

Report of the Deputy Chief Executive

Report to Executive Board

Date: 22nd January 2014

Subject: Financial Health Monitoring 2013/14 – Month 8

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 eight months of the financial year in respect of the revenue budget, and the Housing Revenue Account.
2. 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 underspend of £0.5m is projected, which is a £3.3m improvement on the position reported at month 7.
3. The Initial Budget Proposals for 2014/15 rely on an overall underspend carried forward from the current year and it does therefore remain imperative therefore that the actions agreed in the budget are delivered and that further savings can be identified by the year end.
4. At month 8 the HRA is projecting a surplus of £0.4m.

Recommendations

5. Members are asked to note the projected financial position of the authority after eight months of the financial year 2013/14 and to approve an additional grant payment of £142k in order to stabilise the Grand Theatre company's finances.

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 eight 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 eight months and comments on the key issues impacting on the overall achievement of the budget for the current year.

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 After eight months of the financial year an underspend of £0.5m is projected, as shown in Table 1 below.

Table 1

		(Under) / Over Spend for the current period					Previous Month (Under) / Overspend £000
Directorate	Director	Staffing £000	Other Spend	Total Expenditure £000	Income £000	Total Under /Overspend £000	
Adult Social Care	Sandie Keene	(2)	2,011	2,009	(1,085)	924	894
Children's Services	Nigel Richardson	(3,147)	6,457	3,310	(720)	2,590	2,744
City Development	Martin Farrington	422	730	1,152	(105)	1,047	1,067
Environment & Housing	Neil Evans	2	92	94	(487)	(393)	(360)
Strategy & Resources	Alan Gay	(763)	280	(483)	406	(77)	(37)
Legal & Democratic Services	Catherine Witham	(118)	(2)	(120)	89	(31)	(29)
Public Health	Ian Cameron	(10)	(136)	(146)	(15)	(161)	(266)
Citizens & Communities	James Rogers	93	271	364	(365)	(1)	(2)
Civic Enterprise Leeds	Julie Meakin	59	519	578	(30)	548	542
Total		(3,464)	10,222	6,758	(2,312)	4,446	4,553
Corporate issues							
Debt Savings						(2,200)	(2,000)
Transfer of Public Health to earmarked reserve						161	266
Uncommitted Contingency Fund						(1,500)	
Capitalised interest						(1,400)	
Total						(493)	2,819

- 3.2 The major variations from month 7 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 cost of employing agency staff across the Council was £10.9m at month 8 with a projected outturn of £15m, as shown in Table 2. This is an increase of £0.5m from the month 7 position although the projection is £3.7m less than the previous year's actual.

Table 2

Directorate	Previous Year Actual	Current Budget	Actual To Date	Variance To Date	Projected Outturn After Actions	Projected Variance
	(£000's)	(£000's)	(£000's)	(£000's)	(£000's)	(£000's)
Adult Social Care	4,937	3,654	2,975	(679)	4,147	493
Children's Services	7,508	5,587	3,970	(1,617)	6,135	548
City Development	824	541	466	(75)	575	34
Environment & Housing	1,680	960	799	(161)	1,398	438
Strategy & Resources	1,120	323	737	414	354	30
Legal & Democratic Services	203	65	75	10	75	10
Citizens & Communities	421	265	292	28	325	61
Public Health	0	50	53	3	53	3
Civic Enterprise Leeds	2,070	1,724	1,568	(156)	1,947	223
Total GF Services	18,764	13,169	10,935	(2,234)	15,009	1,839

- 3.2.2 Adult Social Care – whilst the overall position has remained static, the most significant risk is that demand on the home care budget continues to rise although the projection assumes that there are no further increases on this budget for the remainder of the year.
- 3.2.3 Children's Services – the projected overspend has reduced by £0.15m from month 7, mainly reflecting further underspends on staffing.
- 3.2.4 City Development – although the position is unchanged from month 7, increased chargeable work within Highways and Transportation has increased spend on running costs, offset by additional income of £0.6m.
- 3.2.5 Debt – a £2.2m saving on debt charges is projected due to the continuation of low interest rates and the full year effect of slippage on the 2012/13 capital programme.
- 3.2.6 Capitalised Interest – under proper accounting practice the Council has the option to capitalise interest costs on assets under construction. Although this is dependent upon the final number of assets which remain incomplete at the year-end an initial assessment has been made at £1.4m.
- 3.2.7 Contingency Fund – there is an uncommitted balance on the fund of £1.5m which is not now likely to be required in the current year.
- 3.2.8 The Initial Budget Proposals for 2014/15 assume a significant increase in the use of general fund reserves in 2014/15. This relies on an overall underspend carried forward from the current year and it is therefore imperative that the actions agreed in the budget are delivered and that further savings can be identified by the year end.

