

LONDON BOROUGH OF HARROW

Meeting:	CABINET
Date:	11 November 2003
Subject:	Revenue Budget Monitoring 2003-2004 as at 30 September 2003
Key Decision:	No
Responsible Chief Officer:	Executive Director (Business Connections)
Relevant Portfolio Holder:	Finance and Human Resources and Performance Management
Status:	Part 1
Ward:	All

Enclosures:

1. General Fund Summary Monitoring Statement
2. Chief Executives – detailed monitoring statement
3. Education - detailed monitoring statement.
4. Environmental Services – detailed monitoring statement
5. Social Services – detailed monitoring statement
6. Housing Services – detailed monitoring statement
7. Environmental Health – detailed monitoring statement

1. **Summary / Reasons for Urgency (if applicable)**

- 1.1 The report sets out the estimated overall financial position for the Council as at 30 September 2003. The monitoring period covers the first six months of the financial year.
- 1.2 Individual appendices provide monitoring details for those services reporting budget issues arising from 1 April to 30 September. The financial variations are summarised in Table 1. It shows the budget broadly on target.

Table 1: Summary of Variations

	£000
Chief Exec. Dept.	47
Education	29
Environment Services	200
Social Services	253
Housing	-100
Environmental Health	-30

Additional Interest on cashflow	-113
Net overspend before management action	286

Table one excludes the backdated savings on National Non Domestic Rates (-£0,835m) at the Leisure Centre and the reduction in the provision for the cost of implementation of Single Status in the current year (-£0.30m), taken to balances - see paragraph 6.5.

2. Recommendations (for decision by Cabinet)

The Cabinet is asked:

- 2.1 To note the current revenue budget position;
- 2.2 To approve the transfer of the NNDR rebate and the reduction in Single Status to General Fund Reserves;
- 2.3 That the virements in Table 2 be approved;
- 2.4 To note the management action that is being proposed to bring the budget into line in the current year
- 2.5 Where an overspending remains to instruct Directors to identify savings as a first priority to bring the budget into line within 2003-2004, and that if at the year end an overspend remains, this be carried forward to the relevant directorate budget for 2004-2005.

REASON: To effectively monitor the Council's Revenue Budget.

3. Consultation with Ward Councillors

- 3.1 Not applicable

4. Policy Context (including Relevant Previous Decisions)

- 4.1 A Revenue Budget Monitoring statement was last reported to Cabinet in July 2003. This is the second quarterly revenue budget monitoring report for 2003-2004.

5. Relevance to Corporate Priorities

- 5.1 The budget represents the financial resources approved to implement the Council's corporate priorities.

6. Background Information

- 6.1 Quarterly revenue budget monitoring statements are reported to Cabinet with monthly reports to CMT.

Approval of Virement

- 6.2 The requests for executive approval to virements this period (i.e. virement greater than £20,000 for transfers between budget book headings) are set out in table 2 below:

Table 2: Virement requests

From		To	
Budget	£000	Budget	£000
<u>Education</u>			
1. Advisers' Trading Account and Standards Funds	-71	1. Teachers Centre	71
2. Policy Development – School Reorganisation	-75	2. Policy Development PFI Fees	140
3. Policy Development – Vacancy Savings	-65		
Total	-211	Total	211
<u>Social Services</u>			
1. Physical disability independent sector residential services	-50	1. Bentley day centre income	50
2. Childrens services independent sector residential services	-223	2. Childrens services salaries and wages at Haslam and Silverdale residential units	223
Total	-273	Total	273
Total	-484	Total	484

6.3 Minor virement will be exercised under delegated authority.

Predicted Outturn

6.4 Service monitoring (table one) indicates a predicted net overspending of £0.286m on the approved revenue budget, including additional interest of -£0.113m due to balances being higher than expected. At individual service level some budgets have changed due to virements and expenditure changes and management action will be required to contain budgets within approved cash limits. The estimated position as at 30 September 2003 is summarised in Appendix 1 and service level changes are shown in Appendices 2 to 7.

Reserves

6.5 General Fund reserves at 1 April 2003 were £5.273m. After planned use of balances of £0.105m, additional funding of £0.052m for Housing Benefits resources and £0.500m for management change, a sum of £4.616 remains. It is proposed that the backdated savings on National Non Domestic Rates at the Leisure Centre, and the reduction in the Provision for Single Status noted elsewhere on this report, be added to General Fund Reserves to move these

towards the optimum level of £7m. Subject to this proposal being approved by Cabinet, this would leave unallocated General Fund Reserves of £5.751m. The projected unallocated General Fund reserves, subject to Cabinet approval, are set out in Table 3.

