



## **POLICY AND RESOURCES SCRUTINY COMMITTEE - 30TH SEPTEMBER 2014**

**SUBJECT: CORPORATE SERVICES AND MISCELLANEOUS FINANCE 2014/15  
BUDGET MONITORING REPORT (PERIOD 4)**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

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### **1. PURPOSE OF REPORT**

- 1.1 To inform Members of projected revenue expenditure for the Directorate of Corporate Services and Miscellaneous Finance for the 2014/15 financial year.

### **2. SUMMARY**

- 2.1 The report projects the anticipated final outturn for the Directorate of Corporate Services and Miscellaneous Finance based upon expenditure and income trends for the first four months of the financial year.

### **3. LINKS TO STRATEGY**

- 3.1 The contents of this report are in accordance with the Budget Strategy agreed by Council at its meeting on the 26<sup>th</sup> February 2014.

### **4. THE REPORT**

#### **4.1 Corporate Services**

- 4.1.1 The Directorate of Corporate Services is currently forecasting an underspend of £398k for the 2014/15 financial year, full details of which are provided in Appendix 1.
- 4.1.2 The anticipated underspend of £18k in the Chief Executives and Secretariat is due in the main to the savings generated by the part time costs of the former Interim Head of Paid Services.
- 4.1.3 The anticipated underspend of £311k in Corporate Finance and Procurement relates in the main to delays in appointing to vacant posts together with vacancies that are being held to support the Medium Term Financial Plan (MTFP) savings requirements for 2015-16.
- 4.1.4 Legal & Governance is projecting a net underspend of £58k after allowing for the following to be ring-fenced and transferred to earmarked reserves: -
- Projected underspend on Members related expenditure of £8k.
  - Projected underspend of £68k on Electoral Services.

The net underspend of £58K is due to a delay in the backfilling of posts following the appointment of the Interim Head of Legal Services and increased income generated by the Equalities Section.

4.1.5 There is a projected underspend of £26k on Housing services. Within General Fund Housing there is a projected underspend of £29k, which is due to salary savings arising from an in year retirement. Private Housing is anticipating a small overspend of £3k.

4.1.6 There is an anticipated overspend of £58k in Information and Citizens Engagement. This is due in the main to some 2014-15 savings being delayed but these savings will be achieved in full by the 2015-16 financial year.

4.1.7 For Performance and Property there is a projected underspend of £50k, consisting of the following: -

- Corporate Property Services - £3k overspend mainly due to a reduction in valuation fee income.
- Corporate Buildings - £9k underspend due to projected energy savings. Energy budgets will be subject to review in the autumn when new contract prices are known.
- Asset Management and Facilities – Projected £21k underspend due to maternity leave.
- Building Consultancy – Projected surplus on fee income of £23K.

4.1.8 There is a projected small overspend of £7k for Human.

4.1.9 No variations are currently identified for the Health & Safety budget.

4.1.10 The following table provides a summary of progress in delivering agreed 2014/15 savings for the Directorate of Corporate Services: -

Matrix	Agreed MTFP Savings £'000	Progress against Savings £'000	Variance £'000
Corporate Health And Safety	98.20	98.20	0.00
Financial Services	367.00	365.00	(2.00)
General Fund Housing	151.75	127.75	(24.00)
Human Resources	223.00	223.00	0.00
Information and Citizen Engagement	723.00	440.40	(282.60)
Internal Audit	47.70	47.70	0.00
Legal and Governance	92.00	84.00	(8.00)
Performance and Property	527.60	527.60	0.00
Procurement Services	10.00	10.00	0.00
<b>Grand Total</b>	<b>2,240.25</b>	<b>1,923.65</b>	<b>(316.60)</b>

4.1.11 The main reasons for the variances in the above table are: -

- Financial services – Savings from the renegotiation of an IT contract are marginally less than anticipated.
- Housing services – Due to delays in implementing the “Furniture Strategy” but other budget savings will be achieved to balance the budget in 2014-15.
- Information & Citizen Engagement –
  - Central Services – £72k - Delays in vacancy management savings.
  - IT Services - £210.6k – This arises from the need to finalise Service Level Agreement adjustments with schools.
- Legal & Governance – Savings proposals could only be implemented after the Members AGM in June, other savings will be achieved to offset this in 2014-15.

## 4.2 Miscellaneous Finance

4.2.1 There is a projected underspend of £1,358k in Miscellaneous Finance mainly due to the following currently uncommitted budgets: -

- Welsh Housing Quality Standards - £938k
- 21<sup>st</sup> Century Schools Funding - £106k
- Budget Pressures - £227k
- Savings of £60k for NNDR – Empty Properties.
- Unapplied Growth – Living Wage - £43k

4.2.2 There is a projected overspend of £16k on Statutory Benefit Schemes relating to Discretionary Housing Payments.

4.2.3 No other variations against budgets within Miscellaneous Finance have been identified at this time.

## **5. EQUALITIES IMPLICATIONS**

5.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

## **6. FINANCIAL IMPLICATIONS**

6.1 As detailed throughout the report.

## **7. PERSONNEL IMPLICATIONS**

7.1 There are no direct personnel implications arising from this report.

## **8. CONSULTATIONS**

8.1 There are no consultation responses that have not been reflected in this report.

## **9. RECOMMENDATIONS**

9.1 Members are requested to note the contents of the report.

## **10. REASONS FOR THE RECOMMENDATIONS**

10.1 To ensure that Members are informed of the projected financial position for the Directorate of Corporate Services and Miscellaneous Finance.

## **11. STATUTORY POWER**

11.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Appendices:  
Appendix 1

Corporate Services & Miscellaneous Finance 2014/15 Budget Monitoring Report  
(Period 4).