

Report of the Chief Officer Financial Services

Report to Executive Board

Date: 17th April 2019

Subject: Financial Health Monitoring 2018/19 – Provisional Outturn

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 2018/2019 provisional financial outturn for the Authority in respect of both the revenue budget and the Housing Revenue Account.
2. The 2018/19 financial year is the third 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 since 2010 and the budget for 2018/19 required the Council to deliver a further £34m 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 remains challenging.
4. This is the ninth budget monitoring report of the year and Executive Board will recall that the 2018/19 general fund revenue budget, as approved by Council, provides for a variety of actions to reduce net spend through the delivery of £34m of budget action plans by March 2019. The provisional financial outturn reflects a planned underspend of £3.25m which largely reflects the revised accounting arrangements for PFI lifecycle costs. This planned underspend will be used to contribute towards increasing the balance on the Council’s general reserve.

5. The provisional financial outturn for the Housing Revenue Account projects a small underspend £0.48m and this will be brought into a balanced budget position after reviewing the use of HRA reserves.

Recommendations

6. Executive Board are recommended to:
 - Note the projected provisional outturn position for the Authority.

1. Purpose of this report

- 1.1 This report sets out for the Executive Board the Council's provisional financial outturn position for 2018/19.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget and highlights the key risks and variations to budgeted assumptions.

2. Background information

- 2.1 Executive Board will recall that the net budget for the general fund for 2018/19 was set at £510.9m.
- 2.2 Following the closure of the 2017/18 accounts, the Council's general fund reserve stood at £25.7m. The 2018/19 budget assumes a further contribution of £1.0m to this reserve during this financial year. In October Executive Board approved the release of £1.7m in 2018/19 to address income pressure in the Children and Families budget arising as a consequence of the re-profiling of the final payment of the Partners in Practice Project by the DfE - this amount to be repaid to the reserve in 2019/20 once received. In addition the proposal to fund PFI lifecycle cost through borrowing rather than by applying PFI grant to the capital programme facilitates a contribution of £3.25m to the Council's general reserve. As such, it is projected that the balance on the general fund reserve will stand at £28.2m at 31st March 2019.
- 2.3 Financial 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. This has again been reinforced through specific project management based support and reporting around the achievement of the key budget actions plans.

3. Main Issues

- 3.1 The provisional financial outturn position for the Authority reflects a projected underspend of £3.25m which compares against £4.5m projected underspend that was reported to this Board in March. The £1.25m reduction in the underspend can

be largely explained by a combination of a £0.7m reduction in professional fees income resulting from slippage in the capital receipts programme and additional expenditure of £0.6m in respect of Stamp Duty Land Tax (SDLT) payable to HMRC which results from the finalisation of the arrangements for the variation in the lease for Merrion House.

The provisional financial outturn projection for 2018/2019 is summarised in Table 1 below. Directorate positions will be discussed in more detail below.

Table 1

Summary Position - Financial Year 2018/19

Reporting Period - Provisional Outturn

Directorate	Director	(Under) / Over spend for the current period				Previous month's Position
		Staffing	Total Expenditure	Income	Total (under) /overspend	
		£000	£000	£000	£000	£000
Adults & Health	Cath Roff	(679)	3,731	(3,731)	0	0
Children and Families	Steve Walker	77	3,904	(1,386)	2,518	2,151
City Development	Martin Farrington	(1,709)	2,688	(916)	1,773	1,132
Resources & Housing	Neil Evans	(1,824)	5,341	(4,943)	398	342
Communities & Environment	James Rogers	744	1,032	(754)	278	322
Strategic	Doug Meeson	(47)	(7,210)	(1,006)	(8,216)	(8,451)
Total Current Month		(3,438)	9,485	(12,736)	(3,250)	(4,504)
Previous month (under)/over spend		(3,597)	3,545	(8,049)	(4,504)	

3.2 The major variations are outlined below, with additional detail provided on the Directorate dashboards which are appended to this report;

3.2.1 **Adults & Health** is projecting a balanced position for the provisional financial outturn. A comparatively mild winter has led to lower demand than expected which will lead to lower expenditure on placements and packages than initially forecast. This lower level of expenditure has in part been offset by increased expenditure within the Equipment Service to meet increased demand, assist with the NHS's Delayed Transfer of Care (DTOC) targets and to offset potential uncertainty in the market over the next few months. Within this projected balanced position it is anticipated that there is some slippage in demand-related budget action plans, but it is noted that 94.2% of the plans are effectively delivered.

Within this position there are a number of variations. The Community Care Budget expenditure is expected to underspend due to the relatively mild winter, together with improved system flow and the impact of the strengths based approach that has seen demand for Residential and Nursing Placements reduce significantly during this year, particularly over the winter period. This reduction in placements has been offset by significantly increased demand for Homecare, Equipment and Supported Living Placements. Demand for Direct Payments continues to be lower than anticipated. The net impact of this is a projected year end underspend of £1.8m. This represents 0.9% of the £203.8m Community Care Budgets. Whilst further

analysis is required, it is currently assumed the majority of this underspend is due to the mild winter and therefore it is likely to be a non-recurrent saving. As a result it is planned to use this variation to forward pay the borrowing costs associated with the refurbishment of South Leeds Intermediate Centre and the purchase of the Killingbeck site. This proposal will benefit the Adults and Health budget in future years since budgeted contributions to pay off the borrowing will now no longer be required.

There are cost pressures associated within the general running costs, (£0.8m), primarily due to increased client transport costs and IT development costs. In addition, the remaining Care Homes and Day Care Centres operated by the Directorate have required much needed refurbishment of premises and equipment in this financial year and this has been funded from the overall in-year staffing underspend.

A £0.1m underspend within Leeds Adult Safeguarding Board is projected and it is proposed to carry this forward into 2019/20. Likewise, Public Health is forecasting to carry forward underspends of £0.4m, primarily relating to staffing, into 2019/20 to offset grant reductions in that year as set out in the budget proposals. In addition, Adult Social Care has attracted a number of significant one-off funding sources since 2017, in lieu of the future funding debate which is the subject of the awaited Green Paper and next Comprehensive Spending Review. Specifically, £2bn was earmarked through the 'improved Better Care Fund' (iBCF) to help councils to provide high quality social care to more people and help to ease pressure on the NHS through the period 2017/18 to 2019/20. Over the period Leeds will receive £28.8m; acknowledging the front loading of the funding and slippage on a number of associated schemes it is estimated that circa £8.3m will need to be carried forward in an earmarked reserve to fund the third year of the programme. Work is underway to finalise the exact amount based on current year spending.

3.2.2 Children and Families – The projected year-end position is an overspend of £2.52m which is a slight increase of £0.37m on the position reported to Executive Board in March.

Significant demand and demography pressures on the CLA budget have resulted in an upward pressure in terms of costs, with both External Residential (ER) and Independent Fostering Agency (IFA) placements continuing to be higher than the budgeted assumptions. At the end of February 2019 External Residential (ER) numbers were 60 compared to the budgeted number of 53. This is a reduction of 3 from the previous month. The number of Independent Fostering Agencies (IFA) were 206 compared to the budgeted number of 179. The ER budget is projected to overspend by £1.1m and the IFA budget by £0.4m, both unchanged from previous months. In the in-house service there is a pressure on demand for Kinship Care leading to a projected overspend of £0.3m and there is a risk that this could increase if numbers remain at the current level.

Additionally, there are pressures in Leaving Care Special Guardianship Orders due to growth in demand of £0.25m, on the Leaving Care budget of £0.3m and £0.52m relating to Section 17 (Children's Act 1989) costs associated with safeguarding and promoting a child's welfare. The position continues to recognise a pressure of

£0.36m relating to the Council's contribution to the One Adoption West Yorkshire Partnership.

There has been a notable increase in the number of children requiring transport and also an increase in contract prices. At this stage in the year an increase in costs of £0.55m is projected, more than offset by savings and additional income of £0.87m which includes savings on WYCA managed school transport contracts, other cost savings and additional DSG grant income of £0.15m, leaving a net underspend of £0.32m. There is a risk that demand continues to increase and that costs increase further during the year. The Directorate is working with Civic Enterprise Leeds to mitigate these potential demand pressures.

Overall staffing is projected to be very slightly over budget with Social Care staffing projected to be overspent by £0.1m by the end of the year. Additionally there are projected income pressures of £0.6m in regard to Trading and Commissioning budgets and it is projected that external legal disbursement costs will exceed budget by £0.56m.

These pressures are offset by £0.4m of anticipated additional High Needs Block funding from the Dedicated Schools Grant towards the education costs of External Residential placements and net other additional income of £0.1m, increased income from Adel Beck of £0.15m and other additional actions of £0.4m across services. A one off contribution of £1.6m has been agreed from Adults and Health to services provided by Children and Families and it has also been agreed that £0.18m of the costs of the Child Health and Disability (CHAD) team can be charged to Resources and Housing DFG capital provision since some of the work undertaken has related to housing adaptations.

The reported position on the Month 11 Dedicated Schools Grant (DSG) dashboard is an underspend of £4m. The position now includes the impact of the additional funding for the high needs block announced by the Secretary of State for Education on the 17th December 2018, which results in an additional £1.76m of funding in both 2018/19 and 2019/20. Additional funding is not now expected to be paid to the North West SILC in 2018/19 and any additional funding will be agreed as part of the specialist funding review. The High Needs block is now projected to be £0.2m under budget and the Month 11 position also reflects a projected underspend of £3m in the Early Years Block. This means that there is a projected DSG surplus of £1.7m to be carried forward to 2019/20 reversing the deficit brought forward from 2017/18.

3.2.3 City Development – For the provisional outturn the Directorate is projecting an overspend of £1.77m. This overspend is primarily due to the rising cost of electricity tariffs for street lighting which accounts for a forecast overspend of circa £1m, and an reduction of £0.7m in fee income resulting from slippage in the Capital Receipts Programme - the most significant issue being the delay in completing the sale of Leonardo/Thoresby. The Thoresby transaction represents a significant acquisition in the regional market and with its redevelopment will attract a number of new investments to the city. The disposal is in the final stages of completion and has incurred a short delay in finalising terms. The receipt from this sale will now be received in 2020/21 with a resultant increase in the level of fee income receivable in this year.

