

**Report of the Deputy Chief Executive**

**Report to Executive Board**

**Date: 8<sup>th</sup> February 2017**

**Subject: Financial health monitoring 2016/17 – quarter 3 (month 9)**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. The purpose of this report is to inform the Executive Board of the financial health of the authority in respect of the general fund revenue budget, and the Housing Revenue Account.
2. The 2016/17 financial year is the first year covered by the 2015 Spending Review and again presents significant financial challenges to the council. The council to date has managed to achieve considerable savings in the order of £330m since 2010 and the budget for 2016/17 will require the council to deliver a further £76m of savings.
3. The current and future financial climate for local government represents a significant risk to the council's priorities and ambitions. Whilst the council continues to make every effort possible to protect the front line delivery of services, it is clear that the position is becoming more difficult to manage and it will be increasingly difficult over the coming years to maintain current levels of service provision without significant changes in the way the council operates.
4. Executive Board will recall that the 2016/17 general fund revenue budget, as approved by council provides for a variety of actions to reduce net spend by £31.5m delivering some £76m of budget action plans by March 2017. After 9 months of the financial year it is clear that the majority of these actions and savings plans are on track to be delivered, however this report highlights a potential overspend/risk of

£0.9m. This position represents an improvement of £3m when compared to the previous position reported to this board and the expectation is that the budget will be brought into balance by the year-end.

5. At the third quarter, the Housing Revenue Account is projecting a £0.4m surplus.

## **Recommendation**

6. Executive Board are asked to note the projected financial position of the authority.

### **1. Purpose of this report**

- 1.1 This report sets out for the Executive Board the Council's projected financial health position for 2016/17 after 9 months of the year.
- 1.2 Budget monitoring and management is a continuous process throughout the year, and this report reviews the position of the budget and highlights potential key risks and variations.

### **2. Background information**

- 2.1 Executive Board will recall that the net budget for the general fund for the 2016/17 financial year was set at £496.4m, supported by the use of £3.45m of general reserves.
- 2.2 Budget monitoring continues to be undertaken on a risk-based approach where financial management resources are prioritised to support those areas of the budget that are judged to be at risk, for example the implementation of budget action plans, those budgets which are subject to fluctuating demand, key income budgets, etc.

### **3. Main Issues**

- 3.1 At the third quarter, a £0.9m overspend is forecast, as shown in table 1 below.

*Table 1 – forecast 2016/17 budget variations by directorate*

Directorate	Director	(Under) / Over spend for the current period				Previous month (month 7)
		Staffing	Total expenditure	Income	Total (under) /overspend	
		£000	£000	£000	£000	£000
Adult Social Care	Cath Roff	(1,994)	390	(390)	0	0
Children's Services	Steve Walker	717	8,377	(1,737)	6,640	4,988
City Development	Martin Farrington	(655)	1,702	(2,070)	(368)	(149)
Environment & Housing	Neil Evans	(955)	3,639	(3,736)	(97)	(95)
Strategy & Resources	Alan Gay	(1,234)	(1,192)	1,143	(49)	94
Citizens & Communities	James Rogers	88	1,599	(1,698)	(99)	(96)
Public Health	Dr Ian Cameron	(183)	911	(937)	(26)	(23)
Civic Enterprise Leeds	Alan Gay	703	1,053	(678)	375	201
Strategic & Central	Alan Gay	300	(5,238)	(202)	(5,440)	(938)
<b>Total Current Month</b>		<b>(3,213)</b>	<b>11,241</b>	<b>(10,305)</b>	<b>936</b>	<b>3,982</b>

3.1.1 The minimum revenue provision (MRP) is an annual revenue charge for the repayment of borrowing and other capital financing liabilities. The forecast position on the strategic and central budget recognises some £9.3m of savings against the MRP budget which reflects the proposal to apply capital receipts and previous overprovision to reduce the charge to the revenue budget. The council's medium-term strategy around the /minimum revenue provision is further explained in the 2017/18 budget report elsewhere on this board's agenda.

3.1.2 New homes bonus – the government introduced the new homes bonus as an incentive scheme in 2011 to encourage housing growth across the country: councils receive additional grant equivalent to the average national council tax for each net additional property each year which is received annually for six years. Whilst the new homes bonus is intended as an incentive for housing growth, it should be noted the funding for this initiative comes from a top-slice of the local government funding settlement and the distribution of this funding benefits those parts of the country with the highest level of housing growth and is weighted in favour of properties in higher council tax bands. The Chancellor announced in the 2015 spending review that the new homes bonus would be reduced by at least £800m in order to redirect funding to support adult social care services via the improved Better Care Fund. Although consultation ended in March 2016, the government didn't release details of the proposed changes to the scheme until the provisional local government finance settlement in December 2016.

Through the provisional finance settlement, government confirmed that the New Homes Bonus is to continue. However government has brought forward the changes that were originally proposed for 2018/19. As a result, the number of years for which payments will be made will reduce from 6 years to 5 years in 2017/18 and to 4 years in 2018/19. Additionally a new national baseline of 0.4% will be introduced from 2017/18 and no bonus will be payable for housebuilding below this baseline. In Leeds, as we account for the funding in the year it is earned, as opposed to the year that it is paid, the impact of bring-forward the changes will mean a £4.5m reduction in the New Homes Bonus funding in the 2016/17 financial year. This reduction in funding has been recognised in the forecast for the strategic and central budget.

- 3.1.3 Flexible use of capital receipts – the forecast position on the strategic and central budget recognises the proposal to be put to full council at its meeting in February 2017 to approve a strategy to flexibly apply capital receipts to fund £2.8m of early retirement severance costs in the 2016/17 financial year. If approved, this strategy would release the £2m earmarked reserve to carry-forward to support the 2017/18 budget and also avoid a potential £0.8m pressure on the 2016/17 revenue budget.
- 3.2 The other key variations against the revenue budgets are outlined below and more detailed information is included in the financial dashboards at appendix 1.
- 3.2.1 Adult Social Care - the directorate is anticipating a balanced position at the financial year-end. Projected spend on community care packages and general running expenses has reduced; though this has been offset by a reduced expected level of income.

A review of budget action plans has taken place and slippage totalling £2m is forecast at the year-end. Contingency savings have been identified to offset the impact. There is a projected shortfall of £0.8m in delivering the specific actions within the community care packages budget, with the largest shortfall relating to lower than anticipated reablement figures. Slippage of £0.8m relates to contracts and grants budgeted savings and £0.4m to the Better Lives programme within older people's residential and day care services. Some other budget pressures and savings have been identified, further details of are outlined in the financial dashboard at appendix 1.

- 3.2.2 Children's Services – overall at month 9 the directorate is reporting a projected overspend of £6.64m. This represents an adverse movement of £1.66m from that reported at period 7 of which £1m is due to a reduction in the anticipated funding which will be applied in 2016/17 from a new DfE innovations bid. Recognising the pressure on the demand-led budgets supporting children in care and children with special needs and disabilities, the period 9 position also reflects the use of £3.3m of funding from the earmarked demand and demography reserve.

Children in care - at month 9, the directorate is supporting an additional 38 looked after children in external residential placements and with independent fostering agencies than the 2016/17 budget provided for, which is resulting in a projected £5.5m pressure on these budgets. In the last quarter of 2015/16 the number of vulnerable children supported increased and this trajectory continued through to April 2016 followed by a steady reduction in children looked after numbers since May. However, there has been an increase in numbers in December 2016. There are currently 1,258 children and young people in care which is an increase of 23 from month 7. This includes 55 children and young people placed in externally provided residential placements and 198 placed with independent fostering agencies. In addition, there is a £1.1m pressure on the in-house fostering budget however this is mitigated by £1.1m of additional income on adoption. Overall, the children in care budgets support 1,170 placements across a mix of placement settings. The month 9 forecast year-end position assumes that numbers gradually reduce during the remainder of the financial year.

Transport - the home to school and home to college transport budget is under significant pressure due to a rise in the number of young people with complex

needs, a rise in the transport requirements outside the city and an increase in private hire rates. The pressure is currently identified at £1.7m, which is net of the appropriation of £1m from the specific demand & demography earmarked reserve.

Other Income - There is also a net £1.6m pressure from a reduced level of funding supporting the children's centres.

- 3.2.3 Schools Budget/Dedicated Schools Grant (DSG) – as reported previously, a number of pressures have emerged during the year in relation to the social emotional and mental health (SEMH) provision, funding for inclusion numbers and central early years expenditure which overall total £5.6m.

Schools forum on the 6th October 2016 received a report on the DSG budget which outlined the various pressures and an update was provided at the December 2016 forum meeting. Schools forum noted the projected overspend of £5.6m and that one option was to carry forward a deficit on the DSG into next financial year which would enable time to consider options to manage the budget in 2017/18. A report was presented to schools forum in January 2017 on the 2017/18 funding arrangements and options for managing these budget pressures with schools also being consulted on the options prior to the meeting. A decision will be taken by the Director of Children's Services in February 2017 around the specific proposals.

- 3.2.4 City Development – at month 9 the overall position is a projected underspend of £0.37m. However it should be noted that there are a number of fluctuations within the directorate that are being managed through additional income receipts and specific actions.
- 3.2.5 Environment & Housing – at month at month 9 the directorate is forecasting a marginal underspend of £0.1m against its £53m net managed budget. Within this overall figure, the waste management budget is projected to marginally underspend. In car parking, staffing savings and additional income are expected to deliver a saving of £0.3m and in Community Safety there is a forecast underspend of £0.1m due again to staffing savings, one-off income from the WYPCC and additional Ministry of Justice funding. Environmental action & health are forecasting a £0.4m underspend due to staffing savings and housing support are also expecting to deliver a £0.2m underspend, again due to staffing savings. These savings are enabling the directorate to manage the directorate wide staffing efficiency target within the overall budget.
- 3.2.6 Citizens & Communities – budget action plans have been reviewed with each Chief Officer and it is anticipated that the majority of plans will be delivered, though there is a pressure of £0.25m on the Customer Access budget which is offset by a forecast underspend of £0.24m on the elections, licensing and registration budget which is due to additional income. Overall, the directorate is forecasting a £0.1m underspend against its £29.7m budget.
- 3.2.7 Public Health – the public health budget and budget savings plans for 2016/17 reflect the continuing reduction to the ring-fenced grant. Overall, the budget plans are on track to be delivered other than the planned savings of £0.2m as part of the transfer of the TB contract which will not materialise, though work to find compensating savings is now completed and is currently predicted to offset this pressure. Due to overtrading of sexual health services, provision was made for

anticipated costs however it is likely that these costs will not materialise in full resulting in savings to compensate for this risk. In addition, pay costs are projected to be £0.16m underspent on the general staffing budget and work is continuing to identify potential financial pressures particularly in relation to costs associated with the new drugs and alcohol contract and public health activity contracts which are paid based on demand and some on NHS tariff. Recent activity data is showing a reduced level of activity and as a result an underspend of £249k is projected on commissioning budgets.

