

CABINET

20 February 2018

QUARTER 3 FINANCIAL MANAGEMENT REPORT

Report of the Director for Resources

Strategic Aim:	Sound financial and workforce planning	
Key Decision: Yes	Forward Plan Reference: FP/240817	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr G Brown - Portfolio Holder for Regulatory Services, Waste Management, Property Services, Culture & Leisure, Finance including Revenues and Benefits and Internal Audit.	
Contact Officer(s):	Debbie Mogg, Director for Resources	Tel: 01572 758358 dmogg@rutland.gov.uk
	Saverio Della Rocca, Assistant Director - Finance	Tel: 01572 758159 sdrocca@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Cabinet:

- i) Note the 2017/18 revenue and capital outturn position as at Quarter 3.
- ii) Approve the use of £8k from the Highways earmarked reserve for use on sustainable drainage works as detailed in Appendix B.
- iii) Note the increase in Non Ringfenced grants of £26k as detailed in para 2.2.2.

1 PURPOSE OF THE REPORT

- 1.1 To inform Cabinet and all members of the full year forecast position as at Quarter 3 for 2017/18 and to highlight issues that may impact on the Medium Term Financial Plan to enable them to maintain sound financial management of the Council's operations.

2 BACKGROUND AND MAIN CONSIDERATIONS

2.1 Overall position

2.1.1 This reports sets out the latest financial position as at Quarter 3. It includes:

- A summary of the revenue budget forecast for 17/18 (2.2)
- Details of high risk/pressures (2.3)
- A summary of the capital budget forecast for 17/18 (2.4)
- Other updates (2.5)

2.2 2017/18 Revenue forecast

2.2.1 The current budget is that approved by Council/Cabinet as shown in the Quarter 2 Financial Management Report on 21st November 2017 (Report no. 191/2017) and subsequently amended as set out in Appendix B. The Council is forecasting a deficit of £758k compared to a budgeted deficit of £487k. The Council is in overall terms £271k over budget, a reduction of £11k since Q2.

	Ref	Revised Budget £000	Q2 Forecast Outturn £000	Q3 Forecast Outturn £000	Latest Forecast Year End Variance £000
People	A,B	17,689	17,956	17,662	(27)
Places		12,334	12,166	12,286	(48)
Resources		6,077	5,859	5,716	(361)
Directorate Totals		36,100	35,981	35,664	(436)
Pay Inflation		45	0	0	(45)
Social Care Contingency		70	0	0	(70)
Planning – One off Settlement		500	500	500	0
Corporate Headcount Saving	C	(121)	0	0	121
Net Cost of Services		36,594	36,481	36,164	(430)
Appropriations		(1,897)	(1,897)	(1,897)	0
Capital Financing		1,930	1,930	1,930	0
Interest Receivable	D	(180)	(220)	(230)	(50)
Net Operating Expenditure		36,447	36,294	35,967	(480)
Financing	E	(34,344)	(34,364)	(34,370)	(26)
Transfers to/(from) reserves	F	(1,616)	(1,161)	(839)	777
(Surplus)/Deficit		487	769	758	271
General Fund 1 April 17		(9,634)	(9,634)	(9,634)	0

	Ref	Revised Budget	Q2 Forecast Outturn	Q3 Forecast Outturn	Latest Forecast Year End Variance
		£000	£000	£000	£000
General Fund 31 March 18		(9,147)	(8,865)	(8,876)	271

2.2.2 Whilst the overall position is broadly in line with the forecast reported at Q2, there are some significant movements within the forecast. The key issues to note are:

