

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET

1	Meeting:	CABINET
2	Date:	30th April 2014
3	Title:	Revenue Budget Monitoring for the period ending 28th February 2014
4	Directorate:	Resources (for all)

5 Summary

This report provides details of the significant progress on the delivery of the Revenue Budget for 2013/14 based on performance for the first 11 months of the financial year. It is currently forecast that the Council will **underspend** against its Budget by -£36k (-0.016%). This represents an improvement in the forecast outturn of £1.219m since the January monitoring report. Despite the overall balanced forecast there are a number of pressure areas (detailed in appendix 1), offset by savings and underspends elsewhere.

Delivery of this very positive forecast outturn would not have been possible without the early implementation of Cabinet's Budget Strategy to bring spend back in line during the financial year. This included both the implementation of the in-year moratorium on non-essential spend (October 2013) and the release of 126 staff through Voluntary Early Retirement/Voluntary Severance (VER/VS). Implementation of the moratorium on non-essential spend has adversely impacted on some services ability to deliver income targets (most notably ICT services), however, overall a slight underspend is still forecast.

Members are asked to note that meetings continue to take place with the Clinical Commissioning Group (CCG) with regard to levels and timing of Continuing Health Care (CHC) funding. Details of progress to date are included within this report.

It is proposed that the next budget monitoring report will be the Council's 2013/14 Outturn Report which will be presented to Cabinet in June once the Council's Statutory Unaudited Financial Statements have been prepared.

Recommendations

- **Cabinet is asked to note:**
 - **The significant achievement of a balanced forecast outturn.**
 - **The progress made to date in respect of CHC negotiations.**

7.1 Proposals and Details

This report presents details of spending against budget by Directorate covering the first 11 months of the 2013/14 financial year – April 2013 to February 2014 – and forecast costs and income to 31st March 2014.

Resources Services which are currently being matrix-managed by Environment & Development Services (excluding ICT) 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	46,531	47,499	+968	+2.1
Environment and Development Services	47,433	47,269	-164	-0.1
Neighbourhoods & Adult Services	79,659	79,129	-530	-0.7
Resources	13,516	14,000	+484	+3.6
Central Services	34,335	33,541	-794	-2.3
TOTAL	221,474	221,438	-36	-
Housing Revenue Account (HRA)	73,090	70,122	-2,968	-4.1

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 (+£968k forecast overspend)

The forecast overspend for Children's Services has improved (£156k) since the last report. (+£1.124m in the January 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 January 2014 was 389, an increase of 3 since January but a reduction of 6 since the end of March 2013. The forecast outturn for Children's services reflects the additional continuing health care income being now received from Health and the increase in Early Years (including Children's Centres) underspend, which is now -£400k. It also reflects the £300k pressure as a result of Rawmarsh School converting to an academy as the deficit will remain with the Local Authority.

Pressures on budgets for provision of Out of Authority Residential placements (+£1.409m), remand placements (+£180k) and the provision of independent Foster Care placements (+£267k) 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 service is projecting to have 31 new adopters by the end of March 2014 which is 10 above the Invest to Save target and 13 greater than the number approved in 2012/13. 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 (£714k) to date in 2013/14.

Environment & Development Services including Internal Audit, Asset Management, Communications & Marketing and Policy & Planning (-£164k forecast underspend)

The Directorate is currently forecasting an overall underspend of -£164k through a combination of under and overspends: Customer Services (+£69k) and Planning and Regeneration (+£160k), Streetpride (-£130k), Communications (-£9k) and Audit & Asset Management (-£185k). The Business Unit is reporting a forecast underspend of -£69k.

The forecast overspend now includes a forecast overspend of £166k for the Winter Pressures budget. 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 and Public Health - £530k forecast underspend)

Overall the Directorate (including ring-fenced Public Health funded services) is forecasting an underspend of -£530k. Within this, Adult Services are forecasting a slight underspend (-£24k) and Neighbourhood services a forecast underspend of -£321k. Commissioning, Procurement, Performance & Quality and Cohesion services are forecasting a collective underspend of (-£185k). Additional income from Health is now offsetting key pressures including income

for clients with continuing health care needs (£1.5m) and delays in implementing the restructure within in-house residential care services and recurrent budget pressures on demand for Direct Payments (Older People, Physical & Sensory Disability clients), Older People's domiciliary care, and day care transport provision for clients with Learning Disabilities.