3.2.8 Strategy & Resources – overall, the directorate is projecting an underspend of £0.05m. Within the Projects, Programmes and Procurement Unit there is a forecast shortfall of income of £0.8m which is partly-offset by anticipated savings on the staffing budget of £0.7m resulting in a £0.19m forecast overspend which is being offset by underspends in Democratic Services (£0.13m), Informational Technology (£0.08m) and Strategy and Improvement (£0.025m). The rest of the directorate is expected to deliver on its budget action plans.

3.2.9 Civic Enterprise Leeds – the overall projected position at month 9 is an overspend of £0.38m. Within this, £0.2m is explained by a potential overspend against the catering net budget which is mainly as a result of the marginal impact of the loss of 7 school contracts together with the marginal impact of a shortfall against the adjusted meal numbers. The remaining £0.18m is due to additional security costs in Corporate Property Management which were incurred prior to the demolition of an unsafe grade 2 listed building.

3.2.10 Strategic & Central budgets – at month 9, the strategic and central budgets are anticipated to underspend by £5.4m. The key variations include;

- i. Minimum revenue provision – savings of £9.3m
- ii. New Homes Bonus – a shortfall of £4.76m
- iii. Debt - a net forecast pressure of £0.3m due to the conversion of short-term debt to long-term to take advantage of low long-term interest rates.
- iv. Section 278 income - a potential £1.8m risk due to lower levels of development activity.
- v. Procurement - a £1m variation which reflects that the procurement savings will be managed through directorate budgets.
- vi. The spend forecast recognises the impact of the decision to increase the Leeds living wage from January 2017.
- vii. PFI – a £0.9m variation which recognises that these savings will show in directorate/service budgets.
- viii. Savings of £2m from the additional capitalisation of eligible spend in general fund and school budgets.
- ix. Appropriation of £0.9m from earmarked reserves.
- x. Savings of £2m on the levy contribution to the business rates pool.
- xi. A potential pressure on court cost fees.

### **3.3 Other financial performance**

#### **3.3.1 Council tax**

The council tax in-year collection rate at the end of December 2016 was 81.44% which is marginally ahead of the performance in 2015/16. At this stage of the year,

the forecast is for an in-year collection rate of 95.9% collecting some £302.77m of council tax income.

### 3.3.2 Business rates

The business rates collection rate at the end of December 2016 was 81.29% which is 0.43% behind the performance at this stage in 2015/16. The forecast is still to achieve the 2016/17 in-year collection target of 97.7% collecting some £382.21m of income.

### 3.3.3 Prompt payment of creditor invoices

The current performance for the prompt payment of invoices processed within 30 days is 91.72% which is marginally below the target of 92%.

## 4. Housing Revenue Account (HRA)

4.1 At month 9 the HRA is projecting a £0.4m surplus at the year-end. Projected income from rents and service charges are forecast to be marginally below the budget with a £0.1m estimated variation at the year-end. Other income is forecast to be £0.5m more than the budget due in the main to £0.49m of income from the gain share arrangement with Mears which will be appropriated to the HRA general reserve. There are a number of variations against the expenditure budgets which together total an underspend of £0.2m, including an underspend of £0.9m on the employee budget due in the main to staffing vacancies, a pressure on the disrepair provision of £0.62m because of new cases and a pressure of £0.12m on the supplies and services heading. Further detailed information is included in the HRA financial dashboard at appendix 1.

## 5. Corporate considerations

### 5.1 Consultation and engagement

5.1.1 This is a factual report and is not subject to consultation

### 5.2 Equality and diversity / cohesion and integration

5.2.1 The council's revenue budget for 2016/17 was subject to equality impact assessments where appropriate and these can be seen in the papers to Council on 24th February 2016.

### 5.3 Council policies and Best Council Plan

5.3.1 The 2016/17 budget targeted resources towards the council's policies and priorities as set out in the Best Council Plan. This report comments on the financial performance against this budget, supporting the Best Council ambition to be an efficient and enterprising organisation.

### 5.4 Resources and value for money

5.4.1 This is a revenue financial report and as such all financial implications are detailed in the main body of the report.

## **5.5 Legal implications, access to information and call In**

5.5.1 There are no legal implications arising from this report.

## **5.6 Risk Management**

5.6.1 Financial management and monitoring continues to be undertaken on a risk-based approach with key budget risks identified as part of the annual budget-setting process and specifically monitored through the financial year. Examples include the implementation of budget action plans, those budgets which are volatile and subject to fluctuating demand, key income budgets, etc. The information in the financial dashboards at appendix 1 includes specific information on these risk areas.

## **6. Recommendations**

6.1 Executive Board are asked to note the projected financial position of the authority.

## **7. Background documents<sup>1</sup>**

7.1 None

---

<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.



## ADULT SOCIAL CARE - 2016/17 FINANCIAL YEAR

### FINANCIAL DASHBOARD - MONTH 9 (APRIL TO DECEMBER)

**Overall narrative**

The directorate is projecting a balanced position at the financial year-end. Projected spend on community care packages and general running expenses has reduced; though this has been offset by a reduced expected level of income.

A review of budget action plans has taken place and slippage totalling £2.0m is projected at the year-end. Contingency savings have been identified to offset the impact. There is a projected shortfall of £0.8m in delivering the specific actions within the community care packages budget, with the largest shortfall relating to lower than anticipated reablement figures. Slippage of £0.8m relates to contracts and grants budgeted savings and £0.4m to the Better Lives programme within older people's residential and day care services. Some other budget pressures and savings have been identified, further details of which are outlined below.

The main variations at Month 9 across the key expenditure types are as follows:

Staffing (-£2.0m – 3.80%)

Savings within Access and Care Delivery total £0.9m; this mainly reflects reducing staffing numbers within the Community Support Service since the budget was set and vacancies within the care management and business support services, partly offset by slippage relating to the Better Lives programme within older people's residential and day care services. Savings of £1.1m are projected in Commissioning Services, Resources and Strategy and Health Partnerships due to ongoing vacancies.

Community care packages (+£1.7m – 0.9%)

Expenditure on the learning disability pooled budget is currently projected to exceed budget provision, but work continues to bring this back on track as far as possible by the year-end. There is also some pressure on the direct payments budget, though this is considered to be a catching up of fee levels for 2015/16 as opposed to a growth in numbers.

Transport (+£0.5m – 11.7%)

The most recent projections from Passenger Transport Services indicate higher than budgeted costs. The information available indicates that the majority of the projected overspend relates to costs rather than demand, but further work is needed to understand this more fully. This is being undertaken in conjunction with Passenger Transport Services.

Income (-£0.4m – 0.6%)

Service user contributions are slightly higher than budgeted, mainly due to some slippage in the Better Lives programme within older people's residential and day care services. Funding for staffing costs through the learning disability pooled budget is also higher than budgeted.

**Budget Management - net variations against the approved budget**

				PROJECTED VARIANCES											Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Health Partnerships	405	(152)	252	(83)	0	75	0	4	121	0	0	0	117	(204)	(87)
Access & Care Delivery	245,962	(39,467)	206,495	(884)	66	(231)	9	551	1,269	795	0	0	1,574	(351)	1,223
Commissioning Services	12,828	(24,298)	(11,470)	(463)	0	(132)	(3)	155	317	0	0	0	(125)	(607)	(732)
Resources and Strategy	7,714	(1,284)	6,430	(564)	(1)	(176)	(3)	(483)	50	0	0	0	(1,177)	773	(405)
<b>Total</b>	<b>266,908</b>	<b>(65,201)</b>	<b>201,708</b>	<b>(1,994)</b>	<b>66</b>	<b>(465)</b>	<b>4</b>	<b>227</b>	<b>1,757</b>	<b>795</b>	<b>0</b>	<b>0</b>	<b>389</b>	<b>(390)</b>	<b>0</b>

<b>Key Budget Action Plans and Budget Variations:</b>				<b>RAG</b>	<b>Action Plan Value £m</b>	<b>Forecast Variation against Plan/Budget £m</b>
		<b>Lead Officer</b>	<b>Additional Comments</b>			
<b>A. Key Budget Action Plans</b>						
1.	Older people's residential and day care	D Ramskill	Full-year effects and ongoing Better Lives programme	A	0.9	0.4
2.	Assessment and care management practice	S McFarlane	Delivering the most cost effective service for new customers based on the strengths based approach and the use of reablement and telecare services	R	1.0	0.6
3.	Review of care packages - mental health	M Ward / M Naismith	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	A	0.5	0.2
4.	Review of care packages - physical impairment	J Bootle	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	G	0.5	0.0
5.	Review of care packages - learning disability	J Wright / M Naismith	Reviewing care packages for existing customers based on the strengths based approach and securing improved value for money commissioning	G	3.0	0.0
6.	Assessment and care management efficiencies	S McFarlane	Review of skills mix and business processes	G	0.5	0.0
7.	Grants and contracts	M Ward	Review of contracts and grants across client groups	R	1.4	0.8
8.	Vacancy management	Various	Mainly non-frontline services	G	0.8	0.0
9.	Fees and charges	A Hill	Implementation of February 2016 Executive Board decisions	G	1.0	0.0
10.	Health funding	S Hume	Mainly funding received in 2015/16 on a non-recurring basis	G	3.9	0.0
11.	Better Care Fund	S Hume	Exploring opportunities to realign spend between capital and revenue	G	1.8	0.0
<b>B. Other Significant Variations</b>						
1.	Staffing	Various	Ongoing tight vacancy management and reducing staff numbers in the Community Support Service			(2.4)
2.	Community care packages	J Bootle / M Naismith	Pressures experienced on residential & nursing placements and the learning disability pooled budget are continuing			1.5
3.	Transport	J Bootle / M Naismith	Mainly increased costs, which are under investigation with Passenger Transport Services			0.6
4.	Other expenditure	Various	Savings on general running expenses through careful budget management, including the projected impact of essential spend only for the remainder of the year			(1.3)
5.	Income	Various	Mainly funding for staffing costs through the learning disability pooled budget and service user contributions			(0.4)
				<b>Adult Social Care Directorate - Forecast Variation</b>		<b>0.0</b>

