

Report of the Chief Officer Financial Services

Report to Executive Board

Date: 18th March 2020

Subject: Financial Health Monitoring 2019/20 – Month 10 (January)

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 ten months 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 seventh 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 stage of the financial year, it is forecast that the majority of these actions are on track to be delivered.

- Members will be aware that the updated Medium Term Financial Strategy, received at July's Executive Board, 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 January 2020 (Month 10) it is forecast that by the end of the financial year there will be a potential underspend of £1.0m, however this assumes that a number of proposed measures are implemented successfully to deliver a balanced budget position.
- In regard to the risk that the budgeted level of capital receipts may not be receivable in 2019/20, it is intended that, subject to Executive Board approval, any variation in the level of capital receipts receivable, when compared to budgeted assumptions, will be funded through a corresponding release from the Council's general reserve. The position with regard to capital receipts will be confirmed in the provisional and final outturn Financial Health reports which are timetabled to be received at April and June's Executive Boards respectively.
- A deficit of £5.5m is projected on the authority's Collection Fund in respect of business rates. This declared deficit reduces the revenue funds available to the Council in 2020/21.
- At January 2020 (Month 10), 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 Month 10 (January) an overall underspend of £1.0m is projected against the approved 2019/20 budget.
- The position takes into consideration the pressures identified in the Children and Families Directorate discussed below. The Council's Medium Term Financial Strategy assumes a balanced budget position for 2019/20. Should an underspend be realised, this would be used to help offset any potential variations with regard to capital receipts.
- Any shortfall in the assumed level of capital receipts receivable has implications for the delivery of a balanced budget in 2019/20 and therefore will necessitate the implementation of contingency arrangements to deliver this requirement. It is intended that any such variation will be funded through a corresponding release from the Council's general reserve

- The business rates deficit declared in December 2019 is £5.53m. This will have implications for the revenue funds available to the Council in 2020/21.

Recommendations

- a) Executive Board are asked to note the projected financial position of the authority as at Month 10 (January).
- b) In regard to the risk that the budgeted level of capital receipts may not be receivable in 2019/20, Executive Board are asked to approve the use of the Council's general reserve to fund any shortfall in the level of capital receipts receivable when compared to budgeted assumptions. An update on the position with regard to capital receipts and any amount required from the general reserve will be confirmed in the provisional and final outturn Financial Health reports which are timetabled to be received at April and June's Executive Boards respectively. The officer responsible for the implementation of this recommendation is the Chief Officer - Financial Services.

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 Month 10 (January).
- 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 nine months of the year.

2. Background information

- 2.1 Executive Board will recall that the net revenue 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 contribution of £4.5m to this reserve during the current financial year, to 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 general fund 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.

3. Main Issues

- 3.1 At Month 10 (January) an underspend of £1m is projected, as shown in Table 1.

Table 1

Summary Position - Financial Year 2019/20 Month 10

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	(509)	2,219	(2,219)	0	0
Children and Families	Steve Walker	(300)	2,065	(1,365)	700	475
City Development	Martin Farrington	(2,049)	(1,033)	583	(450)	(150)
Resources & Housing	Neil Evans	610	3,365	(3,588)	(223)	(310)
Communities & Environment	James Rogers	1,943	3,444	(3,538)	(94)	(90)
Strategic	Victoria Bradshaw	1	32	(983)	(951)	(1,029)
Total Current Month		(304)	10,092	(11,110)	(1,018)	(1,104)
Previous month (under)/over spend		(310)	7,181	(8,284)	(1,104)	

3.2 Should an underspend be realised at the year end, this would be used to help offset any potential variations with regard to capital receipts. It is intended that, subject to Executive Board approval, any variation in the level of capital receipts receivable, when compared to budgeted assumptions, will be funded through a corresponding release from the Council's general reserve and this will contribute towards the delivery of a balanced budget in 2019/20.

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

3.3.1 **Adults & Health** - The Directorate is projected to deliver a balanced position. Budget Action Plans (BAPS) are required to deliver £13.1m of savings. At Month 10, 97% are effectively delivered and it is assumed that most plans will be delivered by the end of the year with some slippage in the demand and partner income BAPS. There is evidence of overachievement in several plans which should see the overall savings target exceeded.

