

REVENUE BUDGET MONITORING
Summary

1. The following table summarises the 2011/12 final financial position as at 31st March 2012.

| £'000 | Budget | Projected (over) or under spend |
|---|----------------|---------------------------------|
| People's Services | 89,340 | (4,121) |
| Places and Communities | 60,409 | 705 |
| Corporate Services | 8,439 | 487 |
| Directorate Position | 158,188 | (2,929) |
| Capital funding | 16,436 | 1,184 |
| Investments | (249) | 226 |
| Revenue contribution to capital | 497 | 217 |
| WMS Profit Share | (624) | (79) |
| Centrally Held Budgets | 545 | 552 |
| Government grants | (3,873) | (66) |
| Transfer to/from Reserves | (3,195) | 659 |
| Year end adjustments including internal recharges | (21,412) | 0 |
| Total | 146,313 | (236) |

2. As of the end of March 2012 the overall revenue budget position for 2011/12 showed a £236k overspend, which is approximately 0.16% of the council's £146m revenue budget (excluding Dedicated Schools Grant funding). The £236k will be met by a transfer from the general fund working balance.
3. The most significant overspend related to commissioning of adult services, which had been anticipated and included in budget monitoring reports throughout the year. The final position was an overspend of £5.54m and details are set out in paragraphs 19 to 31. The spending pressure was mitigated by savings within other services, resulting in an overspend within Directorate budgets of £2.9m.
4. A significant contribution was made from corporate budgets. The Treasury Management out-turn was an underspend of £1.18m on borrowing costs and £226k on interest received. The savings on loan charges are due to slippage on the capital programme, lower borrowing rates than forecast and the timing of taking out loans. Additional interest earned is due to both higher cash balances and improved returns through investing in longer term deposits in the first half of the year. In accordance with accounting policy the council capitalised interest costs totalling around £113k in the year. Appendix C includes a detailed analysis and the formal treasury management out-turn report in line with the CIPFA Code of Practice on Treasury Management.

5. Net savings were also achieved within centrally held budgets as follows;

| | £,000 |
|--------------------------------|--------------|
| Redundancy capitalisation | 508 |
| Contract savings | 722 |
| Inflation savings | 284 |
| Waste disposal contingency | 575 |
| Unallocated contingency budget | 155 |
| Other central budgets | 35 |
| Procurement | (1,727) |
| Net underspend | 552 |

The projected savings from procurement within centrally held budgets have been re-phased and carried forward to 2012/13 due to the timing of the realisation of benefits.

6. The year-end overall figures reflect the requirement to allocate internal recharges to comply with CIPFA's Service Reporting Code of Practice (SERCOP). This makes the accounts comparable across all local authorities by ensuring services report their full costs including overheads.
7. The capital programme outturn is provided at Appendix B. It shows that in 2011/12 the final outturn was £49.4m, £9.3m less than forecast in February. The main reason for this decrease is the slippage of some schemes into future years.

Revenue Reserves Position

8. The general reserve balance as at 31st March 2012 was £6.1m, after funding the £236k overspend. This amount is above the council's policy of maintaining a minimum of £4.5m of general reserves as a contingency against unforeseen emergencies and events.
9. At 31st April 2012 the council held £13.4 m of earmarked reserves, which are detailed in the table below. The specific nature of those reserves means that some are not available for reclassification as general reserves. One such example is the balance held for schools.

