


<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET</p> <p style="text-align: center;">11 JANUARY 2016</p>	
<p style="text-align: center;">CORPORATE REVENUE MONITOR 2015/16 MONTH 6- SEPTEMBER</p>	
<p style="text-align: center;">Report of the Cabinet Member for Finance: Councillor Max Schmid</p>	
<p>Open Report</p>	
<p>Classification: For Decision</p>	
<p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Hitesh Jolapara, Strategic Director for Financial Corporate Services</p>	
<p>Report Author: Gary Ironmonger, Finance Manager (Revenue Monitoring)</p>	<p>Contact Details: Tel: 020 8753 2109 E-mail: gary.ironmonger@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. The General Fund outturn forecast is an overspend of £3.824m with budget risks of £8.110m.
- 1.2. The HRA is forecast to underspend by £0.925m with HRA general reserves of £16.564m at year end. The HRA budget risks are £0.070m.
- 1.3. Due to the on-going transition the CRM6 forecast is not based on data taken from Agresso. It is focused on high risk areas and reflects discussions with service managers and information taken from other systems (e.g. Adult Social Care framework-i care payments & management system). Whilst this provides some assurance to the forecast figures it does expose the authority to a higher than normal financial risk. The longer the transition takes the greater the financial risk.

2. RECOMMENDATIONS

- 2.1. That the General Fund and HRA month 6 revenue outturn forecast be noted.
- 2.2. That the proposed virements of £0.486m as detailed in appendix 10 be agreed.

2.3. All overspending departments to agree proposals/action plans for bringing spend in line with budget.

3. REASONS FOR DECISION

3.1. The decision is required to comply with the financial regulations.

4. CORPORATE REVENUE MONITOR (CRM) 2015/16 MONTH 6 GENERAL FUND

Table 1: General Fund Projected Outturn – Period 6

Department	Revised Budget At Month 6 £000s	Forecast Year End Variance At Month 6 £000s	Forecast Year End Variance At Month 5 £000s
Adult Social Care	59,242	1,323	1,643
Centrally Managed Budgets	25,898	(120)	0
Children's Services	46,697	3,331	3,780
Environmental Services	45,533	180	332
Controlled Parking Account	(20,318)	(997)	(885)
Corporate Services	16,276	119	370
Housing Department	6,694	(12)	(14)
Library Services (Shared Services)	3,221	0	0
Public Health Services	0	0	0
Net Operating Expenditure*	183,243	3,824	5,226
Key Risks		8,110	8,093

*note: figures in brackets represent underspends

4.1. Detailed variance and risk analysis by department can be found in Appendices 1 to 8. Details of the main adverse variances can be found in appendices 1 (Adult Social Care) and 3 (Childrens Services).

4.2. The favourable variance for Centrally Managed Budgets excludes any unspent contingency funds. Currently £2.0m of contingency balances are uncommitted.

CORPORATE REVENUE MONITOR 2015/16 HOUSING REVENUE ACCOUNT

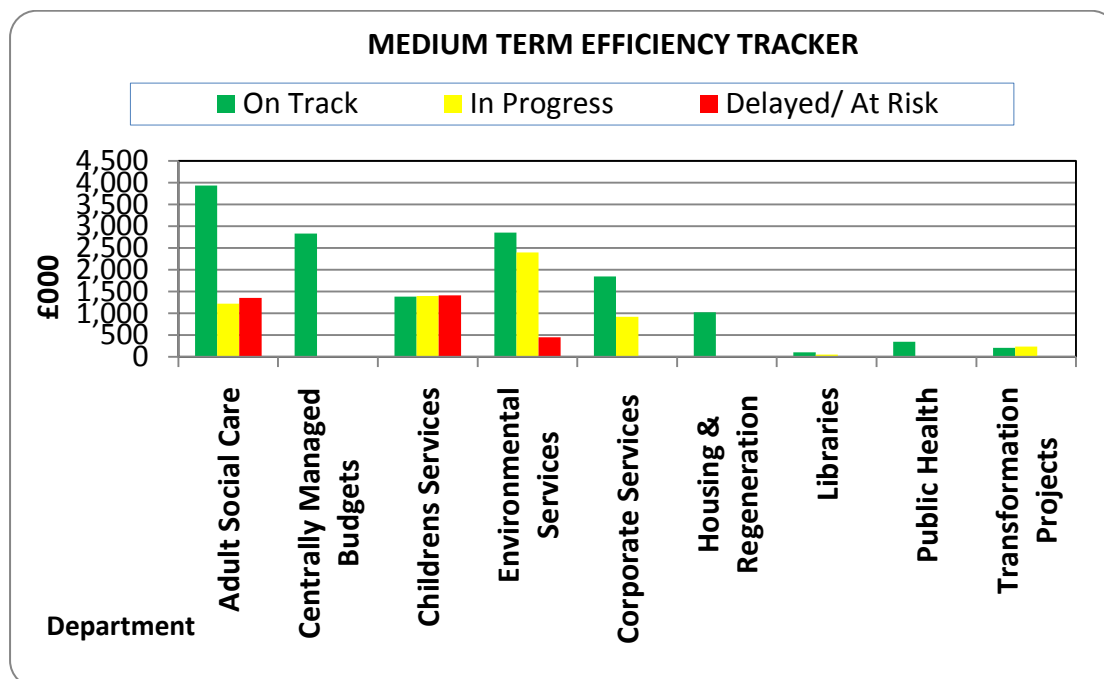
Table 2: Housing Revenue Account Projected Outturn - Period 6

Housing Revenue Account	£000s
Balance as at 31 March 2015	(13,165)
Add: Budgeted Contribution to Balances	(2,474)
Add: Forecast Underspend	(925)
Projected Balance as at 31st March 2016	(16,564)
Key Risks	70

4.3. Detailed variance and risk analysis can be found in Appendix 9.

5. MEDIUM TERM FINANCIAL STRATEGY EFFICIENCY TRACKER SUMMARY

5.1. The 2015/16 budget included efficiency proposals of £24m. Progress against these is summarised below and detailed in Appendices 1 to 9.



6. VIREMENTS & WRITE OFF REQUESTS

6.1. Cabinet is required to approve all budget virements that exceed £0.1m.

6.2. General Fund virements of £0.496m are requested this month. These are to provide funding for H&F Direct staffing costs using various funding sources (see appendices 5 and 10).

