

Cabinet (Resources) Panel

28 July 2015

| | | |
|--|--|--|
| Report title | Revenue Budget Monitoring 2015/16 | |
| Decision designation | AMBER | |
| Cabinet member with lead responsibility | Councillor Andrew Johnson Resources | |
| Key decision | Yes | |
| In forward plan | Yes | |
| Wards affected | All | |
| Accountable director | Keith Ireland, Managing Director | |
| Originating service | Finance | |
| Accountable employee(s) | Mark Taylor | Director of Finance |
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| Report to be/has been considered by | Confident Capable Council Scrutiny Panel | 7 October 2015 |

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve that Better Care Fund pressures totalling £1.3 million, included within the 2015/16 projected outturn, are funded corporately if the People directorate are not able to deliver compensating savings during the year. Adult Services will aim to identify savings totalling £1.3 million during 2015/16 to meet the Better Care Fund pressures during the year and future years.
2. Approve the use of £114,000 from the Regeneration Reserve to fund various regeneration priorities as detailed in Table 5.
3. Approve the write off of one sundry debt totalling £17,601.01, as a result of a deceased debtor, as detailed in Appendix F.

4. Approve one virement totalling £140,000, for a transfer within a service directorate, as detailed in Appendix G.
5. Approve an increase in the council tax balance at which the full court summons fees are charged from £200 to £250.
6. Approve a court summons fee of £58 in respect of action taken to recover the Business Improvement District levy.

Recommendations for noting:

The Cabinet (Resources) Panel is asked to note:

1. The projected outturn for the General Fund is a net underspend of £17,000 (-0.01%) against the General Fund net budget requirement of £224.9 million. This, combined with the receipt of an additional New Homes Bonus adjustment grant totalling £233,000 in 2015/16, which was not budgeted for due to the uncertainty surrounding government funding, will result in a projected overall net underspend of £250,000 for the year.
2. That due to the significant underspends against the General Fund budget which were achieved during 2014/15, a comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspend and identify any recurring savings which may contribute towards the savings strategy for 2016/17, as reported to Cabinet on 22 July 2015. The results of this review will be reported to Cabinet in October 2015 as part of the Draft Budget and Medium Term Financial Strategy report, and any savings identified will be removed from budgets during 2015/16.
3. That projected redundancy costs, including the cost of strain, totalling £5.0 million are included in the forecast outturn, and will be funded by a contribution from the Budget Strategy Reserve. The projected costs are subject to change dependent upon the actual redundancies approved by year end.
4. That instead of spreading the cost of pension strain over a period of up to three years, all sums due to the West Midlands Pension Fund relating to pension strain have been fully accounted for in 2014/15, in order to secure savings against the Council's pension liabilities, as reported to Cabinet on 22 July 2015.

1.0 Purpose

- 1.1 The purpose of this report is to provide Cabinet (Resources) Panel with a projection of the likely revenue outturn position, compared with the Council's approved revenue budgets for 2015/16 and related targets.

2.0 Summary

- 2.1 A net underspend of £17,000 (-0.01%) is projected against the General Fund net budget requirement of £224.9 million, as analysed in Table 1 below. This combined with the receipt of an additional New Homes Bonus adjustment grant totalling £233,000 in 2015/16, which was not budgeted for due to the uncertainty surrounding government funding, will result in a projected overall net underspend of £250,000 for the year.

Table 1 – 2015/16 General Fund Revenue Budget Projected Outturn

| | Net Controllable Budget 2015/16 £000 | Projected Outturn 2015/16 £000 | Projected Variation Over/(Under) | |
|---------------------------------------|---|-----------------------------------|----------------------------------|---------------|
| | | | £000 | % |
| People | 122,368 | 126,063 | 3,695 | 3.02% |
| Corporate | 57,779 | 54,396 | (3,383) | -5.86% |
| Place | 44,028 | 43,356 | (672) | -1.53% |
| Education | 700 | 1,043 | 343 | 49.00% |
| Net Budget Requirement | 224,875 | 224,858 | (17) | -0.01% |
| Government Grant (General) | (142,883) | (143,116) | (233) | -0.16% |
| Council Tax | (80,951) | (80,951) | - | 0.00% |
| Collection Fund Surplus | (1,041) | (1,041) | - | 0.00% |
| Total Resources | (224,875) | (225,108) | (233) | -0.10% |
| | | | | |
| Net Budget (Surplus) / Deficit | - | (250) | (250) | -0.11% |