£2.0m of pressures are projected within the community care demand based budgets, principally within Learning Disability, Home Care and Supported Accommodation. Underspends are projected within residential and nursing care and direct payments; there are also demand based savings on contracts managed by Strategic Commissioning.

Other key variances include a projected staffing underspend of £0.5m; although there are pressures within several areas, underspends within the rest of the directorate - particularly Service Transformation, Resources and Commissioning - more than mitigate these pressures.

Income is projected to be £2.2m above target due to additional client contributions and additional external income; in particular the additional £0.5m receivable as an inflationary uplift for the Better Care Fund.

The projections include a net contribution to reserves of £0.2m representing a one-off benefit of early debt repayment, underspends within a number of back-office budgets and the in-year receipt of the additional inflationary uplift for the Better Care Fund referenced above, offset by the use of reserves for the Timely Transfer of Care scheme.

3.3.2 **Children & Families** – At Month 10 it is projected that the Directorate will have a year-end overspend of £0.700m. This is an increase of £0.225m on the Month 9 projection. There are a number of variations now built into this position and these are outlined below.

As reported previously, the main areas of overspend are forecast to be on Children Looked After (CLA), financially supported Non-CLA and the passenger transport budget. The Directorate is continuing to work with the Passenger Transport Service on an action plan to mitigate the pressures on the transport budget and as a result the projected overspend on transport was reduced by £0.1m to £0.5m at Month 9.

Overall CLA placements have continued to increase, with the number of External Residential (ER) placements at 68 compared to the budget of 58 placements. The number of Independent Fostering Agency (IFA) placements is unchanged at 199

against the budget of 184. The Directorate is undertaking a number of actions including reviewing ER placements in order to ensure that placements are still appropriate. The projected overspend on CLA has been increased to £2.7m. There remains a risk that overall CLA numbers remain above these assumptions.

Other significant variations include an overspend of £0.65m on Learning for Life. This comprises a projected shortfall in fee income in Children Centres offset by savings within Family Services and Early help. The service is progressing a number of actions to mitigate the income shortfall.

The 2019/20 budget included saving plans of £1.8m. All of the actions are being implemented and are expected to deliver the required level of savings. On the 17th April 2019 the Department for Education confirmed that Leeds was successful in the Strengthening Families Protecting Children Programme bid worth £8.3m over five years, with 2019/20 the first year and potential spend of up to £1.5m. Leeds is committed to work with up to six local authorities over the next five years to help them improve practice and outcomes based on the innovative practice already established in Leeds. The Directorate has already commenced initial work and is currently recruiting to the revised staffing structures required to deliver the programme.

Some of the additional spend pressures at Month 10 are being offset by anticipated increases in various external income streams including a £0.3m increase in grant funding.

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 £5.2m on general DSG in 2019/20, leaving a deficit balance of £4.1m at the end of 2019/20. This is a reduction of £0.1m to the position reported at Month 9. As in previous years there are significant pressures on spend in the High Needs Block (HNB). On the main areas of spend of outside placements, top-up payments and place funding for Specialist Inclusion Learning Centres (SILCs) there is a significant increase in costs this year, with an overall forecast overspend on the HNB of £7.3m. This is expected to be partly offset by underspends of £1.1m on the Early Years Block and £1.0m on the Schools Block. There is a risk that the overspend on the HNB increases further during the year due to increases in outside placements and top-up payments.

3.3.3 City Development – At Month 10 the City Development Directorate is forecasting to deliver a £0.45m underspend despite two significant ongoing pressures in relation to Kirkgate Market and the Strategic Investment Fund, and other emerging pressures. This underspend has increased by £0.3m from Month 9 due to an increase in the anticipated fees from Asset Disposals.

The Markets Service faces another challenging year for a number of reasons, including continuation of the ongoing adverse retail climate and uncertain future for retail on the high street, growth in e-commerce and changing consumer spending preferences.

