

Communities Committee

Item No.....

Report title:	Finance Monitoring Report
Date of meeting:	11 May 2016
Responsible Chief Officer:	Tom McCabe - Executive Director of Community and Environmental Services
Strategic impact This report provides the Committee with information on the out-turn position for the Committee for 2015-16. It provides information on any over and underspends and the use of reserves.	

Executive summary

The approved 2015 – 16 net revenue budget for this Committee was £47.282m. The net budget at the end of the year is £45.948m which reflects that transfer of budgets from other service committees and transfer of budgets to the corporate property team, and adjustments for capital depreciation. At the end of the financial year the net underspend, for this committee is £0.602m, before any recommended transfers to reserves.

The 2015-16 Capital budget for this committee is £2.630m. There is an underspend of £0.492m which will be carried forward to fund future years expenditure.

The balance of Communities' unspent grants, contributions and reserves at 1st April 2015 stood at £13.305m. The net use of grants/ reserves in 2015-16 of £1.095m to meet commitments. The 2015-16 balance of Grants, reserves and provision as at 31 March 2016 is £12.211m.

Recommendations:

Members are invited to discuss the contents of this report and in particular to note:

- a) The revenue outturn position for 2015-16 and the variances as set out in section 2 of this report
- b) The capital outturn position for the 2015-16 capital programme.
- c) The movement of reserves as shown in section 4 of this report
- d) Approve the recommendation from the Executive Director of CES that the Net CES underspend be carried forward in reserves to support the following:
 - i. Libraries – for Capital improvements at NML and Wymondham and additional trial sites for self-service technology - £0.200m
 - i. Fire – Provision for training in management of hazardous material £0.090m
 - ii. NCLS – provision to help manage the risk related to managing income across the academic year (which spans two financial years) and to support the ongoing transformation of the service- £0.100m

1. Proposal

- 1.1. Members have a key role in overseeing the financial position of Communities services, including reviewing the revenue and capital position and reserves held by the service. Although budgets are set and monitored on an annual basis it is important that the ongoing position is understood and the previous year's position, current and future plans and performance are considered.

1.2. This monitoring report reflects the year end position March 2016

2. Evidence

2015/16 Revenue Monitoring

2.1. The table below summarises the budgets relevant to this committee as at March 2016

Table 1: Communities 2015-16 as at Period 12				
Revenue Monitoring 2015/16	NET Budget	Outturn	+Over/(Under spend)	
	£m	£m	£m	%
Consultation & Community relations	0.268	0.267	(0.001)	-1.31
Active Norfolk	0.000	0.000	0.000	0.00
Norfolk Community learning services	0.114	0.114	0.000	0.00
Libraries, Museums, record office & Arts	11.560	11.205	(0.355)	-1.34
Customer Services – including Health watch	5.307	5.256	(0.051)	-0.95
Registration service	(0.052)	(0.157)	(0.105)	0.00
Community safety	0.014	0.014	0.000	0.00
Emergency Planning & Community resilience	0.268	0.215	(0.052)	-19.6
Norfolk Fire and Rescue service	26.621	26.584	(0.037)	-0.14
Trading Standards	1.840	1.840	0.000	-0.00
Public Health	0.007	0.007	0.000	0.00
Committee Total	45.947	45.345	(0.602)	
Contribution to NCLS Costs		0.215	0.215	
Net Underspend	45.947	45.560	(0.388)	

2.2. In April 2015, funding arrangements were agreed for Norfolk Community Learning Services, to support improvements in the service, up to the next unannounced Ofsted inspection. This included the cost of additional leadership support (interim Head of Service), a series of mandatory CPD events for all staff, additional external scrutiny of the observation of teaching, learning and assessment processes. The report to January committee identified that the cost was expected to be between £0.232m and £0.287m. The total cost for 2016/17 was £0.215m and has been covered from with the Communities and Environmental Services Budget.

