

REPORT TO CABINET

Title: **SERVICE MONITORING REPORT**

Date: 26 February 2009

Member Reporting: Councillor Hilton

Contact Officer(s): Andrew Brooker, Head of Finance, x6341

Wards affected: All

1. SUMMARY

- 1.1 This service monitoring report provides a monthly update on service delivery with emphasis on the impact on the council's financial position.
- 1.2 Services are currently projecting expenditure of £86,330k (down £55k since last month's £86,385k). The approved estimate is £86,097k (up £76k from last month's £86,021k). The expected overspend is therefore £233k (last month: £364k). See sections 3 for more details.
- 1.3 General balances at year end are projected to be £5.949m (last month £5.818m) – see section 4 for more details.
- 1.4 The approved capital programme reflects the Budget Report to February 2009 Cabinet. See section 5 for more details.

2. RECOMMENDATION: That:

- i) The provisional revenue and capital outturn figures be noted.**
- ii) The capital programme variances and slippage identified in Appendix C be approved.**
- iii) That Directors work with Lead Members to develop proposals to contain expenditure within current budget limits.**

What will be different for residents as a result of this decision?
--

The Council is responsible for ensuring that it has put in place the proper arrangements to secure economy, efficiency and effectiveness in its use of resources. If the management of services and their budgets are not regularly reviewed, any and all services for residents could be adversely affected and Council Tax levels may be affected.
--

3. SUPPORTING INFORMATION

3.1 Background

3.2 As at 31 January 2009, total service expenditure for 2008/9 is expected to be £86,280k (down £105k from last month's 86,385k).

3.3 Summaries of the Council's provisional outturn Revenue and Capital financial reports are contained in Appendices A and B respectively. The revenue report includes income and expenditure statements together with a short Directorate report drawing members' attention to key activities affecting the current and future years.

3.4 Learning & Care reports that its 2008-9 costs are projected to be overspent by £98k (down £56k from last month's £154k) on its approved estimate of £48,508k (last month's approved estimate was £48,506k).

Children's Services are expected to be overspent by £455k, an increase of £27k on last month, after contract changes on a number of Home to School Transport routes, and new foster care placements.

Adult Social Care is expecting to underspend by £352k (down £133k from an expected underspend last month of £219k). There is a projected underspend on Learning Disability team costs, Mental Health team non-salary costs and increased income from service users on the Elderly and Physical Disability residential budgets.

There has been an increase in demand for temporary accommodation from larger families, increasing pressure on the Housing budget by an estimated additional £50k in the current year.

3.5 Community Services reports a variance of £110k (up £35k from last month) from the approved estimate of £22,810k (same as last month).

Highway gritting costs, streetcare and urgent highway defect repair costs have increased due to adverse Winter weather conditions. See report for further details.

3.6 The Chief Executive reports that Corporate Services expenditure is expected to be £25k higher (last month: £135k higher) than the approved estimate of £14,779k (last month £14,705k). The increase of £74k is because of an LPSA grant award for democratic services (£50k) and a supplementary estimate to cover severance costs in Business Improvement (£24k). There have been staff vacancy savings in various areas and an underspend on consultation amongst other things.

4. OVERALL POSITION

Appendix A summarises the projected outturn position and shows projected year-end reserves to have increased by £105k to £5.949m from the previous month. This is made up of an increase of £76k in supplementary estimates (after roundings, per section 3.6 above) and a net reduction in service variances of £181k.

5. CAPITAL

5.1 Capital Budget Movements Since Budget Report

The approved 2008-9 capital budget as at 31st December reported to Cabinet on 12th February was £11,417k net. Budget movements and variances identified for January are as follows:-

	Exp £'000	Inc £'000	Net £'000
Approved Budget December	26,240	-14,823	11,417
Budget movements January 2009	128	-128	0
Projected capital programme 2008/2009	26,368	-14,951	11,417
Variances	-601	200	-401

The budget movements are to do with a new three-year Safer Stronger Communities grant (£61k), adjustments to Oak Lodge Day Centre (-£16k) and an extended schools scheme for Larchfield (-£7k), schools s106 funds (£77k) and an additional grant for Mobile Technology (£13k).

5.2 Overall Programme Status

The project statistics show the following position as at the end of January 2009:

Number of Schemes in Programme	468
Yet to Start	6%
In Progress	47%
(Of which Ongoing Annual Programmes 6% e.g.. Disabled Facilities Grant)	
Completed	33%
Devolved Formula Capital Grant schemes (Data not available on budgets devolved to schools)	14%

6. OPTIONS AVAILABLE AND RISK ASSESSMENT

6.1 Options

	Option	Comments	Financial Implications
1.	Accept the report	Directors have a responsibility for managing their Services within the Budget approved by Council. Cabinet has limited power to vary those budgets within the overall budget and policy framework or to re-define the priorities agreed when the budget was approved. Cabinet does however have responsibility for considering	Revenue Capital

	Option	Comments	Financial Implications
		the impact on future year's budgets of the decisions taken.	
2.	Reject the report	This is not an option as The Local Government Act 2003 requires the Royal Borough to monitor its financial position	Revenue Capital

6.2 Risk assessment

Risk assessments are carried out as a matter of course for the delivery of individual services. The main Financial risks are included on the Council's Risk Register . paragraphs 3.8 to 3.15 discuss the risks associated with the current economic downturn.

