

Fourth Quarter Financial Update 2022/23

Housing, Health & Environment – Policy Advisory Committee

13th June 2023

Lead Officer: Mark Green

Report Author: Paul Holland

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Part A

Executive Summary & Overview



This report provides members with the financial position as at 31st March 2023, covering activity for the Housing, Health & Environment Policy Advisory Committee's (HHE PAC) revenue and capital accounts for the fourth 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 was 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 increased and looks to continue to remain high for some time and is having an impact on contract and energy costs, so the unused contingency has been carried forward. We are also seeing increased demands in temporary accommodation which is linked to the financial economy. These pressures have been offset by increased levels of income and some underspends giving an outturn position which is a small underspend. The significant under and overspends have been reflected in the budget for 2023/24.

The headlines for Quarter 4 are as follows:

Part B: Revenue budget – Q4 2022/23

- Overall net expenditure at the end of Quarter 4 for the services reporting to this committee is £10.075m, compared to the approved profiled budget of £9.600m, representing an overspend of £0.475m.

Part C: Capital budget – Q4 2022/23

- Capital expenditure at the end of Quarter 4 was £11.280m against a total budget of £20.589m.

Part B

Fourth Quarter Revenue Budget 2022/23



B1) Revenue Budget

B1.1 The table below provides a detailed summary of the budgeted net income position for HHE PAC services at the end of Quarter 4. 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.

HHE Revenue Budget & Outturn – Quarter 4

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Community Safety	36	35	2
PCC Grant - Building Safer Communities	0	0	0
C C T V	37	35	1
Community Partnerships & Resilience Section	542	465	77
Cemetery	33	-14	47
National Assistance Act	-0	-2	2
Crematorium	-844	-972	128
Licences	-5	-12	8
Licensing Statutory	-60	-88	28
Licensing Non Chargeable	8	8	-0
Dog Control	29	64	-36
Health Improvement Programme	8	8	0
Pollution Control - General	18	4	14
Contaminated Land	1	-6	6
Waste Crime	-2	-12	10
Food Hygiene	10	-5	15
Sampling	4	1	3
Occupational Health & Safety	-6	-12	5
Infectious Disease Control	1	1	-0
Noise Control	1	0	1
Pest Control	-12	-2	-10
Public Conveniences	269	168	101
Licensing - Hackney & Private Hire	-59	-64	5
Street Cleansing	1,289	1,259	30
Household Waste Collection	1,477	1,544	-67
Commercial Waste Services	-48	-78	30
Recycling Collection	1,005	975	30
Head of Environment and Public Realm	129	126	3
Bereavement Services Section	328	313	15
Licensing Section	139	123	16
Environmental Protection Section	280	199	82
Food and Safety Section	275	299	-24
Depot Services Section	999	935	64
Fleet Workshop & Management	186	185	1
MBS Support Crew	-60	-60	0

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Lettable Halls	-3	-13	9
Community Halls	47	18	29
Social Inclusion	74	85	-11
Parks & Open Spaces	986	953	34
Playground Maintenance & Improvements	159	145	14
Parks Pavilions	34	28	5
Mote Park	288	341	-52
Allotments	15	13	2
New Business & Housing Development	13	42	-29
Salary Slippage	-215	0	-215
Public Health - Obesity	0	0	0
Public Health - Misc Services	0	0	0
Strategic Housing Role	16	16	0
Housing Register & Allocations	13	11	2
Private Sector Renewal	-50	-50	0
HMO Licensing	-20	-31	10
Homeless Temporary Accommodation	289	1,195	-906
Homelessness Prevention	333	330	3
Predictive Analysis and Preventing Homelessness	2	2	0
Aylesbury House	13	0	13
Magnolia House	6	0	6
St Martins House	0	-2	3
Marsham Street	55	42	13
Sundry Temporary Accommodation (TA) Properties	-10	-11	0
2 Bed Property - Temporary Accommodation	-44	-44	0
3 Bed Property - Temporary Accommodation	-70	-71	0
4 bed Property - Temporary Accommodation	5	2	2
1 Bed Property- Temporary Accommodation	1	0	1
Trinity	40	22	17
Chillington House	14	4	10
Long Lease Properties	26	26	0
Marden Caravan Site (Stilebridge Lane)	19	30	-11
Ulcombe Caravan Site (Water Lane)	7	66	-60
Head of Housing & Community Services	126	125	2
Homechoice Section	256	231	25
Housing & Inclusion Section	465	469	-5
Housing & Health Section	339	329	10
Housing Management	283	279	4
Homelessness Outreach	84	73	11
Totals	9,600	10,075	-475

HHE Revenue Budget & Outturn – Quarter 4 (By Cabinet Member)

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Cemetery	33	-14	47
National Assistance Act	-0	-2	2
Crematorium	-844	-972	128
Licences	-5	-12	8
Licensing Statutory	-60	-88	28
Licensing Non Chargeable	8	8	-0
Dog Control	29	64	-36
Health Improvement Programme	8	8	0
Pollution Control - General	18	4	14
Contaminated Land	1	-6	6
Waste Crime	-2	-12	10
Food Hygiene	10	-5	15
Sampling	4	1	3
Occupational Health & Safety	-6	-12	5
Infectious Disease Control	1	1	-0
Noise Control	1	0	1
Pest Control	-12	-2	-10
Public Conveniences	269	168	101
Licensing - Hackney & Private Hire	-59	-64	5
Street Cleansing	1,289	1,259	30
Household Waste Collection	1,477	1,544	-67
Commercial Waste Services	-48	-78	30
Recycling Collection	1,005	975	30
Head of Environment and Public Realm	129	126	3
Bereavement Services Section	328	313	15
Licensing Section	139	123	16
Environmental Protection Section	280	199	82
Food and Safety Section	275	299	-24
Depot Services Section	999	935	64
Fleet Workshop & Management	186	185	1
MBS Support Crew	-60	-60	0
Parks & Open Spaces	986	953	34
Playground Maintenance & Improvements	159	145	14
Parks Pavilions	34	28	5
Mote Park	288	341	-52
Allotments	15	13	2
Sub-Total: Cabinet Member for Environmental Services	6,874	6,364	510

