



**COUNCIL EXECUTIVE**

**2019/20 GENERAL FUND REVENUE BUDGET - MONTH 9 MONITORING**

**REPORT BY HEAD OF FINANCE AND PROPERTY SERVICES**

**A. PURPOSE OF REPORT**

To provide the Council Executive with a report on the financial position in relation to the General Fund Revenue Budget, following completion of the month 9 monitoring exercise.

**B. RECOMMENDATION**

It is recommended that Council Executive:

1. Notes that the outcome of the month 9 monitoring exercise is a £1.588 million underspend for the General Fund revenue budget in 2019/20, an increase of £200,000 compared to the previously reported position;
2. Notes that Council and Council Executive had previously agreed in September and November 2019 respectively to retain a projected underspend of £1.388 million and a one-off wind fall of £540,000 pending the outcome of the local government finance settlement in December 2019.
3. Notes that the Scottish Budget and local government finance settlement will now be announced on 6 February 2020 and agrees to retain the projected underspend of £1.588 million and the windfall of £540,000 until the council's 2020/21 revenue budget setting meeting.
4. Agrees that Heads of Service progress additional actions to mitigate the recurring, year on year, pressures of £1.784 million, with further detailed updates to be provided to Council Executive as part of the draft outturn report in June 2020;
5. Agrees that Heads of Service take all management action necessary to ensure that 2019/20 expenditure is managed within budgeted resources available;
6. Notes the good progress in the delivery of approved budget savings for 2019/20 to 2022/23.

**C. SUMMARY OF IMPLICATIONS**

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|---|---|
| <b>I Council Values</b>   | Focusing on customers' needs, being honest, open and accountable, making best use of resources, working in partnership.   |
| <b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b> | Local Government (Scotland) Act 1973, Section 95; Local Government in Scotland Act 2003, Section 1-14.  |
| <b>III Implications for Scheme of Delegations to Officers</b>   | Effective budget management is an essential element of service performance. Additional financial reporting provides elected members with information to allow for proper scrutiny of performance of services. |
| <b>IV Impact on performance and performance Indicators</b>  | The revenue and capital budgets provides resources necessary to help deliver the Single   |

Outcome Agreement. Effective prioritisation of resources is essential to achieving key outcomes.

<b>V</b>	<b>Relevance to Single Outcome Agreement</b>	None.
<b>VI</b>	<b>Resources - (Financial, Staffing and Property)</b>	The outcome of the monitoring exercise at month 9 is a forecast underspend of £1.588 million and a one-off windfall of £540,000.
<b>VII</b>	<b>Consideration at PDSP</b>	There is reporting of Financial Performance to each PDSP twice a year covering the relevant portfolio budgets.
<b>VIII</b>	<b>Other consultations</b>	Depute Chief Executives and Heads of Service

## D. TERMS OF REPORT

### D.1 Background

This report sets out the overall financial performance of the General Fund Revenue Budget for the period to 31 December 2019 and provides a year-end financial forecast which takes account of relevant issues identified in individual service budgetary control returns. The report also considers the position regarding the delivery of approved budget reduction measures. The risk based budget monitoring process is undertaken in line with the council's budgetary control framework and procedures and helps contribute to spend being managed within available budget resources and approved savings being fully delivered.

### D.2 Month 9 Summary Financial Information for 2019/20

The table below summarises the position in relation to service expenditure following the budget monitoring exercise at month 9. Overall, the revenue budget is forecast to underspend by £1.588 million in 2019/20, an increase of £200,000 compared to the position reported at month 6. Council and Council Executive respectively agreed that the one-off £1.388 million underspend in 2019/20 at period 6 and the additional one-off windfall of £540,000 in relation to the appeals process for non-domestic rates (NDR) and the Business Rates Incentivisation Scheme should both be retained pending the announcement of the Scottish Budget and local government settlement, which at that time was intended to be on 12 December 2019. It is proposed that the projected underspend of £1.588 million and the one-off windfall of £540,000, are retained until the 2020/21 revenue budget setting meeting.