- A At Directorate level the Council is forecasting an underspend of £436k compared to £100k at Q2. However, requests for budget carry forwards to 2018/19 have also increased to £777k. This means that if Directorates spent their budget this year the Council would be £341k overspent compared to £336k over at Q2;
- B There are 11 functional areas where forecast overspends are more than £25k over budget compared to 7 at Q2. Details are given in 2.3;
- C The budget includes a corporate saving on Headcount of £121k. Whilst no savings are recorded against this target, there are underspends as a result of staff vacancies included within the three Directorate overall forecasts.
- D Income received on investments has been better than predicted and is expected to exceed budget by £50k.
- E Additional grant income has been received of £26k. These include additional Education Services Grant (£7k more than anticipated), Lead Local Flood Authority (£3k), New Homes Bonus share of funds held back (£10k), New Burdens grant for Tobacco (£2k) and Council Tax Annexe grant (£4k).
- F The forecast includes underspends of £777k which will be requested to be carried forward at Q4. This includes underspends of £243k on ringfenced grants (such as Public Health, Better Care Fund and Planning Grants) which cannot be spent on anything else and will therefore have to be carried forward.

2.3 High risk/pressure areas

2.3.1 The forecast includes functions that are over and under spent by more than £25k and these are summarised in the table below:

Directorate	Within budget?	Ceilings > 25k overspent?			Ceilings > £25k underspent?			Requests for budget changes?
		Q1	Q2	Q3	Q1	Q2	Q3	
Places	Yes	2	1	4	2*	1*	1*	No

Resources	Yes	0	0	1	2*	3*	2*	No
People	Yes	3	6	6	5*	5*	6*	No

***Note:** Only underspends included where Directorates are not currently proposing to carry forward unused budget to next year

- 2.3.2 Where functional forecasts are projected to be more than £25k over budget, an explanation can be found in Appendix A. There is no request for additional budget in any area at Quarter 3 to enable the Council to keep clear visibility of where pressures exist.

Function	Amount Overspent	Further Detail Appendix A
Peoples		
Savings (Placements)	£90,000	A1
ASC Community Inclusion	£38,100	A2
ASC Support & Review - Homecare	£29,100	A3
Fostering and Adoption	£306,800	A4
Children with Disabilities	£172,300	A5
Places		
Development Control	£45,100	A7
Commissioned Transport	£49,700	A8
Waste Management	£25,700	A9
Property Services	£43,800	A10
Resources		
Legal & Governance	£75,200	A11

- 2.3.3 The proposed budget for 2018/19 has been reviewed in light of the Q3 position to ensure that there are no further pressures or savings that need to be taken into account. The review has concluded that there are no new pressures or savings which need to be reflected within the budget for next year.

2.4 Capital update

- 2.4.1 The Council's Capital programme is shown in the latest budget papers with a total project budget of £30.938m (Report No 8/2018).
- 2.4.2 There has been one change to the published Budget with Oakham Enterprise Park Phase 2a being approved on the 15th January 2018 by Full Council (Report No 170/2017). The approval of the £2.2m project is to facilitate the infrastructure works and construction of new buildings.

2.4.3 Key updates on major projects:

- Oakham Town Centre – No further works is expected on the project for 2018. The Council will be working together with Councillors, businesses and community representatives to review the Oakham Town Centre improvement scheme and how this would best support and deliver improvements to Oakham Town Centre.
- The King Centre – the first tenants moved into the King Centre week commencing 15th January. All work is expected to be completed by 31st March 2018.

2.5 Other updates

2.5.1 The Council is consulting on the 2018/19 Budget. The Budget Report includes various updates on funding changes and impacts.

3 CONSULTATION

3.1 Formal consultation is not required for any decisions being sought in this report. Internal consultation has been undertaken with all officers regarding pressures and forecasts.

4 ALTERNATIVE OPTIONS

4.1 Cabinet are requested to approve the use of £8k of the Highways earmarked reserve on sustainable drainage works. Cabinet can choose to approve or request that budget managers absorb the expenditure within existing budgets.

5 FINANCIAL IMPLICATIONS

5.1 The report highlights the impact of the forecast on the MTFP. General Fund balances will decrease by c£758k compared to £487k budgeted for if all recommendations are approved.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

6.1 Where Directors wish to increase a functional budget by over £100k OR they anticipate that the overall Directorate budget is likely to be overspent (there is no de-minimis level) they must seek approval in advance from Cabinet or Council for a virement to cover any increase.

