

1	Meeting:	Self Regulation Select Commission
2	Date:	20th February 2014
3	Title:	Revenue Budget Monitoring for the period ending 31st December 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 9 months of the financial year. It is currently forecast that the Council will overspend against its Budget by £2.217m (+1.0%). This represents an improvement in the forecast outturn of -£0.882m since the November 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 contributing to the reduced forecast overspend. Services are also continuing to explore opportunities to maximise the flexible use of grant funding, whilst ensuring grant conditions are complied with. Decisions have recently been taken in respect of a number of applications for Voluntary Early Retirement/Voluntary Severance (VER/VS) and the financial impact of these will be reflected in the next month's monitoring report. 57 applications are also currently under consideration.

Members are asked to note that meetings continue to take 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 which will take place up to the end of the financial year. As the financial impact of these meetings becomes clearer, this will be reported through to Cabinet.

Recommendations

That Self Regulation is asked to note the request to Cabinet to note the current forecast outturn and the 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 9 months of the 2013/14 financial year – April 2013 to December 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 are included within these respective Directorates.

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	46,095	47,347	+1,252	+2.7
Environment and Development Services	49,732	50,115	+383	+0.8
Neighbourhoods & Adult Services	79,053	79,432	+379	+0.5
Resources	10,577	10,812	+235	+2.2
Central Services	36,017	35,985	-32	-
TOTAL	221,474	223,691	+2,217	+1.0
Housing Revenue Account (HRA)	73,090	71,819	-1,271	-1.7

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 (+£1,252k forecast overspend)

The forecast overspend for Children's Services slightly deteriorated (£11k) since the last report. (+£1.241m in the November 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 December 2013 was 372, a reduction of 23 since the end of March 2013.

Pressures on budgets for provision of Out of Authority Residential placements (+£1.565m), remand placements (+£180k) and the provision of independent Foster Care placements (+£248k) 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 Fostering & Adoption 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 (£588k) to date in 2013/14.

Environment & Development Services including Internal Audit, Asset Management, Communications & Marketing and Policy & Planning (+£383k forecast overspend)

The Directorate is currently forecasting an overspend of +£383k largely due to pressures in Customer Services (+£204k) and Planning and Regeneration (+£253k), Communications (+£14k) and Audit & Asset Management (+£135k). The Business Unit is reporting an underspend of -£62k and Streetpride a forecast underspend of -£161k.

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 (+£779k forecast overspend) and Public Health (-£400k forecast underspend)

Overall the Directorate (including ring-fenced Public Health funded services) is forecasting an overspend of +£379k. Within this, Adult Services are forecasting an overspend (+£1.083m) and Neighbourhood services a forecast underspend of -£133k. Commissioning, Procurement, Performance & Quality and Cohesion services are forecasting a collective underspend of (-£171k). 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 -£400k. (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 (+£234k forecast overspend)

Overall the Directorate is forecasting an overspend of +£234k. This is largely in respect of income pressures in the ICT service (+£575k) significantly mitigated by forecast savings elsewhere in the Directorate – most notably 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, shown in Appendix 1.

Central Services (-£32k forecast underspend)

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 +£400k 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.

It is now considered prudent to release the unused Council Contingency Fund (-£600k) and -£600k of the Voluntary Early Retirement/Voluntary Severance Budget to mitigate the overall forecast outturn. This latter budget will remain under review pending consideration of the 57 applications still under consideration.

7.3 Housing Revenue Account (HRA) (Forecast underspend -£1.271m)

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 £1.328m, a reduction of -£1.271m.

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 Dec 2012	Cumulative to Dec 2013
	£'000	£'000	£'000
Children & Young People's Services	546	320	603
Neighbourhoods & Adult Services	530	251	286
Environment & Development Services	266	149	493
Resources	194	151	39
TOTAL	1,536	871	1,421

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 increased agency costs during the year have been incurred as a result of the need to cover the Interim Director of Safeguarding, Children & Families post until permanent recruitment takes place; vacant social worker and team manager posts, and social work posts where staff are off sick or on maternity leave; and vacancies, sickness and maternity leave in residential care. The statutory responsibilities and performance and inspection regimes in children's social care mean that posts can only be left unfilled for short periods, and colleague cover for absence is not sustainable. Overall, sickness and turnover is at acceptable levels, below the council average.

Recruitment to the permanent Director post started in early January and interviews will be held at the beginning of March. If a successful appointment is made, the earliest start date for the new Director is likely to be early July 2014 due to potential notice periods.