Leaving these pressures aside, the Directorate is on track to successfully manage circa £3.2m of other budget pressures to deliver a balanced budget.

As per the Medium Term Financial Plan, the budgeted return on the Council's commercial asset portfolio has increased by £1m in 2018/19 to £3.36m. The development of the Council's commercial asset portfolio is reliant upon suitable market opportunities with the right risk profile and as a result is currently projecting a £1.52m shortfall as a worst case, with a number of potential lettings at a detailed stage with some expected to conclude this financial year. The Directorate will seek to further mitigate against this through savings within other areas of income and expenditure. As such mitigating actions of circa £2m have been identified including £0.3m of additional Arena income, £0.5m for one off easements and covenant releases, £0.4m savings across Asset Management, and £0.6m from historic balances.

Advertising income is another budget pressure rolling through from 2017/18. The previously reported pressure of £0.2m at Period 5 has reduced to £0.1m and work is ongoing to strengthen and develop further advertising opportunities.

In Highways a pressure of £1m has been reported in respect of electricity for Street Lighting. The tariffs can be volatile and fluctuate significantly in response to energy market conditions. The 2018/19 Budget Estimate Circular suggested provision for a 5% price increase however the first two months of billing has shown some tariffs rising as much as 18%. The Directorate will use £0.4m of Street Lighting PFI Dispute Resolution balances to partially mitigate this energy pressure.

The Arts & Heritage service is reporting a pressure of £0.5m of which £0.2m relates to additional spending pressures around the Carnival and Black Music Festival events.

Active Leeds is projecting an underachievement of income of £0.4m of which £0.3m is due to delays in the refurbishment of Aireborough Swimming Pool due to additional essential capital works over and above the original capital scheme estimate. This pressure is partly mitigated by savings of £0.05m in respect of PFI charges (penalties) and other running cost savings. The refurbishment started in May 2017 and was expected to take 6 months to complete, however the latest estimate is that works will not be completed until July 2019 at which time the fees forecast will be realised.

3.2.4 Resources & Housing – for the provisional outturn the Directorate is projecting an overspend of £0.4m (0.5%), a slight increase from the position reported at Month 10.

Within the Resources group of services there is a net overall pressure of £0.15m. This mainly reflects the pressures from a projected shortfall on schools income to HR which is a net £0.7m after taking into account savings in staffing in the service and pressures in Finance and Procurement of around £0.1m. There are savings, primarily staffing in Strategy and Improvement, Legal & Democratic Services and Shared Services, totalling £0.6m.

A pressure of £0.1m is projected for Housing and Property Services. There are continuing pressures within the responsive repairs budget in Corporate Property Management of £0.4m. These are being offset by a £0.2m underspend on staffing through managing vacant posts within the Strategic Housing Service and estimated additional £0.1m surplus within Leeds Building Services.

An overspend of £0.15m is projected for Civic Enterprise Leeds as a consequence of underlying income and inflationary pressures on food costs within the Catering Service.

3.2.5 Communities & Environment – for provisional outturn there is a projected budget pressure of £0.3m. Within the Refuse Service it is anticipated that there will be a net overspend of £0.75m, largely due to non-implementation of the budgeted route efficiencies in the current financial year as work continues on the route review programme, but also reflecting the addition of an extra collection route to meet additional demand from new build properties. However these pressures are partly offset by net savings against budget of £0.4m in HWSS & Waste Strategy.

Pressures of £0.1m in Customer Access relate to delays in delivering budgeted staffing efficiencies whilst maintaining performance levels in the Contact Centre and increased security provision in community hubs, partially offset by projected additional income and expenditure savings in other areas of the service. Electoral and Regulatory Services is projecting an overspend of £0.1m of which £0.06m relates to a shortfall in Nationality Checking Service income and £0.06m to the continued reducing trend in other Registrar income. A further £0.04m projected overspend reflects projected shortfalls in on-street and off-street car parking income and bus lane enforcement income, partially offset by Penalty Charge Notice income and expenditure savings within the service. A projected overspend within the Welfare & Benefits service reflects the latest assessment of Housing Benefit expenditure/subsidy and overpayment income, partially offset by staffing savings and additional grant income within the service.

Parks and Countryside are projecting an underspend of £0.05m at Month 11, with income pressures of £0.45m, mainly at Tropical World and Temple Newsam, anticipated to be offset by expenditure savings and additional income in other areas of the service. Other underspends within Cleaner Neighbourhoods Teams (£0.06m), Environmental Health (£0.2m) and Community Safety (£0.07m), mainly reflect staffing savings within these services.

3.2.6 Strategic & Central Accounts – For provisional outturn the Strategic & Central budgets are projecting an underspend of £8.2m. There are a number of key variations:

- A reduction of £7.9m in in-year costs as a result of funding PFI lifecycle costs via MRP, partially offset by £0.2m of other debt costs and prudential borrowing income
- A £1.3m projected shortfall in S278 income as a result of predicted lower levels of development activity;
- Projected shortfalls of £0.4m in business rates income and £0.3m in New Homes Bonus, offset by an additional £1.4m of Small Business Threshold Grant, £0.4m of which relates to 2017/18;

- £2.39m of additional government grant which is the Authority's allocation of £180m business rates levy account surplus announced by Government in the Provisional Settlement on 13th December;
- A projected variation of £0.5m in respect of realising discounts from suppliers for the prompt payment of their invoices;
- £0.8m variation in income receivable within both legal Services and the former PPPU; and
- Release of £1.0m from the General Insurance reserve and;
- Other costs of £0.8m include £0.6m of Stamp Duty Land Tax (SDLT) that is now payable to HMRC following the finalisation of the variation in the Merrion House lease. The variation of the Merrion House lease results in the Council benefitting from a saving of £0.2m per annum which has been built into the 2019/20 revenue budget.

Further work is still required to review expenditure in the revenue account in order to determine whether it is more appropriate that it is charged to the capital programme. Any variation from budgeted assumptions in respect of capitalisation will have implications for the projected outturn.

During 2018/2019 Leeds City Council has been a member of the Leeds City Region Pool which has been piloting 100% Business Rates retention. Since this Pool is to finish on the 31st March, to be replaced by the North Yorkshire & West Yorkshire Pool, it has been agreed that resources will transfer to member authorities to meet approved outstanding commitments. It is projected that £4m will be receivable by Leeds to support projects that have been agreed by the Leeds City Region Pool.

3.3 Other Financial Performance

3.3.1 Council Tax

The Council Tax in-year collection rate at the end of February was 93.26% which is very slightly behind performance in 2017/18. At this stage the forecast is to achieve the 2018/19 in-year collection target of 96.1% collecting some £342.8m of income.

3.3.2 Business Rates

The business rates collection rate at the end of February was 94.33% which very slightly behind performance in 2017/18. The forecast is to achieve the 2018/19 in-year collection target of 97.7% collecting some £381.4m of income.

The total rateable value of business properties in Leeds has increased from £921.06m at 1st April to £930.76m at the end of February, growth of £9.7m. To calculate Leeds's actual income from business rates this total rateable value is multiplied by the national business rates multiplier (48.0p in the pound). After reliefs and adjustments this amount is then shared between Leeds City Council (99%) and West Yorkshire Fire Authority (1%). Following deductions for the Business Rates tariff and to meet the business rates deficit brought forward, Leeds's actual business rates income as at 31st December was £208.7m, £0.4m below budgeted expectations. This December figure determines the business rates surplus/deficit

included in the 2019/20 budget and any movement between January and March will then impact on the surplus/deficit carried forward to 2020/21.

3.3.3 Business Rates Appeals

The opening appeals provisions for 2018/19 were £21.5m, made up of £11.5m relating to appeals received against the 2010 ratings list and £10m estimated costs in relation to the 2017 ratings list. Under the 100% Business Rates Retention pilot, Leeds's budget is affected by 99% of any appeals provision made in this year but provisions brought forward from 2017/18 were made at 49%. At 31st January 2019 total provisions available are £16.6m: £13.0m relating to appeals received against the 2010 ratings list and £3.6m estimated costs in relation to the 2017 ratings list. The movement in 2010 list provisions largely reflects £6.0m of new provisions made in year, mainly as a consequence of an ongoing appeal concerning ATMs, and use of £5.0m of provisions in settling 1,168 appeals to the end of February.

On 1st February 2019, there were 1,452 appeals outstanding against the 2010 ratings list. During February 14 appeals have been settled, of which 3 have not resulted in changes to rateable values. 22 new appeals were received in February, the low number reflecting that appeals are no longer accepted against the 2010 list except in very specific circumstances. At 28th February there are 1,460 outstanding appeals in Leeds, with 15.3% of the city's total rateable value in the 2010 list currently subject to at least one appeal.

No appeals have been received to date against the 2017 list, with only 1.8% of the city's total rateable value in the 2017 list currently subject to either a 'check' or a 'challenge', the pre-appeal stages of the new appeals process introduced in 2017. As a consequence the estimated cost of these appeals and the consequent provisions have been reduced by £6.4m.

4. Housing Revenue Account (HRA)

4.1 The Housing Revenue Account is projected to have a small underspend £0.48m (< 0.2%) prior to any adjustments as to the use of reserves. A review of the contributions to / and use of various earmarked reserves will be undertaken to bring the final outturn to a balanced position at year end

4.2 Within the account, pressures on income, disrepair, interest charges and internal charges are offset by savings on staffing (due to slippage in restructures and filling vacant posts), and a reduced need to top up the Provision for Bad Debts.

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 2018/19 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 21st February 2018.

5.3 Council Policies and Best Council Plan

5.3.1 The 2018/19 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 Throughout the financial year there has been a risk that a balanced budget position is not delivered in year or that the reported projected overspend could worsen as a consequence of demand-led pressures, non-achievement of Budget Action Plans, price increases and other inflationary pressures. Failure to achieve a balanced budget position would impact on future years and thus require the Council to consider difficult decisions that will have a greater impact on front-line services, including those that support the most vulnerable, and thus on our Best Council Plan ambition to tackle poverty and reduce inequalities.