6.2 There are two functions (Children with Disabilities and Fostering and Adoption) within the People Directorate that falls into this category and the Directorate as a whole is forecasting to underspend. The Director is not requesting to change the budget but this position has been addressed in the 2018/19 budget.

6.3 There are no legal implications arising from this report.

7 EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment (EqIA) has not been completed because there are no service, policy or organisational changes being proposed.

8 COMMUNITY SAFETY IMPLICATIONS

8.1 There are no community safety implications.

9 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no health and wellbeing implications.

10 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

10.1 As the Council is required to make savings over the medium term, the Q1 position is positive as, despite a number of significant variances, the forecast is broadly in line with budget.

11 BACKGROUND PAPERS

11.1 None

12 APPENDICES

Appendix A: Key Variances

Appendix B: Budget changes

Appendix C: Directorate summaries

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

Appendix A: Adverse variances over £25k

This Appendix shows budgets where existing forecasts predict that they will be overspent by more than £25k.

Ref	Function	Reason for Overspend
A1	Contract Savings	The budget included a savings estimate of £150k on external placements for 2017/18. External consultants were appointed to review the placements in both children and adult services to find savings. The review has generated savings of c£60k but beyond that has indicated that there is very little scope for immediately reducing the cost of external placements further as the Council is already achieving value for money.
	Budget (£150k)	
	Forecast (£60k)	
A2	ASC Community Inclusion	In line with the aim of supporting people at home in their communities, a decision to invest in increased community outreach and inclusion from underspends elsewhere in the Directorate has resulted in some additional costs. The Budget has been realigned for 2018/19 to reflect the increase in costs on these preventative measures.
	Budget £758k	
	Forecast £796k	
A3	ASC Support & Review - Homecare	Since budget setting when the average number of hours per week for Older People was 1,000, the actual activity has increased to an average of 1,300 hours per week reflecting the strategy of keeping people at home longer with more complex needs.
	Budget £1,332k	
	Forecast £1,361k	
A4	Permanency & Protection Service	The Children Looked After budget is overspending due to an increase in costs associated with parental contact visits for children placed out of county.
	Budget £457k	Childrens Social Care staffing is overspent due to the need to use agency staff to cover vacant posts.
	Forecast £491k	
A5	Fostering & Adoption	The key reasons for this overspend are: <ul style="list-style-type: none"> • Foster placement pressure arising from change of placement needs as well as an increase in numbers since the start of the year. • Residential placements were anticipated to reduce when the budget was set. Due to the needs of the individuals within these placements it has not been possible to identify suitable foster placements. However, one young
	Budget £1,531k	

Ref	Function	Reason for Overspend
	Forecast £1,838k	<p>person has now returned home resulting in a reduction in the costs of approximately £10k per month.</p> <ul style="list-style-type: none"> Increased use of Independent Fostering Agencies – Currently there are 41 children in care meaning that further use of IFA, in particular for sibling groups, has been required. <p>The Directorate is currently looking at ways to encourage in house carers to take a 2nd/3rd child to reduce costs longer term. If agreed, this is likely to show dividends in Q4 or 2018/19.</p>
A6	Early Intervention - Children with Disabilities	<p>The key reasons for this overspend are:</p> <ul style="list-style-type: none"> Staffing Costs - overspend as a result of use of agency staff to cover long term sickness. Changes to care packages – additional care packages for children not known about at the time of setting the budget as well as changes to existing care packages has resulted in increased costs.
	Budget £1,150k	
	Forecast £1,322k	
A7	Development Control	<p>The reason for the overspend is as a result of the use of agency staff to cover maternity and paternity leave as well as backfilling for staff working on the procurement of replacement software for Development Control, Building Control and Land Charges as the current contract expires in June 2018.</p>
	Budget £185k	
	Forecast £230k	
A8	Commissioned Transport	<p>The reason for the overspend is due to increased numbers for both Children Looked After and SEN transport which has increased costs by £84k. This has been partly mitigated by a reduction in requirements for Adult Social Services transport of £37k.</p>
	Budget £1,464k	
	Forecast £1,514k	
A9	Waste Management	<p>Increased tonnages since Q2 and the delay in the implementation of green waste charges for additional bins has resulted in the overspend.</p>
	Budget £2,450	
	Forecast £2,475	

