

**EXECUTIVE BOARD**  
**4<sup>th</sup> JUNE 2018**

**Council's Revenue Budget Monitoring Report**

**Recommendations / key decisions required:**

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

**Reasons:**

To provide the Executive Board with an update on the latest budgetary position as at 28th February 2018, in respect of 2017/18.

Relevant scrutiny committee to be consulted: NA

Exec Board Decision Required                      YES

Council Decision Required                              NO

**EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. David Jenkins (Resources)**

Directorate: Corporate  
Services

Name of Director:  
Chris Moore

Report Author:  
Chris Moore

Designations:

Director of Corporate Services

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**EXECUTIVE SUMMARY**  
**EXECUTIVE BOARD**  
**4th June 2018**

**Council's Revenue Budget Monitoring Report**

The revenue budget monitoring reports for the period to 28<sup>th</sup> February 2018 are attached and indicate that:

**COUNCIL FUND REVENUE ACCOUNT( Appendix A)**

Overall, the monitoring report forecasts an end of year underspend of £1,421k on the Authority's net revenue budget with an overspend at departmental level of £220k.

**Chief Executive's Department**

The Chief Executive Department is anticipating an underspend of £222 for the year.

In relation to the application of Standby and Health & Safety training, proposed savings have yet to be fully achieved £580k – standby of £295k and Health & Safety training £285k. Work is ongoing with the TIC teams in relation to delivering the full efficiencies identified. There is a £40k underspend due to a vacant post in the Chief Executives division.

The Regeneration, Policy and Property Division is anticipating a £303k underspend. This consists of a £14k overspend on a counter terrorism post, £17k overspend on an income shortfall in Registrars, a £46k overspend on Industrial Premises due to set up costs associated with new site at Cross Hands East, a £128k overspend on Marketing and Media due to unfunded posts and a shortfall in income and a £41k overspend due to premises maintenance at the Guildhall in Carmarthen. This was offset by a £293k underspend due to staff vacancies. There was also an underspend of £47k on coroners due to the delayed implementation of a pay award until 2018-19, an underspend on Registration of Electors of £41k due to contribution from the electoral commission towards implementing individual electoral registration, £25k underspend on Welsh Language due to a reduction in external projects whilst internal Welsh standards were implemented. County Council Elections is underspent by £58k due to the actual cost of running the elections being less than originally budgeted for. Commercial Properties and Provision Markets are anticipated to be £90k underspent due to high occupancy levels and low premises related costs during the year.

The Admin & Law division is showing a £205k underspend as a result of £154k of vacant posts, a £51k saving on low uptake of members superannuation.

The People Management & Performance Division is expected to underspend by £255k as a result of a £206k net saving on vacant posts during the year along with a £45k underspend on DBS checks.

The ICT division is expecting to break even.

## Department for Communities

The Department for Communities is forecasting an overspend of £124k for the year.

Services supporting Older People / Physical Disabilities are projecting an underspend of £532k; -£167k on Residential Care which has benefitted from additional residents income and Welsh Government grant, -£819 on Domiciliary Care as significant departmental work is undertaken to monitor and manage demand along with WG grant, offset by overspend of £289k on Day Services due to an unmet efficiency proposal in previous years which is being addressed with the TIC team, £188k on Direct payments and the Careline service is showing an overspend of £43k due to a reduction in the number of connections provided to other local authorities – managers have a clear strategy in place to address this..

Learning Disabilities / Mental Health is projecting £471k overspend; £660k on packages of care including residential care, supported living, direct payments, and day services, £40k on a shortfall of Workchoice grant income and £35k relating to catering day opportunities underachieving sales income.

Staffing vacancies and miscellaneous underspends are -£346k; mainly in Care Management Teams- £270k.

Leisure Services are forecasting an overspend of £174k due in the main to issues in the Outdoor Recreation sub division. Health & Safety works at both Llyn Llech Owain and Pembrey Country Parks account for £60k and £50k respectively, whilst a shortfall of income across the sub division accounts for the balance.

