

Monitoring Statement for September 2008 - General Fund Appendix 1

	Original Budget	Approved Changes	Approved Budget	Projected Outturn September	Projected Variation September
	£000s	£000s	£000s	£000s	£000s
Health and Adult Social Care	82,577	255	82,832	82,832	+0
Place Shaping and Enterprise	7,532	-85	7,447	7,835	+388
Education, Children's Services & Leisure	87,707	1,519	89,226	88,731	-495
Environment and Street Scene	31,378	1,513	32,891	33,058	+167
Finance and Corporate Resources	19,053	631	19,684	20,211	+527
Chief Executive	9,078	184	9,262	8,893	-369
Total Department Budgets	237,325	4,017	241,342	241,560	+218
Treasury Management	5,717	-14	5,703	3,903	-1,800
Contribution from Capital Financing Account	-13,675	0	-13,675	-13,675	+0
Contribution to Bad Debt Provision	812	0	812	812	+0
Contribution to/from Reserve	1,250	-2,132	-882	-882	+0
LEANER	800	0	800	800	+0
IT Fund	660	0	660	660	+0
Unallocated Area Based Grant	2,242	-1,449	793	793	+0
Contingent Items	2,248	-115	2,133	1,585	-548
Contingency	1,000	-177	823	823	+0
Total Service Expenditure	238,379	130	238,509	236,379	-2,130
Levies	8,177	0	8,177	8,177	+0
Area Based Grant	-15,725	-130	-15,855	-15,855	+0
TOTAL Budget Requirement	230,831	0	230,831	228,701	-2,130

Health and Adult Social Care		Appendix 2
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Community Housing		
Temporary Accommodation		
Higher numbers of clients in accommodation are generating higher levels of net rental income	-1,408	-1,220
Total Variation	-1,408	-1,220
Contribution to Bad Debt Provision		
Based on current income collection rates, a lower contribution to bad debt provisions is expected	-482	-482
Total Variation	-482	-482
Administration Costs		
The homelessness initiatives report and CLG grant funding are now approved. Currently full use of this funding is anticipated.	+0	+0
Total Variation	+0	+0
Funding to carried forward to future years		
At this stage, it is assumed that the Cabinet decision made in 2007/08 to ringfence homelessness budgets to reinvest in housing initiatives will continue	+1,890	+1,702
Total Variation	+1,890	+1,702
Total Variation - Community Housing	+0	+0
Adult Social Care		
Resources		
Additional staffing costs, partly due to the delayed implementation of an efficiency saving restructure, and increased legal fees result in this pressure.	+160	+161
Total Variation	+160	+161
Mental Health		
Increases are now expected in the costs of care purchasing and of people with no recourse to public funds, which has led to an overall pressure.	-25	+41
Total Variation	-25	+41

Health and Adult Social Care		Appendix 2
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Older People		
Overspends in externally purchased home care services offset in part by underspends in residential and residential with dementia care.	+164	+213
Total Variation	+164	+213
Learning Difficulties		
Overspends in this area primarily comprise voids within Carterhatch supported tenancy and assessment and care management salary costs.	+128	+149
Total Variation	+128	+149
Physical Disabilities		
There are projected care purchasing overspends totalling £109k, and pressures arising from people with no recourse to public funds (£65k). Risk funding is available to offset this pressure in part. The balance is due to staffing pressures.	+240	+192
Total Variation	+240	+192
Occupational Therapy		
The previously reported staffing pressure will not now arise.	+16	+0
Total Variation	+16	+0
Departmental Budgets		
Savings achieved through price reductions in care purchasing contracts	-601	-601
Risk funding held centrally to offset care purchasing pressures arising from increased demand	-473	-473
Contingency	+0	-71
Expected contribution to bad debt provisions	+391	+389
Total Variation	-683	-756
Total Variation - Adult Social Services	+0	+0
Total Variation - Health and Adult Social Care	+0	+0