**CHILDREN'S SERVICES 2016/17 FINANCIAL YEAR  
FINANCIAL DASHBOARD - MONTH 9 (APRIL TO DECEMBER)**

**Overall** - at period 9 the Directorate is reporting a projected overspend of £6.64m, an adverse movement of £1.66m from that reported at period 7. £1m of this movement can be explained by the fact that the Directorate is now anticipating £1m of funding will be received in 2016/17 from a new Innovations BID, this is still subject to final approval. The Period 7 position had included £2m of anticipated additional funding. The Period 9 position also reflects an additional £2.3m to be released from the demand and demography reserve and will help reduce the overspend on external residential placements. Other variations include an additional overall £0.6m in CLA demand pressures (£0.5m external residential placements, £0.1m secure welfare places), £0.2m staffing and £0.25m reduced 3&4 year old FEEE income to children's centres and £0.4m shortfall in income from improvement partners.

**CLA Obsession** - at period 9, the directorate is looking after an additional 38 looked after children in External Residential (ER) placements and with Independent Fostering Agencies (IFA) than the 2016/17 budget provides for and this has resulted in a projected £5.5m pressure around CLA demand budgets. This is partially offset by the release of £2.3m from the demand and demography reserve. In the last quarter of 2015/16 numbers had increased and continued to increase in April but there has been a steady reduction in children looked after numbers since May. However, the reduction in ER placements seen during the first 8 months has not been maintained and there has been an increase in December, the number of children with IFAs has continued to reduce since period 7. There are currently 1,258 CLA children (increase of 23 from P7); this includes 55 with ER and 198 with IFA's. There is a £1.1m pressure on in-house fostering but this is off-set by £1.1m additional income on adoption. Overall the CLA budget supports 1,170 placements which includes provision for 36 ER and 181 IFA placements. The current year end projection is based on CLA numbers gradually reducing during the remainder of the financial year to 48 ER & 187 IFA.

**Staffing** - Current assumption is for staffing to overspend by £0.7m. This increase of £0.2m from the Period 7 position is due to an increase in the projected spend on agency, overtime and non-direct staff costs such as training.

**DfE Innovations Funding** - There is a pressure of £0.9m within the existing DfE Innovations funding.

**Transport** - The home to school and home to college transport budget is under significant pressure due to a rise in the number of young people with complex needs, a rise in the transport requirements outside the city and an increase in private hire rates. The pressure is currently identified at £1.7m, which is net of the appropriation of £1m from the specific demand & demography earmarked reserve.

**Other Income** - Additional income from the Innovations & Partners in Practise grant is not now anticipated in 2016/17. There is a net £1.6m pressure from a reduced level of funding supporting the Children's Centres.

**Dedicated Schools Grant (DSG)Pressure**- Pressures have emerged during the year in relation to the Social Emotional and Mental Health provision, Funding for Inclusion numbers and Central Early Years expenditure which total £5.646m. School Forum on the 6th October received a report on the DSG budget which outlined the various pressures and an update was provided at the December School Forum meeting. School Forum noted the projected overspend of £5.646m and that one option was to carry forward a deficit on the DSG into 2017/18 which would enable time to consider options to manage the budget in 2017/18. A report was presented to School Forum in January on the 2017/18 funding arrangements and options for managing these budget pressures with schools also being consulted on the options prior to the meeting. A decision will be taken in February around the specific proposals.

**Budget Management - net variations against the approved budget**

	Expenditure Budget	Income Budget	Latest Estimate	PROJECTED VARIANCES											Total (under) / overspend	
				Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income		
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
<b>Demand Led Budgets:</b>																
External and other Residential Placements	7,002	(2,835)	4,167							4,000			(2,293)	1,707	40	1,747
Independent Fostering Agencies	7,613	0	7,613							1,300				1,300		1,300
In House Fostering, Adoption, SGO and RO	21,560	(2,755)	18,805							1,098				1,098	(989)	109
SEN Outside Placements	4,857	(4,857)	0							871				871	(863)	8
Leaving Care	5,052	(1,160)	3,892							886				886	(363)	523
Transport	5,210	0	5,210				2,700						(1,000)	1,700		1,700
<b>Sub total Demand Led Budgets</b>	<b>51,294</b>	<b>(11,607)</b>	<b>39,687</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,700</b>	<b>0</b>	<b>0</b>	<b>8,155</b>	<b>0</b>	<b>0</b>	<b>(3,293)</b>	<b>7,562</b>	<b>(2,175)</b>	<b>5,387</b>
<b>Partner Funding</b>																
Schools Forum(A Life Ready For Learning)	0	(3,380)	(3,380)										875	875	152	1,027
Partner Funding of Family Services		(1,600)	(1,600)											0	600	600
<b>Sub total Partner Funding</b>	<b>0</b>	<b>(4,980)</b>	<b>(4,980)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>875</b>	<b>875</b>	<b>752</b>	<b>1,627</b>
<b>Other Budgets</b>																
Partnership, Development & Business Support	14,457	(1,337)	13,120	600		(363)	5	143					14	399	(291)	108
Learning, Skills & Universal Services	129,457	(112,222)	17,235	7	(80)	(332)	1	(202)	(1,292)	0			143	(1,755)	2,958	1,203
Safeguarding, Targeted & Specialist Services	75,377	(17,722)	57,655	110	(32)	315	176	80	915	(38)			(230)	1,296	(3,044)	(1,748)
Central Overheads	8,809	(11,753)	(2,944)											0	63	63
<b>Sub total Other Budgets</b>	<b>228,100</b>	<b>(143,034)</b>	<b>85,066</b>	<b>717</b>	<b>(112)</b>	<b>(380)</b>	<b>182</b>	<b>21</b>	<b>(377)</b>	<b>(38)</b>	<b>0</b>	<b>(73)</b>	<b>(60)</b>	<b>(314)</b>	<b>(374)</b>	<b>(374)</b>
<b>Total</b>	<b>279,394</b>	<b>(159,621)</b>	<b>119,773</b>	<b>717</b>	<b>(112)</b>	<b>(380)</b>	<b>2,882</b>	<b>21</b>	<b>7,778</b>	<b>(38)</b>	<b>0</b>	<b>(2,491)</b>	<b>8,377</b>	<b>(1,737)</b>	<b>6,640</b>	<b>6,640</b>

<b>Key Budget Action Plans and Budget Variations:</b>		<b>Lead Officer</b>	<b>Additional Comments</b>	<b>RAG</b>	<b>Action Plan Value</b>	<b>Forecast Variation</b>
<b>A. Significant Variations</b>				<b>RAG</b>	<b>£m</b>	<b>£m</b>
	Children Looked After	Steve Walker	Pressure on CLA demand led budgets (External Residential placements and Independent Fostering Agencies) partly offset by additional income from adoption. This is net of £2.3m from the demand and demography reserve.	R		<b>3.20</b>
	Passenger Transport	Sue Rumbold	Increased numbers of children requiring education outside the city, increased complexity of need and an increase in private hire rates, net of £1m from the demand and demography reserve.	R		<b>1.70</b>
	Income - DSG	Steve Walker	The current projection allows for a £0.75m shortfall against the budgeted income.	R		<b>0.75</b>
	Income - DfE BID	Steve Walker	New BID submitted in 2016/17. Whilst good progress continues to be made in the discussions with the DfE it is now anticipated that £1m of grant will be applied in 2016/17.	A		<b>(1.00)</b>
	Savings challenge across department	All	Target savings against running costs. Proposals for savings have been identified and will be implemented to secure the £0.5m in savings.	G		<b>(0.50)</b>
<b>B. Key Budget Action plans (BAP's)</b>						
A1	Securing additional income from Schools Forum	CSLT	£3.4m of funding per academic year provisionally agreed subject to delivery of activity and funds being available from DSG. School Forum in October has now approved this funding.	G	2.40	<b>0.00</b>
A2	Additional Funding For Children's Centres	CSLT	Additional Funding unlikely to be received.	R	1.60	<b>1.60</b>
C1	Reconfigure services to young people at risk of becoming NEET	Andrea Richardson	IAG contract has been extended to July 2016. Some existing provider staff will TUPE.	A	1.20	<b>0.25</b>
E1/E2/E4	Staff savings	Sue Rumbold	Reduction in posts/additional trading opportunities and ELIs. Linked to medium term strategy for the directorate. Further staff reductions are required to meet budget assumptions.	A	1.40	<b>0.70</b>
E5	Reduce net cost of Learning For life managed Children's Centres Childcare.	Andrea Richardson	Ensure childcare income generated is reflected in childcare staffing levels	A	0.50	<b>0.40</b>
A3	Improvement partners	Steve Walker	Maximise income from supporting other LA's. Work underway with a number of LAs, however, there will be a £0.4m shortfall against the budget.	G	0.50	<b>0.40</b>
A4	Adel Beck	Francis N'Jie	Maximise income from selling to other LA's. Rates revised for 16-17 to recover this additional income subject to occupancy levels being achieved.	G	0.40	<b>(0.10)</b>
E3	Impact of residential review on overtime costs	Steve Walker	Running cost efficiencies following closure of Pinfolds and Bodmin. Linked to the overall pay strategy for the directorate.	G	0.40	<b>0.00</b>
	Various other budget savings (10)	All CO's	Including reconfiguration of Targeted Services, a review of assets, additional trading with schools, additional DfE funding for adoption services; principally inter-agency fee, reviewing non Statutory costs etc.	G	2.29	<b>(0.76)</b>
<b>Children's Services Directorate - Forecast Variation</b>						<b>6.64</b>

## CITY DEVELOPMENT 16/17 BUDGET - PERIOD 9

### Overall -

Period 9 shows an increased underspend of (£368k). This is a forecast improvement of £72k due to further improved income from planning applications. There remain a number of one-off pressures that are being managed through additional income receipts and specific actions such as the use of Bridgewater Place money estimated at £916k and revised Arena debt savings of £217k. These pressures continue to be managed with the expectation that they will not cross over into 2017/18.