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 position at the end of November is as follows:

- Council Tax overall collection rate – 72.86% (74.06% 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. Current year performance is also being affected by increased charges in respect of empty properties, which during 2012/13 were exempt from council tax. Therefore collection is currently forecast to be on target based on this estimate.
- Overall collection rate for those affected by Council Tax Support scheme – 53.7% (45.9% month 7)
- Collection rate for those previously getting 100% Council Tax benefit – 47.5% (41.7% month 7)

The collection rate for NNDR at the end of November was 76.43% which is 1.02% less than the same time last year, However the valuations of the majority of the Trinity development were brought into the rating list during November and new accounts with a debit of over £5 million raised, none of which becomes payable until December. The position without Trinity would be well within the normal monthly fluctuations and there are currently no concerns.

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 were devolved to Local Authorities to administer. This budget of £2.8m is not ring-fenced but Councils are expected to use the funds to 'give flexible help to those in genuine need'. The funding in 2013/14 has been directed to those in most need within the City, particularly as a consequence of the recent changes to welfare benefits. Expected spend comprises: Direct Awards £1.5m, Initiative Funding £0.5m, Section 17 emergency payments (administered by Children's Services) £0.5m and additional funding for Discretionary Local Council Tax Scheme and Discretionary Housing Payments at £250k each.

3.4 Grand Theatre

The 2012/13 Grand Theatre accounts have now been finalised and after taking into account the movement on the pensions deficit the company has made a loss of £385k. This deficit has resulted in the company having negative unrestricted reserves of £142k. Work is currently underway with the company to address the on-going trading deficit but in order to demonstrate that the company is a going

concern it is recommended that the Council makes an additional grant of £142k from contingency in order to stabilise the company's finances.

4.0 Housing Revenue Account (HRA)

- 4.1 From 1st October 2013 the management of the council's housing stock was integrated into the Directorate of Environment and Housing. In line with this, HRA financial reporting now reflects the total financial position in respect of Housing Leeds.
- 4.2 At the end of Period 8 the HRA is projecting a surplus of £0.4m. This is after absorbing an additional recharge of £1m from Adult Social Care in respect of supporting people to remain in their own homes. Savings are projected in relation to employees, supplies and services (utilities, marketing and office consumables), legal recharges. Also additional income from capitalisation is anticipated due to the projected increase in RTB sales (316 more than budget).
- 4.3 Rent arrears continue to be closely monitored. Overall, arrears for current tenants are £6.1m compared to £4m at the end of 2012/13, an increase of £2.1m. However £1.1m of this increase is simply due to in year timing differences between when the weekly rent is due and when the rent is actually received from tenants through monthly standing orders and direct debits. Of the rest of the increase £0.3m has arisen due to welfare change in connection with under occupancy.

Collection rates to the first week in November were 97.4% for dwelling rents, compared to 98% at the end of 2012/13. This compares favourably with collection performance in 2011/12 and 2010/11 which was 97.65% and 97.42% respectively.

5.0 Corporate Considerations

5.1 Consultation and Engagement

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

5.2 Equality and Diversity / Cohesion and Integration

- 5.2.1 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.

5.3 Council Policies and City Priorities

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

5.4 Resources and Value for Money

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

5.5 Legal Implications, Access to Information and Call In

- 5.5.1 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.

5.6 Risk Management

5.6.1 The Council's financial risk 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

5.6.2 The register shows that at month 8 there is 1 very high risk and 3 high risks:

Risk	Key Budget Impacted	P	I	Rating
Community Care packages may exceed the budgeted number and/or cost	Access & Inclusion	4	5	Very 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 achieved	Access & Inclusion	4	3	high
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
Section 278 Risk that due to economic climate, receipts may not pick up	Strategic	2	4	High

6. Recommendations

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

6.2 Members are also asked to approve an additional grant payment of £142k from contingency in order to stabilise the Grand Theatre company's finances.

7. Background documents¹

7.1 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.

**ADULT SOCIAL CARE
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8 - (November 2013)**

Overall Narrative

The Period 8 projection for Adult Social Care is an overspend of £0.9m (0.4%) , the same as at Period 7.

There are some significant risks associated with the Period 8 projection. The most significant risk, given the statutory obligation to meet eligible needs, is that demand on the home care budget continues to rise, as the projection assumes that there are no further increases on this budget for the remainder of the year. There is also some risk regarding the placements budget as the number of bedweeks has increased this year and the winter period is approaching. The earmarked reserve has now been fully utilised, with none remaining to offset any further demand pressures in later months. The projection also assumes that the £0.8m budgeted additional income from the charging review is delivered in full.

During the year ongoing efforts have been made to reduce staffing spend to help mitigate the impact of the demand pressures facing the directorate and as a result there has been a downward trend in the projected staffing variation. The main reductions in the last month relate to staff leaving within the long-term generic home care service and a review of vacancy management plans within Strategy and Resources.

