

14. 2018/19 FINANCIAL PERFORMANCE - MONTH 6 MONITORING REPORT

A report had been circulated by the Head of Finance and Property Services providing an update on the financial performance of the Services for the Community portfolio for the General Fund Revenue Budget.

The report advised that the council's revenue budget was operationally managed at a Head of Service level, and the financial position included within the current report was part of the overall council forecast upon which decisions had been approved by Council Executive. The report included the position with the delivery of approved budget reduction measures relevant to the Services for the Community portfolio for 2017/18.

A table within the report summarised the position in relation to service expenditure and provided an update on the draft outturn. The forecast overspend for the Services for the Community portfolio was £1,115,000. A number of key risks and service pressures had been identified and these were noted in the narrative for the relevant service area within the report.

The Panel noted that, within homelessness there an overspend of £1.239 million was forecast, primarily as a result of demand for Bed and Breakfast accommodation. This increased demand also anticipated a further overspend of £450,000 in Homelessness Transport, which was not part of the Services for the Community Portfolio but was noted in the financial performance update report to Education PDSP.

The council's approved Housing Capital programme included provision for additional housing stock through 1,000 houses new build project, open market acquisitions and the mortgage to rent scheme, all of which were intended to mitigate some of the pressures on the homelessness budget as more housing stock became available.

It was reported that for the Services for the Community portfolio savings of £752,000 in 2018/19 had been delivered in full. Various savings for 2019/20 and 2020/21 required further development and implementation at officer level, including staffing restructures in the Community Safety Unit.

Future budget issues specifically for the Services for the Community portfolio were the ongoing risks around levels of homelessness provision and the level of demand for accommodation compared to the available supply.

It was reported that, in order to reduce the continuing financial and operational pressures, the service was developing a range of approaches in order to mitigate pressures and improve the position. The key areas for operation changes included: closer engagement with Registered Social Landlords and Private Social Landlords to provide further accommodation, a review of the Allocations Policy, development of a new Emergency Accommodation Unit, a review of Bed & Breakfast

accommodation in comparison to other local authorities, and a review of options for furniture storage.

It was recommended that the Panel:

1. Note the financial performance of the Services for the Community portfolio as at month 6;
2. Note that the Services for the Community portfolio at month 6 was part of the overall council budget position reported to Council Executive; and
3. Note any actions required to be taken by Heads of Service and budget holders to manage spend within available resources.

Decision

To note the contents of the report