The Planning Sustainable Economic Development service is continue to manage the cost of 2015/16 Planning Appeals and new ones that have arisen in 2016/17. This is currently estimated at £200k over budget and is being offset by increased Building Control and Planning Fee income and underspends on staffing due to a number of vacant posts.

Kirkgate Market income remains the main pressure in Economic Development, a shortfall of £410k. This pressure is due to the extension of rent discounts into 2016-17 and later than anticipated new lettings resulting from delays to the market redevelopment.

In Asset Management and Regeneration the advertising income pressure stands at £506k due to the time taken to develop new sites and get them operational. Although the income target was reduced in the 2016/17 estimates cycle by £200k it is unlikely to achieve its target this year due to the time required to build up the advertising sites portfolio and programme delays around approvals for the advertising sites. An additional pressure of £249k has been made in respect of a number of dilapidation claims made against the authority for premises formerly leased in. Both these pressures are offset by revised Arena debt savings (£217k) and income from two new asset purchases recently approved by Executive Board (£612k).

Highways and Transportation have contracted further work with their strategic partners Mouchel increasing supplies and services spend offset by additional income mainly from the Bridgewater Place settlement.

In Arts and Heritage there is a projected loss of income from Room Hire at the Art Gallery (closed for roof repairs) £100k, which is offset by a NNDR Rebate and increased Town Hall bar and catering income. Overspends in supplies and services are partly funded by and related to increased events income.

Within Sport and Active Recreation overspends on supplies and services including catering, resalable and consultancy costs are offset with associated increases in projected income, which also includes an anticipated £40k shortfall of income in relation to the pool closure and refurbishment at John Smeaton and a £60k pressure due to incorrect treatment of VAT on the Fitness and Swim Bodyline Offer. The service is also experiencing a downturn in Bodyline income due to the number of budget gyms that have opened in the last 12 months.

The Directorate Strategy is to use the proposed £916k Bridge Water Place settlement to part fund these net pressures and contribute the balance to the corporate strategy. In the service analysis below £387k is utilised against

### Budget Management - net variations against the approved budget

	PROJECTED VARIANCES														Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Planning and Sustainable Development	8,571	(5,753)	2,818	(146)	0	279	0	17	0	0	0	0	150	(353)	(203)
Economic Development	5,110	(4,241)	869	47	50	101	1	38	0	0	0	0	237	260	497
Asset Management and Regeneration	11,181	(10,410)	771	(174)	1,075	(39)	(1)	602	0	0	16	0	1,479	(1,787)	(308)
Highways and Transportation	56,531	(40,348)	16,183	(283)	143	(317)	193	(30)	0	0	0	0	(294)	(152)	(446)
Arts and Heritage	16,869	(7,129)	9,740	(50)	(131)	334	8	29	22	13	0	0	225	(163)	62
Sport and Active Recreation	24,405	(18,739)	5,666	1	23	84	1	(20)	(35)	(31)	0	0	23	100	123
Resources and Strategy	1,720	(95)	1,625	(50)	(6)	(20)	1	(43)	0	0	0	0	(118)	25	(93)
<b>Total</b>	<b>124,387</b>	<b>(86,715)</b>	<b>37,672</b>	<b>(655)</b>	<b>1,154</b>	<b>422</b>	<b>203</b>	<b>593</b>	<b>(13)</b>	<b>(18)</b>	<b>16</b>	<b>0</b>	<b>1,702</b>	<b>(2,070)</b>	<b>(368)</b>

**Key Budget Action Plans and Budget Variations:**

				RAG	Action Plan Value	Forecast Variation against Plan/Budget
		Lead Officer	Additional Comments		£'000	£'000
<b>A. Budget Action Plans</b>						
1.	Planning and Sustainable Development	Tim Hill	Reduction in the net cost of service through management restructure, staffing savings and increased income generation	G	550	(403)
2.	Economic Development	Tom Bridges	Reduction in the net cost of service through staffing savings and increased income generation	A	280	87
3.	Asset Management & Regeneration	Tom Bridges	Reduction in the net cost of service through staffing savings and increased income generation	G	410	(234)
4.	Highways and Transportation	Gary Bartlett	Reduction in the net cost of service via alternative service delivery, removal of subsidies, staffing savings and additional income	G	440	10
5.	Arts and Heritage	Cluny MacPherson	Reduction in the net cost of service via efficiency savings, staffing savings and increased income generation	A	570	62
6.	Arts Grant	Cluny MacPherson	Full Year Effect of new grant allocations will deliver the savings. DDN published 25 March 2015 and implemented 1st April 2015	G	125	0
7.	Sport and Active Recreation	Cluny MacPherson	Reduction in the net cost of service via efficiency savings, staffing savings and increased income generation	A	440	123
8.	Resources and Strategy	Ed Mylan	Reduction in the net cost of service via efficiencies and staffing savings	G	30	(93)
9.	Directorate	All Chief Officers	Directorate-wide additional income target	G	387	0
<b>B. Other Significant Variations</b>						
1.	Asset Management	Tom Bridges	Reduced borrowing costs at Leeds Arena (£217k) income from new assets (£612k) offsetting reduced income from Advertising £506k and dilapidation claims £249k.			(74)
2.	Planning Appeals	Tim Hill	Uncertainty at this stage around the costs of planning appeals			200
3.	Kirkgate Market	Tom Bridges	Extension of rent discounts and other rent reductions resulting from the delay in the Kirkgate redevelopment.			410
4.	Bridgewater Place	Martin Farrington	As per the Directorate Strategy, use of balance of Bridgewater Place settlement to mitigate pressures			(456)
					<b>City Development Directorate - Forecast Variation</b>	
					<b>(368)</b>	

**ENVIRONMENT & HOUSING DIRECTORATE SUMMARY  
FINANCIAL DASHBOARD - 2016/17 FINANCIAL YEAR  
Month 9 Report - December 2016**

**Overall Position (£97k under budget)**

**Community Safety (£103k under budget)**

The service is projecting an underspend on staffing of £206k (offset by reduced charges to HRA of £79k). One off income in year has been received from West Yorkshire Police & Crime Commissioner (£85k) for contributions to LASBT (Leeds Anti social behaviour team) and additional Ministry of Justice funds (£89k) have been utilised. CCTV income is projected to be lower than budgeted by £196k. Other variances total £2k.

**Parks & Countryside (£10k under budget)**

The service is projecting lower level of turnover at attractions (including cafe/retail) due to no Easter and the good weather in August/September affecting Tropical World attendances, giving an overall variance at attractions of +£36k. A projected lower reduction in Golf income of £59k is offset by projected workshop savings (£101k) and fuel (29k). Other net savings across the service total £25k.

**Environmental Action & Health (£435k under budget)**

Env Action - Projected staffing savings of (£522k) are offset by loss of Wellbeing funding £36k, reduced FPN income of £66k and additional transport costs of £104k in respect of GPS system for gully tankers and additional vehicles. Other variations total (£32k).  
Env Health - projected staffing savings of (£153k), partially offset by increased legal costs £32k, other expenditure £27k and reduced income of £7k.

**Car Parking (£300k under budget)**

Ongoing vacant attendant posts (£192k) are partially offset by additional expenditure of £62k (mainly for P&D machine maintenance and the upgrades required to facilitate the new £1 coin coming into circulation in 2017). Overall, additional income of (£170k) is projected which includes: Woodhouse Lane (£148k), of which (£90k) is for the 50p increase (in June); other off street parking of (£168k); and additional PCN income of (£260k); partly offset by a projected shortfall in on-street income of £264k and a shortfall in BLE income of £150k based on latest trends.

**Housing Support/Partnerships/SECC/SP Contracts (£187k under budget)**

Housing staffing underspends (£476k) due to vacant posts are partially offset by a reduction of £175k corresponding income, mainly charged to HRA. Variations in SP are £57k. Other variations across all areas are projected to be £57k, which includes a contribution towards the cost of commissioning a strategic housing market assessment.

**General Fund SS (+£982k over budget)**

This pressure mainly relates to the Directorate wide staffing efficiency target, with corresponding staffing savings having now been achieved within individual services.

**Leeds Building Services (£0k Nil variance)**

Additional turnover is being generated through Housing Leeds repairs and work for capital schemes. This results in additional sub contractor spend which is partially offset by reductions in internal costs. Overall a nil variance is projected. The service has a WIP of £8.9m.

**Waste Management (£44k under budget)**

**Refuse (+£54k over budget)**

The projected overspend reflects additional staffing costs relating to Christmas cover and the cost of union support to the redesign of collection routes which is key to delivering the 2017/18 efficiency savings. Other staffing costs relating to back up routes and sickness levels are projected to be contained within the overall staffing budget.

**HWSS & Infrastructure (+£12k over budget)**

Additional staffing costs of £100k are forecast, which reflects additional operatives at HWSS required to deal with higher than anticipated waste volumes and increased sickness levels. In addition, vehicle repair costs of £29k are projected. Additional Trade contract income is projected to largely offset the expenditure variations, leaving a projected overspend of £12k.