Ref	Function	Reason for Overspend
A10	Property Services	<p>The key reasons for this overspend are:</p> <ul style="list-style-type: none"> • £39k from the delay in implementing the Facilities Management Contract to provide the cleaning and premises services for the Council. A £45k saving was built into the budget and will not be achieved in 2017/18 due to other pressures e.g. ROPE • £50k due to central maintenance covering reactive works and will include works on the Museum Roof, additional works to assets as a result of Winter Weather, Repairs to Church/Cemetery Walls and addressing issues identified in Fire Risk Assessments. • £38k that would normally be recharged to the Capital Programme but due to delays is unlikely to materialise. • £17k due to less demand for property support from schools as they convert to academies and make their own arrangements. It is unlikely to change as further schools go down the Academy route.
	Budget £426k	
	Forecast £502k	
A11	Legal & Governance	<p>The legal overspend is due to the increased demand for legal advice from Peterborough City Council, not available in house during the period the Head of Corporate Governance post was vacant. The rate of spend has decreased significantly since the post holder has been in place.</p>
	Budget £426k	
	Forecast £502k	

Appendix B: Approved Budget Changes

This Appendix shows changes to functional budgets and other budget changes. In accordance with FPR's, Cabinet can approve virements in any functional budget of up to £250k in any one year to a cumulative value of £500k across all functions. Changes above £500k must be approved by Council on a recommendation from Cabinet. In approving requests, Cabinet or Council may agree the use of earmarked reserves (ER), use the General Fund (GF) or make virements between directorates.

For the purpose of the rules, Cabinet is allowed to use earmarked reserves (approved by Council) in an unlimited way as long as they are used for their intended purpose and is allowed to carry forward unused budget from one period to the next. Use of these reserves is not counted against the delegated limit for functional budget changes and is therefore shown separately (Cabinet Other).

Description	Source of Funding	Net Cost of Services £000	Capital Financing £000	Funding £000	Transfer to/(from) Reserves £000	Spend on Capital £'000	(Surplus)/Deficit £000	Cabinet* £500k Limit £000	Cabinet Other £000	Council £000	Ch Exec. s151 Officer £000
Changes already made											
Approved Budget (44/2017)		34,192	(172)	(33,731)	(270)	0	19				
Approved Budget at Q1 (111/2017)		35,930	(147)	(34,251)	(1,479)	0	53	67	1,198	126	545
Approved Budget at Q2 (191/2017)		36,575	(147)	(34,344)	(1,597)	0	487	67	1,378	626	569
Changes awaiting approval											
Sustainable Drainage (i)	ER	8			(8)		0		8		
Rutland Adult Learning & Skills service (ii)	ER	11			(11)		0				11
Approved Budget at Q2		36,594	(147)	(34,344)	(1,616)	0	487	67	1,386	626	580

- (i) At Q3 £8k funding is sought for Sustainable Drainage to cover works associated with Rutland Flood Risk Management plan from the Highways Reserve
- (ii) The Chief Executive has approved the use of s106 funding to support Rutland Adult Learning & Skills service with the purchase of equipment.

Appendix C: Directorate summaries

People Budget Monitoring Summary

More information can be found about significant variances by referring to either Appendix A (as directed) or the notes below.

