

Report of the Deputy Chief Executive

Report to Executive Board

Date: 6th November 2013

Subject: Financial Health Monitoring 2013/14 – Month 6

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to inform members of the financial health of the authority after six months of the financial year in respect of the revenue budget, and the Housing Revenue Account. Members of the Board have also previously asked for updates as to the financial performance of the Regional Economic Intelligence Unit and progress in respect of procurement, and these are included in this report.
2. As members will be aware, 2013/14 is the third year of the 2010 Comprehensive Spending Review and the reduction in government funding for 2013/14 again presents a significant financial challenge to the Council. As the 2013 Spending Review has confirmed further funding reductions in the medium term, it does remain imperative that actions agreed in the budget are delivered.
3. Action is taking place across all areas of the Council and it is clear that significant savings are being delivered in line with the budget, but nevertheless at this stage of the financial year an overall overspend of £3.2m is projected, which is the same as reported at month 5.
4. At the half year the HRA is projecting a surplus of £0.3m.

Recommendations

5. Members are asked to note the projected financial position of the authority after six months of the financial year 2013/14.

1. Purpose of this report

- 1.1 This report sets out for the Board the Council's projected financial health position for 2013/14 after six months of the financial year.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget after six months and comments on the key issues impacting on the overall achievement of the budget for the current year.
- 1.3 Separate reports on the Capital Programme and Treasury Management Strategy updates can be found elsewhere on this agenda.

2. Background information

- 2.1 Members will recall that the net budget for the general fund was set at £583.9m, supported by the use of £2.5m of general fund reserves.
- 2.2 Following the closure of the 2012/13 accounts, an underspend of £6.7m was achieved and after a transfer of £3.74m to earmarked reserves, an additional £2.9m was added to general reserves, giving year end reserves at 31st March 2013 of £23.1m.

3. Main Issues

- 3.1 At the half year stage of the financial year an overspend of £3.2m is projected, as shown in Table 1 below.

Table 1

(Under) / Over Spend for the current period							Month 5 over/under spend
Directorate	Director	Staffing £000	Other spend £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	
Adult Social Care	Sandie Keene	667	1,086	1,753	(761)	992	1,025
Children's Services	Nigel Richardson	(4,035)	3,275	(760)	2,900	2,140	1,991
City Development	Martin Farrington	456	(51)	405	664	1,069	990
Environment & Housing	Neil Evans	337	(896)	(559)	203	(356)	(392)
Strategy & Resources	Alan Gay	(575)	198	(377)	377	0	0
Legal & Democratic Services	Catherine Witham	(4)	(3)	(7)	3	(4)	(4)
Public Health	Ian Cameron	(301)	0	(301)	1	(300)	(300)
Citizens & Communities	James Rogers	(32)	279	247	(247)	0	(1)
Civic Enterprise Leeds	Julie Meakin	129	336	465	137	602	599
Total		(3,358)	4,224	866	3,277	4,143	3,908
Corporate issues							
Transfer of Public Health underspend to earmarked reserves						300	300
Debt Savings						(1,200)	(1,000)
Total						3,243	3,208

- 3.2 The major variations from month 5 are outlined below and further details of directorate projections for the year can be found in the financial dashboards attached to this report.

- 3.2.1 Staffing – the saving on staffing is now projected to be £3.3m which is £1.1m more than reported at month 5, primarily due to a £0.7m increase in the staffing underspend within Children’s Services. This reflects the continuing number of vacant posts across the directorate and also the impact of the predominantly internal recruitment market.

The cost of employing agency staff across the Council was £7.9m at month 6 with a projected outturn of £14.1m. This compares to the outturn for 2012/13 of £18.8m.

- 3.2.2 Adult Social Care – The overall projected overspend for Adult Social Care is £1.0m, the same as at Period 5. The main issue is the underlying demand pressure on the home care budget although there are indications that this is reducing.
- 3.2.3 Children’s Services – the projection represents a relatively stable position compared to month 5, with an overall projected overspend of £2.1m. This includes a £2.9m reduction in income mainly due to forecast underspends on services which are funded by the Central Schools Budget. In addition, the projection reflects Executive Board’s decision to phase the implementation of changes to the home to school transport policies.
- 3.2.4 City Development – the projected overspend of £1m reflects an overspend of £0.4m on staffing and a shortfall in income, mainly within Sport, Events and Venues and advertising, although additional income from planning and building fees partly offsets this. The 2013/14 budget included anticipated income of £400k in respect of introducing charges for residents’ parking schemes which is the subject of a separate report to the Executive Board. The financial implications of a recommendation not to proceed with this proposal would mean the budgeted income would not be achieved.
- 3.2.5 It should be noted that the delivery in full of all budgeted savings and income targets does still carry a degree of risk.

3.3 Other Financial Performance

3.3.1 Council Tax and NNDR

As indicated in the 2013/14 Budget Report, the introduction from April 2013 of a scheme of Council Tax discounts does raise additional risks as to collection and the assumed collection rate for Council Tax was reduced from 99.2% to 99% to reflect this additional risk. The collection rate at the half year stage is as follows:

- Overall collection rate – 54.90% (55.65% last year). The in- year collection rate target for the current year is 1% lower than last year (95.5% compared to 96.6%) to reflect the increase in debt which has fallen due in respect of those who previously were in receipt of 100% Council Tax Benefit. In addition, more taxpayers are opting to pay over 12 months rather than 10. Therefore collection is currently forecast to be on target based on this estimate.
- Overall collection rate for those affected by Council Tax Support scheme – 39.3% (31.3% month 5)

- Collection rate for those previously getting 100% Council Tax benefit – 35.7% (28.3% month 5)

The collection rate for NNDR at the end of September is 58.7% which is 0.44% below that at the same time last year, although this is not considered a cause for concern.

It should be noted that any losses on both Council Tax and NNDR greater than those assumed in setting the budget will materialise through the collection fund and will not impact in the current year.

3.3.2 Local Welfare Support Scheme

From April 2013, the discretionary aspects of the Local Welfare Support Scheme, which provides financial help to people on a low income who need help with extra expenses, were devolved to local authorities to administer. The Council will receive £2.8m grant funding in 2013/14 together with administration funding of £610k. £2.0m has been allocated to direct awards, and these are being made on an on-going basis throughout the year; as at the end of September, spend was £619k with a current projection of c£1.7m for the year.

3.3.3 Prompt Payments

The prompt payment result at the half year is 93.24% of undisputed invoices processed within 30 days against a target of 92%. During this period 233,000 invoices were paid of which 16,029 were paid after 30 days. Overall 94.5% of invoices are paid within 40 days and 100% of small suppliers are paid within 20 days.

4.0 Housing Revenue Account (HRA)

4.1 At the end of Period 6 the HRA is projecting a surplus of £266k.

4.2 Additional rental income of £0.7m is projected from dwelling rents. This is due to improved performance on voids (currently at 0.9% but budgeted at 1.5%) generating £1.1m of income – the first half year's income has been paid to the ALMOs in line with the voids incentive scheme, and the remainder will be used to fund Housing Leeds activities. This together with a loss of income arising from RTB sales and other stock movements is anticipated to have a net impact of £0.4m shortfall.

