

1	Meeting:	CABINET
2	Date:	18th December 2013
3	Title:	Revenue Budget Monitoring for the period ending 31st October 2013
4	Directorate:	Resources (for all)

5 Summary

This report provides details of progress on the delivery of the Revenue Budget for 2013/14 based on performance for the first 7 months of the financial year. It is currently forecast that the Council will overspend against its Budget by £4.625m (+2.1%). This represents an improvement in the forecast outturn by -£835k since the September monitoring report. The main reasons for the forecast overspend continue to be:

- The continuing service demand and cost pressures for safeguarding vulnerable children across the Borough;
- Income pressures within Environment and Development and ICT Services;
- Continuing Health Care income pressures within Adult and Children's Services, with concern that this pressure is increasing further;
- Additional, one-off property costs relating to the continued rationalisation of the Council's asset portfolio as part of the efficiency drive to reduce operational costs; and
- Some savings targets are currently pending delivery in full in 2013/14.

The moratorium on all except 'essential' spend has been in place since 16th October and is starting to see a slow down in spend as has been experienced in previous years when a spending moratorium has been imposed. Services are also exploring opportunities to maximise the flexible use of grant funding, whilst ensuring grant conditions are complied with. Further, the recent opening of the offer for staff to apply for Voluntary Early Retirement/Voluntary Severance (VER/VS) will also generate savings which will contribute to both reducing the in year pressure and potentially contributing to closing the 2014/15 Budget Gap.

Monthly budget monitoring reports will now be brought to Cabinet to enable close monitoring of progress towards delivering a balanced outturn.

Members are asked to note that since the last report meetings have taken place with the Clinical Commissioning Group (CCG) about concerns over access to and timely payment of Continuing Health Care income for clients with Continuing Health Care needs. An Action Plan is being developed and updates presented to a series of future meetings between early December and the end of the financial year.

Recommendations

Cabinet is asked to note the current forecast outturn and significant financial challenge presented for the Council to deliver a balanced revenue budget for 2013/14 and the actions implemented to address the forecast overspend.

7.1 Proposals and Details

This report presents details of spending against budget by Directorate covering the first 7 months of the 2013/14 financial year – April 2013 to October 2013 – and forecast costs and income to 31st March 2014.

Resources Services which are currently being matrix-managed by Environment & Development Services and Neighbourhood & Adult Services will be reported as part of these respective Directorates from, and including, this report.

7.2 The Overall Position

Directorate/Service	Annual Budget 2013/14	Projected Outturn 2013/14	Variance after Actions (over+)/under(-) spend)	
	£'000	£'000	£'000	%
Children & Young People Services	46,108	47,453	+1,345	+2.9
Environment and Development Services	49,481	50,852	+1,371	+2.8
Neighbourhoods & Adult Services	79,060	80,173	+1,113	+1.4
Resources	10,514	10,172	-342	-0.3
Central Services	36,311	37,449	+1,138	+3.1
TOTAL	221,474	226,099	+4,625	+2.1
Housing Revenue Account (HRA)	73,090	72,336	-754	-1.0

Appendix 1 to this report provides a detailed explanation of the key areas of forecast over / underspend by Directorate. The summarised position for each Directorate is described below.

Children & Young People's Directorate (+£1,345k forecast overspend)

The forecast overspend for Children's Services has improved by -£88k since the last report. (+£1.433m in the September monitoring report). The forecast overspend position is largely due to pressures within the Children & Families Safeguarding Service. The number of looked after children requiring placements at the end of October 2013 was 384, a reduction of 9 since the end of March 2013.

Pressures on budgets for provision of Out of Authority Residential placements (+£1.278m), remand placements (+£175k) and the provision of independent Foster Care placements (+£245k) are the main service pressures. Although the number of Looked After Children has fallen since March 2013 the cost of placements has increased as children are presenting with more complex needs. The service is looking at how they can find suitable, alternative, value for money placements to meet the needs of these young people.

