

MAY CORPORATE MONITORING

Cabinet Planning 2 July 2013

Revenue Monitoring Position

Directorate	2013/14 Council Approved Budget	2013/14 Budget Virements	2013/14 Latest Approved Budget	Forecast Outturn	Forecast Year End Overspend / (Underspend)
	£m	£m	£m	£m	£m
People	129.749	0	129.749	130.851	1.102
Place	41.908	0.400	42.308	42.991	0.683
Corporate Services	29.883	0	29.883	29.883	0
Chief Executives' Office	1.991	0	1.991	1.991	0
Corporate Items	9.029	(0.400)	8.629	8.629	0
TOTAL	212.560	0	212.560	214.345	1.785

Key Issues and Corrective Actions (if required)

Issue	Variation £m	Direction of Travel	Management Corrective Action
<p>PEOPLE – Joint Commissioning & Adult Social Care. Unexpected pressures, including, winter pressure spike, delay in the recruitment of staff and the current review of care home fees</p>	1.102	Worsening	<ul style="list-style-type: none"> • Review legacy clients – following transformation all new clients are part of new operating model, next phase it to review all legacy cases (existing long term cases), Social Workers are being recruited to cover staff vacancies and will target this area of work. • Management of health/social care clients (CHC/117 Forensic). Work underway to review high cost packages. • Management action at front door. Prioritised and deployed dedicated professional staff to manage demand at point of contact to ensure need is met within statutory duties. • ICE and Urgent Care Transformation. Health and Social Care Transformation across reablement will be rolled out from September 2013 and will aim to reduce care home admission.
<p>PLACE – Economic Development. 300k - Downward pressure on commercial rents on lease renewals and rent reviews together with rent free incentives required in order to attract tenants and increased void periods. City Centre ground lease income is reducing due to increase in vacant city centre retails units and falling rents on the geared head leases at rent reviews and lease renewals. (20k) – Review of income opportunities from tourist information centres.</p>	0.280	Worsening	<ul style="list-style-type: none"> • Management are aware of pressures and looking at ways of maximising income and reducing costs.

<p>PLACE – Transport & Infrastructure. Concessionary Fares reduced costs in line with usage trends (50K)</p> <p>Eastern Corridor (100K) reduced expenditure on scheme planning</p> <p>Street lighting energy costs 450K pressure.</p> <p>Revised forecast for income projections from bus lane enforcement (200K)</p> <p>Highway expenditure is also very high and if maintained will lead to significant pressures, currently being reviewed.</p>	0.100	Worsening	<ul style="list-style-type: none"> • Current pressures are being offset by savings achieved elsewhere in the Division and continue to be monitored closely for further savings. • Potential pressure due to reduced level of Corporate Parking Permits £0.254m. Finance are currently working with the department to substantiate and resolve. • Overall inflation on street lighting energy costs at this stage has been calculated at £0.450m. There is a corporate contingency of £0.300m for energy increases, which needs to be used following verification of energy increases across the whole Council.
<p>PLACE Environmental Services. Mercury Abatement 70k cost</p> <p>Recyclable Commodity Income pressure 130k.</p> <p>Efficiency savings from 12/13 delivery plans not achieved 293k</p> <p>Staff rationalisation in addition to delivery plan target (100k)</p> <p>Reduced maintenance costs of plant & equipment (50k)</p> <p>Increased income from Cemeteries and Crematoriums (40k)</p>	0.303	Worsening	<ul style="list-style-type: none"> • Recyclate Commodity Prices are hitting a low period due to market conditions, officers will continue to seek alternative markets where possible, markets will fluctuate during the year, therefore changing variance reported. • Management action underway as shown by savings identified to reduce the pressures identified to date.
<p>CORP ITEMS – Pay Award. Release of contingency in respect of pay award.</p>	0	Same	<ul style="list-style-type: none"> • Contingency assumes 1.5%, current proposal is 1%. Potential saving held pending further certainty. 0.5m held.
<p>Total Major Variances</p>	1.785		

Delivery Plans

For month 2 monitoring red and amber related delivery plans have not been reflected in the overall monitoring result.

Directorate	Service	Red	Amber	Green	Total
		£m	£m	£m	£m
People	Adult Health & Social Care	1.481	0.375	3.949	5.805
	Children's Social Care	0.217	0.528	0.438	1.183
	Education, Learning & Social Care	0.165	0.748	0.561	1.474
	Homes & Communities – Safer Communities	0.040		0.296	0.336
	People Management & Support			0.040	0.040
	Programme Director		0.059		0.059
Place	Transport & Infrastructure		0.450		0.450
	Planning			0.103	0.103
	Environmental Services		0.100	0.610	0.710
	Economic Development			0.174	0.174
	Place Directorate			0.280	0.280
Corporate Services	Customer Services	0.050		0.390	0.440
	Finance, Assets, Technology & Efficiencies	0.870	0.350	0.340	1.560
	Human Resources & Organisational Development		0.185		0.185
	Democracy & Governance		0.070		0.070
Executive Office	Executive			0.295	0.295
Corporate Items	Corporate Items	1.720	0.550	2.150	4.420
Total 2013/14 Delivery Plans		4.543	3.415	9.626	17.584

Revenues & Benefits

Collection Rates

Council Tax

Target	May 13	17.53%	£17,804m
Actual	May 13	17.06%	£17,330m
2012/13	May 12	17.53%	£16,406m

Monthly collection has been impacted in part by the introduction of 12 monthly instalments. Data is being captured to monitor, however with no comparison able to be made with prior years it is not possible to determine the overall position and how it feeds into the monthly profiled targets at this stage. Capturing this data will, however, allow for better profiling later in the year and going forward into next year. The monthly profiled collection will also alter as recovery processes are implemented throughout the year.

National Non Domestic Rates

Target	May 13	27.59%	£25,023m
Actual	May 13	26.92%	£24,412m
2012/13	May 12	27.46%	£24,456m

NNDR collection is 26.92% - just below the target of 27.59% and last year's figure of 27.46%. However, this may be due in part to the removal of discretionary rate relief for some organisations where the rates remain payable but payments are being deferred pending the outcome of the review.

In addition there were some unallocated payments at the end of May that would not have been included in the collection figure.

Like Council Tax, data is being capture to profile those businesses going onto 12 monthly instalments so that work can begin to determine the impact on monthly profiled targets.

Capital Position

Spend to date

People	Place	Corporate Services	Total
£m	£m	£m	£m
2.796	0.204	0.755	3.755

Current medium term programme is £129.311m, and is forecast to be financed as followed

Capital Receipts	Unsupported Borrowing	Supported Borrowing	Grants	Contributions	SI06/ Tariff / RIF	Revenue / Funds	Total Funding
£m	£m	£m	£m	£m	£m	£m	£m
21.313	29.157	0	70.285	1.742	1.819	4.994	129.311

Capital Receipts

Year	Capital Receipts b/fw	Received year to date	RAG Rated Forecasted Receipts	Total Receipts Received / Expected	Capital Receipts required	Cumulative (Shortfall) / Surplus
	£m	£m	£m	£m	£m	£m
2013/14	0	0.045	9.513	9.513	4.653	4.860
2014/15	4.860	N/A	6.207	11.067	9.160	1.907
2015/16	1.907	N/A	4.606	6.513	5.500	1.013
2016/17	1.013	N/A	0.026	1.039	2.000	(0.961)
Total					21.313	(0.961)

The forecast overall cumulative position for capital receipts has deteriorated since the last position reported to Capital Delivery Board due to revised estimates of asset sale values and likelihood of sales proceeding.