

## REVENUE MONITORING REPORT - PERIOD 6 2013/14

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### 1. Summary

The report sets out the Revenue forecast for 2013/14 as at Period 6 and identifies management actions being undertaken to ensure a balanced budget at the end of this financial year.

The projected overspend at Period 6 has reduced since Period 5, mainly due to the impact of the savings from the Voluntary Redundancy Programme being reflected within the services. The cost pressure within Adult Services has remained at a similar level to Period 5 and in response; a working group has been established to understand the cost pressures arising from demand and to identify savings to offset the pressure. The next update in the projections as a result of this work will be reported for Period 9.

The key issues highlighted by this report are that:

- The projected outturn is an overspend of £2.639m.
- The projected General Fund Balance as at 31 March 2014 is £9.993m.

### 2. Recommendations

It is recommended that Members:

- A. Note that at the end of Period 6 (27 September 2013), the full year forecast is a potential overspend of £2.639m;
- B. Consider the impact of this on the Council's General Fund Balance.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1. Details of the potential risks affecting the balances and financial health of the Council are detailed within the report. Each projection is also RAG rated to confirm the level of risk to the Council's balances.

#### **4. Financial Implications**

- 4.1. This report considers the projected outturn position for the 2013/14 revenue budget and the implications on the level of general fund balances of any overspends or spending pressures.

#### **5. Background**

- 5.1. Revenue budget monitors are produced to report on the period from June (Period 3) to February (Period 11) of each financial year and show the anticipated year end projection.
- 5.2. The reports track progress against the agreed budget decisions, forecast any significant variances to the budget, and enable corrective action to be taken to ensure a balanced budget at year end.
- 5.3. Variances are reported on an exceptions basis depending on the total variance from budget, and the percentage change in projection in any one period.

Green      Variance +/- 1% (or £50k if budget less than £5m)

Amber     Overspend between 1%-2% (or £50k-£100k if budget less than £5m)

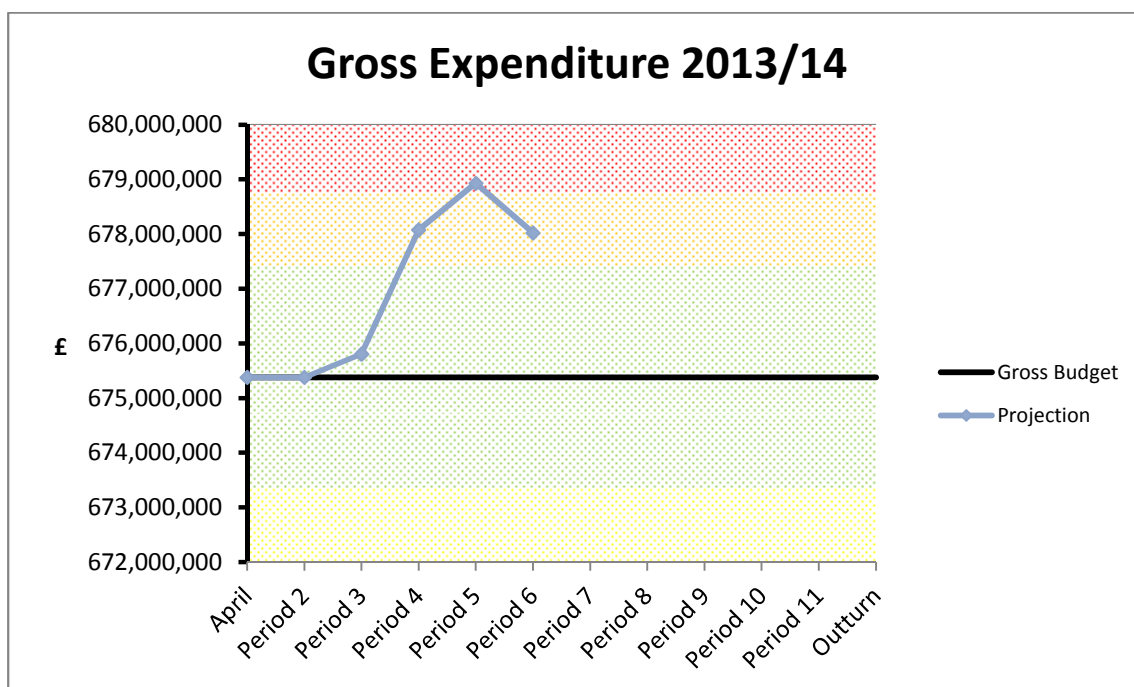
Red        Variance over 2% (or £100k if budget less than £5m)

Yellow    Underspend more than 1% (or £50k if budget less than £5m)

Variances categorised as red will be reported within every report whilst they remain in this category, to monitor management action taken to address the budgetary pressure. Pressures highlighted as amber or yellow will be reported when the variance first commences, and then will only be re-reported when the reported position changes by more than 1% (or £50k if budget less than £5m). Variances categorised as green will not be highlighted in the monitoring reports.