6.3. There are no write off requests at month 6.

7. CONSULTATION

7.1. N/A.

8. EQUALITY IMPLICATIONS

8.1. It is not considered that the adjustments to budgets will have an impact on one or more protected group so an EIA is not required.

9. LEGAL IMPLICATIONS

9.1. There are no legal implications for this report.

10. FINANCIAL AND RESOURCES IMPLICATIONS

10.1. The General Fund outturn forecast at Month 6 is for an overspend of £3.824m. This forecast is offset by £2.0m of contingency balances that are currently uncommitted.

- 10.2. The HRA outturn forecast at Month 6 is an underspend of £0.925m.
- 10.3. Due to the on-going transition the CRM6 forecast is not based on data taken from Agresso. It is focused on high risk areas and reflects discussions with service managers and information taken from other systems (e.g. Adult Social Care framework-i care payments & management system). Whilst this provides some assurance to the forecast figures it does expose the authority to a higher than normal financial risk. The longer the transition takes the greater the financial risk.
- 10.4. Implications verified/completed by: Gary Ironmonger, Finance Manager (Revenue Monitoring), Tel: 020 8753 2109.

11. IMPLICATIONS FOR BUSINESSES

- 11.1. Nothing within this report impacts on local businesses.

12. RISK MANAGEMENT

- 12.1. Details of actions to manage financial risks are contained within departmental appendices (1-10)

13. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 13.1. N/A

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

LIST OF APPENDICES:

- Appendix 1 Adult Social Care Revenue Monitor
- Appendix 2 Centrally Managed Budgets
- Appendix 3 Children’s Services Revenue Monitor
- Appendix 4 Environmental Services Revenue Monitor
- Appendix 4a Controlled Parking Account Revenue Monitor
- Appendix 5 Corporate Services Revenue Monitor
- Appendix 6 Housing Department Revenue Monitor
- Appendix 7 Library Services (Shared Services) Monitor
- Appendix 8 Public Health Services Monitor
- Appendix 9 Housing Revenue Account Monitor
- Appendix 10 Virements

APPENDIX 1: ADULT SOCIAL CARE

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Integrated Care	41,442	2,438	2,640	<p>Similar to the previous year, there are increasing pressures on the Home Care Packages and Direct Payments budgets as part of the out of hospital strategy, to support customers at home and avoid hospital admission or to enable early discharge. This has led to an increase in home care costs above that which would have normally occurred. There is a projected overspend of £1,440,000 which is partially offset by Community Independence Service (CIS) one off Investment allocation of (£358,000) to £1,082,000. The department jointly with the Clinical Commissioning Group (CCG) have commissioned a piece of work to understand the pressures on the health system causing the overspend in homecare. There will be additional cost pressures on the Homecare budget with the tendering of the new Home care contracts during 2015/16 - both from an increase in prices to improve quality and a potential increase in demand, although this is excluded from the current projections. The modelling of the effects of the contract will also include mitigations such as negotiating a contribution from the CCG and potential economies from new ways of working. In 2015/16 any budget pressures will be funded from the departmental pressures and demand balance sheet reserve.</p> <p>There is an underspend in the PFI budget of (£294,000) in 2015/16 due to an out of court settlement reached with Care UK under the PFI contract in April 2015.</p> <p>Within the Learning Disability (LD) Service, there is a net projected overspend of £456,000. The main reasons for the overspend relate to the full</p>

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
				<p>year effect of transitions customers and a further five Social Care customers now staying for the full year, resulting in the net LD Placement projected overspend of £171,000. Included in the projections is £87,000 MTFs shortfall and in Day Care review, an additional pressure of £198,000 of 7 new day centre clients. The department has commenced a management review of the high cost placements to see if any meet Continuing Health Care criteria, this work has reduced the projected overspend by £160,000 since last month.</p> <p>Within Mental Health services, the net projected underspend is (£58,000). The Placements budget shows a continued reduction in customer numbers since the commencement of this year and is projecting an underspend of (£309,000). This is offset by pressures in Home Care of £146,000 and in Supporting Living with four new customers with a projected overspend of £105,000.</p> <p>There are pressures continuing in the Assistive Equipment Technology budget with a projected overspend of £120,000 due to the out of hospital strategy and the additional spending on the CIS to prevent entry into hospital. From 2015/16, there is CCG funding from the CIS model to assist with the budgetary pressure. There is an income shortfall of £280,000 on Careline services.</p> <p>Within the ASC 2015/16 base budget is an MTFs efficiency of £2m following the negotiations with health over the first year of the Better Care Fund. The £2m efficiency target has various target measures to deliver this saving which include avoidance of care in residential and nursing placement, reduction in home care hours, saving from jointly commissioning section 75 contracts and securing lower prices from placement providers.</p> <p>To date the department is projecting the delivery of the following against this target:</p>

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
				<p>Reductions in residential and nursing placements is moving in the right direction, with some reduction in volumes of placements with savings of (£498,000) factored in. There is a projected underspend of (£650,000) from cost which meet benefit jointly commissioned social and health outcomes.</p> <p>After allowing for these two favourable variance, this leaves a net shortfall of £852,000.</p>
Strategic Commissioning & Enterprise	9,598	197	315	<p>There is a projected overspend of £114,000 from Supporting People (SP) procurement savings mainly resulting from three MTFS projects that cannot be progressed, of which £80,000 can be funded from the SP reserve. Since last month, the projections have improved by £118,000 due to the renegotiations of contracts and additional income. There is £83,000 unachievable in MTFS savings relating to Advocacy in the commissioning third sector payment services which can be funded from the pressures & reserve fund.</p>
Finance & Resources	7,420	0	0	
Executive Directorate	782	(75)	(75)	There is a projected underspend within the workforce development training budgets.
Total	59,242	2,560	2,880	
Funding from Pressures and Demand Reserve		(1,237)	(1,237)	<p>Cabinet have approved £853,000 on the 7th September and £384,000 on 2nd November of the requested drawdowns.</p> <p>The total ASC Pressures & Demand Reserve at the commencement of the financial year was £4.4m. After allowing for the drawn down of £1.237m, the balance of the reserve of £3.163m is earmarked for further pressures resulting from the new Home Care contracts and demand pressures in Learning Disabilities and Older people care groups over the next two financial years.</p>
Variance Post Reserve Funding	59,242	1,323	1,643	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
There is an aging population as growth is expected to be 1% per annum. The budget has been set with no overall growth for this financial year.		450
Increase in inflationary pressures for Older People, Physical Disabilities & Learning disabled people		300
Increase in demand Learning disabled transitions placements and care packages as no growth has been budgeted for.		290
Total		1,040