Earmarked Reserves

| | 31st Mar 2011 £000 | 2011/12 Transfers | 31st Mar 2012 £000 |
|----------------------------------|--|------------------------------|--|
| Schools balances | 6,002 | (213) | 5,789 |
| Grange Court | 41 | 42 | 83 |
| Commutated sums | 36 | | 36 |
| Industrial Estates - maintenance | 400 | 13 | 413 |
| Schools Insurance | 100 | 395 | 495 |
| Schools sickness | 75 | 9 | 84 |
| ICT | 595 | (504) | 91 |

| | | | |
|-------------------------------|---------------|----------------|---------------|
| Members ICT | 40 | | 40 |
| Planning | 24 | | 24 |
| Community Centre | 180 | | 180 |
| Waste Disposal | 2,907 | (500) | 2,407 |
| Invest to Save | 305 | (305) | 0 |
| Contingent liabilities | 300 | (300) | 0 |
| Hereford Futures | 482 | (357) | 125 |
| Whitecross school PFI | 331 | (10) | 321 |
| LPSA 2 reward grant | 210 | (210) | 0 |
| Schools Rates Reserve | 217 | (111) | 106 |
| Economic Development | 168 | (5) | 163 |
| Insurance reserve | 296 | (296) | 0 |
| Pool car reserve | 10 | 0 | 10 |
| Three Elms Industrial Estate | 0 | 362 | 362 |
| Unused Grants carried forward | 4,853 | (2,124) | 2,729 |
| | 17,572 | (4,114) | 13,458 |

10. The largest movement in reserves relates to revenue grants not yet used at year-end. At 31st March 2011 the figure was higher as it included a road repair grant of £2.4m, which was spent in 2011/12. The 2011/12 budget included the use of £500k of the waste disposal reserve and also reserves were applied during the year in line with their approved purpose. In addition, a review of the reserves during the year identified £659k to mitigate the overall out-turn position.
11. One new reserve was set up relating to the Three Elms Industrial Estate. Prior to the abolition of Advantage West Midlands (AWM) Herefordshire Council entered in to a management agreement with AWM for the council to take over the general estate and property management, thereby maintaining the original objectives of the property and supporting the council's programme of regeneration projects. The property is now in the ownership of the Homes & Communities Agency (HCA). We collect the rent on behalf of HCA and use that income to defray running costs i.e. void rates, repairs & maintenance and if there is any surplus this is to be held for future major capital expenditure/improvements on the estate. The surplus funds amounted to £362k as at 31st March.

PEOPLE'S SERVICES DIRECTORATE

2011/12 Outturn

| £'000 | Annual Budget | Under / (Over) spend |
|--|---------------|----------------------|
| Services Commissioning – Adults | 51,257 | (5,545) |
| - Childrens | 6,869 | 42 |
| Health & Wellbeing- Env Health & Trading Standards | 3,015 | 196 |
| Children's and Young People Provider Services* | 28,199 | 1,186 |
| Total | 89,340 | (4,121) |

Highlights

12. The Peoples Services Directorate and Adult Social Care in particular has faced a challenging year which has resulted in an overspend of £4.121m. However there are some strong positive performances to be highlighted and which are not apparent from the summary outturn figures in the table above.
13. Adult Social Care has delivered savings in year of £2.377m in year one of the two year programme to deliver a balanced budget. It has also achieved cost avoidance of circa £1.2m without which the over spend would have been £6.7m. A number of work streams to deliver transformation of Adult Social Care are underway and expected to deliver savings of £7.965m in 2012/13 to bring service budget back in to balance.
14. Children's Provider Services have delivered an under spend after two years of over spends. This has been delivered through a combination of rigorous cost control, one off opportunities for grant utilisation and a strong focus on effective management of costs across all services but particularly within Children's Safeguarding and especially in Looked after Children placement costs.
15. Of particular note is that in a year when national trends show a 10% increase in numbers of children to be cared for (which is mirrored in Herefordshire numbers) placement costs (residential, agency fostering and in house fostering) have been reduced by £345k since 2010/11. This has been achieved through the appropriate reduction of high cost residential placements and increasing use of in house foster carers. Herefordshire has increased carer numbers by a net 7 in 2011/12 when nationally foster carer numbers are in decline.
16. In addition the new Edge of Care work has delivered intensive intervention work with 20 children on the edge of care and has achieved cost avoidance of £294k and has successfully kept 10 with their families and delayed the need to place the others into care.
17. The under spend for 2011/12 in Children's Provider services is unlikely to be replicated in 2012/13 as much of the savings are non-recurrent and those which are have already been built into the 2012/13 budget as savings. Additionally there is no anticipated reduction in the overall pressures relating to looked after children and child protection cases.
18. Environmental Health & Trading Standards has also had a successful year delivering almost 10% savings through a programme of vacancy management and rigorous cost control.