The Council's Financial Strategy outlines the measures available to it in the event of a series of events that lead to significant projected budget variances being reported.

7. CONSULTATIONS CARRIED OUT

No specific consultation is carried out as this is a regular monitoring report

8. COMMENTS FROM THE OVERVIEW AND SCRUTINY PANEL

Relevant components of this report will be considered by each of the four scrutiny panels as part of their next round of meetings.

IMPLICATIONS

9. The following implications have been addressed where indicated below.

Financial	Legal	Human Rights Act	Planning	Sustainable Development	Diversity & Equality
✓	✓	N/A	N/A	N/A	N/A

Background Papers: Cabinet 24 July 2008 – Monitoring report.

MONITORING REPORT FROM DIRECTOR OF ENVIRONMENTAL SERVICES

DATE: 26th February 2009

PURPOSE

To update members on activity within the Environmental Services Directorate during the period to January 2009.

BACKGROUND

The key issues identified in this month's Budget Monitoring Report are:

- Continual review by the directorate on income levels in the light of economic outlook.
- Effect of the adverse weather conditions

SPECIFIC AREAS FOR ATTENTION

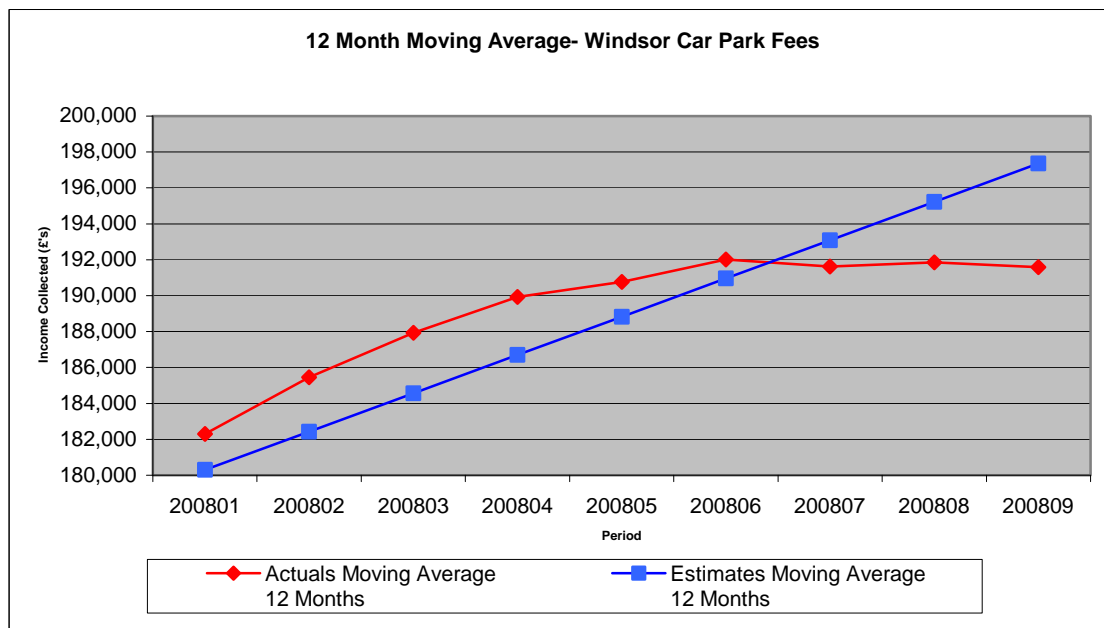
Revenue

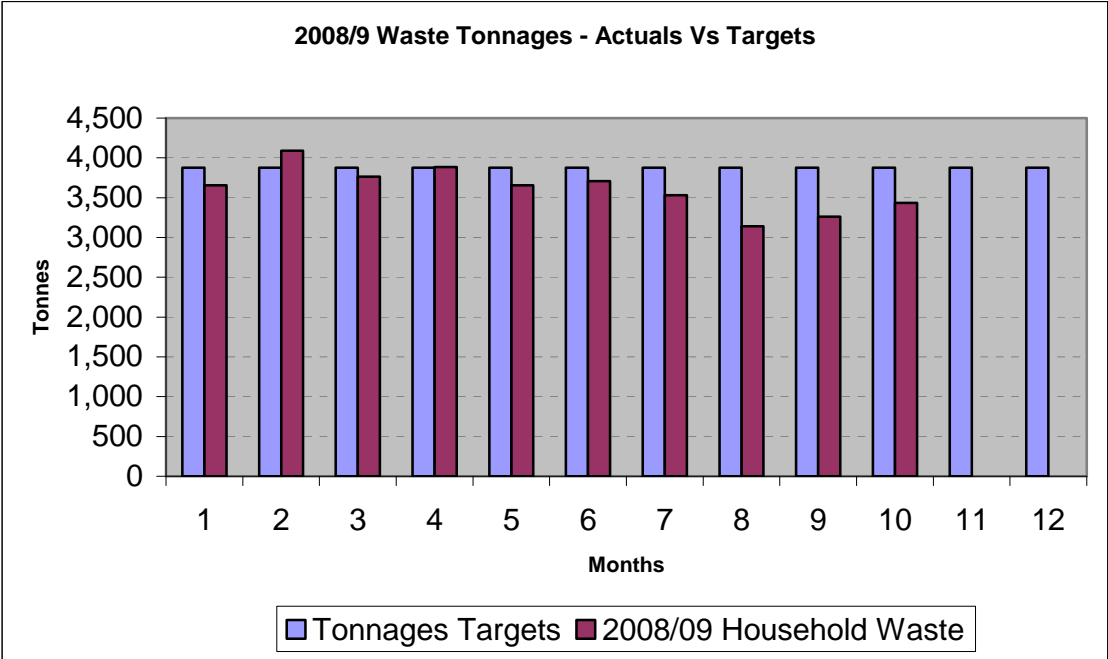
1. The overall Directorate variance including Planning & Leisure Services has increased by £35k to £110k. This is mainly due to additional costs of gritting and carriageway repairs as a result of the adverse weather conditions, currently amounting to £80k. Final costs are likely to be in the region of £150, and when these are known a report will be presented requesting a supplementary estimate.
2. The changes in income levels include the Planning areas and measures to address these are reported by the Head of Planning in the budget monitoring notes. In addition, an anticipated saving of £25k will no longer arise in the Planning Policy area for projects relating to the LDF including Maidenhead Regeneration which are now being progressed.

Car Parking income levels are being carefully monitored for any fluctuations due to current market conditions. Reductions in car parking income in Windsor have been offset by savings on repairs. The graph below shows the effect of the economic downturn in parking income in Windsor on a 12 month rolling average.

Budget management has been assisted by a further reduction in waste to landfill, as shown in the graph below.

