

REVENUE BUDGET MONITORING APRIL 2015 TO DECEMBER 2015

- 1.1 Appendix 2 outlines the Council's current financial position for the 2015/16 financial year to the end of December 2015 by Cabinet Portfolio. The Appendix shows the current forecast outturn position is an underspend of £128,000, or 0.03% of the gross expenditure budget (excluding Schools).
- 1.2 Strategic Directors will continue to work to manage their budgets within the overall budget allocations approved by the Council. This will include the development of appropriate mitigating actions as the financial year progresses.
- 1.3 The forecast outturn position includes the requirement for the delivery of £9.73m savings as part of the approved budget for 2015/16. In addition to this, a further £1.695m of in-year rebasing has been actioned resulting in there no longer being a requirement to use reserves to balance the 2015/16 budget.
- 1.4 Within the current net £128,000 forecast underspend figure, there are areas of over and under spending which are detailed below, along with any planned management actions being taken to reduce projected overspends.
- 1.5 In addition, uncommitted New Care Act burdens funding will be transferred to a specific Council Care Act Reserve at year end, currently estimated to be £750,000.

1.6 **Leader's Portfolio – forecast £197,000 overspend**

There is a £147,000 overspend is forecast in Legal & Democratic Services, owing to the use of agency staffing as the new Council Solicitor reviews workload and staff requirements ahead of permanent recruitment. There is also a £50,000 forecast overspend in Strategy & Performance, mainly arising from staffing costs. Both services are currently undergoing a restructuring exercise, which will aim to fully deliver the allocated savings targets from 2016/17 onwards.

1.7 **Finance & Efficiency Portfolio – forecast £426,000 underspend**

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

Support Services: There is a £259,000 overspend across Support Services. Within this amount, Traded Services income targets are forecast to be £190,000 less than budget, split £47,000 in Print Services, £64,000 in Cleaning Services (due to the backdated living wage increase) and £79,000 in Community Meals (Catering Services). There are reviews underway in all Services to assess the on-going deliverability of the income targets.

There is also a £306,000 forecast overspend within Commercial Estate owing to shortfall of income targets and £80,000 fees incurred for on-going asset revaluations required by external auditors. This is offset by forecast underspends elsewhere in Property Services & Corporate Estate of £317,000, owing to staffing vacancies, recharge income and a one-off rates rebate.

In addition, there is a £20,000 overspend forecast in Human Resources due to loss of school income, and an £80,000 forecast overspend in Housing Benefit Subsidy payments, owing to debt recovery levels dropping from the high levels in achieved in 2014/15.

This is partially offset by a forecast net underspend of £61,000 in Business Support, within which an underspend in Information Technology more than exceeds the overspend caused by additional staffing costs in People Services Financial Management savings targets in 2015/16 being delayed.

Corporate costs: £685,000 forecast underspend, mainly due to a projected surplus on the Council contribution required for historic pension deficit recovery.

1.8 Adult Social Care & Health Portfolio – forecast on target

Within Adult Social Care & Health, a balanced outturn position is being forecast. However the commissioning budgets are supported by the earmarking of funds from the protection of social care element of the Better Care Fund transferred to the Council from B&NES CCG under a Section 75 agreement. It is currently anticipated that £2.2 million will be required in 2015/16 to fund service pressures in purchased care for Mental Health and Older Adults service users. If future guidance for the usage of this monies changes, it is likely that the council would need to identify alternative sources of funding to support the provision of the statutory adult social care service.

It is also currently anticipated that the provision of additional £1.5 million of New Care Act burdens will not be fully committed in the current year, and is forecast that at least £750,000 of this amount should be released to a specific Council Care Act Reserve, and this amount is likely to increase. Work is currently being undertaken to review the demand level of placements, as well as the impact of re-ablement and the Care Act.