2.3. Details of the key variances relating to the services under the control of this committee are included in the table below:

Variances			Prior Period forecast	Movement
	£m		£m	£m
Fire HQ – salaries	(0.071)	Savings from vacancies and underspend on salary costs	(0.066)	(0.005)
Fire Central	0.272	Cost of Water	0.017	0.255

Services		Rescue & Dive Team (£91k). ICT Refresh equipment (£184k). Remaining due to various off setting under spends.		
Fire Service Delivery	(0.230)	Underspend on Pensions costs, movements & transfer from old to new schemes (£-99k). Youth Development identified additional course income from COWA (£-35k).	(0.095)	(0.135)
Fire - Finance	0.081	Additional vehicle lease costs	0.126	(0.044)
Fire – Net underspend*	(0.037)		(0.015)	(0.22)
Resilience	(0.053)	Underspend to vacancies	(0.047)	(0.006)
Customer services	-0.051	General underspend through the management of vacancies	0.000	-0.051
Registrars	-0.105	Over recovery of income over budget	0.000	-0.105
Library Service	-0.355	Underspend mainly due to reduced spend on materials purchases	0.000	-0.355
Net Underspend			-0.010	

The Executive Director of CES recommends that the CES net underspend be carried forward to support the following:

- Libraries – for installing meeting ‘pods’ at the Norfolk and Norwich Millennium Library (NML), Wymondham Library to help meet the demand for additional 1:2:1 meeting areas. Additional trial of self-service technology at a range of 4/5 sites to help evaluate the value of the technology- £0.200m
- Fire - Following revisions to national guidance on environmental protection and management of hazardous materials, NFRS has reviewed existing local procedures and undertaken a gap analysis. To satisfy the new guidance, we have identified additional training requirements, with a delivery cost of £0.090m to provide 3 years cover.
- NCLS – provision to help manage the risk related to managing income across the academic year (which spans two financial years) and to support the ongoing transformation of the service- £0.100m

3. Capital Programme 2015-16

3.1. The overall capital budget for the services reported to this Committee is £2.630m, the year end position is shown at table 2 below.

3.2. Further details on individual schemes are shown at **Appendix B**.

Table 2: Communities Capital Programme				
Scheme or programme of work	2015/16 Capital Budget £m	Expenditure to Date £m	2015/16 Capital Outturn £m	Total (under)/over spend £m
Norfolk Fire & Rescue Service	1.479	0.989	0.989	0.490
Libraries, Museums, Record Office & Arts	1.151	1.149	1.149	0.002
Committee Total	2.630	2.138	2.138	-0.492

3.3. The Fire service programme - The forecast underspend will be carried forward to 2016/17 to meet the planned costs of new fire training facility at Scottow.

4. Communities Reserves, Provisions and Unspent Grants/ Contributions

4.1. The committees' unspent grants, reserves and provisions as at 31st March 2015 stood at £13.305m.

4.2. The balance of reserves and provision as at the 31 March 2016 is £12.211m, before the recommended transfers shown above. Further details on reserves and provisions for each service are shown at **Appendix C**.

4.3. The use of Public Health reserves is to facilitate the agreed health projects programme.

Table 3: Communities Reserves & Provisions				
Reserves & Provisions 2014/15	Balance at 1 April 2015	Balance at 31 March 2016	Planned change reserves	Actual change of reserves
	£m	£m	£m	£m
Norfolk Fire & Rescue Service	3.580	2.880	-0.982	-0.700
Libraries, Museums, Record Office & Arts	1.876	1.942	-0.380	0.066
Trading Standards	0.104	0.113	-0.041	0.009
Norfolk Community Learning services	0.464	0.063	0.000	-0.401
Public Health	5.924	5.378	-2.176	-0.546
Active Norfolk	0.546	0.638	0.000	0.092
Customer Services	0.347	0.658	-0.081	0.311
Registration Services	0.412	0.460	0.000	0.048
Consultation & Community Relations	0.052	0.078	0.000	0.026
Committee Total	13.305	12.211	-3.660	-1.095

The major variances from the previously reported use of reserves relates to Public Health where the programme of public health activities span financial years.

The higher than anticipated balances reflects that some payments will be made in the next financial year in relation to those activities.

5. Financial Implications

5.1. There are no decisions arising from this report. The financial position for Communities services is set out within the paper and appendices.

