

FINANCIAL MONITORING SUMMARY

REPORT OF THE DIRECTOR OF FINANCE

1. EXECUTIVE SUMMARY

- 1.1 This is one of a series of reports submitted throughout the year presenting an overview of the financial performance of the Council. It details any variations and provides a summary of the overall implications for the General Fund.

2. FINANCIAL MONITORING

- 2.1 Cabinet on 14 April 2011 agreed that I would provide a financial summary to Cabinet and that the summary plus the departmental reports of Chief Officers would be placed in the Library. The Chief Officer reports provide an update on their departmental budget that includes references to growth items, savings, the impact of cabinet decisions and any variations from the approved budget.
- 2.2 All Members also receive the 1 page monthly Financial Monitoring Statement.

3. FINANCIAL YEAR 2011/12

- 3.1 On 1 March 2011 Council agreed the budget for 2011/12. Council 1 March 2012 agreed a revised 2011/12 budget when setting the 2012/13 budget.

	Original Budget	Revised Budget	Forecast
	£000	£000	£000
Expenditure			
Adult Social Services	63,432	68,464	74,464
Children & Young People	74,753	74,477	75,477
Schools	0	190	190
Finance	26,638	26,061	21,561
Law, HR and Asset Management	16,225	15,839	15,839
Regeneration, Housing & Planning	25,407	25,455	24,955
Technical Services	59,972	63,179	63,179
Funding of EVR/VS Scheme	5,795	0	0
Merseytravel	28,817	28,817	28,817
Local Pay Review	956	218	218
Potential Overspends Funded	0	2,000	In above
Contribution (from) balances	(7,166)	(9,688)	(9,688)
	294,829	295,012	295,012
Income			
Government Grants	158,810	160,293	160,293
Council Tax	132,734	131,434	131,434
Council Tax Freeze Grant	3,285	3,285	3,285
	294,829	295,012	295,012
Variation Expenditure & Income			NIL

- 3.2 The revised 2011/12 budget agreed by Cabinet on 1 March included funding for a potential £2 million of net overspends. The latest projections indicate no change to the net £2 million variation
- 3.3 Cabinet has agreed a number of budget changes during the year. Additional income has also been received relating to the New Homes Bonus and Local Services grant. The Collection Fund surplus distribution will now take place in the 2012/13 financial year. These changes are reflected within the above table.

4. FINANCIAL MONITORING 2011/12

4.1 Progress on implementing Policy Options

- 4.1.1 The 2011/12 budget contained £2.8 million of policy options.
- 4.1.2 The most significant by budget include £500,000 for business support initiatives to be utilized in 2011/12 and 2012/13, £500,000 for the 'keeping it local/deep clean' street cleansing initiative which is being progressed, £482,000 for the free after three car parking initiative which has been introduced, £290,000 funding for the anti-social behaviour team and £250,000 for the retention of the Pacific Road Theatre during 2011/12.

4.2 Progress on delivering savings

- 4.2.1 Adult Social Services have reported throughout the year pressures of £3 million arising from delays in the implementation of savings relating to market management (contract negotiations) and EVR/VS implementation.
- 4.2.2 Children and Young People have experiencing pressures in achieving savings targets due to delayed EVR/VS court fees and car allowances. Capitalisation of redundancy costs has helped to reduce these pressures.

4.3 Impact of any Cabinet decisions that have budgetary implications

- 4.3.1 On 17 March Cabinet allocated £480,000 to retain Fernleigh House.
- 4.3.2 Cabinet on 2 June allocated £933,000 to departmental budgets and added £550,000 to balances. This related to the receipt of additional funding from the New Homes Bonus and Local Services grant.
- 4.3.3 On 23 June agreed a report of the financial out-turn for 2010/11 following the completion of the year-end accounts. This resulted in a decrease in the projected balance at 31 March 2011 of £0.3 million due to departmental outturns. Balances however benefitted from the release of £947,000 from the Insurance Fund.
- 4.3.4 The outturn report of 23 June also reported that the release of the Connexions Reserve which was no longer required had allowed for £4.4 million of EVR costs to be funded in 2010/11. Funding for this was originally to come from

balances in 2011/12. This increases balances which may be required if the current pressures result in overspends