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Adult Social Care		MTFS Target	On Track	In Progress	Delayed/ At Risk
		£000s	£000s	£000s	£000s
Total MTFS Savings		6,514	3,933	1,224	1,357
Schemes Delayed / At Risk		£000s	Reason		
In Progress	1,224	Discussions are on-going with the service providers and at this stage are expected to be delivered			
Delayed / at Risk	1,357	Factored into the month 6 projections to be managed as part of the overall department budget.			

APPENDIX 2: CENTRALLY MANAGED BUDGETS

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Corporate & Democratic Core	5,857	(20)	0	Audit Fees are forecast to be under budget
Housing and Council Tax Benefits	(91)	0	0	
Levies	1,570	0	0	
Net Cost of Borrowing	1,082	0	0	
Other Corporate Items (Includes Contingencies, Insurance, Land Charges)	7,644	0	0	
Pensions & Redundancy	9,836	(100)	0	Unfunded pension costs (from historic redundancies) forecast to be under budget.
Total	25,898	(120)	0	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
Shared Services Office Accommodation Costs	0	720
Land Charge Income risk due to housing market activity levels.	25	100
Total	25	820

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Centrally Managed Budgets		MTFS Target	On Track	In Progress	Delayed/ At Risk
		£000s	£000s	£000s	£000s
Total MTFS Savings		2,833	2,833		
Schemes Delayed / At Risk	£000s	Reason			

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

More robust information from the finance system combined with activity analysis (Land Charges) has led to more confidence in the variance reporting for some service areas.

APPENDIX 3: CHILDREN'S SERVICES

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Family Services	30,023	2,612	3,153	<p>The favourable movement from CRM5 is mainly as a result of a review of the current cohort who will be moving into fully independent accommodation. After review it is believed that this could be delivered earlier than expected in year & therefore a reduction of the cost pressure from last month (£302k). However this is dependent on factors such as the decision of the Social Housing panel in awarding accommodation to these children, plus the ability to find suitable, affordable rented accommodation if not approved by the panel. This still represents a risk to the department although the Leaving Care team have a clear strategy in place at present which will be reviewed throughout the rest of the year.</p> <p>The parenting assessment contract will no longer result in TUPE costs related to LBHF employees and confirmation of the use of council property instead of commercial property sees a reduction in the forecast of £98k.</p> <p>A further review of transport and premises costs (£45k), and direct client expenditure (s17 (Children in Need) & s23 (Looked After Children) - £96k) to make more efficient use of the transport contract and potentially reduce expenditure in year has also contributed to the favourable movement.</p>

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
				<p>Demand-led placement pressures continue to present significant challenges to contain within current budgets, for which the directorate is forecasting a pressure of £1,330k in Period 6. Many of the reported pressures have arisen as a result of legislative and/or regulatory changes imposed by Central Government resulting in a number of areas being underfunded. £1,312k of these demand-led pressures at CRM 6 can be explained as detailed as below and further outlined in the key concerns area:</p> <p>£70k as a result of a change in Case Law requiring a change in the level of our provision (Southwark Judgement); £330k as the additional & consequential cost of a child Staying Put with a carer over the age of 18; £371k for Unaccompanied Asylum Seeking Children (UASC) due to underfunding from the Home Office; £250k impact of Secure Remand on Leaving Care and high cost cohorts; £291k regarding 21+ Increase in Education costs of young people who have been Looked After Children (LAC), returning to Education post 21 years of age.</p> <p>There are staffing cost pressures across the service of £353k. Within this pressure, £246k is in relation to the LAC and Leaving Care teams, of which £135k is directly attributable to social work on UASC cases.</p> <p>A further £220k pressure is now forecast in Youth Offending services, mainly as a result of the impact of the new Government's</p>

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
				<p>recent decision to reduce Youth Justice grant funding by 14%.</p> <p>There is an overall £243k pressure on the Fostering and Adoption service in the following areas: Client support costs (training and out of hours contact - £57k); Inter agency and inter country adoption fees (£35k); Advertising and costs for recruitment of foster and adoptive carers, and subscriptions to professional networks (£107k); plus support services including legal, vetting, medical expenses (£42k).</p> <p>The Multi Agency Safeguarding Hub (MASH) continues to present a budget pressure and the forecast expenditure at period 6 is £185k. A shortfall of income at the Haven short break residential unit is forecast as a result of non-achievable MTFS target resulting in a pressure of £125k, a further MTFS shortfall in relation to Virtual Schools of £113k, plus pressures in relation to Serious Review case costs of £43k.</p>
Schools Commissioning and Education Services	4,531	196	196	<p>As reported previously, a pressure of £359k is forecast as a result of the requirement for additional unfunded posts required to support service stability through the conversion of SEN Statements into the new Education, Health and Care Plan (EHCP) format.</p> <p>This pressure is partially mitigated by overachievement of income at the Professional Development Centre (£57k). There are also further projected underspends in the Attendance, Children employment and Elective home education (ACE) team (£41k), reduced levels of client expenditure in Pupil Travel (£29k) plus small underspends across the division (£36k),</p>

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Children's Commissioning	5,290	272	200	Pressure on salaries due to delayed implementation of restructure to Jan 2016 (£200k), and additional costs associated with transition to new structure (£267k), partially mitigated by in year savings on LAC Designated Nurse (£140k) and Fulham College budgets. (£55k)
Safeguarding, Review and Quality Assurance	1,737	251	211	Projected overspend due to staffing costs pressures within the Safeguarding team as a result of previous years MTFS target not being achieved (£170k). The service will look to move towards meeting current budget pressure through further service review. There are also underfunded staffing costs within the Local Safeguarding Childrens Board team.
Finance & Resources	5,116	0	0	There are pressures in relation to delivery of savings within the Finance team due to the delay in full implementation of the Managed Services project, plus costs to support the development of major projects and service reviews within Family and Children's Services, a shortfall in contributions from the employee-led mutual and ICT team costs. These pressures are offset by additional rental income. The favourable movement from the previous month is a result of a review by senior management to identify and mitigate in-year cost pressures.
Total	46,697	3,331	3,780	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
Delay in Commissioning restructure	0	56
21+ Increase in Education	305	350