All team manager posts were filled through recruitment in late 2013. However, the notice periods mean that start dates are up to four months after appointment. The Interim Team Manager for fostering left in early January, although this was forecast to last until February. The Team Manager for Fostering starts in late January. The Team Manager for Looked After Children starts in March. This post is being covered by an Agency Manager at present.

Monthly recruitment of social workers has resulted in successful appointments; currently there are two vacancies expected to be filled through the January recruitment. Two extra posts, over establishment, have been recruited to – these are peripatetic staff that can be used to provide cover for emergent gaps due to vacancy, sickness or maternity leave rather than using agency staff. One member of staff has transferred from the fostering team temporarily to fill a vacancy in the Looked After Children's Team. There has been a reduction in the use of agency staff, but there is still a need for a small number of agency staff to cover sickness, maternity leave and the time between a social worker leaving and their replacement starting.

The use of agency staff in Adult Services has increased compared to December 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 December 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 Dec 2012	Cumulative to Dec 2013
	£'000	£'000	£'000
Children & Young People's Services	338	219	161
Neighbourhoods & Adult Services	0	0	47
Environment & Development Services	108	40	125
Resources	1	1	23
TOTAL	447	260	356

Consultancy spend within Children's Services for the first 9 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 and services funded by external funding. School Effectiveness consultancy spend 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 and help to improve employment outcomes/prospects of future employment for long-term unemployed individuals. 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.

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

Non-Contractual Overtime

Directorate	Outturn 2012/13	Cumulative to Dec 2012	Cumulative to Dec 2013
	£'000	£'000	£'000
Children & Young People's Services	84	69	96
Neighbourhoods & Adult Services	403	300	306
Environment & Development Services	499	326	399
Resources	139	106	109
TOTAL	1,125	801	910

Children's Services overtime is largely in respect of safeguarding in residential care homes. OfSTED requirements are that, if possible, agency staff are not used to cover vacancies, hence the reliance on overtime in the short term pending newly recruited staff taking up post.

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 December also includes provision of cover within Facilities Services (+£22k).

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 (£60k), maintaining ICT services (£28k), maintaining Financial systems (£1k), HR and Payroll Services (£7k), and Town Hall attendants (£13k).

7.5 Collection Fund

Council Tax: Based on the first 9 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. (97% budgeted Collection Rate).

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

- November Revenue Budget Monitoring Report – Cabinet December 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 (+£1.252m forecast overspend)

The key factors contributing to the forecast overspend are:

School Effectiveness (-£51k)

Rockingham PDC is currently projecting not to achieve £2k of its £33k income target & the School Effectiveness Service has had delays in filling vacancies resulting in a -£53k underspend.

Special Education Provision (+£13k)

Forecast overspends on Education Welfare (+£12k) due to loss of academy income caused by a change in legislation, SEN Assessment/Admissions Team (+£20k) due to additional hours to cover sickness & additional printing and SEN Complex Needs placements (+£44k) are all offset by staff savings, some of which are from Voluntary Early Retirement/Voluntary Severance, Learning Support Service (-£1k), children in Public Care (-£2k), Parent Partnership (-£11k) and Education Psychology Service (-£49k).

Safeguarding, Children and Families Service Wide (+£72k)

The forecast over spend on legal fees (+£89k) due largely to an increase in court fees notified to us in July 2013, Agency costs (+£17k) and inspection consultancy costs (+£38k) is partially offset by staff cost savings (-£72k) in Business Support.

Children in Need Social Work Teams (+£136k)

This forecast overspend is in respect of (+£128k) Agency staff costs & additional staff appointments within the Children in Need North team & the Borough Wide team (+£46k) and a charge for call handling for the Out of Hours Team offset with staff slippage from the Early Intervention teams (-£25k) & the Children in Need South team (-£13k).

Looked After Children (+£1,468k)

The service is forecasting an overspend mainly due to the cost of out of authority residential placements (+£1,565k), remand placements (+£180k) and independent fostering placements (+£248k). Further details of placements are below:

- The number of children in residential out of authority placements at the end of December 2013 is 29 (an increase of 3 since November). Since 2011/12 the average number of children in OOA residential placements per week has increased from 18 to 24 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 £3,199;
- 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 £258k which shows that the grant was grossly inadequate. There are currently no remand placements.
- The number of children in Independent foster care as at 31st December is 105 (a reduction of 1 since November & a reduction of 8 since the end of March 2013). The average number of children in these placements has reduced from 125 per week in 2011/12 to 107.6 currently in 2013/14. The average cost per week of these placements has increased from £887 to £912 over this period.
- The number of children in in-house fostering placements as at end of December is

148 (a reduction of 23 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 167 currently. The average cost per week of these has also increased over this period from £230 to £251.