It has now been confirmed that the Government's in-year Public Health Grant cut will be £543k. The service has identified in-year savings of £203k, leaving a balance of £340k which will be funded by a transfer from the Revenue Budget

1.9 Children's Services Portfolio – forecast £544,000 overspend

The forecast overspend within this Portfolio is mainly due to two pressures. The use of agency staff to support the Children, Family Assessment and Intervention, Children in Need and Court Duty teams is resulting in a £352,000 forecast overspend. The agency staff are being used to cover sickness, maternity and added case-loads.

In addition, there is also a forecast overspend of £410,000 for Home to School Transport, due to pressures on Special Educational Needs transport. Placing pupils locally with behavioural issues is becoming increasingly difficult, as the three special schools within the area have reached current capacity. Efforts are being made to extend capacity by opening units for behaviour within mainstream schools. This has increased following a review the SEN requirements after the commencement of the new academic year.

There are one-off savings in commissioning of £126,000, and savings in Children Leaving Care and the School Improvement & Achievement Service budgets which are partially mitigating these overspends.

1.10 Homes & Planning Portfolio – forecast £169,000 underspend

There is a £91,000 underspend forecast in Housing, which is due to staffing vacancies and additional enabling fee income. There is also a net underspend of £78,000 forecast in Development Management & Building Control as a result of vacant posts, underspends on software and additional Neighbourhood Planning Grant income.

1.11 Economic Development Portfolio – forecast £269,000 underspend

The forecast underspend is due to the £248,000 forecast over achievement of Heritage Services profit target, based on performance to date, and some staffing vacancies within Economy & Culture.

1.12 Community Services Portfolio – forecast £229,000 overspend

Within Waste & Fleet Services, there is a net forecast underspend of £72,000. This includes an adverse forecast of £175,000 in Fleet Services, and an external review of the service is underway with a view to closing these gaps. Underspends within Waste Services include £138,000 in Waste Recycling owing to variations and deflation in the contract and £124,000 on refuse fuel costs.

There is a forecast overspend of £110,000 in Parks & Bereavement Services, mainly due to health and safety work at Haycombe. This is partially offset by a forecast underspend in Public Protection of £51,000, due to staffing vacancies and increased income on licencing.

In addition, there is an overspend of £240,000 forecast in Place Overheads, the remaining balance of a three year Directorate management savings target, and alternative proposals will need to be developed.

1.13 Transport Portfolio – forecast £233,000 underspend

There is an underspend of £201,000 forecast within Public & Passenger Transport, mainly owing to a reduction in fare values within concessionary fares and savings relating to the MOD site. There is also a £49,000 underspend forecast in Highways and Traffic Management mainly due to some short term staffing vacancies. This is partially used to offset a £29,000 forecast overspend in Transport, Planning & Policy, caused by agency staff covering sickness and vacancies.

CAPITAL BUDGET MONITORING – APRIL 2015 TO DECEMBER 2015

- 2.1 The approved Capital Programme for 2015/16 is currently £81.080, and is detailed in Appendix 5(ii). Changes to the Capital Programme since November Cabinet are shown highlighted in Appendix 5(i).

