter 3 for the services reporting to this committee is £6.643m, compared to the approved profiled budget of £6.986m, representing an underspend of £0.343m. However, the forecast for the end of the year shows a projected overspend of -£0.289m.

Part C: Capital budget – Q3 2022/23

- Capital expenditure at the end of Quarter 3 was £8.391m against a total budget of £20.589m.

Part B

Third Quarter Revenue Budget 2022/23



B2) Revenue Budget

B1.1 The table below provides a detailed summary of the budgeted net income position for CHE PAC services at the end of Quarter 3. The financial figures are presented on an accruals basis (e.g., expenditure for goods and services received, but not yet paid for, is included). An analysis by the relevant Lead Members for this Committee is also shown.

CHE Revenue Budget & Outturn – Quarter 3

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Festivals and Events	-17	-18	-23	5	-17	0
Lettable Halls	-3	-3	-9	7	-3	0
Community Halls	47	36	12	25	47	0
Parks & Open Spaces	914	692	670	22	914	0
Playground Maintenance & Improvements	144	106	99	7	144	0
Parks Pavilions	34	25	18	7	34	0
Mote Park	268	201	203	-2	268	0
Allotments	14	11	8	2	14	0
Cemetery	33	50	-6	56	8	25
National Assistance Act	-0	-0	-2	2	-0	0
Crematorium	-859	-585	-714	129	-986	127
Community Safety	31	-237	-244	7	31	0
PCC Grant - Building Safer Communities	0	0	-6	6	0	0
C C T V	39	29	21	9	39	0
Licences	-5	-1	-4	3	-5	0
Licensing Statutory	-60	-45	-81	36	-100	40
Licensing Non Chargeable	8	6	6	0	8	0
Dog Control	29	19	40	-21	29	0
Health Improvement Programme	5	5	8	-3	5	0
Pollution Control - General	24	17	3	13	24	0
Contaminated Land	1	0	-6	6	1	0
Waste Crime	-2	-0	-7	7	-2	0
Food Hygiene	10	6	-4	10	10	0
Sampling	4	2	1	2	4	0
Occupational Health & Safety	-6	-5	-7	2	-6	0
Infectious Disease Control	1	1	1	0	1	0
Noise Control	1	1	0	1	1	0
Pest Control	-12	-9	-2	-7	-12	0
Public Conveniences	319	241	145	96	224	95
Licensing - Hackney & Private Hire	-59	-60	-43	-17	-59	0
Street Cleansing	1,189	886	859	27	1,189	0
Household Waste Collection	1,477	1,117	1,181	-64	1,567	-90
Commercial Waste Services	-51	-40	-76	36	-100	49
Recycling Collection	1,016	694	655	38	966	50
Social Inclusion	53	29	54	-24	53	0
Public Health - Obesity	0	-113	-116	3	0	0
Public Health - Misc Services	0	-40	-48	7	0	0
Performance & Development	45	30	41	-12	45	0
Press & Public Relations	22	9	23	-14	22	0
Grants	166	165	152	13	166	0
Delegated Grants	2	2	0	2	2	0
Parish Services	137	137	137	0	137	0

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Strategic Housing Role	12	10	10	-0	12	0
Housing Register & Allocations	14	13	11	2	14	0
Housing Advice	0	0	0	-0	0	0
Private Sector Renewal	-47	-48	-63	15	-47	0
HMO Licensing	-20	-15	-22	7	-20	0
Homeless Temporary Accommodation	287	216	724	-508	1,023	-735
Homelessness Prevention	258	-159	-167	8	258	0
Predictive Analysis and Preventing Homelessness	2	2	2	0	2	0
Aylesbury House	13	8	-10	18	13	0
Magnolia House	10	7	-12	19	10	0
St Martins House	0	0	-1	1	0	0
Marsham Street	55	41	21	20	55	0
Sundry Temporary Accommodation (TA) Properties	-13	-9	-14	5	-13	0
2 Bed Property - Temporary Accommodation	-34	-26	-47	21	-34	0
3 Bed Property - Temporary Accommodation	-70	-53	-68	15	-70	0
4 bed Property - Temporary Accommodation	-0	-0	-22	22	-0	0
1 Bed Property- Temporary Accommodation	16	12	-6	19	16	0
Supported Accommodation	0	0	-0	0	0	0
Trinity	37	56	36	20	37	0
Chillington House	14	10	-5	15	14	0
Long Lease Properties	10	8	26	-18	10	0
Marden Caravan Site (Stilebridge Lane)	19	16	26	-10	19	0
Ulcombe Caravan Site (Water Lane)	7	-1	22	-23	7	0
Visitor Economy Section	156	118	116	2	153	3
Head of Environment and Public Realm	116	88	86	2	113	3
Bereavement Services Section	293	220	209	11	278	15
Community Partnerships & Resilience Section	512	383	314	70	456	56
Licensing Section	126	94	77	17	103	23
Environmental Protection Section	280	210	149	62	230	50
Food and Safety Section	275	206	224	-18	298	-24
Depot Services Section	901	682	646	37	850	51
Communications Section	240	180	171	10	228	13
Policy & Information Section	483	367	328	39	437	47
Head of New Business & Housing Development	7	5	8	-3	11	-4
Head of Housing & Community Services	113	85	80	5	107	6
Homechoice Section	219	136	112	24	192	27
Housing & Inclusion Section	341	64	-3	67	361	-20
Housing & Health Section	280	138	120	18	257	23
Housing Management	242	144	130	14	223	19
Homelessness Outreach	45	-59	-64	5	39	7
Customer Services Section	676	508	481	27	640	36
Salary Slippage 3CHE	-215	-161	0	-161	-0	-215
Fleet Workshop & Management	232	174	144	31	197	35
MBS Support Crew	-59	-44	-61	17	-59	0
Grounds Maintenance - Commercial	0	0	0	-0	0	0
Totals	10,790	6,986	6,643	343	11,079	-289

