

**EXECUTIVE  
COMMITTEE**

16th December 2014

**CONSOLIDATED REVENUE & CAPITAL MONITORING REPORT QTR 2 2014/15**

Relevant Portfolio Holder	Councillor John Fisher, Portfolio Holder for Corporate Management.
Portfolio Holder Consulted	
Relevant Head of Service	Jayne Pickering
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Key Decision	

**1. SUMMARY OF PROPOSALS**

This report details the Council's financial position for the period April to September 2014 (Outturn – 2014/15).

**2. RECOMMENDATIONS**

The Executive Committee is asked to **RESOLVE** that

**2.1 the current financial position on Revenue and Capital as detailed in the report be noted;**

**2.2 the following virements for the Housing Revenue Account Capital Programme be approved:**

**the Asbestos budget be reduced by £290K to fund the following Capital Schemes:**

**£50K Kitchen Upgrades  
£200K to Rewiring  
£40K to Window Replacements; and**

**2.3 £77K be released from the HRA reserves to fund the demolition of Upper Norgrove House.**

**3. KEY ISSUES**

**3.1** This report provides details of the financial information across the Council. The aim is to ensure Officers and Members can make informed and considered judgement of the overall position of the Council. This report now includes additional information in relation to the current position for each department to enable members to have a more detailed consideration of the financial projections for the Council.

**Financial Implications**

- 3.2 The Council set a balanced budget in February 2013 for the financial year 2014/15. Within the budget were included savings of £635K which were not fully identified. These included savings relating to Shared Services, Transformation, and general vacancies with the Council.
- 3.3 A review of last year's outturn has been undertaken and the unallocated savings have been allocated based on the savings achieved in 2013/14.
- 3.4 This has been done at a Head of Service level at this stage, more work will be carried out to allocate the savings to the relevant budget head.
- 3.5 A Balance of £212K is still unallocated, this relates to savings achieved by vacancy management and other savings and will be achieved during the financial year.

<p style="text-align: center;"><b>Revenue Budget Summary – Overall Council Quarter 2 (April - September) 2014 /15</b></p>
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- 3.6 The current financial position for services delivered within the Borough is detailed in the table over page.
- 3.7 Internal recharges have not been included in these figures to allow comparison for each service area. However Support costs have been included.

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Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
Environmental Services	2,781	1,427	1,361	-66	2,734	-47
Community Services	2,286	1,190	1,183	-7	2,259	-26
Regulatory Services	556	279	270	-8	552	-4
Leisure & Cultural Services	3,235	1,627	1,661	35	3,262	27
Planning & Regeneration	1,724	795	753	-42	1,665	-59
Customer Access & Financial Support	3,468	1,163	1,151	-12	3,316	-153
Finance & Resources	2,028	482	495	14	2,046	19
Legal, Equalities & Democratic Services	963	426	410	-17	931	-32
Business Transformation	1,771	1,075	945	-130	1,723	-48
Head of Housing Services (GF)	1,055	527	506	-22	1,018	-37
Corporate Services	1,266	576	550	-26	1,204	-62
<b>Service TOTAL</b>	<b>21,133</b>	<b>9,567</b>	<b>9,287</b>	<b>-280</b>	<b>20,710</b>	<b>-423</b>
<b>Savings</b>	<b>-635</b>	<b>-318</b>	0	318	0	635
<b>TOTAL for Quarter &amp; Projected</b>	<b>20,498</b>	<b>9,250</b>	<b>9,287</b>	<b>38</b>	<b>20,710</b>	<b>212</b>

**Financial Commentary:-**

There are a number of savings projected to be achieved in 2014/15 to deliver the £635k of unidentified savings. These are based on the reductions to budget as achieved in 2013/14 to ensure that the budget will be met during this financial year.

