

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

<b>1</b>	<b>Meeting:</b>	<b>Self Regulation Select Commission</b>
<b>2</b>	<b>Date:</b>	<b>18th September, 2014</b>
<b>3</b>	<b>Title:</b>	<b>Revenue Budget Monitoring for the period ending 30th June 2014</b>
<b>4</b>	<b>Directorate:</b>	<b>Resources</b>

### **5 Summary**

This report provides details of progress on the delivery of the Revenue Budget for 2014/15 based on performance for the first 3 months of the financial year. It is currently forecast that the Council will overspend against its Budget by £6.752m (+3.2%).

Members will recall that when we set the 2014/15 Budget there was recognition that there was the potential for this to be a challenging year with the need to manage service demands very closely and that the level of balances reflects this potential increase in financial risk in the system.

The main reasons for the forecast overspend are:

- The continuing service demand and cost pressures for safeguarding vulnerable children across the Borough;
- Cost pressures arising from some schools converting to academies;
- Income pressures within Environment and Development Services and ICT;
- Demand pressures for Direct Payments within Older People and Physical and Sensory Disability clients;
- Additional, property costs from the continued rationalisation of the Council's buildings as part of the efficiency drive to reduce operational costs; and
- Some savings targets are currently pending delivery in full in 2014/15.

Cabinet has agreed the implementation of the opportunity for staff to apply for Voluntary Severance/Voluntary Early Retirement and where this can be supported these savings will help to reduce the in-year financial pressure and also contribute to closing the budget funding gap for 2015/16 and beyond.

As the current forecast outturn is significantly different to budget, Cabinet is asked to support the implementation of the same successful 3 stage strategy (section 7.4 of this report) used in 2013/14 to bring spend in line with budget by the end of 2014/15.

The above actions will mitigate the current level of forecast overspend and assist the Council to deliver a balanced outturn and preserve its successful track record in managing both its in year financial performance and its overall financial resilience.

## **Recommendations**

**Self Regulation is asked to note the request to Cabinet to:-**

- **Note the current forecast outturn and significant financial challenge presented for the Council to deliver a balanced revenue budget for 2014/15;**
- **Approve the three Stage strategy to address the forecast overspend as detailed in this report, to bring spend in line with budget by 31<sup>st</sup> March 2015 and:**
- **Agree that MP's are notified of concerns relating to budget pressures falling on the Council as a result of some Academy Conversions and implementing the requirements of the Care Bill.**

## 7.1 Proposals and Details

This report presents details of spending against budget by Directorate covering the first 3 months of the 2014/15 financial year – April 2014 to June 2014 – and forecast costs and income to 31<sup>st</sup> March 2015.

## 7.2 The Overall Position

<b>Directorate/Service</b>	<b>Annual Budget 2014/15</b>	<b>Projected Outturn 2014/15</b>	<b>Forecast Variance after Actions (over(+)/under(-) spend)</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>%</b>
Children & Young People Services	43,163	45,873	+2,710	+6.3
Academy Conversions (Deficit)	0	167	+167	+100.0
Neighbourhoods & Adult Services	73,838	75,505	+1,667	+2.3
Environment and Development Services	45,757	46,579	+822	+1.8
ICT	2,409	3,574	+1,165	+48.4
Resources	11,169	11,163	-6	-
Central Services	32,549	32,776	+227	+0.7
<b>TOTAL</b>	<b>208,885</b>	<b>215,637</b>	<b>+6,752</b>	<b>+3.2</b>
Housing Revenue Account (HRA)	82,509	82,463	-46	-0.1

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 (+£2.877m forecast overspend)**

The forecast overspend for Children's Services is largely due to pressures within the Children & Families Safeguarding Service. A further pressure (+£167k) relates to schools whose finances are in deficit when they convert to academies leaving the Council responsible for funding their accrued deficit.

The number of looked after children requiring placements at the end of June 2014 was 395, a reduction of 5 since the end of March 2014.

Pressures on budgets for provision of Out of Authority Residential placements (+£2.254m) and the provision of independent Foster Care placements (+£114k) are the main service pressures. 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, increased value for money placements to meet the needs of these young people.