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

Public Health Services are currently forecasting a balanced outturn. (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 (+£484k forecast overspend)

Overall the Directorate is forecasting an overspend of +£484k. This is largely in respect of income pressures in the ICT service (+£850k) 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 (-£794k 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.

There is currently a forecast pressure of +£393k 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 £109k in respect of Statutory Costs (eg Planning Notices and key investigations).

As reported previously the unused Council Contingency Fund (-£600k) is available to mitigate budget pressures across the Council. Additionally, during the budget setting process for 2014/15 recurrent savings of £1.3m were identified in respect of revenue savings deliverable through the refinancing of capital spend originally funded by prudential borrowing. There is also a forecast underspend on the budget for External Audit costs (-£83k) – these are recurrent and were agreed as part of the 2014/15 Budget Setting Process. These savings are also available to support the Council in 2013/14.

7.3 Housing Revenue Account (HRA) (Forecast underspend -£2.968m)

The Housing Revenue Account is now forecasting a contribution to reserves compared with the agreed budget. The HRA had budgeted to use £2.599m from reserves but current forecasts of a £2.968m underspend is now resulting in a contribution to reserves of £369k.

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 Feb 2013	Cumulative to Feb 2014
	£'000	£'000	£'000
Children & Young People's Services	546	471	742
Neighbourhoods & Adult Services	530	369	297
Environment & Development Services	266	205	532
Resources	194	182	134
TOTAL	1,536	1,227	1,705

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. The Agency costs in the table above are significantly mitigated by budget savings from vacant posts.

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; vacant social worker and team manager posts, and social work posts where staff are absent from work for sickness reasons 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 was successfully completed in March and the appointee will be taking up post in August 2014.

All team manager posts were filled through recruitment in late 2013 and all appointees are now in post. RMBC's terms and conditions for social worker posts (Band G-J) require only one month's notice. Allowing for advertising and arranging interviews typically takes a period of 7 weeks with appointees usually being required to work 4-8 weeks' notice, this leaves a significant period of operating with a vacancy so where cover is essential the use of agency staff is unavoidable. The service is working to combat this by having monthly recruitment campaigns, but the vast majority of applications come from newly qualified staff. This is a regional issue – there is an acknowledged shortage of experienced social workers in the region.

The DfE recently released findings from the first round of social work workforce data which LA's are required to report on. Rotherham ranks amongst the lowest Authorities for use of agency staff and turnover compared with its statistical neighbours.

The use of agency staff in Adult Services has reduced compared to February 2013 levels and relates 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 February 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 Feb 2013	Cumulative to Feb 2014
	£'000	£'000	£'000
Children & Young People's Services	338	275	217
Neighbourhoods & Adult Services	0	0	47
Environment & Development Services	108	62	159
Resources	1	1	23
TOTAL	447	338	446

Consultancy expenditure within Children’s Services for the first 11 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 costs are 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.

Resources Consultancy costs mainly 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 Feb 2013	Cumulative to Feb 2014
	£'000	£'000	£'000
Children & Young People’s Services	84	79	112
Neighbourhoods & Adult Services	403	356	347
Environment & Development Services	499	423	476
Resources	139	128	129
TOTAL	1,125	986	1,064

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 time delays for notice periods when 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 January also includes provision of cover within Facilities Services (+£24k).

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 (£73k), maintaining ICT services (£33k), maintaining Financial systems (£1k), HR and Payroll Services (£7k), and Town Hall attendants (£15k).

7.5 Collection Fund

Council Tax: Based on the first 11 months of 2013/14 collection rates indicate that the Council is now expected to achieve slightly above the budgeted level of Council Tax - £78.3m. (97% Collection Rate). The value of Council Tax collected is over £5m more than that collected in 2013/14. This increase represents the additional properties within the borough, new Council Tax income paid through the Council Tax Reduction Scheme and additional income from revisions to the policy on second homes and empty properties.

Business Rates: The Council is currently forecasting to achieve slightly more than the budgeted level of business rates (£34.304m). The collection rate is now expected to be 98.2% which is 0.2% greater than last year.

These Collection Rates are 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.