Table 3 - Reserves	£m
Balance b/fwd at 1 April 2003	5.273
Use of balances in year	
Planned use of balances per Original Budget	-0.105
Housing Benefit costs	-0.052
	5.116
Earmarked Reserves – management change	-0.500
NNDR refund on Leisure Centre	0.835
Reduction in provision for Single Status	0.300
Balance c/fwd 31 March 2004	5.751

Budget Issues emerging during 2003-2004

- 6.7 The service appendices detail issues that have been identified which, at this time, require no corrective action but need to be carefully monitored and will be reported in future reports if the issues develop.

Remaining Service Budget Variations

- 6.8 After management actions, virement, and policy actions overspendings remain within Chief Executives services (£0.047m), People First - Education Services (£0.029m), People First - Social Services (£0.253m) and Urban Living - Environmental Services (£0.200m).
- 6.9 The following management actions are being taken to bring the budgets into line.

Urban Living:

Parking Fines Income £100k – Recruitment effort continues apace to bring the number of Parking Attendants up to the target level. On the positive side, the TfL funded bus lane enforcement is due to commence shortly and will assist in increasing income levels. TfL are also funding additional wardens to provide a visible presence on the footways adjoining the bus lanes. Unfortunately, these wardens are unlikely to bring in much income, as the purpose of their deployment is primarily to provide deterrence. Also on the down side, the effort to employ these additional wardens will serve to dilute our recruitment efforts.

Shortfall in income from Recycling £50k – We are still experiencing difficulty in generating the sufficient recycling activity from the community. Two recycling officers, created to provide education and promotional activity are now in post and working in the community. However, realistically, we are probably past the peak period in the year for 'green waste' from gardens, etc.

Additional Legal Fees resulting from 'lost' planning appeals - £50k - This overspend results from lost appeals against planning decisions. Most if not all of

these appeals result from decisions taking by Committee against the officer recommendations. There is therefore very little more that officers can do except continue to provide the correct professional advice. Any reduction in staffing in this area will result in worsening performance which will impact upon PIs and threaten the continuation of Planning Performance Grant from the Government.

Compensating Savings – compensating savings are being sought and identified by officers. There are significant salary underspends throughout the Urban Living Directorate which will be used to offset the overspends.

People First -Social Services

Work is currently being undertaken to examine the detailed position in relation to spend against a number of specific grants. It is anticipated that this will identify some flexibility that will enable us to contain the current reported overspend within the base budget.

- 6.9 The Cabinet needs to instruct the Services to identify savings as a first priority to bring the budget into line in 2003-2004, and that if at the year end an overspend remains, this to be carried forward to the budget for 2004-2005.

7. Consultation

- 7.1 None specifically undertaken.

8. Finance Observations

- 8.1 This is a report of the Executive Director (Business Connections) and deals with the financial position of the Council.

9. Legal Observations

- 9.1 There are no legal comments.

10. Conclusion

- 10.1 Revenue budget monitoring at period 06 has resulted in an estimated net cumulative net overspend of £0.286m. It is proposed that the £0.835m saving relating to the NNDR rebate and the £0.300m reduction in the Provision for Single Status, be transferred to General Fund Reserves and that those services where projected overspends remain be instructed to identify savings to bring their forecast outturn in line with their 2003-2004 approved budgets.

11. Background Papers

- 11.1 Revenue Budget 2003-2004

12. Authors

John Fenwick (Chief Accountant)

Tel: 020.8424.1166 / e-mail: john.fenwick@harrow.gov.uk

Barry Evans (Finance Manager)