Housing & Public Protection Services are predicting a nil variance.

## Corporate Services

The Corporate Services Department is projecting a £389k underspend for the year This is as a result of a net underspend on staff vacancies of £381k, a £170k underspend on council tax reduction scheme based on mid-year estimates ,a £67k reduction in grant audit fees and a £39k underspend on Rent Allowances. This is offset by an anticipated £51k charge for costs relating to sales of assets and £219k to develop the Hub in Ammanford.

## Department for Education and Children

The Department for Education and Children is forecasting a net overspend of £262k at year end.

The main adverse budget variations relate to: new school based EVR and redundancy costs £494k; increased boarded out payments and residence orders within Fostering £236k; increased number of care proceedings entering the Legal system £184k; shortfall in the Music Service SLA income from schools £170k; additional Out of County educational placements

£93k; additional Out of County Care placements £89k; reduced uptake and loss of sales due to adverse weather of School Meals £89k and increased staffing costs at Garreglwyd Residential Unit £55k.

These are partially offset by under-spends across the department in: staff vacancies and secondments -£598k, utilisation of grant income to support core spend -£415k and reduced numbers in early years non maintained provision -£95k

## Environment

The department is anticipating an overspend of £447k for the year.

The Highways and Transport division is projecting a £402k overspend. This is due to a £466k overspend in car parks as a result of the non achievement of income targets and a £23k overspend on school transport due to demand. Highways Maintenance is expected to overspend by £67k due to increased winter maintenance. This is offset by underspends in Passenger transport of £48k due to tender efficiencies, £26k additional income in Civil Design and a £39k underspend in Public rights of way due to vacant posts. Transport Strategic Planning is underspent by £32k as a result of core staff being charged to grant schemes and Remedial Earthworks will underspend by £23k due to a vacant post.

The Waste and Environmental Services division and Property Division are expecting to break even.

The Business Support & Performance division is expecting to underspend by £48k due to staff vacancies.

The Planning Division is anticipating a £94k overspend. This is due to a decrease in planning applications and the resultant loss of income of £269k; This is offset by a reduction in planning admin expenditure and additional street naming income of £73k, an underspend due to staff vacancies of £47k, £33k was also released following confirmation that there would be no clawback for two grants.

## Capital Charges

Reduced borrowing/interest savings

## HOUSING REVENUE ACCOUNT ( Appendix B)

The HRA is predicting a £57k underspend to the year end.

Repairs and maintenance is £80k over budget due to the Servicing element of the budget of £134k and additional spend on Minor Works of 159k. This is offset by reduction in responsive/other of -£213k .

Supervision and Management costs are forecasted to be overspent by £171k due to savings on staffing costs of -£66k and travelling expenses of -£6k, offset by overspends in premises related expenditure, mainly energy costs of £243k.

Predicted increased costs on central recharges will result in £13k overspend on the budget.

Capital financing charges will be £42k less than budgeted due to a slight reduction in interest rates. There is also a reduction in borrowing due to an underspend on the capital programme which also reduces the direct revenue funding by £10k.

There is a reduction in the provision required for debt write-offs, based on arrears levels and age debt analysis to year end of -£65k

Rental income/service charges/other income is forecasted to be -£90k higher due primarily to settlement of insurance claims.

Lists of the main variances are 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: **Chris Moore**

**Director of Corporate Services**

Policy, Crime & Disorder and Equalities <b>NONE</b>	Legal <b>NONE</b>	Finance <b>YES</b>	ICT <b>NONE</b>	Risk Management Issues <b>NONE</b>	Staffing Implications <b>NONE</b>	Physical Assets <b>NONE</b>
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### 1. Finance

Council Fund

Overall, the Authority is forecasting an underspend of £1,421k.

HRA

The HRA is forecasting that it will be £57k under its approved budget.

## CONSULTATIONS

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

Signed: **Chris Moore**

**Director of Corporate 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
<b>2017/18 Budget</b>		<b>Corporate Services Department, County Hall, Carmarthen</b>