

Notice of Meeting

Overview and Scrutiny Management Commission

Tuesday, 28th June, 2011 at 6.30 pm
in Council Chamber Council Offices
Market Street Newbury

Date of despatch of Agenda: Monday, 20 June 2011

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact David Baker on (01635) 519083
e-mail: dbaker@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, 28 June 2011 (continued)

To: Councillors Brian Bedwell (Chairman), Dominic Boeck, Jeff Brooks (Vice-Chairman), Virginia von Celsing, Marcus Franks, Dave Goff, David Holtby, Mike Johnston, David Rendel, Tony Vickers, Quentin Webb and Emma Webster

Substitutes: Councillors

Other Officers & Members invited:

Agenda

Part I

Page No.

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| 5. | Items Called-in following the Executive on 16 June 2011
<i>Purpose: To consider any items called-in by the requisite number of Members following the previous Executive meeting on 16 June 2011.</i> | 1 - 22 |
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Andy Day
Head of Policy and Communication

West Berkshire Council is committed to equality of opportunity. We will treat everyone with respect, regardless of race, disability, gender, age, religion or sexual orientation.

If you require this information in a different format, such as audio tape, or in another language, please ask an English speaker to contact Moira Fraser on telephone (01635) 519045, who will be able to help.



Title of Report:	Item Called-in following an Executive Decision
	Provisional Outturn Report 2010-11
Report to be considered by:	Overview and Scrutiny Management Commission
Date of Meeting:	28 June 2011
Forward Plan Ref:	EX2116

Purpose of Report: To inform the Executive of the provisional outturn for the 2010-11 financial year

Recommended Action: That the Overview and Scrutiny Management Commission reviews the decision.

Overview and Scrutiny Management Commission Chairman	
Name & Telephone No.:	Councillor Brian Bedwell – Tel (0118) 9420196
E-mail Address:	bbedwell@westberks.gov.uk

Portfolio Member Details	
Name & Telephone No.:	Councillor Keith Chopping – Tel (0118) 983 2057
E-mail Address:	kchopping@westberks.gov.uk

Contact Officer Details	
Name:	David Baker
Job Title:	Policy Officer (Scrutiny Support)
Tel. No.:	01635 519083
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Supporting Information

1. Executive Decision

- 1.1 The Provisional Outturn Report 2010-11 was presented for consideration by the Executive Member for Finance, Property, Health & Safety as an Executive Decision on 16 June 2011. The recommended action in the report was to note the report which the Executive duly did.

2. Call-In of the Decision

- 2.1 In accordance with the Council's Constitution five Elected Members (Councillors David Rendel, Jeff Brooks, Keith Woodhams, Julian Swift-Hook and Tony Vickers) called in the Executive Decision (EX2116) on the basis that:
1. There has been no proper discussion of why the underspend shot up between Month 9 and year-end by nearly £1 million.
 2. In particular no explanation has been given in public about the underspend on "Levies and Interest" of over £1.7 million (approximately 37% of the budgeted amount)
 3. There has been no proper discussion of what lessons need to be learnt to avoid the next year's budget being set on the basis of such inaccurate figures in future.
 4. There has been no indication that the Executive understands the importance to the local economy in a time of economic difficulty of spending its full budget.
 5. There has been no acknowledgement by the Council that the report contained an error worth over £350,000 which had not been corrected at the time they took their decision to accept the report.

3. Role of the Overview and Scrutiny Management Commission

- 3.1 The role of the Overview and Scrutiny and Management Commission is to review the decision and determine whether it concurs with the decision (in which case it will take immediate effect) or refer it back to the Executive for further consideration.