The main variations at Period 8 across the key expenditure types are as follows:

Transport (+£0.7m - 13%)

This reflects the ongoing impact of expenditure levels in 2012/13. Work continues to identify mitigating actions, although the main financial impact of these is likely to be in the next financial year.

Community care packages (+£4.0m - 2.8%)

Adult Social Care's demand-led community care budget has been under pressure throughout this financial year and the level of spend reflects the underlying activity. There has been a 3% increase in assessments and an increase in the proportion of assessments that have resulted in eligible needs. This is the equivalent of 288 more cases with eligible needs in the first six months of 2013/14 compared with the same period last year. The financial consequences are set out below:

Within independent sector domiciliary care there has been an increase in home care activity levels that is partly offset by slightly lower than expected spend on direct payments. In the first six months of 2013/14 planned home care hours within the independent sector rose by 15%. In addition, 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. The assumed growth in personal budgets taken as cash payments included in the budget is not yet fully evident in the expenditure trends.

Expenditure on residential care is slightly higher than budgeted, reflecting an increase in the spend on mental health and physical impairment placements due to a small number of unanticipated high cost packages. Since the start of the financial year six care packages have been approved with annual spend on each in the region of £100k. In addition there are some additional re-provision costs due to the timing of implementing the decisions taken by Executive Board in September regarding directly provided residential homes. There is a higher than budgeted number of bedweeks though this is currently being managed within the older persons budget.

Expenditure on the learning disability pooled budget is projected to be lower than budgeted mainly due to the growth anticipated not being fully evident in expenditure levels.

Health Funding (-£0.3m - 1.4%)

This includes income to support transformation projects and funding for intermediate care beds, partly offset by reablement funding being lower than budgeted.

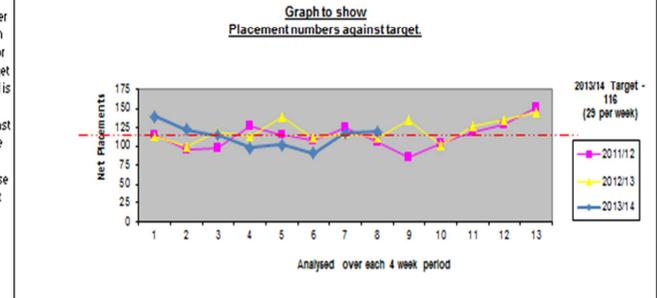
Use of Earmarked Reserve (-£2.4m)

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.

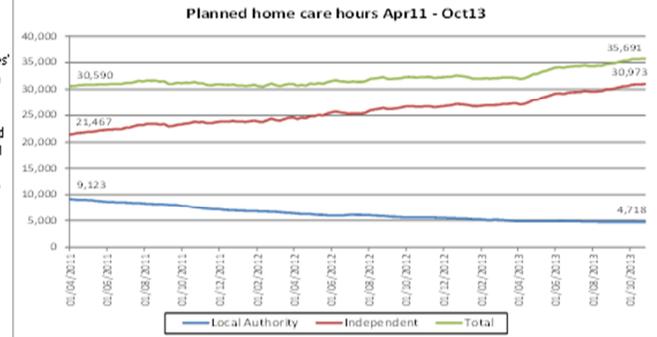
Service Graphs

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



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.



Budget Management - net variations against the approved budget;

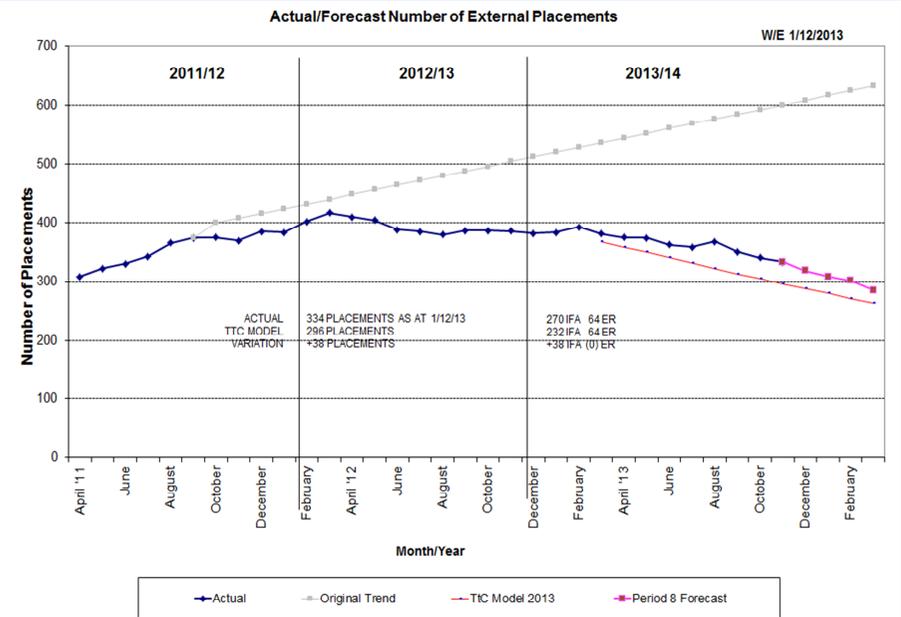
Expenditure on care packages is the major element of expenditure. This table is based on the standard subjective analysis and so care package spend is spread across several headings.	Latest Estimate £'000	Staffing £'000	Premises £'000	Projected Variations										Total (under) / £'000
				Supplies & 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	
Month 7	198,103	520	92	(193)	(45)		849	4,034	(426)	(2,257)	2,574	(1,680)	894	
Month 8	198,183	-2	128	(341)	(33)		841	3,785	(145)	(2,223)	2,009	(1,085)	924	
	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		
Access and Care	91,017	768	1,329	2,943	2,526		4,095	4,155						
Strategic Commissioning	2,065	643	525	(135)	43		88	(68)						
Resources	5,732	93	(1,275)	(1,921)	(1,957)		(2,764)	(2,704)						
Care Services	99,369	(970)	410	137	380		(524)	(459)						
Total	198,183	534	990	1,025	991		894	924						