- 2.2 The Council continues to be faced with a challenging projected financial position over the medium term, and significant savings are required in order to achieve a robust financial position. The Budget 2015/16 and Medium Term Financial Strategy 2015/16 to 2018/19 approved by Full Council on 4 March 2015 identified that the Council is now faced with finding further savings totalling £46.3 million over the next four years. It is important to note that the updated projected budget deficit assumes the achievement of prior year savings proposals amounting to £46.0 million over the four year period to 2018/19.
- 2.3 As reported to Cabinet on 22 July 2015, during the first three months of 2015/16 detailed work has been in progress across all areas of the Council to identify savings to deliver the approved strategy of identifying £22.0 million of savings for 2016/17. The detailed work that has taken place to date has resulted in the identification of savings targets totalling £16.9 million for 2016/17.

- 2.4 Furthermore, due to the significant underspends against the General Fund budget which were achieved during 2014/15, a comprehensive review of all service areas, which is being led by Finance, is currently being undertaken to challenge all areas of underspend and identify any recurring savings which may contribute towards the savings strategy for 2016/17, as reported to Cabinet in the Revenue Outturn 2014/15 report on 22 July 2015. The results of this review will be reported to Cabinet in October 2015 as part of the Draft Budget and Medium Term Financial Strategy report.
- 2.5 An update on the General Fund budget risks is provided at section 5. Overall the risk for 2015/16 is currently assessed as red.
- 2.6 It is important to note that projected redundancy costs of £5.0 million, including the cost of strain, are included in the forecast outturn, and will be funded by a contribution from the Budget Strategy Reserve. The projected costs are subject to change dependent upon the actual redundancies approved by year end.
- 2.7 In accordance with the Council's financial procedures rules, all virements in excess of £50,000, or those that result in a transfer between Employees and Other Controllable Expenditure headings, require the approval of this panel. There is one virement that requires approval during this quarter, as detailed in Appendix G.
- 2.8 The most significant factors contributing towards the projected net underspend against the budget are reported on a service-by-service basis in section 3.

3.0 General Fund Revenue Budget Monitoring: Service Analysis

3.1 People

3.1.1 A summary of the projected outturn against the People 2015/16 revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix A.

Table 2 – 2015/16 Revenue Budget Projected Outturn – People

| | Controllable Budget 2015/16 £000 | Projected Outturn £000 | Projected Variation | |
|----------------------------|---|------------------------------|----------------------|--------------|
| | | | Over/(Under) £000 | % |
| Older People | 27,443 | 29,513 | 2,070 | 7.54% |
| Disability & Mental Health | 40,085 | 40,853 | 768 | 1.92% |
| Children & Young People | 52,080 | 52,931 | 851 | 1.63% |
| Public Health & Wellbeing | 2,760 | 2,766 | 6 | 0.22% |
| People Total | 122,368 | 126,063 | 3,695 | 3.02% |

3.1.2 Overall a net overspend of £3.7 million (3.02%) is projected for the year. The main factors contributing towards the forecast overspend are:

1. **Older People** - There is a forecast over spend of £2.5 million across care purchasing budgets for older people particularly in residential, nursing and domiciliary care, partly arising as a result of the Better Care Fund pressures. It is proposed that those pressures will be funded corporately if the People directorate are not able to deliver compensating savings during the year. This overspend has in part been offset by the early achievement of 2015/16 savings proposals within the Older People Provider Management service.
2. **Disability & Mental Health** - There is a forecast over spend of £480,000 in care purchasing, due to the increase in volume and complexity of young people in transition and adult demographic pressures, in addition to a £200,000 overspend within Special Educational on Out of City placements.
3. **Children & Young People** - There is a forecast net over spend of £851,000 within the service directorate, which has arisen primarily as a result of a £623,000 overspend within the Looked After Children service, in addition to an overspend within the Children in Need service as a result of Section 17 payments totalling £233,000, and on volunteer drivers and client transport totalling £103,000; all of which are associated with increased caseloads and demands for service.

