

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

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|----|---------------------|---|
| 1. | Meeting: | Cabinet Member for Neighbourhoods |
| 2. | Date: | 24th January 2011 |
| 3. | Title: | Neighbourhoods General Fund Revenue Budget Monitoring to 30th November 2010 |
| 4. | Directorate: | Neighbourhoods and Adult Social Services |

5. Summary

This report details the projected year end outturn position as at 30th November 2010 for the Neighbourhoods department within the Neighbourhoods & Adult Services Directorate compared to both the Original and Revised budgets. The latest position currently shows a projected surplus of (£41k) by the end of March 2011 assuming effective delivery of a number of management actions.

Although the current position is a projected surplus, it should be noted that winter pressures being experienced at the moment may have an adverse effect on this balance. Future monitoring positions will reflect any changes.

The Original Budget for Neighbourhoods of £4,322k was revised at Cabinet on 17th November to take into account agreed in-year savings of £272k, to contribute to the Council-wide pressures, leaving a Revised Budget of £4,050k.

6. Recommendations

THAT THE CABINET MEMBER RECEIVES AND NOTES THE REPORT.

7. Proposals and Details

The original 2010/11 budget for Neighbourhoods was £4,322k. To assist in addressing Council wide pressures, in November Cabinet approved use of forecast underspends of £272k against this budget. Details of these are shown below:

| Service Area | £000s |
|---|------------|
| <u>Safer Neighbourhoods:</u> Neighbourhood Wardens Review | 56 |
| In Year Projected Surplus – Community Protection | 60 |
| <u>Business Regulation:</u> In Year Projected Surplus – Food & Drugs | 36 |
| <u>Neighbourhood Partnerships:</u> Neighbourhood Partnerships Review | 20 |
| <u>Older People's Housing Services:</u> ISS Wardens Review | 100 |
| Total Reduction to Neighbourhoods' Budgets | 272 |

The table below shows the summary forecast outturn position for the Directorate against both the Original and Revised budgets.

| DIRECTORATE/SERVICE | Original Budget (Net) | Revised Budget (Net) | Projected Outturn to 31 st March 2011 | Variance from Original Budget Deficit/ (Surplus) | Variance from Revised Budget Deficit/ (Surplus) | Overall % to Revised Budget |
|--------------------------------------|-----------------------|----------------------|--|--|---|-----------------------------|
| | £000's | £000's | £000's | £000's | £000's | % |
| INDEPENDENT LIVING | | | | | | |
| Asylum | 0 | 0 | 0 | 0 | 0 | |
| Housing Access | 353 | 353 | 355 | 2 | 2 | |
| Housing Choices | 273 | 273 | 241 | (32) | (32) | |
| Older People's Housing Services | (85) | (185) | (185) | (100) | 0 | |
| | 541 | 441 | 411 | (130) | (30) | |
| HOUSING & N'HOOD SERVICES | | | | | | |
| Safer Neighbourhoods | 2,564 | 2,448 | 2,448 | (116) | 0 | |
| Business Regulation | 565 | 529 | 529 | (36) | 0 | |
| Neighbourhood Partnerships | 599 | 579 | 563 | (36) | (16) | |
| Neighbourhood Investment | 53 | 53 | 58 | 5 | 5 | |
| | 3781 | 3609 | 3598 | (183) | (11) | |
| TOTAL | 4,322 | 4,050 | 4,009 | (313) | (41) | (1.01) |

7.1 Independent Living (£30k)

Asylum and Older People's Housing Services (see ISS Wardens section below for further detail) are expected to have achieved balanced budgets at year end.

Housing Access is projecting a very small net overspend of £2k, due to vacancy factor/maternity cover, most of which has been offset as a result of the Director leaving the service at the end of December.

Housing Choices area is projecting an underspend of (£32k) through maximising the use of grant funding for various projects within Homelessness, and as a result of vacant posts.

The Independent Support Service (Wardens), part of the Older People's Housing Service, has been subject to a full management review. By the end of the financial year, the service will be integrated into the Care Enablement Service within Adult Services. As a result of the large number of staff leaving the service through Voluntary Severance/Retirement and also due to some additional income received this year through Supporting People funding, it is anticipated that this service will achieve a balanced budget by year end.

Cabinet agreed budget reductions of £100k for this Service which have now been implemented as a result of in year savings.

7.2 Housing & Neighbourhood Services (£11k)

The large number of staff leaving through Voluntary Retirement/Severance has meant that initial pressures of the vacancy factor have been met. However, it has been recognised that the existing level of vacancies, combined with the number of additional staff leaving is having an impact on service delivery. Some recruitment in order to maintain essential services is therefore necessary and has been factored into the projections for Safer Neighbourhoods and Business Regulation areas. Both areas are showing balanced budgets.

Neighbourhood Partnerships area is projecting a small surplus of (£16k) due to some vacancies and Voluntary Severance.

Neighbourhood Investment is projecting a small shortfall of £5k as a result of reduced income for Registered Social Landlords against the current budget. This shortfall is as a result of a reduction in the number of Landlords, compared to numbers budgeted.