The investment received in Fostering & Adoption is showing results. The service is projecting to have 30 new adopters by the end of March 2014 which is 9 above the Invest to Save target. The service is also projecting to be on target for the recruitment of new foster carers at a net gain of 21.

Forecast savings across other parts of the Directorate are helping to mitigate these key pressures. Details are shown in Appendix 1.

Children's Social Care services remain under pressure despite the services' proactive approach to drive down costs including:

- Continued operation and challenge by the Multi-Agency Support Panel
- Successful work undertaken by the Commissioning Team which has resulted in the commissioning and re-commissioning of service provider contracts with significant cost reductions/cost avoidance (£455k) to date in 2013/14.

Environment & Development Services including Internal Audit, Asset Management, ICT, Communications & Marketing and Policy & Planning (+£1,371k forecast overspend)

The Directorate is currently forecasting an overspend of +£1,371k largely due to pressures in Customer Services (+£356k) and Planning and Regeneration (+£307k), Asset Management (£233k) and income pressures in relation to the ICT service (£575k) due to reduced spend by Schools and Council departments and services. The Business Unit is reporting an underspend of -£78k and Streetpride a forecast underspend of -£81k.

The forecast overspend assumes that the Winter Pressures budget is sufficient to contain costs incurred over the Winter months (2013/14). It should however be noted that in 2012/13 this budget overspent by £466k. Details of the forecast overspend are included in Appendix 1.

Neighbourhoods and Adult Services including Commissioning, Procurement, Performance & Quality and Cohesion (+£1,133k forecast overspend) and Public Health (-£382k forecast underspend)

Overall the Directorate (excluding ring-fenced Public Health funded services) is forecasting an overspend of +£1.133m. Within this, Adult Services are forecasting an overspend (+£1.366m) and Neighbourhood services a forecast underspend of -£93k. Commissioning, Procurement, Performance & Quality and Cohesion services are forecasting a collective underspend of (-£160k). Key pressures include slippage on achieving budgeted income levels for clients with continuing health care needs (£1.5m) and the delays in implementing the restructure within in- house residential care services.

There are also recurrent budget pressures on demand for Direct Payments (Older People, Physical & Sensory Disability and Mental Health clients), Older People's domiciliary care, and day care provision for clients with Learning Disabilities.

Public Health Services are currently forecasting an underspend of -£382k. (Ring-fenced funding).

The forecast position for Neighbourhoods and Adult Services is made up of a number of under and overspends, detailed in Appendix 1.

Resources Directorate (-£342k forecast underspend)

Overall the Directorate is forecasting an underspend of -£342k. This is predominantly in respect of HR & Payroll reduced costs and increased income generation.

The forecast position for Resources is made up of both forecast under and overspends, detailed in Appendix 1.

Central Services (+£1,138k forecast overspend)

In setting the 2013/14 Budget, the Council proposed a recurrent savings target of £300k in respect of renegotiating Staff Terms and Conditions. Options for progressing this saving have been considered and rejected by the Unions. This target currently remains undelivered.

When the 2012/13 budget was agreed it included a £2m savings target for Commissioning Savings. Currently £387k of that target remains to be delivered. Progress against delivery of this balance will be reported in future Cabinet budget monitoring reports.

There is currently a forecast pressure of +£370k on the Land Bank due to the need to keep vacant council owned properties secure until they are sold or demolished.

There is also a forecast pressure of £81k in respect of Statutory Costs (eg Planning Notices and key investigations). In 2011/12 it was agreed that the earmarked reserve would be closed and in the event of any future pressure above the level of budget (£75k), this would be met from general reserves.

7.3 Housing Revenue Account (HRA) (Forecast underspend -£754k)

The Housing Revenue Account is forecasting a reduction in the transfer from reserves compared with the agreed budget. The HRA had budgeted to use £2.599m from reserves but current forecasts only require £1.845m, a reduction of -£754k.