There are also two major building projects at the Market, one to build a hotel (2 year build) and the other to refurbish unlettable historic units and replace the roof in the 1875 block shops. The vacant units required for this work equate to £0.45m in lost

revenue and the level of disruption to tenants has led to an increase in demand for rent concessions. The 20% rent concession for April 2019 to October 2019 equates to a further pressure on income of £0.2m.

The Directorate's Strategic Investment Fund requires further acquisitions in order to achieve the net budgeted return of £3.36m. The current shortfall has increased by £0.13m to circa £0.73m due to unforeseen delays in letting a warehouse. Further viable investment opportunities with the right risk profile continue to be sought and financially appraised. £0.15m of Round Foundry reserve has been identified as useable as it was not applied in previous years and has been brought in to aid the bottom line. A further pressure of £0.2m has arisen due to delays in realising asset rationalisation savings. Work is ongoing to progress this.

The Street Lighting LED conversion programme was planned to start in September 2019, however the Deed of Variation for the PFI contract is not expected to be signed off until March 2020 and full commencement of works cannot proceed until then. Some 'small works' instructions for lantern swaps have been issued to ensure energy savings are realised and at present there is no budget pressure arising from this delay. The projections include £0.5m of income from the PFI Street Lighting contractor that may be at risk if the Deed of Variation is not signed before the end of March, however all parties involved are committed to ensure this is achieved.

Planning & Sustainable Development are projecting a £0.14m underspend, the net position of vacancy savings, increased CIL administration income, and the SAP Inspector costs of £0.12m.

The £0.67m Budget Action Plan is required to deliver the forecast £0.45m underspend. The Directorate continues to develop a schedule of options that will be reviewed and approved by the Director and Chief Officers at year end.

3.3.4 Resources & Housing – At Month 10 the Directorate is projecting an underspend of £0.22m. There are savings on business rates following the valuation of Merrion House being confirmed. The effect of the lower valuation and backdated refunds will deliver an in year saving of around £0.63m and, as previously reported to the Board, there are forecast savings in DIS of £0.37m primarily related to Microsoft costs. In addition, savings in Legal and Democratic Services of £0.21m, mainly in Members Allowances, and Strategy and Improvement of £0.21m are now anticipated.

However, offsetting these projected budget savings are pressures of £0.39m within Corporate Property Management, £0.18m on income in the Catering service, £0.24m on staffing costs in Shared Services and £0.4m (3.6%) in LBS due to the under-recovery of overheads from vacant posts.

3.3.5 Communities & Environment – the Directorate is projecting an overall underspend of £0.1m at this stage of the financial year. Within Customer Access there are pressures of £0.3m, mainly due to additional staffing costs associated with the improvement in call answer rates at the Contact Centre and additional premises costs including security costs at Hub sites. Partially offsetting these pressures is a forecast net saving of £0.2m within Car Parking services due to staffing/other expenditure variations (£0.1m) and net additional income (£0.1m), and a net saving of £0.1m within Welfare and Benefits, mainly reflecting additional grant income

within the Benefits service. Within the Waste Management service there are a number of pressures mainly in respect of the ongoing Refuse review which is progressing well, combined with additional costs relating to recovery. However these pressures are projected to be offset by net savings on waste disposal contracts and the service is forecasting a balanced position by the year end. There are also small underspends within Safer Leeds and the Cleaner Neighbourhood Teams, contributing a further £0.1m to the overall projected underspend for the directorate.

3.3.6 Strategic & Central Accounts - At Month 10, the Strategic & Central budgets are projecting an underspend of £1.0m. This position includes a projected underspend of £1.9m in the debt budget, reflecting lower than anticipated long term borrowing rates in the first half of the year, a projected improvement in internal revenue balances and slippage against the forecast capital programme. Also the costs of borrowing have been offset by additional capital receipts from the sale of vehicles. Other key variations are a projected shortfall of £0.6m in New Homes Bonus which is offset by S31 grant income for small business rates relief projected to exceed budget by £0.9m. Potential shortfalls of £0.5m in the target for general capitalisation and £0.5m in the target for schools capitalisation have also been recognised to reflect the risk in this area, and there is a projected shortfall of £0.15m in savings from prompt payment discounts.