4. Recommendation

- 4.1 It is recommended that Members of the Overview and Scrutiny Management Commission review the decision to note Provisional Outturn Report 2010-11

Appendix A - Provisional Outturn Report 2010-11 and appendix1.
Outturn by Directorate and service
Appendices 2a to 2d – Directorate summaries

Date: 21 June 2011

Mr Andy Day
Head of Policy and Communication
Market Street
Newbury
Berkshire
RG14 5LD

**West Berkshire Council Liberal
Democrat Group**
Market Street
Newbury
Berkshire RG14 5LD
Please ask for: Susan Chivers
Direct Line: 01635 519097
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Dear Andy

**Call In of Provisional Outturn Report 2010-11
Report submitted to Executive on 16 June 2011**

In accordance with Paragraph 6.4.5 of the Council's Constitution, I hereby give notice that the undersigned wish to call in the Provisional Outturn Report 2010-11 submitted to Executive on 16 June 2011. The reasons for the call in are as follows:

1. There has been no proper discussion of why the underspend shot up between Month 9 and year-end by nearly £1million.
2. In particular no explanation has been given in public about the underspend on "Levies and Interest" of over £1.7 million (approximately 37% of the budgeted amount)
3. There has been no proper discussion of what lessons need to be learnt to avoid the next year's budget being set on the basis of such inaccurate figures in future.
4. There has been no indication that the Executive understands the importance to the local economy in a time of economic difficulty of spending its full budget.
5. There has been no acknowledgement by the Council that the report contained an error worth over £350,000 which had not been corrected at the time they took their decision to accept the report.

Yours sincerely

1. David Rendel



2. Jeff Brooks



3. Keith Woodhams



4. Julian Swift-Hook



5. Tony Vickers



Title of Report:	Provisional Outturn Report 2010-11
Report to be considered by:	Executive
Date of Meeting:	16 June 2011
Forward Plan Ref:	EX2116

Purpose of Report: To inform the Executive of the provisional outturn for the 2010-11 financial year.

Recommended Action: To note the report.

Reason for decision to be taken: This report forms part of the Council's performance monitoring framework.

Other options considered: n/a

Key background documentation:

- Papers held by accountancy
- Financial Statements 2010-11 to be released to external audit by the 30th June 2011

The proposals will also help achieve the following Council Plan Theme:

CPT13 - Value for Money

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:
Monitoring the council's financial performance in respect of the agreed budget.

Portfolio Member Details	
Name & Telephone No.:	Councillor Keith Chopping - (0118) 983 2057
E-mail Address:	kchopping@westberks.gov.uk
Date Portfolio Member agreed report:	23 May 2011

Contact Officer Details	
Name:	Andy Walker
Job Title:	Head of Finance
Tel. No.:	01635 519879
E-mail Address:	awalker@westberks.gov.uk

Implications

Policy: n/a

Financial: The financial implications to the Council are articulated in the report.

Personnel: n/a

Legal/Procurement: n/a

Property: n/a

Risk Management: Risks associated with the Council's budget are contained in the council's Strategic Risk register and the risk Registers of Individual Services.

Equalities Impact Assessment: Stage 1 completed

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input 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 Commission or associated Task Groups within preceding six months	<input type="checkbox"/>	
Item is Urgent Key Decision	<input type="checkbox"/>	

Executive Summary

1. Introduction

- 1.1 This is the final report to be presented to the Executive concerning the Council's financial performance in respect of the 2010-11 financial year. This report outlines the provisional outturn for the different council services. It should be noted that this position may well change over the coming weeks, as the council is required to produce full financial statements by the end of June 2011, but is unlikely to be materially different.
- 1.2 The Council's provisional outturn is an underspend of £686k against its revised 2010-11 budget.
- 1.3 The financial year 2010-11 has been a particularly turbulent one for the Council's finances. In June 2010 there was an emergency budget announced by the new coalition Government which reduced the in-year financial resources available to the public sector by £6.2bn. The Council's share of this reduction was £1.054m to the revenue budget with further reductions due to the abolition of the Planning Delivery Grant and the removal of Local Area Agreement reward funding.
- 1.4 The Council adopted a recruitment freeze and kept posts vacant to save circa £800k, and also reduced budgets in areas previously in receipt of Area Based Grant by over £600k to achieve a break even position at the end of the financial year. At month 9 the Council also capitalised circa £1.5m of highways revenue expenditure due to a change in accounting standards. These items helped to reduce the forecast overspends in service areas and to mitigate the impact of the central Government cut to Council funding. The main service area where the Council overspent significantly was in the Adult Social Care service in 2010-11, as forecast for much of the financial year.
- 1.5 The Council managed to achieve an underspend position for the financial year whilst also funding a significant restructuring exercise for the 2011-12 budget, managing over £1m of in year reductions and maintaining the delivery of Council services.