Service	2019/20 Budget £'000	Commitment at Month 9 £'000	Forecast Outturn £'000	Projected Variance Over / (Under) £'000
<b>Education, Planning, Econ Dev &amp; Regen</b>				
Education	172,067	166,259	170,679	(1,388)
Planning, Econ Development & Regeneration	4,121	5,189	4,121	0
<b>Education, Planning, Econ Dev &amp; Regen - Total</b>	<b>176,188</b>	<b>171,448</b>	<b>174,800</b>	<b>(1,388)</b>
<b>Social Policy</b>				
IJB – Adult and Elderly Services	75,166	110,256	75,166	0
Non IJB – Children's Services	35,542	41,373	34,603	(939)
<b>Social Policy – Total</b>	<b>110,708</b>	<b>151,629</b>	<b>109,769</b>	<b>(939)</b>
<b>Corporate, Operational and Housing</b>				
Operational Services	55,021	50,842	56,119	1,098
Housing, Customer and Building Services	8,209	1,817	8,378	169
Corporate Services	11,133	12,538	11,133	0
<b>Corporate, Operational and Housing - Total</b>	<b>74,363</b>	<b>65,197</b>	<b>75,630</b>	<b>1,267</b>
<b>Chief Executive, Finance and Property</b>	<b>23,870</b>	<b>26,334</b>	<b>23,670</b>	<b>(200)</b>

Service	2019/20 Budget £'000	Commitment at Month 9 £'000	Forecast Outturn £'000	Projected Variance Over / (Under) £'000
Joint Valuation Board	1,155	871	1,155	0
<b>Service Expenditure – Total</b>	<b>386,284</b>	<b>415,479</b>	<b>385,024</b>	<b>(1,260)</b>
Non-Service Expenditure	41,580	3,241	41,358	(222)
<b>TOTAL EXPENDITURE</b>	<b>427,864</b>	<b>418,720</b>	<b>426,382</b>	<b>(1,482)</b>
<b>Funding</b>				
AEF	(259,929)	(259,929)	(259,929)	0
Non Domestic Rates	(85,327)	(85,327)	(85,327)	0
Council Tax Funding	(82,608)	(82,714)	(82,714)	(106)
<b>TOTAL FUNDING</b>	<b>(427,864)</b>	<b>(427,970)</b>	<b>(427,970)</b>	<b>(106)</b>
<b>TOTAL NET EXPENDITURE</b>	<b>0</b>	<b>(9,250)</b>	<b>(1,588)</b>	<b>(1,588)</b>

### D.3 Update on 2019/20 recurring pressures

As at month 9, the recurring pressures total £1.784 million, an increase of £46,000 from the position reported at month 6. As previously reported, these pressures mainly relate to homelessness provision within Housing, Customer and Building Services and school transportation and employee costs within Operational Services. Heads of Service have provided a summary of progress against actions and this is contained within Appendix 1.

As a result of one-off resources provided in 2019/20, these areas are forecast to overspend by £824,000 in 2019/20 and this is reflected in the overall position noted within this report. There continues to be positive reductions in the majority of these areas and further work is ongoing to reduce expenditure on a recurring basis. It should be noted that the provision of one-off budget does not eliminate the pressure on a recurring basis. It is therefore essential that previously agreed actions are implemented as planned to ensure current and future year spend in these areas is managed within available resources.

### D.4 Summary of Main Issues in Service Expenditure Budgets

#### D.4.1 Education & Planning, Economic Development & Community Regeneration

##### Education

The revenue budget for Education is currently forecast to underspend by £1.388 million in 2019/20. Resources for schools are allocated in line with the approved scheme of Devolved School Management (DSM) and budgets reflect actual pupil rolls as outlined in the scheme taking account of school census numbers. DSM forecasts have been provided by schools which form part of the budget monitoring exercise for period 9. The DSM carry forward is expected to remain in the region of £845,000 at the end of the financial year. The budget for long term absence is forecast to overspend by approximately £335,000 and further analysis of spend in this area is being undertaken to consider whether this is likely to become a recurring pressure that will need to be addressed in 2020/21.

It is anticipated the Scottish Attainment Challenge funding, which includes Pupil Equity funding of £5.191 million, will be fully utilised by schools during the course of the forthcoming academic year, in line with the conditions of grant.

Plans continue to be developed to fully roll out initiatives including the increase in Early, Learning and Childcare provision to 1,140 hours per annum for all eligible two, three and four year olds by August 2020 and a school counselling service covering P6 and P7 and the secondary sector. In addition, in January 2020, the Scottish Government confirmed annual recurring funding of £585,000 to employ pupil support workers to support the additional needs

of pupils in the school environment.

