

## MUNICIPAL YEAR 2013/14 REPORT NO: 92

### MEETING TITLE AND DATE:

Cabinet: 16<sup>th</sup> October 2013

### Report Of:

Director of Finance, Resources and  
Customer Services

### Contact:

Richard Tyler: 0208 379 4732

### AGENDA PART 1

### ITEM 6

**Subject: Revenue Monitoring Report  
2013/14: August 2013**

**Wards: All**

**Cabinet Member consulted:**

**Cllr Stafford**

### 1. EXECUTIVE SUMMARY

- 1.1 This report sets out the Council's revenue budget monitoring position based on information to the end of August 2013. The report forecasts an outturn position of £0.699m overspend for 2013/14.

### 2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Notes the £0.699m overspend revenue outturn projection.
- 2.2 Agrees that departments reporting pressures should formulate and implement action plans to ensure that they remain within budget in 2013/14.

### 3. BACKGROUND

- 3.1 The Council's revenue expenditure against budget is monitored through regular reports to the Corporate Management Board and Cabinet. These reports provide a snapshot of the revenue position for each Department and for the Council as a whole, and give details of any projected additional budget pressures and risks, or any significant underspends. Where departments are reporting projected overspends management action will be undertaken to ensure expenditure is reduced to budget.
- 3.2 The Revenue Monitoring Report is a result of the monthly monitoring process carried out by Departments, which is based on the following principles to ensure accuracy, transparency and consistency:
- Risk assessments, to enable greater emphasis to be placed on high-risk budgets throughout the year.
  - Comparisons between expenditure to date, current budgets and budget profiles.
  - Expenditure is predicted to the year-end, taking account of seasonal fluctuations and other determinants of demand.

- The 'Key Drivers' that affect, particularly, the high-risk budgets are monitored and reported to Department Management Teams.
  - Action plans to deal with any areas that are predicting or experiencing problems staying within agreed budgets are produced.
- 3.3 This report provides information on the main budget variances and their causes that are affecting the Council across all departments. Although a full budget monitor is carried out each month, the variations in this report are deliberately limited to +/- variances of £50,000 or over in order to provide a greater strategic focus.
- 3.4 A summary overview of financial performance is outlined below in Table 1. It is designed to capture the key messages across the Council's main financial areas, namely:
1. Income and expenditure;
  2. Balance sheet (liquidity, debtor/creditor management, investments and use of balances); and
  3. Cash flow forecasting and management.

**Table 1: Summary performance overview**

Area of review	Key highlights	Risk Rating		
		June	July	August
Income and expenditure position	<ul style="list-style-type: none"> <li>• Year end forecast variances of £0.699m have been identified to date in relation to General Fund net controllable expenditure. Budget variances identified to date will need to be managed closely to ensure timely appropriate action can be taken.</li> </ul>	Amber	Amber	Amber
	<ul style="list-style-type: none"> <li>• Improved focus on budget profiling across all departmental budgets will continue to be applied in order to better reflect predicted net spending patterns throughout the year. This has been possible through the development of the "Budget Buddy" financial monitoring system where budget holders are now able to profile individual budgets based on anticipated spend across the year. This will change to green when we are satisfied that the profiles for 13-14 are correct with managers working with accountancy teams to fine tune this work.</li> </ul>	Amber	Amber	Amber
	<ul style="list-style-type: none"> <li>• The HRA is projecting a £5k underspend for year-end outturn against budget.</li> </ul>	Green	Green	Green
Balance Sheet	<ul style="list-style-type: none"> <li>• The current profile of cash investments continues to be in accordance with the Council's approved strategy for prioritising security of funds over rate of return.</li> </ul>	Green	Green	Green
	<ul style="list-style-type: none"> <li>• The year-end projections for General Fund balances are in line with the Council's Medium Term Financial Strategy target levels.</li> </ul>	Green	Green	Green
Cash flow	<ul style="list-style-type: none"> <li>• The Council's cash balances and cashflow forecast for the year (including borrowing) will ensure sufficient funds are available to cover planned capital and revenue commitments when they fall due.</li> </ul>	Green	Green	Green
	<ul style="list-style-type: none"> <li>• Interest receipts forecast for the year are on target with budget.</li> </ul>	Green	Green	Green