- 4.3.5 Cabinet 23 June agreed additional funding of £340,000 for the integrated transport unit within the Children and Young People Department.
- 4.3.6 On 21 July Cabinet agreed a number of budget variations. Adult Social Services received £3.5 million towards service re-provision costs, a further £1 million was built into budgets for increased national insurance costs and £190,000 was awarded to in support of the school's budget.
- 4.3.7 Cabinet 22 September approved the use of £300,000 from balances to fund the Independent Governance Review.
- 4.3.8 The DCLG granted permission for Wirral to capitalise £4 million of statutory redundancy payments of which £1 million related to schools). Cabinet 13 October approved the capitalisation and associated additional borrowing. The impact on the General Fund net of additional borrowing costs is £2.7 million.
- 4.3.9 The Director of Finance reported to Cabinet 12 January 2012 a projected 31 March 2012 Collection Fund surplus. This will result in £1.4 million being receiveable from 1 April 2012, £1.3 million of which was in the original 2011/12 balances projections.
- 4.3.10 Cabinet 21 February agreed to the release of £9.8 million from reserves. This will not impact on the 2011/12 revenue budget but will support activities within the 2012/13 budget.

4.4 Variations from the approved budget

4.4.1 The departmental monitoring focuses on those areas of the budget that are identified as key risks in delivering the objectives of the department within the available resources. All are subject to closer monitoring because of the volatile nature of either demand or cost or because in recent years they have experienced pressures in keeping to the agreed budget. The summary from each department is as follows:-

4.4.2. Adult Social Services

There are underlying pressures of £2.6 million relating to increased demand particularly for older peoples services and learning disabilities. A further £3 million of pressures relate to the delayed achievement of savings including EVR/VS savings and market review (contract negotiations) and £1.2 million relates to pressures on Community Care Services. This has been partly offset by receipt of winter pressure monies.

4.4.3. Children and Young People

By use of one-off balances and uncommitted funds the department has been able to further reduce the pressures reported to £1million. Significant

underlying pressures on the budget however still exist, particularly those relating to care services, transport and savings implementation.

4.4.4 Finance

Housing benefit and treasury management activities (including both borrowing costs and investment returns) remain the key areas for potential variation. Treasury Management activities are likely to produce a surplus of £2.5 million. The underutilisation of the Efficiency Fund resulted in £2 million being released in 2011/12 to support the general fund budget.

4.4.5 Law, Human Resources and Asset Management

In terms of the financial position there are no issues to be raised although volatile areas are those associated with buildings including the transfer and disposal of assets, rationalisation of office accommodation and facilities management.

4.4.6 Regeneration, Housing and Planning

Areas for potential variances at this stage relate to planning and building control income which now fall within the departmental budget and account for £500,000 of budget pressures. The re-phasing of the broadband scheme will release £1 million back to balances resulting in a likely net underspend of £0.5 million.

4.4.7 Technical Services

Car parking income is currently projected to be £300,000 below budget, whilst an under recovery of Cultural Services income of a further £300,000 is likely. A series of one off savings and use of reserves will cover the above shortfalls. Winter maintenance is a variable with limited control over expenditure caused by adverse conditions although the winter was relatively mild. The overall departmental position is forecast to be on budget.

4.5. **Issues affecting future financial years**

4.5.1 The main pressures remain in respect of care services and income across a range of activities. The Directors involved will continue to update Cabinet on progress in these areas.

4.5.2 The Provisional Local Government Finance Settlement covering 2011/13 was confirmed on 31 January 2011 and further information concerning a number of Government Grants followed this announcement. A provisional settlement covering 2012/13 was made on 8 December and finalised on 31 January 2012. This confirmed the previous settlement figures which as announced reduced central government grant by £14 million.

4.5.3 The Medium Term Financial Strategy is reported annually to Cabinet and the Budget Projections continue to be regularly updated and reported to Cabinet.

