

MID SUFFOLK DISTRICT COUNCIL

From: Cabinet Member - Finance	Report Number: MCa/17/18
To: Cabinet	Date of meeting: 9 October 2017

FINANCIAL MONITORING 2017/18 – QUARTER 1

1. Purpose of Report

- 1.1 Based on the financial performance of the Council during the first 3 months of this financial year and latest information, a reporting by exception approach has been adopted to reviewing income and expenditure budget variances in the first quarter of the year.

2. Recommendations

- 2.1 That the potential or likely variations in relation to the General Fund, Housing Revenue Account and Capital Programme compared to the Budget be noted.
- 2.2 That, subject to any further budget variations that arise during the rest of the financial year, the transfer of £1.459m to the Transformation Fund, referred to in section 11.8 of the report, be noted;
- 2.3 That the revised 2017/18 Capital Programme referred to in Appendix B and section 11.14 be approved.

3 Financial Implications

- 3.1 These are detailed in the report.

4 Legal Implications

- 4.1 There are no specific legal implications.

5 Risk Management

- 5.1 This report is closely linked with risk numbers 5e and 5f of the Council's Significant Risk Register – If we do not understand our financial position and respond in a timely way, then we will be unable to deliver the entirety of the Joint Strategic Plan or the ambition of the HRA 30 year business plan. Other key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If the forecast savings and efficiencies are not delivered then it will have a detrimental impact on the resources available to deliver services and the strategic priorities	3 - Probable	2- Noticeable	Monitored throughout the year by Finance Teams, Corporate Managers and Assistant Directors
If economic conditions and other external factors change for the worse then it could have an adverse effect on the Councils financial position	3 - Probable	2 - Noticeable	Focus is on monitoring key income and expenditure streams – but Government changes and economic conditions continue to affect costs and income for a number of services
If the Capital Programme delivery is not on target then the strategic priorities will not be delivered as anticipated	2 - Unlikely	2 - Noticeable	Regular monitoring by key officers

6 Consultations

- 6.1 Consultations have taken place with Assistant Directors, Corporate Managers and other Budget Managers as appropriate

7 Equality Analysis

- 7.1 An equality analysis has not been completed because there is no action to be taken on service delivery as a result of this report.

8 Shared Service / Partnership Implications

- 8.1 Both authorities continue to work closely together with particular attention given to sharing integration costs and savings between the two Councils, which is reflected in the financial outturn for the year.

9 Links to Joint Strategic Plan

- 9.1 Ensuring that the Councils make best use of their resources is what underpins the ability to achieve the priorities set out in the Joint Strategic Plan. Specific links are to financially sustainable Councils, managing our corporate and housing assets effectively, and property investment to generate income.

10 Key Information

Strategic Context

- 10.1 In February 2017 Mid Suffolk District Council approved the Joint Medium Term Financial Strategy (MTFS). This confirms the direction of travel, in that the Council continues to respond to the financial challenges.
- 10.2 The strategic response to those challenges, to ensure long term financial sustainability, is set out in six key actions:
- a) Aligning resources to the Councils' refreshed strategic plan and essential services
 - b) Continuation of the shared service agenda, collaboration with others and transformation of service delivery
 - c) Behaving more commercially and generating additional income
 - d) Considering new funding models (e.g. acting as an investor)
 - e) Encouraging the use of digital interaction and transforming our approach to customer access
 - f) Taking advantage of new forms of local government finance (e.g. new homes bonus, business rates retention)
- 10.3 The details within the Joint MTFS show that for Mid Suffolk the funding gap moves from an initial surplus in 2018/19 to a cumulative funding deficit of £1m by the end of 2020/21. These figures are being revised as part of the early work for the 2018/19 budget setting process. Work has commenced on closing this gap by identifying and modelling the outcomes of various initiatives as part of the delivery of the Joint Strategic Plan.
- 10.4 The nature of local government funding has changed in recent years. There is less core funding in the form of Revenue Support Grant (RSG) and more incentivised and one-off funding like New Homes Bonus and retention of business rates. The business rates income is more uncertain than RSG, where appeals and the changing number of businesses within the district impact on the income that is available to the Council. This was reinforced with the 2016/17 outturn position. It is also important that capital resources are used in ways to support the new business model. The Council is looking to use its assets and borrowing capacity to generate income from alternative sources in order to protect key services and with the aim of becoming self-sufficient in relation to income that the Council can generate itself.
- 10.5 The total estimated core funding for future years is not a fixed guaranteed amount as it is dependent on variations in business rates income. This is carefully monitored and the volatility and risks, for example, rate relief for schools converting to academies and the level of appeals, will affect the amount of income received.