7.6 Continuing Health Care negotiations

Members will be aware that work has been taking place between the local authority and the Clinical Commissioning Group to:

- Review the way in which funding is allocated to children and young people and adults eligible for Continuing Care
- Review the clinical assessments for current children and young people eligible for Continuing Health Care, and examine the levels of funding allocated
- Consider new cases which might be eligible for Continuing Health Care and carry out a clinical assessment
- Timely challenge/appeal of borderline decisions
- Review the system of decision making through the Continuing Care Panel

Through a series of meetings, senior officers from the local authority and the CCG have agreed the methodology, and work is starting to review children and young people's cases through clinical assessment. These will then be

presented to the newly constituted Continuing Care Panel for consideration against the national guidance.

For Children and Young People's service the CCG have agreed a recalculated invoice which is higher than the original block grant; and have also set aside additional funding for 2013-14 to provide for any cases which are eligible for Continuing Health Care at a higher rate. The full financial impact of this is not yet known, but the current invoice of £696k has been agreed. This is reflected in the reduced forecast outturn presented for CYPs in this report.

Further information on the financial impact will be provided to members as the work progresses.

8. Finance

The financial issues are discussed in section 7 above.

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.

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

Contact Name: Stuart Booth, Director of Financial Services, ext. 22034
Stuart.Booth@Rotherham.gov.uk

Appendix 1

Key reasons for forecast over / underspends

Children & Young People's Services (+£968k forecast overspend)

The key factors contributing to the forecast overspend are:

Directorate Wide (+£279k forecast overspend)

The forecast over spend is due to the inclusion of a provision for the forecast deficit position on Rawmarsh Comprehensive School when it converts to an academy in 2014/15 (+£300k) and a forecast overspend on the Central budget due to the additional costs of Records Management (+£9k) & supplies & services (+£2k). This is partially offset by a forecast underspend on pensions costs (-£32k) due a reduction in number of payments.

Safeguarding, Children and Families Service Wide (+£93k forecast overspend)

The forecast over spend on legal fees (+£110k) due largely to an increase in court fees notified to us in July 2013, agency & advertising costs for the Director of Safeguarding post (+£14k) and inspection consultancy costs (+£38k) is partially offset by staff cost savings (-£69k) within Business Support.

Child Protection Teams (+£28k forecast overspend)

This forecast overspend is due to confirmation of a reduction in the DSG contribution from schools (+£49k) offset by forecast underspends on supplies in the Safeguarding Unit due to the moratorium (-£7k) and savings on the Advocacy contract within the Children's Rights Team (-£14k).

Children in Need Social Work Teams (+£177k forecast overspend)

This forecast overspend is in respect of Agency staff costs & additional staff appointments within the Children in Need North team & the Borough Wide team (+£151k), tribunal, premises & mileage costs in the Children in Need South team (+£27k) and a charge for call handling for the Out of Hours Team (+£33k) partially offset with staff cost savings from the Early Intervention teams (-£13k) & the Family Assessment team (-£21k).

Looked After Children (+£1,102k forecast overspend)

The service is forecasting an overspend mainly due to the cost of out of authority residential placements (+£1,409k), remand placements (+£180k) and independent fostering placements (+£267k). This includes a provision for additional Continuing Care income from CCG of £221k above the projected income. Further details of placements are below:

Placement Type	2011/12		2012/13		2013/14 as at 28 th February		
	Average No. of placements	Average Cost of Placement £ per week	Average No. of placements	Average Cost of Placement £ per week	Average No. of placements	Average Cost of Placement £ per week	Actual Number of placements
Out of Authority Residential	18	3,022	21.1	3,206	24.7	3,149	31
<i>R1 Accommodation only</i>	U/A	U/A	U/A	U/A	U/A	U/A	11
<i>R2 Accommodation & therapy</i>	U/A	U/A	U/A	U/A	U/A	U/A	10
<i>R3 Accommodation, therapy & education</i>	U/A	U/A	U/A	U/A	U/A	U/A	6
<i>R4 Parent & Baby</i>	U/A	U/A	U/A	U/A	U/A	U/A	0
<i>Secure</i>	U/A	U/A	U/A	U/A	U/A	U/A	4
<i>Remand</i>	U/A	U/A	U/A	U/A	1.6	3,101	0
Independent Fostering Agencies	125	887	121	874	107.1	884	104
<i>Standard</i>	U/A	U/A	74.8	745	66.4	764	63
<i>Complex</i>	U/A	U/A	27.2	938	23.6	1,158	28
<i>Specialist</i>	U/A	U/A	19	1,287	17.1	978	13
In-house Fostering	158.8	230	162	246	165.2	244	160
Note: U/A - This detailed breakdown was unavailable at the time but will be in the future							

