

Worcestershire Shared Services Joint Committee
20th February 2014

**WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING APRIL –
DECEMBER 2013**

Recommendation

It is recommended that the Joint Committee:

- 1.1 Consider and note the financial position for the period April – December 2013

**Contribution to
Priorities**

The robust financial management arrangements ensure the priorities of the service can be delivered effectively.

Introduction/Summary

This report presents the financial position for Worcestershire Regulatory Services for the period April – December 2013.

Background

Quarterly financial reports are presented for consideration by the Management Board. It is appropriate, due to timing that the report for April – December is presented to this meeting.

Report

Revenue Monitoring

The following reports are included for Joint Committee's Attention:

- Revenue Monitoring April – December 2013/14 – Appendix 1
- ICT System projected financial position 2013/14 – 2015/16 - Appendix 2
- Redundancy / Pension Strain 2013/14 Appendix 3

Revenue Monitoring

The Revenue monitoring report for the period April – December 2013/14 is attached at Appendix 1.

There is a projected underspend for the year of £87k. Due to a significant number of staff vacancies, Long Term Sick and Maternity Leave, there is a projected underspend within salaries of £521k. This is offset by the anticipated overspend on the Agency Staffing Budget of £479k to cover

employees that have been seconded to the ICT project and staff required to meet the demands of the service to ensure the efficiencies can be delivered in future years. The projected underspend for 2013/14 is higher than originally anticipated due to additional vacancies, the impact of voluntary redundancies approved and grant funding secured.

During 2013/14 a pilot scheme has been in operation at Worcester City, therefore it is anticipated that £3.7k of the projected underspend will be allocated to Worcester City and the remaining underspend distributed to partners on the agreed percentage basis as per the original business case.

ICT System Projected Costs

Appendix 2 details the anticipated expenditure for the one off costs associated with the implementation of the project. As previously reported there is a saving of £282k from the costs originally included in the business case.

WRS Officers are confident implementation costs will be spent during 2013/14 as shown in Appendix 2 and they are currently in discussion with suppliers to ensure issues in relation to service provision are addressed urgently.

In addition to the one off costs there will be annual revenue costs resulting from the software, license charges and service maintenance with the new system. These costs are currently estimated at £79k pa and are included in Appendix 2.

It is anticipated that funding for these costs will only be required from participating councils for two years.

Redundancy / Pension Strain

Appendix 3 details the anticipated funding requirement from partners due to redundancy and pension strain for 2013/14. The costs associated with these redundancies were agreed in November 2013 by the Management Board. It is proposed that any further redundancies required due to specific savings requested by partners will be funded solely by the individual partner council. The detailed revenue report is attached at Appendix 1.

It is not anticipated that there will be a variance on the budget for this financial year.

Financial Implications

None other than those stated in the report

Sustainability

None as a direct result of this report

Contact Points

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Background Papers

Detailed financial business case