- 4.5.4 The Director of Finance reported to 15 March Cabinet of future funding pressures of £68 million for 2013-2015. The gap between anticipated requirements and funding is estimated to be £27.8 million in 2013/14 and £40.5 million in 2014/15
- 4.5.5 Central Government is currently undertaking a Local Government Resources Review. This could have a significant impact on future funding levels.
- 4.5.6 The general economic climate remains poor. The Chancellor's Budget of 21 March and accompanying forecasts detailed a slightly better growth forecast for 2012 however later years forecasts were still low. The deficit reduction process would therefore require expenditure constraints to continue into 2015/16 and 2016/17. This will impact upon local authorities in terms of future funding levels but also through increased demands on services caused by economic hardship and pressures on local authority income budgets through reductions in demand.

5. FINANCIAL AND STAFFING IMPLICATIONS

- 5.1 When setting the 2011/12 budget the projected balance at 31 March 2012 was £6.9 million. The latest position reflects the Cabinet decisions detailed in this report including the out-turn for 2010/11, the funding of 2011/12 EVR/VS costs from the release of reserves in 2010/11, the decisions when setting the 2011/12 Budget as well as the departmental projections and is as follows:-

Details	£million	£million
Projected General Fund balance at 31 March 2012 when setting the budget for 2011/12		6.9
Cabinet decisions		
17 March – Fernleigh retained		-0.5
2 June – New Homes Bonus/ Local Services Grant		+0.5
23 June - Financial out-turn 2010/11 showed a net increase in the balance of £1 million after meeting a net revenue overspend of £0.3 million		+1.0
23 June - Integrated Transport Unit additional funding		-0.3
23 June - EVR/VS scheme funded as part of 2010/11 thereby releasing the requirement to fund in 2011/12.		+4.4
21 July – Social Services Reprovision		-3.5
21 July – Support for School Pay		-0.2
22 September – Independent Review		-0.3
13 October - Capitalisation of Statutory Redundancy Payments		+2.7
12 January – Collection Fund Surplus release April 2012		-1.3
21 February – EVRs self funded release of reserve		+1.4
21 February – release of reserves and provisions		+9.9
Projected variances / potential overspends		
None declared although pressures identified at the end of March 2011 within:		£ millions

- Adult Social Services	6.0		
-Children and Young People	1.0		
- Finance	-4.5		
- Regeneration, Housing and Planning	-0.5		-2.0
General Fund balance at 31 March 2012 based upon the latest projections			18.7
Balances to be utilised to support 2012/13 budget			-9.6
General Fund balance at 31 March 2013 based upon the latest projections			9.1

5.2 When setting the Council Budget for 2011/12 this included the use of £7.2 million of the projected General Fund balance at 31 March 2011. £4.4 million of this has now been funded in 2010/11 through the release of the connexions reserve

5.3 There are no additional staffing implications arising from this report.

**ADULT SOCIAL SERVICES DEPARTMENT
FINANCIAL MONITORING 2011/12**

POSITION AS AT 31 MARCH 2012

SUMMARY

Policy Options	Savings Target	Agreed Budget	Changes Agreed	Changes Not Agreed
£000	£000	£000	£000	£000
-	16,907	63,411	+4,280	Pressure of £6.0 million

The anticipated deficit remains at £6.0m from an underlying overspend in 2010/11, potential 'one-off' slippage of approximately £3.0 million against some savings targets as identified below and £1.2m shortfall in funding for the re-provision of services following the release of staff under the EVR/VS scheme. However, further work is required to assess the financial impact of movements in activity levels during March.

POLICY OPTIONS FOR 2011/12 ONLY

Details	£000	Comments / progress on implementation
Armed Forces Veterans Support		Transferred to Technical Services who are progressing this initiative.