CHILDREN'S SERVICES DIRECTORATE

FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
April to November - Month 8

Overall, the month 8 forecast variation for the Children's Services Directorate is an overspend of £2.59m which is equivalent to 2% against the net managed budget of £135m. This projection represents a favourable movement of £0.15m compared to the previous month 7 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 November 2013, there were 64 children & young people in externally provided residential placements [in line with the financial model] and 270 children & young people in placements with Independent Fostering Agencies [+38 compared with the financial model]. Overall, these placement numbers translate into a potential pressure of £2m to March 2014. In addition, discussions are continuing with partners around achieving the right balance of funding for the most complex placements. The month 8 projections continue to recognise the demand pressures around alternatives to care, including adoptions and special guardianship orders [£0.84m] and care leavers [£0.53m]. **Staffing** - at month 8 the overall staffing budgets are forecast to underspend by £3.1m across the combined general fund, grant funded and central schools budget functions which recognise the number of vacant posts across the Directorate and also the impact of the predominantly internal recruitment market. The month 8 budgets have been adjusted to recognise that a significant element of the staffing variation relates to ring-fenced central schools budget funding. The forecast spend on agency staffing is £5.9m 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 8 projections continue to 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 £0.7m favourable variation across the income and funding budgets reflects the budget adjustment in respect of the central schools budget funding. The projections also recognise a forecast variation [£0.4m] in respect of nursery fee income, mitigated by an additional £0.4m of performance by results funding in respect of the Families First (Leeds) programme.



	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES										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	291,594	(156,423)	135,171	(3,346)	(227)	25	48	67	904	181	(2,348)	3,398	1,050	
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	870	45	(51)	2,042	1,991	
Month 6	290,560	(155,825)	134,735	(4,035)	(434)	51	2,443	485	717	13	(780)	2,900	2,140	
Month 7	290,135	(155,400)	134,735	(2,846)	(151)	(8)	2,440	1,961	1,528	(73)	2,851	(107)	2,744	
Month 8	291,194	(156,482)	134,712	(3,147)	(165)	(4)	2,441	1,811	2,420	(46)	3,310	(720)	2,590	

	Expenditure Budget £'000	Income Budget £'000	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
Partnership, Development & Business Support	17,804	(7,519)	10,285	(410)	(951)	(814)	(620)	(447)	(383)					
Learning, Skills & Universal Services	78,394	(60,813)	17,581	(209)	(402)	(634)	(615)	(692)	(641)					
Safeguarding, Targeted & Specialist Services	125,639	(31,374)	94,265	1,299	156	738	303	825	567					
Strategy, Performance & Commissioning	68,298	(55,694)	12,604	470	2,811	2,701	3,072	3,058	3,047					
Total	290,135	(155,400)	134,735	1,150	1,614	1,991	2,140	2,744	2,590	0	0	0	0	0

City Development
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8

Overall Narrative - Overall the Directorate is forecast to overspend by £1.05m. This is a £20k reduction on the Period 7 position. The position assumes that various actions to make additional savings of £0.4m will be implemented across the Directorate and these are being progressed as part of the Directorate's budget action plan. Overall the projected variances now reflect increased savings on premises costs from energy and other premises running costs mainly in Highways and Transportation. Supplies and services now shows a projected overspend as opposed to an underspend in the previous month. This is mainly in Highways and Transportation and reflects higher projected works expenditure of approximately £600k in the Direct Labour Organisation for maintenance works funded by additional income.