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
Staying Put	245	300
Consequential Costs of Staying Put Arrangements	85	125
18+ Children With Disabilities not meeting ASC criteria	0	80
Impact of Secure Remand on Leaving Care	250	295
Serious Case Review Costs	45	50
Unaccompanied Asylum Seeking Children 18+ (unfunded 25 FTEs)	506	550
No Recourse to Public Funds	0	50
Southwark Judgement	70	70
Delayed start to Assessment Contract	0	25
ICT Costs	30	100
New users to SEN Transport service	0	50
LAC and Leaving Care Team	115	225
Tower Hamlets Kinship Fee Payments	0	174
Multi Systemic Therapy (MST) contribution	0	50
Total	1,651	2,550

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Children's Services		MTFS Target	On Track	In Progress	Delayed/ At Risk
		£000s	£000s	£000s	£000s
Total MTFS Savings		4,199	1,386	1,400	1,413
Schemes Delayed / At Risk		£000s	Reason		
People Portfolio Savings	128				
Commissioning staff reduction	140	Full implementation of new structure to take place by January 2016			
IFA Review	250	The profile of the current LAC population and the un-availability of suitable in-house foster carers has meant an over reliance on more			

		expensive Independent Fostering Provider placements. Strategies to increase the pool of available in-house foster carers are currently being scoped.
Finance Restructure	250	Delay in the proposed restructure of the service as resources are retained for the full implementation of the Managed Services project.
Better support to foster carers to reduce residential need	250	There has been an increase in the number of children presenting with complex needs and requiring residential placement in 15/16, in some cases where fostering placements have proved to be unsustainable, there has been no other alternative available to the service.
Substitution funding (Education DSG, PHS, Troubled Families)	200	The strategy to deliver the £200k saving has not yet been defined. The strategy of using one off grant funding or Performance By Results will not result in long-term efficiencies and is uncertain.
10 more relative placements	70	The service will explore the availability and willingness of connected persons to care for LAC children in all appropriate cases, however may not be able to achieve this target.
New model for Respite overnight care (The Haven)	125	The strategy to deliver this saving has not yet been clearly defined.

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

The departmental overspend has reduced by £449k since period 5. The Department will continue to seek opportunities to mitigate overspends related to non-pressure items throughout the remainder of the year in order to minimise overspends as much as possible.

The majority of these pressures relate to changes in practice forced by legislation and regulation changes introduced by the Coalition Government for which inadequate funding has been distributed to local authorities to meet the additional liability. Decisions taken by the current Government will also impact on local services. The reduction in Justice Funding impacts directly on the funding of our Youth Offending Service.

Some pressures have been present for a number of years such as Southwark Judgement costs which have been appropriately identified as demand-growth and have been fully funded from corporate contingency. However the department has sought to contain other pressures, which had not been identified as growth, within Children's Services budgets through underspends elsewhere in the department or use of specific provisions. Provisions had been made on the balance sheet for Secure Remand and Leaving Care pressures. Expenditure on children who have No Recourse to Public Funds (NRPF) has been covered by prior years' asylum balances which is considered appropriate given the overlap of the client base, however this is being exhausted and the pressure is now being felt in-year.

Staying Put is a relatively new pressure, as is the rise of Remand Children presenting for Leaving Care services. There are also pressures relating to staffing levels in the LAC team.

The following table sets out the impact that the above pressures have had on the department's finances.

Service Area	2015/16 Budget (£000s)	2015/16 Pressures (£000s)
Leaving Care -		
Southwark Judgement	600	70
No Recourse to Public Funds	200	0
21+ increase in education	70	305
Unaccompanied Asylum Seeking Children18+	0	371
Unaccompanied Asylum Seeking Children18+ (staffing)	0	135
Staying Put	71	245
Staying Put (Consequential Costs)	25	85
18+ CWD not meeting ASC criteria	80	0
Impact of Secure Remand on LC	0	250
Looked After Children -		
Secure Remand	200	0
Permanency		
Increasing Adoption Arrangements	117	0
Increasing Special Guardianship Orders arrangements	254	0
Total	1,617	1,461

At present, we have 5 children who were taken into care as a direct result of concerns over Child Sexual Exploitation (CSE). These children are typically moved away from their local area and we forecast that we are currently spending £362k towards their placement costs. In addition, 2 children who were Looked After Children (LAC) have had to be moved to different placements due to ongoing concerns over CSE, with a resulting increase in the placement forecasts of £117k from the previous year.

Within the Commissioning directorate, there are potential opportunities in Youth, Health Commissioning and funding on Fulham College (£202k) to mitigate the current overspend, but these are still being assessed and will be confirmed later in the year.

APPENDIX 4: ENVIRONMENTAL SERVICES

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget £000s	Variance Month 6 £000s	Variance Month 5 £000s	Variance Analysis
Cleaner, Greener & Cultural Services	20,944	(1,123)	(1,003)	<p>(£1,056k) Waste Disposal – Western Riverside Waste Authority (WRWA) has been able to freeze waste disposal tonnage prices for 2015/16 and as a result we are expecting to underspend by £422k on overall waste tonnages. Year to date total waste tonnages are broadly in line with last year, but recycle tonnages have reduced by an average 4%. No commodity income from the sale of recycle is forecast (only £50k was achieved last year). An additional £634k one off rebate has also been received relating to the period 2011/2012 to 2014/15, arising from the treatment of government payments to electricity generators set out in the contract between WRWA and Cory. We do not know at this stage whether such payments will flow in the future.</p> <p>(£61k) Waste Policy – staffing underspends due to vacancies pending implementation of a new structure.</p> <p>(£6k) Other net underspends</p>
Safer Neighbourhoods	7,757	611	592	<p>£120k Transport – The Transport budgets are set on the assumption that the Passenger Transport service would be brought back in house for 2015/16, meaning £100k p.a. additional management and repair income for the Transport workshop. This is not likely now so the full year shortfall is included in the forecast.</p> <p>£54k Coroners Service - Pressure due mostly to increased legal fees for high profile cases and one off office moves (potentially to be funded corporately). Partially offset by savings on undertakers contract</p> <p>£71k Mortuary - £46k pressure on salaries due to additional resource required to deal with high volume of cases and £25k MTFs target for digital autopsies</p>

Departmental Division	Revised Budget £000s	Variance Month 6 £000s	Variance Month 5 £000s	Variance Analysis
				not expected to be achieved due to two reasons; delays in implementation and uncertainty over the long term future of the site. £70k Hammersmith All Weather Pitch – the arrangements for the leisure facility have been reviewed and it is not expected that the prior year saving in this area will now be achieved. A growth item is included in the 2016/17 MTFS. £279k Phoenix Fitness Centre – invest to save. The £319k one off investment required to deliver ongoing annual savings of £350k is included in the forecast. This was approved by Cabinet. £17k Other net overspends
Customer & Business Development	631	11	60	£81k Registrars – Forecast income shortfall of £138k, partially offset by £57k staffing underspend due to vacant posts. Resourcing and opening hours currently under review with the aim of maximising income generating potential and reducing the forecast overspend before year end. £195k Ducting contract - Risk that the underground ducting concession contract will not achieve the income target in full. The guaranteed element is £87k in 2015/16 compared to the overall target of £282k. (£193k) Commercial Waste – mostly due to waste disposal charges attributable to commercial waste being less than budget (see above). (£77k) Director post – early delivery of 2016/17 MTFS saving £5k Other net overspends
Former ELRS Directorate & Resources	(153)	113	120	£153k People Portfolio Saving – the savings target is not expected to be met, neither in this year nor in future years. (£51k) Executive Director post – early delivery of 2016/17 MTFS saving £11k Other net overspends
Building & Property Management (BPM)	(1,957)	838	764	The adverse variance in BPM relates to the following £715k in Advertising Hoardings – Following the meeting with Ocean to discuss a recovery plan for the income on the Two Towers site, Deloitte has now undertaken a “one off” audit. They have completed their audit and we await their report before negotiation starts with Ocean. There are several

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
				<p>options to address the income shortfall. These include the possibility of changing the charging system from a profit sharing model to a mixture of a fixed rental with a profit sharing element; continuing with the current agreement and retendering the site in 2017; or varying the planning conditions to permit moving images at specific times, which may result in increased income. If none of these approaches work the forecast will worsen over the remainder of the year.</p> <p>£68k in Civic Accommodation – This is due to a combination of an unachievable rental income target of about £42k and an anticipated overspend on utilities of £26k.</p> <p>£135k Valuation Services - There is a risk that the Property Disposal section will overspend by £240k due to costs incurred on properties that may not be sold. However, this will be offset by a drawdown from reserve of (£100k).</p> <p>£21k Technical Support – Staffing overspend.</p> <p>£10k – Others overspends.</p> <p>The above overspends will be offset mainly by the following:-</p> <p>(£48k) Facilities Management – (£45k) of this favourable variance is due to the staffing restructure in BPM Professional Services. There is a further underspend of (£20k) from the EC Harris contract. The effect of all these underspends is offset by an overspend of £17k in the Carbon Reduction Section where a budget reduction is assumed.</p> <p>(£63k) Building Control –This is due to additional income from large building schemes.</p> <p>(£1k) Rents and Other Properties-The favourable position includes income accrued from 2014/15 of £95k for Lyric Theatre. This is due to be invoiced. However, there is an ongoing dispute and a possibility that Environmental Services may not be able to raise the invoice (ref: Risk table 2).</p>
Transport & Highways	12,684	(253)	(8)	(£240k) Network management – (£181k) of the overall variance and the significant movement compared to last month is due to a revised income

Departmental Division	Revised Budget £000s	Variance Month 6 £000s	Variance Month 5 £000s	Variance Analysis
				forecast on permits and fines from the service. There is a further surplus of (£59k) from Gazetteer income. (£13k) Other net underspends.
Planning	2,622	(61)	(66)	The favourable position is mainly from higher than expected levels of income recovered from Planning Regeneration projects.
Environmental Health	3,478	26	(145)	£15k Staffing overspend mainly in Commercial services. The forecast on staffing costs is based on more accurate and current information than was available in Month 5. This explains the significant movement from month 5. (£92k) Pest Control income is forecast to be greater than budgeted. £85k shortfall expected for Licensing income.
Former TTS Support Services	(473)	18	18	
Total	45,533	180	332	

2: Key Risks

Risk Description	Lower Limit £000s	Upper Limit £000s
Due to the delay in the sales to cash module in Agresso becoming operational the department is still catching up with sales invoicing, which increases the likelihood of bad debts. This is a particular risk where services have already been provided but not invoiced (e.g. events and filming).	0	300
Risk that central government funding will not be secured for the additional Coroner and Mortuary costs associated with the terror attacks in Tunisia (LBHF share of the West London costs).	0	100
If expenditure incurred on disposed assets cannot be met by disposal receipts and on properties not being sold, this would need to be funded from Corporate Reserves.	0	140
If there is a continuing shortfall for the rest of the year in advertising hoarding income on certain sites.	0	700
Risk of increase in write off due to late billing (if bad debts were 20% of first quarter's income)	0	500

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
If a legal challenge on license fees is successful	0	42
Due to an ongoing dispute with Lyric Theatre, there is a risk that Environmental Services may not be able to raise the invoice for service charges accrued from 2014/15.	0	95
Total	0	1,877

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Environmental Services	MTFS Target	On Track	In Progress	Delayed/ At Risk
	£000s	£000s	£000s	£000s
Total MTFS Savings	5,702	2,855	2,398	449
Schemes Delayed/ At Risk	£000s	Reason		
Increased income from CCTV ducting contract	160	See table one		
Income from digital autopsies	25	See table one		
Advertising Hoarding Income	200	Lower than expected income from Advertising Hoardings sites.		
LED lighting and Column replacement maintenance budgets	64	Street lighting LED pilots are running, and plans are in place to extend this. In the current year, only 36% of the savings are expected to be achievable.		