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**Capital Budget Summary – Overall Council  
Quarter 2 (April - September) 2014 /15**

<b>Department</b>	<b>Revised Budget 2014 /15 £'000</b>	<b>Actual spend April – Sept £'000</b>	<b>Variance£ '000</b>	<b>Projected Out-turn 2014/15 £'000</b>	<b>Projected Variance 2014/15 £'000</b>
<b>Environmental Services</b>	2,905	261	-2,644	2,905	0
<b>Community Services</b>	907	455	-452	907	0
<b>Regulatory Services</b>	56	0	-56	56	0
<b>Leisure &amp; Cultural Services</b>	387	290	-97	387	0
<b>Planning and Regeneration</b>	44	0	-44	44	0
<b>Housing</b>	9,411	4,948	4,460	8,993	-418
<b>Customer Access &amp; Financial Support</b>	359	167	-192	359	0
<b>Business Transformation</b>	140	45	-95	140	0
<b>TOTAL</b>	<b>14,209</b>	<b>6,166</b>	<b>3,576</b>	<b>13,791</b>	<b>-418</b>

**Financial Commentary:**

Due to the review of Environmental Services, there has been a delay in the procurement of vehicles and plant. With timescales involved, vehicles may not be received in this financial year. Officers to report back at the third quarter with more details.

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<b>Environmental Services</b> <b>Quarter 2 (April - September) 2014 /15</b>
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**Revenue Budget summary**

Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
<b>Bereavement Services</b>	-304	-122	-145	-24	-340	-36
<b>Cleansing</b>	958	478	423	-55	920	-38
<b>Climate Change</b>	13	9	9	0	15	2
<b>Environmental services Management</b>	654	327	338	11	666	12
<b>Highways &amp; Drainage (inc civil parking)</b>	56	33	56	23	102	45
<b>Landscape &amp; Grounds Maintenance</b>	112	57	31	-26	63	-49
<b>Manager supplies &amp; Transport</b>	0	0	0	0	0	0
<b>Waste Management - Refuse &amp; Recycling</b>	1,281	640	658	18	1,308	27
<b>Waste Management Policy</b>	10	4	-9	-13	0	-10
<b>Savings to be achieved</b>	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,781</b>	<b>1,427</b>	<b>1,361</b>	<b>-66</b>	<b>2,734</b>	<b>-47</b>

**Financial Commentary:-**

Bereavement Services income is higher than budgeted but there is anticipation that £20k will be put towards a provision for future cremator maintenance.

Salary savings from vacant posts in the first half of the year account for the majority of the savings in Cleansing and Landscape services, some of which have been covered by agency staff.

Environmental Services have held back on recruiting as they go through restructure.

Civil Parking enforcement has seen a reduction in anticipated income and Wychavon District Council who provide the service under an SLA agreement are investigating the variances and will report back to Senior Officers.

The deficit on Waste Collection Services has been due to vehicle breakdowns. New vehicles are being procured at the present time however delivery of these will be just after the new financial year.

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**Capital Budget summary**

<b>Service</b>	<b>Revised Budget 2014 /15 £'000</b>	<b>Actual Spend April – Sept £'000</b>	<b>Variance £'000</b>	<b>Projected Out-turn 2014/15 £'000</b>	<b>Projected Variance 2014/15 £'000</b>
Crematorium Enhancement	138	10	-128	138	0
Crematorium Extension	11	0	-11	11	0
Crossgate Depot Imps 2010	20	0	-20	20	0
Estate Enhancements	228	0	-228	228	0
Footpath Improvements	2	0	-2	2	0
Foxlydiat Crescent Lighting	25	25	-25	25	0
Improved Parking Scheme	263	133	-130	263	0
Land Drainage schemes	111	5	-106	111	0
Landscape Improvement Programme	46	46	0	46	0
Recycling Project	25	17	-8	25	0
Town Centre Landscape Scheme	429	3	-426	429	0
Vehicle replacement programme	1,590	22	-1,568	1590	0
Woodland Schemes	17	0	-17	17	0
<b>TOTAL</b>	<b>2,905</b>	<b>261</b>	<b>-2,644</b>	<b>2,905</b>	<b>0</b>

**Financial Commentary:**

Officers are currently in the process of organising works for the improved parking scheme, and estate enhancements.