SAVINGS TARGETS

Details	£000	Comments / progress on implementation
Employees under EVR/VS	10,550	At risk of slippage : Savings from the re-provision of Supported Living started to accrue from 1 July when the service transfers to the Independent sector (£765k). People withdrawing request for EVR/VS or date of leaving delayed beyond 31 March 2011 (£585k)
Market Management Review	5,368	At risk of slippage due primarily to homes that have not accepted new rates. (£1.6m)
Respite & Interim Care	488	Respite and intermediate care re-commissioned from Independent sector. Savings achieved.
Area Based Grant	50	Saving achieved through vacant post
Transport	130	Relates to year 2 Strategic Change Programme (SCP) savings in respect of the Integrated Transport Unit. Responsibility for the Unit has now transferred to CYPD.
Car allowances, supplies, etc	321	Some slippage against car allowance saving but anticipated that other savings will be achieved (£50k)

CABINET – CHANGES AGREED

Date	Details	£
17.03.2011	Retention of Fernleigh during 2011/12	+480
21.07.2011	Re-provision costs identified as part of budget preparation	+3,500
13.10.2011	Departmental Staffing Restructure	+300

VOLATILE AREAS/POTENTIAL VARIATIONS - CHANGES NOT AGREED

Details	£000	Comments / actions to address any issues
Community Care	1,800	Underlying pressure from increased demand particularly older peoples services / learning disabilities. Pressures have been partly offset by NHS funding for winter pressures
EVR / VS savings	1,350	Potential slippage as identified above
Market Review savings	1,600	Potential slippage as identified above
Car Allowances, supplies etc	50	Potential slippage as identified above
Community Care	1,200	Re-provision shortfall following EVR/VS scheme

**CHILDREN & YOUNG PEOPLE'S DEPARTMENT
FINANCIAL MONITORING 2011/12**

POSITION AS AT 31st MARCH 2012

SUMMARY

Policy Options	Savings Target	Agreed Budget	Changes Agreed	Changes Not Agreed
£000	£000	£000	£000	£000
392	7,954	74,753	840	1,000

The main pressures are identified in the volatile areas below. There are additional demands placed on services, particularly looked after children and residential care, where numbers continue to exceed target levels. The forecast position this month is the same as previously report at £1.0m.

POLICY OPTIONS FOR 2011/12 ONLY

Details	£000	Comments / progress on implementation
Sure Start	32	Children's Centre equipment budgets have been increased.
Children In Care conference	20	Marketing, communication and training plans have been agreed.
Youth Hub	50	There are continuing discussions with Onside and the Merseyside Fire and Rescue Service
Anti-Social Behaviour Team	290	The budget has been updated and included as part of the Integrated Youth Service

SAVINGS TARGETS

Details	£000	Comments / progress on implementation
Employees under EVR/VS	5,100	The final phase of staff leaving has been implemented. The restructure of the department has been agreed.
Area Based / Early Intervention Grant	2,390	Programme areas have reduced / ceased.
Extended / Healthy Schools	181	Contributions to programmes have reduced.
Family group conferencing	70	Posts have been recruited enabling the programme to be fully operational.
Car allowances, supplies, etc	213	Budgets have been reduced.

CABINET – CHANGES AGREED

Date	Details	£000
2.6.2011	Local Services Grant – Extended Rights to Free Transport	200
23.6.2011	Transfer of ITU and tender for Adult Transport services	340
13.10.2011	Departmental reprovion / restructuring costs	300

VOLATILE AREAS/POTENTIAL VARIATIONS - CHANGES NOT AGREED

Details	£000	Comments / actions to address any issues
Residential Care	1,200	There are 43 places in residential care; in addition there is 1 placement to be made from Rosclare. The target is for 39 in total.
Foster Care	1,800	There are currently 24 agency placements. In addition there are 776 children who we pay allowances for (725 at the start of the year).
Children's Homes and disability	550	This represents the part year costs of Brookfield Children's home (until closure) and additional Home Care costs (shared with Health).