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 (£321k) to date in 2014/15.

Children's services continue to look for ways to reduce spend.

**Environment & Development Services including Internal Audit, Asset Management, Communications & Marketing and Policy & Planning (+£822k forecast overspend)**

The Directorate is currently forecasting an overspend of +£822k due to pressures in Streetpride (+£340k), Planning, Regeneration and Customer Services (+£195k) Asset Management (+£259k) and Communications (+£28k). The Business Unit is reporting a balanced budget at this stage in the financial year.

The forecast overspend assumes that the Winter Pressures budget is sufficient to contain costs incurred over the Winter months (2014/15). It should however be noted this budget overspent by +£139k in the mild Winter of 2013/14.

**Neighbourhoods and Adult Services including Public Health, Commissioning, Procurement, Performance & Quality and Cohesion (+£1.667m forecast overspend)**

Overall the Directorate (including ring-fenced Public Health funded services) is forecasting an overspend of +£1.667m. Within this, Adult Services are forecasting an overspend (+£1.291m) and Neighbourhood services a forecast underspend of -£24k. Commissioning, Procurement, Performance & Quality and Cohesion services are forecasting a collective overspend of (+£400k). Key Directorate pressures include budget savings from previous years not fully achieved in respect of additional continuing health care (CHC) funding plus recurrent pressures on demand for Direct Payments within Older People and Physical and Sensory Disability clients.

There is also a recurrent budget pressure within Commissioning in respect of a savings target from previous years which is pending full delivery.

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 (+£1.159m forecast overspend)**

Overall the Directorate is forecasting an overspend of +£1.159m. This is predominantly in respect of income pressures within the ICT service.

### **Central Services (+£227k forecast overspend)**

There are currently two key pressures within Central Services. Rotherham's share of the pension deficit in respect of winding down Local Government Yorkshire & Humber (LGYH) (£80k) and Rotherham's share of the costs for the Economic Regeneration Team within the Sheffield City Region Combined Authority (£147k).

### **7.3 Housing Revenue Account (HRA) (Forecast underspend -£46k)**

The Housing Revenue Account is forecasting a £46k reduction in the transfer from reserves compared with the agreed budget. The HRA had budgeted to use £1.440m from reserves but current forecasts only require £2.110m, a reduction of £46k.

### **7.4 Strategy to address the forecast overspend**

Cabinet will recall that when we were faced with a significant forecast overspend in the first quarter of last year (2013/14) a 3 Stage strategy to address the forecast overspend was implemented as below:

**Stage 1** – Directorates should consider appropriate actions which could be implemented to address the forecast overspend. This should include exploring all opportunities to generate additional income and where it may be possible to downsize staffing complements, where it is possible and appropriate to do so. It is proposed that this is undertaken before the end of the Council's summer recess when the impact on the forecast outturn position will be reassessed.

**Stage 2** – In the event that Stage 1 does not effectively address the forecast overspend, Directorates should consider what non-essential planned expenditure could be 'slipped' into the next financial year.

**Stage 3** – If Stage 2 does not fully address any residual forecast pressure, a moratorium on all non-essential spend should be implemented. The criteria for essential spend being consistent with that applied in previous years:

- Is contractually committed
- Essential for the safeguarding of vulnerable children and adults;
- Required to meet health and safety requirements;
- Spend is required to avoid a false economy;
- Spend which is highly sensitive to local Members or local communities

This strategy was successful in 2013/14 and the Council delivered an outturn slightly under budget.

Cabinet is asked to note that Stage 1 of the strategy has been implemented and to agree that the Chief Executive implements Stages 2 and 3, if necessary, at the appropriate time.