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year	Actual	Variance
	£000	£000	£000
Community Safety	36	35	2
PCC Grant - Building Safer Communities	0	0	0
C C T V	37	35	1
Community Partnerships & Resilience Section	542	465	77
Lettable Halls	-3	-13	9
Community Halls	47	18	29
Social Inclusion	74	85	-11
New Business & Housing Development	13	42	-29
Salary Slippage	-215	0	-215
Public Health - Obesity	0	0	0
Public Health - Misc Services	0	0	0
Strategic Housing Role	16	16	0
Housing Register & Allocations	13	11	2
Private Sector Renewal	-50	-50	0
HMO Licensing	-20	-31	10
Homeless Temporary Accommodation	289	1,195	-906
Homelessness Prevention	333	330	3
Predictive Analysis and Preventing Homelessness	2	2	0
Aylesbury House	13	0	13
Magnolia House	6	0	6
St Martins House	0	-2	3
Marsham Street	55	42	13
Sundry Temporary Accommodation (TA) Properties	-10	-11	0
2 Bed Property - Temporary Accommodation	-44	-44	0
3 Bed Property - Temporary Accommodation	-70	-71	0
4 bed Property - Temporary Accommodation	5	2	2
1 Bed Property- Temporary Accommodation	1	0	1
Trinity	40	22	17
Chillington House	14	4	10
Long Lease Properties	26	26	0
Marden Caravan Site (Stilebridge Lane)	19	30	-11
Ulcombe Caravan Site (Water Lane)	7	66	-60
Head of Housing & Community Services	126	125	2
Homechoice Section	256	231	25
Housing & Inclusion Section	465	469	-5
Housing & Health Section	339	329	10
Housing Management	283	279	4
Homelessness Outreach	84	73	11
Sub-Total: Cabinet Member for Housing and Health	2,726	3,711	-985

- B1.2 The table shows that at the end of the fourth quarter overall net expenditure for the services reporting to HHE PAC is £10.075m, compared to the approved profiled budget of £9.600m, representing an overspend of £0.475m.
- B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the fourth quarter of the year. The reasons for the more significant variances are explored in section B2 below.

B2) Variances

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

	Positive Variance Q4	Adverse Variance Q4
Housing, Health & Environment Committee	£000	
Crematorium – There has been a greater demand for service with the death rate being higher than normal. There has also been an increase in memorial sales.	128	
Public Conveniences – The underspend relates to unused budgetary provision that was made for the new toilets in Mote Park which didn't open until the end of December 2022.	101	
Household Waste Collection – The overspend is due to additional bin purchases and the consultancy costs relating to the new waste collection contract.		-67
Mote Park - This overspend was caused by a number of factors – increased water costs, increased trade waste charges and costs relating to the new Estate Services Building.		-52
Homeless Temporary Accommodation - Demand has been high all year for temporary accommodation, and this is due mainly to the rise in the cost of living. There are also issues with getting people out of temporary accommodation as soon as possible, this has proved very difficult throughout the year.		-906
Ulcombe Caravan Site (Water Lane) - This overspend was caused by increased service charges from Kent County Council. This was due to issues around rent collection, and increased charges for water and electricity.		-60

Part C

Fourth Quarter Capital Budget 2022/23

C1) Capital Budget: Housing, Health & Environment Committee (HHE)

C1.1 The position of the 2022/23 HHE element of the Capital Programme at the Quarter 4 stage is presented in Table 3 below.

HHE Capital Programme 2022/23 (@ Quarter 4)

Capital Programme Heading	Revised Estimate 2022/23 £000	Actual to March 2023 £000	Budget Remaining £000
Housing, Health & Environment			
Housing - Disabled Facilities Grants Funding	1,640	1,228	412
Temporary Accommodation	4,330	451	3,879
Springfield Mill - Phase 2	731	738	-8
Affordable Housing Programme - Trinity Place	500	375	125
Commercial Development - Maidstone East	200		200
Private Rented Sector Housing Programme	2,310	1,653	657
1,000 Homes Affordable Housing Programme	7,600	4,406	3,194
Acquisitions Officer - Social Housing Delivery P/ship	160	180	-20
Granada House Refurbishment Works	100	41	59
Street Scene Investment	70	72	-2
Flood Action Plan	430	12	418
Electric Operational Vehicles	84	95	-11
Vehicle Telematics & Camera Systems	35	39	-4
Rent & Housing Management IT System	11	14	-3
Installation of Public Water Fountains	15		15
Crematorium & Cemetery Development Plan	250	241	9
Continued Improvements to Play Areas	126	32	94
Parks Improvements	152	133	19
Gypsy & Traveller Sites Refurbishment	1,421	1,289	131
Waste Crime Team - Additional Resources	25		25
Section 106 funded works - Open Spaces	400	283	117
Total	20,589	11,280	9,309

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 was considered and recommended for approval 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 were only two acquisitions this year, due to the high level of house prices during the year. More acquisitions are taking place in 2023/24 as more properties have been identified at affordable prices.

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

A number of schemes are at various stages of development, and further land/property acquisitions have taken place during the year. The variance relates mainly to larger scale schemes that have not progressed as far as was anticipated by 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.