5.6.2 An analysis of budget risks has continued throughout the year and has been subject to monthly review as part of the in-year monitoring and management of the budget. Any significant and new risks/budget variations have been included in the financial health monitoring reports that have been brought to Executive Board.

6. Conclusions

6.1 This report informs the Executive Board of the provisional financial outturn for the Authority in respect of the revenue budget which projects an underspend of £3.25m. The Housing Revenue Account is projecting a balanced budget position.

7. Recommendations

7.1 Executive Board are recommended to:

- Note the provisional financial outturn position for the Authority.

8. Background documents¹

¹ 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.

8.1 None.

ADULTS AND HEALTH

Financial Dashboard - 2018/19 Financial Year

Provisional Outturn

The Directorate is projected to deliver a balanced position for the year.

A comparatively mild winter has led to lower demand than expected which will lead to lower expenditure on placements and packages than initially forecast. This lower level of expenditure has in part been offset by increased expenditure within the Equipment Service to meet increased demand, assist with DTOC targets and to offset potential uncertainty in the market over the next few months. Budget Action Plans for demand are showing some slippage, but it is noted that 94.2% of the plans are effectively delivered, with 95.5% expected.

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

Staffing (-£0.7m): there are pressures within Provider Services and Resources, although overall underspends on staffing within the rest of the directorate more than mitigate these pressures.

Community Care Expenditure (-£1.8m): the relatively mild winter, together with improved system flow and the impact of the strengths based approach has seen demand for Residential and Nursing Placements reduce significantly this year, particularly over the winter period. This reduction in placements has been offset by significantly increased demand for homecare, equipment and Supported Living placements. Demand for Direct Payments continues to be lower than anticipated. The net impact of this is a projected year-end underspend of £1.8m. This represents 0.88% of the £203.8m Community Care Budgets. Whilst further analysis is required, it is prudent to assume that the majority of this underspend is due to the mild winter and therefore treat this as a non-recurrent saving.

General Running Costs (+£2.3m): Internal charges are higher than the budgeted level this is primarily due to increased client transport costs and IT development costs. In addition, the remaining Care Homes and Day Care Centres operated by the Directorate have required much needed refurbishment of premises and equipment in this financial year and this has been funded from the overall in-year staffing underspend. Also, given the largely non-recurrent nature of the underspend on Community Care Expenditure, it is felt prudent that this is utilised to pay off all of the borrowing costs (£1.6m) attributable to the Directorate for the refurbishment of South Leeds Intermediate Centre and the purchase of the Killingbeck site. This will result in an ongoing recurrent saving in the Adult Social Care budget of £0.3m in 2019/20 and onwards.

Spring Budget (-8.3m): the Spring Budget is in its second year of operation with schemes scheduled to run from 2017 into 2020. The funding has been front-loaded and there has been slippage in a number of schemes. This money will be carried forward into 2019/20 to meet the approved scheme costs.

Income (-£3.7m): additional external income and client contributions is offset by reduced contributions from partners due to slippage in the formation of the Leeds Plan team. Adult Social Care has attracted £3.3m of the £240m that was announced in the Chancellor's autumn statement for dealing with 'winter pressures'.

Contributions to Reserves (+£8.8m): Public Health is forecasting to underspend by £387k, primarily within staffing. This will be carried forward into the next financial year to offset the grant reduction in 2019/20, as per the budget proposals. Also, an underspend of £100k, primarily due to staff savings within the Leeds Adults Safeguarding Board, is planned to be carried forward into the next financial year as part of the ring fencing arrangement.

In addition, funding from the 'Spring Budget' will be carried forward. Leeds will receive £28.8m over the period 2017-2020 to help councils to provide high quality social care to more people and help to ease pressure on the NHS. Acknowledging the front loading of the funding and slippage on associated schemes it is estimated that £8.3m will need to be carried forward in an earmarked reserve to fund the third year of the programme.

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	1,286	(893)	393	(282)	0	3	0	0	0	0	0	0	(279)	242	(36)
Access & Care Delivery	260,380	(46,338)	214,042	164	90	15	(2)	2,019	273	(1,832)	0	100	827	(329)	498
Service Transformation Team	1,301	0	1,301	(80)	0	(15)	(0)	0	0	0	0	0	(95)	(4)	(99)
Commissioning Services	34,222	(47,196)	(12,974)	(445)	0	(4,986)	(1)	100	(279)	0	0	8,300	2,689	(3,290)	(601)
Resources and Strategy	5,082	(585)	4,497	136	0	(1)	6	211	0	0	0	0	353	(115)	238
Public Health (Grant Funded)	45,014	(44,607)	407	(172)	0	11	0	(100)	109	0	0	387	235	(235)	(0)
Appropriation Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	347,285	(139,620)	207,666	(679)	91	(4,973)	4	2,230	103	(1,832)	0	8,787	3,731	(3,731)	(0)

Key Budget Action Plans and Budget Variations:

		Lead Officer	Additional Comments	RAG	Action Plan Value	Forecast Variation against Plan/Budget
					£m	£m
A. Key Budget Action Plans						
1.	Additional funding	S Hume	iBCF, Spring Budget, War Pension Disregard Grant, Social Care Grant	B	24.4	0.0
2.	Demand Based Savings - Learning Disability	S McFarlane		R	2.5	1.6
3.	Demand Based Savings - Mental Health	S McFarlane		G	0.1	0.0
4.	Demand Based Savings - Physical Impairment	S McFarlane		B	0.2	(0.0)
5.	Demand Based Savings - Telecare	S McFarlane		A	0.2	0.0
6.	Demand Based Savings - Chc / 117	S McFarlane		B	0.2	(0.1)
7.	Demand Based Savings - Reablement	S McFarlane		A	0.2	(0.1)
8.	Demand Based Savings - Direct Payment Trend	S McFarlane		B	0.1	0.0
9.	Demand Based Savings - Recovery Beds	S McFarlane		B	0.1	(0.0)
10.	Direct Payment Audit Team	S McFarlane		B	0.4	(0.1)
11.	Client Transport	S McFarlane		G	0.2	0.0
12.	Vacancy management	Various	Mainly non-frontline services	G	0.9	0.0
13.	Fees and charges	S Hume	Improved income collection and income recovery from direct payment audit	A	1.0	0.2
14.	Recovery Model/Full Year Effect Of Phase III	S Hume	Recovery of unspent sums	B	0.9	0.0
15.	Review non-essential spend	Various	Review and top-slicing of non-essential spend	G	0.6	0.0
16.	Public Health	I Cameron	Review of commissioned services	B	1.2	0.0
B. Other Significant Variations						
1.	Staffing	All	Relating to staffing turnover and slippage in employing new staff			(0.7)
2.	Community care packages	Various	Anticipated variation			(3.0)
3.	General running costs	All	Primarily increase in IT costs and client transport spend			(2.6)
4.	Use of reserves	All	Contribution to reserves (Leeds Adults Safeguarding Board and Public Health)			8.8
5.	Income	S Hume	Reduced income related to delay in setting up Leeds Care Plan Team, offset by additional income and client contributions			(3.9)
					Adults and Health Directorate - Forecast Variation	
					0.0	

CHILDREN & FAMILIES 2018/19 FINANCIAL YEAR FINANCIAL DASHBOARD - Provisional Outturn (February 2019)

Overall Summary - At the end of February (period 11) the directorate is projecting an overspend of £2.518m against the approved budget of £121.047m. An adverse movement of £0.366m from the reported position at P10. The reason for the adverse movement is; £0.33m deterioration in school trading, £0.171m net pressure around Learning for Life Children Centres and lower FEE income of £0.45m offset by other savings within LfL of £0.279m, £0.2m reduced CCG income for External Residential placements. Offset by lower passenger transport charges from WYCA of £0.167m and further net savings of £0.168m principally within Learning.

Children Looked After (CLA): - The Children Looked After budget (CLA) was increased by £4.9m in the 2018/19 budget. The budget took into account the level of supported children in the autumn of 2017 with only a small reduction in numbers anticipated in 2018/19 equivalent to a 1.5% reduction in overall CLA numbers over the year. At period 11 the External Residential (ER) numbers were 60 compared to the budgeted number of 53, whilst the number of Independent Fostering Agencies (IFA) were 202 compared to the budgeted number of 179. As the average level of ER and IFA placements has remained above budget for 11 mths of the year the projected overspend is £1.25m for ER and £0.4m for IFA. Offsetting these 2 areas of demand led pressure are savings of £0.556m on in-house CLA costs, principally around Family Placement £0.262m and Placed for Adoption £0.251m. Additionally there has been a switch between In-House Fostering and Kinship Care of a corresponding £0.5m.

Non CLA Financially supported: - There is a pressure in Special Guardianship Orders due to growth in demand of £0.251m and projected additional spend on the Leaving Care budget of £0.374m. Section 17 payments paying for support costs for families in need are expected to exceed the budget by £0.521m. The service is proactively working with Housing to manage this spend and secure the most appropriate outcomes for the families.

One Adoption West Yorkshire: - It is anticipated that the Council's contribution to the Partnership will increase by £0.36m this financial year as a result of increase of the inter-agency payment rates, reprofiling of the payments and additional staffing, principally Adoption Support.

Staffing: Overall projected overspend of £0.077m. The staffing budget is projected to be overspent by £0.077m by the end of the year, a £0.123m improvement from the reported P10 position. It is assumed that £0.265m action plan savings via the strict management of recruitment and agency spend for the remainder of the year will be achieved.

Transport - There has been a notable increase in the number of children requiring transport and also an increase in contract prices. An increase in costs of £550k is now projected to be mainly offset by various savings of £866k which include savings on the WYCA contracts and additional Dedicated Schools Grant income from the High Needs Block towards the costs of Personal Transport Allowances of £150k resulting in an underspend of £0.316m. The Directorate is working closely with CEL to mitigate potential demand pressures.

Trading and Commissioning: Although the trading areas of the directorate collectively underachieved their income targets in 2017/18, action plans have been developed for the areas where income was below budget in 2017/18. An action plan has been developed to look at maximising income from Learning-for-Life Early Start, but a shortfall of £1.1m against net managed budget is now projected, offset by other savings within LfL of £0.184m around Best Start and Family Services.