#### **6. Monitoring 2013/14 Budget - Overall Position**

- 6.1. The projected revenue forecast for the year, at Period 6, shows a potential overspend of £2.639m (0.39%) on a gross budget of £675m (net £232m) for the full year. The forecast year end position for the whole council will be revised each month and reported using the graph below, which currently shows only the first projection as reported in this monitor. The area of the graph banded green shows the extent of variance from the budget that would be seen as reasonable given the size and complexity of the Council's budget. At Period 6 the projected year end overspend of £2.639m is falling within the amber banding, which has improved since Period 5 due to additional savings being identified within Commissioning and Resources & Support. However further action is required to deliver a balanced budget for Adult Services and a specific working group has been established to focus on the cost pressures arising from this service and identify in year savings. In order to give this group sufficient time to make progress with their remit and due to the relative stability of the projections within other areas of the Council, the next monitoring position will be reported for Period 9.



6.2 The table below reflects the approved virements processed up to and including Period 6:

**Table 1: 2013/14 Budget Amendments Analysed by Service Area**

Service Area	Original Budget £'000	Net Virements £000	Revised Budget £000
<b>Gross Expenditure</b>			
Commissioning	125,744	(2,303)	123,441
Adult Services	91,826	6,197	98,023
Childrens Services	268,045	18,840	286,885
Public Health	9,760	(54)	9,706
Resources & Support	158,484	(1,158)	157,326
	653,859	21,522	675,381
<b>Gross Income</b>			
Commissioning	(28,119)	317	(27,802)
Adult Services	(28,548)	(90)	(28,638)
Childrens Services	(206,111)	(19,708)	(225,819)
Public Health	(9,333)	32	(9,301)
Resources & Support	(150,216)	(2,073)	(152,289)
	(422,327)	(21,522)	(443,849)
<b>Net Expenditure</b>			
Commissioning	97,625	(1,986)	95,639
Adult Services	63,278	6,107	69,385
Children's Services	61,934	(869)	61,065
Public Health	427	(21)	406
Resources & Support	8,268	(3,231)	5,037
<b>TOTAL</b>	<b>231,532</b>	<b>0</b>	<b>231,532</b>

6.3 The projected overspend of £2.639m for 2013/14 is presented below and analysed in more detail at Appendix 1.

**Table 2: 2013/14 Projected Budget Variations Analysed by Service Area**

Service Area	Revised Budget £'000	Forecast Outturn £'000	(Under) / Overspend £'000	RAGY Classification
Commissioning	95,639	95,304	(335)	Y
Adult Services	69,385	72,280	2,895	R
Childrens Services	61,065	61,446	381	G
Public Health	406	380	(26)	Y
Resources & Support	5,037	4,762	(276)	Y
<b>TOTAL</b>	<b>231,532</b>	<b>234,171</b>	<b>2,639</b>	<b>A</b>

- 6.4. The projected overspend at Period 6 has reduced since Period 5, mainly due to the impact of the savings from the Voluntary Redundancy Programme being reflected within the services. The cost pressure within Adult Services has remained at a similar level to Period 5 and in response to this, a working group has been established to understand the cost pressures arising from demand and to identify savings to offset the pressure.
- 6.5. Additional service pressures are also being identified that need to be managed, and in period 6 there are five service areas with significant expenditure pressures that are RAG rated as red which are detailed below in Table 3.

**Table 3: Service Areas with Significant Variations**

Service Area	Projected Variance	Brief Description
<b>Service Areas with projected Variances of Over 2% or £100k</b>		
Social Care Operations	+ £1,740,406	Purchasing care pressure and in year savings not yet identified.
Social Care Efficiency & Approval	+ £1,122,770	Increased demand for social care funded Mental Health support
Programme Management, Systems & Transition	+ £138,815	Costs of broadband provision and license costs not fully offset by compensatory staffing savings.
Service Support, Marketing & Engagement	+ £105,433	Income shortfall from Print Unit partially offset by staffing savings from the restructure of the service.
Customer Care and Support Services	+£187,947	Unachievable savings targets within Property Services have been partially offset by staffing savings.

## 7. Summary Financial Implications

- 7.1. The effect on the Council's Reserves of the forecast is detailed below. The Council's policy on balances is to have a general fund balance (excluding schools balances) of between 0.5% and 2% of the gross revenue budget. For 2013/14 the minimum balance required is £3.270m. The Financial Strategy, agreed by Council on 28 February 2013, anticipates a level of reserves by

year end of £10.930m. The projected general fund balance as at 31 March 2014 is shown in Table 4 below:

**Table 4: Projected General Fund Balance As At 31 March 2014**

	(£'000)
General Fund Balances as at 31 March 2013	6,820
Budgeted contribution to General Fund Balance	5,909
Repayment of Overspend (County Training Yr3)	417
Repayment of Redundancies provided for in 2012/13	268
Release of Council Tax Subsidy underspend	(500)
Shortfall in budgetary savings	(282)
This report – projected outturn (overspend)	(2,639)
<b>Projected Balance at 31 March 2014</b>	<b>9,993</b>

- 7.2 The projected General Fund Balance at 31 March is significantly below the level anticipated within the Financial Strategy due to the level of the current overspend (£2.639m). While the overspend is only an early indication, and is a 0.39% variance compared to Gross Revenue Budget, this emphasises the need to identify compensatory savings within Adult Services to address the increasing cost pressure for care packages and ensure that the Council's budget Strategy is not compromised.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Revenue & Capital Budget 2012/13  
 Financial Rules  
 Revenue Monitoring Report - Period 3 2013/14  
 Revenue Monitoring Report – Period 4 2013/14

