

**FINANCIAL AND SERVICE PERFORMANCE MONTH ENDING SEPTEMBER 2011**

MONTHLY BUDGET MONITORING STATEMENT - CASH LIMIT 2011/12	
PORTFOLIO	Resources
BUDGET	26,782,600
<b>TOTAL CASH LIMIT</b>	<b>26,782,600</b>
CHIEF OFFICER	Various
MONTH ENDED	September 2011

Risk indicator	
Low	L
Medium	M
High	H

ITEM No.	BUDGET HEADING
1	Miscellaneous Expenses
2	Project Management, Risk & Insurance
3	Procurement Service
4	Internal Audit
5	Customer Services
6	Community Involvement, Empowerment & Development
7	Legal Services
8	Financial Services
9	Human Resources
10	In House Agency
11	Information Services
12	AMS
13	Landlords Repairs & Maintenance
14	Staff Restaurant
15	Spinnaker Tower
16	MMD Crane Rental
17	Administration Expenses
18	Council Tax Benefits
19	Housing Benefit - Rent Allowances
20	Housing Benefit - Rent Rebates
21	Local Taxation
22	Benefits Administration
23	Discretionary Non-Domestic Rate Relief
24	Land Charges
25	Democratic Representation & Management
26	Corporate Management

BUDGET Profile 2011/12				
Budget Profile To End September 2011	Actual To End September 2011	Variance vs. Profile To September 2011		
£	£	£	%	
105,500	70,890	(34,610)	(32.8%)	
230,000	255,403	25,403	11.0%	
80,000	74,556	(5,444)	(6.8%)	
250,000	224,281	(25,719)	(10.3%)	
740,000	763,528	23,528	3.2%	
750,000	753,866	3,866	0.5%	
356,400	505,387	148,987	41.8%	
2,847,500	2,767,655	(79,845)	(2.8%)	
1,380,000	1,412,194	32,194	2.3%	
(50,000)	(36,229)	13,771	(27.5%)	
1,673,550	1,697,356	23,806	1.4%	
800,000	745,962	(54,038)	(6.8%)	
100,000	(81,936)	(181,936)	(181.9%)	
		0	-	
(340,000)	(335,739)	4,261	(1.3%)	
(195,000)	(192,743)	2,257	(1.2%)	
0	60	60	-	
(80,000)	(78,895)	1,105	(1.4%)	
(300,000)	(319,263)	(19,263)	6.4%	
(315,000)	(285,886)	29,114	(9.2%)	
375,000	372,943	(2,057)	(0.5%)	
2,500,000	2,419,464	(80,536)	(3.2%)	
	0	0	-	
(49,400)	(31,292)	18,108	(36.7%)	
784,500	822,013	37,513	4.8%	
950,000	1,011,881	61,881	6.5%	

BUDGET Outturn 2011/12					
Total Budget	Forecast Year End Outturn	Variance vs. Total Budget			RISK INDICATOR
£	£	£	%		
279,000	212,000	(67,000)	(24.0%)		M
121,400	269,400	148,000	121.9%		M
296,300	296,300	0	0.0%		L
396,900	396,900	0	0.0%		L
1,429,100	1,405,000	(24,100)	(1.7%)		L
1,112,200	1,108,300	(3,900)	(0.4%)		L
603,800	793,400	189,600	31.4%		H
5,375,800	5,222,900	(152,900)	(2.8%)		M
2,785,200	2,856,200	71,000	2.5%		L
(204,000)	(138,000)	66,000	(32.4%)		M
5,347,100	5,347,100	0	0.0%		M
1,879,700	1,779,700	(100,000)	(5.3%)		H
1,631,500	1,631,500	0	0.0%		H
1,200	1,200	0	0.0%		L
(250,000)	(250,000)	0	0.0%		H
(385,400)	(385,400)	0	0.0%		L
5,000	5,000	0	0.0%		M
910,600	910,600	0	0.0%		M
(453,300)	(489,900)	(36,600)	8.1%		H
(350,200)	(291,400)	58,800	(16.8%)		H
201,600	201,600	0	0.0%		L
3,050,400	2,890,000	(160,400)	(5.3%)		M
184,500	184,500	0	0.0%		L
(82,800)	(59,000)	23,800	(28.7%)		M
1,133,700	1,170,900	37,200	3.3%		M
1,763,300	1,833,600	70,300	4.0%		M

<b>TOTAL</b>	<b>12,593,050</b>	<b>12,535,456</b>	<b>(57,594)</b>	<b>(0.5%)</b>
<b>Total Value of Remedial Action (from Analysis Below)</b>				
<b>Total Net Forecast Outturn (after remedial action)</b>				

<b>26,782,600</b>	<b>26,902,400</b>	<b>119,800</b>	<b>0.4%</b>
<b>(193,000)</b>			
<b>26,782,600</b>	<b>26,709,400</b>	<b>(73,200)</b>	<b>(0.3%)</b>

