

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: ICT

Services provided by ICT

ICT provide high quality Information and Communications Technology (ICT) needed to enable the council to safely deliver efficient and effective business services.

Summary by Service		2016/17 - Full Year				Period 7 Forecast	
		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
Service		£000s				£000s	
212	ICT Delivery	8,292	7,459	10,438	2,979	21	10,417
213	Digital Transformation	1,033	2,365	3,308	943	(12)	3,320
21A	Business Change & ICT	(1,711)	(1,735)	(1,736)	(1)	(7)	(1,729)
21B	ICT Sourcing	769	775	529	(246)	(72)	601
Total ICT		8,384	8,865	12,539	3,675	(70)	12,609

Summary by CIPFA group (Account Type)		2016/17 - Full Year				Period 7 Forecast	
		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
CIPFA description		£000s				£000s	
1	Employees	6,460	6,707	6,423	(283)	186	6,237
2	Premises-Related Expenditure	1	0	5	4	(1)	5
3	Transport-Related Expenditure	12	10	19	9	(0)	20
4	Supplies & Services	6,703	5,979	10,081	4,102	(186)	10,267
5	Third Party Payments	0	0	1	1	1	0
7	Support Services	309	269	293	25	3	290
Expenditure		13,483	12,964	16,822	3,858	3	16,819
9	Income	(5,100)	(4,100)	(4,283)	(183)	(73)	(4,210)
Income		(5,100)	(4,100)	(4,283)	(183)	(73)	(4,210)
NET Expenditure		8,384	8,865	12,539	3,675	(70)	12,609

Notes

The overspend against budget for ICT has been reported monthly and relates to additional hardware and maintenance costs (£2.8m) and software development service increases (£1.3m) as a result of growth in additional demand for license costs and investment in new technology and digital developments. The overspend is partly offset by savings on employees, additional income and the freeze in non-essential expenditure. The movement from period 7 of a £70k reduction in forecast is mainly due to the reduction of costs resulting from the early departure of the interim service director. It is proposed to increase the budget envelope for ICT in the 17/18 budget subject to final budget approval.

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: Legal and Democratic Services

Services provided by Legal and Democratic Services

Legal Services includes the child protection team, community and litigation team, property team, planning transport and the regulatory team. The division also includes statutory registration services and democratic services.

Summary by Service		2016/17 - Full Year				Period 7 Forecast	
		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
221	Legal - Place	934	807	1,248	441	121	1,127
222	Statutory & Democratic Services	3,506	2,722	2,625	(97)	(54)	2,679
224	Legal - People	1,404	1,408	1,300	(109)	104	1,195
225	Legal Services - Other	524	526	385	(141)	(137)	522
291	Electoral Services	993	1,026	1,027	0	106	921
Total Legal and Democratic Services		7,362	6,490	6,585	95	140	6,444

Summary by CIPFA group (Account Type)		2016/17 - Full Year				Period 7 Forecast	
		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
1	Employees	6,921	6,520	6,717	196	(64)	6,781
2	Premises-Related Expenditure	55	55	64	8	(8)	72
3	Transport-Related Expenditure	195	194	158	(36)	(12)	169
4	Supplies & Services	4,284	4,105	3,908	(197)	(93)	4,001
5	Third Party Payments	151	1	3	2	0	3
7	Support Services	622	481	582	101	(56)	639
Expenditure		12,229	11,357	11,432	75	(233)	11,665
9	Income	(4,868)	(4,868)	(4,847)	20	373	(5,221)
Income		(4,868)	(4,868)	(4,847)	20	373	(5,221)
N	Income & Expenditure outside of Net Cost of Service	0	0	0	0	0	0
Transfer to \ from reserves		0	0	0	0	0	0
NET Expenditure		7,362	6,490	6,585	95	140	6,444

Notes

Legal Services are forecasting an overspend of £95k and this is shown broken down by service as shown below:

Legal Place

£440k overspend: This is broken down as £227k on salaries mainly for agency staff who bring in income (shown in Legal People), a reduction in forecasted income from land charges of £194k due to lower volume of searches and increased cost from litigation cases where the council is being challenged in the High Court through claims and judicial review and £19k for increased Counsel fees. The proposed new structure for Legal Services aims to reduce the higher costs of agency fees by use of permanent staff who will generate income. **Statutory and Democratic Services £97k underspend:** The underspend is mainly as a result of the expenditure freeze with underspends across the service in transport, catering and other fees. **Legal People £109k underspend:** This mainly relates to £186k increased income which offsets agency expenditure in Legal Place, offset by a forecast overspend of £23k in disbursements and £49k for consultancy costs. **Legal Services - Other £141k underspend:** This relates to a forecast increase in income in Registrars of £136k and £5k underspend across the Coroners and Mortuary Services. **Electoral Services:** As previously reported, there are cost pressures in year as a result of the cost of running elections and electoral registration (£1.3m), but these will be managed over a period of years through an offsetting arrangement, whereby budget is set aside in non election years to fund election years. These pressures will be managed this financial year through drawdown from reserves.

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: Finance

Services provided by Finance

Finance comprises our financial planning function, financial management budget support services, internal and external reporting, finance operations and finance business partnering. Finance also includes the management of our internal audit services.

Summary by Service		2016/17 - Full Year				Period 7 Forecast	
Service		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
242	Corporate Finance	5,554	3,421	3,421	(1)	(1)	3,422
243	Chief Internal Auditor	788	766	717	(49)	(40)	757
Total Finance		6,341	4,188	4,137	(50)	(42)	4,179

Summary by CIPFA group (Account Type)		2016/17 - Full Year				Period 7 Forecast	
CIPFA description		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
1	Employees	5,615	5,260	5,007	(253)	5	5,002
2	Premises-Related Expenditure	367	0	0	0	0	0
3	Transport-Related Expenditure	366	5	5	(0)	(2)	6
4	Supplies & Services	1,833	770	1,053	283	(22)	1,075
5	Third Party Payments	122	122	20	(102)	(20)	40
7	Support Services	155	116	116	(0)	(1)	116
X	Capital Financing Costs	0	0	13	13	0	13
Expenditure		8,458	6,274	6,214	(60)	(39)	6,253
9	Income	(2,117)	(2,086)	(2,077)	9	(3)	(2,074)
Income		(2,117)	(2,086)	(2,077)	9	(3)	(2,074)
NET Expenditure		6,341	4,188	4,137	(50)	(42)	4,179

Notes

The Finance Division covers the Finance and Audit Services and the forecast £50k savings relates to the Audit service which mainly relates to £57k of salary savings offset by a £7k income pressure due to loss of a contract relating to break up of an academy partnership. The Finance service has further reviewed spend against the service budget to minimise the outturn forecast spend. Expenditure is being maintained within budget by holding a number of vacancies within the service and stopping non essential expenditure against non staffing budgets. Movement from period 7 is due to vacancies and additional income from internal staff recharges. As previously reported, the Finance Transformation work must continue and will be funded from reserves earmarked for this purpose.

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: HR & Workplace

Services provided by HR & Workplace

HR provides both a strategic and advisory role for the attraction, delivery and continuous development of a strong, capable, agile and effective workforce.

Summary by Service		2016/17 - Full Year				Period 7 Forecast	
Service		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
251	People Operations	3,966	3,344	2,733	(611)	(100)	2,833
252	Change & Performance	2,066	2,054	1,807	(247)	(230)	2,037
283	Corporate Communications	696	702	650	(52)	(10)	660
Total HR & Workplace		6,728	6,100	5,189	(911)	(341)	5,530