Within Culture and Sports, there is a projected overspend mainly due to staff costs being over budget within Arts. Workforce planning measures have ensured that costs are now in line with available resources on a recurring basis following implementation of the new staffing structure. Other key risk areas include income generation at Burgh Halls, which will be closely monitored over the remainder of the year. The overspends noted above are being offset against staff savings within Adult Learning and Psychological Services which have arisen from vacant posts and approved savings measures delivered earlier than anticipated.

West Lothian Leisure (WLL) is currently forecasting an overspend of £76,000 in 2019/20, which is £121,000 less than the previous forecast of a £197,000 deficit, with the change mainly due to an increase in the forecast for membership income. The remaining deficit is attributable to the timing of implementation of the WLL modernisation programme. The general reserve balance, as at 31 March 2019, is £441,000. WLL have undertaken a review of their cash position and report no short term cash concerns at this time. WLL continue to implement their three year financial plan 2019/20 to 2021/22 with regular updates being provided to the WLL Advisory Committee.

#### Planning, Economic Development and Regeneration

A break-even position is forecast for the year. Income generation from planning applications and building warrants is anticipated to be higher than budgeted levels, however, a number of planning applications have been received in relation to Winchburgh schools and other major developments in the current year and this income will be required for future year staffing costs. A prudent estimate has been included due to the uncertainty within the construction industry. The service has now received confirmation from the Scottish Government around current suspension of reimbursement of European funding to local authorities. It has been confirmed that the Scottish Government will now accept claims for expenditure incurred but not yet claimed to progress towards payment, subject to standard verification procedures. Further clarification is required on European funding for 2020/21 onwards.

Economic Growth Fund spend to date for the current financial year is £280,000. Total remaining funding is £3.9 million, of which £3.2 million has been committed. Further work is being undertaken to determine how the uncommitted funding of £700,000 is to be spent.

#### **D.4.2 Social Policy**

The forecast for the IJB area is a breakeven position, and the forecast position for Non-IJB is an underspend of £939,000. There are however a number of pressure areas in IJB, including, as previously reported, the older people care home budget where additional costs have been incurred to cover for staff absence and internal care at home services where costs are being incurred to cover for a shortfall in care capacity provided by the external market. These pressures are being offset by early delivery of future year savings and an underspend in the forecast cost of externally purchased care at home due to capacity issues.

For Non-IJB areas, the underspend is largely due to reduced costs in Foster and Kinship Care and External Placements for Children. The underspends in these areas reflect accelerated progress towards achieving approved 2020/21 savings.

#### **D.4.3 Corporate, Operational and Housing Services**

##### Corporate

A break-even position is forecast. Early delivery of 2020/21 approved savings and one-off underspend on supplies and services within IT is offsetting pressures elsewhere within the service, in particular, medical fees and procurement rebates. Medical fees expenditure is a centralised budget for the council and is directly linked to sickness absence levels across the council.

## Operational Services

An overspend of £1.098 million is forecast, an increase of £250,000 compared to position reported at month 6.

Pressures within Facilities Management are as a result of higher than budgeted sickness absence levels. With there being a requirement to maintain staffing ratios in catering and facilities management, further savings in these areas of expenditure are constrained. There is a risk that overtime working to cover periods of absence to meet minimum staffing ratios may increase during the remaining winter months. Mitigating actions have been identified and an action plan is being prepared to minimise the financial impact of this in the current year.

Pressures within Recycling and Waste Management reflect the current position in relation to the phasing of staffing savings for organisational changes and the requirement to maintain staffing levels during festive collections. Staffing restructures have now been implemented and staffing levels are returning to budgeted levels, however, sickness absence rates continue to be higher and contribute towards a risk that expenditure further exceeds budget.

Overall, Public Transport expenditure for the current financial year is anticipated to be within budgeted resources, taking account of one-off resources to mitigate recurring pressures. A recurring pressure of £272,000 remains for Mainstream Schools Transport. Of this recurring pressure, £192,000 relates to routes being funded by one-off resources in 2019/20 while £80,000 is considered to be the net underlying recurring pressure which will be incorporated in the proposed 2020/21 budget. Any further changes in the supported bus network or mainstream school transport could impact on this position.

Roads and Transportation expenditure is forecast to break-even, however, there is a risk of an overspend if capital work in the remainder of the year is unable to be carried out due to ground conditions. In addition, there is a risk that the impact of severe weather over the remaining winter months could affect the ability to achieve income reallocations to capital, however, at this stage an underspend on the weather emergency budget is possible if the milder weather continues for the remainder of the financial year.