**Waste Strategy & Disposal (£110k under budget)**

Lower than anticipated tonnage volumes and an additional share of electricity and penalty income at the RERF have resulted in a projected underspend of (£176k). In addition, the reduction in gate fees experienced in recent months has resulted in a projected underspend of (£223k) in respect of SORT disposal costs. Offsetting these projected underspends are higher than anticipated tonnages at Household Waste Sorting Sites. Excluding additional Trade contract waste disposal costs of £90k (which is offset by additional income within HWSS & Infrastructure) and taking into account a contribution of (£100k) from Housing Leeds to reflect increased volumes, these are projected to cost an additional £372k. All other variations, including a £35k staffing saving and other actions to address areas of overspend are anticipated to reduce the overall position by a further (£173k).

**Budget Management - net variations against the approved budget:**

**Summary By Service**

Summary By Service	PROJECTED VARIANCES														Total (under) / overspend £'000
	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000	Income £'000	
	Community Safety	8,800	(6,598)	2,202	(216)		(242)		(169)					(627)	
Strategic Housing, SECC, Contracts	18,510	(9,392)	9,118	(506)	3	128	1	0	143				(231)	44	(187)
General Fund Support	(363)	(408)	(771)	807		174	1						982	0	982
Leeds Building Services	45,305	(51,376)	(6,071)	(280)	139	3,405	(188)						3,076	(3,076)	0
Parks & Countryside	29,338	(21,309)	8,029	(6)	(4)	938	(49)	117					996	(1,006)	(10)
Waste Strategy and Disposal	20,429	(5,749)	14,680	(35)		(65)	(3)						(103)	(7)	(110)
Household Waste Sites & Infrastructure	4,502	(480)	4,022	100	17	10	12						139	(127)	12
Refuse Collection	16,678	(375)	16,303	52	(1)			3					54		54
Environmental Action	15,429	(4,343)	11,086	(526)	69	(63)	119	(24)					(425)	76	(349)
Environmental Health	3,129	(765)	2,364	(153)		22	4	32					(95)	8	(87)
Car Parking	5,002	(12,614)	(7,612)	(192)	19	28	13	5					(127)	(172)	(299)
<b>Total</b>	<b>166,759</b>	<b>(113,409)</b>	<b>53,350</b>	<b>(955)</b>	<b>242</b>	<b>4,335</b>	<b>(90)</b>	<b>(36)</b>	<b>143</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,639</b>	<b>(3,736)</b>	<b>(97)</b>

**Key Budget Action Plans and Budget Variations:**

		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>						
1.	Dealing Effectively with the City's waste	Andrew Lingham	FYE of Waste Strategy and assumes PFI at £53.3 for B1 tonnes; £0.3m for additional recycling performance	G	(4.5)	0.0
2.	HWSS Strategic Review	Andrew Lingham	Service still reviewing options but likely to be 2017/18. Other savings to be identified.	G	(0.1)	0.0
3.	Parks and Countryside additional income	Sean Flesher	Implement price rises, plus additional income at various attractions	G	(0.6)	0.0
4.	Leeds Building Services	Simon Costigan	<b>Identification of savings to fund PPPU costs</b>	A	(0.2)	0.0
5.	Car Parking	Helen Freeman	Review of Price tariffs and additional income target.	G	(0.2)	0.0
6.	WYP & CC grant use	Sam Millar	£713k funding budgeted but not confirmed therefore remains a risk. Share of £1m for WY districts now agreed.	G	(0.7)	0.0
7.	Savings in Housing related support programme	Neil Evans	FYE of 15/16 plus recommissioning of more SP contracts	G	(0.3)	0.1
8.	Directorate wide staffing reductions	Neil Evans	At period 9, pressure of £0.98m offset by staffing savings in services (see 6 and 10 below)	G	(1.2)	1.0
9.	Contract / Procurement Savings / Line by Line		Budgeted contract savings target (£358k). Paper/card recycling savings identified (£50k), further savin	G	(0.3)	0.0
10.	All Other action plan items			G	(0.1)	0.0
				Sub Total	(8.4)	
<b>B. Other Significant Variations</b>						
1.	Waste Disposal Costs	Andrew Lingham	Net budget £15.7m for 329.2k tonnes of waste; -£75k variation at P9			(0.1)
2.	Refuse Collection staffing costs	Tom Smith	£12.2m pay budget in service; £54k variation anticipated at P9			0.1
3.	Refuse Collection vehicle costs	Tom Smith	Repairs £0.7m; Fuel £1.2m. Fuel nil variance at P9 (price increases offset by volume variations)			0.0
4.	Car Parking BLE / PCN income	Helen Freeman	BLE £1.4m ; PCN's £2.3m. (£110k) variance projected at P9			(0.1)
5.	Car Parking Fee Income	Helen Freeman	£8.4m budget increase of £810k from 15/16.(Introduced new WHLCP increased by 50p June 2016)			(0.1)
6.	Environmental Action staffing	Helen Freeman	£13.5m pay budget in service			(0.5)
7.	Property Maintenance	Simon Costigan	Budgeted surplus of £5.2m required to be delivered. Service currently operating with £8.9m WIP			0.0
8.	Parks and Countryside - Attractions	Sean Flesher	£1.7m Income budget (incl: TWorld £1.3 m budget)			0.0
9.	Parks and Countryside - Bereavement Services	Sean Flesher	£6.3 m budget			0.0
10.	All other variations, mainly staffing		Includes Community Safety £0.1m, Car Parking £0.2m, Housing Support/Partnership £0.2m			(0.5)
<b>Environment &amp; Housing - Forecast Variation</b>						<b>(0.1)</b>



**STRATEGY AND RESOURCES**  
**FINANCIAL DASHBOARD - 2016/17 FINANCIAL YEAR**  
**MONTH 9**

**Overall**

Action plans are generally on line to deliver the budgeted savings. The only area currently expected to create a pressure is income within the PPPU which means that Strategy & Resources is currently reporting a net overspend of £49k.

**Strategy & Improvement**

Strategy and Improvement are projecting a £25k underspend at month 9.

**Finance**

The overspend in staffing has reduced due to ELI leavers. There has been an increase in supplies as services costs in the Revenues Division, mainly postage charges, but a balanced position is still projected by year end.

**Human Resources**

HR plan on meeting the £371k efficiency savings incorporated in the budget, through freezing recruitment and the use of the early leavers initiative.

**Information Technology**

Saving target of £650k implemented during the budget setting process is expected to be achieved.

**PPPU**

Based on current projections, the Unit will be £185k overspent at year end. Even though there is an underspend on pay of £720k and a freeze on posts is in place, income is projected £813k less than budget. The main reasons for the shortfall in income are the fall out of NGT (£619k), Health Transformation (£81k) and various capital schemes. PPPU's increased income had improved the projection from previous months, but this remains a significant risk area for the Directorate.

**Legal Services**

Legal are currently under budget on staffing by £160K and all expenditure budgets are online. There is a risk that internal income will be significantly below budget, principally because of reductions in the Legal establishment. An action plan is, however, in place and the position is being closely monitored.

**Democratic Services**

Democratic Services are currently under budget on staffing by £29k and all expenditure budgets are online.

**Budget Management - net variations against the approved budget**

	PROJECTED VARIANCES														Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Strategy & Improvement	4,834	(472)	4,362	(83)	0	0	(4)		0	0	0	0	(87)	62	(25)
Finance	15,162	(6,775)	8,387	120	2	96	15	19	0	0	0	0	252	(252)	0
Human Resources	8,305	(1,915)	6,390	(167)	(2)	(27)	(24)	(45)	0	0	0	0	(265)	265	0
Information Technology	19,428	(6,074)	13,354	(95)	0	(80)	0	0	0	0	0	0	(175)	95	(80)
Projects, Programmes & Procurement	7,658	(6,085)	1,573	(720)	0	1	0	91	0	0	0	0	(628)	813	185
Legal Services	4,736	(6,915)	(2,179)	(160)	0	0	0	0	0	0	0	0	(160)	160	0
Democratic Services	4,944	(26)	4,918	(129)	0	0	0	0	0	0	0	0	(129)	0	(129)
<b>Total</b>	<b>65,067</b>	<b>(28,262)</b>	<b>36,805</b>	<b>(1,234)</b>	<b>0</b>	<b>(10)</b>	<b>(13)</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,192)</b>	<b>1,143</b>	<b>(49)</b>

<b>Key Budget Action Plans and Budget Variations:</b>						
		<b>Lead Officer</b>	<b>Additional Comments</b>	<b>RAG</b>	<b>Action Plan Value £m</b>	<b>Forecast Variation against Plan/Budget £m</b>
<b>A. Key Budget Action Plans</b>						
<b>Efficiencies</b>						
1	Financial services	Doug Meeson	Further changes to way services provided, self service, less internal audit, centralisation.	G	0.76	0.00
2	HR	Lorraine Hallam	On-line advice, less HR input into low level cases, ELI and vacancy management	G	0.37	0.00
3	ICT staffing	Dylan Roberts		G	0.12	0.00
4	ICT Print Smart	Dylan Roberts	Further efficiencies on top of those delivered in 2015/16	G	0.10	0.00
5	Legal Services	Catherine Witham		G	0.05	0.00
6	Corporate Communications and intelligence	Mariana Pexton	Staffing and efficiency savings, mainly within the Communications Team	G	0.38	-0.03
7	Democratic services	Catherine Witham	Staffing and efficiency savings. Member pension saving	G	0.12	-0.13
8	ICT procurement savings	Dylan Roberts	Modernisation of telephony	G	0.33	0.00
9	PPPU	David Outram	Significant reduction in Procurement particularly low value procurements. Additional external income	R	0.66	0.19
<b>Additional income - traded services, partner ar</b>						
10	ICT	Dylan Roberts	Provision of managed service to WY Joint Services	G	0.15	0.00
<b>B. Other Significant Variations</b>						
	Net effect of all other variations					-0.08
<b>Strategy and Resources Directorate - Forecast Variation</b>						<b>(0.05)</b>

**CITIZENS AND COMMUNITIES**  
**FINANCIAL DASHBOARD - 2016/17 FINANCIAL YEAR**  
**MONTH 9**

**Overall**

Budget action plans have been reviewed with each Chief Officer and at present it is anticipated that most plans will be achieved, though there is a pressure of £250k on Customer Access staffing costs. A projected underspend of £241k in Elections, Licensing and Registration along with forecast savings of £101k in Libraries gives an overall underspend of £97k for the Directorate as a whole.