#### 4. August 2013 Monitoring – General Fund

- 4.1 A summary of the departmental and corporate projected outturns and variances against budget is set out in Table 2 as follows:

**Table 2: Forecast Outturn Table- Net Controllable Budget / Projected Outturn**

<b>August 2013</b>					
<b>Department</b>	<b>Net Controllable Budget</b>				
	<b>Original Budget</b>	<b>Approved Changes</b>	<b>Approved Budget</b>	<b>Projected Outturn</b>	<b>Projected Variation</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Chief Executive	3,525	128	3,653	3,662	9
Environment	27,628	1,880	29,508	29,405	(103)
Finance, Resources & Customer Services	41,449	1,756	43,205	43,205	
Health, Housing and Adult Social Care	95,697	2,720	98,417	98,697	280
Regeneration, Leisure & Culture	8,974	438	9,412	9,412	0
Schools & Children's Services	54,096	1,511	55,607	56,120	513
<b>Total Department Budgets</b>	<b>231,369</b>	<b>8,433</b>	<b>239,802</b>	<b>240,501</b>	<b>699</b>
Contribution to / from balances #	0	(3,040)	(3,040)	(3,040)	0
Collection Fund	(1,086)	0	(1,086)	(1,086)	0
Corporate Items	29,282	(5,393)	23,889	23,889	0
Government Funding	(163,223)	0	(163,223)	(163,223)	0
<b>Council Tax Requirement</b>	<b>96,342</b>	<b>0</b>	<b>96,342</b>	<b>97,041</b>	<b>699</b>

#### 5. DEPARTMENTAL MONITORING INFORMATION – BUDGET PRESSURES & PROJECTED SAVINGS

##### 5.1 Chief Executive's Department

The department is currently projecting a small variation of £9k net overspend against approved budget. There are no current budget variances over £50k to report.

##### 5.2 Environment

The department is currently projecting a £103k underspend, explanations for variances over £50k (totalling -£69k) are detailed below:

- +£200k Loss of income on building control fees due to the continuing low level of building construction activities in the current economic climate.

- +£232k Parking receipts continue to be depressed. New parking tariffs are being introduced to encourage shoppers into our town centres.
- -£237k Underspend in leasing budget as a result of the decision to introduce a nine year replacement cycle for the majority of waste vehicles following a review of the vehicle replacement programme undertaken recently. The changes have led to the re-profiling of the outstanding internal leasing payments for these vehicles over their remaining life, resulting in a short term reduction in annual charges until the vehicles are released for disposal.
- -£50k Underspend in Waste Operations due to a reduction in clinical waste collection costs.
- -£82k Over achievement of income forecast in Waste Client services arising in the dry co-mingled recycling receipt.
- -£132k Over achievement of cemeteries income due to the increased demand for traditional burial plots at Edmonton Cemetery.

### **5.3 Finance, Resources & Customer Services**

The department is currently projecting a level spend. Explanations for variances over £50k are detailed below:

- There is a projected £300k pressure from the cost of external legal costs for additional safeguarding demands. These costs will be funded from the specific provision within the Council's contingency. A re-organisation of the registrars has not yet met its savings target, management is addressing this issue and is currently considering ways to maximise income from this service.
- There are two underspends in the department the first relates to reduced Audit Fees of £124k, and there has also been a reduction in insurance premiums of £150k.
- There is currently a £278k budget risk relating to Community Alarm expenditure increased costs. HHASS have agreed to fund costs up to £200k on this service.
- Property Services have continued to be affected by the general downturn in the economy with lower occupancy rates of commercial/ industrial sites and the resultant loss of rentals. There is a specific provision within the Council's contingent items to recognise this but the department will continue to work hard to maximise the use of all commercial properties. (+£500k).
- Property Services have also has incurred additional expenditure from the increased provision of security including boarding-up and CCTV costs to protect Council sites (+£250k).