Tel: 020.8424.1203 / e-mail: barry.evans@harrow.gov.uk

LONDON BOROUGH OF HARROW

GENERAL FUND BUDGET MONITORING STATEMENT 2003-2004: SUMMARY – PERIOD 06 AS AT 30 SEPTEMBER 2003

Service / Budget	App. Ref	Original Budget 2003-2004	Last approved budget as at	Corporate Actions: e.g. Inter-Service Virement / SSC / Capital financing	Latest Budget for Cabinet approval	Predicted Outturn	Over / Underspend (before Mgt Action)	Management Actions	
								Mgt changes / departmental virement	Compensatory Saving to be identified
			Period 06		col. 4+5		col. 7-6		col. 8 & 9
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		£000	£000	£000	£000	£000	£000	£000	£000
Services									
Chief Executive's Dept	2	18.062	18.134	-0.023	18.111	18.158	0.047	0.000	0.047
Education, Arts & Leisure	3	129.263	129.263	0.000	129.263	129.292	0.029	0.000	0.029
Environmental Services	4	34.276	34.276	0.028	34.304	34.504	0.200	0.000	0.200
Social Services	5	60.411	60.391	0.000	60.391	60.644	0.253	0.000	0.253
Housing	6	6.876	6.876	0.000	6.876	6.776	-0.100	0.000	-0.100
Environmental Health	7	2.647	2.647	-0.005	2.642	2.612	-0.030	0.000	-0.030
Sub Total		251.535	251.587	0.000	251.587	251.986	0.399	0.000	0.399
Capitalisation		-1.338	-1.338	0.000	-1.338	-1.338	0.000	0.000	0.000
Capital Financing		-16.534	-16.534	0.000	-16.534	-16.534	0.000	0.000	0.000
Interest on Balances		-3.788	-3.788	0.000	-3.788	-3.901	-0.113	0.000	-0.113
Net Spending on Local Services		229.875	229.927	0.000	229.927	230.213	0.286	0.000	0.286
Contribution To/(From) GF Reserves		0.000			-0.052				
Net Cost of Local Services		229.875			229.875				
General Fund Balance as at 01.04.03		5.273			5.273				
Contribution To/(From) GF Reserves		-0.105			-0.105				
Changes in Year		0.000			-0.052				
Management Change		0.000			-0.500				
NNDR refund		0.000			0.835				
Reduction in Single Status Provision					0.300				
Balance as at 31.03.04		5.168			5.751				

LONDON BOROUGH OF HARROW
Director's Revenue Budget Monitoring Statement
Period 06 as at 30th September 2003

Service: BUSINESS CONNECTIONS & CHIEF EXECUTIVE'S

Budget Issues

1. Table one below shows how spending compares to the latest approved budget. It shows a net projected overspend of £47k

Predicted Spend

2. Table one sets out predicted spending compared to the latest approved budget.

Service Budget	Latest Budget for Cabinet approval	Predicted Outturn	Over / Under spend before M'gt Action	Management Actions	
				M'gt changes / dept virement	Comp. Savings to be identified
				(1)	(2)
	£000	£000	£000	£000	£000
Services					
Corporate and Democratic Core	6.935	6.935	0.000		0.000
Corporate and I.T. Services	4.315	4.315	0.000		0.000
Finance and Exchequer Services	3.270	3.270	0.000		0.000
Personnel and Management Services	0.593	0.593	0.000		0.000
Borough Secretary and Solicitors (CED)	-0.185	-0.138	0.047		0.047
Magistrate Court	0.358	0.358	0.000		0.000
New Harrow Project	1.451	1.451	0.000		0.000
Council Wide Costs	1.374	1.374	0.000		0.000
Total Services	18.111	18.158	0.047	0.000	0.047

Variations

3. Variations to report are as follows:

Table 2

Main Variations	£000
<i>Projected Overspends (+)</i>	
If present trends continue, it is anticipated that the Land Charges Unit (CED) will recover £81,000 less than its target figure during 2003-2004. This is solely due to the activities of Personal Search Agencies who are undercutting the Council's fees and taking a significant part of its market. The position is fully set out in the Medium Term Budget Strategy Report, together with projections for future years.	81
Sub total: projected overspends	81

<u>Projected Underspends (-)</u>	
There is very little the Law and Administration Division (CED) can do at present to remedy the situation, which has been brought about by factors outside its control, and no compensatory savings can be identified. The Division can however report that the Registrars & Print Sections expect a surplus fee income of £34,000, which will go some way towards reducing the under recovery.	-34
Sub total: projected underspends	-34
Net Total	47

Management Action

4. No management action/policy action is proposed

Virements

5. No virements proposed

Emerging budget issues

6. None

Implications for future years' budgets

7. The position is fully set out in the Medium Term Budget Strategy Report together with projection for future years.

Consultation

8. None

Any other budget or service issues.