Note All figures included above exclude Capital Charges, Levies and Insurances

Income/underspends should be recorded in brackets and expenditure/overspends without

**REASONS FOR VARIATIONS AGAINST TOTAL BUDGET 2011/12**

Item No.	Reason for Variation	Variance £
1	Within Miscellaneous Expenses there is a provision for Trade Union Secondments but not all posts available have been filled this year, hence this element of the budget is forecast to be £30,400 underspent.	(30,400)
2	This forecast overspend is in respect of costs incurred by posts within the transformation team that are not included in the base budget. An element of this overspending will be funded by a transfer of the remaining resources allocated for this purpose in the Medium Term Resource Strategy reserve.	148,000
5	Cultural Services have agreed a contribution to the cost of City Helpdesk employees working at Southsea Library - (£15,000). In addition to this there are several posts that are being held vacant.	(24,100)
7	Legal Services forecast overspend is due to slippage in the completion of their restructure. This has meant some staff have stayed longer than anticipated and agency staff, at a higher cost, are being used to backfill vacant posts until recruitment is complete which is now expected to be November 2011. The Head of Service is seeking to maximise income and is currently in negotiations with other local authorities for the provision of services to them. Discussions are also ongoing with internal clients to make them aware of additional work undertaken on their behalf that will require reimbursement to Legal Services.	189,600
8	Additional savings arising from early phasing of the Financial Services structural review which will contribute to the savings requirement in 2012/13.	(152,900)
9	The financial implications of the proposed Human Resource Service staffing restructure were reflected in the current budget however amendments to the proposed structure and its final implementation has resulted in savings not being as high as expected.	71,000
10	Demand for temporary staff provided via the Internal Agency is lower than anticipated which has resulted in lower levels of income.	66,000
12	Property staffing is underspent due to vacant posts. The intention is to leave these posts vacant for the remainder of this financial year pending the outcome of a plan to create a new structure within Property in order to make better use of the resources.	(100,000)
19 & 20	These variances represent the difference between Housing Benefits paid out to private tenants and Council House tenants and the government subsidy received for these purposes. The level of new debt raised to clients whose change in circumstances had reduced their benefit entitlement was lower than anticipated. This has resulted in a reduction in income. The total value of benefits paid exceeds £100m therefore subtle variations in factors such as this can result in material variances.	22,200
22	Posts continue to be held vacant with the longer term objective of achieving savings through the transformation agenda in future years.	(160,400)
25	The main variances comprise of: Members expenses (£20,600) relating to costs associated with the addition of one portfolio above the budget provision and continued pressure relating to an insufficient increase in budget provision when members expenses were last reviewed. Democratic Services (£10,700) due to less than expected staff turnover meaning that the vacancy provision has not been achieved. Corporate subscription (£4,500) savings have been delayed due to notice required to cancel specific subscriptions.	37,200
26	Within Corporate Management there is provision for External Audit fees. The Audit Commission have recently confirmed that their charge this year will be £20,500 less than expected. Although some of an approved Budget saving in respect of senior management efficiencies across the whole Council has been delivered, a sum of £85,000 is still to be identified.	70,300
	Other minor variations on the remaining budget heads.	(16,700)
	<b>TOTAL PROJECTED VARIANCE</b>	<b>119,800</b>

**Note Remedial Action resulting in savings should be shown in brackets**

**Income/underspends should be recorded in brackets and expenditure/overspends without**

**APPENDIX A**

Remedial Action	Value of Remedial Action
There is a residual amount of £56,000 available for release from the Medium Term Resource Strategy reserve from the original sum approved for the Efficiency review (Cabinet 9/11/09)	(56,000)
Customer Community and Democratic Services within the Resources Portfolio is forecasting an overspend of £9,200 in total (Items 5, 6 & 25 above). This underspending will be used to help offset the overspending in item 25 below.	
The Head of Legal Services also has responsibility for areas in other portfolios which are forecasting underspends totalling £154,900 (£30,200 in Licensing and £124,700 in Registrars) which could be used to offset a substantial element of this projected overspend.	
Posts will be held vacant where possible and expenditure on corporate training reduced to mitigate the forecast overspend in items 9 and 10.	(137,000)
This service area is considered a windfall item. The underspend within Benefits administration (item 22) could also be used to offset this variance.	
Customer Community and Democratic Services (CCDS) within the Resources Portfolio is forecasting an overspend of £9,200 in total. The underspending in items 5 and 6 above will be used to offset some of this overspend.	
The CX will endeavour to identify equivalent savings to meet the shortfall identified in the current year and ongoing impact in future years.	
<b>TOTAL VALUE OF REMEDIAL ACTION</b>	<b>(193,000)</b>