10.6 The outcome of these changes and uncertainties is that predicting the resources available to the Council over a period of time is more challenging, so more annual variances against budget will be seen as we develop our financial management skills and processes to fit the new funding environment. Members should therefore focus on whether strategic priorities are being achieved rather than in year variances.

11 Quarter 1 Position

11.1 Based upon financial performance and information from April to June (with emerging trends extrapolated to the end of the financial year) and discussions with budget managers, key variations on expenditure and income compared to budget have been identified.

11.2 The report covers:

- The General Fund Revenue Budget
- The HRA Revenue Budget (Council Housing)
- Both the General Fund and HRA Capital programmes.

11.3 Budget monitoring is a key tool and indicator on the delivery of the council's plans and priorities for the year. There will, of course, always be reasons why there are variances such as:

- Economic conditions and those services that are affected by demand
- Base budgets being over or understated (a number were identified in the 2016/17 financial outturn report to Members)
- Uncertainties relating to funding or other changes that were not known at the time the budget was approved.

11.4 Taking each area in turn, the position on key aspects of the 2017/18 budget is summarised below:

General Fund Revenue Account

11.5 In relation to funding:

- (a) Council Tax (£5m): At the end of June, collection rates were 30.05%, compared with 30.03% for the same period last year. The collecting of council tax remains challenging, especially from those receiving council tax reductions under the Local Council Tax Reduction Scheme (LCTR). Recovery Action is varied and is a high priority for the Shared Revenues Partnership (SRP).
- (b) Government Grants: RSG (£0.4m), baseline business rates (£2m) and New Homes Bonus (£2.03m) were allowed for in the Budget. RSG and NHB are fixed but the actual amount of business rates will vary.

- (c) Business Rates: At the end of June, collection rates were 31.10% compared with 31.45% for the same period last year. The level of Section 31 grants notified to the Council to compensate for national business rate relief is higher than budgeted by £19k.
- (d) Based on current projections from Suffolk County Council it is estimated that the final Business Rates Pool position will be better than expected. A favourable variance of £179k is anticipated, this is despite the reduction in the rateable value of the Army Air Corps, Wattisham Station totalling £1.5m, backdated to 1st April 2010. This will have a greater impact in 2018/19.

11.6 On a reporting by exception basis, a review of expenditure and income budget variances was undertaken. There are two corporate savings targets as detailed below:

- a) It is currently anticipated that the vacancy management savings of £100k will be exceeded, resulting in a favourable variance of £253k. A breakdown for each Service Area is shown in section 11.8 below. For 2018/19, the vacancy management figure will be reviewed to reflect actual experience and could increase to £203k (this is equal to a 2.5% turnover of staff).
- b) Included within the 2017/18 budget is a generic savings target of £100k for non-pay expenditure. Further details of the actual non-pay variances are outlined in section 11.8 below. From 2018/19 onwards this target will be reduced by £20k per year until it is completely removed in 2022/23, as savings are better identified and monitored in individual service areas rather than against a corporate target.

11.7 The overall net favourable variance of £1.459m means that the Council is able to make a substantial contribution to the Transformation Fund.

11.8 The table below shows the main items that are included in the overall net favourable variance of £1.459m. The forecast variances identified within this report will be taken into consideration when setting the budgets for 2018/19. The numbers associated with the All Together programme are being finalised and will be reported in the quarter two monitoring report.

Explanation	Quarter 1 Amount (£) Favourable / (Adverse)
Communities and Public Access	
<u>Policy and Strategy (Health and Wellbeing)</u> <ul style="list-style-type: none"> • Employee costs – a favourable variance of £12k. This is due to a part year saving for a full-time vacancy. The post has since been recruited to and will commence in September 2017. This saving is for 2017/18 only. • Other items (net) – a favourable variance of £9k 	21