Nets, Land and Countryside expenditure is forecast to break-even.

## Housing, Customer & Building Services (General Fund Revenue)

An overspend of £169,000 is forecast across the service area, a reduction of £44,000 from the position reported at month 6, mainly as a result of staffing vacancies and turnover. The pressure is primarily in Homelessness as a result of the ongoing demand for temporary accommodation. The average number of clients per night accommodated in B&B has reduced from 99 during 2018/19 to 75 for the period from April to December 2019. This reduction, as well as additional one-off budget of £550,000, is mitigating the pressure in B&B spend but pressures elsewhere in the budget i.e. staffing, repairs, and void rent loss are main factors in the overspend. Homelessness transport costs have reduced following process review and removal of long standing cases but a recurring pressure of £63,000 remains to be addressed.

Funding for Rapid Rehousing Transition Plans (RRTPs) has been confirmed by the Scottish Government with £302,000 allocated for West Lothian in 2019/20 and £311,000 in 2020/21. This is significantly less than the £3 million applied for in the council's submission to the Scottish Government. The RRTP is a multi-year plan to reduce the numbers of people presenting as homeless, as well as rehousing people who are homeless quicker and reducing the length of stay in temporary accommodation and B&B accommodation. Following confirmation of the funding, priority areas have been identified and agreed with the recruitment process underway.

The council's approved Housing Capital programme includes provision for additional housing stock through the new build projects, open market acquisitions and the mortgage to rent

scheme, all of which are intended to mitigate some of the pressures on the homelessness budget as more housing stock becomes available to be let. In addition, the General Services Capital Programme includes funding for Single Person Homeless Accommodation and Assessment Centre which is anticipated to alleviate some of the pressure. However, further actions will also be required to reduce expenditure on a recurring basis and fully mitigate the budget pressure, including increasing the number of private sector lets and increasing the number of available properties via registered social landlords and a change in the allocations policy.

The forecast overspend for Homelessness is partly offset by underspends in the Community Safety Unit and Customer Service Centre. Customer and Community Services is also forecast to underspend in 2019/20 with a staffing underspend offsetting the continuing pressure in registration income. Even with increases in discretionary charges, forecast registration income is expected to be £64,000 lower than the peak of £279,000 recorded in 2016/17.

#### **D.4.4 Chief Executive, Finance and Property Services**

The revenue budget for Chief Executive, Finance and Property Services is currently forecast to underspend by £200,000 due to savings measures being delivered earlier than planned. At month 6 this budget was forecast to break-even. There are emerging pressures within Property particularly surrounding reactive repairs. Energy budgets continue to be closely monitored and there are a number of projects being undertaken to deliver agreed savings.

#### **D.4.5 Staffing Performance Factor**

A staffing performance factor saving of £2.334 million is included in the 2019/20 budget and is an annual savings target to be met within service budgets each year. Based on the position at month 9, the majority of service areas are forecasting that the staff performance factor saving will be achieved through staffing underspends although this will be closely monitored for the remainder of the financial year. Within Operational Services, the monitoring exercise has highlighted pressures within staffing costs and further action is being taken as noted within this report.

#### **D.4.6 Joint Valuation Board**

A break-even position is forecast.

#### **D.5 Non-Service Expenditure**

The Council Tax Reduction Scheme is currently forecast to underspend by £222,000, and despite pro-active work by officers on maximising take up, the roll-out of Universal Credit is reducing the level of applications for Council Tax Reduction, albeit by a relatively small amount. An Improvement Group is regularly reviewing the processes, to ensure Council Tax collection is not adversely impacted.

Following the completion of the appeals process for non-domestic rates (NDR) for a number of council properties, there was a net one off refund of £400,000 relating to NDR payments made by the council in previous years and a one off payment in the current year of £140,000 under the Business Rates Incentivisation Scheme (BRIS) due to the council exceeding BRIS income targets in 2017/18. As mentioned earlier in the report, it is proposed that these amounts are retained pending the council's revenue budget setting meeting.

#### **D.6 Modernisation Fund**

A vital element in the council's approach to proactive workforce planning is the availability of the Modernisation Fund to cover the costs associated with employee exit arrangements. To date, the Modernisation Fund has largely been used to support early retirement / voluntary severance (ERVS) costs, however the fund is also available to help manage wider changes.

