

Title of Report:	Financial Performance Report – Quarter Two (2013-14)
Report to be considered by:	Overview and Scrutiny Management Commission
Date of Meeting:	10 December 2013

Purpose of Report: To advise the Overview and Scrutiny Management Commission of the latest financial performance of the Council.

Recommended Action: That the Overview and Scrutiny Management Commission considers the financial performance of the Council and recommends further action as appropriate.

Overview and Scrutiny Management Commission Chairman	
Name & Telephone No.:	Chairman of the Overview and Scrutiny Management Commission

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Executive Summary

1. Introduction

- 1.1 This is the second report to the Executive as part of the financial reporting cycle for the 2013-14 financial year.
- 1.2 The forecast revenue over spend for the 2013-14 financial year is £261k. This is an increase of £312k from Quarter One when we were reporting an under spend of £51k.

2. Proposals

- 2.1 For Members to note this report.

3. Equalities Impact Assessment Outcomes

- 3.1 EIA completed; no impact on vulnerable groups.

4. Conclusion

- 4.1 The Quarter Two financial position is showing a forecast over spend of £261k for the year end. 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 forecast outturn position as at Quarter Two of the 2013-14 financial year is an over spend of £261k, an increase of £312k from Quarter One.

2. Summary Revenue Position

2.1 Overall, the Council is showing a relatively low forecast over spend.

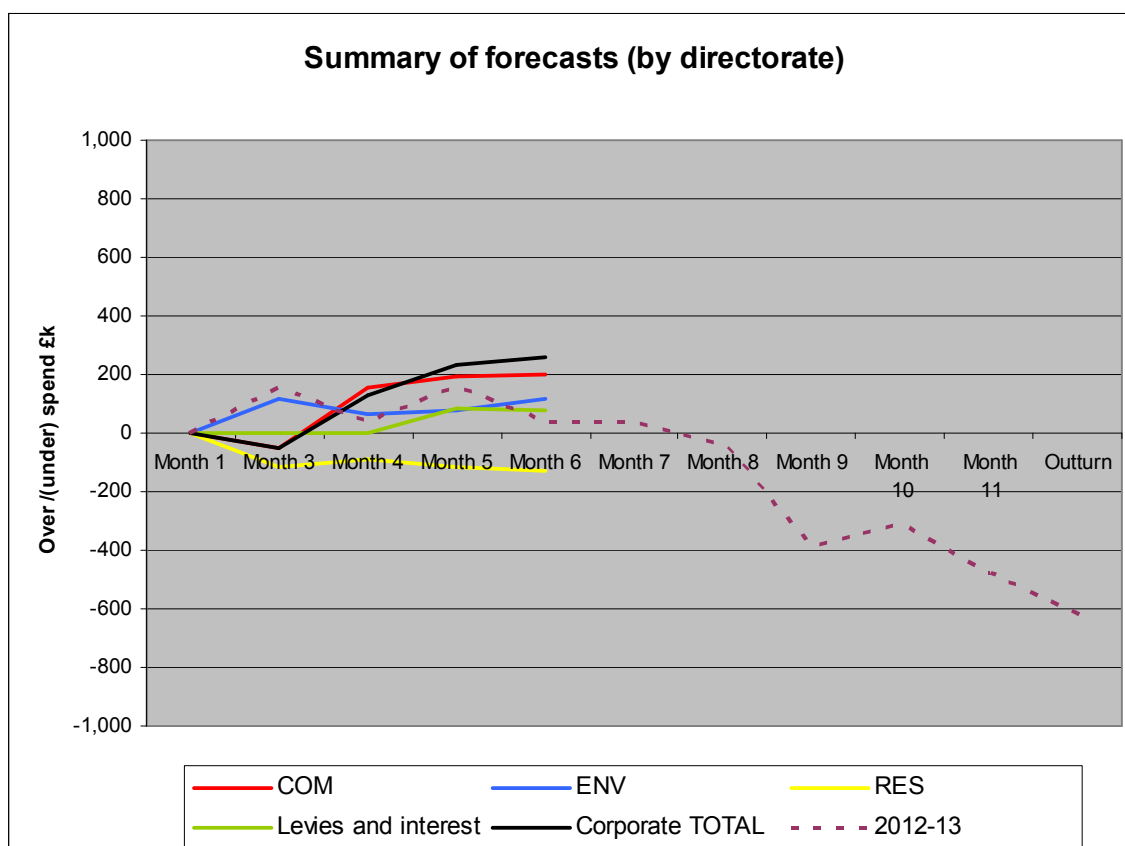
2.2 In Communities, Children's Services are forecasting an over spend of £324k due to pressures in fostering services and non residential placements. In order to address the increased projected overspend, expenditure across Children's non placement budgets and all Communities Services' budgets is being deliberately slowed.

2.3 Care Commissioning, Housing and Safeguarding are reporting an under spend of £102k due a reduction in the level of SP LD demand.

2.4 In Environment, Highways and Transport are forecasting a pressure of £201k largely from reduced car park income and S278 income due to delays to commencement of approved developers' schemes.

2.5 Culture and Environmental Protection are forecasting an under spend of £173k, from a range of items.

2.6 The other Council services are all forecasting close to a breakeven position for the end of the financial year.



3. Summary Capital Position

- 3.1 69% of the 2013/14 capital programme is committed as at the end of September 2013. Forecast capital spend in the year is currently £29.7 million against a budget of £30.8 million with £1.1 million now expected to be re-profiled into 2014/15.

3.2 Communities

Schemes in Adult Social care for care home refurbishment and to improve the efficiency of service provision are progressing as planned. In Care Commissioning Housing and Safeguarding, a lower than expected take up of Home Repair Assistance grants is expected to result in an under spend of approximately £30,000.

In Education Services, good progress is being made with schemes to deliver additional primary school places. The programme has already been re-profiled to take account of the latest pupil number forecasts, more accurate estimates of schemes to provide additional school places and assumptions about external funding. However further unavoidable delays to projects including the relocation of the Reintegration Service and expansion of Purley Infants and Francis Bailey primary schools are expected to result in a further under spend of approximately 8% of the revised programme.

3.3 Environment

In Culture and Environmental Protection, the Northcroft Leisure Centre Scheme is on budget and on target for completion in mid November, despite some technical difficulties earlier in the project. The Museum Project remains on programme and on budget. Good progress is also being made with the majority of Highways schemes, including the £1.4m re-profiled from future years to address problems on the network caused by the severe winter weather. However £100,000 S106 for the A340 rail bridge at Aldermaston Wharf is still expected to be re-profiled because of difficulties with the land owner. In Planning and Countryside, the majority of work on public rights of way projects will be completed before the autumn weather causes deteriorating working conditions.

3.4 Resources

The Council's investment in the Market Street regeneration project, managed by the Chief Executive, is now largely complete while the London Road project is now at the stage of selecting a joint venture partner. In Finance, the June members' bids panel allocated £47,000 to new schemes, but £80,000 funds allocated to members' schemes in previous years remains unspent or unclaimed. This figure will be reviewed at the next panel meeting.

In ICT, the contract for Superfast Broadband has now been let, but the revised project programme now shows that the Council's budget of £131,000 for implementation of the first stage of the project in 2012/13 will not now be required to be paid until 2014/15. The Strategic Support capital budget for shop mobility and CCTV is already fully committed.

Appendices

Appendix 1a, 1b – Summary revenue and capital position
Appendix 2a, b, c – Directorate commentaries
Appendix 3 – Equality Impact Assessment – Stage 1

Consultees

Local Stakeholders: n/a
Officers Consulted: Corporate Board
Trade Union: n/a