

Executive Board
21st March 2016

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 December 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

21st March 2016

Council's Revenue Budget Monitoring Report

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

Overall, the monitoring report forecasts an end of year underspend of £1,384k on the Authority's net revenue budget with an overspend at departmental level of £1,126k.

Chief Executive's Department

The Chief Executive Department is showing a projected underspend at year end of £91k. Corporate Savings proposals of £400k on Standby Costs and £100k on Health & Safety provision have not yet been implemented although this will be partially offset due to a one off sale of old printers as part of the printer rationalisation programme (£60k) and an in year underspend of £278k as a result of energy budget rationalisation. The Translation Unit is projecting an overspend of £48k due to an increase in demand for the service and Fitness for Work a projected overspend of £17k due to sickness cover and market supplement. The Regeneration Business Unit is anticipating an overspend of £45k 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 (£10k), Policy due to non achievement of income target (£16k), CCTV (£17k) due to late decision to cease live monitoring and Customer Services (£16k) as a result of a contribution towards running costs of Un Sir Gar. WVEC are also overspent by £35k due to non achievement of targeted consultancy income. These overspends are offset by vacant posts across the department of £365k, increased Land Charges income (£19k), Admin and Business Support supplies & services of £24k and Llanelli Community recharging a staff member time to an externally funded scheme (£20k)

Department for Education and Children

The Education & Children's Services Department is currently forecasting an overspend of £1,269k at year end.

The main adverse budget variations relate to school based EVR and redundancy costs (+£1,072k); EOTAS (Education other than at School) (+£426k); Fostering services & support (+£169k); Adult & Community learning (+£154k); Respite Units (+£137k); Legal fees (+£108k); Out of Hours Service (+£94k); Music Service (+£70k); Garreglwyd Residential Accommodation (+£34k); Other Family Services incl Young Carers and ASD (+£34k) and Youth Service (+£20k).

These are partially offset by under-spends across the department in: Out of County educational placements (-£514k); Staff vacancies, secondments and maximising use of grant funding (-£345k); Centrally managed schools budget (-£66k); Children's Services management & support (-£66k); Governor Support (-£32k); Payments to private early years providers (-£22k) and Adoption Services (-£24k).

There is £967k available in departmental reserves leaving a forecasted shortfall of £302k at year end.

Corporate Services

The Corporate Services Department is anticipating an underspend at year end of £550k due to a reduction in the cost of annual subscriptions (-£37k); Reduction in Council Tax benefit caseload (-£118k); Reduction in revenues due to reduced security and staffing cost along with an increase in court income - (£65k); Benefits Fraud saving as staff transferred to DWP mid year and funding not being recouped (-£66k). There are also vacant posts across the department of - (£348k). The Corporate Property Division is anticipating a £100k overspend predominantly due to an efficiency proposal relating to charging the health board for office occupancy is not yet in place.

Department for Communities

The Department for Communities is forecasting an over spend of £ 385k for the year.

The Older People / Physical Disabilities Division has an overspend of £382k due to non achievement of efficiency savings re Older People Day Centres and an overspend on Private Residential Care of £724k; offset by an underspend (£990k) for Home Care.

The Learning Disability / Mental Health Division has an overspend on residential and supported living placements of £818k due to a slower than anticipated reduction required to meet efficiency savings which is currently being addressed and an overspend on additional packages for Direct Payments £157k.

The Departmental overspend is reduced by (£663k) due to staff vacancies.

The Housing Services and Public Protection Division is forecasting an underspend of (£19k) due to staff vacancies and supplies and services.

The Leisure Services Division is expected to break even at year end.

Environment

The department is showing an anticipated overspend of £113k at year end which will be met from its departmental reserves.

The Transport division is showing a net underspend of £64k for the year. Civil design is showing an overspend of £31k due to under recovery of income as a result of a vacant post, and the Park and Ride service is estimated to be overspent by £43k following a policy decision to remove funding. Public Transport is anticipating a £57k underspend following service adjustments to manage budget pressures elsewhere within the division. There is also expected to be a £66k underspend in Car Parks as a result of an increase in income banked.

The Property Services division has an overall anticipated overspend of £223k. Building Maintenance is expecting to be £212k overspent due to not achievement of their income target as a result of a reduction in the Carmarthenshire Housing Standard related work. Repairs & maintenance of Parks and PCs are overspent by £30k as asset transfers have not as yet taken place and pumping stations (£25k) and PAT testing (£19k) are overspent as there is no budget for these functions. Building Cleaning are anticipating an overspend of £41k due to an increase in overtime and superannuation costs. This is offset by a £112k underspend in the Grounds Maintenance section due to ongoing efficiency savings.

The Streetscene division is expecting an underspend of £2k at year end.

The Policy & Development division is anticipating a £69k overspend mainly due to £36k severance efficiencies not being delivered.

The Planning Division anticipates an underspend of £111k. This is as a result of a £89k saving on vacant posts within the division as well as 2 members of staff being charged out to an externally funded scheme (£52k) along with a planned reduction in admin costs of £24k. This is offset by an overspend in Development Management due to a reduction in planning fee income of £56k

HOUSING REVENUE ACCOUNT

The HRA is forecasting an underspend of -£2.09M to the year end for 2015/16.

Revenue repairs and maintenance -£406 due to poor weather conditions.

-£321k of this is within Supervision and Management – staff vacancies -£164k ,staff related travelling -£44k ,supplies & services costs of -£79k (postages/telephones etc.) and premises related costs -£33k (energy charges).Affordable Homes delivery plan will require staffing resources , which will be factored into the 2016/17 budget.

Slightly higher than forecast interest applicable to existing borrowing and buy-out from HRAS £71k.

The capital programme is also underspent due to savings on some contracts (£1.1M) and the requirement to roll forward on some contracts due the adverse weather (£1.5M).This has

impacted on the direct revenue funding required in the budget monitoring by -£467k.

Improvement in delivering savings on void turnaround times etc. will save -£408k.

Forecast requirement for provision for bad debt is -£424k 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 underspend of £1,384k.

HRA

The HRA is forecasting that it will be £2,090k 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