

## Report of the Interim Deputy Chief Executive

**GENERAL FUND REVENUE BUDGET AMENDMENTS 2018/19**1. Purpose of report

To seek approval for a number of amendments to the General Fund revenue budget for 2018/19.

2. Background

Detailed monitoring has identified a number of General Fund 2018/19 revenue budgets that need to be amended. Most of these budget variations were reported to the Policy and Performance Committee on 3rd October 2018 and are set out in appendix 1. There are also a number of other service priorities that will require amendments to the General Fund 2018/19 revenue budget and some of the most significant of these are as follows:

- The Leisure and Environment Committee on 26 September 2018 agreed to implement a number of measures as part of the “Clean and Green” initiative. The estimated additional revenue cost of these in 2018/19 is £39,150. Revenue costs of £26,450 are expected in 2019/20 and these will be considered as part of the budget preparation for the forthcoming year.
- As a result of the very hot and dry summer, the Leisure and Environment Committee on 26 September 2018 agreed that restoration works be undertaken on the Council’s bowling greens at an estimated cost of £17,000.

A number of measures are proposed to improve performance in the collection of rents. Further details along with the costs of these are set out in appendix 2. One of these measures is the purchase of the Rentsense software from Mobyssoft for an initial £38,700 in the first year plus £7,300 for a performance reporting module. Section 5.3 of the Council’s Financial Regulations (Contracts) requires that at least three quotations should be obtained for goods, materials or services with a contract value between £25,000 and £60,000. As the Rentsense software is a specialist product and due to the lack of available alternatives, an exemption from the requirement to obtain at least three quotations is requested.

The effect of the amendments set out in the appendix will be to reduce the anticipated withdrawal in 2018/19 from the Council’s General Fund balance by £4,650.

**Recommendation**

**The Committee is asked to RESOLVE that:**

- 1. The amendments to the General Fund 2018/19 revenue budget as set out in appendix 1 be approved.**
- 2. An exemption from Section 5.3 of the Council’s Financial Regulations (Contracts) to allow the purchase of the Rentsense software from Mobyssoft without the requirement to obtain at least three quotations be approved.**

Background papers

Nil

## APPENDIX 1

Budget Heading	Current Budget (£)	Proposed Budget (£)	Budget Change (£)	Comment
Planning Fee Income	(520,000)	(580,000)	(60,000)	Latest 2018/19 projection
Beeston Square Rent	(700,000)	(729,800)	(29,800)	As per Policy and Performance Committee 3 October 2018
Garden Waste Income	(645,000)	(672,500)	(27,500)	As per Policy and Performance Committee 3 October 2018
Interest on Investments	(204,400)	(230,000)	(25,600)	Latest 2018/19 projection
Revenues and Benefits – DWP Grants	(165,300)	(188,250)	(22,950)	Additional new burdens grants received in 2018/19
Sale of Glass	(25,000)	(40,900)	(15,900)	As per Policy and Performance Committee 3 October 2018
Special Collections Income	(60,000)	(65,500)	(5,500)	As per Policy and Performance Committee 3 October 2018
Planning Appeal Costs	0	8,500	8,500	As per Policy and Performance Committee 3 October 2018
Grounds Maintenance – Sub Contractors	282,950	296,950	14,000	As per Policy and Performance Committee 3 October 2018
Specialist Legal Advice	0	15,900	15,900	As per Policy and Performance Committee 3 October 2018
Bowling Green Restoration Works	0	17,000	17,000	As per Leisure and Environment Committee 26 September 2018
Mobysoft “Rentsense” Software*	0	23,000	23,000	Assume start date of 1 October 2018
Car Parks - NNDR	32,800	55,500	22,700	As per Policy and Performance Committee 3 October 2018
“Clean and Green” Initiative	0	39,150	39,150	As per Leisure and Environment Committee 26 September 2018
Rents and Recovery – Agency Staff*	0	42,350	42,350	Two additional temporary rent collectors
<b>Total</b>	<b>(2,003,950)</b>	<b>(2,008,600)</b>	<b>(4,650)</b>	

\* These costs will be recharged to the Housing Revenue Account as part of the year end accounting procedures

## APPENDIX 2

Rent Collection Performance

As the Council seeks to improve its rent collection performance, particularly in view of the continuing rollout of Universal Credit, there is an opportunity to purchase the Rentsense software from Mobysoft for an initial £38,700 in the first year plus £7,300 for a performance reporting module. Rentsense is a unique intelligence tool used by over 100 other housing organisations to establish and analyse tenant transactional patterns without manual intervention and free up significant officer time to focus on income collection and arrears prevention.

It is also proposed that two additional rent collectors at a cost of £42,350 are engaged for six months in the Rents and Recovery team to work on reducing rent arrears whilst a wider restructure of the team is undertaken as part of the forthcoming move into the Housing Department. The proposed new structure will be presented to the Housing Committee on 4 December 2018 and the Policy and Performance Committee on 12 December 2018.

Additional grants totalling £22,950 have been received from the Department for Work and Pensions to meet the cost of new burdens in areas such as the rollout of Universal Credit and these will be used to help meet some of the costs of the two additional rent collectors.