Services Commissioning – Adults

19. The outturn position of £5.545m includes £3.614m deferred to 12/13 as part of the target to achieve a balanced budget by March 2013 and £1.931m of in year pressures. The opening gap of £7.179m was split over a two year period with a plan to deliver £3.565m in 11/12 and £3.614m in 12/13. Therefore the actual overspend for 11/12 is £1.931m.
20. The over spend of £1.931m includes in-year pressures of £3.204m and a £1.188m slippage in the 2011/12 cost improvement programme target of £3.565m. This has been mitigated by NHS funding of £1.043m and one-off opportunities of £1.418m.
21. There has been a change in outturn since the February report of £329k. This is largely due to the further under delivery of the recovery plan of £188k, increase in care packages of £172k, increases in commissioning spend (top-slice savings, Section 75 legal costs and care funding calculator work) £174k, provisions for bad debts £125k, Section 75 year-end adjustments of £48k and actuarial strain £17k. This has been offset by: increases in charges and deferred payments £146k, commitments previously made but not materialised £123k and capitalisation of revenue spend of £126k.
22. A review of current outstanding debts has been completed and provisions have been made in the event they are not recoverable. Actuarial strain has been included to provide for future pensions. A robust review has been undertaken to ensure (as far as possible) that all packages are included within the outturn position. This includes; full provision for invoices on the disputed list and packages put in place to support hospital discharge which are not yet included within the current systems.
23. A summary of the major in-year pressures totalling £2.633m out of the £3.204m above are:
Domiciliary Care – total pressure £2.153m
24. Intensive homecare support packages have been put in place for learning disability clients transferring from residential care. A planned care pathway has been put in place to reduce costs appropriately below the clients previous residential care package. The process of monitoring the reduction in costs is managed by care management who provide regular progress reports. Also, the assessments of people who were previously funded through Supporting People has resulted in circa 94 service users deemed eligible for Adult Social Care Services. The combined effect results in a total pressure of £772k.
25. The overspend within mental health of £172k is due to packages put in place for intensive support.
26. Pressures of £1.209m within older people and physical disabilities are due to supporting early discharge from hospital, breakdown of main carer support, and people previously receiving Supporting People services. Development of a robust reablement team will reduce pressures in 12/13 from October 2012.
Residential and Nursing Care – total pressure £480k
27. During the year nineteen nursing care placements were made above projected activity of 11 within mental health, due to a mental illness ward closure. In recent months activity has reduced due to a number of deaths, revised financial assessments carried out leading to clients becoming self-funding, and one client now meeting continuing healthcare eligibility criteria. This has reduced the overall overspend to £352k.
28. Pressures within older people residential and nursing care of £128k are as a result of hospital discharge and backdated packages. Previous outturn assumed that all packages

would remain in place until the end of the year. A review at the year-end has highlighted a number of these commitments are deferred payments and provision has been made to recover these balances in the future.

29. One-off opportunities of £1.395m included within the outturn position are:

- Use of capital grants of £736k
- DOH passported funding to the PCT for winter pressures of £548k which has been set against pressures during January and February to avoid delayed discharge.
- Underspend within Supporting People budget of £111k.