- The number of looked after children was 372 at end of December, a reduction of 23 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, (+£5k) court ordered care package, (+£22k) agency costs in respect of Contact workers & (+£10k) in transport costs. These pressures are partially offset by projected underspends in Children's Homes (-£106k) mainly due to not staffing the Silverwood annexe, Fostering Services (-£169k) due to a forecast underspend on fostering allowances, Residence Orders & Families together placements, (-£150k) due to the re-profiling of adoption placements and the impact of this on inter-agency adoption costs & maximising grant income, (-£50k) reduced use of transport for LAC children & (-£115k) in Leaving care on accommodation costs & a reduction in the number of weekly payments required.

Disability Services (+£52k)

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 (+£71k) and an overspend on Direct payments (+£51k) partially offset by staff costs underspends within the Disability Team (-£70k). The over spend on Direct payments is due to providing carers to support families with children with extremely complex needs which would otherwise require OOA residential placements at a much higher cost.

Remaining CYPs Services (-£438k)

The overall CYPs overspend is also partially offset by projected under spends on Pension costs (-£10k) due to a reduction in numbers receiving pension payments, (-£208k) due to ceasing non-essential spend & reallocation of funding in the Early Years' service, (-£212k) staff cost savings, ceasing non-essential spend & maximising grants in the Integrated Youth Support Service and a further contribution from the Education Catering Service (-£8k).

Environment & Development Services (+£383k 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 (-£161k forecast underspend)

Network Management is projecting a pressure of +£41k.

Network Management is projecting a small improvement since last month. Parking continues to report a pressure of (+£176k) which is mainly due to a shortfall on income recovery where income targets were inflated on Parking Services budgets by 2.5%. Other service pressures (+£15k) within Drainage. These are being offset by increased income from Streetworks and Enforcements(-£62k) and reduced Street Lighting energy costs (-£44k), and reduced costs on Highways Maintenance (-£41k) and in Public Rights of Way (-£3k).

Waste Services +£17k

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 (+£310k), but Waste Disposal is projecting to be underspent by (-£258k) based on known changes to tipping locations, fluctuations in waste streams and an underspend of (-£35k) on the Waste PFI project.

Corporate Transport Unit is still showing a forecast saving of -£170k mainly due to expected reduced costs on Home to School Transport. Additionally a surplus on Stores is still anticipated -£50k as a result of the materials issued, in the main for Street Lighting schemes.

Leisure and Green Spaces +£90K.

Green Spaces position now shows a pressure +£82K, (£36K allotments saving proposal, £113K Country Parks due to VAT issue - £7K under spend on recreational grounds, - £60K underspend on Urban Parks due to vacant posts and increased income from Play park inspections, this position has improved from last month due to a vacant post now not likely to be filled until 14/15. Leisure services are reporting +£12K pressure: from Sports Development mainly due to the late implementation of saving at Herringthorpe Stadium. Across the rest of the service, +£2K vacancy factor pressure on Trees & Woodlands and an improved position within landscape Design and LGS Management & Admin £-6k.

Across the rest of Streetpride services an improved position is being reported, -£164k partially due to increased income from current transportation and highways work 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 +£75k.

Regeneration, Planning, Customer and Cultural Services (+£457k forecast overspend)

At April – November +£503k overspend was reported. Budgets from Policy and Partnerships are now showing within this Service Area. The details below are the key pressures as at the end of December

Regeneration and Planning (+£253k) :

The key pressures within Regeneration and Planning are : (+£358k) 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 from Markets (+£58k). These are being partially offset by identified savings (-£103k) from higher than expected occupancy levels at the Business Centres and further savings of (-£60k) from other areas.

Customer and Cultural Services (+£204k) :

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 pressure (+£29k) within the Customer Contact Centre.

The change in venue for celebratory services has created a pressure of (+£62k) which is being partially mitigated by some staff savings (-£38k) across Heritage Services. A further saving of (-£4k) is being shown on museum stores having vacated a site earlier than anticipated. Across Theatres and Arts. there is a combined saving of (-£16k), due to some salaries savings, increased one-off income and due to the moratorium. Within Library Services due to the moratorium and staff leaving under the voluntary severance

scheme further savings have been declared totalling (-£29k).