9. Nothing to report.

Author / Designation: Naresh Chauhan (CED Finance Manager)

Date 13 October 2003

LONDON BOROUGH OF HARROW
Director's Revenue Budget Monitoring Statement:
Period 06: as at 30th September 2003
Service: PEOPLE FIRST - EDUCATION

Budget Issues

1. There is still a net overspend of £29k within the cash limit budget to be found from compensatory savings. It is likely that further compensatory savings will be identified as the year progresses from vacancy savings however it is still too early in the financial year to be clear how much they will be. The budget pressure identified in period 2 at the Teachers Centre has now been reported and can be contained within the cash limit budget if the management action and virement identified is approved. In addition to the virement approved in period 2 further legal and financial consultants fees related to the PFI special schools have been incurred due to the delay in signing the contract. It is possible to contain these fees within the cash limit budget if the virement identified is approved.

Predicted Spend

2. Table one sets out predicted spending compared to the latest approved budget.

Table 1				Management Actions	
Service Budget	Latest Budget for Cabinet approval	Predicted Outturn	Over / Under spend before M'gt Action	M'gt changes / dept virement	Comp. Savings to be identified
(1)	(2)	(3)	(4)	(5)	(6)
	£000	£000	£000	£000	£000
Services					
Individual Schools Budget	87.531	87.531			
Schools & Community Services	19.041	19.112	0.071	-0.071	
Strategy & Resources	2.657	2.686	0.029	0	0.029
School Development Service	3.887	3.816	-0.071	0.071	
Schools Capital Financing	16.147	16.147			
Total Services	129.263	129.292	0.029	0	0.029

Variations

6. The main variations since the last period are set out in table two.

Table 2

Main Variations	£000
<i><u>Projected Overspends (+)</u></i>	
1. Teachers Centre – Income from schools, media resources and external users is £100k lower than last year. Management action has been taken at the Teachers Centre to reduce expenditure as far as possible however there will still be an overspend.	71
2. Policy Development - PFI Fees – Due to the delays in signing the PFI contract additional financial and legal consultants fees have been incurred.	140
Sub total: projected overspends	211
<i><u>Projected Underspends (-)</u></i>	
1. Advisers Budget and Standards Funds – Management action has been taken to contain the Teachers Centre overspend from additional external trading account income within the Advisory Service and from savings on the Key Stage 3 LEA allocation of Standards Funds.	-71
2. Policy Development - Vacancy Savings – There is a vacancy saving on a Policy Officer post and other administrative support posts which can be used to offset the increased costs of the PFI consultants.	-65
3. Policy Development – School Reorganisation Team – Growth of £125k was approved for 2003/2004 to take forward the work on school reorganisation. It is estimated that only £50k of this funding will be spent in 2003/2004 and therefore £75k is available to offset the increased costs of the PFI consultants.	-75
Sub total: projected underspends	-211
Net Total	0

Management Action

5. The following management action is required to maintain the approved budget cash limit:

(a) Expenditure at the Teachers Centre has been contained as far as possible in order to reduce the overspend arising from reduced income. This has included reviewing staffing arrangements and opening hours and freezing expenditure on replacement furniture and equipment and books for the library.

Virement

8. Table 3 sets out virements requiring Cabinet approval.

Table 3

From		To	
Budget	£000	Budget	£000
1. Advisers' Trading Account and Standards Funds	-71	1. Teachers Centre	71
2. Policy Development - School Reorganisation	-75	2. Policy Development PFI Fees	140
3. Policy Development – Vacancy Savings	-65		
Total	-211	Total	211

Emerging budget issues

9. The overall Assessment & Provision budget is under pressure. Further work has been completed on assessing the level of savings on the SEN transport budget and it is likely that savings of £119k rather than £190k will be made. However until the effect of all of the pupil changes from the new academic year are known on both the transport and other SEN budgets it is unclear as to how much may be contained within the overall growth approved for 2003/2004. It is proposed therefore to wait until December before reporting any variations when a clearer overall position on the budgets will be known.

Further work has been completed on the Playschemes budget for 2003/2004. It is unlikely that there will be an overspend on the budget for 2003/2004 as no playschemes ran during the May half term and a couple of schemes can not run over the summer. There may still however be a base budget issue which will need to be brought to Members attention to contain expenditure within the budget for future years.

The delay with the roll out of LGfL will mean that the full efficiency savings connected with ceasing the separate dial up facilities to schools will not be made. An estimate of the savings that will be made and the timescale is still being reviewed.

Implications for future years' budgets

10. The teachers' centre is currently the subject of a best value review. The review will identify the issues regarding the funding of the Centre and develop options for the longer term.