<p><u>Public Access</u></p> <ul style="list-style-type: none"> Employee costs - a favourable variance of £27k. This area of the Council has a high turnover of employees' due to the nature of the Customer Services function, resulting in a small number of vacant posts. 	27
<p><u>Communications</u></p> <ul style="list-style-type: none"> Employee costs – this favourable variance is attributable to staff vacancies. A review of the structure has been undertaken to ensure that it is fit for the needs of the organisation and is now being recruited to. 	14
<p><u>Public Realm</u> This area of the Council's work is currently under review. It is therefore likely that the forecasts included are subject to change as the review is finalised.</p>	
<p>Open Spaces (inc Countryside Development)</p> <ul style="list-style-type: none"> Due to a number of planned vacancies (6 fte all with the exception of one shared 50:50), employee costs are expected to result in a favourable variance of £64k. An adverse variance of £168k can be attributed to an income shortfall. There is a requirement to review the budget in this area for 2018/19. Other items (net) – a favourable variance of £25k 	(79)
<p>Car Parks</p> <ul style="list-style-type: none"> £98k favourable variance due to a significant under spend on premises related expenditure including business rates (£21k). The budget will be adjusted for 2018/19. The favourable variance offsets an income shortfall of £38k which has arisen due to the closure of Morrisons last year. Income is gradually increasing, however, it is not yet forecast to reach the same level as when Morrisons was open. Other items (net) – an adverse variance of £8k 	52
<p>Other items (net) – a favourable variance of £12k</p>	12
<p>Corporate Resources</p>	
<p><u>Commissioning and Procurement</u></p> <ul style="list-style-type: none"> Employee costs - £30k favourable variance. The 2017/18 budget includes provision for two new Grade 6 Business Partner roles. One of these posts has now been offered as an ongoing saving, the other post will be recruited to, but it is anticipated that there will be a 6-month saving. Other items (net) – a favourable variance of £3k 	33
<p>Environment and Projects</p>	
<p><u>Building Control</u></p> <ul style="list-style-type: none"> Employee Costs – a favourable variance of £17k which can be attributed to one vacancy. Income shortfall – an adverse variance of £92k is anticipated. This can be attributed to a budget error where VAT was included in the overall calculation of income to be received in year. This will be adjusted for as part of the 2018/19 budget setting process. 	(75)

<u>Leisure Contracts</u> <ul style="list-style-type: none"> An expected revision of the contract indices for the Mid Suffolk Leisure Centre is forecast to result in a favourable variance of £16k. 	16
<u>Waste</u> <ul style="list-style-type: none"> £109k favourable variance for the Material Recycling Facility (MRF). The gate fee is re-calculated each April making it difficult to accurately reflect the price per tonne. In recent years the basket price has changed from £5/tonne to £12/tonne and is very much dependent on the world market. Mid Suffolk already has an earmarked waste reserve containing £159k. This earmarked reserve is utilised to smooth year on year changes so that the core budget can remain relatively stable. As the waste reserve does not need to be supplemented in 2017/18, it is therefore recommended that the favourable variance of £109k be transferred to the Transformation Fund this year. Glass Collection – this service was introduced in 2016/17 as a new income stream. When the budget was set for 2017/18 it was updated to reflect the income, but not the expenditure. The glass collection service is a viable one and the expected adverse variance of £22k will be adjusted when setting the budget for 2018/19. Garden Waste – following recent housing growth, subscriptions to the Garden Waste Collection Service has increased. Surplus income of £43k is expected. This can however, be mostly offset by the cost of collection (£38k) as a result of higher than expected contract indexation, an increase of 1.07%. Trade waste – surplus income of £62k is anticipated. Mid Suffolk’s customer base is expected to grow as a result of continued advertising and promotional activities. Other items (net) – an adverse variance of £15k. 	139
Investment and Commercial Delivery	
<u>Open for Business</u> Tourism <ul style="list-style-type: none"> Based on current income levels for the sale of goods and services, a shortfall of £10k is expected. A £22k underspend is forecast for supplies and services (£5k on contracted services and £7k on print costs for the South and Heart of Suffolk marketing campaign). A review of how this service area is currently provided is being undertaken. Any budget adjustments required will be made for 2018/19. Other items (net) – an adverse variance of £2k. Licensing <ul style="list-style-type: none"> Employee costs, a favourable variance of £16k is expected as a result of one vacant post (1 fte). Other items (net) – an adverse variance of £1k 	25
Law and Governance	
<u>Information Management</u> <ul style="list-style-type: none"> An adverse variance of £26k on employee costs. This is due to the re-allocation of resources from the capital element of the JOSIE project to revenue 	(29)