Economic Development, Employment and Skills, Highways and Transportation, Regeneration, and Resources and Strategy 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 although the recent decision not to implement charging for resident parking permits will result in a shortfall in income of £400k against the budget it is anticipated that this will be funded by additional one off income in Asset Management

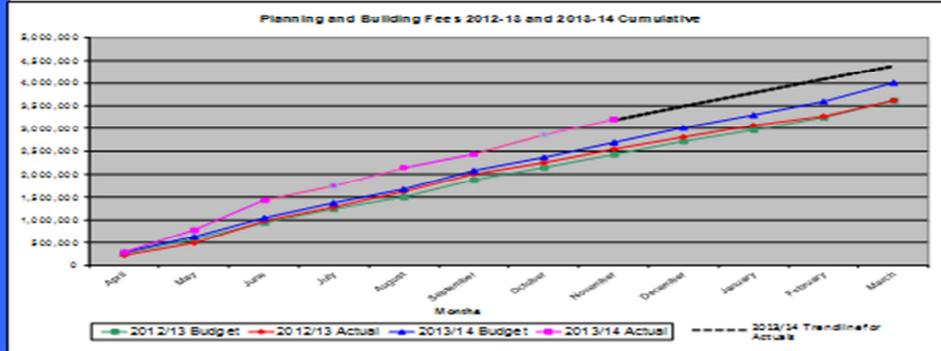
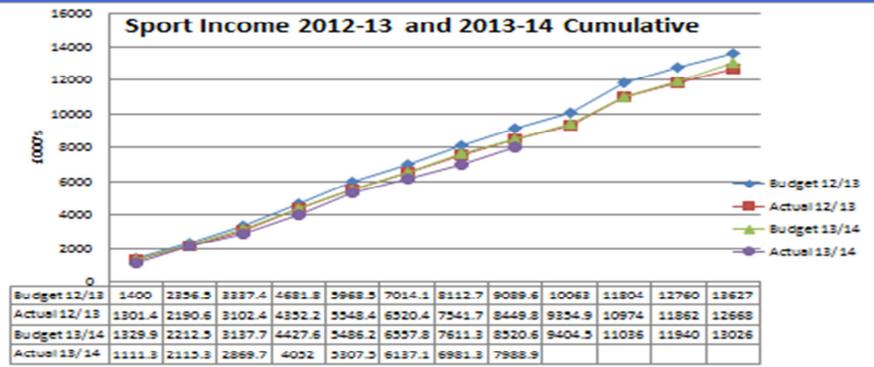
Asset Management shows a projected overspend of £0.12m. This is mainly due to the expected shortfall against the advertising income target although additional one off income has helped offset this shortfall. The projected position also assumes a surplus of £250k on the Arena account as a result of lower 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 £0.6m. This is due to a projected overspend of £0.5m on staffing and other expenditure of £160k. An increase in running costs and legal costs have led to the increase in the projected overspend this month. Planning and building income is above the phased budget by £514k for the first 8 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. 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 £0.8m. The overspend is due to a combination of additional staffing costs as a result of not actioning budget reduction proposals and a shortfall in income. 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 by £532k and a shortfall of just over £800k is projected reflecting current trends. There is a risk that the position on income worsens further in the winter period.

An overspend of £275k 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 £0.4m 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 Highways and Transportation, Employment and Skills and Libraries, Arts and Heritage. These are largely funded posts and reflect the Council's priorities.



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	1,126
Month 5		510	176	(494)	2	(100)	27	0	121	869	869
Month 6		456	143	(419)	(11)	206	27	0	405	664	664
Month 7		450	187	(318)	35	244	27	0	625	442	442
Month 8		422	(180)	454	60	315	27	54	1,152	(105)	(105)

	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	545	633					
Economic Development	1,606	0	0	0	0	(41)	(117)					
Asset Management	9,092	494	500	250	236	178	116					
Highways and Transportation	20,764	189	189	189	(64)	(65)	(15)					
Regeneration	672	0	21	(25)	(25)	(24)	(14)					
Resources and Strategy	2,156	(848)	(800)	(765)	(511)	(386)	(425)					
Employment and Skills	2,917	52	48	44	(107)	(193)	(208)					
Libraries, Arts and Heritage	20,623	2	159	156	265	253	275					
Sport and Active Recreation	6,324	500	562	604	749	800	802					
Total	67,892	933	1,240	990	1,069	1,067	1,047	0	0	0	0	0

ENVIRONMENT & HOUSING DIRECTORATE SUMMARY
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8 (November 2013)

Overall Position -£393k

The overall period 8 projection is an underspend of £393k.

Community Safety (£139k underspend)

A net underspend of £129k is anticipated on staffing, after adjusting for income effects from vacant funded posts and the ELI efficiency target. The net staffing underspends are primarily within Leeds Watch. An underspend of £27k is expected as a result of the West Yorkshire police pay award for PCSOs and 17k of other net overspends are now anticipated. The income targets for the service are expected to be achieved.