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g equality impact assessment, please get in touch with:

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Appendix A

Revenue Monitoring 2015/16			
Service	Budget £'000	Outturn £'000	Variance £'000
Consultation & Community Relations Committee	268	267	(1)
Active Norfolk	0	0	0
Norfolk Community Learning services	114	114	0
Cultural Services			
Cultural Services Management	53	50	(3)
Norfolk Art Service	308	302	(6)
Norfolk Libraries and Information Service	8,164	7,818	(346)
Norfolk Museums Service	2,233	2,233	0
Norfolk Records Office	802	802	0
Cultural Services Total	11,560	11,205	(355)
Registrars	(52)	(157)	(105)
Customer Services			
Complaints	328	331	3
Customer Access Development	182	135	(47)
Healthwatch	369	369	0
Service Centres	3,599	3,599	0
Single Post Service	573	567	(6)
Web Content Management	256	255	(1)
Customer Services Total	5,306	5,256	(51)
Community Safety Team	14	14	0
Fire & Community Resilience			
Finance	2,452	2,533	81
FIRE: Central Services	4,826	5,099	273
FIRE: HQ Salaries	646	575	(71)
FIRE: Service Delivery	18,697	18,377	(320)
Fire & Community Resilience Total	26,621	26,584	(37)
Resilience	268	215	(53)
Trading Standards			
Business, Food and Farming	457	410	(47)
Calibration, Verification and Testing	(70)	(70)	(0)
Community Safety and Fair Trading	538	513	(25)
Trading Standards Manager	205	148	(57)

Intelligence and Legal Enforcement	294	407	113
Investigations	415	432	17
Trading Standards Total	1,840	1,840	(0)
Public Health			
Business & Staffing	(26,320)	(24,299)	2,021
Children & Young People Programme	3,923	3,956	33
Communities	175	166	(9)
DAAT	9,243	8,825	(418)
Health Protection	25		(25)
Intelligence & Info Management	107	117	10
Minimising Risk & Harm	9,276	8,882	(394)
Reducing Early Mortality	3,579	2,360	(1,219)
Public Health Total	7	7	(0)
Total For Committee	45,947	45,345	(602)

Appendix B

Libraries Capital Programme 2015/16

Summary

Scheme Name	2015/16 Programme £'000	2015/16 Out -turn £'000	2015/16 Variance £'000
CERF Kings Lynn Library	(0.001)	(0.001)	
Wymondham Library	0.003	0.003	
Fairstead Kings Lynn	0.001	0.001	
S106 Wootton Rd Gaywood	0.001	0.001	
Lodge Farm, New Costessey	0.001	0.001	
Roundhouse, Cringleford	0.001	0.001	
Mendham Lane Harleston	0.001	0.001	
S106 Lynn Rd Swaffham	0.001	0.001	
Dowson School, Valpy Avenue, Norwich	0.001	0.001	
S106 ROUNDWELL PH, COS	0.001	0.001	
S106 approval - Victoria Road (Bartrums), Diss	0.001	0.001	
S106 Bennett St / Grimshoe Rd Downham Market	0.004	0.004	
S106 approval - The Lammas / Malsters Close, Munford	0.001	0.001	
S106 Teasel Road, Attleborough	0.001	0.001	
S106 Former Civil Service Sports Grnd, Wentworth Green	0.001	0.001	
S106 Ketts Rd, North Walsham	0.001	0.001	
S106 Cemex Site, Wymondham	0.002	0.002	
S106 Three Score Care Village	0.003	0.003	
S106 Crostwick Lane, Spixworth	0.001	0.001	
Library Improvements 14/15+	0.052	0.052	
CERF Blofield Library	0.028	0.028	
CERF Gt Yarmouth Library	0.037	0.037	
Libraries Transformation 14/15+	0.081	0.081	
CERF Gaywood Library	0.013	0.013	
	0.244	0.244	0.

Museums

	2015/16 Programme	2015/16 Out -turn	2015/16 Variance
Bridewell Redevelopment	0.001	0.001	0.
GFW Voices from the Workhouse	0.613	0.613	0.
Biomass Boiler CERF	0.	0.	0.
Castle Keep Improvements	0.099	0.099	(0.)

Biomass RHI Scheme	0.	0.	0.
Tolhouse Fire Safety Improvements	0.	0.	0.
ACE Small Capital Grants	0.158	0.158	0.
	<u>0.907</u>	<u>0.905</u>	<u>(0.002)</u>