Summary by CIPFA group (Account Type)		2016/17 - Full Year				Period 7 Forecast	
CIPFA description		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
1	Employees	7,511	6,972	6,347	(625)	(360)	6,707
2	Premises-Related Expenditure	4	3	(0)	(3)	(0)	0
3	Transport-Related Expenditure	43	36	7	(29)	(2)	9
4	Supplies & Services	2,481	2,427	2,522	95	27	2,495
5	Third Party Payments	13	13	0	(13)	0	0
6	Transfer Payments	4	4	0	(4)	(1)	1
7	Support Services	62	34	33	(0)	(5)	38
Expenditure		10,118	9,489	8,910	(580)	(341)	9,251
9	Income	(3,390)	(3,390)	(3,721)	(331)	0	(3,721)
Income		(3,390)	(3,390)	(3,721)	(331)	0	(3,721)
NET Expenditure		6,728	6,100	5,189	(911)	(341)	5,530

Notes

Human Resources is reporting a forecast underspend of £911k and this is broken down by service as shown below:

People Operations £611k underspend. There is an underspend of £556k relating to salary vacancies. These are being held as part of the planned savings and restructure in HR and parts of this budget will be removed later in 16/17 and also as part of the budget proposals for 17/18. Further underspends of £134k relate to an underspend of £58k in the redeployment fund which is under review, £65k set aside for graduate trainees which is under review for 17/18 and a reduced activity level in self organised groups giving a £11k saving. These are all offset by forecast overspends of £79k which mainly relate to £35k for the temporary overlap of costs as we outsource the Occupational Health contract and a forecast reduction of £31k for the holiday purchase scheme due to staff leaving the organisation. **Change and Performance £247k underspend.** This relates to a forecast underspend of £197k in Learning and Development which is due to the current freeze on expenditure plus a £50k underspend in the Admin and Business Support team which is due to be centralised in 17/18 and contribute to proposed savings programme. **Corporate Communications £52k underspend.** This mainly relates to salary savings in Marketing and Design in preparation for the future restructure and budget reduction.

Period 9 Budget Monitoring - Detailed budget summary by division\service

Division: Change Programme

Services provided by Change Programme

Summary by Service		2016/17 - Full Year				Period 7 Forecast	
Service		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
271	Programme Management Office	(6,023)	(6,127)	(6,266)	(139)	(18)	(6,249)
272	Change Programme Workstreams	10,500	10,500	12,022	1,522	0	12,022
273	Change Programme Savings	(22,519)	(14,802)	(426)	14,376	(47)	(379)
274	BWP Project	1,691	1,691	1,691	0	0	1,691
275	BWP Business Change	47	47	47	0	0	47
Total Change Programme		(16,304)	(8,691)	7,068	15,759	(64)	7,133

Summary by CIPFA group (Account Type)		2016/17 - Full Year				Period 7 Forecast	
CIPFA description		Approved Budget	Revised Budget	Forecast Outturn	Outturn Variance	Movement in Forecast	Forecast Outturn
		£000s				£000s	
1	Employees	(1,181)	(2,140)	11,778	13,917	(38)	11,816
2	Premises-Related Expenditure	0	0	8	8	0	8
3	Transport-Related Expenditure	189	189	173	(16)	(1)	174
4	Supplies & Services	819	947	3,172	2,225	0	3,172
5	Third Party Payments	(2,862)	0	12	12	12	0
7	Support Services	(1,891)	690	754	63	(25)	779
Expenditure		(4,926)	(313)	15,897	16,210	(52)	15,949
9	Income	(11,378)	(8,378)	(8,828)	(451)	(12)	(8,816)
Income		(11,378)	(8,378)	(8,828)	(451)	(12)	(8,816)
NET Expenditure		(16,304)	(8,691)	7,068	15,759	(64)	7,133

Notes

This Division covers the final year of the planned three year Change Programme. The forecast outturn of £15.7m overspend relates to a £1.4m reported overspend on the in-year programme budget plus an estimated £14.3m unidentified change programme savings. We have previously reported that £5.3m of this figure will be funded by one off receipts. This forecast will reduce in the next few months as we remove savings made from other Directorates. However we cannot revise the forecast in this division until the savings are taken as this could lead to a double count with the directorates that currently hold the savings. The variance in the CIPFA employee category is not related to an employee overspend, the reason is that the corporate savings target code is held in this area as the majority of savings related to this saving is expected to come from employee savings.