Out of Authority Residential Care

- The number of children in residential out of authority placements as at end of February 2014 is 31 (an increase of 2 since January and an increase of 6 since 31 March 2013).
- Due to the increasing complexity of children's needs being admitted 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 placements has increased from £3,022 in 2011/12 to £3,149 currently – an increase of 4.2%.
- The average number of placements in the same period has risen by 6.7 (37%)
- 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 cost of these placements in 2013/14 so far is £258k, which shows that the grant was grossly inadequate. There are however currently no remand placements.

Independent Fostering Agencies

- The number of children in Independent Foster Care as at end February 2014 is 104 (a reduction of 1 since January & a reduction of 9 since the end of March 2013).
- The average weekly cost of a placement has reduced by an average of £3 or 0.3% since 2011/12.
- The average number of placements during the same period has decreased by 17.9 (14%)

In-house Fostering

- The number of children in in-house fostering placements as at end of February is 160 (a reduction of 1 since January & a reduction of 11 since the end of March 2013).
- The average weekly cost of a placement has risen by an average of £14 or 6% since 2011/12.

- The average number of placements during the same period has increased by 6.4 (4%)

A further cost within this area is +£28k that paid for a consultant to review health care contributions towards children's continuing health care needs which has shown its worth by being able to raise a provision for £221k of additional income.

An additional overspend has been incurred (+£15k) for a court ordered care package. These pressures are partially offset by projected underspends in Contact Worker Team (-£29k) due to delays in recruitment, Children's Homes (-£124k) mainly due to not staffing the Silverwood annexe, Fostering Services (-£283k) due to a forecast underspend on fostering allowances & equipment, Residence Orders & Families together placements, (-£166k) due to the re-profiling of adoption placements and the impact of this on inter-agency adoption costs & maximising the use of grants, (-£70k) reduced use of transport for LAC children & (-£125k) in Leaving care on accommodation costs & a reduction in the number of weekly payments.

Disability Services (+£111k forecast overspend)

This service is now forecasting an overspend mainly due to overtime & agency costs at Cherry Tree & Liberty residential homes due to the need to cover sickness & vacancies (+£85k), and an overspend on Direct Payments (+£88k) partially offset by forecast staff costs underspends within the Disability Team (-£62k). The forecast overspend on Direct Payments is due to providing carers to support families with children with extremely complex needs which would otherwise require Out of Authority residential placements at a much higher cost.

Remaining CYPS Services (-£822k)

The overall CYPS overspend is also partially offset by projected under spends on School Effectiveness (-£22k) due to some delays in recruitment, in the Special Education Provision (-£98k) mainly due to in year redundancies & savings on staff vacancies, (-£400k) due to ceasing non-essential spend & reallocation of funding in the Early Years' service, (-£294k) 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-£164k forecast underspend)

The above forecast underspend includes the Winter Pressures forecast overspend of +£166k. In 2012/13 these costs exceeded budget by +£466k.

Streetpride -£130k forecast underspend

The position at April – January was +£51k forecast overspend. Streetpride services are now reporting an improved position of -£130k forecast underspend.

Network Management +£218k forecast overspend.

Network Management is now showing a projected pressure for winter maintenance of +£166k. Parking continues to report a pressure of (+£182k) which is mainly due to a shortfall on income recovery. Other service pressures of +£19k exist within Drainage. These are being partially offset by increased income from Streetworks and Enforcements (-£56k) and reduced Street Lighting energy costs (-£44k), reduced costs on Highways Maintenance (-£46k) and in Public Rights of Way (-£3k).

Waste Services -£30k forecast underspend

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 have been reduced to a pressure of (+£193k), this is being mitigated by Waste Disposal projecting to be underspent by (-£181k) based on known changes to tipping locations, fluctuations in waste streams and there is also an underspend of (-£42k) on the Waste PFI project mainly due to the late implementation of recruiting to a Project Support post.