**Communities**

The latest figures for Community Centres indicate a potential overspend of £50k, although this assumes no savings in utility costs (last year this was £50k) which could balance the overall position. We have also assumed a drop in income as Leeds City College will be moving out of St Barts/Strawberry Lane and generated £30k per year. Budget savings on Well Being, Youth Activities, and the Innovation Fund have been delivered. The full saving of 3rd Sector Infrastructure Grant will not be delivered in year but this will be offset by savings elsewhere within the service. The variances recorded below all relate to Migration Services and reflect some savings on staffing cost due to delayed recruitment and transfer of income in year to reserve. Overall the service will balance to resources in year.

**Customer Access**

Savings targets built in to the budget for 2016/17 are challenging and there is a significant amount of work involved in developing the Community Hubs.

The budget for 2015/16 had a saving of £100k built in for Community Hubs and there is a further £100k saving for 2016/17. Demands on staffing are significant and development of the Hub approach as well as integration of the Branch Library Service has resulted in some additional cost. It is unlikely that the saving will be delivered in year as we are currently forecasting the staffing pressure could result in an overspend of approx £250k. Some of the additional staffing costs relates to project resource required to deliver the outcomes of an Executive Board Report approving £4.6m of capital spend to develop the retained assets that are becoming the hub sites to allow both service integration and release of surplus assets.

The Transactional Web savings of £200k relate to staffing costs in the Contact Centre and these are currently on line to be delivered.

The figures this month reflect the transfer of the Libraries service from City Development to Citizens and Communities. Overall, an underspend of £101k is expected, comprising a savings of £89k on staffing, £40k running costs as well as a shortfall in income of £28k.

**Elections, Licensing & Registration**

Staffing costs at Period 9 continue to be underspent, by £50k. Additional staffing requirements previously identified in Vehicle Licensing have been delayed, resulting in a saving on staffing of £31k. Staffing savings also arise in Registrars and Entertainment Licensing which are £12k and £8k underspent respectively. N.b. A virement for £96k is required for the final EU referendum staffing costs which arose in Pd 9.

The collection of income continues to do well and is reflected in the projections for 16/17. A total of £197k of projected income in excess of the budget has been identified at this stage in the year, this arises across three areas: Registrars £115k, Local Land Charges £53k and Entertainment Licensing £30k.

A clearer picture of the grant funding due in relation to last year's General Election and this year's PCC Election and EU Referendum has now been ascertained. EU referendum costs have exceeded grant funding available by £100k, this will have to be funded by the council. Furthermore, a shortfall of £21k in funding for the 2015 General Election has been identified. This is offset in part by additional income of £54k received in relation to the 2014 European Elections. It is anticipated the remaining overspend can be covered by savings in the base budget and that the savings of £52k in the Elections budget, identified in period 7 can still be achieved, this will be reviewed in coming months. Budget virements will be done in period 10 to deal with the large variances appearing in Elections.

**Benefits, Welfare and Poverty**

Staffing and overtime costs are projected to be £58k below the staffing budget. There have been a number of windfall grants all of which have now been reflected in the projection, ie Pension Assessed Income, Temporary Absence, Family Premium which relate to the DWP New Burdens. In addition the FERIS and Single Fraud grants have been used to fund the increased cost of additional off-site processing work.

The Local Welfare Support Scheme is projecting to underspent by £300k - with some aspects of the spend on a 5 month delay, prior years orders rolled into 16/17 are currently being completed.

Housing Benefit Overpayments have reduced in line with the overall reduction in HB payments, so too has the average value of each overpayment. In addition the number and value of overpayments generated through data matching with DWP and HMRC have reduced significantly despite the number of referrals being received by the LA remaining at a similar level to previous years. However proactive work has been ongoing during recent months with interventions based on medium risk cases - this has resulted in an increase in overpayment income projections compared to earlier months in the year.

This year's initiative to identify further cases where Single Person Discount has been incorrectly claimed is proving successful and the projected additional income by year end is £652k against the £280k reflected in the budget. This income is accounted for within the Collection Fund, so doesn't show within the Citizens and Communities revenue position.

**Budget Management - net variations against the approved budget**

	Expenditure Budget	Income Budget	Latest Estimate	PROJECTED VARIANCES											Total (under) / overspend	
				Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income		
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
<b>Communities</b>	12,452	(6,900)	5,552	(60)	50	132	(3)	21	0	0	0	0	43	183	(188)	(5)
<b>Customer Access</b>	23,230	(2,761)	20,469	161	(2)	(35)	(2)	(1)	0	0	0	0	0	121	28	149
<b>Elections, Licensing &amp; Registration</b>	7,474	(6,749)	725	45	276	(51)	(5)	(11)	0	0	0	0	0	254	(497)	(243)
<b>Benefits, Welfare and Poverty</b>	287,302	(284,390)	2,912	(58)	8	338	(14)	88	0	679	0	0	0	1,041	(1,041)	0
<b>Total</b>	<b>330,458</b>	<b>(300,800)</b>	<b>29,658</b>	<b>88</b>	<b>332</b>	<b>384</b>	<b>(24)</b>	<b>97</b>	<b>0</b>	<b>679</b>	<b>0</b>	<b>0</b>	<b>43</b>	<b>1,599</b>	<b>(1,698)</b>	<b>(99)</b>

<b>Key Budget Action Plans and Budget Variations:</b>					
	Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>					
<b>Efficiencies</b>					
Community hubs	Lee Hemsworth	Efficiencies from bringing services together, linked to Phase 1 and 2 of the capital investment in the service	R	0.10	0.25
Running costs	Shaid Mahmood	Main savings in Communities	G	0.29	0.00
Transactional web	Lee Hemsworth	Further savings from the implementation of transactional web, mainly staffing	G	0.20	0.00
Registrars	John Mulcahy	Review of costs and income	G	0.07	0.00
Asset savings	Shaid Mahmood/Lee Hemsworth	Savings in line with the asset management plan for closure of buildings and move of some HRA functions into the Community Hubs	G	0.12	0.00
Staffing Savings (Libraries)	Lee Hemsworth	Staffing efficiency target	G	0.02	0.00
Other	All CO's	£64k from PPE, printing and mail	G	0.10	0.00
<b>Changes to service</b>					
Third sector infrastructure grant	Shaid Mahmood	Grant reduction	G	0.07	0.00
Reduction in wellbeing and youth activities	Shaid Mahmood	Reduction in budget	G	0.20	0.00
Innovation Fund	Shaid Mahmood	Budget reduction	G	0.05	0.00
Service Reductions	Lee Hemsworth	Book Fund	G	0.10	0.00
Service Reductions	Lee Hemsworth	In year Savings	G	0.10	0.00
<b>Additional income - traded services, partner and other income</b>					
Housing benefits overpayments	Steve Carey	Level of overpayments down compared to last year. Projections still assume that the trend will pick up and the budget will be met, although this is a significant risk area.	R	0.35	0.60
Council Tax Single Person Discount	Steve Carey	£500k now projected - incidence in the Collection Fund	G	0.00	0.00
Advice consortium and welfare rights	Steve Carey	HRA contribution relating to under occupancy and rent arrears	G	0.20	0.00
Local Welfare Support Scheme	Steve Carey	HRA contribution in respect of support of Council tenants	G	0.10	0.00
				2.07	
<b>B. Other Significant Budgets</b>					
Net effect of all other variations					<b>-0.95</b>
<b>Citizens and Communities Directorate - Forecast Variation</b>					<b>-0.10</b>

## PUBLIC HEALTH FINANCIAL DASHBOARD - 2016/17 FINANCIAL YEAR MONTH 9

### Overall

The allocation of the ring fenced Public Health grant for 2016-17 is £46,630k, this includes an additional £4,993k of funding for the full year effect for the 0-5 years services (Health Visiting and Family Nurse Partnership) which transferred to LCC in October 2015 less the continuing and significant reduction to the ring-fenced grant allocation.

The 2016/17 budget reflects savings of £1.1m from successful consultation and negotiation with our partners and providers including 3rd Sector and NHS providers. In addition savings have been made from the Public Health funding which is provided across Council directorates to support joint commissioning and commissioning of Council run services resulting in £355k of savings. Savings of £955k have been found from Public Health programme budgets, vacant posts, support services and running costs.

### Detailed Analysis

The planned saving of £233k as part of the transfer of the TB contract will not materialise, though work to find compensating savings is now completed and is currently predicted to slightly over-achieve. Due to overtrading of sexual health services, provision was made for anticipated costs. However it is likely that these costs will not materialise in full therefore resulting in savings to compensate for this risk.

Due to staff turnover and vacant posts on hold as a result of a review to prioritise critical posts that need to be filled, pay costs are projected to be £178k underspent on the general staffing budget, though some staff are now working on income funded projects. Work is continuing to identify potential financial pressures particularly in relation to costs associated with the new drugs and alcohol contract and Public Health activity contracts which are paid based on demand and some on NHS tariff. Activity data for quarter 2 has now been verified and has shown a significant reduction in activity.

Overall, this means that the grant funded budgets are projected to be £713k underspent. This underspend will be used to reduce the £1,326k required from reserves to fund the budget shortfall, meaning that the funding required from reserves is now expected to be £613k.