4.3 This is mitigated by the additional £455k of income from capitalisation due to the projected increase in RTB sales. To the end of September there were 249 actual sales, and for the year they are projected to be 450, which is 316 more than budgeted.

4.4 On other revenue budgets it is anticipated there will be net savings of £211k.

5.0 Regional Economic Intelligence Unit

- 5.1 In March 2013, Executive Board requested six monthly updates on the trading status of the Regional Economic Intelligence Unit (REIU).
- 5.2 The REIU provides specialist consultancy support to key Council priorities including the Tour de France and the development of economic forecasts which will greatly add to the Council's forward planning abilities. In addition the unit has supported the development of the Leeds City Region initiatives including the Revolving Investment Fund and the Single Appraisal Framework.
- 5.3 Appendix A provides a summary of actual spend to date and the projected outturn compared to the 2013/14 budget. The projected expenditure is £294k compared to the budget of £360k, reflecting savings in the unit's data and licences budgets. Although at the half year stage, actual income is less than spend to date, it is anticipated that by the year end, income will match expenditure.
- 5.4 The majority of the unit's fee earning work in the current year is externally facing in nature and recent contract work secured by the unit includes:
- a £25,000 contract to provide economic analysis, economic appraisal and labour market support to the Humber Local Enterprise Partnership.
 - a £15,000 contract to provide labour market intelligence support to the Sheffield City Region Local Enterprise Partnership.
 - a commission of up to £10,000 to support the economic impact assessment of the North Yorkshire Potash mine.
- 5.5 Based on the forecast breakeven trading performance for 2013/14, the balance carried forward on the account remains at £33k.

6 Quarter 2 2013-14 Procurement Report

- 6.1 Executive Board requested a quarterly update on procurement activity. Attached as Appendix B, is a report which provides information in relation to the second quarter of the current financial year in respect to procurement.

7.0 Corporate Considerations

7.1 Consultation and Engagement

- 7.1.1 This is a factual report and is not subject to consultation

7.2 Equality and Diversity / Cohesion and Integration

- 7.2.1 The Council's revenue budget for 2013/14 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 27th February 2013.

7.3 Council Policies and City Priorities

7.3.1 The 2013/14 budget targeted resources towards the Council’s policies and priorities. This report comments on the financial performance against this budget.

7.4 Resources and Value for Money

7.4.1 This is a revenue financial report and as such all financial implications are detailed in the main body of the report.

7.5 Legal Implications, Access to Information and Call In

7.5.1 There are no legal implications arising from this report. In accordance with part 4 (f) of the Council’s Constitution (Budget and Policy Framework Procedure Rules) Executive Board shall be entitled to vire across budget headings subject to value limits set out in the Financial Procedure Rules. There are no requests this month.

7.6 Risk Management

7.6.1 The Council has prepared and maintained a financial risk register for a number of years. The register details the risk and consequences, existing controls to mitigate against the risk, the value in monetary terms of the risk, review dates and progress towards managing the risk within existing resources. The register is prepared before the start of each financial year and is monitored on a regular basis. The scoring matrix is as follows:

Probability		Impact	
Score	Description	Score	Description
1	Rare	1	Insignificant £0-£499k
2	Unlikely	2	Minor £500-£999k
3	Possible	3	Moderate £1000-£1499k
4	Probable	4	Major £1500-£1999k
5	Almost Certain	5	Highly Significant Over £2m

Corporate Rating

P	I	Total Score	Corporate Rating
1	1	1	Low
1	2	2	Low
2	1	2	Low
3	1	3	Low
2	2	4	Low
4	1	4	Low
5	1	5	Low
1	3	3	Medium
2	3	6	Medium
3	2	6	Medium
4	2	8	Medium
5	2	10	Medium
2	4	8	High
1	4	4	High
1	5	5	High
2	5	10	High
3	3	9	High
3	4	12	High
4	3	12	High
5	3	15	High
3	5	15	Very High
4	4	16	Very High
4	5	20	Very High
5	4	20	Very High
5	5	25	Very High

7.6.2 The register shows that at month 6 there are no very high risks and 4 high risks as follows:-

Risk	Key Budget Impacted	P	I	Rating
Health Transformation funding of £3.0m which is assumed in the 2013/14 budget will not be received in full. This is still under negotiation.	Adults/ Children's Services	3	4	High
Reduced independent sector domiciliary care spend through the activities of the reablement service, the expansion of telecare and implementing electronic monitoring may not be fully	Access & Inclusion	3	3	High
Community Care packages may exceed the budgeted number and/or cost	Access & Inclusion	4	3	High
Section 278 Risk that due to economic climate, receipts may not pick up	Strategic	2	4	High

8. Recommendations

8.1 Members of the Executive Board are asked to note the projected financial position of the authority after six months of the financial year.

9. Background documents¹

9.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix A

Trading Account Table – Regional Economic Intelligence Unit			
	2013/2014 Budget	2013/14 Actual	2013/14 Projected Outturn
Expenditure	£000's	£000's	£000's
Salary & on costs	268	119	254
Running costs (data, licences & technology)	92	6	40
Total Expenditure	360	125	294
Income			
Internal	(17)	(28)	(56)
LEP		(22)	(88)
External	(343)	(17)	(150)
Total Income	(360)	(67)	(294)
In Year (surplus)/deficit	0	58	0
Transfer to/(from) reserve	0		0
Balance in reserve	(33)		(33)

1. Quarter 2 2013-14 Procurement report

1.1 This report provides information in relation to the second quarter of the current financial year in respect to procurement.

2. Procurement savings

2.1 The high level actual and forecast savings in relation at the first quarter are detailed below:

September 2013	2013/14 £000's
Savings on contracts secured to date	(4,836)
Forecast savings on contracts to be let (in pipeline)	(3,160)
Total Anticipated Savings	(7,996)

2.2 It should be appreciated that these savings are against the previous contract rather than against budget and in many areas these savings will be contributing to savings budgeted for. In addition it has been possible to identify areas of cost avoidance or 'non cashable savings', for example whereby having implemented good procurement controls, or contract management, a price increase has been avoided or where the re-procurement of a contract has resulted in 'more for less'. Whilst these are often difficult to definitively prove they do demonstrate the value added by effective procurement intervention and add value to the process.

3. Orders placed

3.1 The following financial information is sourced from an analysis of all orders recorded in the council's main financial system, FMS. On the payments system, each creditor (a body or person to which a payment is made by the council) has an indicator on their record which allocates them to a category. Such categories include private companies, commercial individuals (sole traders), other public sector bodies, and the third sector.

3.2 These figures do not include orders placed through feeder systems, such as Orchard², purchasing cards, or payment requisitions where BACS or cheque payments are made through FMS without the Business Support Centre processing an invoice and where therefore there is no associated order.