Function	Outturn 2016/17	Approved Budget	Revised Budget	Q2 Forecast	Q3 Forecast	Q3 Variance to budget	App A / Notes Ref
Directorate Management Costs	1,782,567	1,573,500	1,429,300	1,439,400	1,438,900	9,600	
Business Intelligence	105,511	126,700	126,700	126,700	126,000	(700)	
Crime Prevention	138,534	157,000	237,500	242,700	235,400	(2,100)	
Savings	(157,000)	0	(150,000)	(60,000)	(60,000)	90,000	A1
Total Directorate Costs	1,869,612	1,857,200	1,643,500	1,748,800	1,740,300	96,800	
Public Health	1,257	67,400	67,400	70,600	48,800	(18,600)	
BCF Programme Support	79,050	72,800	158,000	151,200	149,900	(8,100)	
BCF Unified Prevention	234,181	310,200	395,000	380,900	323,000	(72,000)	
BCF Holistic Management of Health & Wellbeing	734,158	743,000	1,080,000	1,052,600	1,043,700	(36,300)	
BCF Hospital Flows	935,235	936,000	999,400	988,000	965,200	(34,200)	
Adults and Health (Ringfenced)	1,983,881	2,129,400	2,699,800	2,643,300	2,530,600	(169,200)	
Non BCF Contract and Procurement	593,848	422,200	572,200	538,300	529,500	(42,700)	(i)
ASC Community Inclusion	713,654	758,500	757,500	786,700	795,600	38,100	A2
ASC Prevention and Safeguarding	114,926	141,000	141,000	131,300	129,800	(11,200)	
ASC Prevention and Safeguarding - Staffing	462,752	461,400	412,400	413,200	412,500	100	

Function	Outturn 2016/17	Approved Budget	Revised Budget	Q2 Forecast	Q3 Forecast	Q3 Variance to budget	App A / Notes Ref
ASC Housing	214,486	128,700	128,700	105,900	113,600	(15,100)	
ASC Support and Review - Daycare	165,506	169,800	204,800	207,200	211,500	6,700	
ASC Support and Review - Direct Payments	573,212	666,000	666,000	599,500	632,300	(33,700)	
ASC Support and Review - Homecare	1,092,451	1,122,000	1,332,000	1,377,800	1,361,100	29,100	A3
ASC Support and Review - Other	300,346	284,500	284,500	290,100	281,400	(3,100)	
ASC Support and Review - Residential & Nursing	2,763,792	2,871,700	2,871,700	2,801,100	2,807,100	(64,600)	(ii)
ASC Support and Review - Staffing	597,326	543,700	550,100	558,100	545,400	(4,700)	
ASC Hospital and Reablement	336,365	496,900	540,500	516,000	469,500	(71,000)	(iii)
Adults and Health (Non Ringfenced)	7,928,664	8,066,400	8,461,400	8,325,200	8,289,300	(172,100)	
Safeguarding	140,965	190,700	190,700	166,500	166,200	(24,500)	
Referral, Assessment and Intervention Service	268,141	255,000	291,100	219,900	203,700	(87,400)	(iv)
Permanency and Protection Service	637,198	509,300	457,200	534,500	491,100	33,900	A4
Fostering, Adoption and Care Leaver Service	1,680,277	1,431,100	1,531,100	1,890,000	1,837,900	306,800	A5
Early Intervention - Targeted Intervention	1,137,706	1,124,900	1,149,900	1,364,900	1,322,200	172,300	A6
Early Intervention - SEND & Inclusion	256,826	203,500	284,500	283,900	273,600	(10,900)	
Early Intervention - Universal and Partnership	369,149	409,500	409,500	357,200	353,200	(56,300)	
Childrens	4,490,261	4,124,000	4,314,000	4,816,900	4,647,900	333,900	
Schools and Early Years	377,685	487,900	558,900	439,000	453,900	(105,000)	(v)

Function	Outturn 2016/17	Approved Budget	Revised Budget	Q2 Forecast	Q3 Forecast	Q3 Variance to budget	App A / Notes Ref
Rutland Adult Learning and Skills Service (RALSS)	10,494	0	10,800	(17,400)	0	(10,800)	
Learning and Skills	388,179	487,900	569,700	421,600	453,900	(115,800)	
Total People - GF (Ringfenced)	1,983,881	2,129,400	2,699,800	2,643,300	2,530,600	(169,200)	
Total People - GF (Non Ringfenced)	14,676,716	14,535,500	14,988,600	15,312,500	15,131,400	142,800	
Total People (Excluding DSG)	16,660,597	16,664,900	17,688,400	17,955,800	17,662,000	(26,400)	
Schools Dedicated Schools Grant (DSG)	187,512	0	0	(7,400)	82,200	82,200	
Total People (Including DSG)	16,848,109	16,664,900	17,688,400	17,948,400	17,744,200	55,800	

