

# NOVEMBER FINANCE MONITORING

## Revenue Monitoring Position

Directorate	2014/15 Council Approved Budget	2014/15 Budget Virements	2014/15 Latest Budget	2014/15 Forecast Outturn	Forecast Year End Overspend / (Underspend)	Movement in Month
	£m	£m	£m	£m	£m	£m
Executive Office	3.697	0.119	3.816	3.889	0.073	(0.010)
Corporate Items	11.008	4.063	15.071	12.940	(2.131)	(0.700)
Transformation and Change Directorate	31.335	(0.931)	30.404	30.404	0.000	0.000
People Directorate	122.746	(0.865)	121.881	126.495	4.614	0.153
Public Health	0.184	0.010	0.194	0.194	0.000	0.000
Place Directorate	35.710	(2.396)	33.314	33.314	0.000	0.000
<b>TOTAL</b>	<b>204.680</b>	<b>0.000</b>	<b>204.680</b>	<b>207.236</b>	<b>2.556</b>	<b>(0.557)</b>

**Key Issues and Corrective Actions (if required)**

Issue	Variation £M	Direction of Travel	Management Corrective Action
<p><b>PLACE - Economic Development -</b>  Rents - The economic climate is resulting in lower rental income and current market position exposes the Council to a reduction in income on geared head leases, which are outside the Council's control.  Increased pressure arising from the events programme  Additional income from Enterprise and Employment helping to mitigate in part</p>	0.087	Improving	<p>Continuing to review expenditure tightly.   Mt. Edgcombe Joint Committee have tasked joint officers to deliver a balanced budget.</p>
<p><b>PLACE – Street Services</b></p> <p><u>Waste Collection and Disposal</u>  Impact of delay in 'readiness date' of Energy from Waste Plant has resulted in a further corresponding delay in receipt of PFI grant.</p> <p><u>Highways, Parking and Marine</u>  Some Car Parking Action Plans are now being deferred in 2014/15 pending the production of the City's Parking Strategy, resulting in a pressure of £695k. This will be partially offset with maximising (£160k) highways capital grants in order to reduce revenue expenditure. Car park back office re-procurement has also produced a part year saving.</p>	0.597	Declining	<p>Expenditure reduction and options to increase income will continue in order to meet budget by year end, recent examples include further reduction in agency spend across the whole of Street Services, fuel efficiency, additional income.</p> <p>MRF Recyclates Market and EfW tonnages continue to be monitored monthly to track any movement which could be favourable or adverse</p> <p>Agency spend will be managed closely as front line structures are continuously reviewed. The best example of this is the reduction in agency when the Waste Collection Rezoning takes place.</p>

<p><b>PLACE - Strategic Planning and Infrastructure</b></p> <p>There is more planning fee income than originally forecast and restructures have generated additional savings</p>	(0.251)	Improving	There is more planning fee income than originally forecast, restructures have generated additional savings, and management actions on spending have been implemented.
<p><b>PLACE - Management &amp; Support</b></p> <p><b>GAME</b></p> <p><u>Commercialisation</u> Whilst the Trade Waste Service will generate a surplus based on normal operational assumptions the stretch target within GAME commercialisation is proving to be unrealistic given the current market conditions</p> <p><b>OTHER INCOME and COST REDUCTIONS</b></p> <p>The Directorate has significant income streams as a whole, and are always looking to ensure that these are maximised for the benefit of the Community and the Council.</p>	(0.433)	Improving	<p>The GAME Programme Team are continuously exploring new commercial income streams</p> <p>The management team have also put in place additional controls to prioritise and limit expenditure and will be undertaking a review of Directorate bad debt provisions</p>
<p><b>TRANSFORMATION &amp; CHANGE – Legal</b></p> <p>Trend increase in Child placement court fees £70k partly offset by new income streams</p>	0.025	Same	Managers are reviewing further income generation opportunities to offset this pressure, one of which is recharges related to licensing