Corporate Transport Unit -£293k forecast underspend

Mainly due to expected reduced costs on Home to School Transport (-£184k) and (-£52K) due to savings on operator licences and receipt of operator grant payments. A surplus on Stores is still anticipated -£57k as a result of the materials issued, in the main for Street Lighting schemes.

Leisure and Green Spaces +£110k forecast overspend

Green Spaces position now shows a pressure +£110k; + £32k non-delivery of full allotments saving proposal, +£123k Country Parks due to VAT issue, this position has worsened from last month due to approved additional spend at TCP for cafe improvements and a boat/container purchase (this position may change as further VAT analysis is being undertaken on RVCP income for train/playdales/watersports). Further savings -£45k have been reported on recreational grounds and urban parks mainly due to vacant posts.

Leisure Services are reporting a net nil position as follows: Sports Development (+£9k) late implementation of Stadium saving and (+£4k) on Landscape Design, (-£7k) on Trees & Woodlands due to increase in works and (-£6k) on LGS Management and Admin. due to a vacant post, moratorium and savings on Project Development as fewer projects than anticipated.

Across the rest of Streetpride services an improved position is being reported, -£189k 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 +£54k.

Regeneration, Planning, Customer and Cultural Services +£229k

At April – January a forecast overspend of +£399k 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 February.

Regeneration and Planning (+£160k) :

The key pressures within Regeneration and Planning are : (+£329k) 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 (+£24k). These are being partially offset by identified savings (-£92k) from higher than expected occupancy levels at the Business Centres and (-£59k) savings has been declared by RIDO (Rotherham Investment and Development Office) due to grant funding being used. Further net savings of (-£42k) have been identified from other areas.

Customer and Cultural Services (+£69k) :

Customer Services are showing a combined overspend of **(+£233k)**: Customer Access continue to report an unachievable saving from 2012/13 of (+£80k) and a further (+£110k) from the 2013/14 savings proposals, partially mitigated by some staff savings (-£5k) and further pressures within the Customer Contact Centre (+£31k). Some further savings have been declared due to reduced support costs (-£25k) and due to a delay on spend for computer refresh (-£15k).

Riverside Library is now reporting an over spend largely due to the need to pay relief staff (+£7k), Registrars are reporting an overspend of (+£16k) and Cashiers are reporting (+£36k) due to increased charges from use of pay point and post offices for receipt of income. A pressure still remains on the Customer Service Centre regarding security costs (+£20k). There are some small savings across Customer Services (-£22k) due to the moratorium.

Cultural Services are reporting an underspend (-£164k)

The change in venue for celebratory services did create a financial pressure which has now been fully mitigated by some staff savings and the impact of the moratorium across Heritage Services. Savings of (-£4k) are being shown on museum stores having vacated a site earlier than anticipated, together with (-£7k) on Heritage Services due to reduced running costs for Boston Castle and general sites. Across Theatres and Arts there is a combined saving of (-£123k) due to some salaries savings, additional income at the Theatre and due to the moratorium. Within Library Services due to the moratorium and staff leaving under the voluntary severance scheme net savings have been declared totalling (-£30k).

Business Unit -£69k

The service are now reporting an underspend due to a decision being made to implement a reduced training programme -£53k. Further surplus is being released from staff savings -£7k, and reduced spend as a result of the moratorium across the service (-£9k).

Communications -£9k

The pressures within this Service are around staffing (+£17k) within the Communications Team. These costs are being mitigated due to additional external income generated by the ICT Design Studio (-£8k) and Rotherham Show (-£3k), and further savings of (-£15k) due to the imposed moratorium on spend.

Asset Management, Audit and Insurance -£185k

There are pressures across the Asset Management service: unbudgeted property disposal fees (+£37k), Land & Property income under-recovery (+£62k), operational costs of Community Buildings (+£36k), increased accommodation costs, Emergency Planning (+£9k) and Internal Audit (+£20k). These forecast pressures are mitigated through Rates rebates in respect of Riverside House (-£100k), costs in respect of Carbon Reduction commitments less than budget (-£129k) and further savings have been declared within Facilities Services (-£29k), and across property related services (-£59k), and Design and Corporate Projects (-£32k). Identified pressures on the Land Bank are being reported centrally.