Procurement is taking place for the vehicle replacement programme but vehicles may not be received until the beginning of the new financial year. Officers may have more information at the 3<sup>rd</sup> quarter and therefore it is likely it will be requested for the budget to be carried forward to the new financial year.

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<b>Community Services</b> <b>Quarter 2 (April - September) 2014 /15</b>
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**Revenue Budget summary**

Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
<b>Community Services</b>	1,954	861	846	-15	1,921	-33
<b>CCTV/ Lifeline</b>	282	287	297	10	315	33
<b>Care &amp; Repair</b>	50	42	40	-2	46	-4
<b>Savings to be achieved</b>	0	0	0	0	-22	-22
<b>TOTAL</b>	<b>2,286</b>	<b>1,190</b>	<b>1,183</b>	<b>-7</b>	<b>2,259</b>	<b>-26</b>

**Financial Commentary:-**

Within Community Services a receipt of £40k for Early Help Pension is anticipated which was not known when the budget was set.

Due to WCC withdrawing the Local Area Agreement Income for Lifeline we are forecasting a loss of income. However the situation may change as more people agree to join the scheme.

**Capital Budget summary**

Service	Revised Budget 2014/15 £'000	Actual Spend £'000	Variance £'000	Projected Out-turn 2014/15 £'000	Projected Variance 2014/15 £'000
<b>Disabled Facilities Grant</b>	575	441	-134	575	0
<b>Energy &amp; Efficiency Installs</b>	94	0	-94	94	0
<b>Hmo Grants</b>	60	0	-10	60	0
<b>Home Repairs Assistance</b>	100	14	-86	100	0
<b>Housing Needs Assessment</b>	4	0	-4	4	0
<b>Strat Hsg Research &amp; Dev</b>	10	0	-10	10	0
<b>Warmer Worcs Insul Scheme</b>	17	0	-17	17	0
<b>Small Area Improvements</b>	47	0	-47	47	0
<b>TOTAL</b>	<b>907</b>	<b>455</b>	<b>-452</b>	<b>907</b>	<b>0</b>

**Financial Commentary:**

There has been a reduction in new applications for disabled Facilities Grants and Home Repairs Assistance however the Council continues to meet demand in this area.

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**Regulatory Services  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
Environmental Health	571	286	280	-6	575	4
Licensing	-172	-86	-89	-2	-180	-8
Support Charges	158	79	79	0	158	0
Savings to be achieved	0	0	0	0	0	0
<b>TOTAL</b>	<b>556</b>	<b>279</b>	<b>270</b>	<b>-8</b>	<b>552</b>	<b>-4</b>
<b>Financial Commentary:-</b> No significant variances						

**Capital Budget summary**

Service	Revised Budget 2014 /15 £'000	Actual spend April – Sept £'000	Variance £'000	Projected Out-turn 2014/15 £'000	Projected Variance 2014/15 £'000
Worcestershire Regulatory Services – ICT system	56	0	-56	56	0
<b>TOTAL</b>	<b>56</b>	<b>0</b>	<b>-56</b>	<b>56</b>	<b>0</b>
<b>Financial Commentary:</b> The funding is in place to support the share of the cost associated with the ICT system in Regulatory Services. The system is currently being implemented.					



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**Leisure and Cultural Services  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

<b>Service Head</b>	<b>Revised Budget 2014/15 £,000</b>	<b>Budget April - Sept £'000</b>	<b>Actual spend April - Sept £'000</b>	<b>Variance to date £'000</b>	<b>Projected Outturn 2014/15 £'000</b>	<b>Projected Variance 14/15 £'000</b>
<b>Business Development</b>	123	48	61	13	132	10
<b>Cultural Services</b>	943	482	467	-15	927	-17
<b>Leisure &amp; Cultural Manage.</b>	82	43	33	-9	76	-6
<b>Parks &amp; Open Spaces</b>	1,080	547	544	-3	1,071	-9
<b>Sports Services</b>	1,007	507	556	49	1,056	49
<b>Savings to be achieved</b>	0	0	0	0	0	0
<b>TOTAL</b>	<b>3,235</b>	<b>1,627</b>	<b>1,661</b>	<b>35</b>	<b>3,262</b>	<b>27</b>

