

Notice of Meeting

Supplement Pack- Overview and Scrutiny Management Commission

Tuesday, 27 January, 2015 at 6.30pm
in Council Chamber Council Offices
Market Street Newbury

Date of despatch of Agenda: Monday, 19 January 2015

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact David Lowe / Charlene Myers / Elaine Walker on (01635) 519817 / 519695 / 5194

e-mail: dlowe@westberks.gov.uk / cmyers@westberks.gov.uk / ewalker@westberks.gov.uk

Further information and Minutes are also available on the Council's website at www.westberks.gov.uk



**Agenda - Overview and Scrutiny Management Commission to be held on Tuesday, 27
January 2015 (continued)**

To: Councillors Brian Bedwell (Chairman), Jeff Brooks (Vice-Chairman),
Sheila Ellison, Dave Goff, Roger Hunneman, Mike Johnston,
Alan Macro, Garth Simpson, Virginia von Celsing, Quentin Webb,
Emma Webster and Laszlo Zverko

Substitutes: Councillors Peter Argyle, Paul Bryant, George Chandler, Gwen Mason,
Tim Metcalfe, David Rendel, Julian Swift-Hook and Keith Woodhams

**Other Officers &
Members invited:**

Agenda

Part I

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- | | | |
|-----|---|--------|
| 13. | Revenue and Capital Budgets Report | 3 - 10 |
| | Purpose: To receive the latest period revenue and capital budget reports. | |

Andy Day
Head of Strategic Support

If you require this information in a different format or translation, please contact
Moira Fraser on telephone (01635) 519045.



West Berkshire
C O U N C I L

| | |
|------------------------------------|---|
| Title of Report: | Financial Performance Report 2014-15 Month Eight |
| Report to be considered by: | Overview and Scrutiny Management Commission |
| Date of Meeting: | 27.01.2015 |
| Forward Plan Ref: | |

Purpose of Report: To inform members of the latest financial performance of the Council.

Recommended Action: For Members to note this report

Reason for decision to be taken: To ensure that Members are fully aware of the latest financial position of the Council.

Other options considered: None

Key background documentation: Papers held in Accountancy

The proposals contained in this report will help to achieve the following Council Strategy priority(ies):

- CSP1 – Caring for and protecting the vulnerable**
- CSP2 – Promoting a vibrant district**
- CSP3 – Improving education**
- CSP4 – Protecting the environment**

The proposals will also help achieve the following Council Strategy principle(s):

- CSP5 - Putting people first**
- CSP6 - Living within our means**
- CSP7 - Empowering people and communities**
- CSP8 - Doing what's important well**

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:

| Portfolio Member Details | |
|---|--|
| Name & Telephone No.: | Councillor Alan Law - Tel (01491) 873614 |
| E-mail Address: | alaw@westberks.gov.uk |
| Date Portfolio Member agreed report: | 15 January 2015 |
| Contact Officer Details | |
| Name: | Andy Walker |
| Job Title: | Head of Finance |
| Tel. No.: | 01635 519433 |
| E-mail Address: | awalker@westberks.gov.uk |

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Implications

- Policy:** n/a
- Financial:** If the forecast position occurs at the end of the financial year, there will be a corresponding impact on the Council's General Reserves of a reduction of £418k.
If there are any financial implications contained within this report this section **must** be signed off by a West Berkshire Finance Manager. Please note that the report cannot be accepted by Strategic Support unless this action has been undertaken.
- Personnel:** n/a
- Legal/Procurement:** n/a
- Property:** n/a
- Risk Management:** n/a
- Corporate Board's Recommendation:** To be completed after the Corporate Board meeting.

NOTE: Strategic Support is not able to accept your report without the following section being completed and an Equality Impact Assessment (EIA) being attached where required. For advice please visit www.westberks.gov.uk/eia or contact the Principal Policy Officer (Equality & Diversity) on Ext. 2441 or Team Leader/Solicitor - Corporate Team on Ext. 2626.

| Is this item relevant to equality? | Please tick relevant boxes | | Yes | No |
|--|----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Does the policy affect service users, employees or the wider community and: | | | | |
| • Is it likely to affect people with particular protected characteristics differently? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| • Is it a major policy, significantly affecting how functions are delivered? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| • Will the policy have a significant impact on how other organisations operate in terms of equality? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| • Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| • Does the policy relate to an area with known inequalities? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality) | | | | |
| Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia | | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Not relevant to equality | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

NOTE: The section below does not need to be completed if your report will not progress beyond Corporate or Management Board.