² Orchard is used by various council functions for dealing with the financial aspects of council owed property, for example to pay contractors for undertaking repairs to the housing stock.

a) The table below shows all orders placed in FMS in quarter 2 2013/14 - the final column shows the data from quarter 1 as a comparator.

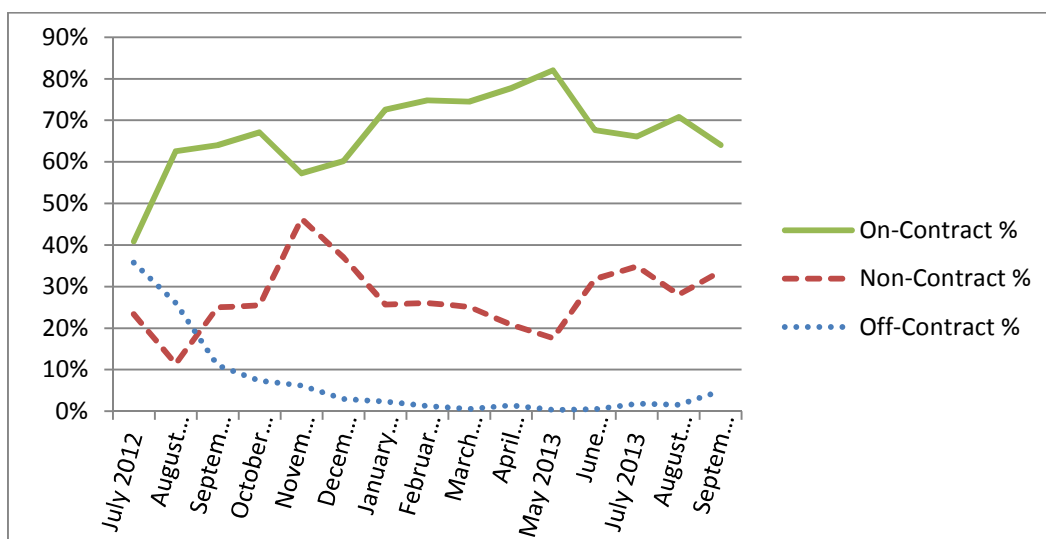
Classification	Total Value Q2	Numbers of Orders Q2	% of Total Value Q2	Quarter 1
On Contract	£25,968,394	4,582	59.78%	65.51%
Non-Contract	£11,856,601	5,016	27.30%	24.72%
On Contract - Quasi	£2,170,296	881	5.00%	2.90%
On Contract - Waiver	£1,486,180	67	3.42%	5.07%
Off-Contract	£1,119,093	1,015	2.58%	1.03%
Non-Contract - One off	£837,474	126	1.93%	0.76%
Grand Total	£43,438,038	11,687	100.00%	100.00%

3.3 Definitions

- a) On contract is an order placed with a contracted supplier.
- b) Non-contract is an order placed where no contract exists for the goods or service.
- c) Off contract is an order placed where there is a contracted supplier but the order raiser uses a different supplier.
- d) Waivers are required where the relevant Chief Officer is able to justify a genuine exception to the requirements for competition under Contract Procedure Rules.
- e) Quasi contracts are virtual contracts put in place to aggregate spend with a view to evaluating the requirements of a contract.

3.4 The Procurement Unit have been monitoring and challenging off contract spend since July 2012 and as a result off contract spend has been reducing each quarter.

3.5 The graph below shows the % of on, off and non-contract orders placed on FMS from July 2012 to September 2013.



4. Local Suppliers

4.1 Orders placed with local suppliers in quarter 2 are detailed below.

Local / Non Local	Total Value Q2	Number of Orders Q2	% by Value Q2	Quarter 1
Local Spend	£13,623,606	5,342	31.36%	40.35%
Non-Local Spend	£29,814,432	6,345	68.64%	59.65%
Grand Total	£43,438,038	11,687	100.00%	100.00%

4.2 Definitions

- a) Suppliers with a Leeds metropolitan area postcode have been included in this data. These are postcodes LS1 to LS29 plus BD3, BD4, BD10, BD11, WF2, WF3, WF10, WF12, WF17.

5. Third sector

5.1 Orders placed with third sector suppliers in quarter 2 are detailed below.

Supplier	Total Value	Number of Orders	% by Value	Quarter 1
Third sector	£6,324,185	1152	14.56%	22.40%
Non Third sector	£37,113,853	10535	85.44%	77.60%
Grand Total	£43,438,038	11687	100.00%	100.00%

5.2 Definitions

- a) The Local Government Association defines this sector as “non-governmental organisations” (NGO’s) that are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives.
- b) Third sector includes charities, community groups, churches and faith groups, sports and recreational clubs, social enterprises and partnerships and trade unions and associations.

6. SMEs

6.1 Orders placed with small and medium enterprises (SMEs) in quarter 2 are detailed below. Orders classified only relate to orders to contracted suppliers. In addition, information regarding this indicator has only been collected from April 2013 therefore previous data is not available to use as a comparator at this stage.

Supplier	Total Value	Number of Orders	% by Value	Quarter 1
Not an SME	£22,511,528	4,361	51.82%	70.03%
SME	£20,926,510	7,326	48.18%	29.97%
Grand Total	£43,438,038	11,687	100.00%	100.00%

6.2 Definitions

- a) SMEs are defined as having a turnover of less than £25.9 million and fewer than 250 employees.

ADULT SOCIAL CARE FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR Month 6 - (September 2013)

Overall Narrative

The Period 6 projection for Adult Social Care is an overspend of £1.0m. This is a standstill position from that reported at Period 5.

There are some significant risks associated with the Period 6 projection. Although £0.8m of the £1.5m budgeted health funding is now reasonably certain, the remaining £0.7m remains a high risk at this stage in the financial year. The underlying demand pressure on the home care budget is continuing, albeit there are indications this is reducing. The projection assumes that there are no further increases on this budget for the remainder of the year but until the rigorous review and action planning that is underway has been completed this remains a very high risk. The projection also assumes that the £0.8m budgeted additional income from the charging review is delivered in full.

The main variations at Period 6 across the key expenditure types are as follows:

Staffing (+£0.7m)

This includes support for the transformation programme that is income funded and fewer leavers to date in the Community Support Service than expected when the budget was set.

Transport (+£0.7m)

This reflects the ongoing impact of expenditure levels in 2012/13 and work continues to identify mitigating actions.

Community care packages (+£2.2m)

The assumed growth in personal budgets taken as cash payments included in the budget is not yet fully evident in the expenditure trends and residential care bed weeks are lower than budgeted. Within independent sector domiciliary care there has been a delay in the implementation of electronic monitoring and the associated savings, together with reablement savings from recent cases being lower than for earlier cohorts reflecting a differing client profile. In addition, there has been an increase in home care activity levels that partly offsets the lower than expected spend on direct payments and residential care. Expenditure on the learning disability pooled budget is projected to be lower than budgeted mainly due to the growth anticipated not being evident in expenditure levels.