Resources Strategy & Commissioning (£390k underspend)

There is a projected underspend of £390k due to efficiencies delivered on Supporting People contract payments. Community Centre budgets have transferred to C&C but a probably overspend of £111k has been retained within E&H. Other underspends on staffing and supplies have been projected at £31k and £80k is expected to be drawn from reserves to give an overall projected underspend of £390k for Resources Strategy & Commissioning.

The Drugs Commissioning Service agreed a list of contracts that will be funded by Public Health and the Police and Crime Commissioner and whilst no over/underspend is anticipated, £150k may have to be drawn from reserves to fund in year activity.

Statutory Housing (£0k balanced)

Staffing savings of £371k have been projected. This is primarily due to post vacancies arising from the recent restructure but will be offset by reduced funding for the Leeds Neighbourhood Approach team (£69k). The remaining 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 (£227k underspend)

An underspend of £398k 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. Income from attractions, cafe and retail is expected to exceed the target by £76k and spend on repairs is projected to be £50k below budget. Plant and machinery sales income is expected to generate £50k more than the budget. However this is partially offset by a £35k golf income pressure, £50k utilities pressure and a £123k pressure on insurance charges

Waste Management (£940k overspend)

Refuse Collection is projected to over spend by around £543k.

The estimated costs of sickness cover above the budget is £175k, staff in MWC is £15k and the cost of additional management support helping to progress key service projects is expected to be around £103k. Based on days lost in the previous 2 winters, it is assumed the effects of catch up will be £65k.

Vehicle repairs are forecast to be around £180k above the budget.

Within Waste (Strategy & Disposal) there is a forecast overspend of £365k. £200k relates to the continuing reduction in electricity from gas generation at Gamblethorpe and disposal costs are projected to be £200k above budget. 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 (£148k overspend)

Ongoing costs of staff in MWC are anticipated to be £128k.

The cost of dog kennelling is £16k and the additional cost of supervisor and front line cover is estimated £40k

Staff savings in Env Health of £60k help to reduce the other pressures.

Car Parking (£726k underspend)

Savings from vacant posts that are in the process of being recruited to will save £133k.

Parking income is projected to be £683k higher than the budget. This is mainly additional income from existing bus lane enforcement (£535k).

Fee income and PCN income is forecast at £187k above budget mainly from the delay in closure of Quarry Hill. Woodhouse Lane now forecasted to be on budget.

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	Appropriation	Total Expenditure	Income		
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Quarter 1	78,016	4	(121)	116	(283)	6	148	0	0	(130)	130	0
Month 4	79,147	(55)	(250)	303	(504)	0	(272)	0	276	(502)	502	0
Month 5	79,163	180	(194)	358	(414)	0	(302)	0	0	(372)	(20)	(392)
Month 6	79,163	337	(97)	121	(478)	(140)	(302)	0	0	(559)	203	(356)
Month 7	79,163	247	(75)	94	(519)	(50)	(264)	0	0	(567)	207	(360)
Month 8	78,252	2	(77)	453	(489)	147	(269)	0	151	(82)	(311)	(393)

Summary By Service

Latest Estimate	Month 2	Month 4	Month 5	Month 6	Month 7	Month 8	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Community Safety	3,398	(20)	(51)	(36)	(54)	(96)	(139) Mainly staffing savings
Resources, Strategy & Commissioning	12,343	(19)	51	(401)	(347)	(378)	(390) £390k underspend on SP contracts
Statutory Housing	2,671	0	0	0	0	0	0 £371k staffing savings less income pressures from unachieved budget action plans
Parks & Countryside	10,927	(1)	0	(150)	(233)	(233)	(227) Staff savings and other net pressures
Waste Strategy and Disposal	19,489	0	72	226	226	153	364 £200k tonnes & Gamblethorpe; £130k educ & (£100k) PFI
Waste Operations	3,122	0	8	34	36	34	34 Income shortfall partially offset by staff savings
Refuse Collection	19,182	111	99	362	387	411	544 Staffing pressures partially offset by vehicle and bin savings (mainly financing savings)
Environmental Action	11,352	44	20	70	98	129	110
Environmental Health	2,796	(9)	12	31	30	80	38 MWC costs £128k; offset staff savings
Car Parking	-7,028	(106)	(211)	(528)	(499)	(460)	(726) £114k staffing savings and additional income from BLE and delays to closure of Quarry Hill
Total	78,252	0	0	(392)	(356)	(360)	(392)

STRATEGY AND RESOURCES
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8

Overall Position

Overall, Strategy and Resources is expected to be underspent by £77k and no major risks have been identified as part of the month 8 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 £616k, but this cost will be funded partly from savings in prudential borrowing charges with the balance funded corporately.