## **7.5 Stage 1 – Management Actions**

**In line with Stage 1 of the above strategy, Directorates are currently reviewing opportunities to mitigate the forecast overspend. These include:**

- Continued close scrutiny of spend across all Directorates
- Finance clinic arranged to agree further management actions (NAS)
- Ongoing review of high cost care packages to ensure essential spend only (NAS)
- Pursuing Continuing Health Care actively on behalf of customers
- Placement panels continue to scrutinise planned care packages to ensure VFM
- De-LAC-ing children placed at home on care orders (they either need to be home and safe, not on orders) or in care with contact
- Agreeing Special Guardianship residence orders with support and carrying out properly agreed matches with long term foster carers
- Work with children and young people on the edge of care so that we can reduce the teenage population in care
- Look at what we've learnt from the intensive work that Family Recovery Programme (FRP) and Families for Change (FFC) have done
- Consider extending the use of Multi-systemic therapy (CYPS)
- Look at the support we provide to adopters, foster carers and special guardians; and children's relatives and friends.
- Work with team managers and service managers (and partners) to look at how we better provide packages of effective care, and maintain our gatekeeping (CYPS).
- Heritage Services restructure
- Additional income generating opportunities via Business Centres, Markets, Theatre, Libraries and Museum
- Bring forward the planned investment in LED lighting to reduce energy costs
- Renegotiate waste disposal rates
- Increased income generation through improving the all-day parking offer at Sheffield Road car park
- Generate additional Country Park income through invest to save measures
- Wider selling of Insurance expertise
- Selling of valuation services to Academies across South Yorkshire
- Continue the programme of property rationalisation
- Options report being prepared regarding ICT services.

## **7.6 Agency, Consultancy and Non-Contractual Overtime Costs**

It is proposed that details of spend on Agency, Consultancy and Non-Contractual overtime costs will now be included in revenue monitoring reports every 6 months.

## **7.7 Collection Fund**

At this early stage of the financial year it is forecast that the budgeted level of Council Tax and Business Rates will both be achieved.

## **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 2015.

## **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 remaining months of the year.

The current forecast assumes that costs associated with the Winter Pressures will be contained within budget. In 2013/14 these costs exceeded budget by £139k.

## **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**

- Revenue Budget and Council Tax for 2014/15 Report to Council 5th March 2014.
- 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 (+£2.877m forecast overspend)**

The key factors contributing to the forecast overspend are:

##### **Academy Conversions - Deficits (+£167k)**

The forecast over spend is due to provisions for the forecast deficit positions on the following schools when they convert to academies in 2014/15:

Rawmarsh School: a Sports College - £100k (This is in addition to the £300k provided for in the 2013/14 accounts)

Swinton Brookfield - £47k (This is in addition to the £39k provided for in the 2013/14 accounts)

Rawmarsh Monkwood - £20k

##### **Special Education Provision (+£45k)**

The forecast overspend is partially due to the projected number of placements in SEN Complex Needs placements (£27k) - 25 current placements & 4 potential new ones. This also includes a forecast overspend on supplies in the Children in Public Care Team (£5k) & a forecast under-recovery of income in the Education Welfare Team due to a change in legislation which no longer allows them to charge Academies (£34k). These forecast overspends are partially offset by forecast underspends (-£21k) on staffing due to vacancies in the Education Psychology Team and Learning Support & Autism Team.

##### **Safeguarding, Children and Families Service Wide (+£36k)**

The forecast overspend is mainly on legal fees (+£62k) which is due to an increase in the number of cases going to court and agency costs for the Director of Safeguarding post (+£28k). These forecast overspends are partially offset by forecast underspends in Business Support teams due to income from NHS & some staff not being in the pension scheme (-£54k).

##### **Child Protection Teams (+£1k)**

This forecast overspend is due to a slight over spend on staffing in the Safeguarding Unit.

##### **Children in Need Social Work Teams (+£50k)**

This forecast overspend is due to Agency staff costs & additional staff appointments over establishment within the Children in Need teams to better maintain business continuity rather than having to recruit expensive agency staff to cover periods between staff leaving and new staff commencing employment in post.

##### **Looked After Children - LAC (+£2,611k)**

The service is forecasting an overspend mainly due to out of authority residential placements (+£2,254k) and independent fostering placements (+£114k). This is partially offset by a forecast underspend on the Remand placements budget (-£34k).