Progressing Capital Projects Updates

- 2.2 **Bath Transport Package** - Seven bus stop upgrades remain with final Bus Shelters and Real Time Information to complete in March 2016 (there are some operational issues with RTI which is taking some time to resolve). Variable Message Signs on the A46 and A420 have been issued to Highways England for installation on their network; these will be installed during 2016/17.
- 2.3 **Kennet & Avon Towpath & Cycle Parking** – Works on tow path improvements to the length, width and surface of the towpath to be delivered by the Canals & River Trust, funding arrangements for this are now in place, with funding secured from Cycle City Ambition Fund.
- 2.4 **Leisure Works** – The program of leisure works are being developed following the re-procurement of leisure services.
- 2.5 **Metrowest: Greater Bristol Metro Project** – A detailed update on progression, including financial commitments requiring confirmation of underwriting by the individual councils, is to be presented to Cabinet in February.
- 2.6 **Affordable Housing** – Talks are progressing with developers around the Extra Care Scheme at Ensleigh (Lansdown) and proposals are being drawn up for these works. 18 additional rural units over 2 sites have been approved for delivery.
- 2.7 **Bath Quays Waterside (Innovation Quay)** – Contractor activities are now underway including design, planning & consents. Construction is anticipated to commence in early 2016 and to complete by the end of 2016/17.
- 2.8 **Bath Quays North** – Detailed business case is in development including options for development of first stage works. These will be considered in detail for approval in early 2016.
- 2.9 **Bath Quays Bridge** – Bridge build design has commenced. This is being considered as part of the overall Bath Quays business case. This is to be funded by the Cycle City Ambition Fund.
- 2.10 **Gypsy and Traveller Sites** – The site works are now complete and the site is now occupied.
- 2.11 **East of Bath Transportation** – Following approval in November 2014 for work to develop options for a Park & Ride to the east of the city extended public consultation was undertaken in September and Council resolution during November 2015 has identified further investigation and study works to be undertaken.

- 2.12 **Waste Project** – Works to explore options for the relocation proposals of the Refuse collection depot, Commercial Waste & Recycling Service and Waste Transfer Station at Midland Road are underway.
- 2.13 **Saw Close Regeneration** – Development works underway for regeneration proposals for the area around Saw Close.
- 2.14 **Somer Valley Business Centres** – Business case underway for development of new / expansion of existing business center facilities.
- 2.15 **Archway Project** – Heritage Lottery Funding is being sought to develop a new Archway Centre, which will provide a new Roman Baths Learning Centre and World Heritage Centre and extend public access to previously unseen parts of the Roman Baths.
- 2.16 **Keynsham New Build and Regeneration** – Of the 3 remaining retail units 2 are reserved waiting confirmation of the business rates before final acceptance. During the Christmas period one of the units was used as a ‘pop up’ arts shop which proved very popular.
- 2.17 **Bishop Sutton Primary School** - The Phase 1 one classroom extension and associated works of new school reception, remodelling to hall and external access and car parking works were completed ready for occupation on 1st September 2015. Construction of the five classroom block has started and is on target for practical completion in August 2016 and occupation in September 2016.
- 2.18 **Paulton Junior School** – The approved scheme is a four classroom extension although the school requested an option be considered for an additional two units. Planning was submitted and has been approved, therefore for a six classroom extension and the school are committed to finding the funding for the additional two classrooms. The contractors currently tendering will submit a base bid for four classrooms with an option to build on another two if the school can provide this funding. Tenders are due in of 8th February.
- 2.19 **St. Saviour’s Junior School** - The final phase of constructing the kitchen extension and the external works will be completed on programme on 19th January. Currently all construction elements are complete and the soft landscaping is due to be finished on 15th January. The final account will be within budget and agreed prior to completion.
- 2.20 **Saltford Primary** – A scheme and budget has been prepared for a six classroom extension having relocated successfully a family of badgers that were undermining the old temporary units on the site. Currently the scheme is seeking pre-app advice, with planning submission due February 2016. Funding for the works will be included in the capital budget 2016-17. Also ongoing discussions re shared use of a playing field with the Parish Council.
- 2.21 **Ensleigh new school** - The planning application has been submitted and a decision is due by the end of January 2016. Contractors’ tenders have been received and are currently being evaluated with initial indication being that these

are all within budget. Target start on site remains early Spring 2016, with delivery of the new school planned for Reception year pupils to start in September 2017.

- 2.22 Client Data System – Children’s Social Care & Adult Social Care Database -**
The Children’s system was successfully implemented in November. The Adults system implementation is making good progress with business processes being designed and tested, changes to the timetable for fully implementing the Care Act have removed the urgency to deliver the adult social care module of Liquidlogic by April 2016. This gives us the opportunity to review the timetable and ensure that we achieve maximum functionality from the system to best meet our local needs as well as the requirements of the Care Act. It also means that we will be well placed to ensure smooth transition to the new system.