It should also be noted that there is a projected additional use of £1.1m from the Insurance reserve as a result of a variation in the value of insurance claims and associated internal costs. This is a volatile budget and continues to be closely monitored.

The 2019/20 revenue budget assumes that the generation of capital receipts from property and land sales will be utilised to offset PFI liabilities, repay MRP and fund redundancy payments. As discussed in previous reports to this Board, there is a risk that not all of these assumed capital receipts will be receivable in 2019/20. Any shortfall will have implications for the delivery of a balanced revenue budget in this financial year.

Subject to Executive Board approval, it is intended that any variation in the level of capital receipts receivable, when compared to budgeted assumptions, will be funded through a corresponding release from the Council's general reserve and this will contribute towards the delivery of a balanced budget in 2019/20. The position with regard to capital receipts will be confirmed in the provisional and final outturn Financial Health reports which are timetabled to be received at April and June's Executive Boards respectively.

3.4 Other Financial Performance

3.4.1 Council Tax

The collection rate at 31 January 2020 is 89.51%, which is 0.47% lower than the forecast collection rate for the year. Therefore there is a risk that we will not achieve the in-year target of 96.1%, which reflects income collection of approximately £365m. However, this lower-than-forecast collection rate is an in-year issue and we expect to hit the overall collection target of 99% in the fullness of time.

3.4.2 Business Rates

The business rates collection rate at the end of December was 89.49% which is 0.10% ahead of performance in 2018/19. The forecast is to achieve the 2019/20 in-year collection target of 97.7%, collecting some £381m of income.

The total rateable value of business properties in Leeds has increased from £930.2m at 1st April 2019 to £936.4m at the end of January 2020, an increase of £6.2m. 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%). After allowing for the business rates deficit brought forward, Leeds' actual business rates income is currently in the region of £269.5m, which is £4.08m below budgeted expectations.

3.4.3 Business Rates Appeals

The opening appeals provisions for 2019/20 are £21.0m, made up of £13.8 relating to appeals received against the 2010 ratings list and £7.2m 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 January 2020, there were 1,141 appeals outstanding against the 2010 ratings list. During January 25 appeals have been settled, of which 8 have not resulted in changes to rateable values. 7 new appeals were received in January. At 31st January there are 1,123 outstanding appeals in Leeds, with 9.7% of the city's total rateable value in the 2010 list currently subject to at least one appeal.

Only 2 appeals have been received to date against the 2017 list, with only 3.0% of the city's total number of hereditaments in the 2017 list currently subject to either an appeal or a 'check' or 'challenge', the pre-appeal stages of the appeals process introduced in 2017.

3.4.4 Business Rates Surplus/Deficit

At Month 10, it is projected that Leeds' share of its closing deficit will be £7.588m on 31st March 2020. As Leeds declared a deficit £5.526m for 2019/20 which will be reimbursed to the collection fund in 2020/21, this would result in an opening deficit for 2020/21 of £2.062m (Leeds share), a cost to the 2021/22 Budget.

4. Housing Revenue Account (HRA)

- 4.1 At the end of Month 10 the HRA is projecting a balanced position and no contribution to general reserve is assumed.
- 4.2 Estimated Right to Buy sales for 2019-20 are 610 and this is contributing to a forecast reduction in rental income of around £0.5m compared to the budget, which had assumed 530 sales. However, the additional usable capital receipts generated by the sales will result in a projected saving of £1.2m in the revenue contribution to

the Major Repairs Reserve (MRR).