2. Proposals

- 2.1 For Executive to note this report.

3. Conclusion

- 3.1 The provisional outturn is expected to be a £686k underspend for the Council against a net budget of £118.172m. This represents an underspend of 0.6% against the budget. It should be noted that the final actual outturn position that will increase or decrease the Council's general reserve will be reported in the Council's full financial statements which are due to be published in draft format on the Council's website, and for release to the Council's external audit provider KPMG to review, in late June 2011.

Executive Report

1. Introduction

- 1.1 This report details the provisional outturn for the Council for the financial year 2010-10. The report highlights the over and underspends for the year by directorate and service.
- 1.2 The overall financial outturn is anticipated to be £686k underspent. This represents an underspend of 0.6% against the revised Council budget for 2010-11.

2. Overview of 2010-11

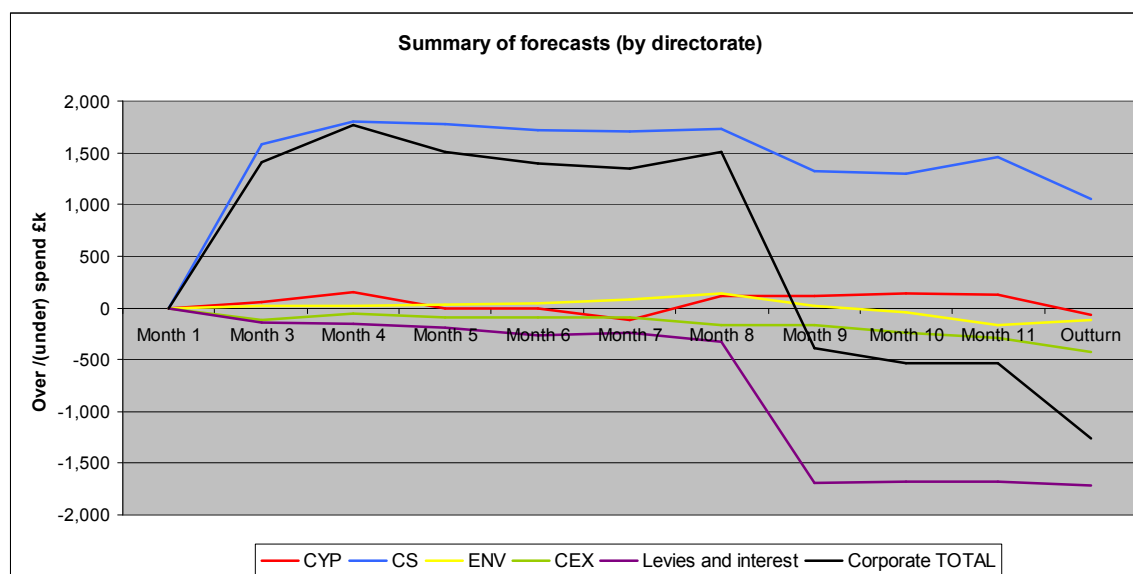
- 2.1 The financial year 2010-11 was a year of unprecedented changes to the Council's financial position. The Council's original budget for management reporting stood at £119.23m at the beginning of the financial year. As result of the emergency budget announced on the 22nd June 2010, the budget was revised to £118.17m. This reduction of over £1m budget had a significant impact on the management of the Council's finances for the rest of the year. A recruitment freeze was enacted to reduce costs by £800k, with further savings of £660k coming from Area Based Grant (ABG) funded areas that were impacted on by central Government funding reductions.
- 2.2 The Adult Social Care service had by far the largest overspend of any Council service of £1,603k, thus being the contributing factor to a Council wide directorate overspend of £448k. The service did receive some one-off income from central Government of £326k towards the end of the financial year which offset some of the pressures, though the service still overspent by a significant sum.
- 2.3 As a result of implementing International Financial Reporting Standards the council was able to reallocated highways revenue expenditure into capital expenditure. This freed up just under £1.5m net of revenue expenditure that was able to offset the corporate pressure, and enable an underspend of £686k. Further detail on this was presented to the Executive at the quarter 3 report.
- 2.4 A summary of the financial year, and the changes is presented below:

Revised budget position:

Item	Financial impact / £m	Summary budget changes:
Net budget as at 1.4.2010	£119.22m	
Reduction to net budget from Emergency Budget	(£1.05m)	
Revised budget as at 1.7.2010	£118.17m	
Item	Financial impact / £m	
Net budget as at 1.4.2010	119.22m	
Recruitment freeze due to Emergency Budget	(0.7)	
ABG savings related to the emergency budget	(0.66)	
Capitalisation of highways expenditure	(1.36)	
New Government funds - ASC	(0.33)	
New Government funds – Legal	(0.07)	
ASC outturn – gross of one off funding	1.93	
Non-ASC service outturn position	(1.12)	
Funding of redundancy costs	0.58	
Outturn position	117.49	
Revised budget as per the above	118.17	
Outturn variance	(0.68)	

3. 2010-11 revenue provisional outturn

3.1 The Council is anticipated to be £686k under spent. A summary of the Council's performance by directorate and service is highlighted in appendix 1. This represents a variation of 0.6% on the Council's net budget:



3.2 The Adult Social care service overspent by far the largest amount of any of the Council's services during 2010-11. There were a combination of factors that have led to this overspend. Primarily there were increased costs in providing service to

those clients with learning disability, both due to increased demand, and due to the level of care required. The older people element of the service was much closer to break even, and this position was achieved with the help of the £326k one-off monies from the Department of Health and due to the PCT funding 14 delayed discharge clients from the NHS.

- 3.3 All of the other Council services achieved an over or under spend within £300k of their revised budgets following the reductions to the Council budget due to the coalition Government's emergency budget. The Council did face a number of other changes within its budget during 2010-11, and appendices 2a to 2d detail how directorates managed these during the year. The Council did also benefit from a number of one-off income streams during 2010-11, with some of these coming from month 9 onwards.

4. Funding of the 2011-12 budget restructuring

- 4.1 At the bottom of appendix 1 is a summary of the anticipated costs of the restructuring to Council services for setting the 2011-12 budget. The Council set aside circa £2m from previously earmarked reserves to fund the restructuring costs to set the 2011-12 budget. Due to the scale of the restructuring required, this reserve was exceeded. A summary of the costs that could not be met from within specific grants i.e. that fell on the Council to fund is below:

- (i) Costs associated with the in-year budget reductions and the 2011-12 restructuring (excluding Adult Social Care): £1,663k
- (ii) Costs associated with the restructuring of Adult Social Care: £949k

- 4.2 The Council underspend by £1.2m and, as shown at the bottom of the appendix 1, this enabled the Council to meet its obligations to pay for 2011-12 restructuring costs of £580k, leaving an underspend returned to the General Reserve of £686k..

5. Provisional Capital Outturn 2010/11

	Revised Capital Budget 2010/11 £000	Provisional Council Funded Spend £000	Provisional External Funded Spend £000	Total Outturn £000	Variance £000
Community Services	4,786	1,212	981	2,193	(2,593)
Chief Executive	24,853	7,674	11,776	19,450	(5,403)
Children and Young People	18,527	2,485	12,194	14,679	(3,578)
Environment	16,797	11,537	1,413	12,950	(3,847)
Total	64,693	22,908	26,364	49,272	(15,421)

5.1 Total capital expenditure in 2010/11 was £49.3 million. This represents an estimated underspend of £15.4 million against the provisional final budget of £64.7 million. This includes an underspend against the Council funded capital budget of approximately £7.2 million. However the budget figures and the split between Council and external funding are subject to final decisions to be made about the allocation of capital receipts and external funding to offset expenditure in 2010/11.