**Financial Commentary:**

The projected overspend within Sports Services relates to higher Business rates and utility bills than expected, these are under reviews and remedial action will be taken where appropriate.:

There is a shortfall in fitness income at Abbey Stadium and due to essential maintenance the pool at Kingsley Sports Centre was closed for 5 week in the second quarter. The Golf course has underachieved on the number of rounds provided and a promotion campaign to increase a short form of the game for the winter months is being prepared to remedy this situation.

A new promotional campaign has been launched to increase sales and retention and we are hoping to recruit new members which will help to address reduce the concerns on income generation in this area.

The uptake on sponsorship of advertising on roundabouts has been slower than expected resulting in reduced income within Business development.

Cultural services has savings relating to increased usage of the community centres and the income generation at the Palace Theatre continues to be strong including changes to the Youth theatre delivery model.

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**Capital Budget summary**

<b>Service</b>	<b>Revised Budget 2014 /15 £'000</b>	<b>Actual Spend April – Sept £'000</b>	<b>Variance £'000</b>	<b>Projected Out-turn 2014/15 £'000</b>	<b>Projected Variance 2014/15 £'000</b>
<b>Abbey Stadium</b>	315	284	<b>-31</b>	315	0
<b>Greenlands Pub Open Space</b>	8	0	<b>-8</b>	8	0
<b>Pitcheroak Golf</b>	16	6	<b>-10</b>	16	0
<b>Old Forge Car Park</b>	48	0	<b>-48</b>	48	0
<b>TOTAL</b>	<b>387</b>	<b>290</b>	<b>-97</b>	<b>387</b>	<b>0</b>

**Financial Commentary:**

The Abbey Stadium main contract is now completed with remedial works expected to be completed by year end.

Old Forge car parks to be completed by Q3.

All remaining projects are expected to be completed by year end.

**Planning and Regeneration  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

<b>Service Head</b>	<b>Revised Budget 2014/15 £,000</b>	<b>Budget April - Sept £'000</b>	<b>Actual spend April - Sept £'000</b>	<b>Variance to date £'000</b>	<b>Projected Outturn 2014/15 £'000</b>	<b>Projected Variance 14/15 £'000</b>
<b>Building Control</b>	191	95	97	2	196	5
<b>Development Management</b>	152	75	85	10	165	13
<b>Economic Development</b>	258	60	41	<b>-19</b>	232	<b>-25</b>
<b>Planning Policy</b>	1,124	564	530	<b>-34</b>	1,072	<b>-51</b>
<b>Savings to be achieved</b>	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,724</b>	<b>795</b>	<b>753</b>	<b>-42</b>	<b>1,665</b>	<b>-59</b>

**Financial commentary**

Planning Policy saving partly due to maternity leave and legal budget not utilised as anticipated.  
The Business Centres have savings on their utilities.

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**Capital Budget summary**

<b>Service</b>	<b>Revised Budget 2014 /15 £'000</b>	<b>Actual Spend April – Sept £'000</b>	<b>Variance £'000</b>	<b>Projected Out-turn 2014/15 £'000</b>	<b>Projected Variance 2014/15 £'000</b>
<b>Town Centre Development</b>	11	11	0	11	0
<b>TOTAL</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>0</b>
<b>Financial Commentary:</b>  No significant variances to report as this quarter.					