Place Shaping and Enterprise		Appendix 3
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Departmental Administration		
A pressure has been identified on salaries and staff advertising budgets. This is due to the need to provide temporary arrangements in the Department pending completion of the new management structure - an action plan will be put in place to address this overspend.	+27	+27
Total Variation	+27	+27
Parks and Open Spaces		
Projected overspend is due mainly to loss of income from Schools ground maintenance.	+0	+21
Total Variation	+0	+21
Facilities Management		
An action plan has been put in place to address the predicted shortfall in photocopying income reported last month.	+54	+0
Total Variation	+54	+0
Property Services		
There is a predicted shortfall in rental income and fees across the portfolio. This is due to a combination of factors including underoccupation of some premises and increases in cost on others. The increase in overspend this month is mainly due to additional shortfall in rental income especially from Palace Garden and Montagu Industrial estate.	+290	+332
Total Variation	+290	+332
Architectural Services		
There is a projected overspend on salaries due to additional agency staff (£9K). Professional fees are now predicted to be above target by £32K due mainly to schools' contracts.	+46	-23
Total Variation	+46	-23
Place Shaping and Planning Policy		
The withdrawal of Planning Development Grant has caused a pressure in this area, which has been partly offset by the receipt of a new grant.	+31	+31
Total Variation	+31	+31
Total Departmental Variation	+448	+388

Education, Children's Services and Leisure		Appendix 4
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Education, Learning & Community Services		
Sport Activities		
There is an overall underspend on leisure centres, mainly due to an underspend on the Leisure Centres management fee.	-170	-170
Millfield Theatre: These figures reflect the new manager's concerns regarding the achievement of the vacancy factor and the programme that was set by his predecessor. In reviewing this programme the decision was taken to cancel a number of shows, as this would incur less cost than proceeding. A review of the Theatres work will be undertaken to confirm the affordability of the planned programme.	+117	+97
Minor Variances	-28	-18
Total Variation	-81	-91
Children's Access & Support		
Educational Psychologists		
The overspend, previously reported, due to planned savings not being achieved has reduced this month by £67k due to staff vacancies and maternity leave. CAMHS is projected to underspend on Area Based Grant by £31k as some decisions have yet to be made on the service requirements.	+107	+9
Special Education Needs Transport		
Projected outturn is £240k above budget due to higher than anticipated number of pupils transported in borough; costs resulting from additional vehicle hire due to the late delivery of the new buses and the existing buses breaking down; additional money due to the contractor's inflation uplift and additional cost of resurfacing the car park.	+0	+240
One large intervention (Angel Community Centre) are projecting a £14k overspend in employee costs in addition to a shortfall on bar sales of £15k	+0	+29
Sure Start, Early Years and Childcare Grant		
Additional overheads charged against the grant resulting in a saving in the base budget.	-200	-200
Minor Variances	-10	-3
Total Variation	-103	+75

Education, Children's Services and Leisure		Appendix 4
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Strategy & Resources		
As previously reported there is a £50k pressure from the need to continue with the services of the consultant who undertook the initial review of the Cleaning, Transport and Catering Services. In addition this month there is a decline in income compared to the budget on catering in schools and the Civic Centre, which has resulted in this increase in the overspend.	+50	+89
Minor Variances	-12	-1
Total Variation	+38	+88
Libraries		
Projected shortfall in income, particularly from public rentals of DVDs, video and audio tapes	+50	+85
Minor Variances	+0	+0
Total Variation	+50	+85
Children & Families		
Family Centres – Staffing savings due to a number of vacant posts, which are not now expected to be filled until Nov/Dec.	-56	-59
Liquid Logic Implementation -The planned introduction of the Liquid Logic system	+204	+219
Section 17 – there is a need to provide 24 hour/7 days a week support to a number of clients for a significant number of weeks whilst further assessments are made, following directions from the Courts. Further additional pressures may arise as the current judicial view is now to support children within their families rather than removal into council care. There is also a cost pressure arising from those former asylum seeking families who need support but do not have access to public funds.	+112	+112
In House Fostering - the underspend has decreased due to the inclusion of new planned placements over the next few months and delays in the special guardianship order processes for a number of clients.	-104	-115
Asylum Seekers – There is now a projected underdespend as a result of 2 new UASC clients and the additional net surplus grant funding that will be received. The income projection has also increased as a result of the Home Office notifying local authorities of a 2.7% increase in the new grant	+11	-57
Young Persons Substance Misuse - the overspend is for the proposed costs of a redundancy and agency cover for the commissioner post until the year-end.	+58	+58

