

REVENUE BUDGET MONITORING APRIL 2013 TO SEPTEMBER 2013

- 1.1 Appendix 2 outlines the Council's current financial position for the 2013/14 financial year to the end of September 2013 by Cabinet Portfolio. The Appendix shows the current forecast outturn position is an underspend of £1,170,000, or 0.29% of the gross expenditure budget (excluding Schools).
- 1.2 The forecast outturn position includes the delivery of £11.63m savings required as part of the approved budget for 2013/14.
- 1.3 Within the current £1,170,000 forecast underspend figure, there are areas of over and under spending which are detailed below along with planned management actions being taken to reduce any overspends.

1.4 Leader's Portfolio – forecast £16,000 overspend

There is a £42,000 forecast overspend in Legal Services as detailed savings proposals are reviewed, which is partially offset against an underspend in Improvement & Performance within Human Resources salary budgets.

This Portfolio includes an approved use of reserves of £500,000 to cover the delayed implementation of the Council's Corporate Travel Plan arrangements. This will be reviewed pending the actual outturn position.

1.5 Community Resources Portfolio – forecast £785,000 underspend

The forecast overspend on this portfolio is made up of the following variances:

Support Services: There is an overspend of £62,000 in Property and Facilities, mainly due to Commercial Estate income being forecast £163,000 below budget following a delay in achieving anticipated rental income. This is being partially offset by salary savings within Property Services. There are also small underspends in Finance, Risk & Assurance and Customer Services due to staffing and overhead savings, resulting in a £55,000 underspend in total.

Corporate costs: £730,000 forecast underspend, mainly due to £600,000 forecast net savings in debt costs and interest following the recent repayment of council borrowing, as detailed in the Treasury Management Performance Report elsewhere on the agenda. There are also additional savings of £50,000 in the cost of external auditors since the Government's rationalisation of the external audit regime, and the Council Tax Freeze Grant is £50,000 higher than originally budgeted for.

1.6 Wellbeing Portfolio – forecast on target

Net spending pressures of £366,000 in purchasing budgets for Mental Health and Physically Disabled, due to an increase in the cost and demand of placements, and a £362,000 forecast income shortfall in Fairer Contributions Income from personal

contributions have been offset within the Portfolio by Section 256 funding received from the PCT in 2013/14 and carried forward funding from 2012/13 for growth in purchasing budgets.

1.7 Early Years, Children & Youth Portfolio – forecast £60,000 overspend

This portfolio is currently forecast to be £60,000 overspent due to an individual case, estimated to cost £500 per day until November 2013. There are several demand-led budgets which could impact on this should they increase over the coming months, including Looked After Children, Parent & Baby Placements and remand care.

1.8 Homes & Planning Portfolio – forecast £11,000 underspend

The underspend in this Portfolio is in Building Control and Land Charges, due to staffing savings and increased income. Building Control income is being closely monitored in case of under recovery throughout the year.

1.9 Sustainable Development Portfolio – forecast £977,000 underspend

The majority of this forecast underspend is due to a favourable income forecast in Heritage Services, with the trading surplus forecast now £851,000 above the annual target level of £4.054m.

Admission income and visitor numbers are 9% above estimates and previous year figures at the Roman Baths site. Retail gross surplus in Heritage Services is also higher than expected.

Within Tourism & Destination Management there is also forecast to be additional income from the Council's share of trading activity profit for the year. This is currently forecast to be £115,000 higher than projected.

1.10 Neighbourhoods Portfolio – forecast £56,000 underspend

There is a £248,000 forecast net underspend in Waste Services, due to inflation savings on the waste contract, lower disposal tonnages and a delay in service supported debt costs being charged to the service following delays in the procurement process of new vehicles.

This is partially offset by overspends of £138,00 in Public Protection due to savings targets not being fully achieved, and £40,000 in Library Services, partly due to falling income from film / audio book hire and from internet usage.

1.11 Transport Portfolio – forecast £83,000 overspend

There is a £66,000 underspend in Park & Ride due to increased income being reimbursed for concessionary fares, which is partially offset by unexpected expenditure on on-going Transport Schemes within Highways. There are also

potential upcoming pressures in Highway Maintenance dependant on the winter weather.

Car Parking is currently forecast £150,000 overspent, with £100,000 of this being a shortfall in bus gate income. On-going work is being undertaken to closely monitor the current & future income budgets.