| Is this item subject to call-in? | Yes: <input type="checkbox"/> | No: <input checked="" type="checkbox"/> |
|---|-------------------------------|---|
| If not subject to call-in please put a cross in the appropriate box: | | |
| The item is due to be referred to Council for final approval | | <input type="checkbox"/> |
| Delays in implementation could have serious financial implications for the Council | | <input type="checkbox"/> |
| Delays in implementation could compromise the Council's position | | <input type="checkbox"/> |
| Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months | | <input type="checkbox"/> |
| Item is Urgent Key Decision | | <input type="checkbox"/> |

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Report is to note only



Executive Summary

1. Introduction

- 1.1 This report presents the financial performance for Month Eight of the 2014/15 financial year.
- 1.2 At Month Eight, the forecast revenue position is an over spend of £418k.

2. Proposals

- 2.1 For Members to note this report.

3. Equalities Impact Assessment Outcomes

- 3.1 This report is not relevant to equality.

4. Conclusion

- 4.1 The Month Eight position is showing a forecast over spend of £418k. Though the Council remains in a challenging financial environment, and is faced with making savings in excess of £5m, it has taken steps to maintain financial discipline and ensure that savings are deliverable.

Executive Report

1. Introduction

- 1.1 The financial performance reports provided to Members throughout the financial year are concerned with the under or over spend against the Council's approved budget.
- 1.2 At Month Eight the forecast revenue position is an over spend of £418k.

2. Summary Revenue Forecast

| Service | Current Net Budget | Annual Net Forecast | Forecast (under)/over spend | | | | Change from last month |
|--|--------------------|---------------------|-----------------------------|-------------|-------------|--------------|------------------------|
| | | | Quarter One | Quarter Two | Month Seven | Month Eight | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| DSG | (721) | (721) | 0 | 0 | 0 | 0 | 0 |
| Corporate Director - Communities | 282 | 282 | 0 | 0 | 0 | 0 | 0 |
| Adult Social Care | 36,646 | 36,646 | 0 | 0 | 0 | 0 | 0 |
| Care Commissioning, Housing & Safeguarding | 6,649 | 6,618 | 0 | (59) | (59) | (31) | 28 |
| Children's Services | 13,444 | 13,919 | 220 | 475 | 475 | 475 | 0 |
| Education | 11,683 | 11,758 | 81 | 81 | 80 | 75 | (5) |
| Adult Social Care Change Programme | 1,169 | 1,169 | 0 | 0 | 0 | 0 | 0 |
| Communities | 69,152 | 69,671 | 301 | 497 | 496 | 519 | 23 |
| Corporate Director | 166 | 166 | 0 | 0 | 0 | 0 | 0 |
| Highways & Transport | 7,621 | 7,614 | (84) | (18) | (13) | (7) | 6 |
| Planning & Countryside | 4,242 | 4,244 | 29 | 30 | 4 | 2 | (2) |
| Culture & Environmental Protection | 21,436 | 21,440 | 53 | 76 | 10 | 4 | (6) |
| Environment | 33,465 | 33,464 | (2) | 88 | 1 | (1) | (2) |
| Chief Executive | 520 | 500 | 0 | 0 | 0 | (20) | (20) |
| Customer Services | 1,902 | 1,852 | 0 | (55) | (55) | (50) | 5 |
| Finance | 1,997 | 1,997 | 0 | 0 | 0 | 0 | 0 |
| Human Resources | 1,206 | 1,198 | (14) | (2) | (12) | (8) | 4 |
| Information Technology | 2,790 | 2,789 | 0 | 6 | (1) | (1) | 0 |
| Legal | 948 | 1,030 | 0 | 62 | 82 | 82 | 0 |
| Public Health | 97 | 97 | 0 | 0 | 0 | 0 | 0 |
| Strategic Support | 3,520 | 3,417 | (86) | (93) | (95) | (103) | (8) |
| Resources | 12,980 | 12,880 | (100) | (82) | (81) | (100) | (19) |
| Levies and Interest | 5,561 | 5,561 | 0 | 0 | 0 | 0 | 0 |
| Total | 121,158 | 121,576 | 199 | 503 | 416 | 418 | 2 |

Nb rounding differences may apply to nearest £k

2.1 Communities:

- (1) Children's Services are forecasting a net over spend of £475k, which is the same as Quarter Two. The over spend is predominately the result of increasing demand on Independent Fostering placements, the overall placement budgets is forecasting a £800k pressure which has

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remained consistent with the forecast at Quarter Two. In order to manage down the over spend in the current year, Children's Services is deliberately slowing expenditure on early intervention and preventative services (Youth Offending Team, Youth Services, Family Placement Services).

