

Report of the Chief Officer Financial Services

Report to Executive Board

Date: 24th July 2019

Subject: Financial Health Monitoring 2019/20 – Quarter 1

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Has consultation been carried out?	<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
Will the decision be open 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

1. Main issues

- The purpose of this report is to inform the Executive Board of the financial health of the authority in respect of both the revenue budget and the Housing Revenue Account for the first quarter of the financial year.
- The 2019/20 financial year is the fourth and final 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 2019/20 requires the Council to deliver a further £22.6m of savings.
- 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.
- This is the first budget monitoring report of the year, and Executive Board will recall that the 2019/20 general fund revenue budget, as approved by Council, provides for a variety of actions to reduce net spend through the delivery of £22.6m of budget action plans by March 2020. At this early stage of the financial year, it is clear that the majority of these actions are on track to be delivered, however this report

highlights a potential overall overspend of £0.95 and measures will be required to be identified and implemented so that a balanced budget position can be delivered. An updated Medium Term Financial Strategy, which is received elsewhere on this agenda, assumes a balanced budget in 2019/20. Any variation to this assumption, will have implications for the level of general reserve available to the Council.

- At Quarter 1, the Housing Revenue Account is projecting a balanced budget position.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The 2019/20 budget targeted resources towards the Council's policies and priorities as set out in the Best Council Plan. This report comments on financial performance against this budget, supporting the Best Council ambition to be an efficient and enterprising organisation.

3. Resource Implications

- At Quarter 1 an overall overspend of £0.95m is projected against the approved 2019/20 budget. This projected overspend largely relates to demand-led budget pressures in the Children and Families directorate. It is recommended that the Director of Children and Families identify proposals to address their projected overspend and that these are incorporated into the next Financial Health report to be received at September's Executive Board

Recommendations

- a) Executive Board are asked to note the projected financial position of the authority as at Quarter 1.
- b) Executive Board are recommended to request that the Director of Children and Families identify proposals to address the projected overspend and that these proposals will be incorporated into the next Financial Health Monitoring report which will be received at Executive Board in September.

1. Purpose of this report

- 1.1 This report sets out for the Executive Board the Council's projected financial health position for 2019/20 at Quarter 1.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget and highlights potential key risks and variations after the first two months of the year.

2. Background information

- 2.1 Executive Board will recall that the net budget for the general fund for 2019/20 was set at £516.7m.

- 2.2 Following the closure of the 2018/19 accounts, the Council's general fund reserve stands at £28.0m. The 2019/20 budget assumes a further contribution of £4.5m to this reserve during the current financial year, which will contribute towards ensuring that the Council continues to be financially resilient and sustainable. This budgeted contribution includes repayment of £1.7m which was released from the reserve to Children & Families in 2018/19 to address the income pressure arising within the Directorate as a consequence of the re-profiling of the final payment of the Partners in Practice Project by the DfE.
- 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.
- 2.4 Looking beyond 2019/20, a report providing an update to the Medium Term Financial Strategy is also on this agenda. This separate report reflects the current uncertainties regarding the anticipated reform of local government funding including the move to greater business rate retention, any changes to funding from local taxation and income, the impact of increasing demand and cost pressures and ultimately what actions and decisions will need to be taken in order to achieve a financially sustainable position for the period up to 2024/25.

3. Main Issues

- 3.1 At Quarter 1 an overspend of £0.95m is projected, as shown in Table 1 below.

Table 1

Summary Position - Financial Year 2019/20 Quarter 1

Directorate	Director	(Under) / Over spend for the current period			Total (under) /overspend
		Staffing	Total Expenditure	Income	
		£000	£000	£000	£000
Adults & Health	Cath Roff	(997)	(75)	(100)	(175)
Children and Families	Steve Walker	0	850	100	950
City Development	Martin Farrington	0	0	0	0
Resources & Housing	Neil Evans	(141)	684	(684)	0
Communities & Environment	James Rogers	1,322	1,303	(1,303)	0
Strategic	Victoria Bradshaw	(48)	(48)	221	173
Total Current Month		136	2,714	(1,766)	948

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** - though early in the year the Directorate is projected to deliver a small underspend of £175k. This is primarily represented by a saving within the debt repayment budget created by paying debt early in 2018/19. Of the £13.1m savings target 69.2% is effectively delivered. At this early stage it is assumed that all plans will be delivered. Key variances include a projected staffing underspend of £0.997m; though there are pressures within Provider Services overall underspends within the rest of the directorate - particularly Service Transformation, Resources and Commissioning - more than mitigate these pressures. Community care packages are projected to overspend by £1.111m, though it is very early in the year and a number of transactions relating to the previous year are still working their way through the system, particularly within Learning Disability. Demand is lower than projected within residential and nursing placements and Direct Payments, but overspends are currently projected on home care, supported living and Learning Disability.

3.2.2 **Children and Families** – The 2019/20 budget for Children and Families addressed the underlying key budget pressures experienced in 2018/19 including an additional £2m for the Children Looked After budgets and £0.8m for the passenger transport budget, the loss of £4m of grant funding and increases to the external legal and One Adoption West Yorkshire budgets of £0.5m and £0.35m respectively. At this point in the year it is apparent that the main budget pressures in 2019/20 will be on the demand-led budgets. The current year-end forecast is an overspend of £0.95m. This represents 0.3% of the gross expenditure budget of £293m.

The main area of overspend is forecast to be on the passenger transport budget. During the second half of 2018/19 there was a notable increase in the numbers of children requiring transport arrangements. In the final quarter of the year the full extent of increases in external contract prices also emerged. Whilst the overall gross transport budget of £13.9m for children with Special Education Needs and social care arrangements was increased by just under £0.8m it is now apparent that this increase will not be sufficient to meet the full extent of demand and cost increases in 2019/20. The directorate is working with the Passenger Transport Service on an action plan to mitigate these pressures, but even after these actions an overspend of £0.6m is currently projected. There is a risk that the proposed actions do not deliver the expected level of savings and the overspend increases.

The External Residential (ER) and Independent Fostering Agency (IFA) placements are both currently higher than the budgeted assumptions although the variance is much lower than in previous years. The directorate has agreed a number of actions including reviewing ER placements in order to ensure that placements are still appropriate. As at the end of May, External Residential (ER) numbers were 63 compared to the budgeted number of 58 and the ER budget is projected to overspend by £0.1m. The number of IFA placements is currently 204 against the budgeted number of 184 and an overspend of £0.1m is projected. It is anticipated that numbers will reduce over the year due to the various actions being pursued by the directorate but there remains a risk that overall CLA numbers remain above the budgeted assumptions.

The 2019/20 budget included savings of £1.8m. All the actions are being implemented and are expected to deliver the required level of savings.

Other potential risk areas include staffing and traded income. At this point in the year it is assumed that there will not be a significant overspend on these budgets. The directorate will need to strictly control post releases to achieve a balanced position on the pay budget.