### **5.4 Health, Housing & Adult Social Care**

The department is currently projecting an overspend of £280k, explanations for variances/ movements over £50k are detailed below:

- -£238k Strategy & Resources continues to forecast a year end underspend. This relates to the early achievement of housing related supporting people savings.
- +£235k Mental health service are projecting an overspend at this point in the year, which relates to care purchasing projections. It is anticipated that savings identified against the service will be met and as a result the overspend will reduce during the year.
- +£500k Learning Disabilities continues to project an overspend at this stage in the year. The Learning Disabilities service operates a monthly efficiency programme that reviews progress against savings and manages demand for services during the year.
- +£200k The Customer pathway is currently projecting care purchasing overspend of £200k against a net budget of £30m, which will actively be reviewed and managed throughout the remainder of the financial year.
- -£218k The Provider service is projecting an underspend of £218k, an increase of £31k from last month, arising from an over achievement of income from client receipts.
- -£199k the care purchasing contingency is held centrally to manage demand across the department. It will be allocated during the year to individual services as required, once all management actions to absorb the pressure within the service have been exhausted.

The departmental forecast excludes a number of HHASC grants and current project carry forwards

- NHS Social care grant - Confirmation has been received of the 2013/14 NHS Social Care grant of £4.6m. The 2013/14 forecast spend on jointly agreed projects is circa £2m, with an additional one off contribution of £2.1m in the MTFP to cover demographic pressures (rising to a cumulative contribution in the council MTFP of £11m by 2016/17). The estimated carried forward based on the indicative spending plan at July 2013 is £6m. The grant is used to fund jointly agreed Social Care projects with health benefits, as agreed with NHS Enfield's Corporate Commissioning Group (CCG). This non-recurrent grant funds jointly agreed projects spanning both current and future financial years.
- Public Health grant - The Public Health grant of £12.9m allocated to the authority in 2013/14 is projected to underspend. This is due to delays in recruiting to the new staffing structure and progress on specific Public health funded projects. It should be noted that the Public Health grant is ring fenced and as per the Department of Health guidance, underspends will be carried

forward into the next financial year to meet the grant conditions. The level of carry forward is estimated to be between £300k - £600k dependent upon the level of demand for sexual health services and the resolution of some transitional issues.

### Community Housing

The Community Housing Division is currently projecting a balanced position.

There is a net overspend of £0.504m on the rental portfolio (Gross overspend £3.153m less provision of £2.649m) and this is due to the increased cost of temporary accommodation procurement.

The overspend on rents is offset by underspends of £227k on the provision for bad debts; £132k on furniture and repairs and £76k on salary and other miscellaneous budgets. This leaves a projected overspend of £69k for 2013/14. This overspend will be managed within the Initiatives Reserve Fund.

This reduced budget pressure is after the use of Discretionary Housing payments (DHP) of approximately £821k to offset the bad debt pressure in 2013/14, this leaves the service with a further risk to rental income of £400k identified as a result of the implementation of welfare reforms and the reduction in housing benefit for tenants in temporary accommodation. DHP is not available in 2014/15.

## **5.5 Regeneration, Leisure & Culture**

The department is currently projecting a nil variation from approved budget and there are no current variances over £50k to report.

## **5.6 Schools & Children's Services**

### **Departmental (General Fund Budget)**

The SCS department is currently projecting an overspend of £513k. Within this the individual budget areas with projected variances over £50k (totalling £475k) are detailed below:

- Catering Service - an underspend of approximately £300k is anticipated as a result of the continuation of the higher uptake of school meals.
- Schools Early Retirement Enhancement Pensions - A review of the expenditure chargeable to this provision has identified a saving of £70k.
- Asset Management are reporting an overspend of £80k which is mainly due to projected staff costs exceeding the budget in light of the need to maintain support for a considerable number of building proposals over the next twelve months.
- The Lettings Agency team are reporting an overspend of £84k as a result of cover for maternity leave plus a general reduction in income from lettings.

