

Draft Regeneration Departmental Budget Monitoring Report - to 30 September 2004

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Summary: At the end of September 2004, the detailed monitor shows a net overspend of £379k.

	Budget	Actual		Forecast		Variance
	Full Year Budget £'000	Year to date £'000	Compared to Budget %	Remaining for year £'000	Full Year Forecast £'000	Forecast less Bgt £'000
Department Overheads & Business Support	3,696	2,324	63%	1,456	3,780	84
Property Development	3,646	1,760	48%	1,741	3,501	-145
Property Portfolio Management	-292	-754	258%	492	-262	30
Planning & Transport	2,237	-2,530	-113%	5,175	2,645	408
Economic & Strategic Partners	2,035	931	46%	1,123	2,054	-11
Peckham Partnership & Social Renewal	1,439	1,179	82%	273	1,452	13
Elephant & Castle Development	1,721	657	38%	1,064	1,721	0
Elephant Links Mgt & Partnership	317	868	274%	-551	317	0
NRF	0	84	-	0	0	0
Aylesbury project	177	-2,044	-1155%	2,221	177	0
Regeneration Total	14,976	2,475	17%	12,994	15,385	379

EXPLANATION OF MAJOR VARIANCES

Department Overheads & Business Support	<p>Net overspend of £84k.</p> <ul style="list-style-type: none"> The net overspend is mainly on the Departmental IT area of staffing and computer server costs. However, Officers are currently reviewing projected expenditure within the overall dept overhead and support areas and expect to contain this overspend.
Property Development & Support	<p>Net underspend of £145k.</p> <ul style="list-style-type: none"> The underspend on gross expenditure (£148k) is due to the lower than expected costs on professional fees in the Valuation Team and some underspend expected in the accommodation Budget. Variance on gross income (£3k) relates to the lower than expected income due on internal surveyors fees as a result of fewer RTB instructions in Valuation Team.

(Regeneration continued.)

Property Portfolio	<p>Net overspend of £30k.</p> <ul style="list-style-type: none"> The gross expenditure overspend (£10k) is due to various repairs and maintenance expenditure. The gross income variance (+£20k) relates to 5/5a Westminster Bridge Road withdrawal of grants to tenants.
Planning & Transport	<p>Net overspend of £408k.</p> <ul style="list-style-type: none"> Development & Building Control net overspend of £336k: Overspend on Gross Expenditure (£561k) includes the following planning investigations and appeals: the cost of interim management arrangements following the Imperial Gardens investigations; the costs of the Pottersfield and Moorings inquiries; award of costs for Cliveden Estates. Also contributing are the Conservation and Enforcement teams overspend, plus the use of Agency staff to address recruitments problems. The Gross Income variance (-£225k) relates to higher than expected income for the areas including street naming & numbering and use of Planning Delivery Grant (£200k). Policy net overspend of £46k: Gross Expenditure overspend (£55k) relates to overspend expected on the costs of producing the Unitary Development Plan. Gross Income underspend (£-9k) relates to sale of Unitary Development Plan and salary cost recovery for Pottersfield. Traffic net overspend of £26k: relates to higher usage of agency staff for Traffic Management Team and Minor Works.
Economic Development & Strategic Partnership	<p>Net underspend of £11k.</p> <ul style="list-style-type: none"> There was an error of £30k which results in a underspend of £11k instead of the £19k originally submitted.
Peckham Partnership & Social Renewal	<p>Net overspend of £12k.</p> <ul style="list-style-type: none"> Net overspend of £12k relates to an anticipated shortfall in income at Unity Centre.
Additional Risk Appraisal	<p>Planning:</p> <ul style="list-style-type: none"> Dev & Bldg Control: Income from planning applications and building control fees are currently projected at budget. There are indications that Development Control Fees may exceed budget. In Building Control there is some discrepancy between the income figures recorded on SAP and those on Acolaid. This is due to be investigated (in-house, FMS, PWC). Policy: Cost of Unitary Development Plan inquiry is projected at £100k. Increased expenditure may hit this financial year. Traffic: The impact of the proposed reorganisation may have an effect on projections. Peckham Partnership: Possible shortfall in collection of budgeted rent and service charges for the Sojourner Truth and Unity Centres (£80k in total).