At the end of 2018/19 there was a surplus balance of £1.1m on general Dedicated Schools Grant (DSG). It is currently projected that there will be an overall overspend of £0.6m on general DSG in 2019/20 leaving a surplus of £0.1m at the end of 2019/20. As in previous years there are significant pressures on spend in the High Needs Block (HNB) with an overspend of £2.1m projected for the year. This is expected to be partly offset by an underspend of £1.5m on the Early Years Block.

- 3.2.3 City Development** – the Directorate are projecting a balanced budget position at the year-end, however there are a number of risks that the Directorate will continue to manage and monitor over the course of the year.

The strategic investment fund requires further acquisitions in order to achieve the net budgeted return of £3.36m. The current shortfall is circa £0.7m. Further viable investment opportunities with the right risk profile continue to be sought and financially appraised.

Street lighting electricity costs are also a key risk as any delays within the LED conversion programme may result in planned savings in electricity not being achieved.

Other risks include Active Leeds income and planning fees which may be affected by the general economic climate and will continue to be closely monitored.

- 3.2.4 Resources & Housing** – The Directorate is projecting a balanced budget at this early stage in the financial year. However, it should be noted that there are ongoing cost pressures within Corporate Property Management (CPM) and challenging staffing savings targets across the Resources services for which alternative savings and /or the implementation of the Directorate action plan may be required to balance the overall Directorate budget. Collectively these pressures currently total around £0.8m.

- 3.2.5 Communities & Environment** – the directorate is projecting a balanced budget at this stage in the financial year. Within Customer Access there is a pressure of £0.1m due to additional security costs at Hub sites, and within Parks and Countryside there are pressures of £0.1m due to the ongoing review of the Leeds card discount policy and the proposal to pay the Leeds Living Wage in respect of the Grounds Maintenance contract. Within the Waste Management service there are pressures relating to the ongoing refuse review which is progressing well, combined with additional costs relating to recovery. However much of these pressures will be offset by waste disposal contract savings leaving a current pressure of £0.3m. The Directorate will work towards identifying appropriate actions to mitigate the overall projected overspend and savings of £0.5m have been assumed at this stage.

3.2.6 Strategic & Central Accounts - At Quarter 1, the Strategic & Central budgets have a projected overspend of £0.2m. The key variations are a projected shortfall of £0.5m in New Homes Bonus which is offset by prudential borrowing recharge income projected to exceed budget by £0.3m.

3.3 Other Financial Performance

3.3.1 Council Tax

The Council Tax in-year collection rate at the end of April was 19.22% which is slightly behind performance in 2018/19. At this early stage the forecast is to achieve the 2019/20 in-year collection target of 96.1% collecting some £360m of income.

The 2019/20 Council tax precept levels were approved at Council on 27th February 2019. Following this, the precept levels were input into Academy, the system used for Council tax billing, and bills sent to residents. It later became apparent that a small rounding error within the billing system had rounded up the full year bill for Council tax band B properties to £1,083.73 (including the Adult Social Care precept). However, the approved full year bill for a band B property was £1,083.72, £0.01 below the amount on a Council tax band B bill.

Executive Board are asked to note that, to correct this situation, all Council tax band B bills within the system have now been reduced by £0.01, ensuring that the full year charge of £1,083.72, is within the limits approved by Council.

3.3.2 Business Rates

The business rates collection rate at the end of May was 23.61% which is 0.47% ahead of performance in 2018/19. The forecast is to achieve the 2019/20 in-year collection target of 97.7%, collecting some £384.2m of income.

The total rateable value of business properties in Leeds has decreased from £930.2m at 1st April to £929.8m at the end of May, a reduction of £0.4m. To calculate Leeds' actual income from business rates this total rateable value is multiplied by the national business rates multiplier (49.1p in the pound). After reliefs and adjustments this amount is then shared between Leeds City Council (74%), Central Government (25%) and West Yorkshire Fire Authority (1%). Following deductions for the Business Rates tariff and to meet the business rates deficit brought forward, Leeds' actual business rates income is currently projected to be in the region of £194.4m, which is £5.4m below budgeted expectations.

3.3.3 Business Rates Appeals

The opening appeals provisions for 2019/20 are £17.7m, made up of £12.9m relating to appeals received against the 2010 ratings list and £4.7m estimated costs in relation to the 2017 ratings list. Under the 75% Business Rates Retention pilot, Leeds' budget is affected by 74% of any appeals provision made in this year but provisions brought forward from 2018/19 were made at 99%.

On the 1st April 2019, there were 1,442 appeals outstanding against the 2010 ratings list. During April and May 53 appeals have been settled, of which 38 have

not resulted in changes to rateable values. 14 new appeals were received in April and May, this low number received reflecting that appeals are no longer accepted against the 2010 list except in very specific circumstances. At 31st May there are 1,403 outstanding appeals in Leeds, with 13.3% 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 1.2% of the city's total number of hereditaments 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.

4. Housing Revenue Account (HRA)

4.1 At the end of Quarter 1 the HRA is projecting a balanced position against the 2019/20 Budget.

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 2019/20 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 27th February 2019.

5.3 Council policies and the Best Council Plan

5.3.1 The 2019/20 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 Climate Emergency

5.4.1 Since this is a factual report detailing the Council's financial position for 2019/20 there are no specific climate implications.

5.5 Resources, procurement and value for money

5.5.1 This is a revenue financial report and as such all resources, procurement and value for money implications are detailed in the main body of the report.

5.6 Legal implications, access to information, and call-in

5.6.1 There are no legal implications arising from this report.

5.7 Risk management

5.7.1 Budget management and monitoring is 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 such as the implementation of budget action plans, those budgets which are subject to fluctuating demand and key income budgets. To reinforce this risk-based approach, specific project management based support and reporting around the achievement of the key budget actions plans is in place for 2019/20.

6. Conclusions

6.1 This report informs the Executive Board of the Quarter 1 position for the Authority in respect of the revenue budget which currently projects an overspend of £0.95m. The Housing Revenue Account is projecting a balanced budget position.

7. Recommendations

7.1 Executive Board are asked to note the projected financial position of the authority as at Quarter 1.

7.2 Executive Board are recommended to request that the Director of Children and Families identify proposals to address the projected overspend and that these proposals will be incorporated into the next Financial Health Monitoring report which will be received at Executive Board in September.

8. Background documents¹

8.1 None.

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.

ADULTS AND HEALTH

Financial Dashboard - 2019/20 Financial Year

Quarter 1

Though early in the year the Directorate is projected to deliver a small underspend of £175k. This is represented by a saving within the debt repayment budget caused by paying debt early in 2018/19. Budget Action Plans are required to deliver £13.1m of savings. At Quarter 1 69.2% are effectively delivered. At this early stage it is assumed that all plans will be delivered.

The main variations at Qtr 1 across the key expenditure types are as follows:

Staffing (-£0.997m)

There are pressures within Provider Services but overall underspends within the rest of the directorate particularly Service Transformation, Resources and Commissioning more than mitigate these pressures. It is noted that these underspends will reduce as posts are recruited to.