**Cabinet Member (Portfolio Holder)**

Keith Barrow - Leader

**Local Member**

All

**Appendices**

- 1 – Service Area Pressures and Actions 2013/14
- 2 – Service Area Variances 2013/14
- 3 – Amendments to Original Budget 2013/14

**Service Area Pressures and Actions 2013/14**Summary

	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Commissioning</b>	95,639,280	95,303,711	(335,569)	<b>Y</b>
<b>Adult Services</b>	69,384,810	72,279,839	2,895,029	<b>R</b>
<b>Children Services</b>	61,065,360	61,446,114	380,754	<b>G</b>
<b>Public Health</b>	405,510	379,560	(25,950)	<b>Y</b>
<b>Resources &amp; Support</b>	5,037,220	4,761,518	(275,702)	<b>Y</b>
<b>Total</b>	<b>231,532,180</b>	<b>234,170,742</b>	<b>2,638,562</b>	<b>A</b>

Detail

COMMISSIONING	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>95,639,280</b>	<b>95,303,711</b>	<b>(335,569)</b>	<b>Y</b>

<b>Director of Commissioning</b>	<b>Portfolio Holder Business Growth</b>	306,770	(128,287)	(435,057)	<b>Y</b>
Includes £460,000 global VR saving for Commissioning. This figure will reduce each month as savings are built in in service areas. Outturn also includes £25,000 contribution to other organisation not budgeted for.					
<b>Director of Commissioner Total</b>		<b>306,770</b>	<b>(128,287)</b>	<b>(435,057)</b>	<b>Y</b>

<b>Local Commissioning</b>	<b>Portfolio Holder Business Growth</b>	222,790	240,280	17,490	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Director of Commissioner Total</b>		<b>222,790</b>	<b>240,280</b>	<b>17,490</b>	<b>G</b>

<b>Area Commissioner North – Positive Activities</b>	<b>Deputy Leader of the Council; Portfolio Holder Children's Services Transformation and Safeguarding</b>	1,266,820	1,295,373	28,553	<b>G</b>
In Activities for Young People there is a projected reduction in income, overspends on supplies and services and salary costs, and redundancy costs not budgeted for.					
<b>Area Commissioner North – Community Action</b>	<b>Portfolio Holder Growth, Profitability and IP&amp;E</b>	1,670,690	1,630,452	(40,238)	<b>Y</b>
Savings incurred through vacant posts / maternity leave.					
<b>Area Commissioner North - Libraries</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	4,257,050	4,332,879	75,829	<b>A</b>
Virement for in year savings is reflecting an overspend as the VR savings are currently being held centrally rather than against specific libraries posts. Further small underspends have been achieved at almost all central and south libraries.					
<b>Area Commissioner North - Markets</b>	<b>Portfolio Holder Business Growth</b>	124,230	147,493	23,263	<b>G</b>
Salary and redundancy costs not budgeted for. Projected overspends on cleaning, electricity and gas and repairs and maintenance, and projected reduction in income.					

COMMISSIONING		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Area Commissioner North - Waste</b>	<b>Portfolio Holder Business Growth</b>	26,932,120	26,946,248	14,128	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Area Commissioner North</b>	<b>Portfolio Holder Business Growth</b>	151,350	190,039	38,689	<b>G</b>
Terms and conditions / vacancy management saving for Libraries is currently being reported here so further virement required. Budget for postholder transferred from Resources is insufficient for Area Commissioner post salary.					
<b>Area Commissioner North Total</b>		<b>34,402,260</b>	<b>34,542,485</b>	<b>140,225</b>	<b>G</b>

<b>Area Commissioner South – Environmental Maintenance</b>	<b>Portfolio Holder Highways Transport Commissioning</b>	25,400,650	25,503,604	102,954	<b>G</b>
In year savings have been removed and the overspend position reflects savings that have yet to be identified.					
<b>Area Commissioner South – Highways &amp; Transport</b>	<b>Portfolio Holder Highways Transport Commissioning</b>	6,112,260	5,831,214	(281,046)	<b>Y</b>
Car park income is lower than budgeted, offset by reduced expenditure on Transport Initiatives and Concessionary Fares, together with increased income from Highways closures.					
<b>Area Commissioner South – Passenger Transport</b>	<b>Portfolio Holder Highways Transport Commissioning</b>	731,230	782,206	50,976	<b>A</b>
There are revisions to the structure, however, the redundancy costs negate the 'in-year' saving.					
<b>Area Commissioner South – Arts</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	287,910	303,752	15,842	<b>G</b>
Arts should net to nil based on original budget. The £15,000 savings virement implemented was based on period 4 projections, which showed a £15,000 underspend. Therefore, this service is now projected to be £15,000 overspent.					
<b>Area Commissioner South – Sports</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	377,740	377,879	139	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Area Commissioner South – Leisure</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	4,516,770	4,548,245	31,475	<b>G</b>
£50,000 projection for redundancies costs, partly offset by underspend at Teme Leisure sites due to large rates refund at one site.					
<b>Area Commissioner South</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	219,770	217,171	(2,599)	<b>Y</b>
Minor variation projected from budget as at Month 6.					
<b>Area Commissioner South Total</b>		<b>37,646,330</b>	<b>37,564,071</b>	<b>(82,259)</b>	<b>Y</b>

<b>Public Protection &amp; Enforcement – Healthier People &amp; Communities</b>	<b>Portfolio Holder Business Growth</b>	1,764,080	1,768,665	4,585	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Public Protection &amp; Enforcement – Healthier &amp; Sustainable Environment</b>	<b>Portfolio Holder Business Growth</b>	1,249,540	1,241,784	(7,756)	<b>Y</b>
The underspend reflects a slight increase in income projections.					