- Schools Building Project An overspend of £75k is projected as a result of costs incurred by this project which are not eligible to be charged to capital.
- CAMHS/EPS- An overspend of £75k is estimated as the current staffing levels need to be maintained throughout the rest of the year because of the needs of this service.
- Child & Family Commissioning- The 51k overspend is mainly due to agency staff fees as a result of the delays in making a permanent appointment to the Head of Service post. These costs have reduced this month as a result of a re-assessment of consultancy requirements.
- Children's Centre Development Team - A saving of £220k is projected against the commissioning budget as a result of a planned reduction in spend in order to contain the departments projected overspend.
- External Residential Child Care Placements - The projected overspend of £202k is based only on known and planned placements. This month there have been a significant number of additional placements resulting in an increase of £187k in the projection. There have been 6 new placements within the Community Homes budget alone for a variety of reasons including placement breakdown and a lack of suitable in-house fostering vacancies. There has also been a high turnover of placement extensions and changes for existing clients which have also resulted in net additional costs.
- Children in Need - Assessment Social Work & Family Support Teams. These teams are projecting an overspend of £73k because they are operating at high staffing levels to maintain a safe service. This requires additional costs in respect of the 7 agency staff who are filling key team management and senior practitioner vacant posts that cannot be left uncovered. SCS management are currently implementing a recruitment and retention package for these specific posts with the aim of minimising these additional staffing costs.
- No Recourse to Public Funds - a projected overspend of £361k is based on the 77 families which we are currently supporting. This is an increase of 2 families since last month. As it is becoming more difficult to resolve the immigration status of these clients the costs are increasing as families are now being supported longer with resultant additional costs.
- Section 20 – Additional LAC Placement Expenses. The projection is now based on last year's actual expenditure and a projected underspend of £60k is forecast.
- Unaccompanied Asylum Seekers - The growth in client numbers during the later stages of 12/13 has resulted in a projected overspend of £178k. The budget is now supporting an additional 302 UASC client weeks and the average costs of supporting them has also increased by £218 per week. This increase is due to a shortage of suitable accommodation for the recent arrivals but plans are in place to provide more cost effective accommodation.

- Former Unaccompanied Asylum Seeking Children now 18+ - This service is projecting an overspend of £115k. The accommodation costs for this client group have increased this year due to additional UASC turning 18. The overall client numbers are still below the 25fte threshold at which point this expenditure becomes eligible for government grant funding.
- Graduate Social Worker Training Programme - A freeze has now been placed on new recruits to this programme as the recruitment and retention of social workers has improved. An underspend of £169k is projected.
- **Departmental Risks**
  - The LAC, Leaving Care and UASC external care purchasing budget projections may show increased spending as new placements are made or existing placements are extended beyond their current projected end dates.
  - Youth Justice Secure Remand Pressures - with effect from November 2012 the new Youth Sentencing proposals started to impact upon the Council as those young people remanded into secure custody obtained LAC status. This will increase LAC caseloads resulting in additional staffing pressures and the additional cost of remand accommodation costs which are not within the control of the department and are likely to exceed the government grant.
  - Welfare Benefit Changes - these were introduced in April and there is a risk that an impact will be felt particularly in relation to those services which support homeless families.
  - Youth Service - The My Place Project building works are completed however there is a potential dispute with the contractor which could result in additional costs. Project officers are currently assessing the contractors claim payment.

#### **Schools Budgets - These variations do not form part of the General Fund position**

The Schools Budget is currently projecting an underspend of £14k. There are no major variances to report this month.

#### **Schools Risks**

Whilst the unplaced pupils service is showing a balanced position there may be a need to finance emergency provision for primary children who cannot gain quick access to a school placement.

## **6. OTHER GENERAL FUND ITEMS**

### **6.1 Treasury Management and cash flow analysis**

Treasury management activities have been affected by the Government's 'lending for borrowing' policy which has meant that interest paid on deposits have fallen.



This has however, been counterbalanced to some extent by the new Treasury Management Strategy that has increased our maximum lending period from three months to one year.