Finance

Pay savings (£782k) reflected were reflected in the 2013/14 budget. Although in the early months of the year this looked to be a difficult challenge to achieve, in recent months there have been a number of staff moves and leavers over and above the known early leavers. In addition, further income has been generated by the Internal Audit section mainly in respect of work for the Housing Strategic Landlord. As a result, the service is now projecting to be underspent by £-188k 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 has resulted in pay budgets being projected to be on target. However, there are increased costs in pensions as a result of early leavers and increases in supplies and services resulting in an overall projected overspend of £57k.

Technology

An underspend of £149k is now projected which is mainly as a result of further savings on featurenet lines, reduced cost of Microsoft licenses and reduced capital charges in relation to the Essential Services Programme. Spend on staffing/overtime is around £470k below budget however this is largely offset by the cost of 7 contractors performing essential work and a loss of capital income generated by the vacant posts.

Procurement

An increase in the staffing underspend and additional YPO rebate income has been offset by additional PPPU resource now being deployed in relation to the 'transforming procurement' agenda.

PPPU

A shortfall in income of £119k is now projected as the project management support for NGT has been agreed as a secondment rather than the normal hourly recharge basis. Further costs of £60k in relation to the movement of project staff into St George's House.

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	
Month 2	42,148	(133)	(1)	10	(6)	30	0	0	(100)	100	0
Month 3	42,148	151	3	(2)	(6)	(327)	0	0	(181)	181	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
Month 7	37,925	(672)	(1)	15	(8)	150	0	0	(516)	479	(37)
Month 8	37,925	(763)	20	111	(6)	154	0	0	(484)	405	(79)

	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	
Strategy and Improvement	6,869	0	1	0	(1)	(1)	0					
Finance	8,311	(2)	(18)	(78)	(50)	(88)	(188)					
Human Resources	6,664	1	17	0	(1)	40	57					
Technology	15,397	0	1	(40)	(58)	(149)	(149)					
Procurement	1,718	0	1	(20)	(20)	(9)	(7)					
Public Private Partnership Unit	(1,145)	1	(2)	138	130	170	210					
Regional Policy	111	0	0	0	0	0	0					
Total	37,925	0	0	0	0	(37)	(77)	0	0	0	0	0

LEGAL AND DEMOCRATIC SERVICES
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8

Overall Narrative

No significant issues or risks have been identified and the directorate is now expected to generate a small underspend of £-31k by the 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. However, several posts are still vacant and as a result, an underspend of £-100k is expected. However, this is offset by a corresponding reduction in income. 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 is currently being implemented and will significantly reduce the time spent on recharges both within Legal Services and also the client directorates. As a result of the staffing underspend detailed above, income is projected to be £100k below budget as there will be less chargeable hours.

Democratic Services

Staffing changes mean that a minor underspend of £-9k is projected at year end on staffing with only 1 agency staff remaining. Income from school appeals is projected to be £15k in excess of the budget.

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)
Month 7	4,042	(15)	0	(1)	(2)	0	0	0	(18)	(11)	(29)
Month 8	4,042	(118)	0	0	(2)	0	0	0	(120)	89	(31)

	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	0	0	0	0	0	0	
Democratic Services	5,530	(8)	(4)	(4)	(4)	(29)	(31)					
Total	4,042	(8)	(4)	(4)	(4)	(29)	(31)	0	0	0	0	0

PUBLIC HEALTH
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8

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, using an earmarked reserve, into the next year.

At month 8, the projection is that there will be a £161k underspend. During the month, a virement has been completed to allocate the staffing underspend to the required commissioning budgets which include pressures that have been identified as part of the NHS reforms. As Public Health is funded by a ring fenced grant, any underspend will be carried forward to use in 2014/15 in line with the grant conditions.

Staffing

In recent months a number of posts have been appointed to, however there are a number of vacancies still to be filled. It is anticipated that the vacancies will be recruited to over the coming months with some in 2014/15. 7 Administration and Business Support posts have now been appointed with a further 2 posts are now being recruited externally along with 3 Public Health Specialist posts currently going through the recruitment process. There are no longer any agency staff working in Public Health.

In addition, during August 7 members of staff (6.81 fte'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. A virement has now been completed to transfer budget from commissioned services into pay to cover these costs. A virement has now been completed to transfer the underspent budget from staffing to the relevant commissioned services. As a result, staffing budgets are now projected to be £10k underspent.

Commissioned and Programmed Services

This is the main area of spend with a current budget of £32.7m. 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. However there are some contracts which are based on payment by activity and these are being monitored closely to minimise any impact on the budget. The recently completed virement has transferred budget to fund any previously identified pressures on commissioned services. However, since this was completed, further clarification has been received on responsibilities surrounding drugs prescribing and dispensing costs. As a result, there is now a projected overspend of £203k on this area. This overspend has been partly offset by proactively identifying savings on other commissioned services.