In Supporting People there are a number of vacancies and recruitment delays which has resulted in a projected underspend of £79k, though this is partly offset by a slight increase in running costs and a corresponding reduction in income of £50k

### Budget Management - net variations against the approved budget

	PROJECTED VARIANCES														Total (under) / overspend £'000		
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000			
Public Health Grant		(46,630)	(46,630)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staffing and General Running Costs	5,030		5,030	(178)	0	13	(7)	(6)	0	0	0	0	(178)	(31)			(209)
<b>Commissioned and Programmed Services:</b>																	
- General Public Health	208		208	0	0	0	0	0	(42)	0	0	0	(42)	0			(42)
- Population Healthcare	278		278	0	0	0	0	0	0	0	0	0	0	0			0
- Healthy Living and Health Improvement	15,326	(140)	15,186	0	0	(2)	0	0	(103)	0	0	0	(105)	(160)			(265)
- Older People and Long Term Conditions	2,463	(149)	2,314	36	1	154	0	9	38	0	0	0	238	(394)			(156)
- Child and Maternal Health	14,078	(18)	14,060	0	0	1	0	(4)	(42)	0	0	0	(45)	0			(45)
- Mental Wellbeing and Sexual Health	9,248		9,248	38	0	(13)	0	11	119	0	0	0	155	(377)			(222)
- Health Protection	906	(100)	806	0	0	0	0	0	251	0	0	0	251	(25)			226
Transfer From Reserves		(500)	(500)									713	713				713
Supporting People	964	(637)	327	(79)	1	2	0	0	0	0	0	0	(76)	50			(26)
Drugs Commissioning	1,260	(1,260)	0	0	0	4	0	0	(4)	0	0	0	0	0			0
<b>Total</b>	<b>49,761</b>	<b>(49,434)</b>	<b>327</b>	<b>(183)</b>	<b>2</b>	<b>159</b>	<b>(7)</b>	<b>10</b>	<b>217</b>	<b>0</b>	<b>0</b>	<b>713</b>	<b>911</b>	<b>(937)</b>			<b>(26)</b>

<b>Key Budget Action Plans and Budget Variations:</b>					
	<b>Lead Officer</b>	<b>Additional Comments</b>	<b>RAG</b>	<b>Action Plan Value £m</b>	<b>Forecast Variation against Plan/Budget £m</b>
<b>A. Key Budget Action Plans</b>					
<b>Efficiencies</b>					
- General efficiencies on contracted services	Ian Cameron	A combination of reductions in demand, expiry of contracts, ending one-off contributions and activities now funded by other contracts or organisations	G	0.80	0.00
- Staff savings	Ian Cameron	Reduction in staffing pay budget through vacant posts on hold and vacancy management throughout 2016/17	G	0.42	0.00
<b>Review of commissioned services</b>					
<b>Third Sector</b>					
- Savings on contracts due to expire	Ian Cameron	5% saving on 22 contracts due to expire. Areas covered community development, food and nutrition, vulnerable groups, older people, sexual health, domestic violence, mental health, cancer screening, children's physical activity, obesity and breast feeding. All affected 3rd Sector providers have confirmed their acceptance of the 5% saving, public health contract managers continue to provide support to all providers.	G	0.16	0.00
- Drugs and alcohol services	Ian Cameron	Initial consultation with provider has taken place, further discussions are planned.	G	0.20	0.00
- Drug Intervention Programme and Integrated Offender Management	Ian Cameron	Consultation with partners and providers have begun in order to realise savings.	G	0.38	0.00
- Savings on existing contracts	Ian Cameron	Contracts affected include Health Visiting, School Nursing, Healthy Lifestyles, Smoking Cessation, Weight Management, Infection Control. Consultation with NHS provider has started, further discussions planned.	G	0.29	0.00
- Transfer of TB service to NHS provider	Ian Cameron	Following consultation with NHS Partners this saving will not be realised	R	0.23	0.23
<b>Leeds City Council services</b>	Ian Cameron	In response to this proposed reduction in public health funding in 16/17 to council provided services, £1.3m of non-recurrent earmarked reserves will be used to maintain services to March 17. LCC directorates and heads of finance have confirmed savings have been achieved and implemented either by absorbing the saving or in consultation with relevant provider.	G	1.75	0.00
<b>Programmed budgets</b>	Ian Cameron	Programme budgets removed for area health priorities across ENE, S&E and WNW. Adult public health programmes including drugs and alcohol, mental health, sexual health, infection control and fuel poverty. Children's public health programmes including obesity, breastfeeding, alcohol, drugs infant mortality and oral health.	G	0.60	0.00
<b>B. Other Variations</b>					
Projected underspend on staffing costs					(0.18)
Net effect of all other variations					(0.07)
<b>Public Health - Forecast Variation</b>					<b>(0.02)</b>

## CIVIC ENTERPRISE LEEDS FINANCIAL DASHBOARD - 2016/17 FINANCIAL YEAR MONTH 9

### Overall

The overall projected position at period 9 is an overspend of £375k explained by a £200k overspend against the Catering net budget plus a £175k overspend against the CPM budget. The Catering overspend is mainly as a result of the marginal impact of the 7 schools which have been lost to the service plus the marginal impact of a shortfall against the adjusted meal numbers. Although there is a £200k shortfall against the budgeted return, the traded part of Catering is projecting an overall return of £1.5m. The CPM overspend is as a result of security expenditure on the old Eastmoor Secure unit building, an unsafe grade II listed building pending attainment of the necessary Planning approvals before it can be partially demolished.

### Business Support Centre

BSC are forecast to be on track to meet their 2016/17 savings target of £400k which is to be achieved through the freezing of posts and ELLs.

### Commercial Services

The Commercial Services overspend of £200k is, as explained above, accounted for by the marginal impact of the 7 schools which were lost from the Catering service plus the marginal impact of a shortfall against the adjusted meal numbers. As stated earlier, although there is a £200k shortfall against the budgeted return, the traded part of Catering is projecting an overall return of £1.5m. The projected overspend on staffing is mainly within the Cleaning Service and is offset by additional income. Work will be done with the Head of Service to identify the permanent resources requirement and income so that a virement can be done to ensure an accurate expenditure and income budget moving forward for Cleaning Services. Once this budgetary realignment is done, this will show that following the implementation of day time cleaning in civic buildings (thus avoiding premium staffing payments) and reduced cleaning frequencies and using the ELI initiative, the service is on track to meet the £200k savings from a lower cleaning specification included in the 2015/16 base budget and should provide a platform for savings in the following financial year.

### Facilities Management

A balanced position is projected at month 8 although there are risks around accruals for services charges for the two joint service centres going back to 2013/14. The payment of these charges is being dealt with by Legal Services. There is also a potential risk on savings assumed in the Asset Rationalisation programme for Merrion House NNDR where, following advice, an accrual of £430k has been provided in 2015/16.

### Corporate Property Management

An overspend of £175k is projected to month 9 after which assuming budgeted savings of £150k staffing and £450k on building maintenance will be achieved. The overspend is a result of security expenditure incurred on the old Eastmoor Secure unit building, an unsafe grade II listed building pending attainment of the necessary Planning approvals before it can be partially demolished.

### Budget Management - net variations against the approved budget

	PROJECTED VARIANCES														Total (under) / overspend £'000
	Expenditure Budget	Income Budget	Latest Estimate	Staffing	Premises	Supplies & Services	Transport	Internal Charges	External Providers	Transfer Payments	Capital	Appropriation	Total Expenditure	Income	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Business Support Centre	15,269	(5,590)	9,679	(97)	8	40	0	0	0	0	0	0	(49)	49	0
Commercial Services	59,532	(56,815)	2,717	961	(59)	309	(142)	0	1	0	0	0	1,070	(870)	200
Facilities Management	10,088	(4,123)	5,965	(161)	11	7	0	0	0	0	0	0	(143)	143	0
Corporate Property Management	5,959	(587)	5,372	0	175	0	0	0	0	0	0	0	175	0	175
<b>Total</b>	<b>90,848</b>	<b>(67,115)</b>	<b>23,733</b>	<b>703</b>	<b>135</b>	<b>356</b>	<b>(142)</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,053</b>	<b>(678)</b>	<b>375</b>

**Key Budget Action Plans and Budget Variations:**

		Lead Officer	Additional Comments							RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
<b>A. Key Budget Action Plans</b>												
1	Asset rationalisation	Sarah Martin	Savings from: 1&3 Reginald Terr £29k, Belgrave Hse £60k, Deacon Hse £30k, South Pudsey Centre £25k, Tribeca £110k							G	0.29	0.0
2	Maintenance of council buildings	Sarah Martin	Reduce responsive maintenance							G	0.60	0.0
3	Catering Savings	Mandy Snaith	Agency staff							G	0.05	0.0
4	Energy	Sarah Martin	Impact of energy efficiency measures							G	0.05	0.0
5	BBM - admin, mail and print	Helena Phillips	Significant changes in respect of business processes required to deliver these savings across 4 contract areas.							G	0.37	0.0
6	Vehicle Fleet	Terry Pycroft	Extend life of light commercial vehicles							G	0.20	0.0
7	Recover cost of living wage	Richard Jackson	Recover from Property Cleaning.							G	0.20	0.0
8	Catering additional income.	Mandy Snaith	Increased income/efficiencies.							G	0.05	0.0
9	Additional MOT income.	Terry Pycroft	Increase number of MOTs undertaken.							G	0.03	0.0
10	Recovery of cleaning charges.	Les Reed	Recovery of charges from	Savings proposals being	Savings proposals	Savings proposals	Savings proposals	Savings proposals	Savings proposals being actioned but	G	0.07	0.0
<b>B. Other Significant Variations</b>												
1	Net effect of all other variations									R		0.4
<b>Civic Enterprise Leeds - Forecast Variation</b>											<b>0.4</b>	



**STRATEGIC & CENTRAL ACCOUNTS - 2016/17 FINANCIAL YEAR  
FINANCIAL DASHBOARD - MONTH 9 (APRIL TO DECEMBER)**

At month 9, the strategic & central budgets are anticipated to underspend by £5.4m with the key variations identified below: -

- Debt - a forecast pressure of £0.8m due to the conversion of short-term debt to long-term to take advantage of low long-term interest rates (net of additional prudential borrowing re strategic fund investment acquisitions).
- An underspend of £9.3m in the MRP charge to revenue, due to updating asset lives used in the calculation, resulting in an overprovision from previous years
- A reduction in the New Homes Bonus income of £4.7m following the announcement of changes to the scheme in the provisional local government finance settlement.
- Staffing cost pressure of £0.3m, being the anticipated cost of the new Leeds City Council minimum pay rate effective from January 1st.
- Section 278 income - a potential £1.8m risk due to lower levels of development activity and a shortfall of £0.4m shortfall in income from court costs.
- Procurement - a £1.9m variation which reflects that the procurement and PFI savings will be managed through directorate budgets.
- Savings of £2m from the additional capitalisation of eligible spend in general fund and school budgets.
- Savings of £2.0m on the levy contribution to the business rates.
- Joint Committee - £0.1m anticipated overspend for the Coroners' services.

**Budget Management - net variations against the approved budget**

				PROJECTED VARIANCES										Total (under) / overspend £'000	
	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	Staffing £'000	Premises £'000	Supplies & Services £'000	Transport £'000	Internal Charges £'000	External Providers £'000	Transfer Payments £'000	Capital £'000	Appropriation £'000	Total Expenditure £'000		Income £'000
Strategic Accounts	(11,480)	(32,488)	(44,422)	300		1,790					(2,000)	(878)	(788)	5,225	4,437
Debt	24,380	(1,103)	23,277								(7,922)		(7,922)	(530)	(8,452)
Govt Grants	3,015	(26,434)	(23,419)										0	(1,520)	(1,520)
Joint Committees	37,411	0	37,411			95							95		95
Miscellaneous	2,450	(1,311)	1,139										0		0
Insurance	9,831	(9,831)	0			3,303		(118)				122	3,306	(3,306)	0
<b>Total</b>	<b>65,607</b>	<b>(71,167)</b>	<b>(6,014)</b>	<b>300</b>	<b>0</b>	<b>5,188</b>	<b>0</b>	<b>(118)</b>	<b>0</b>	<b>0</b>	<b>(9,922)</b>	<b>(756)</b>	<b>(5,309)</b>	<b>(131)</b>	<b>(5,440)</b>

## STRATEGIC & CENTRAL ACCOUNTS - 2016/17 FINANCIAL YEAR

### Key Budget Action Plans and Budget Variations:

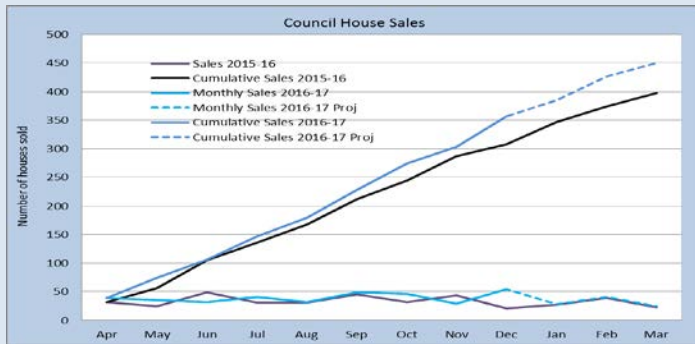
				RAG	Budget	Forecast Variation against Budget
		Lead Officer	Additional Comments		£m	£m
<b>A. Major Budget Issues</b>						
1.	Debt Costs and External Income	Doug Meeson	Latest projection of increased debt costs due to new long term borrowing (net )	A	13.0	0.8
2.	Minimum Revenue Provision	Doug Meeson	An underspend of £9.3m due to the updating of asset lives used in the MRP calculation, which results in an overprovision from previous years.	A	10.3	(9.3)
3.	New Homes Bonus	Doug Meeson	Expected shortfall £4,760k based upon 2017/18 revised settlement	R	(19.2)	4.8
4.	Business Rates (S31 Grants, Tariff adjustment & EZ)	Doug Meeson	Tariff adjustment £480k; no longer keeping £370k EZ reliefs, but expecting extra £150k retained EZ share	A	(7.1)	0.3
5.	S278 Contributions	Doug Meeson	Potential risk of £1.8m depending on development activity to the year-end	A	(5.2)	1.8
6.	General capitalisation target	Doug Meeson	Capitalisation of eligible spend in directorate/service revenue budgets.	A	(3.0)	(1.0)
7.	Schools capitalisation target	Doug Meeson	Capitalisation of eligible spend in school revenue budgets.	A	(2.5)	(1.0)
8.	Corporate Savings Target	Doug Meeson	Centrally-held budget savings target. Actual savings will be shown in Directorate budgets.	A	(1.0)	0.9
9.	PFI Contract Monitoring Target	David Outram	Budget held in the strategic accounts pending confirmation of where the reductions in expenditure will be achieved	A	(0.9)	0.9
10.	Early Leaver Initiative	Doug Meeson	£2m earmarked reserve established to fund the severance costs in 2016/17.	A	0.0	0.0
11.	Joint Committee - Coroners Services	Doug Meeson	£95k over spend projected at mth 6 due to dilapidations claim at Symons House and a large interpreter fees, partially offset by staffing cost savings	G	0.0	0.1
<b>B. Other Significant Budgets</b>						
1.	Insurance	Doug Meeson	Potential additional costs in-year which will be managed through the Insurance Reserve	A	0.0	0.0
2.	Business Rates Levy	Doug Meeson	Savings anticipated from levy	G	3.0	(2.0)
3.	Prudential Borrowing Recharges	Doug Meeson	Contra budgets in directorate/service accounts.	G	(11.9)	0.0
4.	Earmarked Reserves	Doug Meeson	Use of capital reserve	G	0.0	(0.9)
5.	Bridgwater Place	Doug Meeson	Compensation to be received from the developer.	G	0.0	0.0
6.	Income	Doug Meeson	Income from Court fees £400k; Review of LBS charging levels	A	0.0	(1.2)
7.	Living Wage	Doug Meeson	Estimated impact of Jan rise to £8.25/ hour	A	0.0	0.3
<b>Strategic &amp; Central Accounts - Forecast Variation</b>						<b>(5.4)</b>

**Housing Revenue Account - Month 9 (December 2016)**  
**Financial Dashboard - 2016/17 Financial Year**

**Summary of projected over / under spends (Housing Revenue Account)**

Directorate	Current Budget	Projected Year End Spend	Variance to budget	Comments	Previous period variance
	£000	£000	£000		£000
<b>Income</b>					
Rents	(218,375)	(218,286)	89	Projected rent lower than budget due to stock numbers being less than anticipated during budget setting.	133
Service Charges	(6,443)	(6,410)	34	Reduction in income from heatlease and sheltered accommodation.	43
Other Income	(29,305)	(29,812)	(507)	Mears Gainshare (£490k), PFI PTC (£125k), increase in RTB sales fee income (£91k), Capital contribution for biomass project (£50k), offsetting reduction in tenant insurance £50k. Other small variances (£12k). Lower projected income on capitalised salaries due to vacant posts £212k.	78
<b>Total Income</b>	<b>(254,123)</b>	<b>(254,507)</b>	<b>(384)</b>		<b>254</b>
<b>Expenditure</b>					
Disrepair Provision	1,000	1,620	620	Projection due to increase in new cases which is anticipated to continue.	500
Repairs to Dwellings	43,548	43,548	-		-
Council Tax on Voids	663	725	62	Current charges indicate overspend.	62
Employees	27,792	26,820	(972)	Vacant posts (£1204k) and training saving (£64k) offsetting agency staff (includes disrepair) £210k and severance costs £86k.	(910)
Premises	7,013	7,025	12	Increase in cleaning charges £77k, Site maintenance costs at Navigation House £31k. Offset by savings on NNDR (£15k) and utilities (£81k)	12
Supplies & Services	5,259	5,376	117	Large insurance claims £249k, LLBH PFI consultants (£12k). Offset by Tenant Mobility saving (£75k), Reduced transaction charges (£51k) and other minor variations £6k.	139
Internal Services	38,473	38,437	(36)	Increase in charges for RTB work £196k and PPPU recharges for PFI £92k. Part-offset by a reduction in GF recharges to the HRA (£249k) and Regeneration team recharge (£69k). Other small variance (£6k).	(111)
Capital Programme	73,041	73,041	-		-
Appropriations	(7,115)	(6,835)	280	Large insurance claims (£249k), PFI appropriation adjustment £39k, Mears Gainshare to General Reserve £490k.	(185)
Unitary Charge PFI	8,101	8,107	6	PFI scheme adjustments: UC £52k; PTC £179k; RTB (£65k); Access Refusals (£101k); Benchmarking (£58k)	(66)
Capital Charges	49,159	49,175	16	Interest receivable lower than budgeted	68
Other Expenditure	7,189	7,062	(126)	Leeds Tenant Federation - in line with 2016/17 negotiations (£50k), Transport cost reforecast (£76k).	(377)
<b>Total Expenditure</b>	<b>254,123</b>	<b>254,102</b>	<b>(21)</b>		<b>(868)</b>
<b>Total Current Month</b>	<b>0</b>	<b>(405)</b>	<b>(405)</b>		<b>(614)</b>

## Housing Revenue Account - Month 9 (December 2016) Financial Dashboard - 2016/17 Financial Year



Change in Stock	Budget	Projection
Right to Buy sales*	380	450
New Build (PFI)	(93)	(93)
New Build (Council House Growth)	(142)	(142)
<b>Total</b>	<b>145</b>	<b>215</b>

\* actual sales as at the end of Period 9 - 357

Right to Buy Receipts	2015/16 Actual	2016/17 Projection
Total Value of sales (£000s)	18,057	23,071
Average Selling Price per unit (£000s)	45	51
Number of Sales*	397	450
Number of Live Applications	892	1,051

	2015/16	2016/17	Variance
	£000	£000	£000
<b>Arrears (Dwelling rents &amp; charges)</b>	<b>Week 39</b>		
Current Tenants	7,148	7,164	16
Former Tenants	3,508	4,016	508
	10,656	11,180	524
<b>Under occupation</b>	<b>Week 35</b>		
Volume of Accounts	5,078	4,609	(469)
Volume in Arrears	2,628	2,211	(417)
% in Arrears	52%	48%	-4%
Value of Arrears	825	581	(244)
<b>Collection Rates</b>	<b>Week 35</b>		
Dwelling rents	97.24%	97.16%	-0.08%
Target	98.06%	97.50%	
Variance to Target	-0.82%	-0.34%	-0.08%