7.4 Agency, Consultancy and Non-Contractual Overtime Costs

The forecast outturn position includes costs in respect of Agency staff, Consultancy and non-contractual overtime. Detailed below is the analysis by Directorate, including comparisons with 2012/13 financial year:

Agency

Directorate	Outturn 2012/13	Cumulative to Oct 2012	Cumulative to Oct 2013
	£'000	£'000	£'000
Children & Young People's Services	546	195	473
Neighbourhoods & Adult Services	530	172	257
Environment & Development Services	449	234	565
Resources	0	0	0
TOTAL	1,525	601	1,295

Agency staff have in the main, been used as a temporary measure to help introduce more robust and sustainable reductions to the overall staff cost base. This has shown a more marked increase this year to date compared to last year as a result of meeting the demands of various reviews and restructures. These are being kept under close review.

Within Children's Services the increase in agency costs is a result of the need to cover vacant social work and team manager posts; the Interim Director of Safeguarding ; and sickness and maternity leave in residential care.

Two extra posts, over establishment, have also been recruited to, that are peripatetic with the intention of providing cover for emergent vacancies rather than using agency staff. The costs of the agency employed interim Director will also have an effect on these figures pending the recruitment of a permanent post holder. The unspent revenue budget for the unfilled Director post significantly mitigates the agency cost of the temporary Director.

In children's residential care there has been an unprecedented level of sick leave and maternity leave in three of the five homes, resulting in the use of high levels of agency staff cover to ensure the required staff ratios are met. A number of those staff are on phased returns to work. Recruitment to fill vacancies caused by turnover has taken place, and a further recruitment round will start in January.

There have also been six children in the Orchard Centre with high levels of need requiring additional staff to care for them safely; these children would otherwise have had to be placed in out of authority residential placements.

The use of agency staff in Adult Services has increased compared to October 2012 levels due to social work vacancies and the need to maintain essential cover in some services areas, and provision of cover arrangements pending the implementation of a revised timetable, agreed with the Council, for the new staffing structure in Residential Care.

Environment and Development Services agency costs are greater compared with the cumulative spend to October last year due to cover arrangements within Waste services pending the implementation of a new structure and resourcing additional Highway Maintenance capital works. Also, seasonal Grounds Maintenance work is now undertaken by a combination of seasonally employed staff and agency workers to minimise the cost of cover arrangements. Agency spend also exists within ICT services where Agency staff are covering a key role (Senior Network Specialist) which the service has been unable to recruit to.

Consultancy

Directorate	Outturn 2012/13	Cumulative to Oct 2012	Cumulative to Oct 2013
	£'000	£'000	£'000
Children & Young People's Services	338	173	105
Neighbourhoods & Adult Services	0	0	23
Environment & Development Services	108	80	194
Resources	1	1	10
TOTAL	447	254	332

Consultancy spend within Children's Services for the first 7 months of 2013/14 has reduced considerably when compared with the same period last year. The consultancy expenditure predominantly relates to the School Effectiveness Service. This is funded from a combination of revenue budget, Dedicated Schools Grant (DSG) and earned income from Schools.

NAS Consultancy spend is within Neighbourhoods services and is in respect of Green Deal Housing energy advice. This spend is largely grant funded.

Consultancy costs within EDS predominantly relate to review of potential development sites and transportation links within the Local Development Plan and specialist ICT Services.

Consultancy spend within the Resources Directorate is predominantly in respect of Legal Services associated with the investigation into sexual exploitation of children.

Non-Contractual Overtime

Directorate	Outturn 2012/13	Cumulative to Oct 2012	Cumulative to Oct 2013
	£'000	£'000	£'000
Children & Young People's Services	84	73	70
Neighbourhoods & Adult Services	456	218	239
Environment & Development Services	514	353	335
Resources	71	32	64
TOTAL	1,125	676	708

Children's Services overtime is largely in respect of safeguarding in residential care homes. Recruitment to permanent posts at the homes has been delayed and OfSTED requirements are that agency staff are not used to cover vacancies, hence the increased reliance on overtime in the short term.