BUDGET MANAGEMENT - NET VARIATIONS AGAINST THE APPROVED BUDGET

	Latest Estimate £'000	Projected Variations									Total (under) / Overspend £'000	Transfer to Reserves £'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	0	0	0	4	0	0	(4)	0	0	0	0	0	0
Month 4	0	2	0	10	0	0	(12)	0	0	0	0	0	0
Month 5	0	(301)	0	10	0	0	(10)	0	(301)	1	(300)	300	0
Month 6	0	(476)	0	14	0	9	152	0	(301)	1	(300)	300	0
Month 7	0	(1,131)	8	183	(2)	14	662	0	(266)	0	(266)	266	0
Month 8	0	(10)	0	(70)	0	9	(75)	0	(146)	(15)	(161)	161	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
Public Health grant	(36,855)	0	0	0	0	0	0	0	0	0	0	0
PH staffing and general running costs	4,139	0	0	(300)	(467)	(951)	(21)					
Commissioned and Programmed Services:												
General Public Health	1,713	0	0	0	(563)	(520)	(270)					
Health Protection	1,123	0	0	0	0	(200)	(57)					
Healthy Living and PH Intelligence	1,273	0	0	0	100	137	(17)					
Older People and Long Term Conditions	1,675	0	0	0	0	34	0					
Health Improvement and Commissioning	21,847	0	0	0	605	1,209	203					
Child and Maternal Health	3,875	0	0	0	25	25	0					
Mental Wellbeing	813	0	0	0	0	0	0					
Population Healthcare	397	0	0	0	0	0	1					
Total	0	0	0	(300)	(300)	(266)	(161)					

CITIZENS AND COMMUNITIES
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8

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 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.

During month 8, the Community Centres budgets transferred from Environments and Housing. At the moment, this budget is projected to be on line by the end of the year.

The 'well being' budget is now projected to overspend the in-year budget by £103k 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 9 people from the 'Slivers of Time' pool and 2 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

High demand is currently being experienced due to changes in housing benefits 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 £120k 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. Further additional income means that this service is expected to be on line by the end of the year.

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.

From April 2013, the discretionary aspects of the Local Welfare Support Scheme were devolved to Local Authorities to administer. This budget of £2.8m is not ring-fenced but Councils are expected to use the funds to 'give flexible help to those in genuine need'. The funding in 2013/14 has been directed to those in most need within the City, particularly as a consequence of the recent changes to welfare benefits. Expected spend comprises: Direct Awards £1.5m, Initiative Funding £0.5m, Section 17 emergency payments (administered by Children's Services) £0.5m and additional funding for Discretionary Local Council Tax Scheme and Discretionary Housing Payments at £250k each.

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
Month 7	14,446	94	5	377	25	(54)	0	6,090	(103)	6,434	(6,436)	(2)
Month 8	15,295	93	5	394	27	(52)	0	5,785	(103)	6,149	(6,149)	0

	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	
Locality Leadership	5,518	0	1	0	0	0	0	0	0	0	0	
Customer Access	6,890	0	0	0	0	0	0	0	0	0	0	
Licensing & Registration	188	0	(1)	(1)	(1)	(1)	0	0	0	0	0	
Benefits, Welfare and Poverty	2,699	0	0	1	0	(1)	0	0	0	0	0	
Total	15,295	0	0	0	(1)	(2)	0	0	0	0	0	0

CIVIC ENTERPRISE LEEDS
FINANCIAL DASHBOARD - 2013/14 FINANCIAL YEAR
Month 8

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 8 Civic Enterprise Leeds is reporting a pressure of £548k, £569k within Commercial Group offset by £21k additional profit within Facilities Management Print & Signs Unit. BSC is now on-line to deliver their budget.

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 £569k comprises £328k Cleaning, £60k Property Maintenance and £202k in Education Catering & Welfare, offset by £21k savings in the CEL overhead account.. 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 £60k 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, £152k, 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 service.

	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	1,485	168	42	159	1	0	0	0	0	370	315	685
Month 4	1,475	255	110	267	(8)	0	0	0	(56)	568	(2)	566
Month 5	1,496	158	111	297	(17)	2	0	0	(56)	494	70	564
Month 6	1,496	91	110	296	(17)	1	0	0	(56)	427	137	564
Month 7	1,515	55	110	375	(18)	0	0	0	(56)	466	76	542
Month 8	1,496	60	86	488	(18)	18	0	0	(56)	578	(30)	548

	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
Business Support Centre	2,873	213	0	0	0	0	0					
Commercial Services	(9,127)	472	565	565	564	564	569					
Facilities Management	7,769	0	1	(1)	0	(22)	(21)					
Total	1,515	685	566	564	564	542	548	0	0	0	0	0