Cost Improvement Programme Progress Report

30. The plan has achieved £2.384m as at the end of March from the original target of £3.565m. A review of the programme in September identified that £1m would not be achievable in this financial year due to delays in some of the schemes requiring longer lead times for delivery. During March a total of £117k was achieved against the remaining target of £304k from the following:

- Reviews of service users continue to take place, targeting those high cost placements. This resulted in a part year saving of £7k following re-negotiation of contracts effective from 1st February. The full impact of this and other high cost placements will occur in 2012/13.
- In March £69k of personal budget surplus' was recovered compared to the target of between; £10k to £57k.
- Further savings through a more robust financial assessment process resulted in savings of £28k against the anticipated £25k.
- Recovery of £6k from a block contract due to a reduction in agreed rate.
- Reduction in discretionary top-up paid to a residential care provider £7k.
- The Section 117 review has resulted in an individual being able to fund their own care. However, the savings of circa £42k will occur in 2012/13.
- Negotiations continue with a provider to deliver planned savings of £150k where part of the contract sum has not been used as intended. The Assistant Director has met with the provider and a complex review of the existing contract is required following a proposal for efficiencies submitted to the council for consideration. Once finalised the savings will be delivered in 2012/13.

31. An evaluation of Telecare has been completed and has identified for 2011/12 efficiency savings of between £1.179m and £1.310m (based on a sample of clients). This amount reflects of the cost of care avoided by using this preventative support. Further work to extend the use by 50% in 12/13 is being worked on in order to realise future cashable and non-cashable benefits.

Children's Services Commissioning

32. Children's Services commissioning reported an under spend of £42k on a budget of £2.4m which equates to 1.7%. This has been delivered through a combination of vacancy management and tight cost control.

33. The Children's commissioning team has also contributed to cost savings in Provider services through the negotiation to enter a joint Framework with Worcestershire in relation to agency foster placements. This was implemented in November 2011 and has delivered discounts and savings on sport purchase prices of circa £15k.

Health and Wellbeing – Environmental Health and Trading Standards

34. The Environmental Health and Trading Standards service has delivered a saving of £196k which equates to 9% of the operational budget.
35. The majority of the savings were made within pollution controls and landfill sites. Pollution controls have delivered savings of £65k through a combination of lower than planned costs for burials / improved cost recovery, additional charges for water testing and savings on staffing costs.
36. Landfill savings of £81k are largely as a result of the milder winter which has reduced expenditure on fees / consultancy and repairs.
37. Trading Standards and Commercial have achieved savings of £40k through a combination of additional funding for dealing with illicit tobacco and targeted feed operators and recovery of court costs following successful prosecutions.
38. Other savings have been made across a range of teams through tight control of staffing and other costs.

Children's Provider Services

39. The Children's Provider Service outturn is an under spend of £1.186m, this is a significant improvement on the predicted £372k February outturn. It was however flagged at the time that further savings were anticipated but not quantified at that time through further grant utilisation. The forecast under spend also contained contingencies for some costs which have not been incurred (£100k) and other costs which have been capitalised (£99k). In addition some services have over achieved the predicted savings. These savings have been delivered through a combination of appropriate use of grants which have delivered a non-recurrent saving of £700k and cost savings across a wide range of services arising from a combination of vacancy management, rigorous cost control and effective income generation to offset the pressures within Safeguarding.
40. Overall the Safeguarding service was £1.392m over spent but additional funding of £435k received by Children's Services has helped to reduce the overall impact. The pressures within the Safeguarding service relate to the increasing numbers of children becoming looked after.
41. Across residential placements, agency foster placements and in house foster care the total spend was £5.669m which represented a net overspend of £837k after a one off repayment of £44k. This is £345k less expenditure than was incurred in 2010/11 at a time when overall placement numbers in residential and agency placements have not reduced in total and numbers overall are continuing to rise. This reduction has been achieved through the appropriate and managed reduction of high cost residential placements (15 in March 2011 to 7 in March 2012) and increasing use of in house foster carers. Herefordshire has increased carer numbers by a net 7 in 2011/12 when nationally foster carer numbers are in decline, which is a significant achievement following a small investment in an on-going recruitment and training campaign. The service has also incurred additional costs within the Family Assessment and Children in Need teams due to increasing numbers of referrals and cases and long term sickness which has resulted in an increase in agency staff giving an over spend of £267k.
42. The increase in numbers has also impacted on other costs such as direct payments, court costs and special guardianships which together with increasing leaving care and post 16 accommodation costs created an over spend of £279k.