(1) Community Services

The underspend of £2.6 million includes £600,000 in respect of Disabled Facilities Grants, most of which has been allocated to clients, but is not yet shown as committed in the Council's accounting system. £434,000 of the underspend relates to the Newbury Museum project which is now expected to start on site in 2012/13. In addition the Housing Service planned to underspend against its programme of housing repairs and improvements (including empty homes and temporary accommodation) by approximately £800,000, in order to free up resources to help fund other capital investment priorities for the period 2011 to 2016. (This proposal was included in the report on the Capital Strategy and Programme 2011-16 which was approved by the Council on the 3 March).

(2) Chief Executive

This includes major schools projects managed by the special projects team. The underspend in 2010/11 includes £2.6 million in respect of Denefield School which is planned for completion in November 2012. £1.6 million of expenditure on ICT schemes is now expected to slip into 2011/12 including the completion of the Timelord project, the Storage Area Network replacement and the Data Centre Refurbishment which are all now expected to be completed in 2011/12.

(3) Children and Young People

Expenditure on the Education programme is approximately £3.5 million lower than budgeted. This is because of the reprofiling of spend on a number of schools schemes including Theale Green, Chieveley, Speenhamland and Kintbury St Mary's which are now expected to be completed in 2011/12. In addition the 2010/12 programme included £740,000 for the Secondary Schools Development Strategy – the design stage of this project started in March 2010 and the projects selected to be completed are now expected to start on site in 2012.

(4) Environment

Capital expenditure on Environment schemes was approximately £3.8 million below the budget for 2010/11. This includes £1.6 million in respect of Highways improvement schemes of £500,000 was committed at year end and will be spent within the first two months of the new year and a further £640,000 was planned to be reprofiled to 2011/12. £700,000 of the underspend relates to the preparation of the site for the new Waste Management facility at Padworth which will also be completed in 2011/12. The 2010/11 programme also included £500,000 for schemes to promote energy and carbon savings across the Council. Only a small amount of this

fund has so far been allocated because it has taken some time to identify schemes which offer the best value for money and which deliver significant revenue savings. It is now proposed to spread the remaining funding for this programme over the next 3 years.

6. The full financial statements

- 6.1 The Government has recently changed the Accounts and Audit regulations. This has removed the requirement for members to approve the financial statements for release to external audit (KPMG). Instead, the s151 officer must sign off the financial statements by the 30th June for KPMG to commence their audit. Members of the Governance & Audit committee are then required to approve the financial statements by the end of September 2011 upon receipt of KPMG's ISA 260 summary report.
- 6.2 The financial statements provide a much greater level of detail concerning the 2010-11 financial transactions than this report and also in a very different format to comply with International Financial Reporting Standards.
- 6.3 The financial statements will include the finalised outturn position. As part of the implementation of IFRS, this outturn will be displayed in a different format with additional reporting analysis compared to previous years.
- 6.4 The draft financial statements will be posted on the Council's internet as soon as practicably possible after the Council's s151 has certified these to be ready for external audit later in June.

Appendices

Appendix 1 – Outturn by Directorate and service
Appendix 2a to 2d – Directorate summaries

Consultees

Local Stakeholders: Not consulted
Officers Consulted: Corporate Board
Trade Union: Not consulted