Taking account of the requirement for anticipated one-off costs in future years, Council agreed on 24 September 2019 to the allocation of additional one-off funding of £1.282 million in 2019/20 for the Modernisation Fund.

Taking account of ERVS approved at month 9, ERVS expenditure totals £1.314 million, including £783,000 for WLL as agreed by Council Executive. The remaining balance of the Modernisation Fund in 2019/20 is £1.054 million. Any uncommitted monies will be available to roll forward to future years. The requirement for the fund will be kept under review.

#### **D.7 Funding in 2019/20**

The council's revenue grant is forecast to be on budget. Any additional grant funding for 2019/20 announced during the year will be reported in future monitoring reports.

Council Tax income, which was previously forecast to under recover by £50,000, is now forecast to over recover by £106,000. This movement is largely due to a comprehensive review of the level of exemptions and discounts in place.

Revenue grant funding and council tax income is supplemented by non-recurring funding of some activities such as employability, some local bus services and fixed term staff, and it is important that service spend commitments attached to this funding take account of the duration of funding available.

#### **D.8 Approved Budget Reduction Measures**

PDSPs considered updated financial planning assumptions for the three years 2020/21 to 2022/23 during the Autumn of 2019. It is proposed that any changes to the budget model and approved budget savings will be reported for consideration at the Council budget setting meeting in February 2020. In addition, as noted in the PDSP report, officers will continue to review and refine the budget model assumptions in line with established practice in advance of presenting an updated three year detailed revenue budget to Council in February 2020.

It was reported to the Partnership and Resources PDSP on 12 September 2019 that the balance of savings still to be identified after taking account of an update to the financial model was £6.730 million. This figure will be revised following update of the budget model and confirmation of Scottish Government funding for 2020/21.

Modelling of the potential impact of the Scottish Government's Deposit Return Scheme is ongoing, including any impact on approved savings from the introduction of a twin stream recycling collection service and the impact this may have on council funding and expenditure.

In line with the council's agreed budgetary control framework and procedures, a review of the delivery of budget reductions for the period 2019/20 to 2022/23 was completed by Heads of Service and has demonstrated that good progress is being made. Based on the exercise carried out for the four year period to 2022/23, 47% of reductions are categorised as green which indicates that Heads of Service consider that the saving is achieved or achievable. The remaining 53% of reductions are categorised as amber meaning that an achievable plan is still to be agreed or existing/emerging issues require additional actions to be undertaken. In some cases, further Committee approval is required to progress these reductions. No reductions are considered unachievable. A number of projects will require further development where policy changes are required and will be considered by Policy Development and Scrutiny Panels and Council Executive. Specifically for 2019/20, 100% of savings are categorised as achieved or achievable, demonstrating that good progress is being made in the delivery of approved savings.

#### **D.9 Summarised Budget Position for 2019/20**

The outcome of the month 9 monitoring exercise is a projected underspend of £1.588 million along with an additional one-off windfall of £540,000 in relation to the appeals process for non-

domestic rates (NDR) and the Business Rates Incentivisation Scheme. It is proposed to retain these one-off sums pending the council's revenue budget setting meeting.

Recurring overspends remain and are largely offset by one-off resource in the current year. There has been a positive reduction in the recurring pressures within these areas and this is anticipated to continue. Good progress is being made in delivery of budget savings with 100% of savings in 2019/20 categorised as green. No savings are currently categorised as red.

## **E. CONCLUSION**

An underspend of £1.588 million is forecast at period 9 for 2019/20. Good progress is being made in the delivery of approved budget reductions.

## **F. BACKGROUND REFERENCES**

Revenue Budget 2019/20 - 2022/23 - Report by Head of Finance and Property Services to West Lothian Council on 19 February 2019

2019/20 General Fund Revenue Budget – Month 4 Monitoring Report – Report by Head of Finance and Property Services to Council Executive on 10 September 2019

Update on Revenue Budget Strategy 2020/21 to 2022/23 – Budget Update and Potential Additional Saving Measures - Report by Head of Finance and Property Services to Partnership and Resources PDSP on 12 September 2019

Update on Review of the Loans Fund, Insurance Fund and Modernisation Fund - Report by Head of Finance and Property Services to West Lothian Council on 24 September 2019