Community care packages (£1.111m)

It is very early in the year and a number of transactions relating to the previous year are still working their way through the system, particularly within Learning Disability. Demand is lower than projected within residential and nursing placements and Direct Payments, but overspends are currently projected on home care and supported living and Learning Disability.

Leeds Adults Safeguarding Board- LASB (£0.083m)

An underspend due to staff savings within Leeds Adult Safeguarding is projected and, in line with the Board's ring-fenced status, it is planned to be carried forward into the next financial year.

General Running Costs (-£0.271m)

Due to an early repayment, £0.277m of debt will not be paid this year. A small premises based pressure of £6k is evidenced within Public Health, but this will be managed within the overall Public Health grant.

Income (-£0.100m)

A small potential pressure is reported within client contributions, though work is underway to confirm this.

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	1,405	(906)	499	25	0	0	0	0	0	0	0	0	25	0	25
Access & Care Delivery	272,853	(47,428)	225,426	(22)	0	0	0	(198)	1,735	(624)	0	83	974	(100)	874
Service Transformation Team	1,508	(15)	1,493	(289)	0	0	0	0	0	0	0	0	(289)	0	(289)
Commissioning Services	28,660	(54,764)	(26,104)	(433)	0	0	0	0	0	0	0	0	(433)	0	(433)
Resources and Strategy	5,621	(755)	4,866	(273)	0	0	0	(79)	0	0	0	0	(352)	0	(352)
Public Health (Grant Funded)	43,743	(43,400)	344	(6)	6	0	0	0	0	0	0	0	0	0	0
Appropriation Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	353,790	(147,267)	206,523	(997)	6	0	0	(277)	1,735	(624)	0	83	(75)	(100)	(175)

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, Advonet Grant, Social Care Grant	B	7.3	0.0
2.	Demand Based Savings - Ld	S McFarlane		G	0.2	0.0
3.	Demand Based Savings - Mental Health	S McFarlane		G	0.1	0.0
4.	Demand Based Savings - Telecare	S McFarlane		A	0.1	0.0
5.	Demand Based Savings - Reablement	S McFarlane		A	0.1	0.0
6.	Demand Based Savings - Chc / 117	S McFarlane		G	0.3	0.0
7.	Prudential Borrowing - Recovery Hubs	S McFarlane		B	0.2	0.0
8.	Ld - Funded Nursing Care Paid By Lcc On Chc Funded People	S McFarlane		G	0.1	0.0
9.	Premises Running Cost Savings	S McFarlane		G	0.1	0.0
10.	Demand Based Savings - Demand Mgt	S McFarlane		R	0.3	0.0
11.	Demand Based Savings - Further Options	S McFarlane		R	0.3	0.0
12.	Managing Budget Reductions	S Hume		G	0.1	0.0
13.	Demand Budgets (Commissioning)	S Hume		R	0.2	0.0
14.	Staffing	Various	primarily use of vacancy factors	B	0.8	0.0
15.	Income	Various	better collection of assessed income and recovery of monies from partners	A	2.0	(0.2)
16.	Public Health	I Cameron	review of commissioned services and use of reserves	B	1.0	0.0
B. Other Significant Variations						
1.	Staffing	All	relating to staffing turnover and slippage in employing new staff			(1.0)
2.	Community care packages	Various	anticipated variation			1.1
3.	General running costs	All	primarily non-spend of debt related budgets			(0.3)
4.	Use of reserves	All	contribution to reserves (Leeds Adults Safeguarding Board and Public Health)			0.1
5.	Income	S. McFarlane	projected impact of allowance changes			0.1
Adults and Health Directorate - Forecast Variation						-0.2

CHILDREN & FAMILIES 2019/20 FINANCIAL YEAR FINANCIAL DASHBOARD - Quarter1

Overall Summary - The 19-20 budget for C&F addressed the underlying 18-19 key budget pressures, with the following additional resources reflected in the 19-20 C&F budget; £4m pay, £4m fallout of grant (DfE PiP Innovation 2016-18, School Improvement and Brokerage and Special Education Needs grant), £2m CLA Demand, £0.7m Passenger Transport costs. At Qtr 1 the directorate is projecting an overspend of **£0.95m** against a gross expenditure budget of £293m which equates to an overspend of 0.3%. Pressures at P2 are £0.225m CLA Demand pressures around ER and IFA placements, £0.625m Passenger Transport and £0.4m Learning for Life net pressure principally due to Children Centre fee income. These pressures are expected to be partly offset by additional UASC grant income of £0.3m. This is the lowest projected overspend for Children and Families for a number of years.

Children Looked After (CLA): - The Children Looked After budget (CLA) was increased by £1.5m to £42.4m in the 2019/20 budget. The budget took into account the level of supported children in the autumn of 2018, 1,284 and at the end of May'19 there were 1,294. However the budgeted mix of placements has not been achieved, resulting in a pressures on the External Residential (ER) and Independent Fostering Agencies (IFA) budgets. Current ER numbers are 63 compared to the budgeted number of 58, whilst the number of Independent Fostering Agencies (IFA) is 204 compared to the budgeted number of 184. It is anticipated that there will be some reductions in numbers over the remainder of the year. In light of this an initial pressure of **£0.225m** has been reported. There is still a high risk that there will be further budget pressure increases in 2019-20.

Non CLA Financially supported: - The non-CLA financially supported budget was increased by £0.5m to £12.9m in the 2019/20 budget. Budgeted 19-20 numbers are 867 placements; current numbers are 861. At this stage of the year assuming no pressures, however a continuing risk that this area will overspend.

Staffing: - The staffing budget for 19-20 is £87.4m. Reflected in this are £0.8m staffing action plans rolling through from 18-19 (see BAP below for detail). At P2 the Directorate have made a commitment to balance the pay budget. Whilst the projection assumes a balanced position, this reflects some one-off funding from carry forward of DfE PiP monies and Troubled Families Earned Autonomy. The directorate will need to strictly control all post releases to achieve this position and mitigate any potential pay pressures.

Transport: - The overall budget for Passenger Transport is £14.7m; an increase of £0.65m from 18-19. The budget for CEL Passenger Transport has increased by £0.95m and the budget for WYCA reduced by £0.3m; net £0.65m. There has been a notable increase in the number of children requiring transport during 18-19 and a significant increase in external contract prices over the increase allowed for in the 20219/20 budget. The actual increase in demand will be clearer at the start of the autumn'19 academic term but at this stage an increase in costs for CEL Passenger Transport of **£0.625m** are projected. There is a risk that demand continues to increase and costs increase further during the year. The Directorate is working with CEL to mitigate potential demand pressures.

Trading and Commissioning: - Although the Trading areas of the directorate collectively underachieved their income targets in 2018/19, action plans have been developed for the areas where income was below budget in 2018/19. An action plan has been developed to look at maximising income from Learning for Life, but a shortfall of **£0.4m** against net managed budget is now projected; £1m shortfall on Children Centres FEE income offset by other savings within LfL Services.