Cabinet agreed budget reductions of £172k from this Service which have now been implemented as a result of in year savings.

7.3 Agency & Consultancy

To date there is no spend on either Agency or Consultancy within Neighbourhoods.

7.4 Non-Contractual Overtime

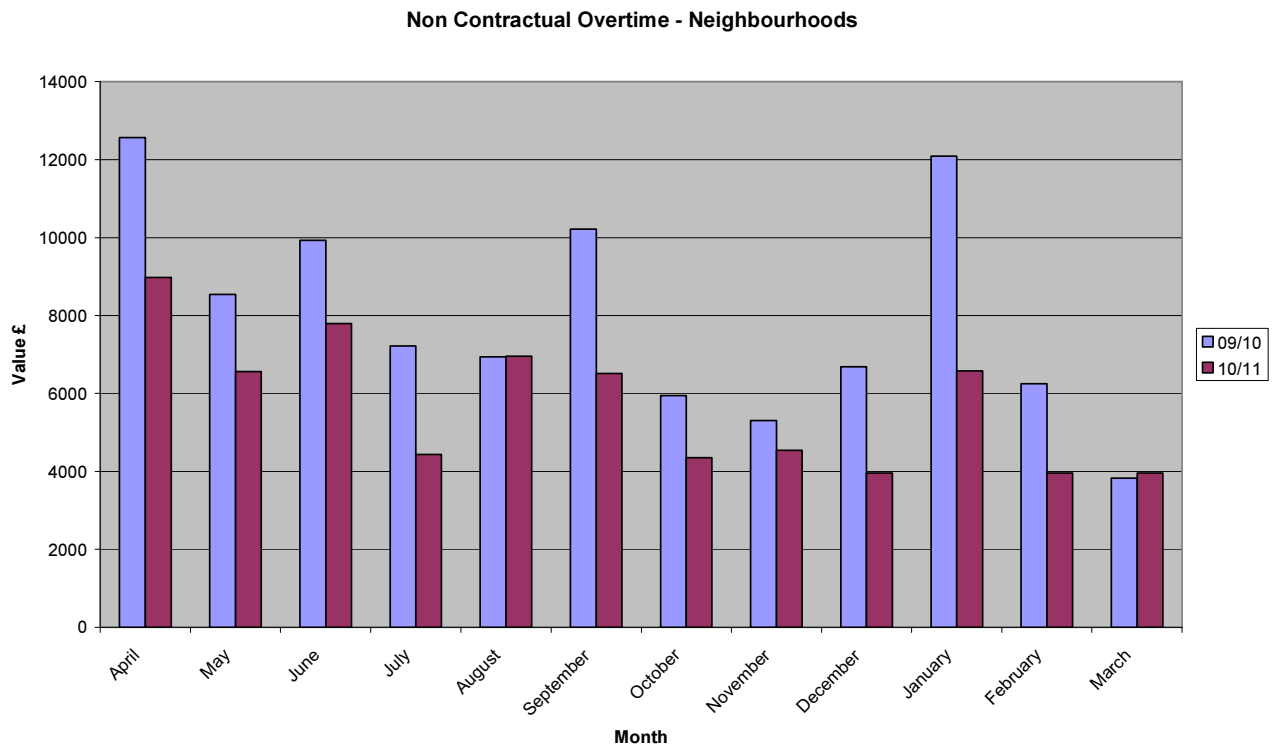
Non-Contractual Overtime spend to date is as follows:

| | |
|--|------------|
| Housing & Neighbourhood Services | £ 6,937.08 |
| Independent Living | £42,995.21 |
| <i>(£42,865.82 relates to ISS Wardens overtime to maintain delivery of essential services, the bulk of which was incurred at the start of the year as a result of high levels of sickness)</i> | |

Total Neighbourhoods Overtime £49,932.29

Overtime projections for the period Dec – March are as follows:

| | |
|---|---------|
| Housing & Neighbourhood Services | £ 3,605 |
| Independent Living | £14,840 |
| <i>(includes the cost of ISS Wardens cover over the Christmas period)</i> | |



8. Finance

The financial implications for each service area have been outlined in section 7 above.

9. Risks and Uncertainties

These forecasts are based on financial performance to the end of March 2011. The forecast outturn is dependent on the planned management actions being achieved and thus effective budget monitoring remains essential. Monthly budget clinics are held with the Service Directors to facilitate this.

10. Policy and Performance Agenda Implications

The delivery of the Council's Revenue Budget within the limits determined in March 2010 is vital to achieving the Council's Policy agenda. Financial performance is a key element within the assessment of the Council's overall performance.

11. Background Papers and Consultation

- Cabinet February 2010 – Proposed Revenue Budget & Council Tax 2010/11
- The Council's Medium Term Financial Strategy (MTFS)
- Cabinet 17th November 2010 – Budget 2010/11
- Cabinet 1st December 2010 – Sheltered Housing Warden and Enabling Care Merger

The content of this report has been discussed with the Strategic Directors (Neighbourhoods & Adults) and the Strategic Director of Finance.

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