

SAVINGS, ONE OFF PRESSURES AND BUDGET ROLLOVERS

- 1.1 Set out below is the current forecast position on the savings and one off pressures included within the 2012/13 budget and the budget rollovers from 2011/12. These items are included within the forecasts prepared by Service Groups and are included here for information.

SAVINGS

- 1.2 Table 1 summarises, by Service Group, the savings identified in the agreed budget for 2012/13. The table also shows the extent to which these savings will be achieved as at the end of period 9.

Table 1: Budgeted Savings by Service Group

	Budgeted Savings in 2012/13 £'000	Forecast at P9 £'000	Variance at P9 £'000
Corporate Savings	(1,050)	(1,050)	0
Adult Social Care & Health	(1,715)	(1,715)	0
Community Facilities Unit	(593)	(593)	0
Corporate Core	(214)	(214)	0
Education, Effectiveness and Participation	(1,505)	(1,505)	0
Finance, HR & Governance	(1,795)	(1,550)	245
Highways & Transportation	(1,706)	(1,660)	46
Housing & Community	(149)	(124)	25
Integrated Support and Social Care	(1,090)	(1,090)	0
Neighbourhood Services	(3,372)	(2,446)	926
Planning, Economy & Development	(111)	(61)	50
Public Access	(306)	(248)	58
Total	(13,606)	(12,256)	1,350

Main areas of variation:

- 1.3 For most of the savings items which are not forecast to be achieved alternative savings have been made to compensate for these. Management action is currently being taken to mitigate any shortfalls in achieving budgeted savings in all areas.

Financial Risk Analysis

Table 2: Key to Risk Levels

L	Limited risk, delivery plan in place and action already undertaken to ensure target is achieved
M	Delivery plan in place but not yet actioned
H	No delivery plan in place to ensure target is achievable

- 1.4 Outlined below in Table 3 is a High Level Summary of the Risk Assessment, which indicates that £1.455m or 10.69% of the total Agreed Savings are currently categorised as High Risk.

Table 3: Savings Risk Assessment at 31st December 2012

Saving	High Risk (Red) £m	Medium Risk (Amber) £m	Low Risk (Green) £m	Total £m
TOTAL	(1.455)	(4.155)	(7.996)	(13.606)
Mitigated through other savings	(0.904)			

- 1.5 £12.256m of the 2012/13 savings proposals will be delivered. Of the £1.350m remaining £0.5m are only delayed and will be delivered in 2013/14, while £0.9m of alternative savings have also been identified to mitigate this impact.
- 1.6 The main areas where savings proposals are not expected to be delivered are:
- Environment & Waste - profit share for the Materials Recycling Facility (MRF) have confirmed the saving of £150k will not be achieved this financial year;
 - Neighbourhood Services – Renegotiation of contracts to offset inflationary increases has not achieved the saving of £435k.

ONE-OFF EXPENDITURE ITEMS

- 1.7 Table 4 summarises, by Service Group, the One-Off Expenditure items in the agreed Budget for 2012/13. One-off expenditure which is no longer required have been used as one-off resources in the 2013/14 Budget process.

Table 4: One-off Expenditure Items by Service Group

	Budgeted One-Off Expenditure in 2012/13 £'000	Requirement at P9 £'000	Amount Required in 2013/14 £'000	Amount no longer Required £'000
Integrated Support and Social Care	490	490	80	0
Education, Effectiveness and Participation	367	311	0	(56)
Adult Social Care and Health	0	0	0	0
Housing and Community	50	50	45	0
Community Facilities Unit	8	8	0	0
Resources: Finance, HR & Governance	1,355	1,278	713	(77)
Resources: Public Access	614	614	0	0
Neighbourhood Services	0	0	0	0
Highways and Transportation	730	730	0	0
Corporate Core	23	23	0	0
Planning, Economy and Development	450	450	45	0
Total	4,087	3,954	883	(133)

Main areas of variation:

- 1.8 Last period, Planning, Economy and Development service group forecast that £120k of one-off expenditure was no longer required for the Support of Localism Bill Project implementation; however some costs relating to this project have now been identified which will need to be funded.

BUDGET ROLLOVERS

- 1.9 Budget rollovers at the end of 2011/12 are held centrally in the Budget Rollover Reserve pending formal drawdown in 2012/13. The rollovers no longer required have been used as one-off resources in the 2013/14 Budget process.
- 1.10 The table below summarises the Budget rollovers from 2011/12 into 2012/13, by Service Group, and the extent to which these are forecast to be drawn down in the current year.

Table 5: Service Group Budget Rollovers

	Total Budgets Rolled Over at end 2011/12	Requirement at P9	Amount Required in 2013/14	Rollovers not required
	£'000	£'000	£'000	£'000
Integrated Support and Social Care	30	0	0	(30)
Education, Effectiveness and Participation	229	79	0	(150)
Adult Social Care and Health	137	137	52	0
Housing and Community	280	235	0	(45)
Community Facilities Unit	69	69	0	0
Resources: Finance, HR & Governance	277	275	24	(2)
Resources: Public Access	80	0	0	(80)
Neighbourhood Services	229	229	225	0
Highways and Transportation	458	454	150	(4)
Corporate Core	80	65	0	(15)
Planning, Economy and Development	273	273	0	0
Total	2,142	1,816	451	(326)

Main areas of movement:

- 1.11 The £150k saving shown against Education, Effectiveness and Participation was an amount rolled over as a contingency against restructurings within the Service Group. Those restructurings have now taken place and the amount is no longer required.