Overtime spend within Adult Services is mainly due to the need to maintain statutory staffing levels in residential, home care, day care services and social work posts and represents cover for sickness and slippage in recruiting to vacant posts.

Environment and Development Services overtime spend is predominantly in respect of Streetpride Services – Highways, Network Maintenance, Street Lighting, Street Cleansing and Grounds Maintenance where work is often undertaken at times to avoid inconvenience and danger to the public. Planning and Regeneration Services and Waste Management Services for sickness and holiday cover. The Environment & Development Services overtime cost to end of October also includes ICT Services – maintaining ICT systems (+£21k) and provision of cover within Facilities Services (+£19k).

The Resources Directorate's overtime is predominantly in respect of Revenues and Benefits associated with the service carrying a number of vacancies and significant workload pressures primarily brought about by welfare reform changes that are resulting in additional customer contact and income collection and recovery activity (£46k), maintaining Financial systems (£1k), HR and Payroll Services (£7k), and Town Hall attendants (£9k).

7.5 Collection Fund

Council Tax: Based on the first 7 months of 2013/14 collection rates indicate that the Council is on target to achieve the budgeted level of Council Tax - £78.3m. (97% Collection Rate).

Business Rates: The Council is currently on target to collect the budgeted level of business rates (£34.304m) as confirmed by a mid-year return for the DCLG.

This would be a considerable achievement – with regard to business rates, as previously reported, there has been considerable uncertainty over the number and value of appeals - particularly those backdated to earlier years – which can have a significant impact on the level of rates collectable going forward. Details of the number and value of appeals are held by the VOA which has only recently made this information available to authorities.

8. Finance

The financial issues are discussed in section 7 above.

Management actions need to be identified and implemented across all Directorates to bring projected spend in line with Budget limits by the end of March 2014.

9 Risks and Uncertainties

At a time of economic difficulty and tight financial constraints, managing spend in line with the Council's Budget is paramount. Careful scrutiny of expenditure and income across all services and close budget monitoring therefore remain a top priority if the Council is to deliver both its annual and medium term financial plans while sustaining its overall financial resilience.

Although both Council Tax and Business Rates collection levels are currently on target there remains a risk that this could change during the final months of the year.

The current forecast assumes that costs associated with the Winter Pressures will be contained within budget. In 2012/13 these costs exceeded budget by £466k.

10. Policy and Performance Agenda Implications

The delivery of the Council's Revenue Budget and Medium Term Financial Plan within the parameters agreed at the start of the current financial year is essential if the objectives of the Council's Policy agenda are to be achieved. Financial performance is a key element within the assessment of the Council's overall performance framework.

11. Background Papers and Consultation

- September Revenue Budget Monitoring Report – Cabinet 27th November 2013
- August Revenue Budget Monitoring Report – Cabinet 16th October 2013
- May Revenue Budget Monitoring Report – Cabinet 24th July 2013
- Revenue Budget and Council Tax for 2013/14 Report to Council 6th March 2013.
- Strategic Directors and Service Directors of the Council

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Appendix 1

Key reasons for forecast over / underspends

Children & Young People's Services (+£1.345m forecast overspend)

The key factors contributing to the forecast overspend are:

School Effectiveness (+£4k)

Although Rockingham PDC is covering its own costs, this forecast overspend is due to not being able to fully achieve its additional income target of £33k.

Special Education Provision (-£245k)

Forecast overspends on Education Welfare (+£7k) due to loss of academy income caused by a change in legislation, SEN Assessment/Admissions Team (+£41k) due to additional hours to cover sickness and additional printing are all offset by staff savings from vacant posts in both Early Years ASD Support (-£26k), Learning Support Service (-£17k) and Education Psychology Service (-£22k). A further forecast underspend on Complex Needs placements (-£228k) is due to the projected achievement of commissioning savings.

Safeguarding, Children and Families Service Wide (+£28k)

The forecast over spend on legal fees (+£86k) and Agency costs (+£14k) is partially offset by staff cost savings (-£72k) in Business Support.