<ul style="list-style-type: none"> • Other items (net) – an adverse variance of £3k 	
<u>Internal Audit</u> <ul style="list-style-type: none"> • Employee costs – an adverse variance of £14k. The need for an additional Grade 5 post was identified after the 2017/18 budget was set. This post was filled and has since become vacant. The Corporate Manager will review resource requirements in 3 months' time. 	(14)
<u>Shared Legal Services</u> <ul style="list-style-type: none"> • Employee costs - there were two roles where it was anticipated that these would cease once the Shared Legal Services model was live. This has not been the case and it is expected to result in an adverse variance of £17k. These roles will now end in October 2017. • Other items (net) an adverse variance of £3k 	(20)
Planning for Growth	
<u>Development Management</u> <ul style="list-style-type: none"> • It is anticipated that employee costs will be under spent and result in a favourable variance of £15k. There is significant change planned in this area i.e. posts being recruited to and service requirements being reviewed. • Legal costs awarded for appeals is expected to be higher than budget resulting in an adverse variance of £20k. • The Council's Joint Strategic Plan places a clear priority on the delivery of more of the right type of housing, of the right tenure, in the right places. It goes on to explain that the Council is seeking to significantly increase supply and expand our 'market making' role in terms of creating the right conditions for developers to work with communities to deliver more housing. Following this commitment, the Council has continued to see an increase in planning applications which is likely to result in a favourable variance of £603k. • Other items (net) – a favourable variance of £5k 	603
<u>Strategic Planning</u> <ul style="list-style-type: none"> • The staffing resources required in this area is under review and as a result vacant posts have been held, but this does not impact on the delivery of the Local Plan. It is therefore anticipated that employee costs will be under spent and result in a favourable variance of £64k. 	64
<u>Sustainable Environment</u> <ul style="list-style-type: none"> • Employee costs – a favourable variance of £29k. This is another area where resourcing is being reviewed, so the position will need to be reviewed further at Quarter 2. 	29
Supported Living	
<u>Business Improvement (Corporate)</u> <ul style="list-style-type: none"> • This area is currently under review meaning that the adverse variance of £20k for employee costs is subject to change. The variance is due to allowing an agency resource to cover for maternity leave. 	(20)
<u>ICT</u> <ul style="list-style-type: none"> • Employee costs – a favourable variance of £49k is anticipated. There are currently 3 vacant full-time posts which are no longer required due to the transfer of functions to SCC IT. This will be an ongoing saving in 2018/19 	49

<u>Property Services</u>	(11)
<ul style="list-style-type: none"> Creeping Road Depot – an adverse variance of £11k is anticipated. This can be attributed to the cost of legionella testing as well as the cost of tools and equipment. 	
<u>Photo Voltaic (PV) Panels (Feed in Tariff Income)</u>	
<ul style="list-style-type: none"> Following the extensive installation programme which began in 2014/15, there are still a number of properties (85) where PV panels have been installed, but are still awaiting registration. To enable receipt of the Feed in Tariff (FiT) income all properties must be registered with Ofgem. Any income due will be backdated to when the panels were installed. The income will be received by November 2017/18. As yet, it has not been possible to accurately forecast what the Council is due to receive as there are seasonal variations, so for Quarter 1 no budget variance has been assumed. Finance will work closely with the Corporate Manager in this area to provide an update at Quarter 2. 	
Other	
Other items (net) – an adverse variance of £9k	(9)
<u>Capital Financing Costs</u>	171
A favourable variance of £171k is anticipated. This can be broken down as follows; <ul style="list-style-type: none"> Net investment income i.e. CCLA, UBS – a favourable variance of £104k Net interest payable / receivable – a favourable variance of £67k. 	
<u>Business Rates</u>	461
The net favourable variance of £461k is made up as follows: <ul style="list-style-type: none"> Timing difference for the distribution of the 2016/17 deficit on the Collection Fund £137k 2017/18 Baseline business rates less Government tariff has resulted in a favourable variance of £400k. Business Rates Pooling Benefit – a favourable variance of £179k. As referred to in paragraph 11.5 (d). S31 Business Rates Grant - higher than budget by £19k. As referred to in paragraph 11.5 (c) 	
TOTAL FAVOURABLE VARIANCE	1,459

Transformation Fund

11.8 A review of Transformation Fund commitments has been undertaken with the support of the Senior Leadership Team, Corporate Managers and Finance.

11.9 The table below provides a high-level summary of the anticipated movement in the Transformation Fund during 2017/18. A more detailed breakdown is shown in Appendix A.

11.10 Transformation Projects that were completed prior to 2017/18 are no longer shown in detail in this report.

MID SUFFOLK	£'000
Balance at 31st March 2017	8,199
New Homes Bonus Contribution	2,028
Business Rates Grant	619
Total contributions 2017/18	2,647
Revised Balance Available	10,846
LESS;	
Funding 2017/18 budget	(267)
Community Capacity Building	(250)
Delivery Plan projects - Staffing	(433)
Actual year to date spend (April - June 2017)	(234)
Current commitments	(250)
PLUS:	
Forecast underspend at 30 June 2017	1,459
Balance on Procurement Reserve and Repairs and Renewals Reserve no longer required, therefore transferred to Transformation Fund	308
Balance at 31st March 2018	11,180

Commitments in 2017/18 will continue to be reviewed to ensure the key priorities are supported.