The Adoption Reform Grant that was first received in 2013/14 was reduced by £746K in

2014/15. This grant significantly mitigated LAC budget pressures in 2013/14 on a temporary basis.

Further details of placements are below:

Placement Type	2011/12		2012/13		2013/14		2014/15 as at 30th June		Actual Number of placements as at 30 June 2014
	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	Average No. of placements	Average Cost of Placement £ per week	
<b>Out of Authority Residential</b>	18	3,022	21.1	3,206	25	3,245	30.7	3,081	31
<i>R1 Accommodation only</i>	U/A	U/A	U/A	U/A	U/A	U/A	11.2	1,659	11
<i>R2 Accommodation &amp; therapy</i>	U/A	U/A	U/A	U/A	U/A	U/A	9.3	2,693	9
<i>R3 Accommodation, therapy &amp; education</i>	U/A	U/A	U/A	U/A	U/A	U/A	7.6	3,900	9
<i>R4 Parent &amp; Baby</i>	U/A	U/A	U/A	U/A	U/A	U/A	0	0	0
<i>Secure</i>	U/A	U/A	U/A	U/A	U/A	U/A	2.5	2,698	2
<b>Remand</b>	U/A	U/A	U/A	U/A	1.6	3,154	1.3	287	1
<b>Independent Fostering Agencies</b>	125	887	121	874	107	879	104.3	854	98
<i>Standard</i>	U/A	U/A	74.8	745	66.1	759	60.6	744	56
<i>Complex</i>	U/A	U/A	27.2	938	24	1,105	30.2	976	30
<i>Specialist</i>	U/A	U/A	19	1,287	16.9	998	13.5	1,098	12
<b>In-house Fostering</b>	158.8	230	162	246	165.2	261	171.5	270	177
<b>Note:</b> U/A - This detailed breakdown was unavailable in past years									

### ***Out of Authority Residential***

- The number of children in residential out of authority placements as at end of June 2014 is 31 (no change since 31 March 2014 but an increase of 6 since 31 March 2013).
- The average number of placements has increased from 25 in 2013/14 to 30.7 in 2014/15, so far, which is an increase of 5.7 (22.8%). At an average cost of £3,081 per week this 5.7 increase equates to a cost of £913k per annum.
- 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 placements has increased from £3,022 in 2011/12 to £3,081 currently – an increase of 2%. However, as shown in the table above, the current average cost per placement is less than the 2013/14 average of £3,245 – a reduction of -5%.
- The average number of placements in the same period has risen by 12.7 (70.6%) from 18 to 30.7.
- From 1 April 2013 children's remand placements were fully funded by the Local Authority & RMBC was provided with a national grant of £78k in 2013/14 to cover these additional costs. The allocation for 2014/15 has been reduced to £53k. The cost of these placements in 2014/15 so far is £19k. At the end of June 2014 there was 1 remand placement (a reduction of 1 since 31 March 2014).

### ***Independent Fostering Agencies***

- The number of children in Independent foster Care as at end June 2014 is 98 (a reduction of 4 since the end of March 2014 & a reduction of 20 since 31<sup>st</sup> March 2013).
- The average cost of a placement has reduced by £33 or 3.7% since 2011/12.
- The average number of placements during the same period has decreased by 20.7 (16.7%).

### ***In-house Fostering***

- The number of children in in-house fostering placements as at end of June 2014 is 177 (an increase of 10 since the end of March 2014).
- The cost of a placement has risen by an average of £40 or 17.4% since 2011/12.
- The average number of placements during the same period has increased by 12.7 (8%)

The number of looked after children was 395 at end of June, a reduction of 5 since the end of March 2014.

Fostering Services are forecasting an overspend on Fostering allowances (£172k) & Residence Orders (£21k) due to having more children placed than planned (see table below) & also due to some placements costing more than the budgeted average. This is partially offset by a forecast staff cost underspend in the Fostering team (-£39k).