3.1.3 It is important to note that it is early in the financial year, and the People directorate will seek to manage budget issues within their budget during the year.

3.2 Corporate

3.2.1 A summary of the projected outturn against the Corporate 2015/16 revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix B.

Table 3 – 2015/16 Revenue Budget Projected Outturn – Corporate

| | Controllable Budget 2015/16 | Projected Outturn | Projected Variation | |
|------------------------|-----------------------------|-------------------|---------------------|---------------|
| | £000 | £000 | Over/(Under) £000 | % |
| Managing Director | 244 | 244 | - | 0.00% |
| Finance | 10,024 | 9,964 | (60) | -0.60% |
| Governance | 6,944 | 6,978 | 34 | 0.49% |
| Transformation | 11,165 | 11,165 | - | 0.00% |
| Corporate Budgets | 29,402 | 26,045 | (3,357) | -11.42% |
| Corporate Total | 57,779 | 54,396 | (3,383) | -5.86% |

3.2.2 Overall a net underspend of £3.4 million (-5.86%) is projected for the year. The main factors contributing towards the forecast overspend are:

1. **Treasury Management Budgets** – There is a forecast net underspend of £1.8 million against the Treasury Management budget mainly due to the proactive management of borrowing in order to secure advantageous interest rates.
2. **Central Provision for Pension Costs** – There is a forecast net underspend of £1.6 million against the central provision for pension costs budgets arising as a result of fully accounting for all sums due to the West Midlands Pension Fund relating to pension strain in 2014/15, instead of spreading the cost of pension strain over a period of up to three years, as reported to Cabinet on 22 July 2015 in the Revenue Outturn 2014/15 report.

3.2.3 Projected redundancy costs of £5.0 million, including the cost of strain, are included in the forecast outturn for Corporate, and will be funded by a contribution from the Budget Strategy Reserve. The projected costs are subject to change dependent upon the actual redundancies approved by year end.

3.3 Place

3.3.1 A summary of the projected outturn against the Place 2015/16 revenue budget is provided in the table below, whilst a detailed analysis is provided in Appendix C.

Table 4 – 2015/16 Revenue Budget Projected Outturn – Place

| | Controllable Budget 2015/16 | Projected Outturn | Projected Variation | |
|--------------------|-----------------------------|-------------------|---------------------|---------------|
| | £000 | £000 | Over/(Under) £000 | % |
| Directorate | 273 | 273 | - | 0.00% |
| City Economy | 5,973 | 5,973 | - | 0.00% |
| City Assets | 12,421 | 12,371 | (50) | -0.40% |
| City Environment | 25,361 | 24,739 | (622) | -2.45% |
| Place Total | 44,028 | 43,356 | (672) | -1.53% |

3.3.2 Overall a net underspend of £672,000 (-1.53%) is projected for the year. This is largely as a result of a projected underspend within the City Environment service directorate due to renegotiation of contracts within the Environmental Maintenance service, in addition to the capitalisation of expenditure relating to surface dressing within Street Lighting. This underspend has in part been offset by an overspend within the Waste and Recycling service due to the deferral of depot rationalisation.

3.4 Education

3.4.1 A detailed analysis of the projected outturn against the Education 2015/16 revenue budget is provided in Appendix D.

3.4.2 Overall a net over spend of £343,000 (49.00%) is projected for the year. This is largely as a result of overspends within the Education service directorate as a result of savings targets that are still to be identified.

4.0 Reserves and Balances

4.1 At the beginning of 2015/16 a balance of £10.0 million was held within the General Fund balance. As part of the 2014/15 outturn, Cabinet approved that the balance in excess of £10.0 million in the General Fund balance was transferred into specific reserves to fund future invest to save projects and redundancies, with the emphasis therefore placed on identifying budget savings towards the projected budget deficit over the medium term.

4.2 This report projects at this stage that there will be a small net underspend for the Council during 2015/16. However, in those areas where an overspend is currently projected,

budget managers will seek to identify and manage underspends during the year to ensure that services outturn within budget.

4.3 **Other Transfers to/from Earmarked Reserves**

4.3.1 Approval is sought from this meeting for a number of other transfers to/from earmarked reserves, as set out in the following paragraphs.