The Council cashflow position has also been affected by the change in timing in which local government now receives Revenue Support Grant. This in effect means that we have higher cash balances over the first two months of the financial year.

On 30<sup>th</sup> August following the sale of the Heritable Bank mortgage book the Authority received a dividend of £871k (16.73p), taking the total recovered to £4.8m (94.21p). The Authority is now only £187k short of recovering its deposit of £5m.

We are awaiting the outcome of a legal case against the Heritable's Icelandic parent bank. If the case is successfully defended it is likely the Council will recovery all of its investment including interest.

The Treasury Management position as at 31st August is set out below:

	Position 31 <sup>st</sup> May £m	Position 30 <sup>th</sup> June £m	Position 31 <sup>st</sup> July £m	Position 31 <sup>st</sup> August £m
<b>Long term borrowing</b>	<b>263.6</b>	<b>263.6</b>	<b>263.6</b>	<b>263.6</b>
<b>Short-term borrowing</b>	<b>31.4</b>	<b>31.4</b>	<b>31.4</b>	<b>30.4</b>
<b>Total borrowing</b>	<b>295.0</b>	<b>295.0</b>	<b>295.0</b>	<b>294.0</b>
<b>Total investments</b>	<b>(120.5)</b>	<b>(111.8)</b>	<b>(103.2)</b>	<b>(96.8)</b>
<b>Net debt</b>	<b>174.5</b>	<b>183.2</b>	<b>191.8</b>	<b>197.2</b>

#### London Borough of Enfield Investments at 31<sup>st</sup> August 2013:

Financial Institution	Principal	Start Date	Effective Maturity	Rate	Days to Maturity	Lowest Credit Rating
<b>Call Accounts</b>						
Santander UK PLC	£14,000,000		On demand	0.60%	1	A
HSBC Bank PLC	£14,000,000		On demand	0.40%	1	AA-
Royal Bank of Scotland PLC	£14,000,000		On demand	0.50%	1	A
<b>Money Market Funds</b>						
Goldman Sachs	£7,250,000		On demand	0.38%	1	AAAm
Ignis	£10,000,000		On demand	0.42%	1	AAAm
Federated	£10,000,000		On demand	0.38%	1	AAAm
<b>Termed Deposits</b>						
Barclays Bank PLC	£7,500,000	10 <sup>th</sup> April 13	9 <sup>th</sup> March 14	0.82%	190	A
Nationwide Building Society	£7,500,000	12 <sup>th</sup> April 13	11 <sup>th</sup> April 14	0.72%	223	A+
Lloyds Bank PLC	£7,500,000	7 <sup>th</sup> May 13	7 <sup>th</sup> Nov 13	0.71%	68	A
Lloyds Bank PLC	£5,000,000	15 <sup>th</sup> April 13	15 <sup>th</sup> Oct 14	0.71%	410	A
<b>Total - Investments</b>	<b>96,750,000</b>		<b>Average</b>	<b>0.54%</b>		
<b>Number of Investments</b>	<b>10</b>					

## **6.2 Corporate Items (Including Contingency & Contingent Items) General Fund**

The Council maintains a general contingency of £1.0m. There are also a number of contingent items set aside for various purposes. These budgets are monitored throughout the year and any variance is reported to Cabinet.

## **7. Housing Revenue Account (HRA) – Projected £5k underspend**

An updated position on the outstanding loan premium payments has been provided by Treasury. Loans have now been almost fully paid and the outstanding payment is significantly lower than expected resulting in a saving of £70k in 2013/14.

The estimated number of Right To Buy (RTB) sales was 40 for the year, at the end of August, there have been 30 RTB's. Therefore we estimate the number to be around 70 for 13-14, this will result in additional income of £85k.

Additional income of £46k from shops has been identified. This may change if the proposal to sell off some Hertford Road shops is agreed.

An under-recovery of income in Dwellings Rent of £136k has been identified due to an increase in the void rate, the estimated void rate was 1.6% but the current rate is 1.86%

An under-recovery of income in Garages Rent of £60k has been identified due to an increase in the void rate, the current void rate is 58.2% compared to an estimated rate of 55%.