Peoples Notes

- i) The underspend on Non BCF Contracts and Procurement is due to in year establishment changes leading to staffing vacancies
- ii) The underspend on Residential and Nursing is due to greater Health Contributions towards the cost of care
- iii) The underspend on Hospital and Reablement is due to the decision to capitalise costs from the Integrated Community Equipment Service (ICES)
- iv) The Referral, Assessment and Intervention services is underspent due to a reduction in agency staff costs and some vacant posts at the start of year
- v) Schools and Early Years is forecast to be underspent due to delays in implementing contracts to support improvement in schools. A request to carry forward this underspend will be made at Q4

Places Budget Monitoring Summary

More information can be found about significant variances by referring to either Appendix A (as directed) or the notes below.

Function	Outturn 2016/17	Approved Budget 2017/18	Revised Budget 2017/18	Q2 Forecast	Q3 Forecast	Q3 Variance to budget	App A / Notes Ref
Directorate Management Costs	193,272	198,200	198,200	200,200	203,300	5,100	
Directorate Management Costs	193,272	198,200	198,200	200,200	203,300	5,100	
Development Control	136,013	184,700	184,700	206,100	229,800	45,100	A7
Drainage & Structures	198,594	191,100	184,100	192,900	185,900	1,800	
Emergency Planning	28,131	29,700	29,700	30,100	30,100	400	
Environmental Maintenance	1,159,341	1,149,700	1,073,200	1,074,700	1,094,800	21,600	
Forestry Maintenance	129,277	117,000	117,000	117,000	110,900	(6,100)	
Highways Capital Charges	1,332,300	1,332,300	1,332,300	1,332,300	1,332,300	0	
Highways Management	53,635	190,300	180,300	180,800	151,800	(28,500)	
Commissioned Transport	1,445,589	1,356,000	1,464,200	1,475,100	1,513,900	49,700	A8
Lights Barriers Traffic Signals	260,552	134,400	124,400	134,400	124,400	0	
Parking	(289,071)	(350,000)	(350,000)	(346,000)	(343,700)	6,300	
Pool Cars & Car Hire	86,619	97,200	97,200	90,900	92,600	(4,600)	
Public Protection	369,084	388,300	410,300	400,300	380,200	(30,100)	
Public Rights of Way	73,024	90,400	90,400	89,200	90,400	0	
Public Transport	818,218	897,000	788,800	748,200	749,500	(39,300)	(i)
Road Maintenance	1,018,551	889,300	924,300	899,300	948,800	24,500	
Transport Management	345,983	385,600	493,600	465,900	419,300	(74,300)	(ii)
Waste Management	2,385,852	2,369,600	2,449,600	2,450,500	2,475,300	25,700	A9
Winter Maintenance	208,466	267,500	267,500	267,500	267,500	0	
Environment, Planning and Transport	9,760,158	9,720,100	9,861,600	9,809,200	9,853,800	(7,800)	
Planning Policy	307,446	257,000	380,000	324,900	330,400	(49,600)	(iii)
Tourism	21,726	14,600	22,200	9,900	8,300	(13,900)	