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

Business Unit -£62k

The service are now reporting an underspend due to a decision being made to implement a reduced training programme.

Communications +£14k

The pressures within this service are +£31k due to an unachievable vacancy factor and increased overhead costs, these are being partially mitigated by a reduced spend due to the imposed moratorium, on printing and design costs -£10k and a reduced marketing and events programme -£7k.

Asset Management, Audit and Insurance(+£135k)

There are pressures across the Asset Management service: unbudgeted property disposal fees (+£80k), Land & Property income under-recovery (+£38k), operational costs of Community Buildings (+£34k), increased accommodation costs, including energy, (+£46k), pressure due to loss of income in Design and Corporate Projects (+£17k), and Internal Audit (+£20k). Further savings have been declared within Facilities Services (-£86k) and Emergency Planning (-£14k). Identified pressures on the Land Bank are being reported centrally.

Neighbourhoods & Adult Services (+£779k forecast overspend) and Public Health Services (-£400k forecast underspend)

Adult Services are currently forecasting an overspend of **+£1.083m**. The key underlying budget pressures include:

Older People (+£760k)

Forecast over spend on In-House Residential Care due to delays in implementing the 2013/14 budget savings target (+£362k), increase in Direct Payments over budget (+£581k) and overall forecast over spend on Domiciliary Care services (+£388k) due to an increase in demand for independent sector care.

There is also a forecast overspend on independent sector residential and nursing care (+£780k) due to lower than expected discharges than forecast (78 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 (-£132k). Higher than anticipated staff turnover within Assessment & Care Management and community support plus additional income from Health (-£615k), staff vacancies within Day Care services (-£88k), additional income in Extra Care Housing (-£23k) and Transport (-£40k) plus planned delay in recruiting to vacant posts within locality services (-£22k).

Learning Disabilities (+£249k)

There is a forecast overspend on Day Care (+£177k) 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 (+£94k) due to slippage in meeting an agreed budget saving plus additional costs due to staff cover within In House Residential care (+£43k). Additional discharges from residential care is resulting in a forecast underspend of -£35k. High cost placements within independent day care and community support are resulting in a forecast overspend of +£122k. These forecast overspends are partially mitigated by delay's in developing Supported Living schemes plus additional funding from health (-£15k), 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 (-£50k).

Mental Health (-£208k)

There is a projected overspend on the residential care budget due to delays in the budget savings plan to move clients into community support services (+£77k) and a continued pressure on the direct payments budget (+£25k). Additional staffing costs within Assessment & Care Management to cover vacant posts (+£57k). These are more than offset by forecast underspends in the community support budget (-£367k).

Physical & Sensory Disabilities (+£419k)

Further increase in demand for Direct Payments (+10 clients) together with recurrent cost pressure (+£681k) and a continued increase in demand for domiciliary care +£218k. These pressures are being partially offset by forecast underspends within residential and nursing care, day care, provision of equipment and efficiency savings on contracts (-£480k).

Adults Safeguarding (+£15k)

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

Supporting People (-£86k)

Efficiency savings on subsidy contracts have already been identified against budget (-£86k).

Adults General (-£66k)

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 (-£133k)

The projected year end outturn position for Neighbourhoods shows a forecast underspend of (-£133k).

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 (-£43k) 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 -£144k mainly in respect of staff cost savings.

Procurement Team – a forecast underspend of -£27k in respect of staff cost savings.

Public Health (-£400k)

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 -£400k. The main reason is a variation in the sexual health contracts from the original budget. The grant conditions allow for any underspend at the year-end to be carried forward in a Public Health Grant Reserve, however, this underspend will contribute to public health related expenditure within the NAS Directorate therefore reducing the overall Directorate overspend.

Housing Revenue Account (HRA)

The overall forecast as at end December 2013 is that the HRA will outturn on budget with a planned (budgeted) use of its working balance (reserves) of £1.328m a reduction of £1.271m from the original budget.

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

Resources Directorate (+£234k forecast overspend)

ICT Services – A forecast overspend of +£575k due to the under-recovery of income 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.

Legal and Democratic Services – A forecast overspend of +£53k due to income and postage cost pressures.

Human Resources & Payroll are forecasting an underspend of -£306k largely in respect of staff cost savings and additional income generation.

Management savings are also forecast across the service amounting to -£71k.

Pension cost savings of -£17k are also forecast across the Directorate.