Regeneration Reserve

4.3.2 The Regeneration Reserve was specifically established to support important regeneration priorities within the city.

4.3.3 Approval is sought from this meeting for the use of £114,000 from the Regeneration Reserve, to fund regeneration expenditure as outlined in the table below.

Table 5 – Regeneration Reserve

| | Use of/ (Addition to) Reserve £000 | Balance £000 |
|--|---|-------------------------|
| Balance at 1 April 2015 | | 2,000 |
| Previous approvals yet to be committed | | |
| Civic Halls/Cultural Venues Commercialisation – Match funding for Marketing Birmingham grant of £50,000 to identify opportunities for greater commercialisation of city economy facilities | 50 | |
| Black Country Pipeline Projects - With the aim of accelerating and increasing the move towards a Combined Authority, each Authority has agreed to contribute funding to support the development of pipeline projects. It is hoped that this will improve the ability of the Black Country to secure investment from the Local Growth Fund. | 50 | |
| Bantock Signage - To fund improvements to CCTV and signage at Bantock Park and House to continue to provide an improved customer service | 8 | |
| Southside/Westside Masterplanning - professional advice on planning and marketing as well as the additional Site Investigation information required to accompany the marketing of the sites | 383 | |
| UTC relocation – To relocate the UTC from Heantun House to the Civic Centre per Report on Future Space – Cabinet (Resources) Panel 30 June 2015 | 612 | 897 |
| | | |
| New Approvals Sought at this Meeting | | |
| Planning backfill – To meet the costs of additional planning resources required to cover the secondment of a senior planning officer undertaking Combined Authority activities | 40 | |
| Eye Hospital Feasibility – To jointly fund a one off study on the feasibility of redeveloping the Eye Hospital | 4 | |
| Heath Town Baths - to undertake a Strategic Market Assessment and Development Appraisal to bring the Building back into beneficial use | 20 | |
| Bilston Urban Village – Options Study to Support a CPO for development land | 40 | |
| Bilston Arts Centre - An options appraisal to assess the potential for a new-build arts venue in Bilston Town Centre | 10 | |
| Total New Approvals | | 114 |
| | | |
| Current Balance on the Reserve | | 783 |

5.0 Fees and Charges

Court Summons Fees

- 5.1 On 9 December 2014 Cabinet (Resources) Panel approved a schedule of fees and charges which included court summons fees in respect of action to recover council tax. At that time the fees were approved as follows:

| | |
|--|--------|
| Council Tax: If balance is greater than £200 | £85.00 |
| Council Tax: If balance is less than £200 | £15.00 |

- 5.2 The full cost of recovery action is not passed on where there is a small balance, to support families on lower incomes. In the majority of cases this affects families receiving council tax reduction who now have some council tax to pay.
- 5.3 As a result of changes to the local council tax reduction scheme in 2015/16 the minimum amount payable for a family in a band A property receiving full council tax reduction is £224.57.
- 5.4 It is therefore recommended that the reduced summons fee should be charged for outstanding balances of up to £250.

Business Improvement District Levy

- 5.5 The Council administers and collects the levy on behalf of the Wolverhampton City Centre Business Improvement District (BID) and will do so for any future BIDs that are created.
- 5.6 The City Centre BID levy is calculated according to rateable value with the lowest annual charge being £150 for properties with a rateable value of up to £24,999. Half of the properties within the BID are charged at the lowest rate.
- 5.7 Action to recover arrears of the levy follows the same route as for business rates, using the Magistrates Court.
- 5.8 The Council is entitled to charge a fee to cover the cost of taking court action.
- 5.9 It is therefore recommended that a fee of £58.00 is charged. This is lower than the fee charged for business rates and reflects the fact that less staff time will be required to bring a case to Court.

6.0 General Fund Budget Monitoring – Risk Management

- 6.1 The overall level of risk associated with the budget 2015/16 is assessed as red. The six main areas of risk are summarised in the table at Appendix E.
- 6.2 A comprehensive review of all approved savings proposals deliverable in 2015/16 and over the medium term is currently being undertaken, with full details to be reported to Cabinet (Resources) Panel in November 2015.