Education, Children's Services and Leisure		Appendix 4
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
<p>External Care Purchasing - Projections are based on committed, planned and possible future placements. The under spend is due to fewer actual looked after children than projected for in the budget at this stage of the year. The largest drop is in agency fostering placements and community residential homes. A number of clients have moved into lower cost placements. The increase in underspend from August to September of £189k is mainly due to a reduction in the provision for future possible placements. These figures are presented net of a possible social worker retention payment later in 2008/09 subject to a favourable departmental budget monitoring position.</p>	-623	-812
Minor variances	-11	+2
Total Variation	-409	-652
Total ECSL (excl. Schools)	-505	-495
Schools Budget		
Behaviour Support		
A further £20k projected overspend due to Unplaced Pupils. Costs are driven by high mobility groups e.g immigrant pupils and out of school Roma students and therefore difficult to predict.	+39	+59
Special Education Needs		
Projected underspends in Day Schools Recoupment and Recoupment Support budgets. Further underspends of £23k relating to support in mainstream schools and £7k in respect of special schools have been reported for July. Plus a £50k underspend in Hospital Recoupment identified this month.	-206	-286
Dedicated Schools Grant		
The final notification of DSG shows that the level of grant will be £171k lower than estimated due to 20 duplicate pupils and 20 post 16 pupils in alternative education being included in the estimate, although such pupils are not eligible for DSG.	+171	+171
Minor Variances	-31	-20
Total Variation - Schools Budget	-27	-76

Environment and Street Scene		Appendix 5
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Street Lighting		
There will be a small net saving on the PFI contract this year.	-71	-47
Total Variation	-71	-47
Highways		
Latest predictions are that the contracts in this area are likely to increase above the inflation levels included when the estimates were set.	+0	+50
Total Variation	+0	+50
Parking		
There is a predicted shortfall in parking income due to some delays in implementing Pay and Display schemes.	+74	+38
Total Variation	+74	+38
Environmental Crime Unit		
The underspend arises due to a vacancy in the service.	+0	-41
Total Variation	+0	-41
Environmental Health Services		
The shortfall in Pest Control income is expected to be offset by underspending in other areas of the service.	+13	+0
Total Variation	+13	+0
Fleet Management		
There is an under achievement of MOT income of £15k. However, the increase in the statutory fees effective from July 08 may cover this shortfall. The operating leasing budget is expected to underspend by £315k (August figure was £225k).	-235	-300
Total Variation	-235	-300

Environment and Street Scene		Appendix 5
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Partnership, Performance and Business Unit		
The review of services within Street Scene and Waste identified a requirement of £150k in 2008/09 for one off implementation costs.	+150	+150
Total Variation	+150	+150
Assistant Director - Planning		
The August projected underspend will now not materialise, as this sum is being used to address the general problem with Planning Delivery Grant withdrawal being experienced by the Department.	-27	+0
Total Variation	-27	+0
Traffic and Transportation		
An action plan is now in place to address the £24k pressure previously reported, relating to the Shopmobility Service.	+24	+0
Total Variation	+24	+0
Strategy and Support		
The legal budget is held centrally within Strategy and Support for the ESS Dept. Trends in expenditure so far this year will lead to a £272k pressure if they continue. The reasons for the overspend are still being investigated and discussed with Legal Services. However, the Department is experiencing some demand for external support which cannot be avoided this year. There is also a projected overspend on postage of £45k across the Department.	+200	+317
Total Variation	+200	+317
Total Departmental Variation	+128	+167

Finance and Corporate Resources		Appendix 6
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Corporate Procurement		
Corporate Procurement are forecasting a £20k saving relating to vacant posts; some agency staff have now been recruited for the remainder of 08/09. A further £7k in rebate income from supply contracts will be received.	-33	-27
Total Variation	-33	-27
Contingency		
£5k surplus is available for redirection	-5	-5
Total Variation	-5	-5
Borough Solicitor		
There are shortfalls in income from Land Charges and registrars services of £451k and £49k respectively. In addition there are net staffing pressures of £41k, mainly due to costs of agency cover.	+504	+541
Total Variation	+504	+541
Revenues and Benefits		
Staffing costs are projected to overspend by £617k after taking into account LHA (Local Housing Allowance) and ESA (Employment and Support Allowance) grants. This is offset by additional court costs income estimated at £700k. However, the collection of additional income also increases costs such as bailiffs fees; as a consequence, running costs budgets are estimated to overspend by a net £123k.	+40	+40
Total Variation	+40	+40
Corporate Items		
Additional income of £22k is due from the London Residuary Body Fund	-22	-22
Total Variation	-22	-22
Total Departmental Variation	+484	+527

Chief Executive Department		Appendix 7
Monitoring Variations for period ending 30th September 2008		
Service Centre	Last Month £'000	This Month £'000
Human Resources		
The agency rebate is forecast to recover £380k over budget.	+0	-380
The previously reported underspend has been used to fund recruitment costs.	-12	+1
Total Variation	-12	-379
Former Employees		
There is currently a shortfall (£7k) of funding to meet the full year liability of former employees pensions costs.	+7	+7
Total Variation	+7	+7
Customer Services, Change & Communication		
The underspend on salaries has increased, due to further vacancies in the webteam and customer service centre.	-15	-72
Total Variation	-15	-72
Corporate Improvement		
The overspend relates to a 2007/08 savings item that has not yet been achieved.	+75	+75
Total Variation	+75	+75
Total Departmental Variation	+55	-369