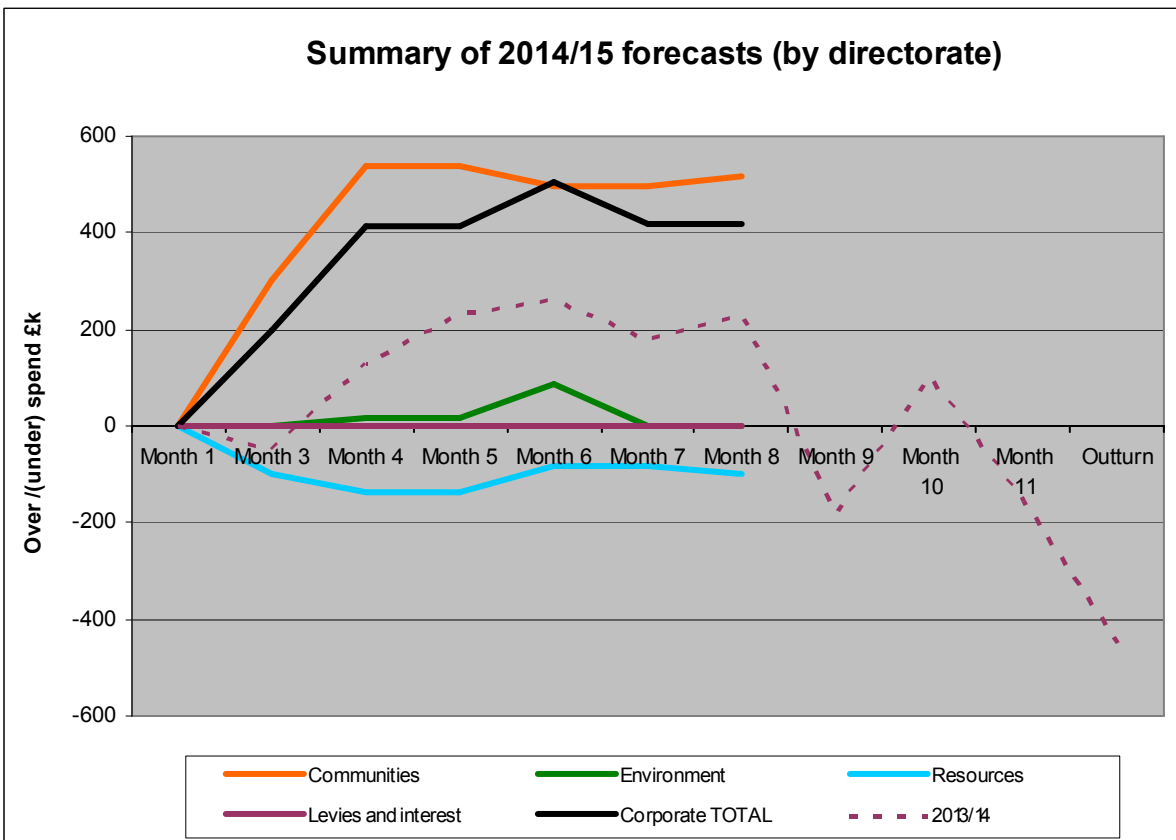
(2) Education is forecasting an over spend of £75k, which is a change of £5k from last month. The over spend is a result of pressure on the SEN Home to School Transports budgets plus increasing demand for support packages for disabled children designed to keep children out of high cost residential care placements and with their families.

2.2 The Environment Directorate is forecasting an under spend of £1k, which is a change of £2k from the last month.

2.3 The Resources Directorate is forecasting an under spend of £100k largely from additional income and salary savings in Strategic Support and a one off IT saving in Customer Services. The two main pressures currently forecast in Legal Services have arisen as a result of new information provided by Reading BC regarding the cost of the Coroner's Court joint arrangement and also a shortfall in fee income.

2.4 Levies and Interest is currently forecasting on line.

2.5 The following chart shows the forecasts per Directorate together with a corporate total and a comparison to last year.



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3. Conclusion

- 3.1 The Month Eight position is showing a forecast over spend of £418k. Though the Council remains in a challenging financial environment, and is faced with making savings in excess of £5m, it has taken steps to maintain financial discipline and ensure that savings are deliverable.

Appendices

None

Consultees

Local Stakeholders:

Officers Consulted:

Trade Union: