

Joint Committee
21st February 2013

WORCESTERSHIRE REGULATORY SERVICES BUDGET MONITORING APRIL – NOVEMBER 2012

Recommendation

It is recommended that the Joint Committee:

- 1.1 Consider and note the financial position for the period April – November 2012
- 1.2 To agree an extension of the basis of charging to June 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 – November 2012.

Background

As part of the financial management arrangements relating to the service a regular monitoring statement is produced for members to ensure costs are managed within the budget approved by participating councils.

Report

Revenue Monitoring

The detailed revenue report is attached at Appendix 1. This shows a current underspend of £164k (to the end of November) and a predicted year end saving of £193k. This underspend is mainly due to :

- A number of vacant posts within the service together with savings resulting from maternity leave. The underspend is offset by the costs associated with additional agency staff being used to cover the vacancies and to backfill for those staff that have been seconded to support the service transformation project, this cost has reduced due to continued difficulty in recruiting agency staff at the level required.
- Costs associated with additional work for partners, eg bereavement charges will be offset by additional income received.
- Any grant funded expenditure is shown separate to the core service costs as this is not funded by the participating Councils.

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.

Due to the procurement and negotiation of the final details of the contract, it is anticipated that the implementation costs will be spent during 2012/13 and 2013/14 as shown in appendix 2. This projection is being revised on a monthly basis.

In addition to the one off costs there will be annual revenue costs resulting from the software, licence charges and managed service charges 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.

Revised Charging 2013/14

It was anticipated that a review of charging would be undertaken by April 2013. Officers are continuing to work through the options and variable methods of reallocating costs, it is proposed that a formal review be completed by June 2013.

Financial Implications

None other than those stated in the report

Sustainability

None as a direct result of this report

Contact Points

Jayne Pickering – 01527-881400

Background Papers

Detailed financial business case