Other Costs - It is projected that external legal disbursement costs will exceed the 2018/19 budget by £525k. Additional Occasional Hire costs of £221k reflected.

Other income - Additional Income of £400k is anticipated from the High Needs Block of the Dedicated Schools Grant to contribute to the education costs of External Residential placements and net £80k from other contributions. It has been agreed that Adult Social Care will make a contribution of £1.6m to services provided in Childrens and Families which is shown on the dashboard below as an anticipated reduction in various charges due to Adults Social Care and a net £0.75m general contribution. There are also contributions from the Housing capital of £0.18m towards the capitalisable costs of the Child Health and Disability (CHAD) citywide team. School trading income has reduced the level of income by £0.33m, principally 0-19 Learning Improvement, Attendance and Music Services. CCG income for ER placements has been reduced by £0.2m reflecting lower approvals at the joint LCC Health Board.

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		
Demand Led Budgets:																
In House placed CLA	19,994	(3,195)	16,799	0	0	0	0	0	(556)	0	0	0	(556)	0		(556)
Independent Fostering Agency	7,486		7,486	0	0	0	0	0	400	0	0	0	400	0		400
External Residential	10,886		10,886	0	0	0	0	0	1,250	0	0	0	1,250	(200)		1,050
Other Externally placed CLA	2,599		2,599	0	0	0	0	0	77	0	0	0	77	(77)		0
Non CLA Financially Supported	13,066	(2,389)	10,677	0	0	0	0	0	1,146	0	0	0	1,146	0		1,146
Transport	14,451	(467)	13,984	0	0	0	(166)	0	0	0	0	0	(166)	(150)		(316)
Sub total Demand Led Budgets	68,482	(6,051)	62,431	0	0	0	(166)	0	2,317	0	0	0	2,151	(427)		1,724
Other Budgets																
Partnerships & Health	12,381	(6,651)	5,730	28	14	186	20	2	903	(78)	0	18	1,093	(939)		154
Learning	88,624	(83,102)	5,522	(36)	8	(51)	(3)	(38)	8	0	0	0	(112)	639		527
Social Care	117,000	(69,636)	47,364	85	135	(34)	251	(124)	1,212	(453)	0	(300)	772	(659)		113
Sub total Other Budgets	218,004	(159,388)	58,616	77	157	101	268	(160)	2,123	(531)	0	(282)	1,753	(959)		794
Total	286,486	(165,439)	121,047	77	157	101	102	(160)	4,440	(531)	0	(282)	3,904	(1,386)		2,518

<u>Key Budget Action Plans and Budget Variations:</u>		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation £m
A. Significant Variations						
	Children Looked After	Steve Walker	Pressure on CLA demand led budgets (External Residential placements £1.25m and Independent Fostering Agencies £0.40m). Also In-House placed CLA (£0.56m under)	R		1.17
	Non CLA Financially Supported	Steve Walker	Special Guardianship Orders projected to exceed the budget by £0.252m; Leaving Care costs to exceed the budget by £0.43m ; Other support costs £0.070m. Section 17 payments for the support costs of Children & Families in need to exceed the budget by £0.521m.	R		1.146
	Learning for Life	A Richardson	There is a projected net overspend of nearly £1m primarily relating to LCC Children Centres FEE income. Pay savings of £131k shown in the Staffing - Service Reviews below.	R		0.95
	External Legal Disbursements	CSLT	Reflects the current high level of external legal disbursements	R		0.53
	One Adoption West Yorkshire	CSLT	Increase in the Leeds contribution to OAWY of £0.36m as a result of in year cost pressures mainly from an uplift in inter-agency placement rates and change in the payment profile.	R		0.36
	Miscellaneous	CSLT	School Improvement intervention costs £0.1m. Also premises and supplies pressure £270k (additional £220k re Occasional Hire)	A		0.05
	Passenger Transport	Sue Rumbold	Increase in demand and prices net of various savings & DSG Income of £0.10m	G		(0.32)
B. Key Budget Action plans (BAP's)						
	Staffing - Service Reviews / Restructures	CSLT	Savings likely to slip. Stage 1 review complete. Stage 2 reviews to be progressed. Shortfall is in part offset by other staff savings and will require strict management of vacant posts for the remainder of the year. Excludes LFL figures reflected in Learning for Life above.	A	(1.27)	0.08
	Progress alternative Transport funding models	S Rumbold / S Martin	Pilots are being established around alternative payment approach	G	(0.25)	0.00
	Family Services restructure and reduced funding	A Richardson	Proposals in place to secure the savings, DDN to implement the new structure implemented.	G	(0.25)	0.00
	Reduced spend on Independent Support Workers	S Rumbold	Based on current spend the savings should be exceeded by £0.25m.	G	(0.25)	(0.25)
	Commissioning Reviews	S Rumbold	Various commissioning reviews are in progress. There is the risk that the level of savings will not be achieved.	G	(0.30)	0.00
	Achieve Increased income from Adel Beck	S Tariq	Day rates at Adel Beck have been increased. Higher charges may impact on demand but current income levels suggest the budget will be exceeded.	G	(0.35)	(0.15)
	Achieve Increased income from Child Protection: Education Safeguarding Team	S Rumbold	The team is anticipated to continue high level of trading.	G	(0.10)	0.00
	Achieve additional Unaccompanied Asylum Seeking Children grant	S Tariq	Additional grant anticipated in year.	G	(0.40)	0.00
	Achieve additional DfE Improvement Partner Income	S Tariq	In line with the agreement with Kirklees.	G	(0.10)	0.00
	Other Action Plans which have been achieved.	various	Includes continuation of School Improvement and Brokerage grant £0.7m ; SENSAP set up costs £50k	G	(1.75)	(0.16)
C. Contingency Plans						
	External Income (Including trading with schools)		Additional Dedicated Schools Grant funding (High Needs Block) contribution to area External Residential placements £0.4m reflecting the increase in spend in 2018/19 and other net additional income £0.08m. Schools trading shortfall, £0.33m - 0-19 Learning Improvement, Music Services & Attendance. Shortfall of £0.2m CCG Health contribution towards the £1.1m External Residential Placement budget.	A		0.05
	Contributions from Adult Social Care		Anticipated additional contribution from Adults Social Care.	G		(0.75)
	Contributions from Housing Revenue Account		Funding of CHAD citywide	G		(0.18)
						2.518

CHILDREN & FAMILIES 2018/19 FINANCIAL YEAR

DEDICATED SCHOOLS GRANT FINANCIAL DASHBOARD - Provisional Outturn (February 2019)

Overall Summary - From 2018/19, the Dedicated Schools Grant (DSG) is made up of 4 separate blocks - the Schools Block, Central School Services Block, Early Years Block and High Needs Block. At month 11 there is a projected underspend of £3,995k on general DSG and no overall variance on de-delegated services. This position includes the impact of the additional funding for the high needs block announced by the Secretary of State for Education on the 17th December 2018. The announcement results in an additional £1.76m funding in both 2018/19 and 2019/20.

Schools Block - This is the largest element of the DSG and mostly consists of delegated funding to local authority maintained schools. When a school becomes an academy, funding payments are made directly by the ESFA and not paid to local authorities to distribute. When a school becomes an academy, funding payments are made directly by the Education and Skills Funding Agency (ESFA). As a result there is a reduction in grant income which is largely matched by reduced expenditure, though overall there is an underspend as a result of recoupment adjustments on NNDR in respect of schools which have converted to academies during 2018/19. There are a number of "de-delegated" services where schools have agreed for the local authority to retain funding back to cover some costs centrally which otherwise would need to be charged to schools (such as maternity costs, trade unions costs and the libraries service). These budgets are currently projected to be on budget overall, though there are a number of variances within this. The Growth Fund budget remains part of this block and is currently projected to be underspent by £400k as the full allocation is unlikely to be required.

Central School Services Block

This is a new block created from 2018/19 which covers costs such as prudential borrowing repayment, equal pay costs, the admissions service and the retained duties element of what used to be the Education Services Grant (which covers statutory and regulatory duties, asset management and welfare services). There are no overall variances currently projected on these services.

Early Years Block - This element is concerned with provision to pre-school children. The final grant amount received is largely based on the January 2019 census and so will not be confirmed until the 2019/20 financial year. Following the significant underspend in 2017/18, the unit rates paid to providers has been increased for both 2 year old and 3 & 4 year old providers. However, it is still expected that there will be an underspend of £2,965k.

- at the end of 2017/18, an estimate was made of the final grant due in respect of early years DSG. The final grant was for £456k more than the estimate and has contributed to the projected underspend.
- the summer term (which is traditionally the term with the highest costs) data showed that the take up of places was lower than usual for that term. As the grant income for this period will not change, a significant underspend of £1,454k is projected. Initial data from the autumn term also shows that there is still expected to be a difference between the number of places funded and the number of places paid to providers which will result in a further underspend for the rest of 2018/19.
- the contingency fund is not expected to have any calls on it during 2018/19 and so is expected to be underspent by £170k.

High Needs Block - This element is used to support provision for pupils and students with special educational needs and disabilities. This block is currently experiencing increasing costs due to high levels of demand and increasing complexity of cases. However, as a result of the additional funding announced in December, this block is now expected to be £206k underspent. The main variances in this block are:-

- following confirmation of the import / export adjustment for 2018/19 there is a slight increase in grant due of £273k.
- additional 2018/19 funding of £1,759k announced in December 2018.
- additional funding is not now expected to be paid to the North West SILC in 2018/19. Any additional funding will be agreed as part of the specialist funding review.
- SEN top-ups to institutions is projected to be overspent by £1,355k largely as a result of more children receiving a diagnosis of complex communication difficulties.
- although the number of placements continues to reduce, there is an overspend on outside and external residential placements as there have been a number of very high cost placements for which there is no provision in Leeds.
- services managed by Children & Families are projecting to be underspent by £252k largely due to an increase in staff vacancies.