Vacancy Control and Pensions strain	150	Vacancy control targets are being exceeded; however there are part year costs (up to June) of staff that have left as a result of EVR. Pension costs may also exceed the overall budget provision
Transport	1,060	There are significant cost pressures in SEN £660k and vulnerable adults transport £400k, although there has been some reduction as a result of re-routing. Budgets have been increased for re-provision costs following EVR savings.
School Redundancy Costs	120cr	There are redundancy costs in the region of £1m in schools. Capitalisation of statutory redundancy costs has offset this pressure. In addition the Schools Forum has agreed to contribute the School Closure budget.
Social Care Car Allowances	350	Car allowance budgets are not sufficient to meet the demands that are placed on them.
Court, Legal and Medical Fees	350	It is assumed that the increase in court applications will continue in 2011-12.
Instrumental Music Service	100	The service has not met staffing or income targets in recent years. It was restructured at the start of the new academic year.
Children's Centre income	1,200cr	Children's Centre income targets have been exceeded over a number of years and the accumulated surplus balances have been carried forward. In 2011-12 these are used to offset other departmental pressures; however this is a one-off saving.
Wirral Wise	0	A projected underspend of £400k was previously included, but has been withdrawn whilst the original grant conditions are reviewed. This was a 3 year programme to support targeted young people who might underperform and to support their re-entry into learning, training and employment. The outcomes within the programme have been achieved.
Connexions	250cr	The new contract for Connexions has been agreed, resulting in a budget saving in 2011-12
Expenditure controls	700cr	
Early Intervention Grant	1,000cr	EIG allocations totalling £17.9m have not been fully committed.
School Improvement	350cr	Uncommitted expenditure
Planned Preventative Maintenance(PPM)	650cr	Schools Forum on the 24 th January agreed to fund this expenditure from the schools budget.
Reserves	330cr	There are a few minor uncommitted reserves including PPM, Youth offending and transport
Total	960	

**FINANCE DEPARTMENT
FINANCIAL MONITORING 2011/12**

POSITION AS AT 31 MARCH 2012

SUMMARY

Policy Options	Savings Target	Agreed Budget	Changes Agreed	Changes Not Agreed
£000	£000	£000	£000	£000
250	7,811	26,638	-933.1	-4.5 million before efficiency fund adj'ment

The main area of spend is Housing Benefit where applicant numbers and caseload continue to increase. The Council's cash flow is closely monitored; there are no issues at this stage.

The Efficiency Fund has been reduced to fund departments reprovisioning costs as approved by Cabinet on 13th October, to fund a Handypersons Service for Older People and, £2m approved by Budget Council on 1st March was treated as non-departmental saving producing £2.5 million net underspend mainly from Treasury Management activities.

POLICY OPTIONS FOR 2011/12 ONLY

Details	£000	Comments / progress on implementation
Library Engagement	20	This initiative has been implemented through the year.
Library Equipment	120	Equipment to facilitate closer working between Libraries and One Stop Shops and progress the e-book service.
Get Into Reading	100	The scheme progressed throughout the year.
Fair Trade	10	This initiative has been implemented as contracts were let.

SAVINGS TARGETS

Details	£000	Comments / progress on implementation
Employees EVR/VS	3,510	Reduced staffing budgets reflect EVR savings. Services have been adapted to lower staffing levels.
Procurement contracts	2,000	Some Corporate savings were allocated to Departments following February Cabinet report. Most corporate savings are unallocated, not achievable this year.
Contracts Review	500	Savings have been allocated to Departments following February Cabinet report on contracts.
Printing Review	250	Saving is unachievable this year, but remains a target.
Electronic Payments	200	Target saving unachievable, implementation of this technology has been abandoned.
Discretionary Rate Relief	337	Achieved through liaison with Schools.
Insurances	526	Achieved and within the agreed budget.
Capital Financing	370	Achieved and within the agreed budget.
Car allowances, supplies, etc	118	Budgets have been reduced.