COMMISSIONING		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Public Protection &amp; Enforcement – Safer &amp; Stronger Communities</b>	<b>Portfolio Holder Business Growth</b>	1,206,390	1,237,094	30,704	<b>G</b>
The service is currently forecasting an overspend on repairs and maintenance and taxi plate costs. The service is also forecasting reduced income for cycle training and gambling licences.					
<b>Public Protection &amp; Enforcement – Public Protection Management</b>	<b>Portfolio Holder Business Growth</b>	921,030	965,489	44,459	<b>G</b>
The forecast overspend is due to redundancy costs, subscriptions and casual allowances					
<b>Public Protection – Housing Health</b>	<b>Portfolio Holder Built Environment: Strategic Planning, Planning, Housing - Local Commissioner</b>	6,873,110	6,615,956	(257,154)	<b>Y</b>
Identified savings within the Supporting People budget.					
<b>Public Protection – Joint Commissioning Unit</b>	<b>Portfolio Holder Business Growth</b>	152,540	127,607	(24,933)	<b>Y</b>
Minor variation projected from budget as at Month 6.					
<b>Public Protection &amp; Enforcement Total</b>		<b>12,166,690</b>	<b>11,956,594</b>	<b>(210,096)</b>	<b>Y</b>
<b>Business Growth &amp; Prosperity - Enterprise &amp; Business</b>	<b>Portfolio Holder Growth, Profitability and IP&amp;E</b>	1,060,120	986,417	(73,703)	<b>Y</b>
There are planned vacancies within the service in order to mitigate additional costs and reduced income in 'Infrastructure and Growth' (please see below).					
<b>Business Growth &amp; Prosperity - Visitor Economy</b>	<b>Portfolio Holder Business Growth</b>	2,547,760	2,559,612	11,852	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Business Growth &amp; Prosperity - Outdoor Recreation</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	2,701,420	2,724,483	23,063	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Business Growth &amp; Prosperity - Theatre Severn</b>	<b>Portfolio Holder Leisure, Libraries, Culture, Commissioning</b>	680,230	704,892	24,662	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Business Growth &amp; Prosperity - Infrastructure &amp; Growth</b>	<b>Portfolio Holder Growth, Profitability and IP&amp;E</b>	(60,880)	48,329	109,209	<b>R</b>
Workshops have an increased expenditure on Repair and Maintenance items and reduced income. This is mitigated by planned savings in 'Enterprise and Business' (please see above).					
<b>Business Growth &amp; Prosperity - Sustainability</b>	<b>Portfolio Holder Built Environment: Strategic Planning, Planning, Housing - Local Commissioner</b>	1,657,780	1,697,313	39,533	<b>G</b>
Further work required to identify savings against the in year targets.					
<b>Business Growth &amp; Prosperity - Development Management</b>	<b>Portfolio Holder Built Environment: Strategic Planning, Planning, Housing - Local Commissioner</b>	1,034,660	1,124,981	90,321	<b>A</b>
Further work required to identify savings against the in year targets.					



COMMISSIONING		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Business Growth &amp; Prosperity - Planning Policy</b>	<b>Portfolio Holder Built Environment: Strategic Planning, Planning, Housing - Local Commissioner</b>	884,640	897,040	12,400	<b>G</b>
Minor variation projected from budget as at Month 6.					
<b>Business Growth &amp; Prosperity – Management</b>	<b>Portfolio Holder Built Environment: Strategic Planning, Planning, Housing - Local Commissioner</b>	388,710	385,501	(3,209)	<b>Y</b>
Minor variation projected from budget as at Month 6.					
<b>Business Growth &amp; Prosperity Total</b>		<b>10,894,440</b>	<b>11,128,568</b>	<b>234,128</b>	<b>R</b>

ADULT SERVICES		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>69,384,810</b>	<b>72,279,839</b>	<b>2,895,029</b>	<b>R</b>

<b>Social Care Operations</b>	<b>Portfolio Holder Adult Services Transformation and Safeguarding</b>	54,120,080	55,860,486	1,740,406	<b>R</b>
A substantial pressure continues to be seen on the demand for social care funded support with a continued increase in commitments between April - August. There has been a reduction in commitments during September and we are currently reviewing the reasons behind this to understand whether this can be forecast forward to reduce the projected overspend. Service Managers continue to work on identifying savings and ensuring these are realised.					
<b>Social Care Efficiency &amp; Approval</b>	<b>Portfolio Holder Adult Services Transformation and Safeguarding</b>	14,237,520	15,360,290	1,122,770	<b>R</b>
There has been an increasing pressure on the demand for social care funded Mental Health support with a continued increase in commitments since April. Whilst the number of people requiring support is not high it can be unpredictable to determine when someone will need support. The service is continuing to identify savings to reduce the pressure.					
<b>Adult Services Management</b>	<b>Portfolio Holder Adult Services Transformation and Safeguarding</b>	1,027,210	1,059,063	31,853	<b>G</b>
Overspend on staffing budgets.					