Adoption Services are forecasting an overspend on Special Guardianship Orders (£44k) due to having more children placed than planned (see table below) & a small overspend on allowances (£6k) & also due to some placements costing more than the budgeted average. These are offset with slight forecast underspends on the LAAC Team (-£1k), Adoption Team (-£2k) & Inter Agency costs (-£2k).

The table below shows the current placements numbers compared to the plan used when budget setting for 2014/15:

<b>Placement Type</b>	<b>Actual No. of placements as at 30 June 14</b>	<b>Planned No. by this stage of the year</b>	<b>No. of placements above plan</b>	<b>Average Cost per week used for budget setting</b>	<b>Total Approximate Additional Cost for the next 9 months</b>	<b>Cost Avoided for the next 9 months - assuming an IFA placement would have been used (£854 Per week)</b>
				<b>£</b>	<b>£'000</b>	<b>£'000</b>
In-House Fostering	177	168	9	264	93	207
Adoption - with means tested allowance	92	92	0	167	0	0
Residence Orders	132	129	3	129	15	85
Special Guardianship	84	78	6	118	28	172
					<b>135</b>	<b>464</b>

Although these additional placements are contributing to the service overspend, the table shows that if these placements had instead resulted in Independent Fostering placements, this would have cost RMBC an additional £464k for a 9 month period.

Other forecast overspends within this service are (£55k) in the LAC Service due to Agency costs of £47k & a Care package £21k offset by staff vacancies -£21k & (£23k) within in-house Residential homes due to Regulation 33 requiring us to use an independent reviewer £19k & £4k on the use of agency staff cover.

**Disability Services (-£33K)**

This service is forecasting an underspend due to delays in recruitment for 2 posts within the outreach team (-£20k) & reduced use of the cover budgets at Cherry Tree & Liberty residential homes (-£13k).

**Environment & Development Services (+£822k forecast overspend)**

The above forecast overspend assumes that the Winter Pressures budget is sufficient to contain costs incurred over the Winter period – in the mild Winter last year the costs exceeded budget by +£139k.

**Asset Management (+£259k)**

The main pressure within the Asset Management Services is an unbudgeted pressure +£200k within Land and Property Bank, with +£52k overspend Community Buildings. Other smaller pressures are +£8k unfunded costs for the barriers for the English Defence League and +£23k within facilities services due staffing costs and a forecast under-recovery of income, also, some staffing related costs are creating a pressure +£18k within Internal Audit.

Some small savings, -£42k across the wider service are partially mitigating the pressure.

**Business Unit (£0k)**

The Business Unit is currently forecasting a balanced outturn.

**Communications (+£28k)**

The forecast pressures within this service are from staffing within the Communications Team +£21k and +£8k on marketing events.

**Regeneration, Planning, Customer and Cultural Services (+£195k forecast overspend)**

Customer Services is showing a net pressure **+£218k** mainly due to some historical savings not yet being achieved and the need to retain staff to meet service demands. This is being reviewed on an ongoing basis and there are some staff savings which have helped to reduce the pressure.

Cultural Services are showing a small forecast underspend **-£17k** from Theatres, Boston Castle and Museums, and these are able to mitigate some pressures on the Arts budget.

Regeneration and Planning are reporting a small forecast underspend **-£6k**. The Business Centres are showing a forecast underspend due to increased occupancy levels, **-£40k**. Planning are reporting a **-£31k** forecast underspend due to reducing consultancy costs, other smaller forecast underspends are reported from Building Control and Partnerships, totalling **-£9k**. However, some forecast pressures across the service are also being reported, Markets **+£29k** due to planned repairs due to the deteriorating state of existing buildings. RIDO is funding a replacement IT package, and has a staff cost pressure **+£43k**.

### **Streetpride ( +£340k forecast overspend)**

Network Management are reporting a pressure **+£343k**, of which +£384k is related to Parking due to reduced forecast income from parking permits, based on previous years income levels that receipts will be less than budget, and furthermore, the impact of Tesco opening later this year.

Waste Services are reporting a forecast underspend **-£66k**. Waste collection is forecasting an underspend of -£119k, in the main due to WEEE rebate income, whereas waste disposal is reporting a forecast pressure +£55k due to waste arisings running at a 3% increase rather than the 1% budgeted increase, the waste PFI is expected to be slightly underspent -£2k.