	2015/16 Programme	2015/16 Out -turn	2015/16 Variance
Fire			
Real Fire Training Unit est 14-15	0.612	0.13	(0.482)
Gt Yarm Fixed Generator	0.02	0.02	0.
Carrow Fire Station	0.074	0.074	0.
Kings Lynn Satellite Station	0.041	0.041	0.
Defra East Coast Flood Rescue 3 counties	0.	0.	0.
Portable generators & wiring	(0.)	(0.)	0.
North Lynn Improvements	0.365	0.365	0.
Downham Market replacement appliance	0.204	0.204	0.
Downham Market - Rebuild	0.007	0.007	0.
Sprowston CERF	0.004	0.004	0.
Swaffham CERF	0.	0.	0.
Wymondham CERF	0.012	0.012	0.
Command & Control vehicles and ICT	0.03	0.025	(0.005)
Dereham CERF	0.	0.	0.
Diss FS Fire safety improvements	0.002	0.002	
Sandringham FS Fire Safety Improvements	0.002	0.002	0.
Sprowston FS Fire Sfety Improvements	0.001	0.001	0.
Wroxham FS Fire Sfety Improvements	0.001	0.001	0.
MTFA 4x4 vehicle	0.057	0.057	0.
Handheld UHF radios	0.002	0.	(0.002)
CERF N Lynn FS	0.018	0.018	0.
Hethersett HQ Control Room Light Switch upgrade	0.002	0.002	0.
Hingham Fire Station Fire Safety Improvements	0.001	0.001	0.
Fire Appliances (Type B pumps)	0.008	0.008	0.
LPSA Domestic Violence	0.014	0.014	0.
	<u>1.479</u>	<u>0.989</u>	<u>(0.49)</u>
	<u>2.63</u>	<u>2.138</u>	<u>(0.492)</u>

Appendix C

Reserve	2015/16 Opening Balance £m	Additions £m	Withdrawals £m	Final Balance 2015/16 £m
Norfolk Fire & Rescue Service				
Provisions				
EU Part Time Workers Provision (Pensions)	0.850			0.850
Reserves				
Fire Pensions	0.348		-0.100	0.248
Equipment/Leasing	0.000			0.000
Operational / PPE / Clothing	0.000			0.000
Retained Firefighters	0.130			0.130
Capital Sustainability - Position & Project Reserve	1.903		-0.600	1.303
Grants				
Community Safety Reward grant	0.167			0.167
Unspent Grants & Contributions Reserve	0.182			0.182
Fire and Rescue	3.580	0.000	-0.700	2.880
Community Safety				
Trading Standards - ICT	0.000			0.000
Trading Standards - R&R	0.104	0.009		0.113
	0.104	0.009	0.000	0.113
TOTAL: Fire & Community Safety	3.684	0.009	-0.700	2.993
Cultural Services				
Norfolk L&IS - Library Projects	0.586	0.058	-0.129	0.566
Norfolk L&IS - ICT Reserve	0.113			0.113
Norfolk L&IS - Library Grants	0.109		-0.042	0.066
Arts & Recreation - Projects	0.014	0.018		0.032
Arts & Recreation - Tour of Britain	0.005			0.005
Norfolk Museums Service - Museums Projects	0.161	0.303	-0.031	0.433
Norfolk Museums Service - Income Reserve	0.130		-0.011	0.119
Norfolk Museums Service - Insurance	0.004		-0.004	0.000
Norfolk Museums Service - Museums Grants	0.465		-0.075	0.390
Norfolk Records Office - NRO Projects	0.278		-0.073	0.205
Norfolk Records Office - NRO Grants	0.012			0.012
	1.876	0.379	-0.365	1.941
NCLS - Education Funding	0.463		-0.400	0.063
NCLS - Adult Education Grants	0.001			0.000
	0.464	0.000	-0.400	0.063
Active Norfolk	0.546	0.092		0.638
Total Cultural Services	2.887	0.471	-0.765	2.643

Customer Services

Customer Access & Devpt IT Fund
 Complaints Org Change Reserve
 Customer Service Centre R&R Fund
 Customer Service Centre It Fund

0.269	0.302		0.571
0.045			0.045
0.025			0.025
0.007	0.010		0.017
0.346	0.312	0.000	0.658

Total Customer Services**Public Health**

Unspent Grants & Contributions - Warm & Well
 Unspent Grants & Contributions - PH Ring
 fenced grant

0.064			0.064
5.860		-0.546	5.314
5.924	0.000	-0.546	5.378

Consultation & Community relations

Organisational Change (Consultation)
 IT Fund (Consultation - Youth Parliament)

0.049	0.026		0.075
0.003			0.003
0.052	0.026	0.000	0.078

Registrars

Registrars R&R Fund

0.412	0.048		0.460
0.412	0.048	0.000	0.460

Total Grants and Reserves

13.305	0.866	-2.011	12.211
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