CABINET – CHANGES AGREED

Date	Details	£000
21.02.2011	Personal Finance Unit transferred from DASS in June (£338k)	
23.06.2011	Radio Frequency ID of Library Books to be funded from reserve (£1m)	-
23.06.2011	Electronic Document Management system upgrade funded from existing budgets (£80k)	-
21.07.2011	Lump Sum payment to all staff earning less than £21,000 pa	
13.10.2011	Reprovision/ restructuring allocated from Efficiency Fund	-1,712

VOLATILE AREAS/POTENTIAL VARIATIONS - CHANGES NOT AGREED

Details	£000	Comments / actions to address any issues
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Housing & Council Tax Benefit	-	Applicant numbers are 580 per week more than the same period last year. Spend is as predicted
Investment Income	500	The income target reflects current low interest rates.
Borrowing – interest paid	-	The budget reflects the capital programme commitments; management of cash flow minimises the need to borrow.

SUMMARY

Policy Options	Savings Target	Agreed Budget	Changes Agreed	Changes Not Agreed
£000	£000	£000	£000	£000
364	2,658	16,275	+337	-

The potential volatile areas remain as those associated with buildings, particularly in terms of the transfer and disposal of assets, rationalising office accommodation and facilities management.

POLICY OPTIONS FOR 2011/12 ONLY

Details	£000	Comments / progress on implementation
Pacific Road Theatre	250	This is to enable the retention of the facility whilst a review of the options is undertaken. A report went to Cabinet on 22 September authorising the retender of the premises. The outcome of the remarketing exercise will be reported to a future cabinet meeting.
Community Energy Efficiency Fund	57	This is a top up to the 2010/11 policy option to provide a fund to support community groups. To date there have been 27 applicants of which 14 have been approved and 5 have completed and been paid. The criteria for attracting new applications have been amended and are pending approval.
Dog Kennels	7	Two schemes have been identified. A dog run to improve welfare and the introduction of dogs to new owners has been built at a cost of £4,200 and costs are being sought to upgrade the water supply to the Kennels to prevent freezing pipes in the Winter.
Allotments Improvements (previously to Tech Services)	50	Funding available for new and existing sites to bid into to invest in improvement works.

SAVINGS TARGETS

Details	£000	Comments / progress on implementation
Employees EVR/VS	1,652	This has been achieved and budgets reduced.
Transfer / disposal of assets	479	The programme of disposal and transfer is ongoing and progress has been made. It is anticipated to meet the target in 2012/13, whilst being covered within the Department for 2011/12.
Office rationalisation	369	A review of the administrative accommodation is being undertaken to achieve the savings identified within 2012/13. It is anticipated that the saving will be met within current resources.
Energy efficiency	80	Schemes are being introduced at various sites to save energy and reduce costs however only £30,000 will be achieved this year, the remainder will be contained within this department's budget.
Area Based Grant	2	Budget reduced to reflect this reduction in grant.
Car allowances, supplies, etc	76	Budgets reduced to reflect these savings.

CABINET – CHANGES AGREED

Date	Details	£
22.09.2011	Independent Review	+250
13.10.2011	Reprovision/Restructuring Costs	+415

08.12.2011	Carbon Reduction Commitment – contribution from outside General Fund	-284
08.12.2011	Carbon Reduction Commitment – reduction in budget provision	-44

VOLATILE AREAS/POTENTIAL VARIATIONS - CHANGES NOT AGREED

Details	£000	Comments / actions to address any issues
Asset Management	-	The income generating assets such as industrial units continue to be closely monitored. Transfer and disposal of assets and office realisation to realise savings is ongoing.

SUMMARY

Policy Options	Savings Target	Agreed Budget	Changes Agreed	Changes Not Agreed
£000	£000	£000	£000	£000
757	3,726	25,407	+904	Pressure of £0.5 million

The transfer of activities, including planning and building control, brings challenges in terms of meeting income targets. Otherwise at this stage of the financial year there have been no issues identified and there are no anticipated variations from the resources allocated.