Other Income / Projects: - On the 17th April 2019 the DfE announced that the authority was successful in its bid, Strengthening Families Protecting Children (SFPC) bid. The award is for £8.24m over 5 years, with £1.58m being awarded for 2019/20 financial year. Plans are being developed to deliver the outcomes of the grant. Delivery of the Troubled Families - Earned Autonomy Project continues to be implemented. The impact of the realignment of grant funding within Early Help service continues to be reviewed to ensure no overall financial impact of delivering the programme. UASC Home Office announcement re introduction of new flat rate of £114 per day for each eligible UASC child; impact additional **£0.3m** Home Office grant income.

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
Demand Led Budgets:																
In House placed CLA	20,352	(3,648)	16,704	0	0	0	0	0	0	0	0	0	0	0	0	0
Independent Fostering Agency	7,546		7,546	0	0	0	0	0	125	0	0	0	0	125	0	125
External Residential	11,913		11,913	0	0	0	0	0	100	0	0	0	0	100	0	100
Other Externally placed CLA	2,566		2,566	0	0	0	0	0	0	0	0	0	0	0	0	0
Non CLA Financially Supported	12,883	(3,514)	9,369	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	15,062	(617)	14,445	0	0	0	625	0	0	0	0	0	0	625	0	625
Sub total Demand Led Budgets	70,322	(7,779)	62,542	0	0	0	625	0	225	0	0	0	0	850	0	850
Other Budgets																
Partnerships & Health	5,150	(1,342)	3,808	0	0	0	0	0	0	0	0	0	0	0	0	0
Learning	31,600	(26,706)	4,894	0	0	0	0	0	0	0	0	0	0	0	0	0
Social Care	120,881	(75,324)	45,557	0	0	0	0	0	0	0	0	0	0	0	100	100
Resources and Strategy	65,206	(60,259)	4,947	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub total Other Budgets	222,838	(163,631)	59,207	0	0	0	0	0	0	0	0	0	0	0	100	100
Total	293,159	(171,410)	121,749	0	0	0	625	0	225	0	0	0	0	850	100	950

Key Budget Action Plans and Budget Variations:		Lead Officer	Additional Comments	RAG	Action Plan Value £m	Forecast Variation £m
A. Significant Variations						
	Children Looked After	Steve Walker	The budget supports an average of 58 ER and 184 IFA Placements. Currently at 62 ER and 206 IFA Placements. Partly impacted due to reduced capacity in LCC run homes.	R		0.23
	Staffing Related Costs	CSLT	£0.8m High Level Action Plan target savings (£0.4m Social Care, £0.1m Learning and £0.3m Attendance), plus additional recruitment within Social Work since budget set, 16 fte increase. It is assumed that strict vacancy control in all areas will mitigate these pressures.			0.00
	Learning For Life - Early Start & Youth Services	A Richardson	Net pressure of £0.5m explained by a shortfall in Children Centres income, offset by anticipated savings within other areas of Family Services.			0.40
	Passenger Transport	S Rumbold	Continuation of increasing demand within LCC run Passenger Transport. Whilst the strategy provided £0.8m additional funding, there is a further pressure of £0.625m due to increasing demand and prices via commissioning.			0.63
	Income (Incl. Grants)	Steve Walker	Additional grant income announcements. In particular Home Office announcement re new funding for councils looking after asylum seeking children (UASC) and implementation of a flat standard rate of £114 per day.			(0.30)
B. Key Budget Action plans (BAP's)						
Transport	Pasenger Transport - Other Transport savings	S Rumbold	Savings from WYCA and additional schools swimming income	G	(0.30)	0.00
Social Care	Achieve running cost savings from former Partner in Practice funded activities	S Tariq.	review non-staffing expenditure previously funded through the PiP grant	G	(0.15)	0.00
Social Care	Make savings on Independent Support workers within CHAD.	R.Terry	Based on 2018/19 spend this should be achievable	G	(0.05)	0.00
Social Care	Achieve running cost savings in Learning for Life	A Richardson	cease commissioned service with ASHA - saving £50k	G	(0.05)	0.00
Resources & Stratgey	Reduction in Prudential borrowing charges	T Pouncey	Savings achieved - borrowing repaid	G	(0.05)	0.00
Social Care	Achieve increased charges at Adel Beck	S Tariq.	Increases in charges agreed, overall position will depend on the placements.	G	(0.20)	0.00
Social Care	Achieve other additional income targets	All COs	Includes £0.2m secured from Housing capital for the capitalisation of part of the costs of the CHAD team	G	(0.40)	0.00
Social Care/Transport	Additional income from moving towards full the recovery of appropriate costs from the Dedicated Schools Grant	T Pouncey	Should be achievable depending on the total costs incurred	G	(0.60)	0.00
C. Contingency Plans						
						0.00
Children and Families Directorate - Forecast Variation						0.950

CHILDREN & FAMILIES 2019/20 FINANCIAL YEAR

DEDICATED SCHOOLS GRANT FINANCIAL DASHBOARD - Quarter 1

Overall Summary - 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 2 there is a projected overspend of £554k 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.

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 this happens, there is a reduction in grant income which is largely matched by reduced expenditure. There are a number of de-delegated services where schools have agreed for the local authority to retain funding 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. The Growth Fund budget remains part of this block and is currently projected to be on budget as £400k of the DSG surplus brought forward from 2018/19 has been earmarked for this purpose.

Central School Services Block

This block 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 2020 census and so will not be confirmed until the 2020/21 financial year. Following the significant underspend in the past 2 years, 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 approximately £1,500k. This is due to an expected difference between the number of places funded and the number of places paid to providers.

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. The main variances in this block are:-

- a lack of suitable places in Leeds is expected to result in an overspend on outside placements of £1,526k
- an overspend of £520k is projected on place and top up funding due to an increase in the number of specialist provision places from September 2019.

Reserves - There is a surplus reserve brought forward from 2018/19 of £1,097k and a de-delegated reserve of £587k. However £400k of the surplus has been earmarked for use on the growth fund in 2019/20 and the in-year overspend of £554k means that there is a projected surplus on general DSG carried forward to 2020/21 of £143k.

Budget Management - net variations against the approved budget

	Budget £'000	Projection £'000	Variance £'000
Schools Block			
DSG Income	(301,877)	(300,219)	1,658
Individual Schools Budgets	295,939	294,281	(1,658)
De-delegated budgets	4,438	4,438	0
Growth Fund	2,900	2,900	0
Contribution to /from reserves	(1,400)	(1,400)	0
	0	0	0
Central School Services Block			
DSG Income	(4,725)	(4,725)	0
CSSB Expenditure	4,725	4,725	0
	0	0	0
Early Years Block			
DSG Income	(55,877)	(55,877)	0
FEEE 3 and 4 year olds	45,709	44,209	(1,500)
FEEE 2 year olds	7,312	7,312	0
Other early years provision	2,856	2,856	0
	0	(1,500)	(1,500)

DSG Grant Reserves

Latest Estimate

Balance b/fwd from 2018/19
Net contribution to/from balances
Balance c/fwd to 2020/21

Projected Outcome

Balance b/fwd from 2018/19
Projected in year variance
Net contribution to/from balances
Balance c/fwd to 2020/21