- 4.3 Repairs, including disrepair, are forecast to be £1.2m over budget based on year to date spend.
- 4.4 These pressures are offset by staffing savings from vacant posts and turnover, forecast at a net £1.2m
- 4.5 To recognise the investment in the contact centre resource to improve call answering times in relation to tenants' calls, an additional £0.3m will be spent whilst a further £0.1m will be incurred to support the commitment to ensure that the Leeds Living Wage is paid to employees of the Council's horticultural maintenance contractor.
- 4.6 All other variations within the £250m budget amount to around £0.3m under 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 Month 10 position for the Authority in respect of the revenue budget which currently projects an underspend of £1.0m. The Housing Revenue Account is projecting a balanced budget position.
- 6.2 The report reiterates that there is a risk that not all of the assumed capital receipts, which are used to offset PFI liabilities, repay MRP and fund redundancy payments, will be receivable in 2019/20. Savings to date identified by directorates to address this risk are incorporated into the position in this report. It is intended that any variation in the level of capital receipts receivable will be funded through a corresponding release from the Council's general reserve.

7. Recommendations

- 7.1 Executive Board are asked to note the projected financial position of the authority as at Month 10 (January).
- 7.2 In regard to the risk that the budgeted level of capital receipts may not be receivable in 2019/20, Executive Board are asked to approve the use of the Council's general reserve to fund any shortfall in the level of capital receipts receivable when compared to budgeted assumptions. An update on the position with regard to capital receipts and any amount required from the general reserve will be confirmed in the provisional and final outturn Financial Health reports which are timetabled to be received at April and June's Executive Boards respectively. The officer responsible for the implementation of this recommendation is the Chief Officer - Financial Services.

8. Background documents¹

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

Month 10 (January 2020)

The directorate is projected to deliver a balanced position.

Budget Action Plans are required to deliver £13.1m of savings. At Period 10, 97.2% are effectively delivered and it is assumed that most plans will be delivered by the end of the year with some slippage in the demand and partner income BAPS. There is evidence of over achievement in several plans which should see the overall savings target exceeded.

The main variations at Period 10 across the key expenditure types are as follows:

Staffing (-£0.5m)

There are pressures within areas within Access and Care but underspends within the rest of the directorate particularly Service Transformation, Resources and Commissioning more than mitigate these.

Community Care Packages (+£2.0m)

Pressures are expected within Learning Disability, Home Care and Supported Accommodation. Underspends are projected within residential and nursing care and direct payments as numbers continue to fall. There are also demand based savings within Commissioning which are offset by increased spend on timely transfers of care.

Public Health Commissioning (+£0.3m)

The Public Health grant underspend from last year of £185k will be used to cover fluctuations arising from the prescribing and dispensing costs for drug treatment following the introduction of a new tariff for the drug buprenorphine in April 2018. £102k will be used for children's bereavement programmes (funding is shown within the appropriation account).

General Running Costs (+£0.1m)

Due to early repayment of debt there are savings of £0.30m and saving from non essential spend of £0.14m, which are offset by other running costs, in particular increased transport costs which are the impact of higher priced tenders for private hire routes; increased cost of computer equipment (including licences); premises cost for waterside; and additional charges from CEL for catering and cleaning.

Appropriation Accounts (£0.2m):

a) Winter Pressures Funding (-£0.2m) to fund social workers to support the transfers from Community Beds.

b) The £0.28m saving from the early repayment of debt and £0.2m of additional income from the Disabilities Facilities Grant that is to be transferred to reserves.

c) Public Health (-£0.3m) – representing underspends from last year to be spent in this year: the Public Health grant (£0.2m) and children's bereavement programmes (£0.1m).

d) An additional £0.5m is receivable from the Better Care Fund representing a late agreement on the level of inflation to be applied to the sum the Council receives. In line with the directorate's budget plans this sum will be transferred to reserves and forms a part of the 2020/21 budget planning.

e) Utilising reserves to fund additional cost for timely transfers of care (£0.4m).

f) The in year savings identified from non-essential spend will be transferred to reserves (£0.14m).