43. Additional Needs delivered savings of £437k compared to the £469k reported previously. The two of the key areas of savings were for Complex Needs where savings of £183k have been delivered, largely through the movement of children either out of the LA or to social care only placements, short breaks services where a saving of £127k this was lower than the previous estimate of £155k. The other main area of saving was in staffing costs where savings of £119k have been achieved through vacancy management and maximisation of Dedicated Schools Grant from which the majority of this service is funded.
44. Learning and Achievement has an under spend of £575k. School transport accounts for £253k of the total and has arisen from a combination of additional income and route reviews and is £50k better than previously predicted. Grant utilisation has contributed £212k with the remainder of the savings being achieved through vacancy management (notably within the School Improvement team) and cost control.
45. Locality Services have achieved £675k of savings which is £59k better than previously predicted.
46. The principal savings have been achieved across the Children's Centres where the rationalisation of management costs and a policy of only filling essential vacancies and committing to essential expenditure has delivered savings of £293k. The centres have also been very effective in generating income of £53k which is almost double the budget and contributes £26k to the overall savings.
47. Parenting & Family Support services have delivered savings of £112k which was in line with previous estimates. The majority of the saving relates to offsets to grants, with the balance relating to maternity leave savings (no backfill of post).
48. Locality youth and connexions teams have achieved savings of £160k, through a combination of grant contributions and vacancy management which was again broadly in line with forecast. The youth service has also successfully achieved the income targets set at the beginning of the year.
49. Multi agency office costs were £75k below budget as a result of more accurate costs being available after the offices had opened in year. Other savings were achieved within Education Welfare as a result of vacancies.
50. Within Children's Services central costs the overall savings have increased compared to the February position as contingencies had been held at directorate level. Overall savings of £353k (excluding additional base funding of £435k and Early Intervention grant of £20k) relate to lower than expected costs on severances (schools funded centrally) and costs for former employees of £120k, as well as additional savings of £35k from the earlier than budgeted departure of two assistant directors as part of the organisational design project. In addition contingencies for additional charges were not required in full giving savings of £127k, and a provision for a grant adjustment was capitalised saving £71k.

PLACES AND COMMUNITIES DIRECTORATE

2011/12 Outturn

| £'000 | Annual Budget | Under / (Over) Spend |
|---|---------------|----------------------|
| Economic, Environment and Cultural Services | 19,596 | (170) |
| Homes and Community Services | 3,039 | 147 |
| Place Based Commissioning | 37,729 | 720 |
| Director and Management | 45 | 8 |
| Total | 60,409 | 705 |

51. The final 2011/12 outturn for the Directorate is an underspend of £705k.
52. In year pressures detailed below were managed within the Directorate annual budget along with the £2.2m savings target for the year.

Economic, Environment & Cultural Services

53. Building control income was 22% lower than the previous financial year. However this pressure was partly mitigated by Development Control income being 14% higher than the previous year. The total shortfall of planning income for the year was £60k and was largely due to the economic climate.
54. There was an additional pressure in Development Control of £84k which was mainly as a result of the loss of a recent case at the Court of Appeal where the council was ordered to pay the complainant's costs.
55. Additional one off savings of £96k in Planning Services and £29k in Cultural Services were achieved in relation to the hold on all discretionary spend,
56. In 2011/12 there were unbudgeted costs in relation to the Branding and Broadband of £150k which were managed within the Directorate from one-off savings in other services thereby securing future years funding through grants reserves.

Homes & Communities

57. Car parking charges were increased from 1st November and income for the five months to the end of 2012 was 24% higher than the same period last year. The shortfall on income budget for the year was £193k and mainly reflected the slippage in the introduction of price increases from the original implementation date of 1st September 2011. This pressure was partly mitigated by £71k from other parking income exceeding income budget and staff vacancy savings within the parking team.
58. This pressure was mitigated by one off savings within the services achieved through staff vacancy management and the halt on discretionary spend leading to a net underspend for the service of £147k. This is an increase in underspend of £62k since last reported mainly due to providing the Low Level Handyperson Service within existing service budgets thereby releasing one-off grant funding that was received through the finance settlement as a saving for the year.