CHILDRENS SERVICES	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>61,065,364</b>	<b>61,446,115</b>	<b>380,755</b>	<b>R</b>

<b>Learning &amp; Skills</b>	<b>Deputy Leader of the Council; Portfolio Holder Children's Services Transformation and Safeguarding</b>	34,020,050	33,966,383	(53,667)	<b>Y</b>
Minor variation projected from budget as at Month 6.					
<b>Children's Safeguarding</b>	<b>Deputy Leader of the Council; Portfolio Holder Children's Services Transformation and Safeguarding</b>	27,045,310	27,479,731	434,421	<b>R</b>
Overspend of £2.5M covered by £1.5M EIG c/fwds, £200k YOS reserve, £400k Adoption Reform Grant. Further in year savings are required within the service to deliver a balanced budget.					

PUBLIC HEALTH	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>405,510</b>	<b>379,560</b>	<b>(25,950)</b>	<b>Y</b>

<b>Public Health</b>	<b>Portfolio Holder Health</b>	405,510	379,560	(25,950)	<b>Y</b>
Savings have been identified from services not within ring-fenced grant funding such as Emergency Planning with in year efficiencies of £26k.					

RESOURCES & SUPPORT	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>5,037,220</b>	<b>4,761,518</b>	<b>(275,702)</b>	<b>Y</b>

<b>Strategy, Research &amp; Performance</b>	<b>Portfolio Holder Resources, Finance, and Support</b>	512,030	384,288	(127,742)	<b>Y</b>
Additional income (£49k) has been received within the services due to employee secondments. Further staffing savings (£79k), including those from the VR programme, have delivered a further underspend against the budget.					
<b>Legal &amp; Democratic</b>	<b>Portfolio Holder Resources, Finance, and Support</b>	986,390	894,877	(91,513)	<b>Y</b>
Staffing savings of £83k have been generated within this service which includes savings from the VR programme. Further savings of £8k have been identified on members travel expenditure.					
<b>Programme Management, Systems &amp; Transition</b>	<b>Portfolio Holder Resources, Finance, and Support</b>	756,970	895,785	138,815	<b>R</b>
The overspend in this service consists of pressures within IT due to the costs of the schools broadband service (£250k), additional spend on Microsoft licences (£189k). These pressures have been partially offset by VR savings and vacancies not being filled across the service.					

RESOURCES & SUPPORT		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Human Resources</b>	<b>Portfolio Holder Resources, Finance, and Support</b>	(85,390)	(164,514)	(79,124)	<b>Y</b>
Staffing savings of £79k have been achieved which includes those from the VR programme.					
<b>Service Support, Marketing &amp; Engagement</b>	<b>Leader of the Council (Reputation Management and Communications)</b>	(34,460)	70,973	105,433	<b>R</b>
The overspend within the Print Unit has reduced to £165k as a result of the re-structure in this service. Further staffing savings of £60k have been achieved due to the VR programme.					
<b>Customer Care and Support Services</b>	<b>Portfolio Holder Resources, Finance, and Support</b>	6,805,400	6,993,347	187,947	<b>R</b>
Property Services have a £450k savings target which cannot be achieved. This has been partially offset by VR savings of £289k in this service. Other pressures are being experienced on Shirehall running costs and this is being offset by staffing savings within Customer Contact and Business Support.					
<b>Finance, Governance &amp; Assurance</b>	<b>Portfolio Holder Resources, Finance, and Support</b>	(3,903,720)	(4,313,238)	(409,518)	<b>Y</b>
Staffing and VR savings of £347k have been delivered across Finance, Procurement, Audit and the PAs. The balance of savings relate to the corporate budgets for transformation and Treasury Management.					