7.0 Revenue Budget Monitoring – Schools Budgets

7.1 Schools received budget settlements for 2015/16 on the 27 February 2015, 2015/16 will continue to be a challenging one particularly for those schools that will again lose funding as a result of funding reform, although the most significant losses in schools for 2015/16 have been as a result of pupil number reductions.

Dedicated Schools Grant

7.2 For 2015/16 the overall schools budget as funded by the Dedicated Schools Grant (DSG) was again protected at “cash flat per pupil”, meaning that every local authority has received the same per pupil amount as it did in 2014/15. However in real terms, given current levels of inflation and pay related costs increases this represents a reduction in real terms for schools.

Pupil Premium

7.3 In addition to the schools budget, funding continues to be available to schools in England through the Pupil Premium. In 2015/16 this will fund schools at;

| | £ |
|--------------------------------|-------|
| Primary (FSM eligible pupil) | 1,320 |
| Secondary (FSM eligible pupil) | 935 |
| Service Child | 300 |
| Looked after Child | 1,900 |

7.4 Indicative allocations for the city suggest the Local Authority will attract £16.9 million for 2015/16 and this sum is consistent with the previous financial year.

Post 16 Funding

7.5 Funding for 16-19 provision, is channelled through The Education Funding Agency, funding per pupil will again be at the same level as the previous financial year. For those schools still in local authority control the funding settlement through this route will be £4.6 million in 2015/16 a reduction of £0.1 million on the previous financial year.

Balances 2014/15

7.6 Schools ended the previous financial year with revenue balances of £15.721 million this represented 10% of the funding and income available to schools during 2014/15. As schools are able to carry forward balances these resources will be available for them to use during 2015/16. There are a significant number of schools that have balances that are considered as surplus. The Authority will again be challenging these schools regarding the levels of balances held to ensure there are suitable plans for the use of those resources.

7.7 Although schools have, to date, been largely protected from the cuts other public services have faced, they and their governing bodies are mindful of the following

pressures that they will face whilst working within the constraints of the “cash flat per pupil” increase for the foreseeable future:

- General inflation for supplies and services.
- Future pay increases following the current public sector pay freeze and increases in employer contributions for pensions.

7.8 At the time of writing a significant number of budget plans remain outstanding from schools so it is not possible to provide a comprehensive view on the anticipated use of balances over 2015/16. A further update will be reported to Cabinet (Resources) Panel as part of revenue monitoring for quarter two.

8.0 General Fund Corporate Income – Write-Offs

8.1 **Sundry Debtors** - Income is due to the council for a wide range of services provided to individuals and businesses. To reflect the fact that, despite the council’s best efforts, not all of this income will actually be collected, the council makes provision for bad and doubtful debts, which it charges directly to the General Fund.

8.2 Overall debt write offs totalling £37,857.11 have been incurred during quarter one of 2015/16. Of those, there was one write off greater than £5,000, totalling £17,601.01 which requires approval by the Panel, as detailed at Appendix F.

9.0 Financial Implications

9.1 The financial implications are discussed in the body of the report.
[MH/17072015/T]

10.0 Legal Implications

10.1 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. It is a legal requirement under s25 of the Local Government Act 2003 to set a balanced budget and monitor the financial position throughout the year.
[TS/20072015/F]

11.0 Equality Implications

11.1 This report provides details of the projected outturn for 2015/16. The necessary equalities analyses were carried out as part of the preparations for setting the 2015/16 budgets, and will similarly form part of the requisite pre-work for 2016/17.

12.0 Environmental Implications

12.1 A range of services focused upon the Council's environmental policies is supported through revenue budgets reviewed in this report. Changes in levels of funding will be considered as such changes are proposed.

13.0 Background Papers

Revenue Outturn 2014/15, report to Cabinet, 22 July 2015.

Reserves, Provisions and Balances, report to Cabinet, 22 July 2015.

Draft Budget and Medium Term Financial Strategy 2016/17 – 2018/19, report to Cabinet, 22 July 2015.

Budget 2015/16 and Medium Term Financial Strategy 2015/16 to 2018/19, report to Full Council, 4 March 2015.