General £'000	De-delegated £'000	Total £'000
(1,097)	(587)	(1,684)
400	0	400
(697)	(587)	(1,284)
(1,097)	(587)	(1,684)
554	0	554
400	0	400
(143)	(587)	(730)

High Needs Block			
DSG Income	(66,389)	(66,389)	0
Funding passported to institutions	59,524	61,585	2,061
Commissioned services	1,702	1,695	(7)
In house provision	4,605	4,605	0
Prudential borrowing	558	558	0
	0	2,054	2,054
Total	0	554	554

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					
				£m	£m
Transfer funding to High Needs Block		Transfer of £1.5m from the schools block and £800k from the central school services block to the high needs block as detailed in report to Schools Forum in January 2019.	B	2.30	0.00
B. Significant Variations					
Schools Block		No variance projected to date			0.00
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.			(1.50)
High Needs Block		Increase in payments to institutions due to increase in number and complexity of cases			2.05

Dedicated Schools Grant - Forecast Variation

0.55

Key Budget Action Plans and Budget Variations:

				RAG	Action Plan Value	Forecast Variation against Plan/Budget
		Lead Officer	Additional Comments		£'000	£'000
A. Budget Action Plans						
1.	Asset Management & Regeneration	Angela Barnicle	Purchase of commercial assets to generate additional rental income over and above the annual costs of borrowing and other land-lord related costs	G	(1,000)	0
2.	Asset Management & Regeneration	Angela Barnicle	Asset Rationalisation	G	(250)	0
5.	Highways and Transportation	Gary Bartlett	LED Street Lighting Conversion	G	(700)	0
6.	Highways and Transportation	Gary Bartlett	Fees Capitalisation	G	(400)	0
8.	Sport and Active Lifestyles	Cluny MacPherson	Sport Income	G	(220)	0
.9.	Sport and Active Lifestyles	Cluny MacPherson	Sport Efficiencies	G	(150)	0
Total Budget Action Plan Savings					(2,720)	0
B. Other Significant Variations						
1.	Markets & City Centre		Markets Rental Income re 20% Reduction			200
2.	Resources & Strategy	Ed Mylan	Action Plans to mitigate net budget pressures. Work ongoing to identify further savings and quantify potential impact of robust management of vacancies and staff turnover			(200)
City Development Directorate - Forecast Variation						0

RESOURCES AND HOUSING

FINANCIAL DASHBOARD - 2019/20 FINANCIAL YEAR

Quarter 1

Overall

The Directorate is projecting a balanced budget at this early stage in the financial year. However, it should be noted that there remain ongoing cost pressures within Corporate Property Management (CPM) and challenging staffing savings targets across the Resources services for which alternative savings and /or the implementation of the Directorate action plan may be required to balance the overall Directorate budget. Collectively these pressures currently total around £0.8m.

Resources

The budget requires the delivery of in excess of £3.2m of savings in this area; of which approximately £2m are staffing savings. After a number of years of reductions in support service and back office reductions, this figure is become increasingly challenging to achieve without fundamental changes to the way some of these services are provided. There may be a timing issue to deliver all the savings as planned. Early indications are that there are likely to be staffing pressures in Finance (£0.3m) and in Shared Services of (£0.2m). Work is ongoing to review the Finance function as part of the Core System Review.

Leeds Building Services

The budget assumes delivery of an £11m surplus with a turnover of just under £70m. At Qtr 1 no variation is forecast. However, there are a significant number of front line vacant posts which will affect the overall recovery position. It is assumed that work will be sub contracted to deliver the total business plan.

Housing and Property Services

There are continuing pressures within the CPM function which are estimated at around £0.4m.

There are no variations to report within the remainder of the Housing General Fund and Supporting People services.

Civic Enterprise Leeds (CEL)

At Qtr 1 , there are no are variations to report.

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	98,130	(30,874)	67,256	480	0	0	0	0	0	0	0	0	480	(59)	421
LBS	58,336	(69,345)	(11,009)	(621)	0	621	0	0	0	0	0	0	0	0	0
Housing & Property	25,665	(12,320)	13,345	0	400	0	0	0	0	0	0	0	400	0	400
CEL	80,407	(67,783)	12,624	0	0	0	625	0	0	0	0	0	625	(625)	0
Directorate Action Plan						(821)							(821)		(821)
Total	262,538	(180,322)	82,216	(141)	400	(200)	625	0	0	0	0	0	684	(684)	0

Key Budget Action Plans and Budget Variations:

Service	Budget Action	Lead Officer	Comments	RAG	Action Plan Value £m	Forecast Variation against Plan/Budget £m
HOUSING						
Leeds Building Services	To deliver an improved surplus of £1.4m from additional turnover; efficiencies and productivity.	Simon Costigan	New rates agreed ahead of 2019/20. Meetings held with business unit managers regarding turnover assumptions.	G	(1.40)	
Housing	Review of housing general fund staffing costs	Jill Wildman	To be controlled through effective management of vacancies; No issues currently anticipated	G	(0.10)	
CEL						
Cleaning /Catering	Additional income	Sarah Martin	Awarded window cleaning contract for Barnsley Council & headquarter clearance of Harrogate Council. Plans to expand Civic Flavour.	G	(0.07)	
Facilities Management	Review of Entry systems at Civic Hall	Sarah Martin	Quotes obtained for installation of speedgates from LBS, awaiting a slot from LBS for the work to be done. This will enable a review of staffing levels.	G	(0.04)	
Facilities Management	Energy savings	Sarah Martin	More timely meter readings, use of energy efficient lighting & movement sensors & better use of Trend system to remotely control heating systems.	G	(0.03)	
Facilities Management	In-sourcing of Waste and Voids contracts	Sarah Martin	Proposals to vire budgets have been submitted to HoF. Virement codes received and virement to be completed.	G	(0.06)	
CEL Management	Staffing restructure	Sarah Martin	ELI case has been completed which will partially deliver savings	G	(0.08)	
Fleet Services	Operational Savings	Sarah Martin	Plans being developed and implemented to use capital funding to reduce spend on hire.	G	(0.05)	
RESOURCES						
DIS	Procurement efficiencies targeted to deliver £0.5m of contract savings	Dylan Roberts	£296k secured and savings realised; £230k under review; £20k pressure re HYDRA to be found	G	(0.55)	
DIS	Staffing reductions	Dylan Roberts	£245k savings completed; Remaining £75k relates to review of App Support team	G	(0.32)	
DIS	Secure net additional income from charges to Capital and external income	Dylan Roberts	External income has been completed; Capital programme reflects these proposals - staff have been recruited	G	(0.40)	
Financial Services	Deliver £0.3m staffing savings to balance the 19/20 budget	Victoria Bradshaw	Total staffing pressure circa £500k; Some savings from maternities and leavers since budget. £310k to balance; Further ELI expressions have been received and potential additional income £60k since budget.	A	(0.30)	0.31
HR	Deliver £0.09m staffing savings to balance the 19/20 budget	Gemma Taskas	Budget should be delivered through management of releases	G	(0.09)	(0.05)
HR	Development of ULEV scheme	Gemma Taskas (Alex Watson)	Initial Communications and promotion has gone out; No sign up as at 31.5.19	A	(0.06)	
HR	Secure £150k of income chargeable to the Apprentice Levy	Gemma Taskas (Alex Watson)	Meetings with E&S set up; Indications are that this is double count and won't be achievable. HR will need to identify suitable alternative savings	A	(0.15)	
Legal Services	To identify £206k of external legal costs that can be brought in house	Catherine Witham (Nicole Walker)	Analysis of 18/19 LCC wide spend on external costs that could now be brought in house when structure filled.	G	(0.21)	
Shared Services	Deliver £0.79m staffing savings to balance the 19/20 budget	Helena Phillips	Requires around 8% VF to deliver; Current staffing levels indicate £720k pressure after offsetting additional income for funded posts; Careful management of turnover required.	A	(0.79)	
Shared Services	Electronic Processing of Invoices	Helena Phillips	Unlikely to deliver project this Financial Year.	A	(0.15)	0.15
Strategy and Improvement	Deliver £0.255m staffing savings to balance the 19/20 budget	Mariana Pexton	Potential to use some new one off external funding to help offset pressures - circa £150k; Balance to be delivered through management of vacancies.	G	(0.26)	