Income (-£2.2m)

Income is above target due to additional client contributions and additional external income in particular the additional £0.5m receivable as an inflationary uplift to the Better Care Fund; (£0.2m) from charging the Disabilities Facilities Grant for staff time and additional

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	1,535	(994)	541	(95)	0	3	(3)	(12)	0	0	0	0	(106)	83	(24)
Access & Care Delivery	273,246	(47,934)	225,312	(94)	55	66	11	105	3,769	(2,378)	0	222	1,757	(1,353)	404
Service Transformation Team	1,508	(15)	1,493	5	0	0	0	0	14	0	0	0	19	(159)	(140)
Commissioning Services	28,559	(54,597)	(26,038)	(338)	0	101	0	0	583	0	0	146	492	(664)	(172)
Resources and Strategy	5,734	(841)	4,894	79	0	(11)	0	(173)	0	0	0	163	58	(127)	(69)
Public Health (Grant Funded)	43,886	(43,542)	344	(66)	0	0	0	0	352	0	0	(287)	(1)	1	0
Appropriation Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	354,468	(147,923)	206,545	(509)	55	159	9	(79)	4,718	(2,378)	0	244	2,219	(2,219)	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, Advonet Grant, Social Care Grant	B	7.3	0.0
2.	Demand Based Savings - Ld	S McFarlane		G	0.3	0.0
3.	Demand Based Savings - Mental Health	S McFarlane		G	0.1	0.0
4.	Demand Based Savings - Telecare	S McFarlane		R	0.1	0.1
5.	Demand Based Savings - Reablement	S McFarlane		R	0.1	0.1
6.	Demand Based Savings - Chc / 117	S McFarlane		B	0.3	(0.5)
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		G	0.3	0.0
11.	Managing Budget Reductions	S Hume		G	0.1	0.0
12.	Demand Budgets (Commissioning)	C Baria		G	0.2	0.0
13.	Staffing	Various	primarily use of vacancy factors	G	0.8	(0.1)
14.	Income	Various	better collection of assessed income and recovery of monies from partners	G	2.2	(1.0)
15.	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			(0.4)
2.	Community care packages	Various	anticipated variation			2.6
3.	General running costs	All	Savings relating to non-spend of debt budget and non essential spend offset by increased other running costs such as transport, catering and cleaning			0.1
4.	Use of reserves	All	net contribution to reserves (iBCF inflation, additional income from DFG, debt savings offset by transfers from reserves for Community Beds, Winter Pressures, timely transfer of care and Public Health)			0.2
5.	Income	S. McFarlane	client contributions and CCG contribution to CHC transport costs and additional BCF income			(1.2)
					Adults and Health Directorate - Forecast Variation	
					0.0	

CHILDREN & FAMILIES 2019/20 FINANCIAL YEAR FINANCIAL DASHBOARD - Period 10

Overall Summary - At period 10 the directorate is projecting an overspend of **£0.70m** against a gross expenditure budget of £295m which equates to an overspend of 0.2%. This is an adverse movement of £0.225m from the P9 reported position. Predominantly comprised of; £0.7m further CLA Demand pressure, £0.15m section 17 payments, further income pressures around LfL Little Owls nurseries, Learning Improvement school traded income and Adel Beck, offset by £0.34m further utilisation of DfE grant to support directorate in-year pressures, £0.275 further grant / one-off additional funding from UASC / YJS and OPCC VRU programmes and £0.2m savings in severance payments within Resources & Strategy Central Overheads account.

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 there are currently 1,332; increase of 10 from the reported position at Period 9. This has resulted in pressures on the 19-20 External Residential (ER) and Independent Fostering Agencies (IFA) budgets, with the trend over the last 6 months being for increased placement numbers. Current ER numbers are 68 compared to the budgeted number of 58, whilst the number of Independent Fostering Agencies (IFA) is 199 compared to the budgeted number of 184 taking the overall reported pressure to £2.50m an increase of £0.7m from P9. There is still a 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 899; increase of 12 from the reported position at Period 9. A pressure of £0.2m relating to Special Guardianship Orders and Staying Put Arrangements was reflected from P7 onwards.

Staffing: - The staffing budget for 19-20 is £87.4m. At P9 the directorate reported a pay savings target of £0.5m. At P10 this has been revised to £0.7m; positive movement of £0.2m due to savings of £0.2m within Resources & Strategy Central Overheads severance costs.

Transport : - No change from the reported position at P9; pressure of £0.525m.