Provisional Outturn

Appendix 1

Appendix 1 - Provisional Outturn summary

	Total Budget for 2010/11 £	Cum Exp/Inc (As at 09/05/2011) £	Variance £
DEDICATED SCHOOLS GRANT	-679,500	-679,500	0
CORPORATE DIRECTOR - CYP	195,110	189,613	-5,497
YOUTH SERVICES & COMMISSIONING	2,692,060	2,583,437	-108,623
EDUCATION SERVICES	10,721,030	10,738,436	17,406
CHILDREN'S SERVICES	10,193,840	10,260,724	66,884
CUSTOMER SERVICES	1,018,160	985,686	-32,474
CHILDREN AND YOUNG PEOPLE DIRECTORATE	24,140,700	24,078,395	-62,305
CORPORATE DIRECTOR - CS	303,370	170,943	-132,427
HOUSING & PERFORMANCE	7,325,810	7,095,677	-230,133
ADULTS SOCIAL CARE	33,772,660	35,375,642	1,602,982
CULTURAL SERVICES	5,396,300	5,207,002	-189,298
COMMUNITY SERVICES DIRECTORATE	46,798,140	47,849,264	1,051,124
CORPORATE DIRECTOR - ENV	169,490	159,061	-10,429
HIGHWAYS & TRANSPORT	7,861,950	7,860,787	-1,163
PLANNING AND COUNTRYSIDE	4,013,750	3,961,707	-52,043
PROPERTY & PUBLIC PROTECTION	17,799,660	17,748,063	-51,597
ENVIRONMENT DIRECTORATE	29,844,850	29,729,618	-115,232
CHIEF EXECUTIVE	554,360	512,963	-41,397
HUMAN RESOURCES	1,095,260	1,070,446	-24,814
ICT	3,017,560	2,883,714	-133,846
LEGAL & ELECTORAL	896,000	923,014	27,014
POLICY AND COMMUNICATION	3,664,740	3,445,085	-219,655
BENEFITS AND EXCHEQUER	1,069,070	1,006,945	-62,125
FINANCE	2,441,070	2,468,686	27,616
SPECIAL PROJECTS	13,920	13,861	-59
CHIEF EXECUTIVE'S DEPARTMENT	12,751,980	12,324,714	-427,266
LEVIES AND INTEREST	4,636,430	2,923,860	-1,712,570
PROVISIONAL OUTTURN	118,172,100	116,905,851	-1,266,249
Funding of 2011-12 savings proposals not met by the Economic Downturn Provision			580,235
Provisional Position as at 31.3.2011			-686,014

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Year End Directorate Outturn

All analysis completed in £/k

Directorate: Children & Young People

Table 1: Year end position (by service):

Service	Net Budget	Net Outturn	Variance	M9 prediction	Variance compared to M9 prediction
Director	195	190	-5	-17	12
DSG	679	679	0	0	0
Youth & Commissioning	2,692	2,583	-109	-98	-11
Education Services	10,739	10,756	17	106	-89
Children's Services	10,369	10,436	67	136	-69
Customer Services	1,018	986	-32	-12	-20
Total	25,692	25,630	-62	115	177

Director's summary

The Directorate has achieved a saving of £62k against a budget of £25m.

The majority of savings (£109k) were achieved within the Youth & Commissioning service. The savings have been mainly achieved via savings in the Systems, Research & Information Team, against the Contact Point Grant which was ceased mid year and over various commissioning functions which has offset significant budget pressures incurred against the Youth Services functions.

Customer Services (£32K) and the Corporate Director (£5k) functions have also generated savings in year as a result of reducing in year expenditure.

Education Services (£17k) and Children's Services (£67k) have overspent in year. Overspends were the result of high demand for placement services and utilisation of agency staff covering key vacant posts.

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Year End Directorate Outturn

All analysis completed in £/k

Directorate: Community Services

Table 1: Year end position (by service):

Service	Net Budget	Net Outturn	Variance	M9 predicted variance	Variance compared to M9 prediction
Director	303	171	-132	-101	-31
Housing & Performance	7,291	7,062	-229	-169	-60
Adult Social Care	33,796	35,399	1,603	1,761	-158
Cultural	5,527	5,338	-189	-161	-28
Total	46,917	47,970	1,053	1,330	-277

Director's Summary

The Directorate is £1,053k more overspent than budget – this is a 2.25% overspend.

The overspend is almost entirely on Adult Social Care Commissioning Budgets (£1.6m). Within the commissioning budgets, Learning Disability accounts for the majority of the overspend at over £1.4m overspent, with Older People Services and Mental Health Services on line and Physical Disability £0.2m overspent.

