

To: City Executive Board

Date: 5th. December 2012

Report of: Finance and Performance Panel

Title of Report: Integrated Report 2nd. Qtr. 2012/2013

Summary and Recommendations

Purpose of report: To present comments from the Finance and Performance Panel

Key decision? No

Scrutiny Lead Member: Councillor Rowley

Executive lead member: Councillor Turner

Policy Framework: Improve value for money and service performance.

Recommendation(s): For the City Executive Board to say if it agrees or disagrees with the following recommendation:

That a review of service over spending is conducted as part of the coming budget. In particular to consider the ability of services to deliver within budget targets. If this has already been done for this information to be presented to the Panel as part of the budget review process.

Introduction

1. The Scrutiny Finance and Performance Panel considered the Integrated Performance Report at their meeting on the 26th. November 2012. The Panel found this new style of reporting bringing together risk, performance and spending to be both helpful and informative.
2. The Panel discussed both format and content and have passed comments on the former to report authors. The Panel would like to congratulate officers on this initiative and look forward to seeing future iterations and developments.

Conclusions and Recommendations

3. The Panel was pleased to see the improvement in the overall budget position since the last quarter but noted that this is largely as a result of 2 one-off events. Service spending is over budget in some areas and this is worrying given the continued need for efficiency savings for the future. In the commentary on the overall position officers comment that “several services are overspending and are unlikely to turn this around by the end of the year” and then a little later say “efficiency savings are currently forecast to be £233k below target but it is anticipated that this will be made up over the coming months and will be delivered on target”. This seems to paint a picture of some services struggling with their budget targets without resolution and others responding flexibly to make up short falls.
4. Panel members discussed the position of the under spend produced by employees in Direct Services not joining the Pension Scheme and the longer terms consequences of this for them. The Panel has asked for further information on this.

Recommendation

That a review of service over spending is conducted as part of the coming budget. In particular to consider the ability of services to deliver within budget targets. If this has already been done for this information to be presented to the Panel as part of the budget review process.

Board Member and Director Comments

5. Comments will be made at the meeting.

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List of background papers:

Version number: 1