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

The drop in advertising hoardings is the main financial problem that we face this year. The actions to address this are set out in the main table. The financial position is being assisted significantly by the underspend in waste disposal due mostly to the one off waste disposal rebate from Western Riverside Waste Authority. Environmental Services are achieving an early implementation of senior management savings which have been brought forward from 2016/17.

A number of other pressure areas exist. Budget growth is in the plans for 2016/17 for Hammersmith All Weather pitch (ongoing) and an invest to save bid will be submitted for the one off pressures on the Phoenix Fitness Centre. It is expected that the People Portfolio target will be reviewed council wide to determine whether this is deliverable in the longer term. The pressures on the Coroners Service, Mortuary and Passenger Transport income will continue to be reviewed and reported.

Property Services are actively exploring the possibility of renting out the Civic Accommodation to increase rental income. Expenditure on disposed and no longer being sold properties will continue to be closely monitored.

The Management Team will monitor progress in all budget areas regularly. Where there are significant variances, remedial actions and financial controls as set out in this report are being applied to contain actuals within budget.

APPENDIX 4a: CONTROLLED PARKING ACCOUNTS (CPA)

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Pay & Display (P&D)	(12,229)	1,105	1,118	Pay and display receipts are lower in the first six months of 2015-16 than they were in the same period last year, but with some signs of improvement since July.
Permits	(4,690)	11	57	The amount received for parking permits to the end of September is similar to the previous year.
Civil Enforcement Officer (CEO) Issued Penalty Charge Notice (PCN)	(6,814)	721	851	The number of PCNs issued in the first six months of 2015-16 is 10% lower than in the same period last year. This has resulted in a forecast shortfall against budget.
Bus Lane PCNs	(915)	(760)	(637)	There has been an increase in the numbers of PCNs issued in the first six months of the year as compared with the same period in the previous year. This has led to a forecast surplus against budget.
CCTV Parking PCNs	0	(56)	(63)	New legislation came into effect in 2015-16 to no longer allow the enforcement of parking through the use of CCTV, except in certain limited circumstances. The budget has been adjusted to reflect this.
Moving Traffic PCNs	(4,814)	(1,032)	(1,075)	The number of PCNs issued in the first six months of 2015-16 is higher than the same period in the previous year. This has resulted in a forecast above the budgeted amount.
Parking Bay Suspensions	(2,423)	(844)	(774)	Income from parking bay suspensions has continued at the level seen last year. The budget for income was increased by £863k for 2015-16.
Towaways and Removals	(352)	53	57	Receipts from towaways are at a similar level to the previous year.

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Expenditure and Other Receipts	11,919	(195)	(421)	Staffing is forecast to underspend by £195k. The forecast is based on the actual spend in the first 6 months, with the assumption that the vacant posts are filled for an average of 4 months in 2015-16.
Total	(20,318)	(997)	(885)	

2: Key Risks

None to report

3: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

Officers will continue to keep a close eye on the performance of Parking income and expenditure and in particular review regularly Suspension income which may change at short notice due to fluctuations in demand.

APPENDIX 5: CORPORATE SERVICES

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
H&F Direct	19,252	230	180	The main pressure remains a projected £200k (£150k in CRM5) shortfall in court costs recovery (due to an expected reduction in recovery resulting from Agresso delays and a shortfall against income targets). Work continues to mitigate budget pressures elsewhere.
Innovation & Change Management (ICM)	(5)	0	65	Work continues to mitigate the previously reported risks.
Legal and Electoral Services	(183)	(41)	(32)	The variation reflects the fluctuations in Legal Services' trading account.
Finance & Audit	259	0	0	
Shared ICT Services & Procurement	(2,630)	0	0	
Executive Services	(833)	0	(47)	
Human Resources	393	(70)	(70)	
Delivery and Value	23	0	274	An action plan to mitigate the previously reported pressure in historic budgets due to lack of income streams against past MTFs savings is being developed and is currently offset by other service underspend.
Total	16,276	119	370	

2: Key Risks

None to report that have not been reported elsewhere.

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Finance & Corporate Services		MTFS Target	On Track	In Progress	Delayed/ At Risk
		£000s	£000s	£000s	£000s
Total MTFS Savings		2,762	1,845	917	
Schemes Delayed / At Risk	£000s	Reason			

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

H&F Direct's baseline staffing budget has historically been supported by corporate budgets, going back many years. A permanent virement of £335k (£200k contingency and £135k from the contribution to earmarked reserves regarding Council Tax support grant) from corporate budgets, is requested to be approved. This will align H&F Direct's baseline staffing budget.

H&F Direct additionally continue to fund supplementary temporary staff and overtime work to prevent future backlog issues. The service is forecasting that this additional work will cost £295k in 2015/16. DWP has awarded one-off grants in 2015/16 of £134k which are being used to fund this additional work. Approval is requested to drawdown the £100k carried forward from 2014/15 for funding the backlog, and to fund the remaining spend (currently forecast as £61k) from the Housing Department Budget Reserve which is earmarked for H&F Direct budget pressures.

H&F Direct are undertaking a full review of their budgets and overall staffing levels with a view to reporting to members as part of the 2016/17 budget process.

APPENDIX 6: HOUSING DEPARTMENT

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Housing Options, Skills & Economic Development	6,758	(12)	(14)	This mainly relates to: <ul style="list-style-type: none"> • a reduction in procurement costs (£195k) following the expiry of an expensive lease for temporary accommodation (this relates to an early achievement of MTFS savings to be delivered in 2016/17), • a reduction in the net costs of Bed and Breakfast (B&B) accommodation of (£348k) due to lower average client numbers (101 forecast compared to 175 in the original budget) which is offset by a predicted overspend of £397k as a result of inflationary pressures on rents for suitable temporary accommodation from private sector landlords. • a £134k salary overspend as a result of long term sickness in the Reviews and Complex Cases team.
Housing Strategy & Regeneration	7	0	0	
Housing Services	43	0	0	
Strategic Housing Stock Options Appraisal - General Fund				
Finance & Resources	(114)	0	0	
Total	6,694	(12)	(14)	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
Temporary Accommodation Procurement Costs – recent months have seen increased difficulties in containing the inflationary cost pressures associated with procuring suitable temporary accommodation from private sector landlords. Officers are continuing to make use of incentive payments to private landlords in mitigating this risk. This cost pressure has been further exacerbated by the withdrawal of properties by some landlords due to late payments as a result of the Managed Services implementation. In the event that this risk crystallises, the resultant costs will be mitigated by the Temporary Accommodation reserve.	141	346
Managed Services – the general lack of data available from the system, the lack of systems assurance and reconciliation reporting, the time taken to resolve payment issues, the opportunity cost of officer time in managing issues arising and other factors are expected to have both a financial and non-financial impact on the Council.	Unknown	Unknown
Total	141	346