**Customer Access & Financial Support  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

<b>Service Head</b>	<b>Revised Budget 2014/15 £,000</b>	<b>Budget April - Sept £'000</b>	<b>Actual spend April - Sept £'000</b>	<b>Variance to date £'000</b>	<b>Projected Outturn 2014/15 £'000</b>	<b>Projected Variance 14/15 £'000</b>
<b>Asset &amp; Property Management</b>	1,014	599	646	47	1,070	56
<b>Customer Services</b>	538	300	307	7	548	9
<b>Revenues &amp; Benefits</b>	1,916	265	198	-66	1,698	-218
<b>Savings to be achieved</b>	0	0	0	0	0	0
<b>TOTAL</b>	<b>3,468</b>	<b>1,163</b>	<b>1,151</b>	<b>-12</b>	<b>3,316</b>	<b>-153</b>

**Financial Commentary:-**

The Asset & Property Mgmt overspend is due to a number of factors, including £9,000 security costs for Crossgates Depot, £19,000 increased energy costs, and the cost of Concessionary Rents.

Within Customer Services the overspend is due to a reduction in funding from Worcestershire County Council.

Revenues & Benefits has an underspend which is made up of a number of elements and the projected variance for the year is overstated and will be adjusted in Quarter 3 to take account of Service Reviews. Savings of £60,000 have been achieved through Service Reviews and vacancy management in the Benefits and Fraud Teams. Transformation of processes in the Income and Revenues respectively.

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**Capital Budget summary**

Service	Revised Budget 2014 /15 £'000	Actual Spend April-Sept £'000	Variance £'000	Projected Out-turn 2014/15 £'000	Projected Variance 2014/15 £'000
GF Asbestos	54	27	-27	54	0
Public Building	280	140	-140	280	0
Energy Management	25	0	-25	25	0
<b>TOTAL</b>	<b>359</b>	<b>167</b>	<b>-192</b>	<b>359</b>	<b>0</b>
<b>Financial Commentary:</b>  Expenditure as per schedule for the year.					

**Financial Services  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
Financial Services and Procurement	888	336	351	16	906	19
Corporate Management and Audit	1,140	145	144	-1	1,140	0
Savings to be achieved	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,028</b>	<b>482</b>	<b>495</b>	<b>14</b>	<b>2,046</b>	<b>19</b>
<b>Financial Commentary:</b> The projected overspend is due to redundancy and pension strain costs following a service review						

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**Legal, Equalities and Democratic Services  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

<b>Service Head</b>	<b>Revised Budget 2014/15 £,000</b>	<b>Budget April - Sept £'000</b>	<b>Actual spend April - Sept £'000</b>	<b>Variance to date £'000</b>	<b>Projected Outturn 2014/15 £'000</b>	<b>Projected Variance 14/15 £'000</b>
<b>Democratic Services &amp; Member Support</b>	340	156	158	2	346	5
<b>Elections &amp; Electoral Services</b>	302	113	110	-4	299	-2
<b>Legal Advice &amp; Services</b>	320	157	142	-15	285	-35
<b>Savings to be achieved</b>	0	0	0	0	0	0
<b>TOTAL</b>	<b>963</b>	<b>426</b>	<b>410</b>	<b>-17</b>	<b>931</b>	<b>-32</b>

**Financial Commentary:**

In Legal the officers have been working collaboratively with other Councils to reduce the need to use external lawyers and have therefore achieved a saving on the external legal budget. This will now be adjusted for future years.

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<b>Business Transformation Quarter 2 (April - September) 2014 /15</b>
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**Revenue Budget summary**

Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
Corporate Strategy	86	43	40	-3	80	-7
Business Transformation	949	562	528	-34	922	-27
Human Resources	582	305	217	-88	555	-27
IT Services	154	166	161	-5	166	12
Savings to be achieved	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,771</b>	<b>1,075</b>	<b>945</b>	<b>-130</b>	<b>1,723</b>	<b>-48</b>

**Financial Commentary:-**

It is projected that ICT will be overspent by £12k due to cost increases of corporate software licences.

The projected underspend in HR is due to current vacancies within the department. However, these vacancies are scheduled to be filled within the next month.

**Capital Budget summary**

Service Head	Revised Budget 2014 /15 £'000	Actual Spend April – Sept £'000	Variance £'000	Projected Out-turn 2014/15 £'000	Projected Variance 2014/15 £'000
Members IT Facilities	10	0	-10	10	0
IT Replacement Programme	40	0	-40	40	0
PSN Project	90	45	-45	90	0
<b>TOTAL</b>	<b>140</b>	<b>45</b>	<b>-95</b>	<b>140</b>	<b>0</b>

**Financial Commentary:**

ICT replacement programme is currently being reviewed as part of the PSN project.