Reserves - The 2018/19 underspend means that the general DSG reserves are now expected in surplus by £1,562k by the end of the year, with de-delegated reserves remaining at £125k. However £400k of the surplus has been earmarked for use on the growth fund in 2019/20.

Budget Management - net variations against the approved budget

DSG Grant Reserves

	Budget £'000	Projection £'000	Variance £'000
Schools Block			
DSG Income	(320,706)	(305,401)	15,305
Individual Schools Budgets	313,490	297,761	(15,729)
De-delegated budgets	4,616	4,616	0
Growth Fund	2,900	2,500	(400)
Contribution to /from reserves	(300)	(300)	0
	0	(824)	(824)
Central School Services Block			
DSG Income	(5,171)	(5,171)	0
CSSB Expenditure	5,171	5,171	0
	0	0	0
Early Years Block			
DSG Income	(55,367)	(58,482)	(3,115)
FEEE 3 and 4 year olds	44,216	45,458	1,242
FEEE 2 year olds	7,903	7,233	(670)
Other early years provision	3,248	2,826	(422)
	0	(2,965)	(2,965)
High Needs Block			
DSG Income	(60,300)	(62,332)	(2,032)
Funding passported to institutions	53,394	55,434	2,040
Commissioned services	1,549	1,586	37
In house provision	4,411	4,160	(251)
Contribution to /from reserves	946	946	0
	0	(206)	(206)
Total	0	(3,995)	(3,995)

Latest Estimate

Balance b/fwd from 2017/18
 Net contribution to/from balances
Deficit c/fwd to 2019/20

Projected Outturn

Balance b/fwd from 2017/18
 Projected in year variance
 Net contribution to/from balances
Deficit c/fwd to 2019/20

General £'000	De-delegated £'000	Total £'000
3,379	(425)	2,954
(946)	300	(646)
2,433	(125)	2,308
3,379	(425)	2,954
(3,995)	0	(3,995)
(946)	300	(646)
(1,562)	(125)	(1,687)

Key Budget Action Plans and Budget Variations:

	Lead Officer	Additional Comments	RAG	Action Plan Value	Forecast Variation against Plan/Budget
A. Key Budget Action Plans					
Transfer funding to High Needs Block		Transfer of £2m from the schools block and £500k from the central school services block to the high needs block as detailed in report to Schools Forum in January 2018.	B	£m 2.50	£m 0.00
Reduction in Funding for Inclusion unit value		The reduction in the unit rate from £684 to £600 has been applied.	B	1.37	0.00
Reductions in mainstream funding for additional places		A change in the criteria before additional funding is due will be applied.	G	0.49	0.00
B. Significant Variations					
Schools Block		Projected underspend on growth fund			(0.40)
Schools Block		Projected underspend on rest of Schools Block			(0.42)
Early Years Block		Projected underspend on early years block mainly as a result of low take up in summer term. And funding received for additional hours.			(2.34)
Early Years Block		Under-accrual of income into 2017/18.			(0.46)
Early Years Block		Unspent contingency			(0.17)
High Needs Block		Increase in grant due			(2.03)
High Needs Block		Increase in payments to institutions due to increase in number and complexity of cases			2.07
High Needs Block		Underspend on in-house services			(0.25)

Dedicated Schools Grant - Forecast Variation (4.00)

City Development - 2018/19 Financial Year FINANCIAL DASHBOARD - Provisional Outturn (February 2019)

At Period 11 City Development are projecting an overspend of £1.77m. The Period 11 overspend is primarily due to the rising cost of electricity tariffs for street lighting which accounts for a forecast overspend of circa £1m, and an additional £690k is due to anticipated slippage in the Capital Receipts Programme - the most significant issue being the delay in completing the sale of Leonardo. Leaving these pressures aside, the Directorate is on track to successfully manage circa £3.2M of other budget pressures to deliver a balanced budget.

As per the Medium Term Financial Plan, the budgeted return on the Council's commercial asset portfolio has increased by £1m in 2018/19 to £3.36m. The development of the Council's commercial asset portfolio is reliant upon suitable market opportunities with the right risk profile and as a result is currently projecting a £1.52m shortfall as a worst case, with a number of potential lettings at a detailed stage with some expected to conclude this financial year. The Directorate will seek to further mitigate against this through savings within other areas of income and expenditure. As such mitigating actions of circa £2m have been identified including £300k of additional Arena income, £509k for one off easements and covenant releases, £380k savings across Asset Management, and £570k from historic balances. Advertising income is another budget pressure rolling through from 2017/18. The previously reported pressure of £200k at P5 has reduced to £100k and work is ongoing to strengthen and develop further advertising opportunities.

In Highways a pressure of £1m has been reported in respect of electricity for Street Lighting. The tariffs can be volatile and fluctuate significantly in response to energy market conditions. The 2018/19 Budget Estimate Circular suggested provision for a 5% price increase however the first two months of billing has shown some tariffs rising as much as 18%. The Directorate will use £400k of Street Lighting PFI Dispute Resolution balances to partially mitigate this energy pressure.

The Arts & Heritage service is reporting a pressure of £0.53M of which £0.17M relates to additional spending pressures around the Carnival and Black Music Festival events.

Active Leeds is projecting an underachievement of income of £378k of which £318k is due to delays in the refurbishment of Aireborough Swimming Pool due to additional essential capital works over and above the original capital scheme estimate. This pressure is partly mitigated by savings of £50k in respect of PFI charges (penalties) and other running cost savings. The refurbishment started in May 2017 and was expected to take 6 months to complete, however the latest estimate is that works will not be completed until July 2019.

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 & Sustainable Development	9,219	(7,368)	1,851	(209)	0	(11)	(5)	105	0	0	0	0	(120)	4	(116)
Economic Development	1,894	(543)	1,351	(44)	1	(1)	(6)	26	0	0	0	0	(24)	87	63
Markets & City Centre	2,958	(3,612)	(654)	(23)	182	61	2	2	0	0	0	0	224	954	1,178
Asset Management & Regeneration	16,455	(20,079)	(3,624)	(482)	596	(92)	(4)	154	0	0	0	0	172	866	1,038
Employment & Skills	4,231	(2,516)	1,715	(41)	0	0	0	0	0	0	0	0	(41)	0	(41)
Highways & Transportation	62,412	(46,627)	15,785	(946)	1,099	1,281	566	235	0	0	0	0	2,235	(1,698)	537
Arts & Heritage	19,522	(9,235)	10,287	200	(18)	375	(6)	40	5	0	0	0	596	(60)	536
Active Leeds Resources & Strategy	24,568	(19,960)	4,608	(59)	(6)	(117)	0	11	(50)	0	0	0	(221)	378	158
	1,098	0	1,098	(105)	0	(29)	0	0	0	0	0	0	(134)	(1,446)	(1,580)
Total	142,357	(109,940)	32,417	(1,709)	1,854	1,467	547	573	(45)	0	0	0	2,688	(916)	1,773

Key Budget Action Plans and Budget Variations:

				RAG	Action Plan Value	Forecast Variation against Plan/Budget
					£'000	£'000
A. Budget Action Plans						
		Lead Officer	Additional Comments			
1.	Planning and Sustainable Development	Tim Hill	Additional income from charging	G	(400)	4
2.	Economic Development	Eve Roodhouse	Expenditure savings	R	(120)	63
3.	Markets & City Centre	Steve Mason/John Ebo	Additional income from events and speciality markets	G	(70)	59
4.	Asset Management & Regeneration	Angela Barnicle	Strategic Investment Fund & fee income	R	(1,520)	1,000
5.	Highways and Transportation	Gary Bartlett	Fees & Charges	G	(810)	0
6.	Arts and Heritage	Cluny MacPherson	Savings via increased income opportunities across the Service	G	(400)	(60)
7.	Employment and Skills	Sue Wynne	Staffing & running cost savings	G	(20)	(41)
8.	Sport and Active Lifestyles	Cluny MacPherson	Reduction in the net cost of service via increased income, operational cost reductions and VAT exemption	R	(1,585)	158
Total Budget Action Plan Savings					(4,925)	1,183
B. Other Significant Variations						
1.	Asset Management & Regeneration	Angela Barnicle	Shortfall in Strategic Investment Fund Income against 2017/18 Budget Action Plan			522
2.	Highways and Transportation	Gary Bartlett	Street Lighting Electricity Costs			1,000
3.	Asset Management & Regeneration	Angela Barnicle	West Gate Rent and Service Charge (net of expected £500k disturbance payment from ESFA)			340
4.	Asset Management & Regeneration	Angela Barnicle	Advertising Income			100
5.	Markets & City Centre	Steve Mason/John Ebo	Kirkgate Market Income and Security Costs. City Centre Gates.			479
6.	Asset Management & Regeneration	Angela Barnicle	EX PPPU Income Recovery			140
7.	Arts and Heritage	Cluny MacPherson	Staffing and Expenditure Variations across Arts and Heritage			425
8.	Arts and Heritage	Cluny MacPherson	West Indian Carnival			171
9.	Asset Management & Regeneration	Angela Barnicle	Additional Income - Symons House, Holdforth Court, Thornes Farm Way, ELOR Gas Easement, rents			(859)
10.	Resources & Strategy	Ed Mylan	Partial use of Street Lighting PFI Dispute Resolution Balances and Escrow Balances			(700)
11.	Resources & Strategy	Ed Mylan	Historic S38 balances			(570)
12.	Asset Management & Regeneration	Angela Barnicle	Arena Income			(300)
13.	Asset Management & Regeneration	Angela Barnicle	Staffing Savings			(482)
14.	Planning and Sustainable Development	Tim Hill	Staffing Savings			(209)
15.	Resources & Strategy	Ed Mylan	Bridgewater Place - assumed income from further closures			(70)
16.	Asset Management & Regeneration	Angela Barnicle	Slippage in Capital Receipts Programme			790
17.	Highways and Transportation	Gary Bartlett	Winter Savings			(100)
17.	Resources & Strategy	Ed Mylan	Action Plans to mitigate net budget pressure. Work ongoing to identify further savings and quantify potential impact of robust management of vacancies and staff turnover			(87)
					City Development Directorate - Forecast Variation	1,773

RESOURCES AND HOUSING

FINANCIAL DASHBOARD - 2018/19 FINANCIAL YEAR

PROVISIONAL OUTTURN - February 2019

Overall

The Directorate is projecting an overspend of £0.4m at month 11. The overspend is primarily accounted for by a shortfall against the schools income within the directorate offset by savings on staffing and running costs across various service areas as outlined below.