Place Based Commissioning

59. The final cost to Herefordshire of the joint Waste Disposal contract for 2011/12 was £8.95m, a reduction of £180k since last reported mainly due to savings negotiated with Worcestershire County Council on the final settlement of 2010/11 costs. Additional budget of £790k had been set aside as part of the Medium Term Financial Strategy to meet these contract costs above the Directorate budget however £215k was utilised in 2011/12 releasing the remaining budget of £575k to be used to mitigate the overall council position.
60. There were also contract savings of £145k within the Waste budgets in relation to collection contracts with FOCSA and Amey due to reduction in collections from 'bring' recycling sites following the extension of kerbside recycling in previous years. Income from Trade Waste collection exceeded income budgets by £95k along with further savings of £65k on discretionary spend budgets.
61. Transportation savings expectations for the year were exceeded by reducing expenditure on public transport. This was due to the changes in concessionary fares re-imburement rates which secured greater savings than had been anticipated. As this was the first year of the change it was difficult to forecast final savings. Savings on concessionary travel were compounded by the in year review of subsidised bus services. Whilst previous forecast had identified pressures £70k on this budget in relation to bus service subsidies, it was difficult to ascertain the impact of the review implemented in October and final outturn was £37k underspend.
62. Further savings were made in Transportation on significant reduction in discretionary spend on public transport publicity and utilisation of external grant funding in relation to Destination Hereford.
63. The 2011/12 winter season required, up to and including 31st March 2012, 74 gritting runs and 7645T of road salt were used to maintain the safety and availability of the highway network and meet our duty to ensure, as far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice. The 74 grit runs includes 3 treatments of secondary routes.
64. Whilst all winter months, with the exception of February, saw mean temperatures well above previous years' averages, there were a high number of occasions where forecast and observed temperatures dictated the need for precautionary treatment. The previous 3 winters have been more noticeably severe and based upon the highway service's assessment of the winters prior to these more severe seasons, a 'normal' winter has been regarded as one that will require 50 full salts on priority routes, 5 on secondary routes.
65. Previous outturn projections have been based on the activity to date and the likelihood of milder than average temperatures and dry conditions prevailing for the remainder of the season. These reflected 65 full salts on priority routes and 4 on secondary routes however the need to treat on 74 occasions throughout the winter period led to an overspend of £50k.
66. Overspend in street lighting budgets of £228k exceeds previous projections although the pressure was always expected to be managed within service budgets. Refinements in the quality of the inventory held and related energy tariffs have led to increases in energy costs. Investment has been approved and a programme of works are underway that will cumulatively save £2.48 Million and 10,599 tonnes CO₂e over the next 20 years. This will be achieved through the replacement of approximately 3500 lanterns with LED lights. This pressure was mitigated by savings within the Street Lighting maintenance budgets of £71k and the remainder within the Place Based Commissioning service budgets. The inventory used to calculate the energy charges is being updated to account for the more energy efficient LED lights as they are being installed and additional work is underway to ensure that the 2012/13 energy budget accurately reflects the known changes in inventory and tariffs.

67. Further one-off contract management efficiencies and discretionary spend mean the overall outturn for the service was an underspend of £720k for the year.

Director and Management

68. The final savings on these budgets were £8k underspend in relation to the hold on discretionary spend to help mitigate the council's deficit position.