Savings Monitoring 2008/09

Summary Position

Department	Savings								Total
	Blue		Green		Amber		Red		
	£000's	%	£000's	%	£000's	%	£000's	%	
Health & Adult Social Care	2,158	44%	197	4%	2,568	52%	0	0	4,923
Education, Children's Services & Leisure	605	31%	1,316	69%	-	0%	0	0	1,921
Environment	719	63%	170	15%	251	22%	0	0%	1,140
Place Shaping & Enterprise	340	74%	23	5%	94	21%	0	0	457
Finance & Corporate Resources	734	71%	160	16%	135	13%	0	0%	1,029
Chief Executive	190	94%	12	6%	-	0%	0	0	202
Corporate	1,697	76%	451	20%	50	2%	41	2%	2,239
Total Savings for 2008/09	6,443		2,329		3,098		41		11,911

Savings Monitoring 2008/09 - Red and Amber Classifications

Area of Saving	Amount	Progress in Achieving Saving
	£000's	
RED CLASSIFICATION		
Corporate		
Expiry of Property Leases - Gor-Ray, etc	41	Not likely to be achieved this year - part of proposed office accommodation review
AMBER CLASSIFICATION		
Health and Adult Social Care		
Community Housing restructuring	100	Budget removed. Work in progress. Report being prepared and timetable for implementation to be confirmed. Financial Implications on report now received, restructure now to proceed to action plan timescale.
Strategy & Resources restructuring	125	Budget remove. Restructured DARs approved Work in Progress.
Older people externally purchased residential placements	230	Achieved. Budget reduced. Need on-going monitoring of budget throughout year.
PD Care Purchasing- Nursing & Residential	269	Achieved. Budget reduced. Need on-going monitoring of budget throughout year.
MH Care Purchasing	502	Achieved. Budget reduced. Need on-going monitoring of budget throughout year.
LD Contract renegotiation	450	Budget reduced. On-going work with OLM using fairer pricing tools. On-going budget monitoring required.
MH Contract renegotiation	50	Budget reduced. On-going budget monitoring required.
PD Contract renegotiation	50	Budget reduced. On-going work with OLM using fairer pricing tools. On-going budget monitoring required.
Savings – Ruth Winston House from 2007/08	60	Activity to be confirmed.
Dementia services reprovision	732	Budget removed in respect of Elizabeth House running costs. On-going monitoring of externally purchased placements.
Environment and Street Scene		
Staff reductions from administrative efficiencies	150	Saving needs to be split with PSE. ESS's part to be deliverable in 08/09 through delay in backfilling of Director/AD of ESS and additional income in Planning & Building Control.
Parking - Pay and Display -There are a number of sites across the Borough where pay and display could be introduced which will achieve additional income.	40	Report was delayed and therefore implementation date delayed. Impact assessments have commenced. The first review has now been completed and the report drafted. It is expected that the Cabinet Member will consider the outcome of the consultation in the very near future. If approved, work will commence on drafting the relevant traffic orders which will allow the introduction of the scheme.
Deletion of the Shopmobility service.	61	Savings achieved 08/09 as funds have been identified. However, further work needs to be undertaken to achieve long term savings.
Place Shaping and Enterprise		
Installation of MFDs across the Authority	30	Level of saving being verified
Improvements in energy efficiency (Implementation plan)	30	To be secured through a staff awareness campaign.
Planning - Deletion of officer and operational support to the Conservation Advisory Group.	14	Under review. Further discussions to take place with John Austin re servicing of CAG
Sustainable Communities - Deletion of one post in Sustainable Communities dealing with administration of grants.	20	£11,600 identified.
Finance and Corporate Resources		
BACS effect of reduced number of cancelled cheques	12	Currently under investigation - the volume of cancelled cheques has not yet reduced but saving expected to be achieved
Grants increased by more than inflation	90	Additional income from net effect of measures to increase HB subsidy. At this stage, it is too early to be certain about achievement of this saving.
Introduction of BACS payments	33	Part year saving is projected for 2008/08 due to some delay in introducing e-remittances; full year saving will be achieved in 2009/10.
Corporate		
Matrix- prompt payment discount	50	Relies on departments paying Matrix invoices promptly. This needs to be closely monitored throughout the year and the basis of calculation clarified with Matrix.