Consultation

9. The Education and Lifelong Learning Portfolio Holder has been consulted on the report.

Any other budget or service issues.

10. None

Author / Designation: Paula Foulds Education Financial Services Manager

Date 13 October 2003

LONDON BOROUGH OF HARROW
Director's Revenue Budget Monitoring Statement:
Period 06: as at 30 September 2003
Service: Urban Living - Environmental Services

Budget Issues

1. A number of budget areas are beginning to show variations because of circumstances that are not always within the Council's control, leading to some volatility in outturn forecasts. Options for containing expenditure within the net overall budget are being actively considered.

Predicted Spend

2. Table one sets out predicted spending compared to the latest approved budget.

Table 1				Management Actions	
Service Budget	Latest Budget for Cabinet approval	Predicted Outturn	Over / Under spend before M'gt Action	M'gt changes / dept virement	Comp. savings to be identified
(1)	(2)	(3)	(4)	(5)	(6)
	£000	£000	£000	£000	£000
Services					
Planning	1.694	1.744	0.050	0.000	0.050
Environment & Transport	18.401	18.551	0.150	0.000	0.150
Property & Development	4.035	4.035	0.000	0.000	0.000
New Harrow Project	2.469	2.469	0.000	0.000	0.000
Harrow Contract Services	7.705	7.705	0.000	0.000	0.000
Total Services	34.304	34.504	0.200	0.000	0.200

Variations

3. The following variations have been identified to date.
 - a) **Parking Enforcement £0.100m.** The budget for 2003-2004 was based on the change in the penalty charge rate in April producing additional income of £0.300m. Based on income received to date it is anticipated that there will be a shortfall in income received in relation to penalty charge notices of £0.100m. This is partly due to reduced ticket numbers and partly due to the number of people paying early at the discounted rate and worsening recovery rate adversely affecting income. The ticket issues have been below target as a result of staff shortages. Recent successful recruitment should result in the number of ticket issues increasing during the second half year but are unlikely to make up for the shortfall in the first half year.
 - b) **Recycling Income £0.050m.** There is a projected shortfall in recycling income of £0.050m. During 2002-3 there was an adverse impact on the greenbox scheme as a result of strike action. Whilst the service has since returned to normal, some customers who stopped using the service have not returned, giving a reduction in the volume collected compared to budget.

- c) **Planning Legal costs / counsel's fees £0.050m.** An overspend on legal fees / costs of approximately £50,000 is expected in connection with defending three planning inquiries – East End Farm, Harrow Hospital and the King's Head.

Management Action

4. As set out in main report.

Virement

11. None

Emerging budget issues

12. a) Parking enforcement income is relatively volatile and it is possible that the shortfall identified above could worsen if the position on ticket issues, recovery rate or discount rate changes.
- b) Wealdstone police station. An initiative to undertake joint work with the police, including the co-location of staff is anticipated to result in the need for adaptations to comply with the Disability Discrimination Act.

Implications for future years' budgets

13. a) The reduction in the rateable value of the Leisure Centre will have an ongoing reduction in 2004-2005 of £84,000.
- b) The shortfall in parking enforcement income is anticipated to have an ongoing impact of £0.050m p.a.

Consultation

9. None.

Author / Designation: Tony Lear: Executive Director Urban Living

Date 13 October 2003

LONDON BOROUGH OF HARROW
Director's Revenue Budget Monitoring Statement
Period 06: as at 30th September 2003
Service: People First - Social Services

Budget Issues

1. It is still relatively early during the year to be confident that the current position set out in paragraph 4 below will remain unchanged. Provision of services is demand led and it is not possible to predict many of the events that will lead to the need for intervention by social services. There is also an increasing expectation from relatives/carers of the role that social services should take in offering support, not only to service users, but also to support carers
2. There are some specific items covered in table 2 below and some further emerging issues that may impact on costs and these are identified at paragraph 7 below.

