

# **WAVERLEY BOROUGH COUNCIL**

## **EXECUTIVE**

**8 OCTOBER 2018**

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### **Title:**

#### **BUDGET MANAGEMENT REPORT**

**[Portfolio Holder: Cllr Ged Hall]**

**[Wards Affected: All]**

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### **Summary and purpose:**

This report provides a review of the 2018/19 budget for the General Fund and the Housing Revenue Account against the forecast to 31 March 2019, based on the latest information available.

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### **Note pursuant to Section 100B(5) of the Local Government Act 1972**

Annexe 1 to this report contains information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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### **How this report relates to the Council's Corporate Priorities:**

The monitoring and management of the council's budgets ensures there is financial control over the services that contribute to the corporate priorities. Savings identified can be redirected towards corporate priorities or action can be taken to rectify overspends.

### **Resource/Value for Money implications:**

This report reviews the position against the budget to date for the General Fund, the Housing Revenue Account and Capital Programmes. It reviews the progress of service delivery against budget, projecting the potential year-end position after the impact of management actions.

### **Legal Implications:**

There are no direct legal implications relating to this report.

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### **Introduction**

1. Throughout 2018/19, performance against budget is monitored on a monthly basis.
2. In light of the protocol approved by Executive in June 2018 this report provides details of new significant capital variations that have arisen since the previous budget management report to Executive.

## **General Fund Capital**

3. The **General Fund Capital** programme for 2018/19 is £5.5m, including rescheduled budgets from 2017/18.

### **Communities**

4. The Frensham Redevelopment project has now received National Trust approval, allowing the progression of the project. Commons consent and planning consent will be sought in the coming months, and a specification written and advertised through the appropriate tendering procedures. However, due to the length of the build and wishing to minimise impact on users of the Frensham Great Pond in the summer months, it is expected that construction will take place in autumn 2019. Therefore it is requested that £720,000 of the budget available is rescheduled into 2019/20.

## **HRA Capital**

### **Core Capital**

5. The **HRA Core capital** programme budget for 2018/19 is **£4.9m**, including rescheduling from 2017/18. Currently officers expect to deliver to budget. The position will continue to be monitored closely throughout the year.

### **Stock remodelling**

6. The revised **HRA Stock Remodelling capital** programme budget for 2018/19 is **£2.3m**, including rescheduling from 2017/18 and is currently expected to be delivered to budget.

### **New build**

7. The revised **HRA New Build capital** programme budget for 2018/19 is **£10.8m**, including rescheduling from 2017/18.
8. Ockford Ridge site A has been cleared and the demolition contract completed. However, a phased delivery of Site A will mean most of the the build costs will fall into 2019/20 so the majority of the £4.8m budget will need to be rescheduled into the next financial year.
9. The programme includes a budget for the buy back of two specific properties to be met from Capital Receipts. One of these buy backs is now not going ahead. However, another property has since been identified as a buy back opportunity to enable the progression of a potential development scheme. It is requested that the funding for the original buy back be used to purchase this other property at price to be agreed by the Strategic Director and the Portfolio Holder for Housing. More detail on the proposed buy back can found in the Exempt Annexe 1.

## **Recommendation**

It is recommended that the Executive:

1. notes the latest position against the budget in 2018/19;

2. approves the rescheduling of £720,000 for the Frensham Redevelopment project into 2019/20, as detailed in paragraph 4; and
3. agrees the buy-back of the property identified in Exempt Annex 1, at a price to be agreed by the Strategic Director and the Portfolio Holder for Housing, and funded from the budget agreed in July 2018.

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### Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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