Child Protection Teams (+£10k)

This forecast overspend is in respect of Agency staff within the Safeguarding Unit.

Children in Need Social Work Teams (+£87k)

This forecast overspend is in respect of Agency staff costs & additional staff appointments within the Children in Need North team & the Borough Wide team.

Looked After Children (+£1,473k)

The service is forecasting an overspend mainly due to the cost of out of authority residential placements (+£1,278k), remand placements (+£175k) and independent fostering placements (+£245k). Further details of placements are below:

- The number of children in residential out of authority placements as at 31st October is 25 (a decrease of 3 since September). Since 2011/12 the average number of children in OOA residential placements per week has increased from 18 to 23 currently. Due to the increasing complexity of children's needs that are going into residential out of authority placements & despite successful negotiations by the Commissioning team to minimise the cost of these placements, the average cost per week of these has also increased over this period from £3,022 to £3,309;
- From 1 April 2013 children's remand placements are fully funded by the Local Authority & RMBC was provided with a national grant of £78k to cover these additional costs. The current projected cost of these placements is £252k which shows that the grant was grossly inadequate. There is currently 1 remand placement. (No change from September).
- The number of children in Independent foster care as at 31st October is 108 (a reduction of 7 since September & a reduction of 10 since the end of March 2013). The average number of children in these placements has reduced from 125 per week in 2011/12 to 108 currently in 2013/14.

- The number of children in in-house fostering placements as at end of October is 156 (a reduction of 12 since 31 March 2013). Since 2011/12 the average number of children placed in in-house fostering placements per week has increased from 159 to 172 currently. The average cost per week of these has also increased over this period from £230 to £249.
- The number of looked after children was 383 at end of October, a reduction of 9 since 31st March 2013

Additional overspends in this area are (+£28k) Consultancy costs to review health care contributions towards children's continuing health care needs, (+£7k) Fostering agency team manager and (+£19k) agency costs in respect of Contact workers. These pressures are partially offset by projected underspends in Children's Homes (-£80k) mainly due to not staffing the Silverwood annexe, Fostering Services (-£64k) due to a forecast underspend on fostering allowances, Residence Orders & Families together placements, (-£92k) due to the re-profiling of adoption placements and the impact of this on inter-agency adoption costs, (-£23k) reduced use of transport for LAC children & (-£20k) on Leaving care accommodation costs.

Disability Services (+£83k)

This service is now forecasting an overspend mainly due to overtime & agency costs at Cherry Tree & Liberty residential homes due to needing to cover sickness & vacancies (+£75k) and an overspend on Direct payments (+£51k) partially offset by staff costs underspends within the Disability Team (-£43k).

Remaining CYPs Services (-£95k)

The overall CYPs overspend is also partially offset by projected under spends on Pension costs (-£12k) due to a reduction in numbers receiving pension payments, (-£6k) due to reallocation of grant in the Early Years service and staff cost savings in the Integrated Youth Support Service (-£77k).

Environment & Development Services (+£1.371m forecast overspend)

The above forecast overspend assumes that the Winter Pressures budget is sufficient to contain costs incurred over the Winter period - In 2012/13 these costs exceeded budget by £466k.

Streetpride (-£81k forecast underspend)

Network Management is projecting a pressure of +£65k.

Network Management is projecting a shortfall on income recovery (+£154k) where income targets were inflated on Parking Services budgets by 2.5%, and a further (+£10k) to fund free parking on Saturdays prior to Christmas. Other service pressures (+£19k) are mitigated by increased income from Streetworks and Enforcements -£61k and reduced Street Lighting energy costs (-£38k), and reduced costs on Highways Maintenance -£19k.

Waste Services +£23k

Waste Management services have pressures primarily on income from sale of recyclables as a result of a general reduction in waste volumes, and from commercial waste contracts which are still less than budgeted following the downturn in economic activity. Current projections show a pressure of +£337k, but Waste Disposal is projecting to be underspent by -£302k based on known changes to tipping locations, fluctuations in waste streams and an underspend of -£12k on the Waste PFI project.