Predicted Spend

3. Table one sets out predicted spending compared to the latest approved budget.

Table 1				Management Actions	
Service Budget	Latest Budget for Cabinet approval	Predicted Outturn	Over / Under spend before M'gt Action	M'gt changes / dept virement	Comp. savings to be identified
(1)	(2)	(3)	(4)	(5)	(6)
	£000	£000	£000	£000	£000
Services					
Children and Families	8.865	9.109	0.244	0	0.244
Community Care	37.193	37.102	-0.091	0	-0.091
Management and admin	8.014	8.014	0.000	0	0.000
Concessionary Fares	6.319	6.419	0.100	0	0.100
Total Services	60.391	60.644	0.253	0	0.253

Variations

7. The main variations since the last period are set out in table two

Table 2

Main Variations	£000
<i>Projected Overspends (+)</i>	
1. Achievement of savings at the Family Centre has proven impossible as there has been insufficient spare capacity to sell places to other LAs and it has not been possible to reduce staffing levels at a time when temporary relocation plans associated with the 'LIFT' project are being planned. Once the 'LIFT' project has been completed and the service from the	100

Family Centre reconfigured it may be possible to achieve this saving but this will not be until 2005-2006.	
2. It has not been possible to achieve the planned savings at the Bentley Centre (£50k in 2003-2004 and another £50k in 2004-2005). A detailed examination of the physical disability day care service has established that there has been an increase in uptake by clients and this has reduced the flexibility to take clients into Bentley from independent sector placements or to sell spare capacity to other authorities. There have been some savings on Physical Disability independent sector purchasing and this can be used to offset this budget shortfall in the current year (a virement request is detailed below in Table 3)	50
3. There have been overspends on salaries and wages budgets in childrens services – particularly in relation to achieving care standards requirements in Haslam and Silverdale but also the need for agency staff to cover essential posts within childrens fieldwork. In relation to Haslam and Silverdale the additional staff resource has enabled the units to cope with some children who are particularly challenging and who would have otherwise been accommodated in more expensive independent sector placements. This has contributed to savings on the independent sector budgets as detailed below in this table	367
4. The process of introducing mobility assessments for new and existing taxicard members has now been agreed but the resulting delay will reduce savings in the current year.	100
8. There is currently an overspend on salaries and wages in community care services particularly on mental health care management. Attempts will be made to draw back this overspend during the remainder of the year but it may not be possible to totally eliminate this overspend.	120
6. The Delayed Discharges Act includes a requirement to cease charging for equipment and adaptations with effect from 9 th June 2003. For Harrow this means a loss of income in a full year of £48k and in the current year 2003/04 of £39k.	39
Sub total: projected overspends	776
<i><u>Projected Underspends (-)</u></i>	
1. Savings have been achieved on independent sector purchasing for childrens residential services in part achieved by using Haslam House to accommodate some very challenging young people who would normally have been placed with independent sector providers. This saving offsets in part the overspends on childrens services salaries budgets. It should however be recognised that this is still an early stage in the year and individual placement cost for young people can be in excess of £100k per annum.	-223

Savings on independent sector purchasing within community Care Services particularly in: -	
<ul style="list-style-type: none"> Physical disability with an offsetting £50k saving as referred to in 2 above 	-50
<ul style="list-style-type: none"> Mental Health and Learning services where the current level of residential placements is lower than budgeted. As with Childrens it is still an early stage in the year and individual placement cost average £50k per annum. Additionally the affects of FACS and the revised continuing care criteria are still difficult to quantify and could adversely impact on these budgets. 	-170
<ul style="list-style-type: none"> Elderly Domiciliary care where there is a marginal underspend against the total budget of £7.7M for the elderly services element. 	-80
Sub total: projected underspends	-523
Net Total	253

Management Action

- There continues to be tight control over all new placements in residential and nursing home placements and domiciliary care provision across all client groups with placement panels operating to challenge the robustness of placement requests. The criteria set within FACS is set at a high level with only those most in need receiving services. Managers are being given regular monthly budget monitoring information and have been given a clear expectation that current overspends need to be brought under control wherever possible.

Virement

- Table 3 sets out virements requiring Cabinet approval.

Table 3 From		To	
Budget	£000	Budget	£000
1. Physical disability independent sector residential services	-50	1. Bentley day centre income	50
2. Childrens services independent sector residential services	-223	2. Childrens services salaries and wages at Haslam and Silverdale residential units	223
Total	-273	Total	273

Emerging budget issues

- The following areas could lead to spending pressures but there is currently insufficient detailed information to predict the effect in the current year.

