

Financial Monitoring 2014/15 – General Fund Revenue – Material Variances**Education, Communities and Economy****Children's Services**

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Non-residential services commissioned for children with disabilities	Higher than budgeted levels of demand for respite, day care and care at home for children with disabilities.	252	Demand and demographic pressures are being closely monitored and managed.
Gross Overspend		252	
<i>Offset by:</i>			
Residential and day education placements	Control of demand is leading to a projected underspend for residential school and external care home placements.	(300)	Demand and demographic pressures are being closely monitored and managed.
Children's Homes	Due to current lower than anticipated occupancy levels the residential units are operating with a vacant post and an underspend on locum staff.	(96)	A review of this service is underway as part of the Children's Services review.
Non-residential services commissioned for children without disabilities	Control of demand is leading to a projected underspend for taxi services, aftercare placements and alternative methods of provision of supervised contact.	(92)	Demand and demographic pressures are being closely monitored and managed.
Family Placements	Change in the commissioning arrangements for adoptive placements and windfall income from a service provider.	(87)	This variance will be addressed as part of the 2015/16 budget setting process.
Employee Vacancies and Performance Factor	Vacant post within the Hawthorn Children's Centre and Child protection.	(37)	Recruitment is underway to these vacant posts.
Other non-material variances	Miscellaneous over and underspends covering the remaining areas of the Children and Families budget.	(1)	
Net Underspend		(361)	

Communities and Economy

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Regeneration Income	Anticipated failure to achieve income targets within the MiTech service.	38	
Gross Overspend		38	
<i>Offset by:</i>			
Planning and Building Standards Fee Income	Higher than budgeted income from development management and building standards fees.	(190)	Conditions in the housing and commercial development markets are showing signs of recovery.
Private Sector Housing Grants	Grants issued to date are lower than expected.	(53)	Demand led budget so open to significant fluctuation if there is a significant change in the volume or value of applications.
Employee vacancies and performance factor	Vacant posts.	(53)	No impact on frontline service.
Landlord Registration Income	Fees charged for Landlords.	(17)	No impact on frontline service.
Net Underspend		(275)	

Health and Social Care

Adult Social Care

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Residential Homes for Older People	Projected overspend at Newbyres mainly due to the requirement to use locum staff and overtime to cover gaps in the rota.	440	A review of the staffing structure in both residential homes is being considered. Vacancies at Newbyres are to be recruited to and sickness absence management continues.
Aids and Adaptations	Higher than budgeted level of demand.	60	Demand and demographic pressures are being closely monitored and managed.
Home Care / Rapid Response Team	Projected overspend on staff travel due to the increase in referrals to the service over the last 2 years.	59	The Rapid Response Team is considering the option of acquiring a van for on-call use which may lead to cost savings.
Cherry Road, Community Action Team and Shared Lives	Non-achievement of employee performance factor.	51	Maintaining staffing levels helps reduce pressure on the resource panel budget.
Gross Overspend		610	
<i>Offset by:</i>			
Fieldwork Staffing	Projected underspend on employee costs due to vacant posts.	(127)	
Learning and Development	Spend has been constrained to counter pressures elsewhere in the service.	(112)	No impact on frontline service and offsets cost of essential cover for front-line staff with mandatory training requirements.
Criminal Justice	Projected spend is less than budgeted and a proportion of Scottish Government funding can be used to cover management and other overheads.	(48)	No impact on frontline service.
Management and Administration	A projected underspend on employee costs due to vacant posts.	(37)	No impact on frontline service.
Community Care Resource Panel	Assessed needs are less than currently less than budgeted.	(32)	The Resource Panel will continue to allocate resources where a critical or substantial need has been identified. Scrutiny of all applications is ongoing to ensure effective spend to meet assessed needs.
Other non material variances	Miscellaneous over and undespends covering the remaining areas of the Adult Social Care Budget.	(89)	No impact on frontline service.
Net Overspend		165	