Resources

It is assumed that support services will achieve the majority of the £3.5m savings which formed part of the 2018/19 budget. Most of these (£2.2m) centred on staffing savings and at month 11 of the financial year, it is forecast these savings will be delivered. Whilst there is an overall staffing pressure in the group, this mainly arises from recruitment within DIS and will be offset by additional income. This aside, there is a net overall pressure within this group of services of £146k arising from a reduction in schools income, particularly in HR (£683k) and pressures within finance and procurement of around £127k. These income pressures are being offset by savings on staffing through managing turnover and vacant posts and running costs within Strategy and Improvement (£196k), Legal (£177k), Democratic Services (£174k) and Shared Services (£77k).

Leeds Building Services

The budget assumes an additional surplus of £1.1m to be delivered through increased turnover of around £9.6m when compared to the 17-18 budget. Delays in the recruitment of front line staff are assumed to be offset by the additional use of sub contractors to deliver the 2018-19 programme. At month 11, the service is on target to deliver the budget together with an estimated additional £100k but risks remain until the final accounts are complete with an appropriate final assessment of Work in Progress. To date, £45.7m of income has been received and there is around £5.2m of Work in Progress which is below the target.

Housing and Property Services

A balanced position for these services is forecast at P11. Staffing underspends within the Supported Housing side as a result of managing vacant posts are projected to be in the region of £490k, although . Pressures are emerging within Corporate Property Management primarily against the responsive repairs budget which, at month 11, is forecast to be £400k overspent. The current projected spend is after assuming that an additional £0.4m of works can again be capitalised in 2018/19.

Civic Enterprise Leeds

At month 11 an overspend of £150k is projected which is after managing the £88k NNDR pressure for Westgate through savings on running costs and generation of additional income within parts of the business. There is a £250k pressure within the Catering service and reflects the underlying income pressures and inflationary pressures on food costs and this is being offset by £100k savings within the division. No other pressures are identified at this stage although we will continue to closely monitor some of the significant income generating services within the group.

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	
Resources	94,347	(29,873)	64,474	350	(41)	789	0	(90)	0	(28)	0	(143)	837	(691)	146
LBS	55,675	(65,286)	(9,611)	(3,502)	0	3,123	0	0	0	0	0	0	(379)	279	(100)
Housing & Property	26,532	(13,579)	12,953	(490)	453	107	49	10	133	135	0	333	730	(528)	202
CEL	75,004	(64,538)	10,466	1,818	200	521	1,570	44	0	0	0	0	4,153	(4,003)	150
Total	251,558	(173,276)	78,282	(1,824)	612	4,540	1,619	(36)	133	107	0	190	5,341	(4,943)	398

Key Budget Action Plans and Budget Variations:

		Lead Officer	Additional Comments	RAG	Action Plan Value	Forecast Variation against Plan/Budget
					£m	£m
A. Key Budget Action Plans						
1	LBS	Simon Costigan	Additional turnover has been identified; budget reflects increased staffing to deliver turnover required and recruitment is underway;	G	(1.10)	(0.10)
2	Housing	Julie Staton	Commissioning Contract Savings - FYE of existing savings	G	(0.15)	
3	Housing	Jill Wildman	Review of housing support costs that can be more appropriately charged to the capital programme	G	(0.08)	
4	CPM	Simon Costigan	Based on actual spend to week 45, projected for to the end of the year	R	(0.20)	0.40
5	Cleaning/Catering	Sarah Martin	Annual equipment replacement programme & investment in kitchen facilities to deliver savings.	A	(0.05)	
6	Cleaning/Catering	Sarah Martin	Operational cost savings within CEL from ASC Better Lives programme	G	(0.20)	
7	Cleaning	Sarah Martin	Additional income	G	(0.04)	
8	Facilities Management	Sarah Martin	Operational cost review.	G	(0.12)	
9	Fleet Services	Sarah Martin	Staffing restructure	G	(0.03)	
10	Fleet Services	Sarah Martin	Operational savings	G	(0.05)	
11	Directorate wide	All COs	Staffing savings above amounts in service accounts	G	(0.20)	
12	DIS	Dylan Roberts	Review of staff & other costs that can be more appropriately charged to the capital programme	G	(0.38)	
13	DIS	Dylan Roberts	Reduction in licence costs, the continued rationalisation of printers and a review of telephone costs as Skype is fully rolled out	G	(0.33)	
14	DIS	Dylan Roberts	Income from additional services to WY Joint Services; Alternative savings to be found.	A	(0.07)	
15	DIS	Dylan Roberts	Charge for personal use of Mobile phones; Alternative savings to be found	A	(0.06)	
16	DIS	Dylan Roberts	Mobile phone growth - additional budget required from Directorates	G	(0.05)	
17	Financial Services	Doug Meeson	Deliver £0.5m staffing savings to balance the 18/19 budget; ELIs approved to deliver future savings - timing issue in 18/19.	R	(0.50)	0.15
18	HR	Lorraine Hallam	Deliver £0.19m staffing savings to balance the 18/19 budget; Additional staffing savings used to offset income shortfall	G	(0.19)	(0.30)
19	HR	Lorraine Hallam	Additional income -mainly schools (price increases, fee on supply contract; Income from attendance/disciplinary training)	A	(0.10)	0.10
20	HR	Lorraine Hallam	Replace HELP contract with telephone support service.	R	(0.09)	0.09
21	HR	Lorraine Hallam	P-card payments - agency contract	G	(0.05)	
22	HR	Lorraine Hallam	Secure £40k of income chargeable to the Apprentice Levy	R	(0.04)	0.04
23	Legal & Democratic Services	Catherine Witham	Deletion / Reconfiguration of posts or other cost savings	G	(0.07)	(0.35)
24	Low Carbon	Polly Cook	Charges to University for contribution towards salary costs	G	(0.02)	
25	Shared Services	Helena Phillips	Deliver £1.1m staffing savings to balance the 18/19 budget	G	(1.10)	(0.15)
26	Shared Services	Helena Phillips	Mail and Print - cross cutting savings (found with alternative savings)	G	(0.10)	
27	Strategy and Improvement	Mariana Pexton	Deliver £0.13m staffing savings to balance the 18/19 budget	G	(0.13)	(0.21)
28	Strategy and Improvement	Mariana Pexton	Additional comms team income - mainly from Schools	A	(0.05)	0.05
B. Other Significant Variations						
1	HR	Lorraine Hallam	Shortfall against schools income	R		0.74
2	Financial Services	Doug Meeson	Postages & income variations	R		(0.02)
3	CEL	Sarah Martin	Catering income and inflationary pressure on food costs.	A		0.15
4	Housing	Jill Wildman	Staffing savings from vacant posts and turnover	G		(0.20)
5	All Other Variations		Minor variations across all functions	G		0.00
Resources and Housing Directorate - Forecast Variation						0.40

COMMUNITIES & ENVIRONMENT DIRECTORATE SUMMARY

FINANCIAL DASHBOARD - 2018/19 FINANCIAL YEAR

Provisional Outturn (February 2019)

Overall Position (+£278k over budget)

Communities (nil variance)

The service is currently projecting a balanced position. This position includes a shortfall in income of £100k in respect of Community centres which has been offset by savings within other areas of the service.

Customer Access (+£101k over budget)

The projected overspend relates to the Contact Centre (+£185k) reflecting the delays in delivering budgeted staffing efficiencies in respect of Channel shift/shove whilst maintaining performance levels in the face of increased call volumes. In addition increased security provision within the community hubs has resulted in a further pressure of £186k. These overspends have partially been offset by projected additional income and expenditure savings within other areas of the service.

Electoral and Regulatory Services (+£81k over budget)

The service is projecting an overspend of £81k. This mainly relates to Nationality Checking Service income (+£60k) and the continued reducing trend in other Registrars income (+£75k), partially offset by other savings.

Environmental Health (-£225k under budget)

The projected underspend can be attributed to staff savings (-£163k) and other savings across the service.

Welfare and Benefits (+£100k over budget)

The service is projecting an overspend of £100k. The latest assessment of net Housing Benefits payments which comprises HB expenditure/subsidy and HB overpayment income indicates a potential shortfall of around £500k. However this is largely offset by other projected net savings of £400k within the service which mainly reflects staffing savings and additional grant income, partly offset by the cost of Immigration advice (£60k).

Parks and Countryside (-£50k under budget)

The service is projecting an underspend of £50k at period 11.

There is a projected variance from budget at Lotherton Hall, Tropical World and Temple Newsam (approx. £450k), although it is anticipated that these shortfalls will be offset by expenditure savings and additional income in other areas of the service.

Car Parking (+£38k over budget)

The projected overspend mainly relates to shortfalls against phased budgets in respect of 'on street' (+£226k) and Bus Lane Enforcement income (£215k) due to a reduction in offences. However these shortfalls are offset by additional Penalty Charge Notice income (£205k) and other projected expenditure savings within the service.

Cleaner Neighbourhoods Teams (-£58k under budget)

The service is projecting an underspend due to delays in recruitment, partially offset by additional vehicle costs.

City Centre (+£13k over budget)

The service is projecting an overspend due to additional staffing costs including the cost of covering events.

Waste Management (+£352k over budget):

Refuse: (+£747k over budget)

Within the Refuse Service it is anticipated that there will be a net overspend of £690k due to the non-implementation in the current year of the budgeted collection route efficiency programme as the route review continues. In addition, an extra collection route (+£231k) has been provided to meet the additional demand from new build properties; other staffing pressures within the service are projected to cost an additional £275k; and a re-assessment of income achievable from the media-waste service has resulted in a projected shortfall of £170k. Partially offsetting these pressures is a £458k saving in respect of collection costs and other projected expenditure savings of £161k.