CORPORATE SERVICES DIRECTORATE

2011/12 Outturn

| £'000 | Annual Budget | Under / (Over) Spend |
|--------------------------------------|---------------|----------------------|
| Customer Services and Communications | 1,276 | 241 |
| People, Policy and Partnership | (294) | (243) |
| Law, Governance and Resilience | 1,946 | (71) |
| Chief Finance Officer and Commercial | 5,084 | 295 |
| Directors | 427 | 265 |
| Total | 8,439 | 487 |

69. The final outturn for the Directorate is an overall underspend of £487k.
70. The savings target for the Directorate in 2011/12 was £1.5m and these have been managed within the Directorate budget.
71. The budget included elements contracted to The Shared Services Partnership (Hoople) and the provider of Internal Audit.

Customer Services and Communications

72. As previously reported, the funding model for capital elements of the Customer Service project has been reviewed and has reduced pressures on the revenue budget in 2011/12 by funding through prudential borrowing. This has also released funds held in reserve to help mitigate the council overall budget position.
73. Further savings were delivered within Web Services relating to a policy of achieving one off savings in software and technology expenditure. The LINK Project relating to a transitional management which has delivered savings as a result of NHS changes.

People, Policy and Partnership

74. One off savings of £153k were achieved within the services mainly in respect of staff vacancy savings.
75. A review of the ICT Strategy was carried out to identify projects that could be delivered in the future to help mitigate the council's overspend position and £27k savings have been achieved after taking account of pressures in corporate systems development as part of the Shared Services.
76. The current funding model for Corporate Transformation Service (CTS) is based on full costs recovery from internal income. This is no longer sustainable as funding for this work in directorates is no longer available and the expertise and capacity in the CTS needs to be focussed on supporting our major change area. This is resulting in a current year pressure of £422k. This issue is being resolved for 2012/13 with a significant reduction in corporate transformation fixed staff costs and base lining of the core budget.

Law, Governance and Resilience

77. There was a net pressure within the Legal Services budget of £243k mainly relating to the cost of temporary cover of a senior management post due to sickness and shortfall of income.
78. As predicted there was pressure on the Land Charges budget of £80k mainly related to the shortfall of income due to reduced activity reflecting the current economic climate. However, this was mitigated by a net underspend of £57k, mainly relating to income levels in Registrars. Legal proceedings have been commenced against the council (and other councils) by private search companies, which could result in this council having to repay around £200k. The outcome of this claim will have an impact on the way we deliver this service in the future.
79. There is an additional overspend in the Coroners Service of £50k which reflects an increase in specialist cases and means that the annual savings target of £50k was not achieved in 2011/12, although has been managed within the directorate.
80. These pressures have been managed within the service as far as possible. There were one off savings totalling £90k in the Resilience Team and £132k in Governance Services in relation to staff vacancy management. Savings within Members Expenses were realised due to the reduction of number of special responsibility allowances required and the provision of more in house training.
81. There were further savings of £23k across the service in relation to the Chief Executive's direction that there is a halt on discretionary spend reducing the outturn for the services to an overspend of £71k.

Chief Finance Officer and Commercial

82. The net underspend for the service in 2011/12 was £295k.
83. In year pressure was managed mainly through the halt on discretionary spend savings of £350k.
84. As previously reported, the current system of Housing Benefit provides a financial incentive for authorities to recover overpayment of benefits from recipients. The Department for Works and Pensions pays Housing Benefit Subsidy to authorities based on benefits disbursed inclusive of overpayments (subject to conditions). Authorities effective in recovering overpayments may therefore receive a higher level of subsidy. The final savings achieved were £545k, even after taking into account the reduction in the government subsidy for administering benefits. Reductions in the level of benefits payable and changes to the subsidy system are likely to mean that this level of surplus will not continue in future years.
85. There was a further saving on the court costs income target in relation to Council Tax Collection of £211k.
86. There were further pressures managed within the service in 2011/12 relating to one-off Audit fees in relation to a potential fraud investigation, settlement of a legal case and procurement staff costs relating to Shared Services.
87. There was significant pressure on property revenue budgets of £534k, reflecting work required on assets.

Other

88. A further £265k was achieved in relation to the Directorate's non pay inflation budgets and reduction in discretionary spend for the year to contribute to the council's overspend position.