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Housing Department	MTFS Target	On Track	In Progress	Delayed/ At Risk
	£000s	£000s	£000s	£000s
Total MTFS Savings	1,023	1,023		
Schemes Delayed / At Risk	£000s	Reason		

The MTFS delivery includes People Portfolio savings of £41,000

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

The Housing and Regeneration department currently expects the overall outturn for the year 2015/16 to produce a favourable variance of (£12k), a minor movement of £2k since last month.

The movement mainly relates to an increase in staffing costs of £35k, a forecast reduction in the net cost of Bed and Breakfast (B&B) accommodation of (£45k), further inflationary cost pressures of £30k on the rents for providing suitable temporary accommodation from private sector landlords to enable the Council to meet its homelessness obligations, and a reduction in procurement costs (£18k) following the expiry of an expensive lease for temporary accommodation.

It should be noted that it has not been possible to complete detailed budget monitoring via Agresso this month due to the delay on the roll out of key monitoring reports. However, finance officers have met with Heads of Service in order to identify significant variances from budget and to ensure that appropriate management action is taken in order to contain cost pressures. Nevertheless, there remains a significant risk to the accuracy of forecasts until Managed Services is fully implemented.

Further detail relating to the issues arising as a result of Managed Services are outlined in the Key Risks section above.

APPENDIX 7: LIBRARY SERVICES (Shared Services)

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Libraries Shared Service	3,221	0	0	At this stage forecast is to budget.
Total	3,221	0	0	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
Reduced income from customer fees and charges due to less demand for increasingly obsolete product formats (DVDs, CDs etc.)	10	30
Increased premises and utility costs (including Westfield)	10	30
Total	20	60

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Libraries Shared Services	MTFS Target	On Track	In Progress	Delayed/ At Risk
	£000s	£000s	£000s	£000s
Total MTFS Savings	162	107	55	
Schemes Delayed / At Risk	£000s	Reason		

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

At this stage in the year, no significant financial issues causing an unmitigated pressure are foreseen

APPENDIX 8: PUBLIC HEALTH SERVICES

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Sexual Health	6,410	(112)	0	Estimated underspends on Chlamydia and youth services' contracts.
Substance Misuse	5,464	(47)	0	Various minor underspends including homeless outreach and drug testing.
Behaviour Change	2,753	(383)	(126)	Estimated underspends in Behaviour Change services, including health checks, smoking cessation and Community Champions.
Intelligence and Social Determinants	89	(40)	(40)	Underspend caused by delay in commencing new projects.
Families and Children Services	5,135	(270)	163	Variance due to the 0-5 programme to be transferred to LBHF in October 2015, actual figures replacing the original estimates included the budgeted figures.
Public Health Investment Fund (PHIF)	2,185	616	248	Updated for latest position.
Salaries and Overheads	1,435	-	0	
Drawdown from Reserves	(783)	(1,018)	(1,499)	Variance is the balancing figure of all the other differences.
Public Health – Grant	(20,855)	1,417	1,417	Estimated grant cut based on Department of Health preferred calculation.
Public Health 0-5 Programme Grant (from Oct 2015)	(1,833)	(163)	(163)	Variance due to the 0-5 programme (see Families & Children's above).
Total	0	0	0	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
In-year Public Health Grant cut, based on Department of Health preferred calculation (per consultation paper)	1,417	1,417
Total	1,417	1,417

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Public Health Service	MTFS Target	On Track	In Progress	Delayed/ At Risk
	£000s	£000s	£000s	£000s
Total MTFS Savings	350	350		
Schemes Delayed / At Risk	£000s	Reason		

The £350,000 MTFS target is achieved by reducing the budgeted contribution from the General Fund from £350,000 in 2014/15 to zero in 2015/16.

Other contributions from Public Health to the MTFS, take the form of replacement funding in other council departments who are contributing to Public Health outcomes. These savings are reported within those departments.

4: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

Department of Health Consultations

The DH consultation process to determine how the national £200M grant cut should be applied has ended. Although stating that PH grant should not be cut, LBHF also stated its preferred option as a reduction of 6.2% to grant for all councils. The Government's decision will follow in due course.

In addition to the consultation on the in-year cuts, we have received a 2nd consultation (8th October) regarding the formula used to calculate LA's share of the Public Health Grant. This is currently being evaluated with regards to our response which is due on the 6th November.

Re-procurement








A number of large contracts will come to an end during this financial year. This, combined with the possible need to re-procure early following the announcement of cuts to the Public Health Grant, will mean that PH need to identify the necessary resources to achieve this in the given time frame.

Public Health Management Accounts

The following pages contain the management accounts (forecast) for Public Health. This was requested to give greater clarity on the services provided by the department.

PUBLIC HEALTH LBHF MONTHLY MONITORING PACK FULL YEAR FORECAST

September 2015

Summary I&E Statement	Full Year Forecast £'000	Full Year Budget £'000	Forecast vs. Budget £'000
Income/ Funding			
Public Health Grant Income	(15,228)	(15,228)	-
Substance Misuse Grant	(5,627)	(5,627)	-
0-5 Programme Grant	(1,996)	(1,833)	(163)
PH Estimated Grant cut	1,417	-	1,417
	(21,434)	(22,688)	1,254
Contract Expenditure			
Substance Misuse	5,417	5,464 	(47)
Sexual Health	6,298	6,410 	(112)
Behaviour Change	2,370	2,753 	(383)
Families and Children's Services	4,864	5,135 	(270)
Intel & Social Determinants	49	89 	(40)
Total Contract Expenditure	18,999	19,850	(852)
Overheads and Other Expenditure			
Salaries and overheads	1,435	1,435	-
Dietetics funding return			-
PHIF projects - approved	2,801	2,185	616
Unallocated budget/(Reserves Drawdown)	(1,800)	(783)	(1,018)
Total Overheads and Other Expenditure	2,436	2,838 	(402)
Total net expenditure(surplus)	0	(0) 	0