Trading and Commissioning : - At P9 there was a reported pressure of £0.4m within Learning for Life. At P10 this has been increased by a further £0.25m predominately for shortfall in nursery fee income, taking the overall reported pressure within Learning For Life Early Years & Youth to £0.65m.

Supplies & Services & Internal Charges:- At P9 there was a reported savings target of £0.15m. At P10 this has been increased by a further £0.21m to £0.36m. Comprised of: £0.3m savings on commissioned contracts within Early Help and DfE Improvement Partner Programme, £0.25m contribution from Pfi Reserves and £0.05m further savings re Legal Recharges, offset by new pressures of £0.15m Section 17 payments and £0.24m re Internal Charges from other directorates within LCC.

Other Income / Projects: - At P9 the directorate was reporting additional income of £1.165m. At P10 further income amounting to £0.715m has been reflected and includes £0.34m additional utilisation of DfE grant monies, £0.275m additional income from YJS, YOS and the OPCC VRU funding and UASC grant income, offset by £0.15m Learning Improvement shortfall in traded income with schools and further £0.15m income pressure at Adel Beck.

Dedicated Schools Grant - There is a separate Dashboard for the DSG

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	£'000	£'000	£'000
Demand Led Budgets:															
In House placed CLA	20,352	(3,648)	16,704	0	0	0	0	0	(450)	0	0	0	(450)	0	(450)
Independent Fostering Agency	7,546		7,546	0	0	0	0	0	1,300	0	0	0	1,300	0	1,300
External Residential	11,913		11,913	0	0	0	0	0	1,400	0	0	0	1,400	0	1,400
Other Externally placed CLA	2,566		2,566	0	0	0	0	0	300	0	0	0	300	0	300
Non CLA Financially Supported	12,883	(3,514)	9,369	0	0	0	0	0	150	0	0	0	150	0	150
Transport	15,062	(617)	14,445	0	0	0	525	0	0	0	0	0	525	0	525
Sub total Demand Led Budgets	70,322	(7,779)	62,542	0	0	0	525	0	2,700	0	0	0	3,225	0	3,225
Other Budgets															
Partnerships & Health	4,977	(1,231)	3,746	(50)	0	0	0	40	0	0	0	0	(10)	(235)	(245)
Learning	31,500	(26,906)	4,594	(100)	0	0	0	0	0	0	0	0	(100)	(265)	(365)
Social Care	123,422	(77,400)	46,022	150	(50)	0	0	100	100	(200)	0	(500)	(400)	(865)	(1,265)
Resources and Strategy	65,291	(60,427)	4,864	(300)	0	0	0	(100)	0	0	0	(250)	(650)	0	(650)
Sub total Other Budgets	225,190	(165,964)	59,226	(300)	0	(50)	0	40	100	(200)	0	(750)	(1,160)	(1,365)	(2,525)
Total	295,512	(173,743)	121,769	(300)	0	(50)	525	40	2,800	(200)	0	(750)	2,065	(1,365)	700