The PSN project is currently underway, reviews are being made as to the specific requirement to meet the Public Service Network regulations

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**Housing Services (General Fund)  
Quarter 2 (April - September) 2014 /15**

**Revenue Budget summary**

<b>Service Head</b>	<b>Revised Budget 2014/15 £,000</b>	<b>Budget April - Sept £'000</b>	<b>Actual spend April - Sept £'000</b>	<b>Variance to date £'000</b>	<b>Projected Outturn 2014/15 £'000</b>	<b>Projected Variance 14/15 £'000</b>
<b>Housing general fund</b>	1,055	527	506	-22	1,018	-37
<b>Savings to be achieved</b>	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,055</b>	<b>527</b>	<b>506</b>	<b>-22</b>	<b>1,018</b>	<b>-37</b>

**Financial Commentary:**

No significant variances to report.

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**Capital Budget summary**

<b>Service</b>	<b>Revised Budget 2014 /15 £'000</b>	<b>Actual Spend April – Sept £'000</b>	<b>Variance £'000</b>	<b>Projected Out-turn 2014/15 £'000</b>	<b>Projected Variance 2014/15 £'000</b>
Catch up repairs- bath replacements	819	911	92	911	92
Catch up repairs- Kitchen Upgrades	70	70	0	70	0
Catch up repairs	366	179	-187	366	0
Asbestos General	808	67	-740	100	-708
Structural repairs	281	183	-98	281	0
General roofing	671	488	-183	671	0
Rewiring	806	1,001	195	1,001	195
Upgrade of Ch systems	1,422	986	-435	1,422	0
Window replacements	61	56	-5	61	0
Disabled adaptions	726	331	-395	726	0
Security Door Entry Scheme	51	0	-51	51	0
Sheltered Scheme – Facility Upgrade	0	3	3	3	3
External Cladding & Wall hanging	315	282	-33	315	0
Insulation	1,656	4	-1,651	1,656	0
Repairs to Sheltered Hsg Stock	38	3	-35	38	0
Winslow Close Heating	34	7	-27	34	0
Drainage	50	12	-38	50	0
Water supply	99	42	-57	99	0
Environmental Enhancements	640	253	-387	640	0
Masonry works	398	70	-328	398	0
Housing Management IT System	100	0	-100	100	0
<b>TOTAL</b>	<b>9,411</b>	<b>4,948</b>	<b>-4,460</b>	<b>8,993</b>	<b>-418</b>

Financial Commentary:

Officers are working to deliver the capital works as per the HRA business plan.

Although the bathroom replacement is a planned contract, where bathrooms are being replaced in the void properties these costs can be charged to the capital budget, the value of these bathrooms is coded against the bathroom replacement budget resulting in an increase in the number of units and spend against the original budget.



**Asbestos**

The asbestos budget was originally set following a large amount of work to remove asbestos from council properties. The budget was set for future years based on this demand, in the current year it has not been necessary to use the budget. There are a number of virements requested which will reduce the Asbestos budget to cover the overspends, the remaining budget will be kept in case unforeseen asbestos works are required in the future. Electrical upgrades, additional units have been completed and the release of retention monies have caused the overspend against the budget.

The underspend on the asbestos contract will cover the overspend on the Bathroom and Rewiring contracts.

There are a number of virements requested to reduce the Asbestos budget and move the spend to other areas of the Capital Programme and cover any overspends.

**Insulation – (External insulation)**

The project was originally slow to get off the ground due to a number of reasons . We have also had a spell of inclement weather which has held up the finishing process. Under new guidelines by OFGEM, the utility companies cannot invoice for properties that have not been signed off and completed and therefore they are unable to submit the Carbon which then holds up the invoicing process.