Corporate Transport Unit is showing a forecast saving of -£160k mainly due to expected reduced costs on Home to School Transport. A surplus on Stores is now anticipated - £52k as a result of the materials issued, in the main for Street Lighting schemes.

Leisure and Green Spaces +£118k

Green Spaces position now shows a pressure +£101k, (£36k allotments saving proposal undelivered, £123k Country Parks due to VAT issue - improved position from last month by -£36k due to HRA funding for Rotherham Rivers & additional car parking income, offset by savings on recreational grounds & urban parks mainly due to vacant posts, totalling -£22k), Leisure are reporting +£17k pressure: +£12k from Sports Development due to late implementation of saving at Herringthorpe Stadium, £2k vacancy factor pressure on Trees & Woodlands and £3k vacancy factor pressure on LGS Management & Admin.

Across the rest of Streetpride services an improved position is being reported, partially due in increased income from current transportation and highways work, -£126k which is offsetting some pressures within Community Services, mainly due to increased pressures regarding fly-tipping and a shortfall in income within grounds maintenance totalling +£51k.

Regeneration, Planning, Customer and Cultural Services (+£663k forecast overspend)

The key pressures within Regeneration and Planning total +£307k and are: +£379k from Planning due to reduced income from planning applications, additional required spend on the Local Development Plan and a VAT payment due from previous years, resulting from an audit. Smaller pressures are reported in Regeneration (+£14k) and Markets (+£46k). These are being partially offset by identified savings -£96k from higher than expected occupancy levels at the Business Centres, and further savings of -£36k from other areas.

Within Customer and Cultural Services there is a forecast overspend of +£356k. The change in venue for celebratory services has created a pressure of (+£60k), which is being partially mitigated by some staff savings (-£35k) across Heritage Services. Across Theatres and Arts there is a combined saving of (-£13k), due to some salaries savings, increased one-off income and due to the moratorium. Within Library Services a forecast overspend of (+£71k) (due to pay pressures (+£40k) and a pressure on a revaluation of business rates which are unfunded (+£30k)). Within Customer Services there remains an unachievable saving from 2012/13 of (+£80k) and a further (+£120k) from the 2013/14 savings proposals and a further (+£73k) within the Customer Contact Centre.

Business Unit (-£78k)

The Business Unit is forecasting an underspend due to the moratorium, including suspension of non-essential training.

Asset Management (+£233)

There are pressures across the Asset Management service: unbudgeted property disposal fees (+£80k), Land & Property income under-recovery (+£55k), operational costs of Community Buildings (+£9k), increased accommodation costs, including energy, (+£89k).

ICT (+575k)

The service is currently forecasting a pressure of +£575k as a result of lower than budgeted income because of reduced demand by Schools (relating to both Rotherham

Grid for Learning and general IT provision); £300k and reduced spend on IT by Council services (£275k); the latter being partly as a result of the moratorium on non-essential spend.

Internal Audit – A forecast overspend of +£20k due to staff cost pressures.

Communications & Marketing are forecasting an overspend of +£41k due to staff cost pressures.

Policy & Partnerships – a forecast underspend of -£2k.

These pressures continue to be reviewed, and wherever possible, the budget holders will look to reduce any costs to mitigate the forecast overspend.

Neighbourhoods & Adult Services (+£1.113m forecast overspend) and Public Health Services (-£382k forecast underspend)

Adult Services are currently forecasting an overspend of **+£1.366m**. The key underlying budget pressures include:

Older People (+£691k)

Forecast over spend on In-House Residential Care due to delays in implementing the 2013/14 budget savings target (+£325k), increase in Direct Payments over budget (+£558k) and overall forecast over spend on Domiciliary Care services (+£529k) due to an increase in demand for independent sector care.