Use of Earmarked Reserve (-£1.8m)

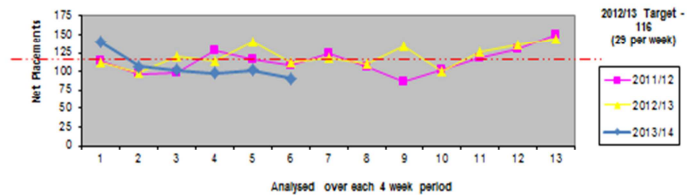
This is being utilised to support whole system service transformation and business change across Adult Social Care, providing support for project delivery and to ensure that services are effectively engaged and able to embed the changes.

Service Graphs

The placement graph opposite shows the number of approved older person residential placements. For monitoring purposes a target line of 116 per 4 week period is a marker against the affordability of growth against the approved budget. The data shows that over the period placements are close to the planned growth, but have been below target/budget since May

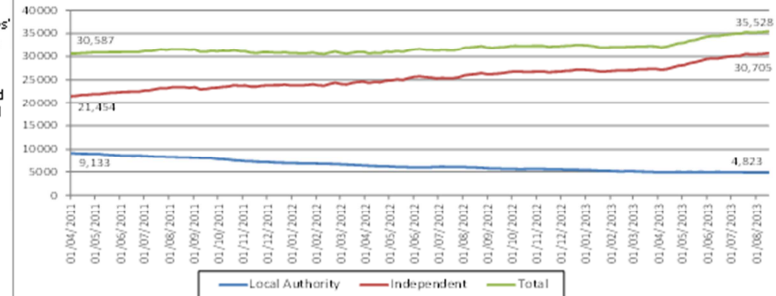
Service Graphs

Graph to show
Placement numbers against target



The home care graph opposite shows a steady growth over the last two years. This is due to peoples' choices to be cared for in their own home and demographic factors. A marked increase is noticed within the current financial year. Investigations are ongoing to determine the cause, and any long-term impacts.

Planned home care hours Apr11 - Aug13



Budget Management - net variations against the approved budget;

Expenditure on care packages is the major element of expenditure. This table is based on the standard subjective analysis and so care package spend is spread across several headings.	Projected Variations											Total (under) / £'000
	Latest Estimate £'000	Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Appropriation £'000	Total Expenditure £'000	Income £'000	
Quarter 1	197,935	606	26	(133)	69	500	177	(841)	0	404	129	534
Month 4	197,903	1,279	79	170	(35)	702	761	(397)	(1,382)	1,177	(188)	990
Month 5	198,103	869	136	(94)	5	780	2,311	(554)	(1,520)	1,932	(907)	1,025
Month 6	198,103	667	195	(242)	(24)	753	2,606	(681)	(1,520)	1,753	(761)	991

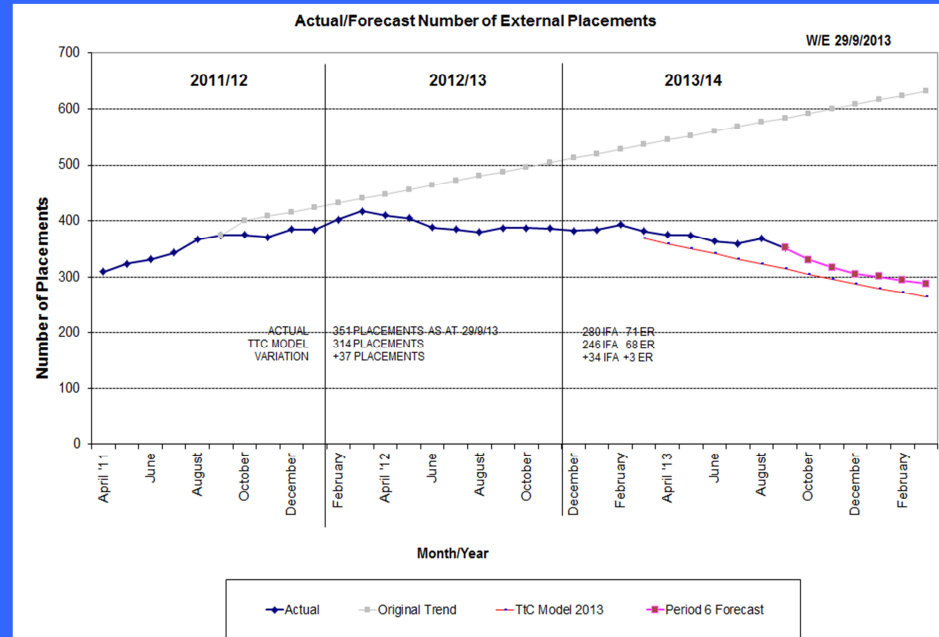
	Latest Estimate	Projected Variations											Outturn £'000
	£'000	Quarter 1 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000		
Access and Care	91,017	768	1,329	2,943	2,526								
Strategic Commissioning	1,985	643	525	(135)	43								
Resources	5,732	93	(1,275)	(1,921)	(1,957)								
Care Services	99,369	(970)	410	137	380								
Total	198,103	534	990	1,025	991								

CHILDREN'S SERVICES DIRECTORATE

FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR April to Septmeber - Month 6

Overall, the month 6 forecast variation for the Children's Services Directorate is an overspend of £2.1m [1.56%] against the net managed budget of £135m. This projection represents a relatively stable position compared to the previous month 5 projections.

Looked After Children - the 2013/14 budget strategy recognised the strategic obsession around reducing the need for children to be in care with budget action plans totally £8m around safely reducing placement numbers [-£6m], increasing funding from partners [-£1m] and negotiating procurement savings [-£1.1m]. At this stage in the financial year, the forecast is that these significant budget savings will largely be achieved, but with some potential slippage. In terms of placement numbers, at the end of September 2013, there were 68 children & young people in externally provided residential placements [+3 compared to the financial model] and 246 children & young people in placements with Independent Fostering Agencies [+34] compared with the financial model]. Overall, these placement numbers translate into a potential pressure of £1.4m. In addition, discussions are continuing with partners around achieving the right balance of funding for the most complex placements. The month 6 projections continue to recognise some demand pressures around alternatives to care, including adoptions and special guardianship orders [£0.7m] and care leavers [£0.3m]. **Staffing** - at month 6 the overall staffing budgets are forecast to underspend by £4m across the combined general fund, grant funded and central schools budget functions. These projections recognise the number of vacant posts across the Directorate and also the impact of the predominantly internal recruitment market. The forecast spend on agency staffing is £5.7m and £1.2m on overtime. **Premises & Supplies & Services** - the projected variation confirms the intention to release the earmarked reserves to support the in-house residential review [£0.2m] and the relocation of the Youth Offending Service [£0.15] in addition to forecast savings from restricting all non-essential spend. **Transport** - the 2013/14 budget strategy included anticipated savings of £2.8m in the current year from reviewing the way all aspects of home to school transport is provided. The month 6 projections reflect the Executive Board's decision to phase the implementation of the agreed changes to the home to school transport policies in addition to some continuing demand pressures which are mitigated in part through the implementation of some provision changes in the current year, including transport for Looked after Children. **Income** - the forecast £2.9m variation across the income and funding budgets is due in the main to forecast underspends across the services/functions which are funded by the Central Schools Budget (Dedicated Schools Grant) [£2.3m] in addition to a forecast variation [£0.44m] in respect of nursery fee income, mitigated by an additional £0.3m of performance by results funding in respect of the Families First (Leeds) programme. The projection includes income from the Social Fund of £0.5m in respect of section 17 emergency payments.