General Fund Capital

11.11 Capital resources should be aligned to the Councils Strategic Priorities and desired outcomes. A zero based approach was adopted for the capital programme for 2017/18 to ensure that resources are aimed at delivering the council's strategic priorities.

11.12 With complex capital schemes it is difficult to accurately assess the level of payments that will be made during the financial year. The Council has also embarked on new projects e.g. building new homes where it is difficult to accurately predict at the planning stage how payments will fall. Members should therefore focus on whether overall outcomes are being achieved as a result of the capital investment rather than variances against the plan for a particular year.

11.13 Full Council approved the setting up of a holding company in April 2017. This means that the £25m for the Capital Investment Fund will begin to be invested this year.

11.14 Capital expenditure for the period April to June 2017 totals £0.4m, against a revised programme (including carry forwards) of £6m, excluding the £25m, as set out in Appendix B. The main variances to date are set out below:

- Grants for Affordable Housing – a forecast variance of £400k - The Council in the past has awarded capital grants to housing associations to facilitate the provision of additional affordable housing in the district. With the Council's ability now to build its own social housing through the HRA and the changing landscape for housing associations, the requirement for these grants to be used for that purpose has changed in recent years. This will be reviewed as part of the budget setting process for 2018/19.
- Mid Suffolk Leisure Centre and Stradbroke Pool - a favourable variance of £118k is anticipated. However, this is very much dependent on the outcome of the Strategic Leisure Review.
- ICT – the majority of the forecast favourable variance (£243k) can be attributed to the JOSIE project. When the 2017/18 budget was set it was anticipated that the project would take a full year to complete, it is however, expected to finish at the end of September 2017.
- A new environmental initiative for £44k relating to LED street and car park lighting has been included in the Capital Programme for Quarter 1. No variance to budget is expected.

Housing Revenue Account (HRA - Council Housing)

11.15 The updated 30 year business plan was presented to Cabinet in July 2017. In relation to the HRA Revenue Budget, the position on key activity areas is as follows:

- Rent and other income (Budget £15.4m) - it is currently anticipated that there will be no significant variations to budget.
- Repairs and maintenance (Budget £3.1m) – responsive maintenance demand continues at a high level and the potential for overspend remains strong.
- Management and other costs (Budget £3.1m) - no significant variations to budget have been identified.
- Funding the capital programme (Budget £3.6m) - subject to the actual level of capital spending for the year and year-end capital financing decisions, this is expected to be in line with the budget.
- Borrowing and associated costs (Budget £3.0m) – a favourable variance of £150k is anticipated due to the budget calculation for interest being overstated. Further enquiries are needed and an update will be provided at Quarter 2.

11.16 The recent Government proposal that will impact upon the HRA regarding the sale of high value council houses levy is being monitored and once details are fully known and understood a further review of the business plan will be undertaken.

HRA Capital

11.17 Investment plans for this year total £8.6m (including £0.6m carry forwards) as set out in Appendix B. No variance to budget is forecast at this stage in the year.

12 Appendices

Title	Location
APPENDIX A – Transformation Fund	Attached
APPENDIX B – Capital Programme	Attached

13 Background Documents

23 February 2017 Budget Report 2017/18 – C/03/17

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TRANSFORMATION FUND – PROJECTS

