

APPENDIX 2**Revenue Budget 2013/14 – forecast main variances****Children and Young People's Service****Schools**

A net underspend of £0.5m is forecast. The main areas are:

	£000	% of Budget	
Early Years and Childcare	-400	-23%	Demand lower than expected for the new Two Year Old Nursery Education Funding project which is funding additional places for deprived two year olds where requested by parents.
High Needs - Education of Vulnerable Groups	-150	-4%	Underspend as result of turnover of staff across a number of different services within the group.

Local Authority Budget

A net underspend of £0.58m (1.0%) is forecast. The main variances are:

	£000	% of Budget	
Children's social care Legal Costs	380	100%	Significant increases in court costs for care proceedings - some as much as 50%.
Placement Budget	100	1%	Initial indications suggest additional pressure on the Independent Fostering agency budget. Increase in baby and mother placements. Further analysis currently been undertaken.
Secure Remand Budget	100	200%	Change in legislation post budget approval.
Operational Placements - Social Care	-340	-22%	The retendering of a contract for residential placements has resulted in savings.
Targeted Early Help	-300	-53%	The development of early help services has allowed for early efficiencies to be made with no impact on services.
Directorate	-135	-17%	Staffing savings as a result of the departmental restructure.
Homecare - non disabled children	-120	-100%	This budget significantly underspent in 2012/13 and is now projected to deliver savings.
Independent Home Care Children's and Families	-80	-10%	Contract savings delivered through the Supporting people programme.
Short Breaks for Disabled Children	-50	-31%	Lower demand for financial support

Adults & Communities

Further work is being undertaken to review the forecasts. At this stage the Department is forecasting an overspend of £3m (2.3%). The main variances are:

	£000	% of Budget	
Community based spend (Direct cash payments, homecare and community life choices)	3,700	14%	Shortfall in Effective Support project savings. £1.5m of savings are projected from service user reviews compared to the target of £6.5m. £2.4m of health funding has been agreed as mitigation for this year leaving a budget deficit to fund care packages of c£3.6m. Demographic pressures are also being experienced above budgeted level but this is mainly offset by additional residential income.
Community Care Finance	100	1%	Additional staff required for increased personal budgets and manual processes prior to IAS implementation.
Housing related support services	(300)	(6%)	Anticipated savings through the acceleration of the review of these non statutory services. Further savings may be possible to offset more of the department deficit.
Care Pathway Staff Vacancies	(300)	(3%)	Projected recruitment drag relating to labour turnover and delays recruiting to vacancies.
Services for the disabled	(200)	(6%)	Efficiencies relating to greater recycling of equipment and previous contract re-tender.

Environment and Transportation

At present the Department is forecast to underspend by £0.1m (0.1%). The main variances are:

	£000	% of Budget	
Highway Structural Maintenance	450	6%	Overspend mainly due to forecast increase in patching activity.
Highways Safety Maintenance	170	10%	Potential overspend on the Gully Emptying budget, due to possible need to increase frequency of emptying to help reduce risk of flooding.

Fleet Trading Account	170	47%	Mainly due to a reduction in income from the School Meals Service as a result of academies.
Local Bus Revenue Support	60	2%	Mainly due to increased contract costs.
Concessionary Travel	-330	-6%	An early estimation of a reduction in demand. The 2013/14 budget included growth of £90k.
Transport Policy & Strategy	-200	-29%	One-off growth included in budget for additional advance design of capital schemes unlikely to be utilised in 2013/14, but will be required in 2014/15 to cover work mainly around strategic junctions schemes.
Community Transport	-170	-20%	DfT Grant for Community Transport Support carried forward from 2012/13 of £334k unlikely to be fully spent in 2013/14. Possible transfer into reserve for use in 2014/15.
Mainstream School Transport	-100	-2%	Saving expected as a result of E auctions.
MBT Contracts	580	12%	Additional tonnage of 7,500 (see note below).
Haulage Contracts	135	24%	Additional haulage due to a change in the treatment of wood waste following recent Environment Agency guidance.
Green & Wood Waste	120	10%	A forecast overspend on wood waste following recent Environment Agency guidance, leading to a review of how wood waste is treated in the future in order to ensure compliance with the guidance.
Disposal Contracts	-785	-9%	A forecast reduction in tonnage of 8,100 mainly due to the redirection of waste to the MBT facility in order to secure a reduced gate fee £650k. In addition a reduction in street sweepings amounting to a saving of £135k.
Recycling Credits	-200	-4%	Based on early indications from the returns received from the districts to date a saving of £200k is forecast. This is due to a number of factors including the wet weather during April & May but also that the budget is based on a tonnage estimate in excess of actual tonnages experienced last year.

Chief Executives

An underspend of around £110,000 (0.7%) is forecast. The main variance is:

	£000	% of Budget	
Democratic Services	-95	-15%	Relates mainly to staffing vacancies and non-use of growth funding allocated for the establishment and support of the Police and Crime Panel. It was initially assumed that additional resources were required for implementation but to date this has been absorbed.

Corporate Resources

An underspend of around £0.6m (1.8%) is forecast. The main variances are:

	£000	% of Budget	
Accounting	-250	-9%	Underspend on staffing - planned vacancies continue to be held, plus additional vacancies during 2013/14 due to secondments. Early achievement of efficiency savings.
Operational Property: Industrial Properties and Farms	-130	-17%	Underspend relates to County Farms from reduced overhead costs and increased rental income arising from rent and investment reviews.
Strategic Property	-100	-9%	Additional income for staff working on trading activities or separately funded projects.