

Executive Board
2ND NOVEMBER 2015

Council's Revenue Budget Monitoring Report

Recommendations / key decisions required:

That the Board receives the Budget Monitoring report and considers the budgetary position.

That Chief officers and Heads of Service critically review their budgetary positions and implement appropriate actions to deliver their services within their allocated budgets.

Reasons:

To provide the Executive Board with an update on the latest budgetary position as at 31st August 2015, in respect of 2015/2016.

Relevant scrutiny committee to be consulted: NA

Exec Board Decision Required YES

Council Decision Required NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. David Jenkins

Directorate: Corporate
Services

Name of Head of Service:
Owen Bowen

Report Author:
Owen Bowen

Designations:

Interim Head of Financial
Services

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EXECUTIVE SUMMARY
Executive Board
2ND NOVEMBER 2015

Council's Revenue Budget Monitoring Report

The revenue budget monitoring exercise for the period to 31st August 2015 is attached and indicates that;

Overall, the monitoring report forecasts an end of year overspend of £186k on the Authority's net revenue budget with an overspend at departmental level of £2,307k.

Chief Executive's Department

The Chief Executive Department is showing a projected overspend at year end of £578k. Corporate Savings proposals of £400k on Standby Costs and £100k on Health & Safety provision have not yet been implemented and there has been slippage of £37k on the printer rationalisation programme. The Translation Unit is projecting an overspend of £42k due to an increase in demand for the service and Fitness for Work a projected overspend of £41k due to sickness cover and market supplement. Admin HR is anticipating an overspend of £21k due to temporary staff undertaking Disclosure and Barring Service work. The Regeneration Business Unit is also anticipating an overspend of £54k due to a previous year efficiency to sell the property at Nant y Ci which remains unsold. There are also overspends on Un Sir Gar due to increased staffing and maintenance (£27k), Policy due to non achievement of income target (£20k) and CCTV (£22k) due to late decision to cease live monitoring. These overspends are offset by vacant posts in the department of £149k. There has also been a planned reduction in expenditure on 3T's Community Development (£50k) and Community Safety Fund (£19k) to offset overspends elsewhere within the department.

Department for Education and Children

The Education & Children's Services Department is forecasting an overspend of £1,049k for the year.

The main adverse budget variations relate to school based EVR and redundancy costs (+£1,102k); EOTAS (Education other than at School) (+£327k); Adult & community learning (+£195k); Residential and Respite Units (+£152k); Out of Hours Service (+£68k); Youth Service (+£62k); Music Service (+£61) and Fostering services & support (+£34k).

These are partially offset by under-spends across the department in: Out of County

Educational Placements (-£427k); Staff vacancies, secondments and maximising use of grant funding (-£323k); Payments to private early years providers (-£96k); Out of County Care Placements (-£30k) and Children's Services management & support (-£25k)

There is £986k available in departmental reserves leaving a forecasted shortfall of £63k at year end.

Resources

The Resources Department is anticipating an underspend at year end of £115k due to a reduction in the cost of annual subscriptions (£55k); Saving on new Bank Tender (£14k); Vacant Posts (£46k) and provision markets reduction in premises and s&s costs of (£44k). This is offset by an overspend on Livestock Markets of £38k due to ongoing essential R&M costs at various marts across the county.

Department for Communities

The Department for Communities is forecasting an over spend of £ 644k for the year.

The Older People / Physical Disabilities Division has over spends of £393k due to the non achievement of efficiency savings re Older People Day Centres and an overspend on Private Residential Care of £273k; offset by an underspend of -£470k in Residential Homes due to reduction of in house provision, -£66k Physical Disability Group Homes / Supported Living and -£227k Home Care.

The Learning Disability / Mental Health Division has an overspend on residential and supported living placements of £515k due to a slower than anticipated reduction required to meet efficiency savings which is currently being addressed. There is an overspend on additional packages for Direct Payments £385k and a Day Services overspend of £267k due to additional packages.

The Departmental overspend is reduced by -£274k due to staff vacancies and -£110k of miscellaneous supplies and services.

The Housing Services and Public Protection Division is forecasting an overspend of £12k due to under recovery of income.

The Leisure Services Division is forecasting a -£53k saving due to staff vacancies.

Environment

The department is showing an anticipated overspend of £151k at year end.

The Transport division is showing a net overspend of £80k for the year. Civil design is showing an overspend of £48k due to under recovery of income as a result of a vacant post, Car Parks an overspend of £25k due to a delay in implementing the increased charges that were included in the efficiency proposals and Park and Ride is overspent by £40k. Public Transport is anticipating a £32k underspend following service adjustments to manage budget pressures elsewhere within the division.

The Property Services division has an overall anticipated overspend of £209k. Building Maintenance is expecting to be £394k overspent due to not achieving their income target as a result of a reduction in the Carmarthenshire Housing Standard related work. This is offset by a £200k underspend in the Grounds Maintenance section due to ongoing efficiency savings.

The Streetscene division is expecting to break even at year end.

The Policy & Development division is anticipating a £53k overspend mainly due a £36k severance efficiency not being delivered as well as a £3k overspend on out of hours allowances.

The Planning Division anticipates an underspend of £192k. This is as a result of a £142k saving on vacant posts within the division as well as 2 members of staff being charged out to an externally funded scheme (£50k).

HOUSING REVENUE ACCOUNT

The HRA is forecasting an underspend of -£593k to the year end for 2015/16. -£35k of this is within Supervision and Management -staff related travelling -£32k ,supplies & services costs of +£17k (postages/telephones etc.) and premises related costs -£20k (energy charges).Affordable Homes delivery plan will require staffing resources , which were previously reporting a -£201k underspend.

Slightly higher than forecast interest applicable to existing borrowing and buy-out from HRAS +£104k

Improvement in delivering savings on void turnaround times etc. will save -£390k.
Forecast requirement for provision for bad debt is -£277k based on current aged debt analysis and forecast write offs.

A list of the main variances is attached to this report

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Owen Bowen

Interim Head of Financial Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

1. Finance

Council Fund

Overall, the Authority is forecasting an overspend of £186k.

HRA

The HRA is forecasting that it will be £593k under its approved budget.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Owen Bowen

Interim Head of Financial Services

1. Scrutiny Committee – Not applicable

2. Local Member(s) – Not applicable

3. Community / Town Council – Not applicable

4. Relevant Partners – Not applicable

5. Staff Side Representatives and other Organisations – Not applicable

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
2015/16 Budget		Corporate Services Department, County Hall, Carmarthen