APPENDIX A

	Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
					BDC	MSDC	BDC	MSDC		
	CONTINUING PROJECTS									
	Assets & Investments									
1	Strategic Leisure Review - comprehensive condition survey of all 4 leisure facilities to understand future costs requirements. Additional Resources for; Phase 1 - will be informed by the evidence from the strategic review of our built sports facilities and playing pitches (which is due to complete in October 2015), and will allow us to undertake a joint leisure strategy and investment plan for both Councils. Phase 2 - to undertake an independent review of the current contractual arrangements (with SLM and SSL) and deliver future delivery options in line with the strategy. This will involve a review of all existing legal and contractual documentation, leases and management agreements, options appraisal, and our capital investment strategy for these assets and for making recommendations Funding to pay for two Leisure Industry specialists (Project Manager for phase 1, external consultant for phase 2)	Chris Fry	May-16	126,100	44,801	37,231	6,630	8,273	96,935	-29,165
2	Capital Investment Strategy (CIS) – external professional advisers to support the development of the Capital Investment Strategy, as well as the associated governance framework and delivery model to support implementation of a Capital Investment Fund and provision of a fixed term post for two years - to provide direct specialist technical support to the establishment and implementation of the development and regeneration pipeline	Louise Rawsthorne / Jill Pearmain / Ann Bennett	Aug-16	136,285	51,088	51,088	3,588	3,588	109,350	-26,935
	Business Growth	Business Growth								
3	Extension of fixed term Heritage & Design officer post for 2 years to support work on securing heritage assets	James Buckingham	Oct-15	69,000	17,215	17,215	4,011	4,011	42,451	-26,549
4	External support to create Joint Local Plan plus the building of the evidence base	Bill Newman	Feb-16	45,000	0	0	0	0	0	-45,000
5	Hadleigh Market - consultancy costs to test whether it is possible to develop and grow Hadleigh Market into a successful town market. BDC Only	Lee Carvell	Apr-16	10,000	5,794	0	1,000	0	6,794	-3,206
6	Additional Economic Development capacity to support a number of initiatives aimed at increasing economic growth e.g. key sites, market towns and engaging businesses - 18 month extension	Lee Carvell	Feb-17	332,770	98,670	98,551	12,686	12,712	222,619	-110,151
7	Extend the Enabling Officer, Community Led Planning post from mid-2016 until mid-2017	Bill Newman	Feb-16	49,000	8,184	20,123	0	3,111	31,418	-17,582
8	Retrospective funding for 2016/17 (year 2) and 2017/18 (year 3) of a three year contract for the 'Visit East Anglia / Visit Suffolk' contract which is due to finish in March 2018.	Lee Carvell	Oct-16	40,000	10,000	10,000	10,000	0	30,000	-10,000
9	NEW Town Visioning Engagement Project - the Open For Business Team will lead the work with local communities to deliver a Vision that can be used to inform later policy-making and decisions that affect the towns. The Vision is intended to establish a high-level aspiration for the towns, setting out the community's key desires and wishes for the town they would like to live in and for businesses to operate from. This is a new way for the communities to be involved in Strategic Planning of the towns (the innovation).	Lee Carvell	May-17	8,500	0	0	0	0	0	-8,500
10	NEW To provide support funding that enables local business to be promoted effectively at the Suffolk Show event being held in conjunction with the English National Sheepdog Trial 2017. Additional financial resource would enable a dedicated resource to professionalise the social media promotion, recruit traders and craftspeople and to organise the tourism showcase ensuring that the event is of value to our economy. MSDC only	Lee Carvell	May-17	5,000	0	0	0	0	0	-5,000

TRANSFORMATION FUND – PROJECTS

APPENDIX A

		Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
					BDC	MSDC	BDC	MSDC		
CONTINUING PROJECTS										
Business Growth										
11	Opportunity to support businesses within the District in benefiting from a photovoltaic array which can provide a percentage of their electricity needs and improve the environmental credentials of the business. The cost of an array can be prohibitive to these businesses but there is an opportunity for the Councils to fully fund the system and obtain a commercial return on the investment i.e. Feed in Tariff - Capital, shared 50:50	James Buckingham	Dec-16	200,000	0	0	0	0	0	-200,000
Community Capacity Building										
12	Additional locality capacity in the Communities Team - 40% BDC, 60% MSDC	Sue Clements	May-16	90,000	27,611	41,241	13,488	20,232	102,572	
13	Delivery of the Public Realm Review which will transform the management and utilisation of our public realm assets which include Open Spaces, Amenity areas, car parks and Countryside assets.	Peter Garrett	Jul-16	60,000	10,355	10,355	7,209	7,209	35,129	-24,871
14	Increase staff resources - one day a week for the Tourism Development Officer role	Lee Carvell	Nov-16	9,000	1,765	1,765	1,139	1,130	5,799	-3,201
15	Buildings at risk - to support a targeted approach towards dealing with Heritage at Risk in Babergh and Mid Suffolk with the view to finding viable uses for those buildings at risk and reducing the overall number, to also support the planning transformation programme by producing information and guidance to support decision-making activities and the management of heritage assets. 12 month extension	James Buckingham	Feb-17	17,816	3,106	1,486	2,411	2,411	9,413	-8,403
16	NEW To extend the current room rental agreement with The Mix in Stowmarket from it's current end date of 31 March 2017 to match the final end of contract date of 31 December 2017. This will enable the delivery of the current Mygo contract to continue from the current location ensuring continuity for service users to the end of the project lifetime. MSDC only	Lee Carvell	Apr-17	9,257	0	0	0	9,257	9,257	0
Efficient Organisation										
17	Support for public access and streamlining information management for both the Councils external website and CONNECT	Carl Reeder	Oct-15	96,852	13,414	13,414	4,680	4,680	36,188	-60,664
18	3 Transformation Project Managers to support and assist in the delivery of a) the Channel Shift Programme - to enable the Councils to be ready digitally, b) Core Enablement Programme - help the business areas adopt core infrastructure changes and c) Accommodation and Public Access Programme - will focus on project managing the physical and logistical side of the project, planning the detail of solutions such as; Public Access points, Touch Down points etc	Carl Reeder	Sep-16	150,000	18,028	18,028	12,857	12,857	61,771	-88,229
19	ALL TOGETHER - majority of costs at this stage relate to scanning - to improve accessibility to both officers and members of the public by going 'paperless'. Ensure that all information is accessible electronically. The amount sought will be increased as part of the overall one-off costs of moving to Endeavour House when they are finalised.	Carl Reeder	Sep-16	46,400	31,137	31,153	64,415	64,414	191,118	
20	Strengthening Governance through the implementation of the Leader-Cabinet form of Governance	Emily Yule	Mar-17	55,028	5,659	5,659	7,556	7,555	26,429	-28,599

TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse	
				BDC	MSDC	BDC	MSDC			
Housing Delivery										
21	Additional resources within the Strategic Housing Team to support housing growth	Bill Newman	Nov-14	187,000	74,587	74,787	0	0	149,373	-37,627
22	Delivery of a proactive monitoring and enforcement function, to support the work of the existing Planning Enforcement team and the new Infrastructure team - Shared Services Monitoring Officer 40% BDC 60% MSDC	James Buckingham	Feb-16	62,250	8,855	13,282	3,263	4,554	29,952	-32,298
23	Additional resources to enable Senior Planning Officer level to be released to support delivery of the planning transformation programme	Trevor Saunders	Oct-16	205,000	14,619	14,619	13,658	13,700	56,596	-148,404
Housing Delivery/Business Growth										
24	Commissioning of external specialist feasibility / viability work on key sites as required, to be able to move them forward for approval and development to support economic and housing growth	Lou Rawsthorne	Jan-15	475,000	117,660	57,496	4,515	2,000	181,671	-293,329
25	Creation of a new Infrastructure ODT to support and secure the implementation of CIL and effective operational processes	Bill Newman	Jul-15	289,000	126,755	107,403	13,503	13,755	261,416	-27,584
26	External support to undertake Local Housing Needs Surveys	Bill Newman	Feb-16	20,000	2,709	2,709	0	0	5,418	-14,582
27	Additional staffing capacity to migrate historic and future developer contribution information to the new ICT system supporting the Community Infrastructure Levy	Bill Newman	Jun-16	98,000	38,086	36,681	2,658	2,658	80,083	-17,917
28	Building the evidence base for the Joint Local Plan - the requirement to hold and maintain accurate baseline information within GIS underpins the preparation of the Joint Local Plan and land allocation strategy.	Bill Newman	Aug-16	44,000	21,297	22,699	4,655	4,655	53,305	
General Transformation - other projects										
29	- Core Staffing not allocated to a specific project	Melissa Evans		457,000	147,636	168,222	19,530	19,530	354,917	-102,083
30	- Other	Melissa Evans		50,000	16,643	33,171	0	0	49,814	-186
CONTINUING PROJECTS SUB-TOTAL				3,443,258	915,672	888,376	213,450	222,291	2,239,790	-1,370,064
COMPLETED PROJECTS SUB-TOTAL -SEE BELOW				3,052,443	602,215	2,593,468	11,499	11,304		
				6,495,701	1,517,887	3,481,844	224,949	233,595	2,239,790	-1,370,064
									34%	
BDC OUTSTANDING COMMITMENTS										
<i>Less staffing budgets already accounted for</i>										
BDC TOTAL OUTSTANDING COMMITMENTS										
MSDC OUTSTANDING COMMITMENTS										
<i>Less staffing budgets already accounted for</i>										
MSDC TOTAL OUTSTANDING COMMITMENTS										