Neighbourhoods & Adult Services (-£530k forecast underspend) and Public Health Services (Balanced budget)

Adult Services are currently forecasting a slight underspend of **-£24k**. The key underlying budget pressures and underspends include:

Older People (+£188k)

Forecast overspend on In-House Residential Care due to delays in implementing the 2013/14 budget savings target (+£168k), increase in Direct Payments over budget (+£680k) and overall forecast overspend on Domiciliary Care services (+£337k) due to an increase in demand for independent sector care.

There is also a forecast overspend on independent sector residential and nursing care (+£836k) due to less Continuing Health Care income and pressures due to lower than expected discharges than forecast (74 additional clients in placement than budgeted), this is after additional income from property charges being received. These pressures are being partially reduced by a number of forecast underspends including: planned delays in developing dementia services (-£310k), carers breaks (-£183k) and additional income and delays in enhancements in Rothercare and equipment (-£336k). Higher than anticipated staff turnover within Assessment & Care Management and community support, plus additional income from Health including funding for winter pressures (-£838k), staff vacancies within Day Care services (-£88k), additional income in Extra Care Housing (-£22k) and Transport (-£34k) plus planned delays in recruiting to vacant posts within locality services (-£22k).

Learning Disabilities (+£148k)

There is a forecast overspend on Day Care (+£166k) 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 (+£89k) due to delays in meeting an agreed budget saving plus additional costs due to staff cover within In House Residential care (+£26k). Review of high cost placements is now resulting in a forecast underspend of (-£4k) in independent residential and nursing care. High cost placements within independent day care and community support are resulting in a forecast overspend of +£42k. These forecast overspends are partially mitigated by delays in developing Supported Living schemes plus additional funding from health (-£50k), efficiency savings on Service Level Agreements (SLA's) for advice and information (-£64k), lower than expected increase in demand for direct payments (-£26k) and planned delays in recruitment within Assessment & Care Management (-£31k).

Mental Health (-£462k)

Delays in the budget savings plan to move clients into community support services together with additional demand for direct payments have been offset by additional funding from health leaving an overall underspend of -£462k.

Physical & Sensory Disabilities (+£407k)

Further increase in demand for Direct Payments (+10 clients) together with recurrent cost pressure (+£667k) and a continued increase in demand for domiciliary care +£175k. These pressures are being partially offset by forecast underspends within residential and nursing care, day care, provision of equipment and efficiency savings on contracts (-£435k).

Adults Safeguarding (-£114K)

Forecast underspend due to lower than expected staff turnover and use of agency support offset by additional grant funding to support domestic violence.

Supporting People (-£102k)

Efficiency savings on subsidy contracts have already been delivered against budget (-£102k).

Adults General (-£89k)

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 and additional funding to support HIV.

Neighbourhoods General Fund (-£321k)

The projected year end outturn position for Neighbourhoods shows a forecast underspend of (-£321k).

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 grant funding and income from the Dignity contract. The overall forecast underspend includes underspends within the Members Community Leadership Fund (-£16k) and Dispersed Units Trading Account (-£48k) which will be subject to a request for carry-forward at the year end.

Commissioning, Policy & Performance services are forecasting an underspend of -£155k mainly in respect of staff cost savings.

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

Community Cohesion – minor underspend on non-pay budgets of -£3k

Public Health (Balanced Budget)

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 a balanced budget. The grant conditions allow for any underspend at the year-end to be carried forward in a Public Health Grant Reserve to fund commitments towards public health outcomes.

Housing Revenue Account (HRA)

The overall forecast as at end February 2014 is that the HRA will outturn on budget with a contribution to working balance (reserves) of £0.369m instead of drawing from reserves; a variation of £2.968m from the original budget.

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

Resources Directorate (+£484k forecast overspend)

ICT Services – A forecast overspend of +£850k 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 (£550k); the latter being partly as a result of the moratorium on non-essential spend.

Legal and Democratic Services – A forecast overspend of +£78k due to income and postage cost pressures.

Human Resources & Payroll are forecasting an underspend of -£351k largely in respect of staff cost savings and additional income generation.

Management savings are also forecast across the service amounting to -£81k.

Pension cost savings of -£12k are also forecast across the Directorate.