Contract Expenditure	Full Year Forecast £'000	Full Year Budget £'000	Forecast vs. Budget £'000
South West Drug and Alcohol Service	-	-	-
North West Drug and Alcohol Service	-	-	-
Detox & Residential Placements	590	590	-
Community Based Services	3,518	3,518	-
Reducing Reoffending	280	280	-
Dual Diagnosis	100	100	-
Other Substance Misuse activities	929	976	(47)
Substance misuse	5,417	5,464	(47)
GUM	4,026	4,026	-
Chlamydia Screening	96	173	(77)
HIV Contracts	764	764	-
Contraception	1,072	1,072	-
Young People's services	301	336	(36)
Sex worker projects	-	-	-
Locality based Initiatives	-	-	-
Learning Disabilities Initiatives	36	36	-
Other Sexual Health projects	2	2	-
Sexual Health	6,298	6,410	(112)
Health Checks	343	414	(71)
Smoking Cessation	714	924	(210)
Heath Trainers	622	777	(155)
Community Champions	381	403	(23)
Cardiovascular risk management programme	190	200	(10)
Other Behaviour Change activities	121	35	86
Behaviour Change	2,370	2,753	(383)
Obesity & Dietetics	504	944	(440)
School Nursing	1,920	1,920	-
Healthy Schools	67	60	7
Domestic violence	127	127	-
Dental health	41	41	-
Mental Health	33	33	-
Health improvement team	-	-	-
Community based health improvement	-	-	-
Tackling Childhood Obesity	145	145	-
0-5 Programme	1,996	1,833	163
Healthy Start Vitamins	31	31	-
Families and Children	4,864	5,135	(270)
Intel & Social Determinants	49	89	(40)

APPENDIX 9: HOUSING REVENUE ACCOUNT

BUDGET REVENUE MONITORING REPORT – PERIOD 6

1: Variance by Departmental Division

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Housing Income	(77,484)	(500)	(500)	It is anticipated that there will be an underspend on the bad debt provision for rental income on Council homes, primarily as a very prudent allowance was been made in the budget for the impact of Welfare Reform. The full impact of welfare reform has not been felt yet and the Government has not rolled out Universal Credit at the speed allowed for in our budget.
Finance and Resources	15,164	(250)	(250)	Underspends on salaries (£75k) and IT projects (£175k) are expected.
Housing Services	9,578		0	
Commissioning and Quality Assurance	3,119		0	
Strategic Housing Stock Options Appraisal HRA	0		0	
Property Services	2,163		0	
Housing Repairs	13,748		0	
Housing Options	369	(20)	(20)	
HRA Central Costs	0		0	
Adult Social Care	48		0	
Regeneration	267		0	
Safer Neighbourhoods	578		0	

Departmental Division	Revised Budget	Variance Month 6	Variance Month 5	Variance Analysis
	£000s	£000s	£000s	
Housing Capital	29,976	(155)	(155)	This relates to additional interest receivable on HRA balances following a review of the average interest rate on short term investments and the forecast balances expected within the HRA general reserve, major repairs reserve and Decent Neighbourhoods Fund.
(Contribution to)/ Appropriation From HRA General Reserve	(2,474)	(925)	(925)	

2: Key Risks

Risk Description	Lower Limit	Upper Limit
	£000s	£000s
Managed Services: the general lack of data available from the system, the lack of systems assurance and reconciliation reporting, the time taken to resolve payment issues, the delay in implementing the system for leaseholder service charges, delayed and missing cash files preventing rent arrears from being managed and the associated bad debt risk, the opportunity cost of officer time in managing issues arising and other factors are expected to have both a financial and non-financial impact on the department.	unknown	unknown
Housing Repairs - There is a risk of approx. £70k for the CCTV (Chroma Vision) contract where there is no budget provision and where an additional request has been made for further funding by corporate colleagues and a business case is awaited.	70	70
Total	70	70

3: MTFS Progress (with explanations of schemes Delayed or at Risk)

Housing Revenue Account		MTFS Target	On Track	In Progress	Delayed/ At Risk
		£000s	£000s	£000s	£000s
Total MTFS Savings		2,187	2,187		
Schemes Delayed / At Risk	£000s	Reason			

4: HRA General Reserve

	B/Fwd.	Budgeted (Contribution to)/Appropriation from General Reserve	HRA Variance (Surplus)/ Deficit	Forecast C/F
	£000s	£000s	£000s	£000s
HRA General Reserve	(13,165)	(2,474)	(925)	(16,564)

5: Supplementary Monitoring Information (Action Plans, Virement requests or key concerns)

The Housing Revenue Account currently forecasts an under-spend of (£925k) for 2015/16.

It should be noted that it has not been possible to complete detailed budget monitoring via Agresso this month due to the delay on the roll out of key monitoring reports. Whilst BT has released these reports to LBHF, they still cannot be accessed by key staff. However, finance officers have met with Heads of Service in order to identify significant variances from budget and to ensure that appropriate management action is taken in order to contain cost pressures. **Nevertheless, there remains a significant risk to the accuracy of forecasts until Managed Services is fully implemented.**

Further detail relating to the issues arising as a result of Managed Services are outlined in the Key Risks section above.

APPENDIX 10 - VIREMENT REQUEST FORM

BUDGET REVENUE MONITORING REPORT – PERIOD 6

Details of Virement	Amount (£000)	Department
GENERAL FUND:		
Virement to permanently move Corporate funding of H&F Direct staffing costs into H&F Direct base budget.	335/ (335)	CS / CMB
Funding of H&F Direct Housing Benefit backlog work from budget carry forward.	100/ (100)	CS/ CS Reserves
Funding of H&F Direct Housing Benefit backlog work from Housing Department reserves (held for this work)	61/ (61)	CS / HSD Reserves
Total General Fund Virements (Debits)	496	
HRA:	0	
Total HRA Virements (Debits)	0	

Departmental Name Abbreviations	
CMB	Centrally Managed Budgets
CS	Corporate Services
HSD	Housing Services