Customer and Housing Services

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Homelessness accommodation	<p>The number of people requiring accommodation exceeds the number budgeted as a consequence of difficulty in moving on existing clients from Bed and Breakfast accommodation (B and B) due to:</p> <ul style="list-style-type: none"> • Lower turnover of available permanent housing due to phase 2 of the new social housing programme; • Longer-term occupancy in B and B due to under occupancy limitations introduced into the social rented sector as part of welfare reform. 	55	The budget provided for an average 84 B and B places per week and it is anticipated there will be an average of 86 places. Action is being taken to reduce this with alternative options being developed across all available tenures.
Community Safety	Non-achievement of shared analyst service planned as part of 2014/15 budget development.	17	This will be factored into the 2015/16 Budget Setting process.
Other non-material variances	Miscellaneous over and undespends covering the remaining areas of the Customer and Housing Services budget.	1	No impact on frontline service.
Net Overspend		73	

Resources

Commercial Services

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Waste Disposal Charges	Haulage costs for transporting waste to Easter Langlee not included in the 2014/15 budget.	250	The 2014/15 budget was based on there being no charge for haulage. This will be factored into the 2015/16 budget.
Travel and Fleet Services	Costs of Vehicle Road Fund Licences due to change in fleet profile.	16	The 2015/16 base budget will be reviewed.
Employee Costs	One-off payment to School Crossing Staff whose contractual hours have altered.	44	One-off cost
	Staff vacancies are insufficient to meet the employee performance factor.	76	
Vogrie Country Park income	Golf course use is lower than anticipated.	20	Despite running a number of promotions, income at Vogrie for golf and parking remain below budget.
	Parking income is not expected to achieve the income target.	15	Usage of paid parking is lower than anticipated.
Roads Services Fee Income	Lower than anticipated number of new road openings and a drop in the number of defect inspections deemed necessary. This has consequently resulted in an underspend in fee income.	25	The 2015/16 base budget will be reviewed.
Gross Overspend		446	
<i>Offset by:</i>			
Supported Buses	The replacement of service 328 with a ring and go service has resulted in reduced cost due to low demand for the revised service.	(35)	Further changes to this service are currently being explored.
Traffic Warden Service	Council on 24 th March approved a supplementary estimate of £24,000 to fund the Traffic Warden service for 12 months. Since then costs have been negotiated downwards.	(11)	A further report to Council before the end of the financial year will outline the up to date position.
Net Overspend		400	

Finance and Integrated Service Support

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Mi-Future	The costs of staff currently in SWITCH and projected to remain in SWITCH exceeds budget.	205	6 months budget is moved to Switch with displaced employees. The Mi-Future team continues to work towards a satisfactory resolution for each employee in SWITCH.
The former Hopefield Primary School	The former Hopefield Primary School is being used as an archive and also for other storage.	31	No budget was provided as it was anticipated this facility would not be in operational use.
Gross Overspend		236	

Properties and Facilities Management

Description of Variance	Reason for Variance	Quarter 1 £000	Additional information / Action taken
Bonnyrigg Leisure Centre	Security and Rates costs for the former Leisure Centre.	84	This will continue until a final decision is taken on any future use of the centre.
Sport and Leisure Income	Outdoor sports pitches at the Lasswade Centre are not yet available for use.	16	The business case for the new centre assumed income would be generated in this financial year. Pitches are expected to be available in spring 2015.
	The volume of Free Lets which reduce capacity for charges exceeds budget.	20	The 2015/16 base budget will be reviewed.
Gross Overspend		120	
<i>Offset by:</i>			
Employee Performance factor	Vacancies across the service have resulted in and over achievement of the employee performance factor	25	No impact on frontline service.
Net Overspend		95	

Other

Description of Variance	Reason for Variance	Quarter 1 £000	Additional Information / Action taken
Procurement	A target of £705k for procurement savings was set in 2014/15. This target is not anticipated to be met in full.	150	The Procurement Contract Delivery Plan 2013-17 has been agreed by Business Transformation Board and progress is being made towards savings targets although there is some slippage in some areas in 2014/15 which has reduced potential savings and there are also contract savings which impact on the Capital Account and the Housing Revenue Account.
ISS Review	The target of £750k for ISS will not be achieved in full in 2014/15 with £450k projected to be achieved which is a part year impact.	300	The full year effect of ISS savings is reflected in the Financial Strategy for 2015/16 to 2017/18.
Council Tax and Community Charge Income	A continued growth in Band D equivalents results in a higher than budgeted Council Tax yield.	(500)	The continued growth in Band D equivalents has been factored into Council Tax income budgets for 2015/16 and beyond.