

OCTOBER CORPORATE MONITORING

Overview & Scrutiny Management Board 12 December 2012



PLYMOUTH
CITY COUNCIL

Revenue Monitoring Position

Directorate	2012/13 Council Approved Budget	2012/13 Budget Virements	2012/13 Latest Approved Budget	Forecast Outturn	Forecast Year End Overspend / (Underspend)	Overspend / (Underspend) movement since September
	£m	£m	£m	£m	£m	£m
People	122.620	1.353	123.973	126.969	2.996	(0.219)
Place	42.460	0.619	43.079	43.883	0.804	(0.059)
Corporate Services	30.296	0.197	30.493	30.631	0.138	(0.115)
Chief Executives Office	1.901	0.534	2.435	2.405	(0.030)	(0.020)
Corporate Items	6.489	(2.703)	3.786	2.660	(1.126)	(0.026)
TOTAL	203.766	0.000	203.766	206.548	2.782	(0.429)

Key Issues and Corrective Actions (if required)

Issue	Variation £m	Direction of Travel	Management Corrective Action
PEOPLE. Children's Social Care, independent sector costs net off against foster care savings. Residential budgeted placements 16 v actual of 20	0.329	Same	<ul style="list-style-type: none"> • Bring forward review and soft market test of parent and residential placements • Focus on reducing additional payments for children in independent foster care • Budget challenge in December • Review vacancies • Review non-staffing spend
PEOPLE. Adult Social Care. Implementation of the new care management system is on track and we will continue to shift commissioned services to personal budgets (which means allocating resources based on needs and not the cost of services) However there are still pressures in the system linked to demographic changes, increased demand for supported living and reduced income from a number of sources.	3.151	Same	<ul style="list-style-type: none"> • Bring forward targeted review of high cost packages across all client groups. • Bring forward in year reduction of specific contracts. • Bring forward negotiations to secure uncommitted funds. • Review vacancies • Review non-staffing spend
PEOPLE. Homes & Communities. Spending review to target spending reductions to help the overall departmental position. NEW OCTOBER MONITORING	(0.178)	Improving	<ul style="list-style-type: none"> • Targeted spending reductions forecast to year end now being achieved • Review vacancies • Review non-staffing spend
Issue	Variation	Direction of	Management Corrective Action

	£m	Travel	
PLACE. highway maintenance & street lighting	0.300	Same	<ul style="list-style-type: none"> Officers working with procurement to identify options for cost reductions on street lighting, this reported pressure allows for possible reductions
PLACE. North West Quadrant planning inquiry	0.049	Improving	<ul style="list-style-type: none"> Through corrective management action and the receipt of additional building control and planning application fees, the adverse variation has been reduced by over 50% since last reported. The main reasons for the overspend relate to the significant one-off costs associated with a major planning inquiry at North West Quadrant, which has now finished, and the general adverse economic climate which continues to impact on the number of planning applications. The overspend impact is also mitigated by the early implementation of a major restructure resulting in favourable variations on salaries and vacancies and through restricting expenditure on general office costs and efficiency initiatives.
PLACE. Waste Disposal increased costs / reduced income	0.300	Same	<ul style="list-style-type: none"> Trend of increased waste tonnage, coupled by a reduction in sale prices for recyclates. Officers looking to source alternative markets where possible. Partly offset by vacancies, net forecast for Environmental Services of £0.316m
PLACE – Customer Contact Centre Delivery Plan	0.100	Same	<ul style="list-style-type: none"> Will not be achieved in 2012/13, customer transformation programme will deliver saving in 2013/14
CORP ITEMS. Contingency	(0.500)	Same	<ul style="list-style-type: none"> Release contingency budget as assumed will not be required during year
CORP ITEMS. CRC charge	(0.100)	Same	<ul style="list-style-type: none"> Release saving on Carbon Reduction Charge (CRC) - invoice now received is lower than budget
CORP ITEMS. Capital Financing	(0.500)	Same	<ul style="list-style-type: none"> Release accrued savings from Treasury Management activity
TOTAL MAJOR VARIANCES	2.951		

Revenue Delivery Plan Position

Directorate	Red £m	Amber £m	Green £m	Total £m
People	3.488	0.227	3.329	7.044
Place	0.100	0.000	1.300	1.400
Corporate Services	0.100	0.627	2.530	3.257
Chief Executive's Office	0.000	0.100	0.000	0.100
Corporate Items	0.000	0.000	0.000	0.000
OCT TOTAL	3.688	0.954	7.159	11.801
SEPT TOTAL	3.688	1.079	7.034	11.801
MOVEMENT IN MONTH	0.000	(0.125)	0.125	0.000

Note: The impact of red delivery plans have been included in the monitoring forecast variations shown on page 4, with the forecast outturn position reflected accordingly.