1.12 The Council has requested that the delivery of the key savings for the 2013/14 budget, including potential impacts, should be included as part of the regular budget monitoring. The following table provides a narrative on key savings:

Description of Saving	Target Saving Amount £'000	Amount Achieved to date £'000	Comments on saving including any service impacts or service user impacts
<u>Wellbeing</u>			
Savings achieved through a reduction in the “non-statutory” services funded as part of the “Supporting People & Communities Programme”.	152	152	On track to meet savings target, a number of voluntary organisations that have been funded to provide these non-statutory services have had their funding reduced and contracts agreed to enable this to happen.
<u>Early Years, Children & Youth</u>			
Reductions in Children’s Commissioned Services.	178	157	Changes agreed including an increase in a number of areas proposed. Delay in implementation from reserves.
<u>Neighbourhoods</u>			
Public Protection - consolidate services, review elements for delivery with a view to minimising service provided.	303	166	Current savings achieved through Voluntary Redundancies, vacancies and supplies and services savings. Plans are being reviewed for remaining target.
<u>Community Resources</u>			
Property - reduction in staffing levels to facilitate a 20% reduction target. Reduction in Repairs & Maintenance budgets.	721	721	Target for 2013-14 is already achieved and further plans are being worked up and costed for the achievement of 2014-15 target. Budget has been reduced and staff working towards new target.
Property Services – increased revenue income through investment in Commercial properties	550	250	Arises from the potential to invest in properties with secure returns that exceed those available through usual treasury management opportunities.

			Future acquisitions need to be linked to the enhancement of the Council's estate and to therefore achieve wider property objectives
Capital & Debt Charges	1,700	1,700	Complete. Following the proposal that was agreed in June, the loan repayments took place in July and August.
Leader			
Corporate Travel Plan - review of business travel & reimbursement arrangements across the Council.	500	0	The project is to support changes in the business travel practices of staff, reducing journeys and carbon emissions A revised proposal is currently being agreed with managers, staff and unions which will impact on savings deliverable in the current year.
ICT - rationalisation of systems, improved procurement, implementation of IT strategy & Consolidation of budgets. In-sourcing of ICT function.	350	350	Following a review of insourcing and ICT budget centralisation, these savings are confirmed for 2013/14.

CAPITAL BUDGET MONITORING – APRIL 2013 TO SEPTEMBER 2013

1.13 The 2013/14 Capital Programme approved by Council in February 2013 was £58.07m (excluding contingency). Since then, £13.79m of spend on existing capital projects has been approved, along with re-phasing of £12.14m as recommended in the 2012/13 Outturn Report on 10th July 2013.

1.14 The approved Capital Programme for 2013/14 is currently £83.78m (excluding contingency), and is detailed in Appendix 5(ii). Changes to the Capital Programme since July Cabinet are shown in Appendix 5(i).

1.15 Progressing Capital Projects Update

- **Keynsham Regeneration** – The contractor is confident that it will achieve the handover date and completion on budget. The first section of the works, the refurbished and extended car park, was handed back to the Council in October 2013.
- **Bath Transport Package** - Parts of the scheme completed to date relate to Odd Down and Lansdown Park & Ride, High Street paving works, Morrison's junction upgrade, fibre optic installations and circa 100 bus stop upgrades. First order of 56 bus shelters issued to be installed by the end of

March 2014. A revised planning application for Newbridge Park & Ride was submitted in July 2013, with a decision likely during November 2013 and a planned completion Sept 14.

- **Guildhall Co Working Hub** - The project was delivered on budget and formally launched on 19th September 2013. This space provides hotdesking, break out and meeting facilities, as well as a canteen area, showers and cycle parking, and is already running an events programme which draws business networks in from across the city.
- **Victoria Bridge** – Detailed design activities are substantially complete. Listed Building Consent has been approved by the Secretary of State. The principal contractor has been appointed and is currently planning the construction works. Works commencement is envisaged in December 2013, and the bridge due to open on a permanent basis in Quarter 4 2014.
- **Rossiter Road** – The capital budget available to bring the scheme to completion is £1.835m. The detailed design of the scheme is being progressed, with highways surfacing costs met from highways capital maintenance budget. The scheme is scheduled for delivery in 2014/15.
- **St Gregory's Post 16 Block** - The construction and fit-out works completed, the Sixth Form Centre has now opened for the new school year.
- **Grand Parade and Undercroft** - Pre Procurement Questionnaire complete and tendering underway for evaluation in November. Marketing commenced to secure pre-letting.
- **Revolving Infrastructure Fund Schemes – Flood Alleviation, Destructor Bridge, Gas Tanks** – Funding offer letters have now been signed by the council with the West of England Revolving Infrastructure Fund for all these projects. All schemes have now moved to delivery phase and will be monitored against the key milestones going forward.
- **London Road Regeneration** - Tenders are due to go out during October 2013 and will be discussed with the Community Gateway Group once tenders are returned. Work is planned to start after the Christmas embargo.
- **Batheaston Footbridge and Bridleway** - Appointed contractor commenced works at the start of October 2013 with planned completion for January 2014.
- **Ralph Allen Applied Learning Centre** – The £2.4m project was completed and the centre was open for the new term. Landscaping commences as scheduled in the autumn season.
- **Heritage Investment** - New boilers fitted at Assembly Rooms. Main works at Roman Baths are well advanced with tenders being evaluated. Works will take place from November 2013 to February 2014, to coincide with fewer visitor numbers off-season.