HWSS & Waste Strategy: (-£395k under budget)

The projection includes increased SORT disposal costs (+£502k), reflecting a reduction in market prices and increased contamination rates, and a reduction in the level of disposal savings assumed from the rollout of the new garden waste routes (+£242k). Offsetting these pressures is additional recycling and weighbridge income of £110k, income of £83k from NHS Scotland reflecting a temporary agreement to accept clinical and offensive waste at the RERF, disposal savings of £471k (mainly at Household Waste Sites), other anticipated disposal savings of £400k and all other net expenditure savings across the service of £75k.

Community Safety (-£74k under budget)

The service is projecting an underspend due to staffing savings which have been partially offset by additional costs incurred by the 'Street support' team.

Budget Management - net variations against the approved budget;

Summary By Service

				Period 11 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	
Communities	19,015	(14,036)	4,979	(50)	(30)	(68)	0	(220)	0	0	0	0	(368)	368	0
Customer Access	23,622	(4,192)	19,430	186	122	117	(13)	1	0	0	0	0	413	(312)	101
Electoral & Regulatory Services	6,194	(5,440)	754	(212)	77	33	5	32	0	0	0	0	(65)	146	81
Welfare And Benefits	252,566	(248,692)	3,874	(27)	6	104	7	57	0	0	0	0	147	(47)	100
Car Parking Services	4,796	(13,028)	(8,232)	(130)	0	(19)	0	0	0	0	0	0	(149)	187	38
Community Safety	8,220	(6,050)	2,170	(69)	0	(33)	0	54	(48)	0	0	0	(96)	22	(74)
Waste Management	41,772	(7,861)	33,911	1,262	(63)	(129)	203	(464)	0	0	0	0	809	(457)	352
Parks And Countryside	31,420	(24,842)	6,578	176	169	513	(51)	(163)	0	0	0	0	644	(694)	(50)
Environmental Action (City Centre)	2,006	(427)	1,579	62	1	(75)	4	1	0	0	0	0	(7)	20	13
Environmental Health	2,128	(565)	1,563	(163)	0	3	(9)	(33)	0	0	0	0	(202)	(23)	(225)
Cleaner Neighbourhood Teams	12,321	(4,556)	7,765	(291)	6	26	180	(15)	0	0	0	0	(94)	36	(58)
Action Plan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	404,060	(329,689)	74,371	744	288	472	326	(750)	(48)	0	0	0	1,032	(754)	278

Key Budget Action Plans and Budget Variations:						
		Lead Officer	Additional Comments	RAG	Action Plan Value (£000s)	Forecast Variation
Communities						
Communities team	Communities Team - review management & leadership arrangements - saving of 1 fte	Shaïd Mahmood	Review process ongoing, savings expected to be delivered in year	G	(50)	0
Community Centres	Community Centres: reduce net cost by reviewing lettings income and Facilities Management costs	Shaïd Mahmood	Additional income due in 18/19 from full year effect of Free Lets termination in 17/18. Meeting to be held with Facilities Management re delivery of remaining savings.	G	(60)	0
Third Sector Infrastructure Fund	10% saving on VAL contract	Shaïd Mahmood	VAL have been informed of the decision and the contract is to be renegotiated	G	(34)	0
Customer Access						
Libraries	Re-tender Library Management Systems contracts as single contract	Lee Hemsworth	To retender as part of a West Yorkshire Consortium. This will allow potential bigger savings but it is unlikely that the full amount can be delivered in year. Other savings to be identified to cover this in current year.	G	(50)	0
Compliments & Complaints	Review structure to deliver staffing savings	Lee Hemsworth	Factored into proposed structure changes - Delivered	G	(17)	0
Contact Centre	Migration of telephone lines to new datelines ¹	Lee Hemsworth	Lines migrated Friday 11th May so should be on line to deliver savings	G	(80)	0
Contact Centre	Closer working between Council Tax Recovery and Contact Centre - saving of 1 fte	Lee Hemsworth	Savings now incorporated into Channel shift/shove target (see below re Ctax emails)		(30)	0
Contact Centre	Channel shift/shove - further savings due to fewer calls - saving of 12 ftes	Lee Hemsworth	Whilst implementation is underway delays are putting delivery of full savings at risk. Added to this is the current adverse call answer rate and it may be that performance issues need to be addressed which could also impact on savings being delivered	R	(280)	185
Contact Centre	Implement automated switchboard in Contact Centre - saving of 2.5 ftes	Lee Hemsworth	Business case approved at FPG, to be funded by Invest to Save reserve - £20k savings forecast due to delays.	R	(50)	30
Contact Centre	Reduce service failure - saving of 1.3 ftes	Lee Hemsworth	On track and should be delivered in year.	G	(40)	0
Home Library Service	Transfer of Home Library Service to voluntary sector - transfer of 1 fte	Lee Hemsworth	Currently under review - advice being sought from HR, savings may be delivered from elsewhere.	G	(30)	0
Interpreting & Translation Service	Secure additional income (net) from Interpreting and Translation Service - Total Income budget £846k	Lee Hemsworth	Revising contract arrangements with Health Service. This could lead to a longer term arrangement, but may need to review pricing.	G	(180)	0
Staffing efficiencies	Community Hubs & Libraries ELIs/Vacancy Factor	Lee Hemsworth	Expected to be achieved	G	(974)	0
Welfare & Benefits						
Welfare and Benefits	Re-tender Advice Consortium contract	Lee Hemsworth	Delivered	G	(50)	0
Welfare and Benefits	Local Welfare Support Scheme - review eligibility for white goods and arrangements for carpet replacements in Council properties	Lee Hemsworth	Budget reduced by £200k. Funding & award approach revised such that we will operate within allocated budget for allocation of white goods. However service incurring additional costs of Immigration advisor £60k within the budget.	A	(200)	60
Electoral & Regulatory Services						
TPHL	Implement fee review to achieve additional income target of £438k to achieve balanced budget. Overall income target £2,241k	John Mulcahy	The fee review was implemented from the 1st October. Income levels continue to be monitored to ensure increase in fees is sufficient to generate required income. £1.8m achieved in 17/18.	G	(438)	0
Waste Management						
Refuse	Continue with the re-design of collection rounds to deliver remaining £1.1m savings in base budget, plus additional lieu day savings of £0.25m	Helen Freeman	Route review ongoing - this is not planned to be implemented in the current year.	R	(1,350)	690
Refuse	Work with NHS colleagues to review medi-waste collection service to eliminate subsidy	Helen Freeman	Non-implementation of saving	R	(170)	170
Environmental Action Services						
Car Parking	Increase charges at Woodhouse Lane car park by 50p for a full day	Helen Freeman	Price increase implemented 6th July 2018	A	(130)	35

Parks and Countryside						
Parks and Countryside	Continue to progress Attractions Development Plan to achieve additional net surplus	Sean Flesher	A bid has been submitted to the Rural Development Fund to help the cost of the ongoing development at Lotherton Hall. Income to period 10 is below profile. To continue monitoring.	G	(100)	0
Parks and Countryside	Increase turnover to achieve additional plant/retail income target (additional net £100k surplus) from the Arium	Sean Flesher	Additional net surplus built into budget. To be monitored in year.	G	(100)	0
Parks and Countryside	Staffing savings - achievement of vacancy factor (5% all services, 8.9% Parks Operations)	Sean Flesher	Period 11 savings in line with profile. To be monitored in year.		(1,124)	0
Community Safety						
Community Safety	Identify efficiencies in use of Community Safety funding	Paul Money	Efficiencies have been identified, proposals to be approved by Safer Leeds Executive	G	(50)	0
Other Significant Variations						
All services	All other variations					(892)
Communities & Environment - Forecast Variation						278

STRATEGIC & CENTRAL ACCOUNTS - 2018/19 FINANCIAL YEAR
FINANCIAL DASHBOARD - Provisional Outturn (February 2019)

Overall :

At month 11 the Strategic & Central budgets have a projected underspend of £8.2m

The key variations are;

- a reduction of £7.9m in in-year costs as a result of funding PFI lifecycle costs via MRP over a 10 year period, partly offset by £0.2m of other debt costs and prudential borrowing income.
- shortfall of £0.4m in S31 business rates income offset by additional £1.4m of transitional protection payments, £0.5m of which relates to 2017/18, and a further £2.3m grant reflecting the authority's share of the government's business rates levy redistribution. In addition there is a projected shortfall of £0.3m in New Homes Bonus grant income.
- shortfall of £1.3m in Section 278 income due to predicted lower levels of development activity
- £0.8m unallocated PPPU and Legal budget
- a shortfall of £0.5m in achieving the corporate savings target for prompt payment discounts
- a contribution of £1m from insurance reserve following a review of the level of the reserve
- other costs of £0.8m, including a potential £0.6m in relation to Stamp Duty Land Tax on a new lease

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	(7,330)	(19,964)	(27,294)			1,320						(1,000)	320	2,227	2,547
Debt	24,747	(15,169)	9,578			14					(7,548)		(7,534)	(148)	(7,682)
Govt Grants	9,740	(36,895)	(27,155)							71			71	(3,085)	(3,014)
Joint Committees	36,913	0	36,913						(21)				(21)		(21)
Miscellaneous	5,930	(852)	5,078	(47)		1							(46)		(46)
Insurance	11,079	(11,079)	0			1,204						(1,204)	0		0
Total	81,079	(83,959)	(2,880)	(47)	0	2,539	0	0	(21)	71	(7,548)	(2,204)	(7,210)	(1,006)	(8,216)

STRATEGIC & CENTRAL ACCOUNTS - 2018/19 FINANCIAL YEAR

Key Budget Action Plans and Budget Variations:

				RAG	Budget	Forecast Variation against Budget
					£m	0
A. Major Budget Issues	Lead Officer	Additional Comments				
					£m	£m
1.	Debt Costs and External Income	Doug Meeson	Reduction arising from funding PFI lifecycle coats via MRP	G	22.5	(7.4)
2.	Minimum Revenue Provision	Doug Meeson	No variation is anticipated for 2018/19	G	1.0	0.0
3.	New Homes Bonus	Doug Meeson	Projected income for 2018/19 is (£10.8m) a shortfall of £0.3m.	R	(11.2)	0.3
4.	Business Rates (S31 Grants & retained income)	Doug Meeson	Projected shortfall of £0.4m in S31 grants offset by (£1.4m) of additional transitional protection payments for 2017/18 and 2018/19	G	(25.4)	(3.3)
5.	S278 Contributions	Doug Meeson	Potential risk of £1.3m shortfall	R	(3.9)	1.3
6.	General capitalisation target	Doug Meeson	Capitalisation of eligible spend in directorate/service revenue budgets. Potential for some shortfall.	A	(4.5)	0.0
7.	Schools capitalisation target	Doug Meeson	Capitalisation of eligible spend in school revenue budgets.	G	(4.0)	0.0
8.	Prompt payment discount target	Doug Meeson	Difficulties in supplier engagement have meant that it will take longer than originally forecast to generate savings.	R	(0.6)	0.5
9.	Joint Committees	Doug Meeson	No significant variation anticipated at this stage.	G	36.9	0.0
B. Other Significant Budgets						
1.	Insurance	Doug Meeson	£1.2m overspend projected at this stage to be funded from the insurance reserve.	R	0.0	0.0
2.	Prudential Borrowing Recharges	Doug Meeson	Surplus anticipated at this stage.	G	(13.9)	(0.3)
3.	Earmarked Reserves	Doug Meeson	Use of earmarked reserves, including (£1.0m) contribution from insurance reserve.	R	0.7	(1.0)
4.	Miscellaneous	Doug Meeson	No significant variation anticipated at this stage.	G	5.1	0.0
5.	Central recharges	Doug Meeson	Recharges ref PPPU break-up to allocate to directorates	A	(0.5)	0.9
6.	Other Strategic budgets	Doug Meeson	Potential SDLT liability on a new lease, plus other minor variations	R	0.0	0.8
Strategic & Central Accounts - Forecast Variation						(8.2)

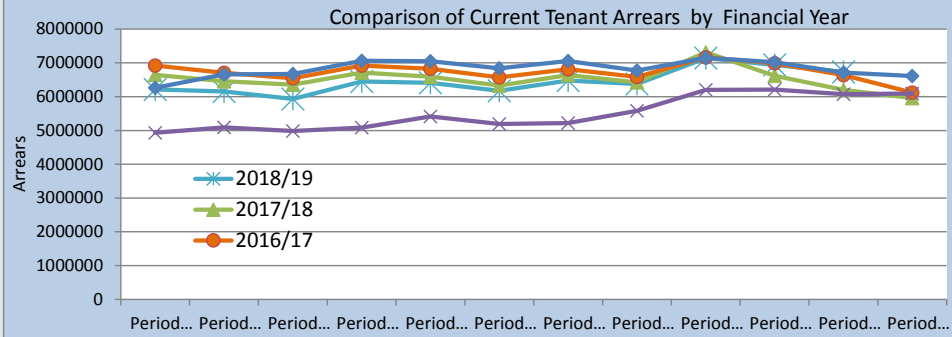
Housing Revenue Account - Provisional Outturn (February 2018)

Financial Dashboard - 2018/19 Financial Year

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

Directorate	Current Budget	Projected Spend	Variance to budget	Comments	Previous period variance
Income	£000	£000	£000		£000
Rents	(212,042)	(211,696)	346	Write off of £361k of bad debt - partially offset against provision.	(19)
Service Charges	(7,636)	(7,523)	113	Reduced income due to change of heating service provision.	93
Other Income	(31,360)	(31,467)	(107)	Capitalised salaries at 100%, IAS19 and Transport costs charged 100% to Capital. £43k RHI income from Clydes Biomass.	(140)
Total Income	(251,038)	(250,686)	352		(66)
Expenditure					
Disrepair Provision	2,050	2,700	650	Disrepair compensation and fees.	650
Repairs to Dwellings	43,548	43,548	-		-
Council Tax on Voids	654	654	-		-
Employees	29,069	27,358	(1,711)	Housing Management £704k savings due to turnover. P&C £1,074k saving on structure partly due to savings due from Housing Growth restructure.	(1,682)
Premises	8,311	8,655	344	£150k Silk Mill Insurance less compensation costs. Seacroft rent & NNDR savings - offset in internal charges. £212k utilities additional cost. £25k Burmantofts additional security costs,	376
Supplies & Services	3,715	3,822	107	£150k saving on bank charges, £200k IT saving (£75k increase from P10), £45k saving on tenant incentive mobility scheme. £280k Sheltered furniture costs offset by use of reserve below. Additional £80k pressure on Sheltered Accommodation. £122k Changing the Workplace costs offset by used of reserve below.	102
Internal Services	40,324	40,871	547	£356k legal charges - service priorities. £275k Community Hubs, other Internal charges Communities & Environments. £100k Saving from Horticultural Maintenance identified P11	683
Capital Programme	65,502	65,502	-		-
Unitary Charge PFI	9,476	9,159	(317)	Offset with Sinking Fund - see below.	(317)
Capital Charges	44,476	44,872	396	To reflect the latest Treasury position.	293
Other Expenditure	6,716	5,874	(842)	Provision for doubtful debt - Reviewed after rent write offs	(665)
Total Expenditure	253,841	253,015	(826)		(561)
Net Position	2,803	2,328	(475)		(627)
Appropriation: Sinking funds	(1,753)	(739)	1,014	Increased contributions to the PFI Reserve to offset future pressures.	1,166
Appropriation: Reserves	(1,050)	(1,589)	(539)	£137k Silk Mill Insurance Claim charge to the 'insurance - large items' reserve. £280k charge to Sheltered furniture reserve. £122k charge to Changing the Workplace reserve.	(539)
(Surplus)/Deficit	(0)	0	0		0
Proposed New Reserves			-		-
Transfer to Capital Reserve			-		-
Total Current Month	(0)	0	0		0

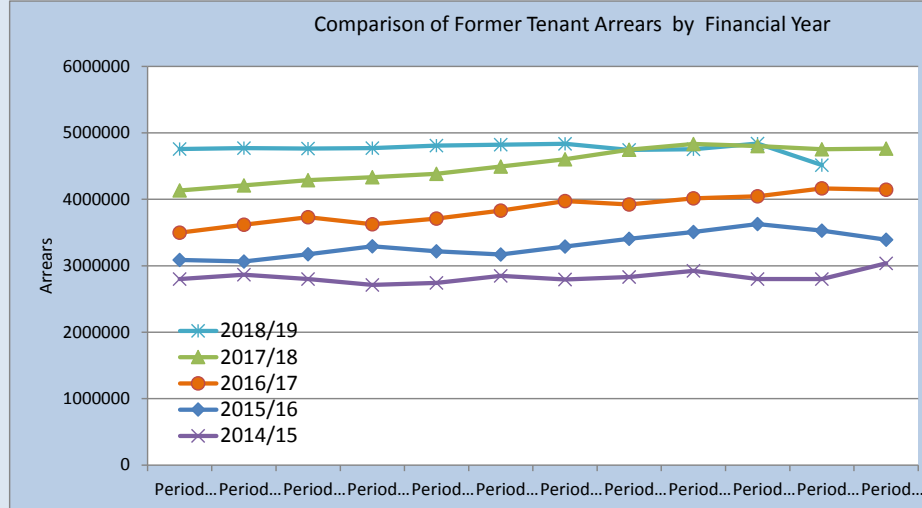
Housing Revenue Account - Provisional Outturn (February 2018) Financial Dashboard - 2018/19 Financial Year



Change in Stock	Budget	Projection
Right to Buy sales	530	610
New Build (PFI)	0	0
New Build (Council House Growth)	(22)	(22)
Total	508	588

*Actual sales to date 437

Right to Buy Receipts	2017/18 Actual	2018/19 Projection
Total Value of sales (£000s)	26,356	32,830
Average Selling Price per unit (£000s)	51.9	53.8
Number of Sales*	508	610
Number of Live Applications	1,417	1,428



Arrears	2017/18	2018/19	Variance
	£000	£000	£000
Dwelling rents & charges	2017/18 Week 48	2018/19 Week 48	
Dwelling Rents	6,204	6,735	531
Former Tenants	4,755	4,515	(240)
	10,959	11,250	291
Under occupation	2017/18 Week 52	2018/19 Week 44	
Volume of Accounts	4,357	3,876	(481)
Volume in Arrears	1,873	1,743	(130)
% in Arrears	43.0%	45.0%	2.0%
Value of Arrears	502	377	(125)
Collection Rates	2017/18 Week 52	2018/19 Week 44	
Dwelling rents	97.44%	96.95%	-0.5%
Target	97.50%	97.50%	0.0%
Variance to Target	-0.06%	-0.55%	-0.5%

Housing Revenue Account - Provisional Outturn (February 2018)

Financial Dashboard - 2018/19 Financial Year

Projected Financial Position on Reserves	Reserves b/f	Use of Reserves	Contribution to Reserves	Closing reserves
	£000	£000	£000	£000
HRA General Reserve	(6,495)			(6,495)
Earmarked Reserves				
Insurance - large claims	(137)	137		0
Welfare Change	(1,782)	650		(1,132)
Housing Advisory Panels	(541)			(541)
Sheltered Housing (Committed in capital programme)	(3,238)			(3,238)
Holdsworth Place - land purchase	(64)			(64)
Early Leavers' Initiative	(408)			(408)
Wharfedale View	(10)			(10)
Changing the Workplace	(332)	122		(210)
eFiles Box-It Project	(262)			(262)
Concierge Pilot	(400)	400		0
Sheltered Housing (Furniture and Carpets)	(280)	280		0
	(7,453)	1,589	0	(5,864)
PFI Reserves				
Swarcliffe PFI Sinking Fund	(7,410)	2,423	0	(4,987)
LLBH&H PFI Sinking Fund	(2,710)	0	(1,836)	(4,546)
	(10,121)	2,423	(1,836)	(9,534)
Capital Reserve				
MRR (General)	(27,212)	68,671	(63,992)	(22,534)
MRR (New Build)	(4,258)	2,540	0	(1,718)
	(31,470)	71,211	(63,992)	(24,252)
Total	(55,540)	75,223	(65,828)	(46,145)