Budget Management - net variations against the approved budget

	Budget		Latest Estimate £'000	PROJECTED VARIANCES							Total Expenditure £'000	Income £'000	Total (under) / overspend £'000
	Expenditure £'000	Income Budget £'000		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000			
Quarter 1	292,402	(157,071)	135,331	(3,246)	(227)	25	48	67	904	181	(2,248)	3,398	1,150
Month 4	291,339	(155,876)	135,463	(3,734)	(603)	(464)	2,192	618	1,226	(212)	(977)	2,591	1,614
Month 5	290,243	(155,508)	134,735	(3,308)	(602)	(28)	2,139	833	1,370	45	449	1,542	1,991
Month 6	290,560	(155,825)	134,735	(4,035)	(434)	51	2,443	485	717	13	(760)	2,900	2,140

	Budget		Latest Estimate £'000	PROJECTED VARIANCES												Outturn £'000
	Expenditure £'000	Income Budget £'000		Quarter 1 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000			
Partnership, Development & Business Support	17,713	(16,075)	1,638	(260)	(951)	(814)	(620)									
Learning, Skills & Universal Services	78,802	(55,880)	22,922	141	(402)	(634)	(615)									
Safeguarding, Targeted & Specialist Services	125,747	(29,646)	96,101	1,299	156	738	303									
Strategy, Performance & Commissioning	68,298	(54,224)	14,074	(30)	2,811	2,701	3,072									
Total	290,560	(155,825)	134,735	1,150	1,614	1,991	2,140	0	0	0	0	0	0	0		

City Development FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR Month 6

Overall Narrative - Overall the Directorate is forecast to overspend by £1.07m. This is an increase of £79k on the projected position at Period 5. The increase is due to a worsening position on income in the Leisure services offset by savings in other services. The position also assumes that various actions to make additional savings of £0.5m will be implemented across the Directorate and these are being progressed as part of the Directorate's budget action plan.

Economic Development, Highways and Transportation, Employment and Skills and Regeneration are still expected to spend within budget or underspend. There are a number of risk areas and budget actions that still need to be implemented to achieve this position but currently it is felt reasonable to assume that this will be the case. In Highways and Transportation there is a risk around the budgeted income from introducing charges for resident parking schemes. Proposals are due to be reported to Executive Board elsewhere on this agenda.

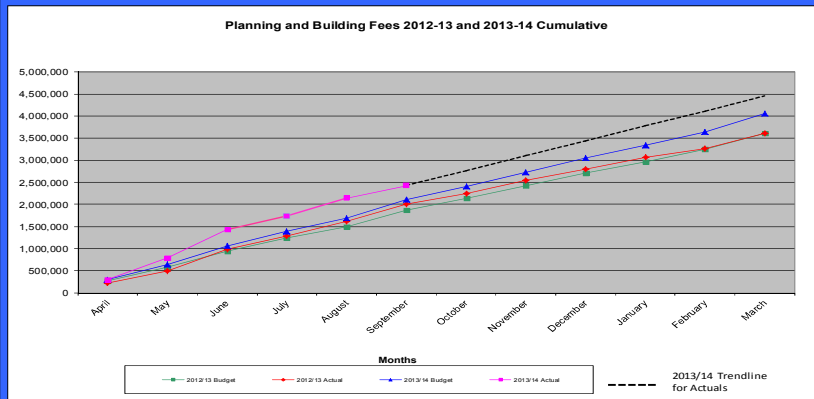
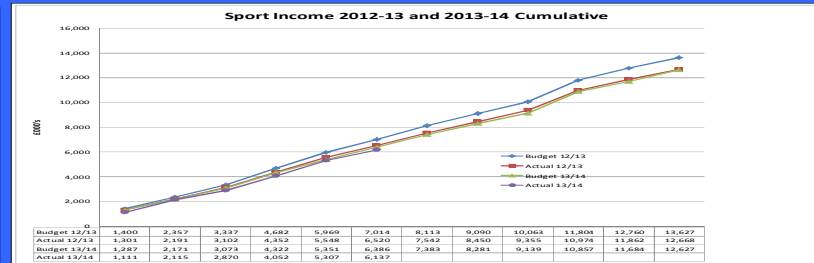
Asset Management shows a projected overspend of £0.24m. This is mainly due to the expected shortfall against the advertising income target. The projected position also assumes a surplus of £250k on the Arena account as a result of lower borrowing costs than budgeted for. It is also assumed that all other income targets will be met. The projection assumes that the £2.9m debtor for the recovery of arena legal costs will be received.

Planning and Sustainable Development shows a projected overspend of £0.5m. This is due to a projected overspend of £0.5m on staffing. Planning and building income is above the phased budget by £346k for the first 6 months of the year. This additional income from planning and building fees will help offset projected shortfalls for other sources of income for the service. There is a risk that expenditure on planning appeals exceeds the budget but currently it is forecast to be within budget. Over the last few years staffing levels have been significantly reduced in the service and FTEs have continued to fall this year. It has been agreed to recruit to a small number of posts in areas where workloads have increased, including additional resources to deal with the increase in planning applications.

Sport and Active Recreation is expected to overspend by £0.75m. The overspend is due to a combination of additional staffing costs and a shortfall in income. The overspend on staffing is because some budgeted assumptions of staffing reductions as a result of further rationalisation of the service will not now take place. The graph below shows cumulative sport income to date against the phased budget. The budget for Sport Income is just under £13m. Actual income is currently below budget and a shortfall of over £345k is projected reflecting current trends. There is a risk that the position on income worsens further.

An overspend of £265k is projected for Libraries, Arts and Heritage. The majority of this is explained by a shortfall in income from events and venues.