B. Other Significant Variations

1	CPM	Simon Costigan	Pressures on the maintenance budget (net of £0.4m additional capitalisation)	R		0.40
2	Finance -Court Fees	Victoria Bradshaw	Budget reduced to £2m in 19/20. No significant variation at Month 2	G		0.00
3	Resources - Schools Income	All	No variation assumed from income traded with schools	G		0.00
4	All Other Variations	All	To review and instigate Directorate action plan as appropriate	G		(0.81)

Resources and Housing Directorate - Outturn Variation

0.00

COMMUNITIES & ENVIRONMENT DIRECTORATE SUMMARY

FINANCIAL DASHBOARD - 2019/20 FINANCIAL YEAR

QUARTER 1

Overall Position (Nil variance)

Communities (Nil variance)
The service is projecting a nil variance.

Customer Access (£88k overspend)
The service is currently projecting an overspend of £88k which is due to additional security costs incurred at the HUB sites. There also remains a risk within the Contact Centre in relation to the additional staff required (+£450k) to improve performance levels in respect of call answer rates. Although funding of £300k has been secured from Housing Leeds in respect of Housing enquiries, there remains a risk of overspend in respect of non-housing enquiries if corresponding savings cannot be identified

Electoral and Regulatory Services (Nil variance)

Elections, Licensing and Registrars (Nil variance)
The service is projecting a nil variance

Environmental Health (Nil variance)
The service is projecting a nil variance

Welfare and Benefits (Nil variance)
A balanced position is currently projected. An ongoing area of risk is around the achievement of the budgeted level of overpayment income.

Parks and Countryside (£76k overspend)
The service is projecting an overspend of £76k. This is due to a projected shortfall in income of £30k due to the ongoing review of the Leeds Card discount policy and the proposal to pay the Leeds Living wage in respect of the Grounds Maintenance contract (+£46k).

Car Parking (Nil variance)
The service is currently projecting a balanced budget.

Cleaner Neighbourhoods Teams (Nil variance)
The service is projecting a nil variance with projected staffing savings offset by additional vehicle costs.

City Centre (Nil variance)
The service is projecting a nil variance.

Waste Management (£343k Overspend):
The projected overspend mainly reflects additional pressures within the Refuse service relating to the ongoing Refuse review combined with additional costs of recovery. However, these pressures are anticipated to be largely offset by waste disposal contract savings leaving a net pressure of £301k. The SORT disposal contract remains an area of risk due to the continued decline in market prices for recycled materials and this will be monitored closely during the year.

Community Safety (Nil variance)
The service is currently projecting as nil variance with projected additional staffing costs been offset by other savings within the service.

Directorate Wide (Action plan savings £507k)
The directorate will work towards identifying appropriate savings to balance the overall projected overspend of £507k.

Budget Management - net variations against the approved budget;

Summary By Service				Period 2 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	17,328	(11,972)	5,356	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Customer Access	24,293	(4,281)	20,012	0	0	88	0	0	0	0	0	0	88	0	0	0	88
Electoral & Regulatory Services (including Environmental Health)	8,327	(5,913)	2,414	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Welfare And Benefits	265,394	(260,867)	4,527	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Car Parking Services	4,874	(13,155)	(8,281)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Safety	8,959	(6,566)	2,393	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Waste Management	42,737	(7,693)	35,044	1,322	30	(217)	244	(210)	0	0	0	0	1,169	(826)	0	343	
Parks And Countryside	33,164	(25,896)	7,268	0	0	46	0	0	0	0	0	0	46	30	0	76	
Environmental Action (City Centre)	2,079	(427)	1,652	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cleaner Neighbourhood Teams	12,722	(4,536)	8,186	0	0	0	0	0	0	0	0	0	0	0	0	0	
Directorate wide	0	0	0	0	0	0	0	0	0	0	0	0	0	(507)	0	(507)	
Total	419,877	(341,306)	78,571	1,322	30	(83)	244	(210)	0	0	0	0	1,303	(1,303)	0	0	