- On the 29th August the High Court decided a judicial review brought against Hillingdon Council on Unaccompanied Asylum Seeking Children (UASC). The consequence of this ruling is that councils are now required to provide services under Section 20 of the Children Act rather than Section 17. This means that UASC in the 16-17 age group could be entitled to a range of services including, improved accommodation with staff support, regular reviews of need, pathway plans (in the same way as all care leavers), access to further education and support - all the way through until they reach 25. The potential full year cost of implementing all the requirements of section 20 are in the range of £500k to £1m. Representations are being made to Central Government to provide additional funding to cover these costs and there is an acknowledgement from the Immigration and Nationality Directorate that there are issues to be clarified.
- Section 54/55 of the Nationality & Immigration Act 2003 places a duty on Local Authorities to provide services to persons specified in the above sections of that Act who are destitute. Even if they do not meet the Authority's criteria for FACS but nevertheless have an identified need. This will usually mean the provision of accommodation, food and minimal welfare services to meet Human Rights Act Legislation requirements, until such time that the person is removed from the U.K. Only a small number of cases have presented to date. The likely full year costs are not expected to exceed £20k.

Implications for future years' budgets

8. Potential growth has been identified in the 2004/05 budget build process for the: -
- loss of income from ceasing charges for equipment and adaptations
 - shortfall in budget savings on the Family Centre and Bentley Centre.
 - staffing requirements at Haslam and Silverdale to meet care standards requirements

All other variations above are either the result of in-year variations or slippage in schemes and will not impact on future years.

Consultation

9. The Social Services Portfolio Holder is being consulted on the report.

Any other budget or service issues.

10. Nothing to report.

Ian Eastburn, Head of Finance and Contracting

Date 17 October 2003

LONDON BOROUGH OF HARROW
Director's Revenue Budget Monitoring Statement:
Period 6: as at 30 September 2003
Service: Urban Living - Housing GF

Budget Issues

1. By reducing the number of homeless families in bed & breakfast accommodation to nil, together with the implementation of other cost reducing homelessness initiatives, savings are anticipated against this year's Homelessness budget

Predicted Spend

2. Table one sets out predicted spending compared to the latest approved budget.

Table 1

Service Budget	Latest Budget for Cabinet approval	Predicted Outturn	Over / Under spend before M'gt Action	Management Actions	
				M'gt changes / dept virement	Comp. savings to be identified
				(5)	(6)
(1)	(2)	(3)	(4)	(5)	(6)
	£000	£000	£000	£000	£000
Housing GF					
Housing Services	6,876	6,776	-100		
Total Services	6,876	6,776	-100	0	0

Variations

9. The main variations since the last period are set out in table two.

Table 2

Main Variations	£000
<u>Projected Overspends (+)</u>	
1. none	
Sub total: projected overspends	0
<u>Projected Underspends (-)</u>	
1. Homelessness saving from reduced B&B and other initiatives	-100
Sub total: projected underspends	-100
Net Total	-100

Management Action

4. None required

Emerging budget issues

5. None

Implications for future years' budgets

6. None

Consultation

7. None

Any other budget or service issues.

8. None

Author / Designation: Paul Finesilver, Acting Housing Finance Manager

Date 13/10/03

LONDON BOROUGH OF HARROW
Director's Revenue Budget Monitoring Statement:
Period 06: as at 30 September 2003
Service: Urban Living – Environmental Health Services

Budget Issues

1. There are no significant budget issues at this time, other than anticipated savings on salaries of about £30,000 across the Environmental Health services, due to staff vacancies. About £12,000 of this relates to the Trading Standards Consortium.

Predicted Spend

2. Table one sets out predicted spending compared to the latest approved budget.

Service Budget	Latest Budget for Cabinet approval	Predicted Outturn	Over / Under spend before M'gt Action	Management Actions	
				M'gt changes / dept virement	Comp. Savings to be identified
				(5)	(6)
(1)	(2)	(3)	(4)	(5)	(6)
	£000	£000	£000	£000	£000
Services					
Environmental Health	2.642	2.612	-0.030		
Total Services	2.642	2.612	-0.030	0.000	0.000

Variations

10. The main variations since the last period are set out in table two.

Table 2

Main Variations	£000
<u>Projected Overspends (+)</u>	
1. none	
Sub total: projected overspends	0
<u>Projected Underspends (-)</u>	
1. Salaries – Anticipated savings from staff vacancies	30
Sub total: projected underspends	30
Net Total	30

Management Action

4. None required

Virement

5. None

Emerging budget issues

14. None

Implications for future years' budgets

15. None

Consultation

8. None

Any other budget or service issues.

9. None

Author / Designation: Paul Finesilver, Acting Housing Finance Manager

Date 15/10/03