CHE Revenue Budget & Outturn – Quarter 3 (By Lead Member)

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Cost Centre	Approved Budget for Year £000	Budget to 31 December 2022 £000	Actual £000	Variance £000	Forecast 31 March 2023 £000	Forecast Variance 31 March 2023 £000
Lettable Halls	-3	-3	-9	7	-3	0
Community Halls	47	36	12	25	47	0
Community Safety	31	-237	-244	7	31	0
PCC Grant - Building Safer Communities	0	0	-6	6	0	0
C C T V	39	29	21	9	39	0
Social Inclusion	53	29	54	-24	53	0
Performance & Development	45	30	41	-12	45	0
Press & Public Relations	22	9	23	-14	22	0
Grants	166	165	152	13	166	0
Delegated Grants	2	2	0	2	2	0
Parish Services	137	137	137	0	137	0
Community Partnerships & Resilience Section	512	383	314	70	456	56
Communications Section	240	180	171	10	228	13
Policy & Information Section	483	367	328	39	437	47
Customer Services Section	676	508	481	27	640	36
Sub-Total: Communications & Public Engagement	2,450	1,637	1,474	163	2,299	151

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Playground Maintenance & Improvements	144	106	99	7	144	0
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Mote Park	268	201	203	-2	268	0
Allotments	14	11	8	2	14	0
Cemetery	33	50	-6	56	8	25
National Assistance Act	-0	-0	-2	2	-0	0
Crematorium	-859	-585	-714	129	-986	127
Licences	-5	-1	-4	3	-5	0
Licensing Statutory	-60	-45	-81	36	-100	40
Licensing Non Chargeable	8	6	6	0	8	0
Dog Control	29	19	40	-21	29	0
Health Improvement Programme	5	5	8	-3	5	0
Pollution Control - General	24	17	3	13	24	0
Contaminated Land	1	0	-6	6	1	0
Waste Crime	-2	-0	-7	7	-2	0
Food Hygiene	10	6	-4	10	10	0
Sampling	4	2	1	2	4	0
Occupational Health & Safety	-6	-5	-7	2	-6	0
Infectious Disease Control	1	1	1	0	1	0
Noise Control	1	1	0	1	1	0
Pest Control	-12	-9	-2	-7	-12	0
Public Conveniences	319	241	145	96	224	95
Licensing - Hackney & Private Hire	-59	-60	-43	-17	-59	0
Street Cleansing	1,189	886	859	27	1,189	0
Household Waste Collection	1,477	1,117	1,181	-64	1,567	-90
Commercial Waste Services	-51	-40	-76	36	-100	49
Recycling Collection	1,016	694	655	38	966	50
Head of Environment and Public Realm	116	88	86	2	113	3
Bereavement Services Section	293	220	209	11	278	15
Licensing Section	126	94	77	17	103	23
Environmental Protection Section	280	210	149	62	230	50
Food and Safety Section	275	206	224	-18	298	-24
Depot Services Section	901	682	646	37	850	51
Head of New Business & Housing Development	7	5	8	-3	11	-4
Salary Slippage 3CHE	-215	-161	0	-161	-0	-215
Fleet Workshop & Management	232	174	144	31	197	35
MBS Support Crew	-59	-44	-61	17	-59	0
Grounds Maintenance - Commercial	0	0	0	-0	0	0
Sub-Total: Environmental Services	6,391	4,810	4,427	383	6,161	230