Key Budget Action Plans and Budget Variations:						
		Lead Officer	Additional Comments	RAG	Action Plan Value (£000s)	Forecast Variation against Plan/Budget
Communities						
Communities team	Achievement of staffing efficiencies	Shaïd Mahmood	£40k of this to be delivered by the saving of 2 posts through ELI.	G	(75)	0
Community Centres	Asset transfer savings and general efficiencies within the service	Shaïd Mahmood	Asset transfers should generate £70k. Delivery of additional savings targets are to be considered by Facilities Management.	G	(100)	0
Community Centres	Achievement of base income pressure	Shaïd Mahmood	The actual pressure at outturn 18/19 was £40k, options remain to review and increase prices. This will be reviewed alongside the Facilities Management savings.	G	(100)	0
Third Sector Infrastructure Fund	10% saving on Third Sector Infrastructure Fund	Shaïd Mahmood	Agreed to taper the relief over the year with Voluntary Action Leeds.	G	(30)	0
Communities	Achievement of base budget vacancy factor	Shaïd Mahmood	Service to review current staffing arrangements and look at where they can offset existing staffing costs against grant income. Service may also consider holding some posts vacant.	G	(175)	0
Customer Access						
Libraries	Staffing efficiencies achieved through the planned restructure of the Libraries and Information service	Lee Hemsworth	Structure to be agreed with the Unions. Currently have a significant number of vacant posts.	G	(200)	0
Libraries	Review and reduce the provision of publications in Libraries	Lee Hemsworth	Awaiting outcome of review regarding what publications should be available at Library sites. Any shortfall in savings will be delivered from elsewhere within the budget.	G	(40)	0
Libraries	Retender Library management system contract as single contract (18/19 saving)	Lee Hemsworth	Retender process has now taken place and forecast savings will be delivered in year.	G	(50)	0
Customer Access	Achievement of base budget vacancy factor	Lee Hemsworth	Most of this has already been delivered but there is some concern about achievability in Hubs.	G	(646)	0
Customer Access	Achievement of base budget efficiencies (18/19 channel shift saving)	Lee Hemsworth	Agreed additional funding with HRA of £300k to improve performance. May potentially overspend by £150k but would look to identify other savings within the service to cover this.	G	(310)	0
Welfare & Benefits						
Welfare and Benefits	Achievement of staffing efficiencies	Lee Hemsworth	The pending restructure of the benefits team which is still subject to approval may	G	(150)	0
Welfare and Benefits	Local Welfare Support Scheme - passport the costs of carpets / flooring	Lee Hemsworth	On target to deliver	G	(100)	0
Welfare and Benefits	Achievement of base budget vacancy factor	Lee Hemsworth	On target to deliver but will be affected by a restructure.	G	(47)	0
Elections, Licensing, Regulatory Services (incl Environmental Health)						
Registrars	Implement fee review in respect of non-statutory charges	John Mulcahy	Fee review implemented - to be monitored in year.	G	(100)	0
Elections	Shared cost of local elections in 19/20	John Mulcahy	To be delivered.	G	(100)	0
All	Achievement of base budget vacancy factor (including Environmental	John Mulcahy	To be delivered.	G	(100)	0
Waste Management						
Refuse	Progress route review to deliver £1.1m savings in the base budget	Helen Freeman	Net impact of route review & recovery	R	(1,100)	301
Waste Management - all services	Achievement of base budget vacancy factor	Helen Freeman	Progress to be monitored in year.	G	(83)	0
Environmental Action Services (incl Parking)						
Car Parking	Increase charges at Woodhouse Lane car park by 50p for a full day	Helen Freeman	Increase has been implemented mid April 19. Need to monitor income levels during the year.	G	(110)	0
Car Parking	Increase Sunday / Evening charges by 10%	Helen Freeman	Price increases including Sunday / evening charges are currently under review.	G	(60)	0
Environmental Action Services (in	Achievement of vacancy factor (Car parks £145k, CC £23k, CNT £139k)	Helen Freeman	Progress to be monitored in year.	G	(310)	0

Parks and Countryside				G		0
Parks and Countryside	Maximise further commercial income generating opportunities	Sean Flesher	Progress to be monitored in year.	G	(50)	0
Parks and Countryside	Review and standardise leedscard discounts at Attractions	Sean Flesher	Following initial review and implementation the decision to standardise the leedscard discounts has now been reversed pending further review.	R	(30)	30
Parks and Countryside	Identify appropriate staffing costs to charge to Capital	Sean Flesher	Progress to be monitored in year.	G	(65)	0
Parks and Countryside	Staffing savings - achievement of vacancy factor (5% all services, 9% Parks Operations)	Sean Flesher	Progress to be monitored in year.	G	(1,181)	0
Community Safety						
Community Safety	Identify efficiencies in use of external funding (£50k 18/19 + £60k 19/20)	Paul Money	Use of external funding has identified £80k to contribute to savings, further work to identify the remaining £30k is on going.	G	(110)	
Community Safety	Replacement of CCTV infrastructure	Paul Money	Delays in the project, estimate the earliest implementation will be Sep 19	A	(50)	
Community Safety	PCSO staffing savings - achievement of vacancy factor above base	Paul Money	Will be based on actuals once quarterly invoices are received	G	(10)	0
Community Safety	Achievement of base vacancy factor	Paul Money	Progress to be monitored in year	G	(312)	
Directorate Wide				G		0
Other Significant Variations						
All services			Other expenditure variations			(331)
Communities & Environment - Forecast Variation						0

**STRATEGIC & CENTRAL ACCOUNTS - 2019/20 FINANCIAL YEAR
FINANCIAL DASHBOARD - Quarter 1**

Overall :

At month 2 the Strategic & Central budgets have a projected overspend of £0.2m.

- There is a projected shortfall in the New Homes Bonus grant of £0.5m
- Prudential borrowing recharge income is projected to be above budget by £0.3m
- It should also be noted that there are risks associated with both the general and schools capitalisation budgets.
- It is anticipated that the recent procurement exercise for insurance cover will generate savings which will be transferred to the insurance reserve, but these cannot yet be quantified.

Budget Management - net variations against the approved budget

	Expenditure Budget £'000	Income Budget £'000	Latest Estimate £'000	PROJECTED VARIANCES										Total (under) / overspend £'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	(3,748)	(18,698)	(22,446)											0		0
Debt	20,859	(17,376)	3,483											0	(342)	(342)
Govt Grants	6,001	(36,209)	(30,208)											0	495	495
Joint Committees	35,902	(7)	35,895											0		0
Miscellaneous	5,836	(833)	5,003	(48)										(48)	68	20
Insurance	10,543	(10,543)	0											0		0
Total	75,393	(83,666)	(8,273)	(48)	0	0	0	0	0	0	0	0	0	(48)	221	173

STRATEGIC & CENTRAL ACCOUNTS - 2019/20 FINANCIAL YEAR

Key Budget Action Plans and Budget Variations:

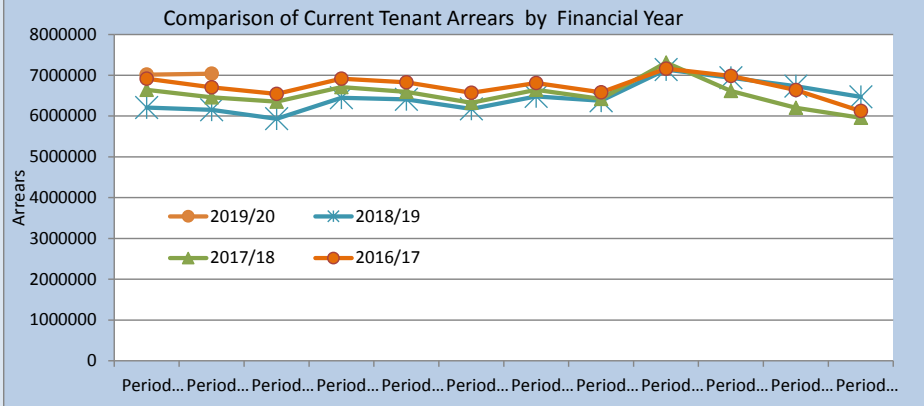
				RAG	Budget Variation against	Forecast	
					£m	Budget	
		Lead Officer	Additional Comments			Variation against	Budget
							£m
A. Major Budget Issues							
1.	Debt Costs and External Income	Victoria Bradshaw	No variation anticipated at Period 2	G	18.6		0.0
2.	Minimum Revenue Provision	Victoria Bradshaw	No variation anticipated at Period 2	G	1.0		0.0
3.	New Homes Bonus	Victoria Bradshaw	Expected to be £495k less than budgeted	R	(9.9)		0.5
4.	Business Rates (S31 Grants & retained income)	Victoria Bradshaw	No variation anticipated at Period 2	G	(26.0)		0.0
5.	S278 Contributions	Victoria Bradshaw	A couple of new £m schemes due to start soon so expect to achieve budget.	G	(3.5)		0.0
6.	General capitalisation target	Victoria Bradshaw	Capitalisation of eligible spend in directorate/service revenue budgets. Based on 2018/19 outturn there is a risk that this target may not be met.	A	(4.1)		0.0
7.	Schools capitalisation target	Victoria Bradshaw	Capitalisation of eligible spend in school revenue budgets. Based on 2018/19 outturn there is a risk that this will not be met.	A	(4.0)		0.0
8.	Joint Committees	Victoria Bradshaw	No variation anticipated	G	35.9		0.0
B. Other Significant Budgets							
1.	Insurance	Victoria Bradshaw	No variation anticipated	G	0.0		0.0
2.	Prudential Borrowing Recharges	Victoria Bradshaw	Current forecast is higher than budget	G	(16.1)		(0.3)
3.	Miscellaneous	Victoria Bradshaw	Straight line projection indicating a slight overspend on pension costs	G	5.0		0.0
Strategic & Central Accounts - Forecast Variation							0.2