Function	Outturn 2016/17	Approved Budget 2017/18	Revised Budget 2017/18	Q2 Forecast	Q3 Forecast	Q3 Variance to budget	App A / Notes Ref
Health & Safety	29,433	38,100	38,100	38,100	38,100	0	
Property Services	930,894	939,100	939,100	1,005,000	1,096,600	157,500	A10
Building Control	3,236	(48,100)	(48,100)	(48,500)	(48,400)	(300)	
Commercial & Industrial Properties	(187,131)	(260,400)	(260,400)	(252,800)	(281,600)	(21,200)	
Economic Development	151,159	199,400	237,400	191,100	200,400	(37,000)	(iv)
Culture & Registration Services	58,024	83,700	83,700	82,700	65,600	(18,100)	
Libraries	399,673	459,200	529,200	438,500	453,100	(76,100)	(v)
Museum Services	356,650	352,600	352,600	354,000	360,400	7,800	
Sports & Leisure Services	35,108	600	600	14,100	5,800	5,200	
Development and Economy	2,106,218	2,035,800	2,274,400	2,157,000	2,228,700	(45,700)	
Total Places	12,059,648	11,954,100	12,334,200	12,166,400	12,285,800	(48,400)	

Places Notes

- i) Public Transport underspend is due to money repaid by the bus operator for over claimed concessionary fare reimbursements.
- ii) Transport Management underspend is due to budget carry forwards for road safety initiatives and bikeability which have been delayed and will be requested to be carried forward at Q4.
- iii) Additional grant funding has been received for a number of Planning Policy changes which need to be incorporated into the Local Plan (Community Housing, Self Build etc). These funds are required to be carried forward to support costs next year.
- iv) Economic Development underspend is due to Digital Rutland project management costs for phase 3 not being incurred.
- v) Libraries £70k Budget carried forward to support maintenance and other work at libraries is unlikely to go ahead and will be requested to be carried forward to 2018/19.

Resources Budget Monitoring Summary

More information can be found about significant variances by referring to either Appendix A (as directed) or the notes below.

Function	Outturn 2016/17	Approved Budget	Revised Budget	Q2 Forecast	Q3 Forecast	Q3 Variance to Budget	App A / Notes Ref
Chief Executives Office	205,056	222,000	372,000	372,000	322,900	(49,100)	(i)
Direct Management Cost	270,561	216,800	286,800	286,800	273,900	(12,900)	
Communications	57,449	66,600	187,500	147,700	138,400	(49,100)	(ii)
Corporate Costs	168,387	206,000	206,000	217,000	194,200	(11,800)	
Pensions	237,484	220,000	220,000	214,500	202,200	(17,800)	
Audit Services	145,449	165,500	165,500	174,200	163,200	(2,300)	
Insurance	209,538	215,200	240,200	243,900	243,900	3,700	
Accountancy & Finance	591,356	617,200	685,200	682,000	630,300	(54,900)	(iii)
Information Technology	1,371,515	1,214,100	1,180,000	1,175,800	1,170,600	(9,400)	
Corporate Support Services	542,790	573,400	503,000	486,900	494,800	(8,200)	
Members Services	191,537	206,800	206,800	201,300	204,600	(2,200)	
Customer Services Team	205,738	235,600	335,600	328,800	277,400	(58,200)	(iv)
Elections	(32,458)	17,100	128,600	72,400	80,900	(47,700)	
Legal & Governance	353,108	360,300	426,300	388,100	501,500	75,200	A11
Human Resources	419,192	450,200	484,200	488,200	470,700	(13,500)	
Revenues & Benefits	342,007	386,800	398,800	343,300	319,400	(79,400)	(v)
Financial Support	37,549	25,000	50,000	36,000	27,400	(22,600)	
Total Resources Directorate	5,316,258	5,398,600	6,076,500	5,858,900	5,716,300	(360,200)	

Resources Notes

- i) The underspend in the Chief Executive's cost centre is due to Rutland One Public Estate activities requested to be carried forward to next year
- ii) The underspend in Communications is due to vacant posts.
- iii) Accountancy and Finance is under budget as a result of developments on the Finance System not taking place. £50k will be requested to be carried forward to fund the developments in 2018/19.
- iv) Customer Services Team underspend is due to the improvements project being implemented over a period of 2 years rather than all being completed during 2017/18. Therefore, £40k will be requested to be carried forward to continue the project in 2018/19.
- v) The underspend in Revenues and Benefits is due to staff vacancies, extra income from grants and better recovery of Housing Benefit overpayments