Putting this aside, the EWI project is ongoing with EON and officers anticipate a large proportion of the monies to be spent by March 15. The external insulation work is on a rolling programme and officers are currently looking at the next phase which will be around the town centre, any budget unspent will roll over to complete the works.

**Disposal of Upper Norgrove House**

The WCC's building surveying and risk team have reported that the rationale for demolition of Upper Norgrove centres on potential Health & Safety concerns, should children or trespassers manage to enter the premises and then are subsequently injured or worse. Security has been provided on the site at a cost of £3,024.00 in 2013/14 and a similar amount will have been spent in 2014/15.

Council Tax has not been charged due to the building being damaged by fire and uninhabitable.

## REDDITCH BOROUGH COUNCIL

# EXECUTIVE COMMITTEE

16th December 2014

### Corporate Services Quarter 2 (April - September) 2014 /15

#### Revenue Budget summary

Service Head	Revised Budget 2014/15 £,000	Budget April - Sept £'000	Actual spend April - Sept £'000	Variance to date £'000	Projected Outturn 2014/15 £'000	Projected Variance 14/15 £'000
Corporate Admin / Central Post / Printing	839	420	392	-28	793	-46
Other op exp	427	156	159	3	411	-16
<b>TOTAL</b>	<b>1,266</b>	<b>576</b>	<b>550</b>	<b>-26</b>	<b>1,204</b>	<b>-62</b>

#### Financial Commentary:-

- There is a projected saving within the post room due to the changes in the structure
- A £5k saving on communications due to reduction of expenditure on promotion /advertising.
- An additional grant (new burdens) has been received of £16k
- It is unlikely to recruit to the vacant post of Executive Director PRRH this financial year - £30k saving

#### Treasury Management

3.8 The Council's Treasury Management Strategy has been developed in accordance with the Prudential Code for Capital Finance prudential indicators and is used to manage risks arising from financial instruments. Additionally treasury management practices are followed on a day to day basis.

#### Credit Risk

3.9 Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Credit risk is minimised by use of a specified list of investment counterparty criteria and by limiting the amount invested with each institution. The Council receives credit rating details from its Treasury Management Advisers on a daily basis and any counterparty falling below the criteria is removed from the list.

3.10 At 30 September 2014, short-term investments comprise:

	30 <sup>th</sup> September 2014 £000
Deposits with Banks/Building Societies	2,000

**EXECUTIVE  
COMMITTEE**

16th December 2014

**Income from investments**

- 3.11 An investment income target of £25k has been set for 2014/15 using a projected rate of return of 0.75% - 1.50%.

**General Fund Balances**

- 3.12 The General Fund Balance as at the 31st March 2014 is £1.1m; a balanced budget was set in February 2014, should the unidentified savings not be achieved during the year or any unexpected expenditure occur this would be funded from Balances.

<b>General Fund Balance</b>		
	<b>£'000</b>	<b>£'000</b>
Balance as at 1 <sup>st</sup> April 2014	1,166	
Contribution from balances		-22
Estimated Balances 31 <sup>st</sup> March 2015		1,144

**Legal Implications**

- 3.13 No Legal implications have been identified.

**Service/Operational Implications**

- 3.14 Sound performance management and data quality are keys to achieving improved scores in the use of resources judgement. This performance report supports that aim.

**Customer / Equalities and Diversity Implications**

- 3.15 Performance Improvement is a Council objective.

**4. RISK MANAGEMENT**

Risk considerations are covered within the report.

**5. APPENDICES**

None

**6. BACKGROUND PAPERS**

None.

**EXECUTIVE  
COMMITTEE**

16th December 2014

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**AUTHOR OF REPORT**

Name: Sam Morgan  
E Mail: [sam.morgan@bromsgroveandredditch.gov.uk](mailto:sam.morgan@bromsgroveandredditch.gov.uk)  
Tel: (01527) 64252 ext 3790  
Name: Kate Goldey  
E Mail: [k.goldey@bromsgroveandredditch.gov.uk](mailto:k.goldey@bromsgroveandredditch.gov.uk)  
Tel: (01527) 881208