2019/20 General Fund Revenue Budget – Month 6 Monitoring Report – Report by Head of Finance and Property Services to Council Executive on 12 November 2019

Appendices/Attachments:

Appendix 1

Update on Existing Recurring Budget Pressures

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**Donald Forrest**  
**Head of Finance and Property Services**  
**4 February 2020**



## Appendix 1 – Update on Existing Recurring Budget Pressures

<b>Housing, Customer and Building Services – Homelessness</b>				
<b>2019/20 Forecast Variance at Month 9 £'000</b>	<b>Recurring Pressure at Month 9 £'000</b>	<b>Update from Heads of Service on agreed actions at Council Executive 26 February 2019</b>	<b>Update on agreed actions since Month 6 update to Council Executive in November 2019</b>	<b>Update on actions to be taken during the remainder of 2019/20</b>
25	525	Income from charging for bed and breakfast accommodation has been agreed and monitoring continues. The RRTP will set out a plan to reduce the numbers of homelessness people requiring accommodation. As this is a multi-year plan, additional £550,000 one-off budget has been provided in 2019/20.	<p>Agreement has been reached with the four main RSL partners on targets for percentage of social lets to homeless and is being monitored.</p> <p>The council has been advised by the Scottish Government of the RRTP funding allocation for 2019/20 and 2020/21 of £302,000 and £311,000 respectively. Priority areas have been identified and agreed with the recruitment process underway.</p>	<p>The RRTP is multi-year and additional one-off budget of £550,000 is agreed for 2019/20. The recurring pressure of £525,000 is a reduction on the £560,000 reported at month 8. Average homeless numbers per night in 2019/20 are 75 for the year to 22 December. This compares to the full year average of 99 in 2018/19. The additional one-off resource is not anticipated to mitigate the pressure in full and close monitoring will be required throughout 2019/20.</p> <p>For 2020/21, it is proposed to include one-off resource of £550,000 in the revenue budget.</p>

<b>Housing, Customer and Building Services - Homelessness Transport</b>				
<b>2019/20 Forecast Variance at Month 9 £'000</b>	<b>Recurring Pressure at Month 9 £'000</b>	<b>Update from Heads of Service on agreed actions at Council Executive 26 February 2019</b>	<b>Update on agreed actions since Month 6 update to Council Executive in November 2019</b>	<b>Update on actions to be taken during the remainder of 2019/20</b>
(137)	63	The recurring pressure has reduced as a result of a process review and reduction in long term cases. It is therefore proposed to further review existing contracts to achieve contractual savings, noting that there is no longer a requirement to amend existing policies. Additional £200,000 one-off budget has been provided in 2019/20.	The proposal to change the Homelessness Transport policy will no longer be taken forward. The recurring pressure has reduced since the start of 2019/20 as a result of a process review and removal of long standing cases. Alternative methods of transport at lower costs are provided, where suitable.	<p>It is proposed that there is no policy change at this stage but mitigation of the budget pressure will be achieved through delivery of actions from the RRTP.</p> <p>Additional, one-off budget of £200,000 is agreed for 2019/20. The additional one-off resource is expected to mitigate the pressure in full in 2019/20 but, at this point, a recurring pressure of £63,000 is forecast beyond that, an increase from the £55,000 reported at month 8.</p> <p>For 2020/21, it is proposed to include one-off resource of £50,000 in the revenue budget.</p>

<b>Operational Services - Mainstream School Transport</b>				
<b>2019/20 Forecast Variance at Month 9 £'000</b>	<b>Recurring Pressure at Month 9 £'000</b>	<b>Update from Heads of Service on agreed actions at Council Executive 26 February 2019</b>	<b>Update on agreed actions since Month 6 update to Council Executive in November 2019</b>	<b>Update on actions to be taken during the remainder of 2019/20</b>
0	272	Officers are continuing to progress actions to mitigate the pressure.	<p>The recurring pressure remains £272,000. Of this recurring pressure, £192,000 relates to routes that are being funded by one-off resources in 2019/20 while £80,000 is considered to be a recurring pressure.</p> <p>2019/20 expenditure is anticipated to be within the available budget, taking account of one-off resource of £323,000.</p>	Public Transport and Education Services to continue to liaise to discuss wider projects and potential opportunities for reviewing school transport. It is proposed to include recurring provision of £80,000 in the 2020/21 revenue budget to cover the underlying core pressure.

