

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS
2.	Date:	2nd July 2012
3.	Title:	Neighbourhoods General Fund Revenue Outturn Report 2011/12
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

This report details the Revenue Outturn position for Neighbourhoods Services accounted for in the General Fund for 2011-12. A separate report will cover Housing Revenue Account (HRA) services.

The final 2011/12 budget for the service after in year virements was £3.345m. The 2011/12 outturn position against budget is a net under spend of £509k or 15.22%).

It should be noted that two requests to carry forward unspent balances will be included in the Council's consolidated outturn report to Cabinet (4th July 2012) as follows:

- Members' Community Leadership Fund £19,620
- Dispersed Units (now treated as a Trading Account) £40,091

6. Recommendations

THE CABINET MEMBER RECEIVES AND NOTES THE UNAUDITED 2011/12 REVENUE OUTTURN REPORT.

7. Proposals and Details

The revised cash limited budget after supplementary estimates and budget virements was £3,344,649, the net Revenue Outturn for Neighbourhoods General Fund services for 2011/12 was £2,835,202. This resulted in an overall underspend of £509,447 (a variation of 15.22%). This represents an increase in the underspend of £139k previously reported, largely due to the further impact of the Council wide moratorium on non-essential spend and controlled vacancy management.

This underspend has been achieved as a result of a range of issues including a stringent moratorium on non essential spend, careful vacancy management and a small number of 'windfall' non recurring issues. As a result of these actions, some services have suffered. However the approach has been necessary as part of a range of measures designed to ensure that the council is able to achieve a balanced budget. It is not anticipated that this position will be replicable in future years.

The table below shows the summary outturn position for the Service.

SERVICE	Annual Budget (Net)	Outturn to 31st March 2012	Variance from Budget Deficit/ (Surplus)	Overall
	£	£	£	%
Safer Neighbourhoods	2,083,700	1,948,925	(134,775)	(6.47)
Business Regulation	316,353	220,109	(96,244)	(30.42)
Neighbourhood Investment	76,346	64,920	(11,426)	(14.97)
Neighbourhood Partnerships	277,058	223,144	(53,914)	(19.46)
Asylum	0	0	0	0
Housing Access	344,586	313,548	(31,038)	(9.00)
Housing Choices	246,606	64,556	(182,050)	(73.82)
Total Housing & Neighbourhood Services	3,344,649	2,835,202	(509,447)	(15.22%)

Detailed analysis of the key areas of underspend are included in Appendix 1. The main variations within each of the service areas can be summarised as follows:-

7.1 Safer Neighbourhoods (£135k)

A significant amount of the savings achieved within Safer Neighbourhoods was as a result of vacant posts and Voluntary Severance/Retirement and the impact of the Council wide moratorium on non-essential expenditure (£112k). There was an additional underspend (£11k) within Domestic Violence due to the late cancellation of planned training after the provider was unable to deliver the programme. One-off income was received in the Community Safety Unit (£12k) which reduced staffing costs within this area.

7.2 Business Regulation (£96k)

The bulk of the savings in this area were as a result of vacancy management throughout the year (£45k) and additional one-off income within the Food & Drugs area (£27k) and increased income within the Bereavement Services. In addition, the Licensing Service incurred reduced ICT costs (£18k) which helped to contribute to the overall savings.

7.3 Neighbourhood Investments (£11k)

The savings are as a result of a vacant post within the Energy Advice service (£8k) and some small savings as a result of interest received through the Equity Loan Scheme.

7.4 Neighbourhood Partnerships (£54k)

There was an underspend of (£28k) as a result of Members' Allocations not being fully spent in the year within Community Leadership Fund, £20k of which was submitted on 2nd April 2012 to the Cabinet Member meeting for Community Development, Equality and Young Persons Issues as a request to Cabinet for carry forward of an earmarked balance to 2012/13 (minute number 58).

Some savings were achieved due to Vacancy Management and tight controls on Supplies & Services within the Area Assemblies totalling (£10k). There was also an underspend in the Management & Admin area of this service due to savings achieved on Supplies & Services (£20k) which was partially offset by costs incurred for the Local Ambition Programme that were ineligible for the grant funding (+£5k).

7.5 Housing Access (£31k)

The underspend within this service area was as a result of Vacant Posts during the year within the Adaptations Service (£15k) and the Management & Admin area (£14k). In addition some small savings were made as a result of a reduced Insurance Premia.

7.6 Housing Choices (£182k)

There was an underspend of (£58k) for the cost of Lighting of Communal Buildings mainly due to a number of late refunds relating to previous year's costs.

The Homelessness service underspent (£30k) as a result of the availability of grant funding to support this service.

The Key Choices Property Management area generated a surplus of (£25k) due to increased numbers of properties being let resulting in an increase in management fees. It is hoped that in the future this will continue to increase and the service will eventually become self financing.

There was an overall underspend of (£29k) within the 'Credit Crunch' area of this service that provides short term loans to prevent Homelessness. This is mainly as a result of the use of External Funding.

The Dispersed and Furnished Unit generated a surplus in excess of budget of (£40k) during the year and this service will now be treated as a Trading Account from 2012/13 onwards and a request to carry forward this underspend has been made to Cabinet as part of the Council's Outturn Report (4th July).

7.7 Agency & Consultancy

Neighbourhoods have had no Agency or Consultancy expenditure in 2011/12

8. Finance

Financial implications for each service area have been discussed in section 7 above.

Requests for carry forwards totalling £59,711 will be made to The Cabinet as part of the Council's overall Outturn report:

Members Community Leadership Fund	£19,620
Dispersed and furnished Units	£40,091

9. Risks and Uncertainties

Confirmation of this outturn position is subject to external audit verification during July/August.

10. Policy and Performance Agenda Implications

The delivery of the Council's overall Revenue Budget within the limits determined for 2011/12 is vital to achieving the Council's Policy agenda. Financial performance is a key element to demonstrate of the Council's effective use of resources.

11. Background Papers and Consultation

- Report to Cabinet February 2011 – Proposed Revenue Budget and Council Tax for 2011/12

The contents of this report have been discussed with the Strategic Director of Neighbourhoods and Adults and the Director of Financial Services.

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