TRANSFORMATION FUND – PROJECTS

APPENDIX A

Project	Responsible Officer	Date of Approval	Budget	Cumulative spend to 2016/17		Apr 17 - Jun 17		Total Spend	Variance - favourable / + adverse
				BDC	MSDC	BDC	MSDC		
COMPLETED PROJECTS									
Introduction of Glass collection round for trade waste service (income generation project) - cost of vehicle and wheeled bins - Capital	Ollie Faiers	Dec-15	87,273	10,137	77,137	1,800	1,800	90,874	3,601
Additional capacity within the Licensing Team to enable the Corporate Manager to work on the Open for Business Project thereby supporting business to thrive and grow. Extension of 6 months	Lee Carvell	Jan-15	48,000	18,478	23,407	2,839	2,839	47,564	-436
Accommodation Review - Phase 1 Analysis and Direction	Louise Rawsthorne	Jan-16	100,000	48,268	46,410	2,372	2,372	99,422	-578
Open for Business - filming service area talks so that they are available to a wider audience	Lee Carvell	May-16	1,500	0	0	848	848	1,695	195
Housing Delivery									
Review leasehold and right to buy service to ensure fit for purpose for the future.	Gavin Fisk	Apr-16	40,000	8,663	8,663	3,445	3,445	24,217	-15,783
Community Engagement Planning - support for the Third Stage of the agreed programme to develop a coherent engagement plan to ensure the messages on growth to our communities are coherent and closely coordinated.	David Clarke	Feb-16	20,698	7,570	7,350	196	0	15,116	-5,582
COMPLETED PROJECTS CURRENT YEAR AS ABOVE SUB-TOTAL			297,471	93,116	162,968	11,499	11,304	278,887	-18,584
COMPLETED PROJECTS PREVIOUS YEARS SUB-TOTAL			2,754,972	509,099	2,430,500	0	0	2,939,599	184,627
COMPLETED PROJECTS TOTAL			3,052,443	602,215	2,593,468	11,499	11,304	3,218,486	166,043

APPENDIX B

MID SUFFOLK CAPITAL PROGRAMME 2017/18	Budget	Revised Budget inc Carry Forwards	Actual Spend Apr- Jun	Variance - budget LESS actual spend	Forecast Outturn	Variance to Forecast favourable /(adverse)
HOUSING REVENUE ACCOUNT	£'000	£'000	£'000	£'000	£'000	£'000
Capital Projects						
Planned maintenance	3,321	3,620	153	3,467	3,620	0
ICT Projects	85	87	38	49	87	0
Environmental Improvements	40	0	0	0	0	0
Disabled Facilities work	200	226	5	222	226	0
New build programme inc acquisitions	4,432	4,896	313	4,583	4,896	0
Total HRA Capital Spend	8,078	8,829	509	8,320	8,829	0
MID SUFFOLK CAPITAL PROGRAMME 2017/18						
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000
Supported Living						
Mandatory Disabled Facilities Grant	300	489	57	432	489	0
Discretionary Housing Grants	100	100	17	83	100	0
Empty Homes Grant	100	210	47	163	210	0
Total Supported Living	500	799	120	679	799	0
Strategic Planning						
Grants for Affordable Housing	100	500	0	500	100	400
Total Strategic Planning	100	500	0	500	100	400
Sustainable Environment						
Streetlights/carpark light fittings to LED equivalents	0	44	0	44	45	-1
Total Sustainable Environment	0	44	0	44	45	-1
Environment and Projects						
Replacement Refuse Freighters - Joint Scheme	170	170	0	170	170	0
Recycling Bins	100	136	13	123	136	0
Total Environmental Services	270	306	13	293	306	0
Communities and Public Access						
Planned Maintenance / Enhancements - Car Parks	204	201	0	201	200	1
Streetcare - Vehicles and Plant Renewals	81	81	84	-3	121	-40
Play Equipment	25	55	0	55	55	0
Community Development Grants	189	389	29	360	389	0
Total Communities and Public Access	499	726	113	612	765	-39
Leisure Contracts						
Mid Suffolk Leisure Centre - structural repairs	43	44	0	44	1	43
Mid Suffolk Leisure Centre - roofing	170	167	25	141	112	55
Mid Suffolk Leisure Centre - general repairs	200	200	0	200	200	0
Mid Suffolk Leisure Centre - car park	120	123	0	123	123	0
Stradbroke Pool - general repairs	98	119	0	119	99	20
Total Leisure Contracts	631	652	25	627	534	118
Capital Projects						
HQ - Equipment Renewals	20	20	0	20	20	0
Planned Maintenance - Corporate Buildings	82	81	0	81	81	0
Carbon Reduction	50	50	0	50	50	0
Installation of PV Panels on Housing Stock	0	2	-11	13	0	2
Total Capital Projects	152	153	-11	164	151	2
Investment and Commercial Delivery						
Open for Business	30	30	0	30	30	0
Land assembly, property acquisition and regeneration opportunities	1,925	1,925	0	1,925	1,925	0
Total Investment and Commercial Delivery	1,955	1,955	0	1,955	1,955	0
Corporate Resources						
ICT - Hardware / Software costs	763	863	115	748	620	243
Total Corporate resources	763	863	115	748	620	243
Delivery Programme Investment Opportunities	0	25,000	0	25,000	12,500	12,500
Total General Fund Capital Spend	4,869	30,998	376	30,622	17,775	13,223
Total Capital Spend	12,947	39,827	885	38,942	26,604	13,223