There is also a forecast overspend on independent sector residential and nursing care (+£618k) due to lower than expected discharges than forecast (47 additional clients in placement than budgeted), this is after additional income from property charges is being received. These pressures are being partially reduced by a number of forecast underspends including: planned delays in developing dementia services (-£248k), carers breaks (-£183k) and additional income and delays in enhancements in Rothercare (-£130k). Higher than anticipated staff turnover within Assessment & Care Management and community support plus additional income from Health (-£648k), staff vacancies within Day Care services (-£66k), additional income in Extra Care Housing (-£23k) and Transport (-£41k).

Learning Disabilities (+£420k)

There is a forecast overspend on Day Care (+£237k) due to delays in implementation of the day care review including an increase in fees and charges, plus a recurrent budget pressure on transport. There is a forecast overspend in independent sector home care (+£102k) due to slippage in meeting an agreed budget saving. Additional admissions into residential care are resulting in a forecast overspend of +£103k. High cost placements within independent day care and community support are resulting in a forecast overspend of +£164k. These forecast overspends are partially mitigated by slippage on developing Supported Living schemes plus additional funding from health (-£67k), efficiency savings on Service Level Agreements (SLA's) for advice and information (-£62k), lower than expected increase in demand for direct payments (-£25k) and planned delay in recruitment within Assessment & Care Management (-£32k).

Mental Health (-£189k)

There is a projected overspend on the residential care budget due to slippage on the budget savings plan to move clients into community support services and a continued

pressure on the direct payments budget (+£178k). These are more than offset by forecast underspends in the community support budget (-£367k).

Physical & Sensory Disabilities (+£562k)

Further increase in demand for Direct Payments (+10 clients) together with recurrent cost pressure (+£642k) and a continued increase in demand for domiciliary care +£242k. These pressures are being partially offset by forecast underspends within residential and nursing care, day care, provision of equipment and savings on contracts (-£322k).

Adults Safeguarding (+£14k)

Forecast overspend due to lower than expected staff turnover and use of agency support.

Supporting People (-£78k)

Efficiency savings on subsidy contracts have already been identified against budget (-£78k).

Adults General (-£54k)

This includes the cross cutting budgets (Workforce planning and training, and corporate charges) which are forecasting an overall underspend based on the level of charges incurred last year plus savings on training budgets.

Neighbourhoods General Fund (-£93k)

The projected year end outturn position for Neighbourhoods shows a forecast underspend of (-£93k).

The main reason for the forecast underspend is higher than expected staff turnover within Trading Standards and Licensing, savings on non pay budgets due to the moratorium on non essential spend plus additional income from the Dignity contract. The overall forecast underspend includes underspends within the Members Community Leadership Fund (-£16k) and Dispersed Units Trading Account (-£36k) which are likely to be subject to a request for carry-forward at the year end.

Commissioning, Policy & Performance services are forecasting an underspend of -£145k mainly in respect of staff cost savings.

Procurement Team – a forecast underspend of -£15k in respect of staff cost savings.

Public Health (-£382k)

Public Health services were transferred from Health to Local Authorities on 1 April 2013. The service is funded by a ring fenced specific grant from the Department of Health. For Rotherham this is £13.790m for 2013/14 and the service is currently forecasting an overall underspend of -£382k. The main reason is a variation in the sexual health contracts from the original budget. The grant conditions however allow for any underspend at the year end to be carried forward in a Public Health Grant Reserve.

Housing Revenue Account (HRA)

The overall forecast as at end October 2013 is that the HRA will outturn on budget with a planned (budgeted) use of its working balance (reserves) of £1.845m a reduction of

£754k from the original budget.

Currently forecasts show an over-recovery of income from charges for services and facilities together with minor under spends on housing repairs and supervision and management and the cost of borrowing.

Resources Directorate (-£342k forecast overspend)

Legal and Democratic Services – A forecast overspend of +£39k due to income and postage cost pressures.

Human Resources & Payroll are forecasting an underspend of -£289k largely in respect of staff cost savings and additional income generation.

Management savings are also forecast across the service amounting to -£76k.

Pension cost savings of -£16k are also forecast across the Directorate.