

2014/15 Budget Monitoring Report

Summary

1. This report sets out the forecast outturn position based on information as at the end of November 2014. Monitoring indicates an improvement of £97k in all Directorates budgets since the October position reported to Cabinet 18th December 2014, providing an overall underspend of £523k.

Directorate	Budget Exp.	Budget (income)	Net budget	November Forecast Outturn	Projected Over/ (under) spend
	£000	£000	£000	£000	£000
Adults and Wellbeing	78,828	(23,422)	55,406	56,205	799
Children's Wellbeing	43,529	(21,678)	21,851	22,323	472
Economy, Communities & Corporate	125,009	(71,498)	53,511	53,347	(164)
Directorate total*	247,366	(116,598)	130,768	131,875	1,107
Treasury management	16,305	(425)	15,880	15,250	(630)
Other budgets and reserves	5,426	(5,939)	(513)	(1,513)	(1,000)
Total	269,097	(122,962)	146,135	145,612	(523)

**The directorate totals above are shown after 2014/15 budget virements made to date, these include the allocation of one-off sums from the £700k corporate contingency budget and £838k transferred from reserves alongside transfers between directorates.*

Directorate Variances

Adults & Wellbeing

1. The latest forecast predicts an overspend against budget of £799k at the year-end. This compares to a forecast overspend of £974k that was previously reported to Cabinet. This is largely due to a reduction in the forecast spend on winter pressures within the Directorate Management area.
2. The forecast overspend within adult social care client groups has stabilised due to savings in package costs as a result of recent high cost placement reviews and the delivery of other savings initiatives offsetting increases in the number of Nursing packages as a result of pressures in the hospital system. These deficits continue to be partially offset by the forecast underspend on Domiciliary Care.

- The Client forecast assumes that any further demand pressures will be managed. New services such as Reablement and Telecare that are now fully operational are beginning to impact on managing growth, particularly in domiciliary care. This continues to be monitored within the operational teams, by AWB panel and by senior management.

Children's Wellbeing

- The directorate forecasted outturn remains at an £472k overspend. There is a continuing demand pressures on external fostering placements, the cost is being managed through savings in the safeguarding and early help.
- The number of agency staff increased in month for Children with Disabilities, this reflects an accelerated programme to deal with a back log and address the service design, which was planned for 2015-16. This will be funded from reserves.
- There continues to be a cost pressure of using agency staff has been in safeguarding however the successful recruitment of 3 permanent social workers and the next cohort of newly qualified social workers, savings will be beginning to be seen in the last month of the year and in 2015-16.

Economy, Communities & Corporate

- The projected underspend is £164k, a net reduction of £78k since the October position.
- There is a reduction in planning fee income for the year of £347k, this relates to the expectation that 2 major planning applications will not be submitted until 2015/16.
- Following the transfer of the Benefit Fraud Team to DWP on 1st November 2014, there is an underspend of £116k representing the reduced costs to the end of the year.
- There are further one off underspends in relation to utilisation of the Managing change reserve and previous years grant reserves.
- There is a reduction in the overspend in Property Services in relation to rates payable on council properties however risks on Property maintenance budgets remain. These will be managed within the overall directorate budget.

Changes to forecast between October and November forecasts

- Summarised in the table below and the forecast movements from the October position reported to Cabinet 18th December 2014 the November forecast.

Directorate Net Budget	Net Budget November £000	November Variance £000	October Variance £000	Difference £000	Explanation
Adults and Wellbeing	55,406	799	974	(175)	Reduction in Packages and joint funding with the CCG
Children's Wellbeing	21,851	472	472	0	
Economy, Communities & Corporate	53,511	(164)	(242)	78	Reduction in Planning Fee income £347k. Reduction in spend on Benefit Fraud team and use of reserves.
DIRECTORATES TOTAL	130,768	1,107	1,204	97	
Treasury	15,880	(630)	(630)	0	

Management					
Other budgets and reserves	(513)	(1,000)	(1,000)	0	
TOTAL	146,135	(523)	(426)	97	