## **8. Achievement of savings**

8.1 The 2013/14 Budget Report included savings and the achievement of increased income totalling £13.147m to be made in 2013/14.

8.2 To date £11.574m savings are classified as Blue or Green (on course for full achievement). £1.478m are currently Amber with £95k currently classed as Red. Appendix 1 provides supporting information for the Amber / Red savings. The overall savings position in terms of traffic light classifications is set out below:

## 2013/14 Savings- Traffic Light Classification: August 2013

Department	Red		Amber		Green		Blue		Total
	£000's	%	£000's	%	£000's	%	£000's	%	£000's
Chief Executive	0	0%	(50)	13%	(343)	87%	0	0%	(393)
Environment	0	0%	(435)	31%	(407)	29%	(542)	39%	(1,384)
Finance & Corporate Resources	(10)	1%	0	0%	(1,432)	99%	0	0%	(1,442)
Housing, Health & Adult Social Care	(85)	2%	(133)	3%	(4,748)	96%	0	0%	(4,966)
Regeneration, Leisure & Culture	0	0%	0	0%	(459)	85%	(84)	15%	(543)
Schools & Children's Services	0	0%	(860)	36%	(300)	12%	(1,255)	52%	(2,415)
Corporate	0	0%	0	0%	(2,004)	100%	0	0%	(2,004)
<b>Total Savings for 2013/14</b>	<b>(95)</b>	<b>1%</b>	<b>(1,478)</b>	<b>11%</b>	<b>(9,693)</b>	<b>74%</b>	<b>(1,881)</b>	<b>14%</b>	<b>(13,147)</b>

## 9. ENFIELD RESIDENTS PRIORITY FUND (ERPF)

The key aim of the ERPF is to address local need within wards, through the funding of specific projects, under the Council's wellbeing power (now general power of competence). The Fund was reduced to £1.4m for 2013-14 and the split of one third revenue funding and two thirds capital funding retained. The financing of the Fund was included as part of the budget build up for 2013-14. Each project bid is evaluated to determine if it constitutes revenue or capital expenditure and only expenditure which creates or enhances an asset is determined as Capital. The Fund has been increased by the carry forward from 2012/13 of funding not awarded of £229k. The use of this fund will continue to be monitored and reported during the year and the effect on both the revenue and capital budgets considered accordingly. The revenue budget has now been fully allocated and any further revenue bids approved will result in the need to identify available funding as the Council is not permitted to borrow to fund revenue expenditure.

	Capital £000's	Revenue £000's	Total £000's
Allocation 2013/14	933	467	1,400
Allocation c/fwd from 2012/13		229	229
Schemes approved to date:	(210)	(899)	(1,109)
<b>Balance currently available:</b>	<b>723</b>	<b>(203)</b>	<b>520</b>

## **10. ALTERNATIVE OPTIONS CONSIDERED**

Not applicable to this report.

## **11. REASONS FOR RECOMMENDATIONS**

To ensure that Members are aware of the projected budgetary position for the Authority, including all major budget pressures and underspends which have contributed to the present monthly position and that are likely to affect the final outturn.

## **12. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **12.1 Financial Implications**

As the Section 151 Officer, the Director of Finance, Resources & Customer Services is required to keep under review the financial position of the Authority. The monthly revenue monitoring is part of this review process and this latest monitoring report confirms that there is no deterioration in the financial position of the Authority. If required, measures will be put in place to address risks identified through the monitoring process and to contain expenditure within approved budgets.

### **12.2 Legal Implications**

The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

### **12.3 Property Implications**

Not applicable in this report.

## **13. KEY RISKS**

There are a number of general risks to the Council being able to match expenditure with resources this financial year and over the Medium Term Financial Plan:-

- Achievement of challenging savings targets.
- State of the UK economy - which impacts on the Council's ability to raise income from fees and charges and on the provision for bad debt.
- Uncontrollable demand-led Service Pressures e.g. Adult Social Care, Child Protection etc.