Revenue Budget Monitoring – People

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|---|---|--|---|---|
| Older People | | | | |
| Directorate | 230 | 372 | 142 | Overspend on salary costs of £142,000 |
| Service Director | 159 | 159 | - | |
| Carers Support | 1,404 | 1,404 | - | |
| ILS, Telecare & Adaptations | 2,372 | 2,372 | - | |
| Older People Assessment & Care Management | 10,423 | 12,923 | 2,500 | Overspend across care purchasing budgets for older people, particularly residential and nursing and domiciliary care. |
| Older People Provider Management | 8,575 | 8,073 | (502) | Early achievement of savings across the service |
| Welfare Rights & Financial Assessment | 1,673 | 1,603 | (70) | |
| Housing | 985 | 985 | - | |
| Community Recreation | 267 | 267 | - | |
| Library Service | 1,355 | 1,355 | - | |
| Sub Total Older People | 27,443 | 29,513 | 2,070 | |

Revenue Budget Monitoring – People

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|---|---|--|---|---|
| Disability & Mental Health | | | | |
| Service Director | 138 | 138 | - | |
| Children's Disabilities Commissioning | 71 | 71 | - | |
| Disabilities In-House Provision | 7,275 | 7,275 | - | |
| Emergency Duty Team | 419 | 419 | - | |
| Housing Support & Social Inclusion | 943 | 943 | - | |
| Mental Health Care Management | 5,476 | 5,476 | - | |
| Short Breaks | 374 | 410 | 36 | |
| Children With Disabilities | 1,027 | 1,079 | 52 | |
| Learning Disabilities Assessment & Care Management | 18,063 | 18,543 | 480 | Overspends on care purchasing budgets due to increased volume and complexity of young people in transition and adult demographic growth pressures |
| Physical Disabilities Assessment & Care Management | 5,200 | 5,200 | - | |
| All Age Disability & Joint Commissioning Young Adults | 1,196 | 1,196 | - | |
| SEN | (97) | 103 | 200 | Overspend on Out of City placements |
| Sub Total Disability & Mental Health | 40,085 | 40,853 | 768 | |

Revenue Budget Monitoring – People

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|--|---|--|---|---|
| Children & Young People | | | | |
| Service Director | 368 | 368 | - | |
| Children Centres | 4,833 | 4,833 | - | |
| Children in Need | 7,700 | 8,078 | 378 | Overspend on Section 17 payments of £233,000, and on volunteer drivers and client transport of £103,000; all of which are associated with increased caseloads and demands for service. |
| Children Commissioning | 1,752 | 1,752 | - | |
| Looked-After Children | 33,129 | 33,752 | 623 | Children's transformation work continues to impact upon the forecast outturn for Out of City Placements, this is partially offset by £231,000 increased costs on LAC Transitions linked to client allowances and £198,000 increased costs for Remand/Secure Accommodation over and above the funding allocation from the Youth Justice Board. |
| Social Inclusion & Play | 1,775 | 1,775 | - | |
| Psychology | 674 | 674 | - | |
| Youth Offenders Team | 1,314 | 1,164 | (150) | Savings on staffing costs which will contribute towards 2016/17 savings target. |
| Business Support | 151 | 151 | - | |
| Youth | 384 | 384 | - | |
| Sub Total Children & Young People | 52,080 | 52,931 | 851 | |

Revenue Budget Monitoring - People

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|--|---|--|---|----------------------|
| Public Health & Wellbeing | | | | |
| Public Health - Service Director | - | - | - | |
| Public Health - Support Costs | - | - | - | |
| Public Health - Healthier Places | 67 | 67 | - | |
| Sport & Leisure Trust | - | - | - | |
| Public Health - Commissioning | - | - | - | |
| Public Health - Contracts | - | - | - | |
| Public Health - Health Protection & NHS Facing | - | - | - | |
| Public Health - Intelligence & Evidence | - | - | - | |
| Public Health - Sports Development | - | - | - | |
| Public Health - Transformation | - | - | - | |
| Business Continuity & Emergency Planning | 143 | 149 | 6 | |
| Community Safety | 440 | 440 | - | |
| Safeguarding | 2,110 | 2,110 | - | |
| Sub Total Public Health & Wellbeing | 2,760 | 2,766 | 6 | |
| | | | | |
| Total People Directorate | 122,368 | 126,063 | 3,695 | |