All services have been asked to review planned spend for the rest of the year so that the target saving of a further £0.5m can be achieved. In addition, recruitment for the rest of the year will continue to be reviewed to reduce the projected overspend on staffing. FTE numbers are slightly below budget but there is also a £500k directorate saving target included in Resources and Strategy which will only be achieved by continuing with strict controls over the appointment of new and replacement staff. Additional recruitment is still expected to take place in



Budget Management - net variations against the approved budget;

	Latest Estimate £'000	Projected Variations										Total (under) / overspend £'000
		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Total Expenditure £'000	Income £'000		
Quarter 1		751	172	(963)	5	41	27	30	63	870	933	
Month 4		663	116	(692)	4	(5)	27	1	114	1,126	1,240	
Month 5		510	176	(494)	2	(100)	27	0	121	869	990	
Month 6		456	143	(416)	(11)	206	27	0	405	664	1,069	

	Latest Estimate £'000	Quarter 1 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000	Outturn £'000
Planning and Sustainable Development	3,738	545	542	538	526							
Economic Development	1,606	0	0	0	0							
Asset Management	9,092	494	500	250	236							
Highways and Transportation	20,764	189	189	189	(64)							
Regeneration	672	0	21	(25)	(25)							
Resources and Strategy	2,156	(848)	(800)	(766)	(511)							
Employment and Skills	2,917	52	48	44	(107)							
Libraries, Arts and Heritage	20,623	2	159	156	265							
Sport and Active Recreation	6,324	500	582	604	749							
Total	67,892	933	1,240	990	1,069	0	0	0	0	0	0	0

ENVIRONMENT & HOUSING DIRECTORATE SUMMARY

FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR

Period 6 (September 2013)

Overall Position -£356k

The overall period 6 projection is an underspend of £356k.

Community Safety (£54k underspend)

A net underspend of £44k on staffing is anticipated, after adjusting for income effects from vacant funded posts and the ELI efficiency target. The staffing underspends are primarily within Leeds Watch. An underspend of £12k is expected as a result of the West Yorkshire police pay award for PCSOs. The income targets for the service are expected to be achieved.

Resources Strategy & Commissioning (£347k underspend)

There is a projected underspend of £356k due to efficiencies delivered on Supporting People contract payments. Community Centres are projected to overspend by £198k but it has been assumed that £114k of further actions will be identified by the service, giving an overall pressure of £84k. Staffing is projected to be £18k underspent. Review of charges to Public Health indicates an increased proportion of staff time spend on Commissioning Drug Treatment & Intervention and an action plan of £57k additional income has been assumed. The Drugs Commissioning Service has agreed a list of contracts that will be funded by Public Health and the Police and Crime Commissioner therefore no over/underspend is anticipated.

Statutory Housing (£0k balanced)

Staffing savings of £268k have been projected. This is primarily due to post vacancies arising from the recent restructure. The staffing underspend will offset efficiency targets built into the 13/14 budget - primarily the £200k target for Adaptions income from Housing Associations which has been treated as capital income.

Parks & Countryside (£233k underspend)

An underspend of £330k on staffing is anticipated for the year due to a number of vacant posts at the start of the year, however this is partially offset by a £150k efficiency target from the review of bowls provision. An NNDR revaluation will give a one off underspend of £168k in 13/14 and income from attractions, cafe and retail is expected to exceed the target by £100k. However this is partially offset by a £50k golf income pressure, £50k utilities pressure and a £123k pressure on insurance charges.

Car Parking (£500k underspend)

Savings from vacant posts that are in the process of being recruited to will save £96k. Parking income is projected to be £533k higher than the budget. This is mainly additional income from existing bus lane enforcement (£513k), New BLE sites are assumed to generate an additional £100k. Net result of Car park closures are estimated generate additional £104k and fee income at Woodhouse is forecast at £224k lower than the budget.

Waste Management (£649k overspend)

Refuse Collection is projected to over spend by around £390k. The estimated costs of sickness cover above the budget is £137k, staff in MWC is £15k and the cost of additional management support helping to progress key service projects is expected to be around £103k. Additional front line support to ensure the successful introduction of phase 1 AWC has cost £16k and if replicated in Phase 2 will be around £31k. Vehicle repairs are forecast to be around £144k above the budget, Within Waste (Strategy & Disposal) £200k relates to the continuing reduction in electricity from gas generation at Gamblethorpe, with the remaining variance relating to additional payments for extra contact centre staff and the additional cost of 'waste recycling advisors' within the Education budget. Savings in procurement costs of around £100k are also forecast.

Environmental Action (£128k overspend)

Ongoing costs of staff in MWC are anticipated to be £131k partially offset by other staffing savings.

Budget Management - net variations against the approved budget;

Summary By Expenditure Type

	Latest Estimate	Projected Variations									Total (under) / overspend £'000
		Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Quarter 1	78,016	4	(121)	116	(283)	6	148	0	(130)	129	0
Month 4	79,147	(55)	(250)	303	(504)	0	(272)	0	(778)	502	(278)
Month 5	79,230	180	(194)	358	(414)	0	(302)	0	(372)	(20)	(392)
Month 6	79,163	337	(97)	121	(478)	(140)	(302)	0	(559)	203	(356)

Summary By Service

	Latest Estimate	Quarter 1	Month 4	Month 5	Month 6	
		£'000	£'000	£'000	£'000	
Community Safety	3,398	(20)	(51)	(36)	(54)	£44k staffing underspend, primarily LeedsWatch/Signpost less £12k of WYP pay underspend for PCSOs
Resources, Strategy & Commissioning	13,320	(19)	51	(401)	(347)	£356k underspend of SP contracts
Statutory Housing	2,671	0	0	0	0	£268k staffing savings less income pressures from unachieved budget action plans (£200k Housing Association Income)
Parks & Countryside	10,927	(1)	0	(150)	(233)	£330k staffing plus £168k NNDR underspend plus £100k from attractions - less golf income, insurance and utilities and pressures
Waste Strategy and Disposal	19,170	0	72	226	226	£95k Education budget re additional contact centre support AWC. Gamblethorpe income £200k
Waste Operations	3,122	0	8	34	36	Income shortfall partially offset by savings
Refuse Collection	18,957	111	99	362	387	£885k staffing pressure less £500k vehicle and bin savings (mainly financing savings)
Environmental Action	11,016	44	20	70	98	
Environmental Health	3,647	(9)	12	31	30	MWC costs
Car Parking	(6,998)	(106)	(211)	(528)	(499)	£96k staffing savings and additional income
Total	79,230	0	0	(392)	(356)	0 0 0 0 0 0 0 0 0 0

STRATEGY AND RESOURCES
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 6

Overall Position

Overall, a balanced position is projected and no major risks have been identified as part of the month 6 budget monitoring process.

Strategy and Improvement

In general, the service is on-line to achieve the staffing savings reflected in the budget. However, the projected additional staffing requirement to implement the 'Changing the Workplace' programme is now estimated at £514k, but this cost will be part capitalised and the remainder funded from savings in prudential borrowing charges. A budget adjustment has been input to reflect this and so the projected staffing overspend shown last month has significantly reduced

Finance

Pay savings (£782k) reflected were reflected in the 2013/14 budget. Despite in the early months of the year this looked to be a difficult challenge to achieve, in the last three months there have been a number of staff moves and leavers over and above the known early leavers. As a result, the service is currently projecting to be underspent by £50k by year end.