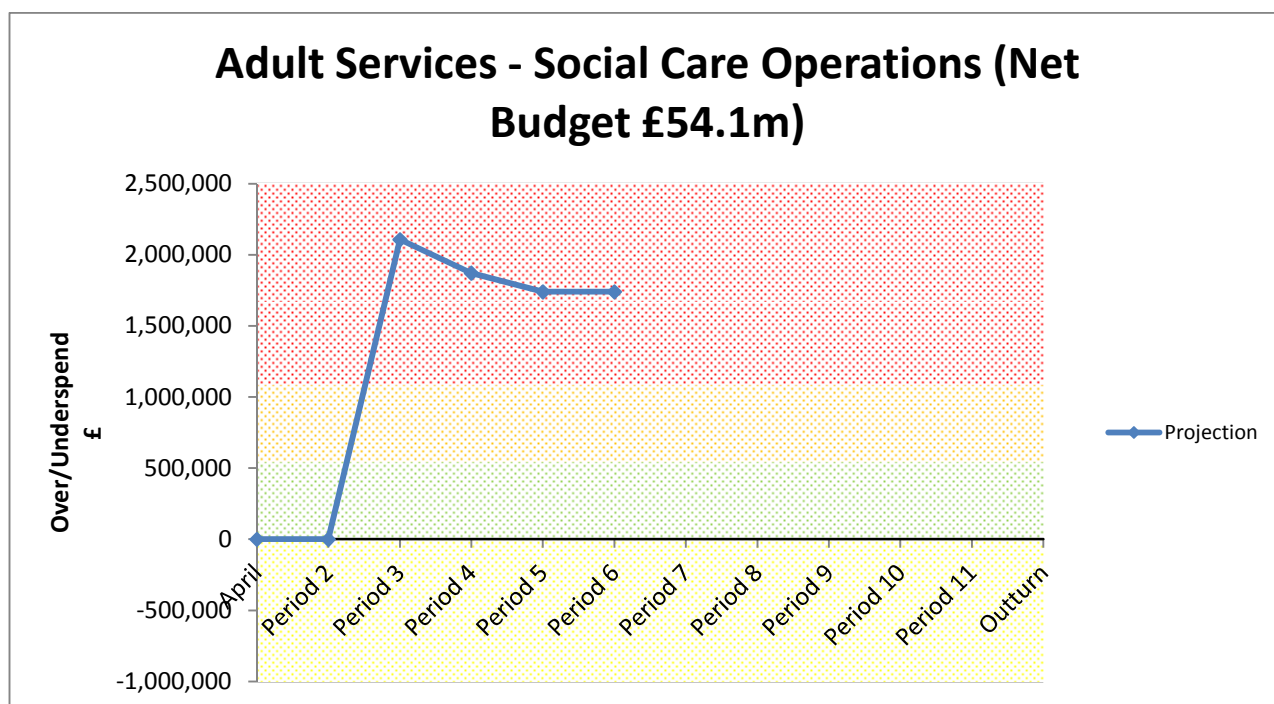
**Appendix 2**

**Service Area Variances 2013/14**

Variances have been categorised as follows:

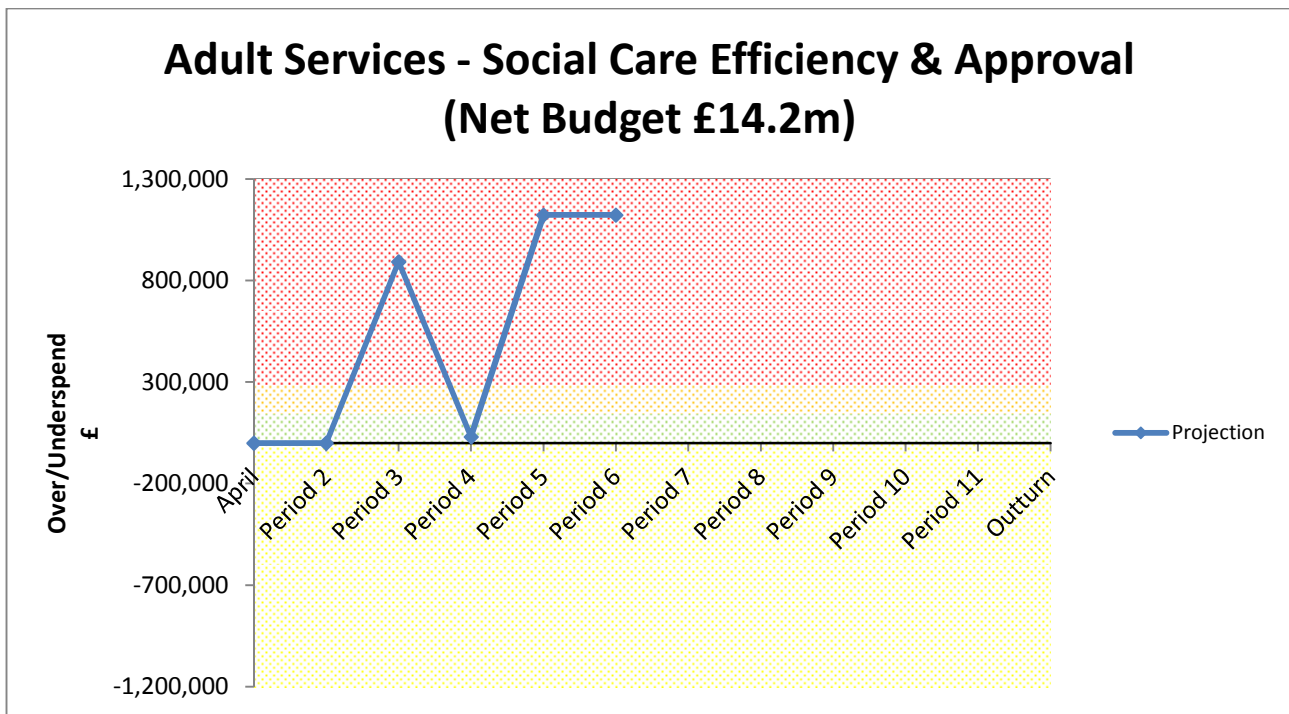
	GREEN Acceptable Variance (Not Reported)	AMBER Variance Reported in Month Identified Only	RED Reported Every Period	YELLOW Variance Reported in Month Identified Only
Net Budget less than £5m	+/- £50k	£50k - £100k	Over £100k	Under £50k
Net Budget greater than £5m	+/- 1%	1% - 2%	Over 2%	Under 1%