3. Measures to address some of the Directorate's pressures identified to date are shown on the detailed budget monitoring sheets, with continued efforts to contain expenditure within the current budget as described above.





REVENUE BUDGET MONITORING STATEMENT

SUMMARY	Budget	2008/09	
		Approved Estimate	Variance
	£000	£000	£000
Learning & Care			
Children & Young People - DSG funded	73,160	73,041	390
Dedicated Schools Grant	(73,432)	(73,269)	(390)
Children & Young People - LA funded	13,280	16,130	455
Adult Social Care	29,143	29,522	(352)
Director's Office	393	287	0
Strategy & Resources	1,897	2,378	(60)
Housing	908	953	55
Specific Government Grants	(1,835)	(534)	0
Total Learning & Care	43,514	48,508	98
Community Services			
Highways & Engineering	3,540	3,890	15
Streetcare & Operations	4,215	4,215	(10)
Planning Services	2,291	2,291	5
Public Protection & Sustainability	9,767	9,924	(60)
Asset Management	(760)	(732)	(55)
Leisure Services	2,563	2,606	(5)
Libraries, Information, Arts & Heritage	2,902	2,917	0
Parking Services	(2,812)	(2,772)	180
Corporate Management	512	471	40
Total Community Services	22,218	22,810	110
Corporate Services			
Corporate Management	651	650	(48)
Democratic Services	2,818	2,841	(62)
Legal Services	1,049	1,065	92
Corporate Performance and Development	875	1,256	(65)
Business Improvement	2,753	2,740	60
Customer Service Centre	1,115	1,209	34
Finance	2,932	2,984	29
Human Resources	1,696	1,646	(15)
Procurement	347	388	0
Total Corporate Services	14,236	14,779	25
TOTAL EXPENDITURE	79,968	86,097	233
Contribution from Earmarked Reserve	0	(701)	0
Contribution to Capital Reserve	0	200	0
Corporate Initiatives	(376)	(331)	202
Levies-			
Environment Agency	130	130	0
Capital Financing inc Interest Receipts	5,414	5,414	(1,100)
NET REQUIREMENTS	85,136	90,809	(665)
Less - Special Expenses	(1,075)	(1,075)	0
Transfer (from)/ to balances	0	(471)	665
GROSS COUNCIL TAX REQUIREMENT	84,061	89,263	0
Working Balances	5,735	5,755	5,284
Transfer from/to balances	0	(471)	665
	<u>5,735</u>	<u>5,284</u>	<u>5,949</u>

* With effect from 1st April 2008, area based grants are treated as general grants and are used to fund the overall gross council tax requirement. The approved estimate has been adjusted to reflect this requirement, and the £5,205k is now incorporated with formula grant and non-domestic rates income in order to achieve a balanced budget. The transfers to and from the balances have been adjusted accordingly.