Revenue Budget Monitoring – Corporate

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|--------------------------------|---|--|---|----------------------|
| Managing Director | 244 | 244 | - | |
| Finance | | | | |
| Director of Finance | 155 | 155 | - | |
| Audit Services | 1,469 | 1,469 | - | |
| Corporate Financial Management | 3,632 | 3,632 | - | |
| Corporate Management | 843 | 783 | (60) | |
| Revenues and Benefits | 2,032 | 2,032 | - | |
| Housing Benefits Payments | (432) | (432) | - | |
| Strategic Finance | 1,839 | 1,839 | - | |
| The Hub | (157) | (157) | - | |
| Corporate Procurement | 643 | 643 | - | |
| Sub Total Finance | 10,024 | 9,964 | (60) | |

Revenue Budget Monitoring – Corporate

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|---------------------------------|---|--|---|----------------------|
| Governance | | | | |
| Director of Governance | 86 | 86 | - | |
| Corporate Administration | 756 | 790 | 34 | |
| Democracy | 1,793 | 1,793 | - | |
| HR Advice | 2,150 | 2,150 | - | |
| Legal Services | 2,159 | 2,159 | - | |
| Sub Total Governance | 6,944 | 6,978 | 34 | |
| | | | | |
| Transformation | | | | |
| Communications and Marketing | 522 | 522 | - | |
| Customer Services | 2,188 | 2,188 | - | |
| ICTS | 5,015 | 5,015 | - | |
| Transformation | 3,440 | 3,440 | - | |
| Sub Total Transformation | 11,165 | 11,165 | - | |

Revenue Budget Monitoring – Corporate

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2015/16 Forecast Variance £000 | Reason for Variation |
|---|---|--|---|---|
| Corporate Budgets | | | | |
| West Midlands Transport Authority Levy | 11,877 | 11,877 | - | |
| Environment Agency Levy | 67 | 67 | - | |
| Provision for Bad Debts | 200 | 200 | - | |
| Treasury Management Budgets | 15,655 | 13,889 | (1,766) | Projected underspend as a result of proactive management of borrowing in order to secure advantageous interest rates. |
| Birmingham Airport - Rent | (69) | (69) | - | |
| Central Provision for increased Pension Costs | 1,591 | - | (1,591) | Projected underspend against the central provision for increased pension costs arising as a result of clearing pension strain liabilities in 2014/15. |
| Cross-cutting Savings Proposals | (1,350) | (1,350) | - | Cross cutting savings held corporately to be distributed during the year in accordance with existing delegations in the Constitution. |
| Other Corporate /Transformation Budgets and Contingencies | 1,431 | 1,431 | - | |
| Redundancy Costs | - | 5,000 | 5,000 | Redundancy payments during 2015/16 arising as a result of the Voluntary Redundancy Programme and savings proposals. |
| Contribution from the Budget Strategy Reserve | - | (5,000) | (5,000) | Contribution from the Budget Strategy Reserve to fund the projected redundancy payments during 2015/16. |
| Sub Total Corporate Budgets | 29,402 | 26,045 | (3,357) | |
| Total Corporate | 57,779 | 54,396 | (3,383) | |

Revenue Budget Monitoring – Place

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2014/15 Forecast Variance £000 | Reason for Variation |
|---------------------------------|---|--|---|---|
| Strategic Director Place | 273 | 273 | - | |
| City Economy | | | | |
| Service Director | 178 | 178 | - | |
| Enterprise & Skills | 2,067 | 2,067 | - | |
| Inclusion & Employment | 1,500 | 1,560 | 60 | Savings shortfall on Neighbourhood Wardens |
| City Development | 400 | 400 | - | |
| Visitor Economy | 776 | 776 | - | |
| Adult Education | (244) | (244) | - | |
| Culture, Arts and Heritage | 1,296 | 1,236 | (60) | Additional savings on restructure above estimate. |
| Sub Total City Economy | 5,973 | 5,973 | - | |
| City Assets | | | | |
| Service Director | 123 | 123 | - | |
| Transportation | 1,615 | 1,565 | (50) | Saving on surface water management. |
| Housing | 1,969 | 1,969 | - | |
| Planning | 780 | 780 | - | |
| Catering Services | (986) | (986) | - | |