Amber Delivery Plans and Actions

Delivery Plan	Amber £m	Direction of Travel	Management Corrective Action
PEOPLE. Children's Social Care.	0.227	Same	In city residential provision on course to open in December and children identified for the commissioned placements Assessment of two new in house parent child placements are being fast tracked Specific plans for individual children are being progressed and monitored closely
CORP SERVICES. Senior Management Restructure 3 rd & 4 th Tier	0.527	Same	PA review complete with reduction in number of posts. Restructures in Place are well advanced and structures finalised, final cost savings to be confirmed with a number of posts still undergoing JE appeals. Other Directorates to be progressed, FETA is next department in priority list. Likely to be a shortfall due to delays in restructures, estimate to be included in second quarterly report
CORP SERVICES. Change Office plans around workforce management	0.100	Same	There are still some staff across the Council engaged in these functions. For 2012/13 vacancy levels across the Directorate will be reviewed to look at options for containing the pressure in this financial year.
EXECUTIVE OFFICE. Publicity, Press and Advert.	0.100	Same	Subject to review.
TOTAL	0.954		All Delivery Plans RAG rated red have now been included in the overall monitoring position

Capital Position

2012/13 Capital Programme											
	2012/13 Monitoring									October 2012	
	Approved Capital Budget (27th Feb 12 & April 12 Full Council)	Approved Capital Budget Incl Slippage & Outturn Variations (June 12)	Quarter 1 Forecast (for approval at Sept Council)	Sept Forecast 2012	New Schemes for Approval	Re-profiling	Virements	Variations	Oct Forecast 2012	Actuals	Spend as % of Latest Forecast
	£000	£000		£000	£000	£000	£000	£000	£000	£000	£000
People	31,412	34,270	38,007	35,666	0	(9)	0	45	35,702	14,715	41.22%
Place	13,161	15,353	13,727	14,416	14	(316)	0	(21)	14,093	2,886	20.48%
Corporate Services	7,548	8,756	8,747	7,308	0	0	0	15	7,323	2,508	34.25%
Capital Programme	52,121	58,379	60,481	57,390	14	(325)	0	39	57,118	20,109	35.21%
Tamar Bridge & Torpoint Ferry	0	0	1,626	1,626	0	0	0	(374)	1,252	0	0.00%
Total Capital Programme	52,121	58,379	62,107	59,016	14	(325)	0	(335)	58,370	20,109	34.45%

MTFF Capital Programme					
	2012/13	2013/14	2014/15	2015/16	Total
	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	
	£000	£000	£000	£000	£000
People	35,702	30,352	8,860	1,369	76,283
Place	14,093	15,614	8,950	4,929	43,586
Corporate Services	7,323	2,966	1,427	485	12,201
Capital Programme	57,118	48,932	19,237	6,783	132,070
Tamar Bridge & Torpoint Ferry	1,252	2,527	2,430	1,650	7,859
Total Capital Programme	58,370	51,459	21,667	8,433	139,929

Financing of 2012/13 to 2015/16								
Capital Receipts	Unsupported Borrowing	Cornwall Unsupported Borrowing	Supported Borrowing	Grants	Contributions	S106 / Tariff / RIF	Revenue / Funds	Total Funding
£000	£000	£000	£000	£000			£000	£000
3,402	2,713			67,349	796	432	1,591	76,283
10,632	4,962		107	24,078	633	1,680	1,494	43,586
1,793	8,526			100	0	7	1,775	12,201
15,827	16,201	0	107	91,527	1,429	2,119	4,860	132,070
0	0	7,859	0	0	0	0	0	7,859
15,827	16,201	7,859	107	91,527	1,429	2,119	4,860	139,929

Key Issues

Actual expenditure 35% of forecast, compared to 47% in October 2011, however there a number of projects including University Technical College £3.8m, Marine Academy Plymouth Free School £0.5m where expenditure is not planned until the end of the financial year. Officers are continually working with project staff to review cashflow forecasts in order to provide assurance over the overall forecast expenditure in 2012/13.

Capital Receipts Summary - Using Actual Receipts Received and RAG Rating Forecasted Receipts

Year	Capital Receipts b/fwd from Previous Year	RAG Rated Forecasted Receipts	Estimated Pooled HSG Cap Receipts / Loan Repayments	Total Receipts Received / Expected	Capital Receipts Required for Funding (as above)	(Shortfall) / Surplus of Capital Receipts
	£000	£000	£000	£000	£000	£000
2012 / 2013	2,176	4,689	37	6,902	7,340	(439)
2013 / 2014	(439)	3,946	37	3,544	6,381	(2,837)
2014 / 2015	(2,837)	1,591	37	(1,210)	2,106	(3,316)
2015 / 2016	(3,316)	2	37	(3,277)	0	(3,277)
Total					15,827	(3,277)

Officers are keeping the capital receipts position under review, and will manage any shortfall through short-term borrowing. This strategy will be reviewed to ensure that the best use of resources is made.