Human Resources

Against the £500k pay savings in the budget, the forecast for year end based on staff in post plus certain appointments before year end produces a minor overspend of £49k. As per previous months, the projection assumes that further savings will be made to produce a balanced position.

Technology

An underspend of £58k is now projected which is mainly as a result of savings on featurenet lines and reduced capital charges in relation to the essential Services Programme. Spend on staffing/overtime is around £330k below budget and some progress is being made with appointing permanent staff instead of using contractors. As a result of the underspend on pay, capitalisation 'income' is correspondingly down to produce an overall balanced position. In addition, modest savings in maintenance/support contracts and capital charges are also being predicted at this point in time to produce an overall balanced position.

Procurement

A slight increase in the underspend due to staff vacancies is partly offset by the reduced recharge agreed with the ALMO's, giving an overall projected underspend of £20k.

PPPU

A shortfall in income of £130k is now projected as the project management support for NGT has been agreed as a secondment rather than the normal hourly recharge basis.

BUDGET MANAGEMENT - NET VARIATIONS AGAINST THE APPROVED BUDGET

	Latest Estimate £'000	Projected Variations								Total Expenditure £'000	Income £'000	Total (under) / overspend £'000
		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000				
Quarter 1	42,148	(133)	(1)	10	(6)	30	0	0	(100)	100	0	
Month 4	42,041	(219)	0	38	(3)	29	0	0	(155)	155	0	
Month 5	41,964	(424)	4	141	(8)	34	0	0	(253)	253	0	
Month 6	37,890	(575)	4	195	(10)	9	0	0	(377)	377	0	

	Latest Estimate £'000	Quarter 1 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000	Outturn £'000
Strategy and Improvement	6,945	0	1	0	(1)							
Finance	8,311	(2)	(18)	(78)	(50)							
Human Resources	6,664	1	17	0	(1)							
Technology	15,397	0	1	(40)	(58)							
Procurement	1,718	0	1	(20)	(20)							
Public Private Partnership Unit	(1,145)	1	(2)	138	130							
Total	37,890	0	0	0	0	0	0	0	0	0	0	0

LEGAL AND DEMOCRATIC SERVICES
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 6

Overall Narrative

No significant issues or risks have been identified in terms of achieving the budget actions necessary to deliver a balanced position by year end.

Legal Services

In respect of expenditure, the locums previously employed to cover staffing vacancies have now been ceased and replaced by permanent staff. Running costs are expected to be on-line with budget.

In terms of income, the context is set by the outturn position for 2012/13 where there was an under-recovery of income of £373k. For the 2013/14 budget, income was reduced by £432k to remove the 'profit' element that service generated in respect of charges to general fund services and it was proposed that hourly charge out rates be adjusted accordingly. At present the projection is for the income budget to be achieved in 2013/14. A new simplified and streamlined charging mechanism which will soon be implemented which will significantly reduce the time spent on recharges both within Legal Services and also the client directorates.

Democratic Services

Current staffing levels are on-line with budget and no other significant cost pressures mean that a balanced budget is projected at year end. 3 agency staff were employed during the early months of the financial year to work on school appeals, this has now reduced to 1 in September.

BUDGET MANAGEMENT - NET VARIATIONS AGAINST THE APPROVED BUDGET

	Latest Estimate £'000	Projected Variations									Total (under) / overspend £'000
		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Total Expenditure £'000	Income £'000	
Quarter 1	4,053	(6)	0	(4)	(1)	0	0	0	(11)	3	(8)
Month 4	4,042	(4)	0	(2)	(1)	0	0	0	(7)	3	(4)
Month 5	4,042	(4)	0	(2)	(1)	0	0	0	(7)	3	(4)
Month 6	4,042	(4)	0	(2)	(1)	0	0	0	(7)	3	(4)

	Latest Estimate £'000	Quarter 1	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Outturn £'000
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Legal Services	(1,488)	0	0	0	0							
Democratic Services	5,530	(8)	(4)	(4)	(4)							
Total	4,042	(8)	(4)	(4)	(4)	0	0	0	0	0	0	0

PUBLIC HEALTH
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 6

Overall

The Public Health function transferred to the Council from NHS Leeds with effect from 1st April 2013. The first year allocation of government funding is £36.9m which has now been allocated out across the various service headings within the new Directorate. The funding is ring-fenced to Public Health activities and any under or overspend is carried forward.

At month 6, the projection is that there will be a £300k underspend. This is made up of underspends on staffing, which is partly offset by increased commissioning costs.

Staffing

At present there are a number of vacancies and a phased approach is being taken with recruitment. 6 Administration and Business Support posts have now been appointed to with start dates during October and a further 2 posts are now being recruited externally. 5 Public Health Specialist posts have been job evaluated and 4 are currently being recruited to. As a result, the number of agency staff has reduced and will continue to reduce in October.

In addition, during August 7 members of staff (6.81 fe's) transferred into Public Health from Adult Social Care. However, as Public Health were already funding these posts there is no additional cost to the service. Overall, it is now anticipated that there will be an underspend on staffing of £476k.

Commissioned and Programmed Services

This is the main area of spend and so far a total of £30.8m has been committed. Public Health commissions and funds services directly and also some services are commissioned with other parts of the council. Almost all the contracts are fixed price with payments made on a quarterly basis so there is minimal risk of over (or under) spend. The current projections show an overall overspend of £167k which is made up of the following main areas:

- Initially a budget was set to fund Area Enablers in ASC. However, as they have now transferred to Public Health and are now funded from the staffing cost, this budget is no longer required resulting in an underspend of £333k.
- Recently, additional responsibilities have been identified on sexual health services which is expected to incur additional prescribing costs of approximately £500k.
- When the budget was initially set, £500k was set aside for new investments. £230k of this has now been allocated to specific services which has been reflected in the month 6 projections. The areas are: Adults Obesity (£75k), Adults Behaviour Change (£25k), Stop Smoking Service and Interventions (£105k) and Children Mental Wellbeing (£25k). A budget adjustment is expected to be processed during month 7 to transfer budget from the new investment budget to the specific areas where the expenditure will take place.