<b>Operational Services – Overtime</b>				
<b>2019/20 Forecast Variance at Month 9 £'000</b>	<b>Recurring Pressure at Month 9 £'000</b>	<b>Update from Heads of Service on agreed actions at Council Executive 26 February 2019</b>	<b>Update on agreed actions since Month 6 update to Council Executive in November 2019</b>	<b>Update on actions to be taken during the remainder of 2019/20</b>
159	147	Council Executive has agreed revised service standards and it is expected that the pressure will be fully mitigated by 1 April 2019 once the new standards are implemented.	<p>The 2019/20 overspend has reduced after taking account of actual working arrangements within Refuse Collection.</p> <p>On a recurring basis, there is no change to the recurring pressure as the service has seen a levelling off of sickness levels which will allow for a balancing of overtime costs. The Recycling Centre and Transfer Station are reducing overtime working requirements as a result of the timescales for implementing the new section structure and filling of the part time roles at the Recycling Centre.</p>	<p>Continue to monitor sickness absence rates and related expenditure on overtime.</p> <p>The recruitment into the part time roles within the Recycling Centres has been completed with start dates to be confirmed post medical check. All staff will be in position by the end of January 2020.</p> <p>The recurring overspend will be updated following the implementation of the part time roles within the Recycling Centre to balance the current covering from overtime and to map the remaining trend for overtime costs during 2019/20.</p> <p>Further consideration is being given to working patterns and collection arrangements over the Easter and Christmas period to ensure that there are no significant additional costs on an annual basis.</p>

<b>Operational Services – Facilities Management Staffing Costs</b>				
<b>2019/20 Forecast Variance at Month 9 £'000</b>	<b>Recurring Pressure at Month 9 £'000</b>	<b>Update from Heads of Service on agreed actions at Council Executive 26 February 2019</b>	<b>Update on agreed actions since Month 6 update to Council Executive in November 2019</b>	<b>Update on actions to be taken during the remainder of 2019/20</b>
367	367	This is a new recurring pressure from 2019/20.	There is no change to the forecast position from month 8. The variance is largely due to the levels of sickness and a limited contingency to cover for absences. Measures are in place to mitigate the value of the pressure and these include priority cleans only where there is staff absences and early delivery of a 2020/21 staffing saving.	<p>The monitoring has indicated that the situation remains consistent with high levels of sickness absence. The situation requires close monthly monitoring during the next few months.</p> <p>Mitigating actions have been identified and these include:</p> <ul style="list-style-type: none"> <li>• New fixed term contracts are being put in place;</li> <li>• Early delivery of 2020/21 food and catering supplies savings;</li> <li>• Delay in the replacement of certain equipment.</li> </ul> <p>Further work is being carried out to agree an action plan, however, the pressure at this stage is not anticipated to mitigate in full.</p>

<b>Social Policy – Older People Care Homes - Absence Cover</b>				
<b>2019/20 Forecast Variance at Month 9 £'000</b>	<b>Recurring Pressure at Month 9 £'000</b>	<b>Update from Heads of Service on agreed actions at Council Executive 26 February 2019</b>	<b>Update on agreed actions since Month 6 update to Council Executive in November 2019</b>	<b>Update on actions to be taken during the remainder of 2019/20</b>
410	410	This pressure has been previously reported but action was taken to address the situation. The forecast pressure has emerged in the current financial year.	This pressure was noted for the first time in November 2019. Data gathering work has commenced to inform future actions. This pressure is related to the issues in care at home and the difficulties in recruiting people to work in care	<p>Action is being taken to address the direct causes of this recurring pressure, including:</p> <ul style="list-style-type: none"> <li>• A review of comparative rates of pay between basic pay, overtime and agency</li> <li>• Analysis of reasons behind difficulties in recruiting to vacant permanent positions</li> <li>• Work to understand choice of external care staff choosing agency work ahead of permanent positions</li> </ul> <p>It has been identified that cover for vacancies is a major factor in the requirement to employ agency staff and to work overtime. Initial work will therefore focus on addressing this issue including:</p> <ul style="list-style-type: none"> <li>• Appropriate recruitment to maintain staffing levels</li> <li>• Potential to establish 'cover hubs' where a central pool could cover vacancies across the service (not just in care homes)</li> <li>• Longer term work on developing a recruitment policy to attract more entrants to this market.</li> </ul>