
Meeting: Sustainable Communities Overview and Scrutiny Committee
Date: 12 December 2013
Subject: Community Services Revenue Report for the Quarter ended 30 September, 2013
Report of: Cllr Brian Spurr – Executive Member for Community Services
Summary: Forecast outturn of £36,429k resulting in under spend of £153k after the use of reserves.

Advising Officer: Marcel Coiffait - Community Services Director
Contact Officer: Sue Templeman, Senior Finance Manager
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

Sound financial management contributes to the delivery of the Council's value for money, enabling the Council to successfully deliver its priorities. In particular the Community Services has direct impact on the stated Council priorities of:

- Enhancing your local community, and
- Great Universal Services

Financial:

1. The financial implications are set out in the report.

Legal:

2. All expenditure is in accordance with the Constitution of the Council and Public Procurement Regulations.

Risk Management:

3. All of services have been risk rated, and actions agreed with managers to work within budget tolerances.

Staffing (including Trades Unions):

4. A number of minor staffing changes are being implemented in line with resourcing proposals approved in the 2013/14 budgets.

Equalities/Human Rights:

5. None

Public Health

6. None

Community Safety:

7. None

Sustainability:

8. Community Services is one of the lead Directorates with regards to making Central Bedfordshire a more sustainable place to live and work.

Procurement:

9. Not applicable.

RECOMMENDATION(S):**The Executive is asked to:**

1. **Note the projected net expenditure outturn of £36,429k.**
2. **Note the proposed use of specific reserves of £797k.**
3. **Note the projected under spend of £153k after the use of specific reserves.**

Reason for Recommendation(s) *To monitor revenue spending*

Executive Summary

Community Services's overall financial position was £153k under budget after the use of earmarked reserves of £797k for one-off specific projects.

Introduction

10. Community Services directorate manages a gross expenditure budget of £40,711k and income budget of £4,927k leaving a net expenditure budget of £35,784k.

Overall Position

11. Community Services's overall financial position was £153k under budget after the use of earmarked reserves of £797k for one-off specific projects.

The Directorate had an annual savings target of £3,618k. At the end of September, the savings delivered totalled £1,447k which is £318k behind profile

The main financial performance changes of each group are described in the following paragraphs.

Appendices A1 to A3 provide further tables showing estimates and movements by services

12. Summary Table A

Table A shows the full year variance by budget group.

Table A – Directorate Overall Position

Division	Approved Budget	Forecast outturn for year	Forecast variance for year (- under) / over spend	Forecast variance <u>after</u> use of earmarked reserves (- under) / over spend
	£'000	£'000	£'000	£'000
Community Services Director	251	189	-62	-62
Highways & Transportation	10,503	10,675	172	161
Environmental Services	22,100	22,733	633	-153
Libraries	2,930	2,832	-98	-98
Community Services	35,784	36,429	645	-153

Community Services Director

13. Community Services Director is forecasting an under spend of £62k due to salary savings.

Highways and Transport

14. Highways and Transport has projected an outturn of £161k overspend. This is due to an overspend of £56K on fleet costs as a result of an ageing fleet. There is an overspend of £65K as a result of over provision of services in the first term of operating the Oak Bank service and ongoing fuel and staffing issues. Work is being undertaken to review the service and costs. There is an £30K overspend due to winter maintenance which has previously been advised.

Environmental Services

15. Environmental Service is forecasting an under spend of £153k. There is a forecast underspend of £29K on emergency planning on salaries and supplies and services. There is a forecast underspend of £115K on community services down to salary savings and one-off income being received.

Libraries

16. Libraries are forecasting an under spend of £98k, this is primarily against the staffing budget and mainly relates to unfilled vacancies and higher levels of staff churn in the first six months of the year following a Library Service Staffing re- structure.

Efficiencies

17. Community Services was set an efficiency target of £3,618k and is forecasting to underachieve by £50k by the end of the year. A compensatory saving for this is being sought. At the end of September, the savings delivered totalled £1,775k including compensatory savings of £328k.

Reserves

18. It is proposed that £797k of earmarked reserves are used to fund specific one-off projects. A breakdown is provided in Appendix C.

Debt Management

19. The total debt at the end of September was £307k. About 78% of debt is less than three months old. All debt recovery is in accordance with Council policy.

19.1 Table B – Debt Outstanding

Debt profile	>£100K	>=£50K	>=£10K	>=£1K	<£1K	Total	Age Ratio
No of debtors	1	0	5	14	66	86	
Current	£122	£0	£38	£20	£1	£182	59.3%
1 month	£0	£0	£1	£12	£1	£14	4.6%
2 months	£0	£0	£1	£6	£1	£8	2.6%
3 months	£0	£0	£21	£11	£2	£34	11.0%
3-12 months	£0	£0	£20	£4	£1	£24	8.0%
> 12 months	£0	£0	£45	£0	-£1	£45	14.5%
Total Debt	£122	£0	£126	£54	£5	£307	100.0%

Appendices:

Appendix A1 – Revenue Summary Position by Division

Appendix A2 – Revenue Summary Position by Service

Appendix A3 – Movement in variance

Appendix B – Efficiencies

Appendix C – Earmarked Reserves

Appendix D – Debt Analysis

Background Papers: None