**Adult Social Care – Social Care Operations - RED**



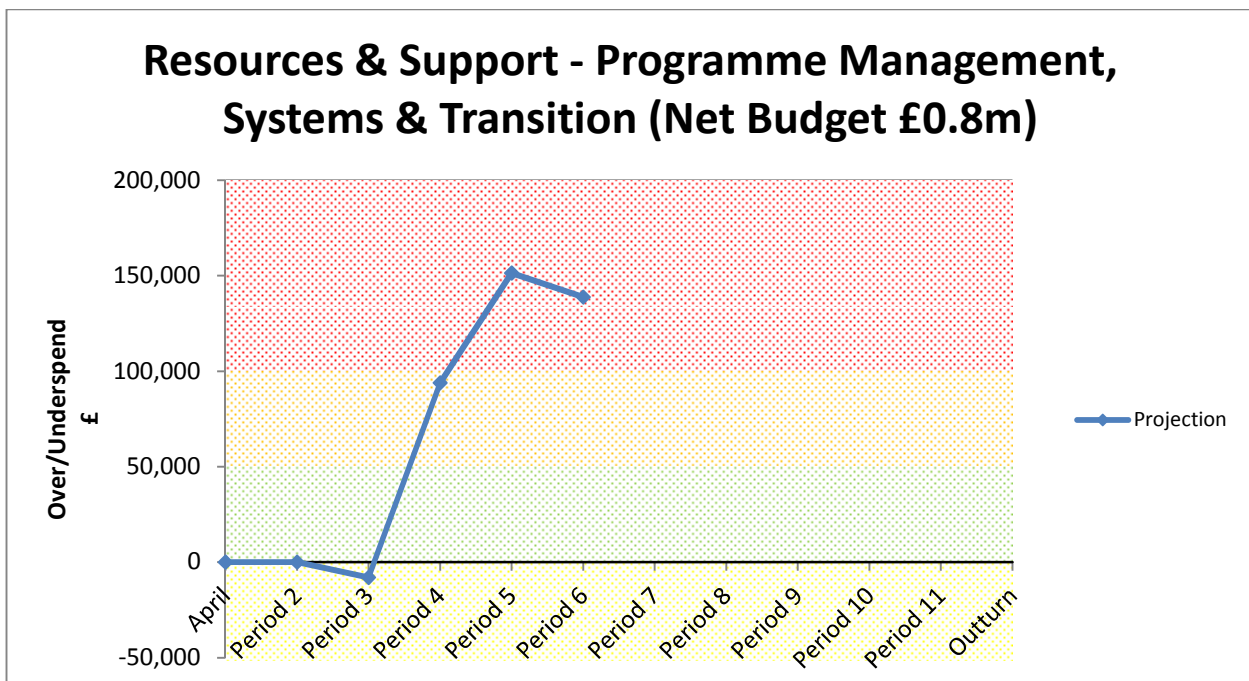
Social Care Operations are projecting a net overspend of £1.740m. This is in relation to continued pressure on the demand for social care funded support. In response to this pressure a specific working group has been established to understand the demand and cost relationship in order that compensatory savings and ongoing cost pressures can be reduced.

## Adult Services – Social Care Efficiency & Approval- RED



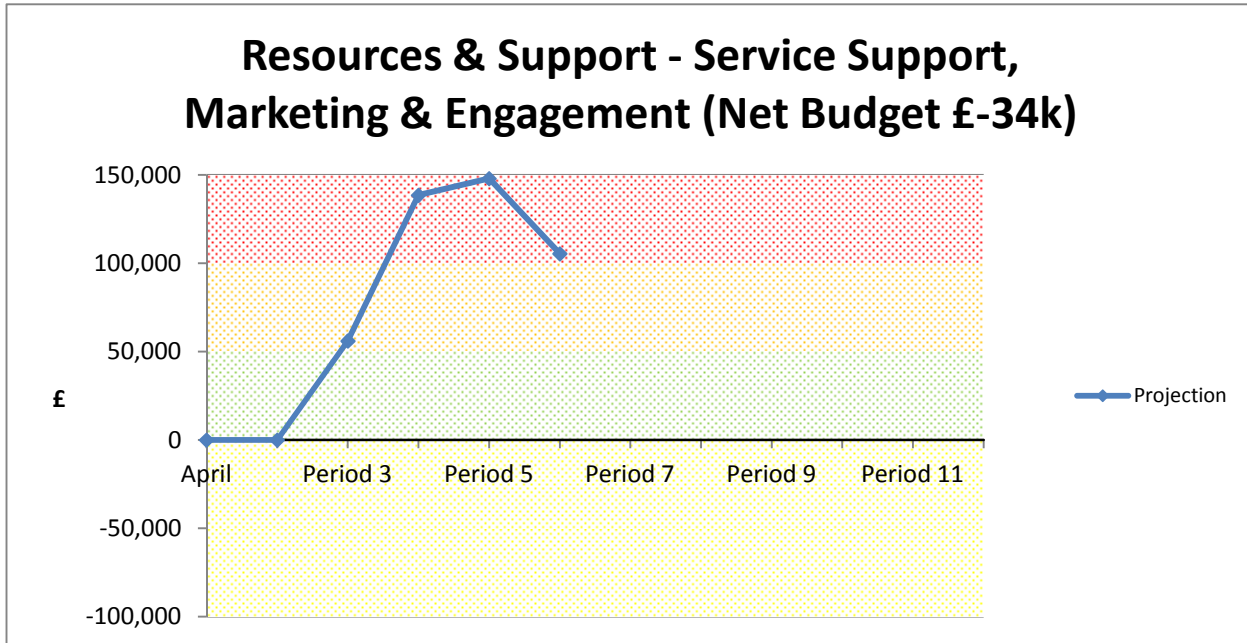
Social Care Efficiency & Approval are projecting an overspend of £1.122m due to increasing pressure on the demand for social care funded Mental Health support. The working group established to review Adult Services cost pressures will be considering the increased demand in this area and helping to identify savings to reduce the pressure. As shown in the graph above, there has been a significant increase since Period 4, where indicative savings were reported, however these are no longer considered achievable to the level reported.