Housing Revenue Account - Quarter 1 Financial Dashboard - 2019/20 Financial Year

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

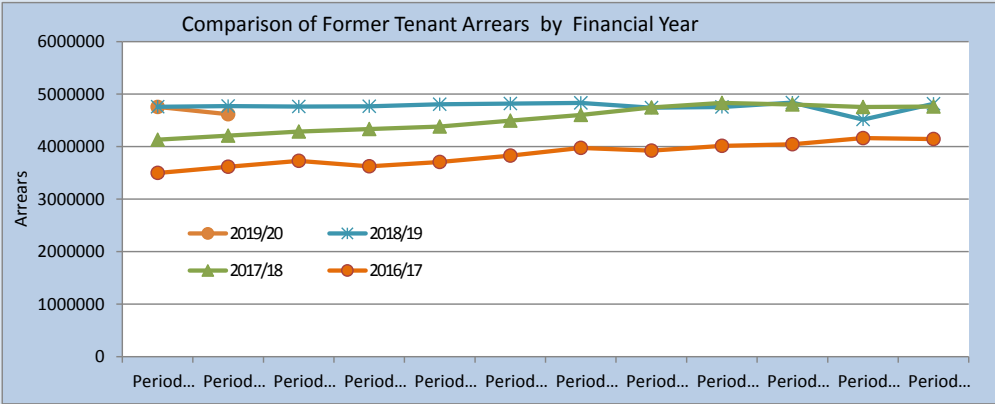
Directorate	Current Budget	Projected Spend	Variance to budget	Comments	Previous period variance
	£000	£000	£000		£000
Income					
Rents	(209,496)	(209,069)	427	19/20 budgeted RtB sales were 530. 18/19 Outturned 615 and assuming 645 19/20	
Service Charges	(7,976)	(7,955)	21	Sheltered budget assumed uplift but 18/19 charges applied. Partially offset by increased Heatlease and Multi Story Flats income	
Other Income	(34,083)	(34,178)	(95)	[£-140k] Additional Leaseholder rent, [£-69k] from projected RtB sales, £114k loss of capitalisation from staffing savings	
Total Income	(251,556)	(251,202)	354		-
Expenditure					
Disrepair Provision	1,400	2,170	770	Projected overspend based on 18/19 Outturn	
Repairs to Dwellings	44,791	45,201	410	£330k based on 18/19 Outturn. £80k for Mears overhead	
Council Tax on Voids	680	595	(85)	Assumed saving based on 18/19 Outturn	
Employees	30,924	30,405	(520)	[£-389k] Housing Management, [£-130k] Housing Growth netted off above by reduced capitalisation	
Premises	8,716	8,786	70	£70k Additional utilities cost	
Supplies & Services	4,100	4,150	50	£50k Household energy use - data analysis work	
Internal Services	41,332	41,726	394	£200k Legal Costs related to Disrepair. Contact Centre staffing £300k, £100k Impact of living wage on Parks contract, [£-136k] Insurance, [£-70k] general savings based on 18/19 outturn.	
Capital Programme	62,441	61,119	(1,322)	Additional unusable capital receipts from RtB sales	
Unitary Charge PFI	9,685	9,685	-		
Total Expenditure	255,037	254,804	(233)		-
Net Position	3,481	3,602	121		-
Appropriation: Sinking funds	(2,345)	(2,345)	-		
Appropriation: Reserves	(1,137)	(1,258)	(121)	Use of additional [£-121k] of Welfare Reserve for Enhanced Income Team Staffing	
(Surplus)/Deficit	(0)	(0)	(0)		-
Proposed New Reserves			-		
Transfer to Capital Reserve			-		
Total Current Month	(0)	(0)	(0)		0

Housing Revenue Account - Quarter 1 Financial Dashboard - 2019/20 Financial Year



Change in Stock	Budget	Projection
Right to Buy sales	530	645
New Build (PFI)	0	60
New Build (Council House Growth)	0	0
Total	530	705

Right to Buy Receipts	2018/19 Actual	2019/20 Projection
Total Value of sales (£000s)	32,969	35,814
Average Selling Price per unit (£000s)	53.6	55.5
Number of Sales*	615	645
Number of Live Applications	1,428	1,433



Arrears	2018/19	2019/20	Variance
	£000	£000	£000
Dwelling rents & charges	2018/19 Week 5	2019/20 Week 5	
Current dwellings (HMA1)	5,543	6,230	687
Current other	668	785	117
Former Tenants	4,757	4,857	100
	10,968	11,872	904
Under occupation	2018/19 Week 52	2019/20 Week 5	
Volume of Accounts	3,650	3,590	(60)
Volume in Arrears	1,316	1,556	240
% in Arrears	36.1%	43.3%	7.3%
Value of Arrears	295	285	(10)
Collection Rates	2018/19 Week 52	2019/20 Week 5	
Dwelling rents	97.27%	94.56%	-2.7%
Target	97.50%	97.50%	0.0%
Variance to Target	-0.23%	-2.94%	-2.7%

Housing Revenue Account - Quarter 1 Financial Dashboard - 2019/20 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				
Welfare Change	(1,372)	818		(554)
Housing Advisory Panels	(410)			(410)
Sheltered Housing	(2,921)			(2,921)
Holdsworth Place - land purchase	(64)	64		0
Early Leavers' Initiative	(408)			(408)
Wharefedale View	(15)			(15)
Changing the Workplace	(235)			(235)
ERDMS	(262)			(262)
	(5,687)	882	0	(4,805)
PFI Reserves				
Swarcliffe PFI Sinking Fund	(5,092)	3,902		(1,190)
LLBH&H PFI Sinking Fund	(4,617)		(1,557)	(6,174)
	(9,709)	3,902	(1,557)	(7,364)
Capital Reserve				
MRR (General)	(19,920)	376		(19,544)
MRR (New Build)	(4,072)			(4,072)
	(23,992)	376	0	(23,616)
Total	(45,883)	5,160	(1,557)	(42,280)