Revenue Budget Monitoring – Place

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2014/15 Forecast Variance £000 | Reason for Variation |
|---|---|--|---|--|
| Cleaning and Caretaking Services | 2,065 | 2,065 | - | |
| Community Centres | 170 | 170 | - | |
| Corporate Asset Management | 579 | 579 | - | |
| Engineering & Civic Centre | 3,123 | 3,123 | - | |
| Estates And Valuations | (1,327) | (1,327) | - | |
| Property Services (Including Utilities) | 4,310 | 4,310 | - | |
| | | | | |
| Sub Total City Assets | 12,421 | 12,371 | (50) | |
| | | | | |
| City Environment | | | | |
| Service Director | 124 | 124 | - | |
| Bereavement Services | (2,140) | (2,140) | - | |
| Environmental Maintenance | 7,969 | 7,815 | (154) | Negotiated saving on West area contract. |
| Regulatory Services | 1,765 | 1,765 | - | |
| Fleet Services | (1,074) | (1,074) | - | |
| Highways Maintenance | 1,750 | 1,750 | - | |
| Landscape | - | - | - | |
| Leisure Services | 2,000 | 2,000 | - | |
| Markets | (621) | (621) | - | |
| Parking Services | (954) | (954) | - | |
| Street Lighting | 3,439 | 2,771 | (668) | Capitalisation of expenditure in relation to surface dressing. |
| Waste and Recycling Service | 13,103 | 13,303 | 200 | Deferral of depot rationalisation. |
| | | | | |
| Sub Total City Environment | 25,361 | 24,739 | (622) | |
| | | | | |
| Total Place | 44,028 | 43,356 | (672) | |

Revenue Budget Monitoring – Education

| Service | 2015/16 Controllable Budget £000 | 2015/16 Forecast Outturn £000 | 2014/15 Forecast Variance £000 | Reason for Variation |
|---------------------------------|---|--|---|--|
| Education | | | | |
| Director of Education | (288) | 150 | 438 | Savings within the service to be identified. |
| Schools | (3,904) | (3,904) | - | |
| Standards and Vulnerable Pupils | 892 | 886 | (6) | |
| School Planning & Resources | 4,000 | 3,911 | (89) | |
| Total Education | 700 | 1,043 | 343 | |

APPENDIX E

General Fund Budget Risks 2015/16

| Risk | Description | Level of Risk |
|---------------------------------|--|----------------------|
| Financial and Budget Management | Risks that might materialise as a result of the impact of non-pay inflation and pay awards, staff vacancy factors, VAT rules, loss of ICTS facilities, treasury management activity and the impact of Equal Pay and budget management failure. | Amber |
| Transformation Programme | Risks that might materialise as a result of not identifying savings, not delivering the savings incorporated into the budget and not having sufficient sums available to fund the upfront and one-off costs associated with delivering savings and downsizing the workforce. | Red |
| Income and Funding | Risks that might materialise as a result of income being below budgeted levels, claw back, reduction to government grant or increased levels of bad debts. | Red |
| Service Demands | Risks that might materialise as a result of demands for services outstretching the available resources. | Amber |
| Third Parties | Risks that might materialise as a result of third parties and suppliers ceasing trading or withdrawing from the market. | Amber |
| Government Policy | Risks that might materialise as a result of changes to Government policy including changes in VAT and personal taxation rules and, in particular, from the Care Bill. | Red |

APPENDIX F

Corporate Income – Write-offs in excess of £5,000

| Account | Reason | Date written off | Amount of write off £ |
|-----------------------|-----------------|-------------------------|----------------------------------|
| Sundry Debtors | | | |
| Care charges | Debtor deceased | Apr 2015 | 17,601.01 |
| | | | |
| | | | 17,601.01 |

APPENDIX G

Virements

| From | | To | | £000 | Reason for Virement |
|-------------|----------------|-------------|----------------------|------|---|
| Directorate | Service | Directorate | Service | | |
| Place | Fleet services | Place | Bereavement services | 140 | Shortfall on Bereavement Services income due to reductions in burials compared to cremations. |