<p><b>TRANSFORMATION &amp; CHANGE – Departmental Management</b></p> <p>Potential pressure due to shortfall on planned efficiency savings.</p>	<p>0.200</p> <p>(0.225)</p>	<p>Same</p> <p>Same</p>	<p>Some planned efficiency savings have not been realised fully</p> <p>Further areas for savings that have been identified include:</p> <ul style="list-style-type: none"> <li>• Integrated Assurance and Compliance Unit</li> <li>• Transfer of functions into transaction centre</li> </ul> <p>Review of business requirements for elements of support services</p>
<p><b>PEOPLE – Children’s Social Care</b></p> <p>Pressure with Children &amp; Young People’s placement numbers and costs. There has been a significant increase in placements during the year. The number of young people placed in Independent foster care has increased by 5 to 72 against an original estimate of 60. Residential placements have remained at 24 against a target budget of 18 with a significant number of these placements being high cost due to the complex nature of these children’s needs.</p> <p>The number of young people placed in ‘welfare’ secure placements has increased from 2 to 3 in situ. The In-House Foster Care placements have remained constant at 196 during the month against an original estimate of 227 placements, however provision has been included within Month 8 monitoring for numbers to increase by 4 from November to end of year, with 4 placements in ‘Other Local Authority’ Foster Care. There are currently no In House Parent &amp; Child Assessment Placements and 1 court ordered</p>	<p>2.517</p>	<p>Same</p>	<p>The annual round of ‘Star Chambers’ together with all external placements being reviewed and challenged. People DMT saving target (£200k) from negotiating with providers on commissioned contracts and maximisation of health and education funding against secure welfare placements</p> <p>There are a number of initiatives either implemented or in the process of being implemented as part of a containment plan to address the increasing numbers of children in care including:</p> <ul style="list-style-type: none"> <li>• Completed reconfiguration of the Childrens Social Care family support service to create an intensive family support team focusing on children on the cusp, at risk of coming</li> </ul>

<p>Independent foster care placement. The number of young people 16+ placed in supported living has remained constant at 23 placements.</p>			<p>into care, as well as working to return children home from care where possible</p> <ul style="list-style-type: none"> <li>• Regular review of internal and external placements, including requesting external providers to review costs. Block contracts for suitable providers being considered where appropriate</li> <li>• New emergency placements for 16 year olds have been commissioned</li> <li>• The fostering recruitment campaign earlier this year has shown very promising signs that we will be successful in reaching our target to increase the number of in house carers to 200</li> </ul> <p>Unfortunately we were not successful in our bid to the Department of Education Innovation Fund. However, an 'Invest to Save' Business Case is being worked up in order to implement a new multi-agency way of meeting the needs of our most complex adolescents in care (ie those in the high cost placements) and those on the cusp of care .</p>
<p><b>PEOPLE – Co-operative Commissioning &amp; Adult Social Care</b>  There has been a significant pressure created by cost and volume changes, and a reduction in income, especially from the delay on the implementation of the Fairer Charging Policy</p>	<p>2.974</p>	<p>Declining</p>	<p>The Department is managing a Budget Containment Plan focused around reviews of High Cost Supported Living and Direct Payments, along with other packages of care.</p> <p>All spend is being reviewed to ensure that any</p>

A Supreme Court judgement in relation to Deprivation of Liberty Safeguarding (DoLS) assessments has impacted the service significantly, with resources having to be diverted to meet this statutory requirement.			savings possible are being captured and, at the same time, the department is looking for other ideas to help to bring down the current forecast overspend.
<b>PEOPLE – Homes &amp; Communities</b> Identification of additional external funding.	(0.629)	Improving	People DMT agreed increase from maximisation of external funding (Families with a Future) and reviewing the commitments against specific reserves and further vacancy savings.  There is a risk of c£150k around emergency temporary accommodation but this is currently being contained within existing resources
<b>PEOPLE – ELAFs</b> Release of contingency for legal costs.	(0.248)	Improving	Release of contingency relating to expected legal costs not materialising. Additional savings have been forecast through overachievement of vacancy savings, General resource savings across the department.
<b>PUBLIC HEALTH</b>	0.000	Same	Plans are in place within the Directorate to cover any shortfalls in cemetery income levels and to come in on budget.
<b>CORPORATE ITEMS - Transformation</b> Currently forecasting an underspend in transformation.	(0.385)	Same	Forecast continually under review.
<b>CORPORATE ITEMS - Capital Financing</b> Reduction in interest payable on loans and improved return on investments	(0.846)	Improving	Re-profiling the borrowing portfolio and seeking greater returns on investments has delivered a surplus against the required £1m revenue savings on Treasury Management in 2014/15. Management will continue to review the borrowing portfolio for further savings opportunities
<b>CORPORATE ITEMS – Business Rates</b> The Council is part of a business rates pool with other Local	(0.150)	Same	The current forecasts indicate additional income due to the Council from the pooled arrangement

Authorities in the Devon which is in its second year of operation.			
<b>CORPORATE ITEMS – Prior Year Council Tax Collection</b> The current forecast is an improved collection rate for historic council tax debt	(0.250)	Same	The is the current estimate of the impact of a review of improved debt collection processes
<b>CORPORATE ITEMS – Contingency</b> Release of part of the central contingency budget	(0.500)	Improving	The £1m contingency budget was set for 15/16, proposed to release half at this point
<b>EXECUTIVE OFFICE</b> Pressure due to shortfall on planned efficiency savings.	0.073	Improving	Managers to continue to review budgets to identify potential savings to address issues, and hold positions vacant where possible.
<b>TOTAL</b>	<b>2.556</b>		