Leisure and Green Spaces are reporting a forecast pressure of **+£28k**, mainly due to an under-recovery of income from allotments +£31k, other smaller pressures and small savings are mitigating this with some staff savings -£3k

Community Services are reporting a pressure of **+£56k**, due to an expected overspend on cleansing highways +£30k, staffing costs +£15k and +£11k pressure due to a new kennel contract.

Corporate Transport Unit is showing a forecast underspend due to changes in transport provision **-£21k**.

### **Neighbourhoods & Adult Services (+£1.667m forecast overspend)**

**Adult Services** are currently forecasting an overspend of **+£1.291m**. The key underlying budget pressures include:

#### **Older People (+£928k)**

Forecast increase in Direct Payments (+21 clients) over budget (+£259k) and overall forecast overspends on Domiciliary care (+£22k) plus independent sector residential and nursing care (+£1.066m) due to recurrent pressure on meeting savings target from previous years in respect of additional continuing health care income, this is after additional income from property charges is being received. These forecast pressures are being partially reduced by a number of forecast underspends including: Savings on maintenance contracts and energy costs in the Rothercare service (-£58k), higher than anticipated staff turnover within Assessment & Care Management and community support, plus additional non-recurrent income from Health (-£361k).

#### **Learning Disabilities (+£406k)**

There is a forecast overspend on Day Care (+£178k) due to specialist provision required for 6 unfunded transitional placements from Children's services (demographic pressure) plus a recurrent budget pressure on the provision of transport (+£204k). There is also a delay in meeting an agreed budget saving for employment and leisure services (+£111k) and additional costs due to staff cover within In House Residential care (+£79k). These forecast overspends are partially mitigated by additional client discharges in excess of budget last month from residential care (-£145k) and an overall underspend on Supported Living schemes due to receipt of additional funding from health (-£21k).

### **Mental Health (-£176k)**

There is a projected underspend on the residential care budget due to 6 client discharges greater than budget since April (-£142k) plus additional underspends within mental health day care, community support and direct payments (-£34k).

### **Physical & Sensory Disabilities (+£179k)**

Recurrent cost pressure on Direct Payments (+£307k / 16 clients) is reduced by forecast underspends within residential and domiciliary care (-£108k) and savings within the advocacy contracts (-£20k).

### **Supporting People (-£46k)**

Efficiency savings on subsidy contracts have already been identified against budget (-£46k).

### **Neighbourhoods General Fund (-£24k)**

The projected year end outturn position for Neighbourhoods shows a forecast under spend of (-£24k).

The main reason for the forecast underspend is higher than expected staff turnover within Trading Standards and Furnished Homes.

**Commissioning, Policy & Performance and Procurement** services are forecasting an overall overspend of +£400k due to a recurrent budget saving target for commissioning which is currently pending delivery in full.

### **Public Health (Forecast Balanced outturn)**

This service is funded by a ring fenced specific grant from the Department of Health. For Rotherham this is £14.176m for 2014/15. The service is currently forecasting a balanced outturn.

### **Housing Revenue Account (HRA)**

The overall forecast as at end June 2014 is that the HRA will outturn with a use of its working balance (reserves) of £1.394m a slight reduction of -£46k from the original (planned) budget.

Currently forecasts show a slight underspend on Supervision and Management due to staff vacancies.

### **Resources Directorate (+1.159m forecast overspend)**

**ICT** – The service is currently forecasting a pressure of +£1.165m. This relates to a forecast under-recovery of income due to reduced spend across the Council. The Director of Audit and Asset Management is preparing a paper for SLT to consider the options available to

mitigate this forecast pressure.

**Legal Services** – A forecast overspend of +£83k due to staff cost pressures.

**Human Resources & Payroll** are forecasting an underspend of -£66k largely in respect of additional income generation.

Financial Services (including Revenues & Benefits) is currently forecasting a balanced outturn.

**Management savings** are also forecast across the service amounting to -£23k.