Risks associated with other services are mentioned elsewhere in this report.

## **14. IMPACT ON COUNCIL PRIORITIES**

**14.1 Fairness for All** – The recommendations in the report fully accord with this Council priority.

**14.2 Growth and Sustainability** – The recommendations in the report fully accord with this Council priority.

- 14.3 **Strong Communities** – The recommendations in the report fully accord with this Council priority.

## **15. EQUALITIES IMPACT IMPLICATIONS**

The Council is committed to fairness for all to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

The Council does not discriminate on grounds of age, colour, disability, ethnic origin, gender, HIV status, immigration status, marital status, social or economic status, nationality or national origins, race, faith, religious beliefs, responsibility for dependants, sexual orientation, gender identity, pregnancy and maternity, trade union membership or unrelated criminal conviction. The Council will promote equality of access and opportunity for those in our community who suffer from unfair treatment on any of these grounds including those disadvantaged through multiple forms of discrimination.

Financial monitoring is important in ensuring resources are used to deliver equitable services to all members of the community.

## **16. PERFORMANCE MANAGEMENT IMPLICATIONS**

The report provides clear evidence of sound financial management, efficient use of resources.

# APPENDIX 1

## Savings Monitoring August 2013 Amber & Red Savings Summary

Ref No.	Proposal Summary (from template)	Risk	Total 2013/14	Remarks
<b>Red Savings</b>			<b>£000's</b>	
<b>Housing Health &amp; Adult Social Care</b>				
HHASC S2	PD Service Review of Residential Placements	Red	<b>(39)</b>	Corporate negotiations with provider undelivered, proposal is to commission OLM to support in delivery of required saving target (As per target below)
HHASC S3	New Residential packages - price improvement target	Red	<b>(46)</b>	OLM have sent breakdown of cost for each placement. Phase two renegotiations of 10 placements, and audits of providers who did not comply with providing the cost breakdowns..
<b>Finance Resources &amp; Customer Services</b>				
FRCS 13-6	Paperless Councillor meeting papers	Red	<b>(10)</b>	This saving is still under discussion. An alternative saving is being considered.
<b>Total Red Savings</b>			<b>(95)</b>	
<b>Amber Savings</b>				
<b>Environment</b>				
ENV13 S19	Fleet review savings	Amber	<b>(95)</b>	New contracts for provision of tyres and some vehicle parts to be introduced. Move to new depot to provide more efficient working arrangements. Partnership with Redbridge for maintenance of specialist parks fleet vehicles in place
ENV13 S20	SEN review savings	Amber	<b>(155)</b>	Review of driver working hours has been completed and new working arrangements will commence in September 2013. New contracts for taxi hire are being procured to provide compliance and distinct contract standards. Review of overtime and vehicle use also to be completed
ENV13 S61	Reduction in commercial waste and related service expenditure and increase in income (Amber)	Amber	<b>(170)</b>	The recent installation of new bin weighing equipment will enable the service to control weight of customer bins. However this equipment is not fully operational and the council is in dispute with the provider. Further monitoring on the tonnages quarterly to review service costs.
ENV 13 S57	Increase in Sports Pitches income(Amber)	Amber	<b>(15)</b>	Subject to quarterly reviews
<b>Housing, Health &amp; Adult Social Care</b>				
HHASC S27	Customer Pathway Management- post reductions	Amber	<b>(133)</b>	Restructure options currently in draft, proposal to implement from Oct 13

Ref No.	Proposal Summary (from template)	Risk	Total 2013/14	Remarks
<b>Schools &amp; Children's Services</b>				
SCS S14	Prevention Strategy Impact	Amber	<b>(100)</b>	Dependant on numbers presenting in year
SCS S10	Management Review	Amber	<b>(760)</b>	Restructures in progress but some slippage
<b>Chief Executive</b>				
CE6	Increased design and print income	Amber	<b>(50)</b>	
<b>Total Amber Savings</b>			<b>(1,478)</b>	
<b>Total Red / Amber Savings</b>			<b>(1,573)</b>	