POLICY OPTIONS FOR 2011/12 ONLY

Details	£000	Comments / progress on implementation
Child Poverty Action Plan	10	To engage Wirral organisations and local communities to develop an action plan for Wirral. A project has been commissioned to evaluate 'what works' in supporting family members into sustainable employment. The findings will be reported to Wirral's Child and Family Poverty Working Group and will inform an action plan to address these challenges in Wirral. An initial findings report is expected by end of April 2012.
Empty Shops	192	16 projects have been approved, the majority of which require planning consent for "Change of Use". These projects are expected to formally commence by the end of March. Additional applications were sought in five specific areas of the borough where take up was low. As a result a further 7 projects have now been approved. Similarly planning consent for a number of these will be required with projects expected to be implemented from June onwards. Should some of the projects approved not proceed any resources remaining unallocated thereafter will be returned to the respective Area Forums and made available to support emerging neighbourhood plan priorities.
Business Support	500	£250,000 for 2011/12 and 2012/13 to provide a programme of dedicated business support initiatives. Invest Wirral continue to support projects from companies, to safeguard/create jobs.
Area Forum Plans	55	To assist each Area Forum to develop their own Local Plan through community consultation. A comprehensive consultation programme was conducted with local communities during the summer of 2011, with initial findings presented to the area forums during October 2011. Findings continue to be discussed with Council departments and partners to agree actions in response to the issues raised. Each round of forum meetings are looking at specific issues raised by the consultation with the February meeting focused on Your Neighbourhood.

SAVINGS TARGETS

Details	£000	Comments / progress on implementation
Employees EVR/VS	892	This has been achieved and budgets reduced.
Area Based Grant	2,483	Budgets reduced to reflect this reduction in grant.

Wkg Neighbourhood Fund	239	Budgets have been reduced.
Car allowances, supplies, etc	112	Budgets have been reduced to reflect these savings.

CABINET – CHANGES AGREED

Date	Details	£000
02.06.2011	Tranmere £350 k added to agreed budget (Local Services Grant) New Homes Bonus £260k added to agreed budget (new general Grant)	+350 +260
13.10.11	Reprovision/Restructuring Costs	+294

VOLATILE AREAS/POTENTIAL VARIATIONS - CHANGES NOT AGREED

Details	£000	Comments / actions to address any issues
Planning / building control income targets	550	The current pressure will be funded by one off savings identified with the departments' budget.

**TECHNICAL SERVICES DEPARTMENT
FINANCIAL MONITORING 2011/12**

POSITION AS AT 31 MARCH 2012

SUMMARY

Policy Options	Savings Target	Agreed Budget	Changes Agreed	Changes Not Agreed
£000	£000	£000	£000	£000
1,002	2,664	63,179		-

Income from car parking and cultural services activities continue to be closely monitored as they remain challenging in the current economic climate.

POLICY OPTIONS FOR 2011/12 ONLY

Details	£000	Comments / progress on implementation
Car Parking	482	Continuation of the free after three initiative.
Armed Forces Veterans Initiative (from Adults)	20	This Policy Option is being progressed
Street Cleansing	500	The "Keeping it Local / Deep Clean" Initiative is being progressed.

SAVINGS TARGETS

Details	£000	Comments / progress on implementation
Employees EVR/VS	2,096	
Traffic Management	150	All these savings targets other than Procurement have been
Street Lighting	50	incorporated into operational areas
Area Based Grant	66	areas and are being monitored
Car allowances and supplies, etc	151	

CABINET – CHANGES AGREED

Date	Details	£
20.02.2012	Final Estimate 2011-2012 agreed.	+2,822

VOLATILE AREAS/POTENTIAL VARIATIONS - CHANGES NOT AGREED

Details	£000	Comments / actions to address any issues
Car parking income	-	The projected under recovery for the year is in the region of £300,000.
Winter maintenance	-	The position will be reported on at the end of the gritting season
Income targets	-	Due to the continuing recession, areas of concern are within golf, leisure centres and the Floral Pavilion/Pacific Road Arts Centre. The delayed sale of the centre is likely to contribute significantly to an under recovery of £300,000 within Theatre, Arts and Culture
Compensatory Savings/ Use of Reserves		A series of one off savings and use of reserves should compensate for the above shortfalls and result in a balanced budget at the year end. This will be dependent on JE regradings including back pay being fully funded
Roads and Streetworks Act		Reduced activity in relation to RASWA has led to reduced income. Associated litigation is due to conclude in March and a favourable result will compensate for any shortfall