B2) Variances

B2.1 The most significant variances for this Committee are as follows:

	Positive Variance Q3	Adverse Variance Q3	Year End Forecast Variance
Communities, Housing & Environment Committee	£000		
Cemetery – Income is greater than forecast, and it is proposed to use some of this to install a music and webcast system in the chapel when it re-opens.	55		25
Crematorium – Income is higher than forecast due to a continuing high level of demand for the service, with the death rate being higher than normal recently.	129		127
Public Conveniences - This variance relates to a growth item for the cost of the new toilets at Mote Park, which have only just opened.	95		95
Household Waste Collection - The overspend relates to additional bin purchases and the costs of a consultant for the waste contract renewal.		-64	-90
Commercial Waste Services – Income from internal MBC customers has increased, as has the demand from trade sacks from external customers.	35		48
Recycling Collection – There has been additional income from green bin hire.	38		50
Homelessness Temporary Accommodation – Demand continues to be high for temporary accommodation, and this is due mainly to the rise in the cost of living over the last few months. There are also issues with getting people out of temporary accommodation as soon as possible, this has proved very difficult. Housing are looking at how the Homefinder scheme can help boost access to more private letting.		-508	-735
Salaries - This variance broadly reflects vacant posts throughout the year, after taking into account projected slippage.	227		115

Part C

Third Quarter Capital Budget 2022/23



B1) Capital Budget: Communities, Housing & Environment Committee (ERL)

B1.1 The position of the 2022/23 CHE element of the Capital Programme at the Quarter 3 stage is presented in Table 3 below. The budget for 2022/23 includes resources brought forward from 2021/22.

CHE Capital Programme 2022/23 (@ Quarter 3)

Capital Programme Heading	Revised Estimate 2022/23 £000	Actual to December 2022 £000	Budget Remaining £000	Projected Total Expenditure Q4 Profile £000	Projected Slippage to 2023/24 £000
Communities, Housing & Environment					
Housing - Disabled Facilities Grants Funding	1,640	758	882	400	482
Temporary Accommodation	4,330	294	4,036	1,147	2,889
Springfield Mill - Phase 2	731	734	-3	734	-3
Affordable Housing Programme - Trinity Place	500	375	125		125
Commercial Development - Maidstone East	200		200	50	150
Private Rented Sector Housing Programme	2,310	1,653	657	120	537
1,000 Homes Affordable Housing Programme	7,600	2,672	4,928	1,618	3,310
Acquisitions Officer - Social Housing Delivery P/ship	160	153	7	7	160
Granada House Refurbishment Works	100	40	60	60	100
Street Scene Investment	70	74	-4		-4
Flood Action Plan	430		430		430
Electric Operational Vehicles	84	24	60	60	84
Vehicle Telematics & Camera Systems	35	35	-0		-0
Rent & Housing Management IT System	11	14	-3		-3
Installation of Public Water Fountains	15		15	15	15
Crematorium & Cemetery Development Plan	250	213	37	37	250
Continued Improvements to Play Areas	126	29	97	97	126
Parks Improvements	152	127	25	25	152
Gypsy & Traveller Sites Refurbishment	1,421	1,079	342	342	0
Waste Crime Team - Additional Resources	25		25	25	25
Section 106 funded works - Open Spaces	400	116	284	284	-0
Total	20,589	8,391	12,198	4,287	7,912

B1.2 Comments on the variances in the table above are as follows:

Disabled Facilities Grant Funding - The time taken to approve DFG payments has improved significantly, with the average time reducing from 50 days to 11 days. A review of the DFG process has been completed by an independent organisation and the recommendations have either been implemented or informed the new Housing Renewal Policy 2023. The draft policy is due to be considered by CHE PAC in February 2023 before adoption by the Executive. The new working practices and policy will provide for a better experience for our residents and see further improvements in the delivery of grants.

Temporary Accommodation - This is the funding for the latest phase of property acquisitions to provide accommodation for temporarily homeless families and persons. There has been one acquisition to date this year and other properties are being actively pursued as house prices start to retreat from the elevated levels reached during Summer 2022.

Private Sector Rented Housing Programme/ 1,000 Homes Affordable Housing Programme

A number of schemes are at various stages of development at this stage, and further land/property acquisitions are likely to take place before the end of March. Some schemes will also contain elements of both private rented and affordable housing so the costs may change depending on the mix at the sites where this happens.

Flood Action Plan - At this stage there are no plans to spend this budget, and it will be carried forward to 2023/24.