It should also be noted that the ASC overspend of £1.6m against budget is less than 5% of the budget for the Service.

Housing and Performance was underspent by £228k, due to delayed maintenance work, savings on advocacy costs, savings on IT support contract and savings on social care training and salaries.

Culture was underspent by £161k due to staffing reductions implemented at month 9 rather than the end of the financial year, as well as the closure of the West Berkshire museum and the use of S106 contributions for the purchase of some library stock items

Across all Services, budget managers have delayed and reduced professional services wherever possible, to achieve short term savings

Against Month 9 forecasting, the Directorate is £277k under the forecast (0.6% variance), with extra savings found in all Services.

The MVF of £529k was achieved across all service areas except the £9k on the director's area. This was compensated by savings elsewhere. The recruitment freeze saving was also achieved.

Year End Directorate Outturn

All analysis completed in £/k

Directorate: Environment

Table 1: Year end position (by service):

Service	Net Budget	Net Outturn	Variance	M9 prediction	Variance compared to M9 prediction
Corporate Director	169	159	-10	-9	-1
Highways & Transport	7,862	7,861	-1	28	-29
Planning & Countryside	4,014	3,962	-52	-27	-25
Property & Public Protection	17,802	17,750	-52	30	-82
Total	29,847	29,732	-115	22	-137

Director's summary

The Environment Directorate has achieved an under spend of £115,000 during 2010-11. At Month 9, the Directorate was forecasting a small over spend but this has reduced due to an improved position in Development Control during the last three months and reduced expenditure in Property and Public Protection and Highways and Transport.

Highways and Transport

The Service has faced budgetary pressures of over £700,000 during 2010-11 from emergencies, winter maintenance and car park income. As a result of management action, the pressures have been mitigated by reducing expenditure on maintenance programmes. In addition there have been savings from reduced demand for concessionary fares and additional income. As a result, the Service had a final under spend of just £1,000.

Planning and Countryside

Pressures arose in Building Control income and the Out of Hours Dog Warden service. Vacancy savings, Development control income and additional income in Countryside have brought the Service to an under spend position at year end.

Property and Public Protection

The service faced pressures on West Street House, West Point and the closure of Northcroft House which were partly offset by savings in other Corporate Buildings and by reducing expenditure on reactive maintenance, office cleaning and supplies and services. Savings were also made from vacancies over and above the MVF and recruitment freeze targets across property services and public protection.

Year End Directorate Outturn

All analysis completed in £/k

Directorate: Chief Executive

Table 1: Year end position (by service):

Service	Net Budget	Net Outturn	Variance	M9 prediction	Variance compared to M9 prediction
Chief Executive	554	513	-41	-36	-5
Benefits & Exchequer	1,069	1,007	-62	-87	25
Human Resources	1,095	1,070	-25	-19	-6
Legal & Electoral	896	923	27	126	-99
Finance	2,441	2,469	28	0	28
ICT	3,018	2,885	-134	-11	-123
Policy & Communication	3,665	3,445	-220	-139	-81
Special Projects	14	14	0	0	0
Total	13,198	12,326	-427	-166	-261

Director's summary

The Directorate was forecasting a year-end under spend of £166,000 at Month 9, which was increased to a forecast under spend of £289,000 by Month 11. During Month 12, Legal & Electoral received unexpected income of £34,000 from Central Government to provide support to Local Authorities as a result of the revocation of the Personal Searches fees, and a further £34,000 was awarded by the High Court in the Renaissance litigation as contribution to the Council's legal costs. Neither of these amounts could have been forecast as notification was not received until Month 12. Detailed explanations of the variance to Month 9 are explained in the detail below.

There were a number of other pressures emerging in year but management action was put in place to address these largely through reduced levels of staffing and holding back on non essential expenditure.

The directorate met its MVF target of £354,000 and in addition achieved vacancy savings in excess of the £200,000 recruitment freeze target. The vacancy savings have contributed to the year end under spend and have formed a large part of the Targeted Savings Plan for 2011-12.

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