## Resources & Support - Programme Management, Systems & Transition- RED



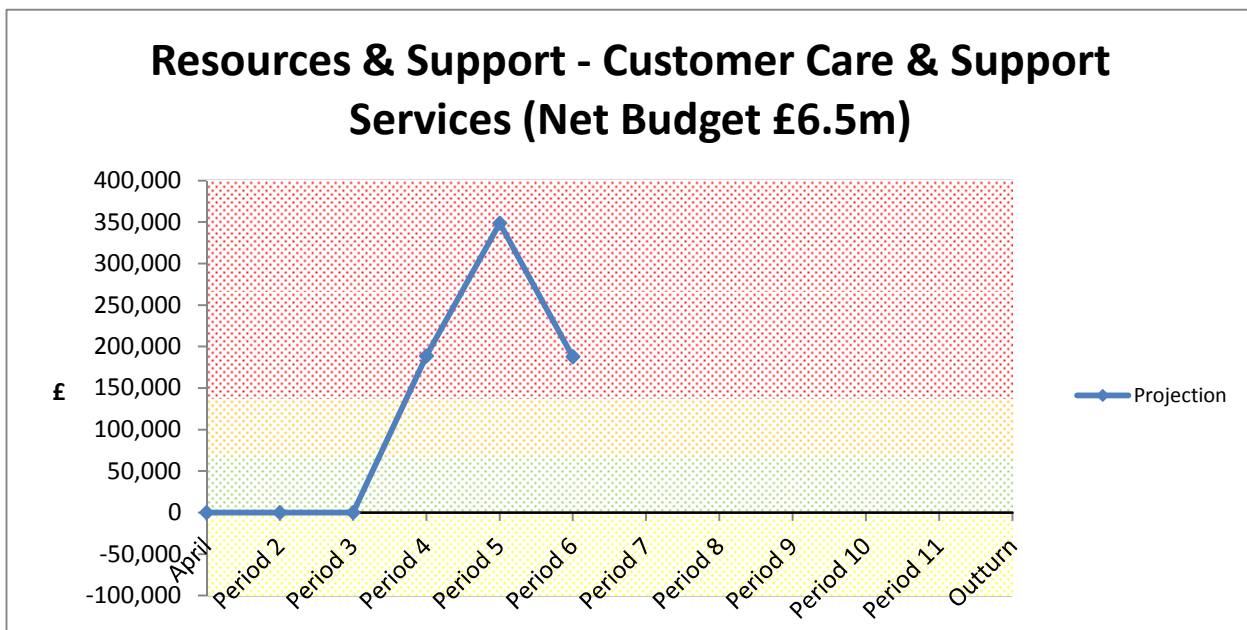
Programme Management, Systems and Transition are projecting an overspend of £139k due to corporate broadband costs (£250k) and additional software licenses. Management action has been taken to restructure the service and hold posts vacant in order to deliver savings to offset the budgetary pressure and the VR programme has contributed towards the staffing savings projected. A further review of budgets will be undertaken to try to reduce this overspend further.

**Resources & Support – Service Support, Marketing & Engagement- RED**



Service Support, Marketing and Engagement are projecting an overspend of £105k. This is predominantly due to the overspend within the Print Service, however a restructure of the service has been undertaken and the budgetary pressure has reduced accordingly since Period 5. Other staffing savings from the VR programme are helping to reduce this pressure further. A further review of budgets will be undertaken to try to reduce this overspend further.

**Resources & Support – Customer Care and Support Services- RED**



Customer Care and Support Services are projecting a net overspend of £188k. This relates to the £450k savings target within Property Services which cannot be achieved. Staffing savings (£289k) have been identified within Property due to the VR programme to offset this pressure. Further staffing savings have also been identified within Customer Contact and Business Support however these are offsetting other budgetary pressures relating to running costs of the Shirehall.

**Appendix 3****Amendments to Original Budget 2013/14**

	<b>Total £'000</b>	<b>Commiss ioning £'000</b>	<b>Adult Services £'000</b>	<b>Childrens Services £'000</b>	<b>Public Health £'000</b>	<b>Resources &amp; Support £'000</b>
Original Budget as agreed by Council <u>Period 3</u>	<b>231,532</b>	97,626	63,278	61,933	427	8,268
In Year Savings <u>Period 4</u>	<b>0</b>	(2,336)	5,777	(556)	(10)	(2,875)
Minor budget variations <u>Period 5</u>	<b>0</b>	2	0	(10)	0	8
Minor budget variations including structure changes <u>Period 6</u>	<b>0</b>	107	330	(302)	(11)	(123)
Structure Change		240				(240)
<b>Revised Budget</b>	<b>231,532</b>	<b>95,639</b>	<b>69,385</b>	<b>61,065</b>	<b>406</b>	<b>5,037</b>