BUDGET MANAGEMENT - NET VARIATIONS AGAINST THE APPROVED BUDGET

	Latest Estimate £'000	Projected Variations										Total (under)/overspend £'000	Transfers to Reserves £'000	
		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Total Expenditure £'000	Income £'000			
Month 2	0	0	0	4	0	0	(4)	0	0	0	0	0	0	0
Month 3	0	0	0	4	0	0	76	0	0	80	(80)	0	0	0
Month 4	0	2	0	10	0	0	(12)	0	0	0	0	0	0	0
Month 5	0	(301)	0	10	0	0	(10)	0	0	(301)	1	(300)	300	0
Month 6	0	(476)	0	14	0	9	152	0	0	(301)	1	(300)	300	0

	Latest Estimate £'000	Month 2 £'000	Month 3 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000	Outturn £'000
Public Health grant	(36,855)	0	0	0	0	0	0	0	0	0	0	0	
PH staffing and general running costs	4,636	0	0	0	(300)	(467)							
Commissioned and Programmed Services													
General Public Health	2,403	0	0	0	0	(563)							
Health Protection	1,348	0	0	0	0	0							
Healthy Living and PH Intelligence	1,146	0	0	0	0	100							
Older People and Long Term Conditions	1,641	0	0	0	0	0							
Health Improvement and Commissioning	20,631	0	0	0	0	605							
Child and Maternal Health	3,840	0	0	0	0	25							
Mental Wellbeing	813	0	0	0	0	0							
Population Healthcare	397	0	0	0	0	0							
Total	0	0	0	0	(300)	(300)							

**CITIZENS AND COMMUNITIES
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 6**

Overall

In line with previous months, although there are a number of minor pressures within across all services, actions have been identified that should produce a a balanced budget by year end.

Locality Leadership

A result of the 'Investing in Young People' agenda is that £250k has been transferred from Children's' Services to the Area Committees as additional provision for youth activities. This will increase to £500k in 2014/15.

The well being budget is now projected to overspend the in-year budget by £166k however it is assumed that this will be funded from the amount held in reserves from previous years' underspends.

Customer Access

Current workload is being contained by the existing staff plus 8 people from the 'Slivers of Time' pool and 3 specialist agency. However, due to high levels of demand at the contact centre, performance has fallen below the 90% target and additional staffing amounting to £100k has been agreed, under the assumption that the cost will be met from savings elsewhere.

Licensing and Registration

Staffing vacancies have been largely offset by increased overtime and agency costs. There is a projected overspend due to the by-election costs, though overall this service is expected to be on budget. A shortfall in Entertainment Licensing income of £54k is expected because of a delay in the implementation of a review of the Licensing Act 2004. Savings in salaries (£20k) and charges from Environmental Action Team (£34k) are expected to offset this.

Benefits, Welfare and Poverty

The service is currently experiencing high demand due to changes in housing benefits available and the introduction of a new council tax scheme. There are a number of staff vacancies in the benefits assessment and social fund teams, but agency staff and overtime is being used to meet demand, producing a net £19k overspend on staffing related costs.

The service has had to procure a new software update for £114k but this is grant funded. Other costs are envisaged such as rising costs of postage and printing of £137k which are partly funded by a grant of £118k. Car allowance lump sum payments of £33k also represent a pressure Income from a member of staff seconded to DWP gives £43k extra income.

Housing benefit spend/government subsidy is currently projected to be on target. Although council tax benefit has ceased for 2013/14, the service continues to collect overpaid council tax benefit on past years' claims. It is envisaged that £149k will be able to be recouped, this will benefit the 'collection fund' account rather than directly within Citizens and Communities.

BUDGET MANAGEMENT - NET VARIATIONS AGAINST THE APPROVED BUDGET:

	Latest Estimate £'000	Projected Variations										Total (under) / overspend £'000
		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Appropriation £'000	Total Expenditure £'000	Income £'000	
Quarter 1	10,156	(56)	0	146	5	0	0	0	0	95	(95)	0
Month 4	10,141	34	0	200	28	0	0	7,108	0	7,370	(7,370)	0
Month 5	10,391	36	0	194	34	0	0	6,088	0	6,352	(6,352)	0
Month 6	14,446	(32)	3	443	36	(37)	0	6,088	(166)	6,335	(6,335)	0

	Latest Estimate £'000	Quarter 1 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000	Outturn £'000
Locality Leadership	4,687	0	1	0	0							
Customer Access	6,890	0	0	0	0							
Licensing & Registration	170	0	(1)	(1)	(1)							
Benefits, Welfare and Poverty	2,699	0	0	1	0							
Total	14,446	0	0	0	(1)	0	0	0	0	0	0	0

CIVIC ENTERPRISE LEEDS
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 6

Overall position

The budget 2013/14 represents an increased surplus of £2.4m compared to last year's outturn position and hence a difficult challenge for Civic Enterprise Leeds to deliver. At month 6 Civic Enterprise Leeds is reporting a pressure of £602k, £564k within Commercial Group and £38k within Business Support Centre.

Business Support Centre

The service has certain cost pressures to address, such as dealing with the legislative changes in respect of pre-employment screening, but overall the projection assumes that actions will be implemented to produce a balanced position by year end.

Commercial Services

The budget for 2013/14 is for an increased surplus of £2m against the outturn 12-13; £9.1m surplus against outturn £7.1m surplus. This is also an increase of £0.8m from last year's budget. Even though this contained a number of one off pressures, the target of increasing the surplus to £9.1m in 2013/14 represents a difficult challenge for Commercial Services.

The overall pressure of £565k comprises £302k Cleaning, £61k Property Maintenance and £202k in Education Catering & Welfare.

The 13/14 financial plan for Cleaning assumed £155k savings from delivering a lower cleaning specification for facilities management buildings (£95k) and non-facilities management buildings £60k. Whilst delivery of the facilities management element is on track, engagement around non facilities management buildings has proved more problematical with delivery slipping into 14/15 financial year. A further £40k pressure is due to slippage in the commencement of additional high rise chute cleaning within WNW ALMO. Assumes start date was Jan'13 but will now happen in the Autumn at earliest. Full year savings of £65k assumed in the financial plan. A further staffing pressure of £200k relates to lower numbers of staff leaving under the ELI scheme; pressures on overtime and agency to generate the turnover and profit.

Property Maintenance £61k shortfall due to lower profit in certain trading units, in particular some Service Level Agreements within electrical and planned units.

Education Catering & Welfare provision costs have significantly increased in 2013, £150k, covering fresh / frozen and dried goods. Whilst the budget assumed 72p per meal, current projections are for 75p per meal. All contractors are being challenged around price increases. A further pressure of £50k is around staffing and reflects higher use of agency and overtime to deliver the primary meals

	Latest Estimate £'000	Projected Variations											Total (under) / overspend £'000
		Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000	Income £'000	
Quarter 1	1,485	168	42	159	1	0	0	0	0	0	370	315	685
Month 4	1,475	255	110	267	(8)	0	0	0	0	(56)	568	(2)	566
Month 5	1,496	158	111	297	(17)	2	0	0	0	(56)	494	70	564
Month 6	1,496	91	110	296	(17)	1	0	0	0	(56)	427	137	564

	Latest Estimate £'000	Monthly Breakdown												Outturn £'000
		Month 2 £'000	Month 3 £'000	Month 4 £'000	Month 5 £'000	Month 6 £'000	Month 7 £'000	Month 8 £'000	Month 9 £'000	Month 10 £'000	Month 11 £'000	Month 12 £'000		
Business Support Centre	2,854	213	246	0	0	0								
Commercial Services	(9,148)	472	560	565	565	564								
Facilities Management	7,769	0	0	1	(1)	0								
Total	1,475	685	806	566	564	564	0	0	0	0	0	0	0	