Key Budget Action Plans and Budget Variations:		Lead Officer	Additional Comments		Action Plan Value	Forecast Variation
A. Significant Variations				RAG	£m	£m
	Children Looked After & Financially Support Non-CLA Demand Budgets.	Steve Walker / Sal Tariq	The budget supports an average of 58 ER and 184 IFA Placements. Currently at 68 ER and 199 IFA Placements. Partly impacted due to reduced capacity in LCC run homes; currently at 26 against potential 28 when 7 mainstream homes fully operational. Luttrell Children Home reopened beginning of October. At P10 increased the overall pressure by further £0.7m to £2.7m reflecting trend and placement mix over last 6 months.	R		2.700
	Staffing Related Costs	C&F Leadership Team	P10 shows a projected variation of £0.3m underspend.	G		(0.300)
	Learning For Life - Early Start & Youth Services	Sal Tariq / Andrea Richardson	At P9 reported pressure £0.4m. At P10 revised pressure by further £0.25m due to fee income being lower than forecast.	R		0.650
	Passenger Transport	Sue Rumbold	Continuation of increasing demand within LCC run Passenger Transport. Whilst the strategy provided £0.7m additional funding, there is a further pressure of £0.525m due to increasing demand and prices via commissioning. Impact of new demand and tenders for private hire arising from the commencement of the academic year will be crucial; a reduction of £0.1m from the reported position at P8.	R		0.525
	Income (Incl. Grants)	C&F Leadership Team	At P9 reported additional income (including grant income) of £1.165m. At P10 further adjustment of £0.315m comprised of:- £0.34m further DfE grant utilised to support directorate pressures, £0.275m further ad-hoc grant re UASC, YJS and YOS OPCC VRU funding, offset by new income pressures of £0.15m Learning Improvement traded income with schools and £0.15m increase in the income shortfall in Adel Beck.	G		(2.280)
	Supplies & Services and Internal Charges	C&F Leadership Team	At P9 reported savings target of £0.15m. At P10 revised target to £0.36m (increase £0.21m) saving comprised of:- £0.1m saving in Learning Systems, £0.25m contribution from Pfi Reserve, £0.2m savings within commissioned services within Early Help and DfE PIP Programme, offset by £0.15m pressure for section 17 payments and £0.19m ad-hoc recharges above budget from R&H CEL and ASC.	A		(0.360)
B. Key Budget Action plans (BAP's)						
Transport	Pasenger Transport - Other Transport savings	Sue Rumbold	Savings from WYCA and additional schools swimming income	G	(0.30)	0.000
Social Care	Achieve running cost savings from former Partner in Practice funded activities	Sal Tariq	review non-staffing expenditure previously funded through the PIP grant	G	(0.15)	0.000
Social Care	Make savings on Independent Support workers within CHAD.	RuthTerry	Based on 2018/19 spend this should be achievable	G	(0.05)	0.000
Social Care	Achieve running cost savings in Learning for Life	Andrea Richardson	cease commissioned service with ASHA - saving £50k	G	(0.05)	0.000
Resources & Stratgey	Reduction in Prudential borrowing charges	Tim Pouncey	Savings achieved - borrowing repaid	G	(0.05)	0.000
Social Care	Achieve increased charges at Adel Beck	Sal Tariq	Income target not achieved.	G	(0.20)	0.400
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)	0.000
Social Care/Transport	Additional income from moving towards full the recovery of appropriate costs from the Dedicated Schools Grant	Tim Pouncey	Should be achievable depending on the total costs incurred	G	(0.60)	0.000
C. Contingency Plans						
	Use of strategic contingency fro Children Services.	Steve Walker	Request release from strategic budget to support the directorates financial position			(0.500)
	Further service action plans	Steve Walker & Leadership Team	In line with reported position at P9.			(0.135)
Children and Families Directorate - Forecast Variation						0.700

CHILDREN & FAMILIES 2019/20 FINANCIAL YEAR

DEDICATED SCHOOLS GRANT FINANCIAL DASHBOARD - PERIOD 10

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 10 there is a projected in year overspend of £5,231k on general DSG and an in year underspend of £278k 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, though overall there is an underspend as a result of recoupment adjustments on NNDR and growth funding in respect of schools which have converted to academies during 2019/20. 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). There is additional de-delegated income of £242k due to the way de-delegated budgets are dealt with when a school becomes an academy and a further underspend of £200k on schools contingency. This is partly offset by increased costs on maternity pay and SIMS licences giving an overall projected underspend of £278k. The Growth Fund budget is part of this block and is currently projected to be £1,161k underspend which means that the £400k of the DSG surplus brought forward from 2018/19 which had been earmarked for this, is no longer needed.

Schools Forum have previously queried the significant level of reserves on de-delegated budgets and have requested a payment be made to schools from this reserve. A proposal was taken to the October Schools Forum to repay the 2018/19 underspend of £462k back to schools pro-rata to the amount of de-delegated funding paid in that year. This was agreed and payment has now been made.

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). The admissions service is currently projecting an underspend of £58k due to vacancies and delays in recruitment.

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 based on the summer term activity, it is still expected that there will be an underspend of £1,072k. This is due to an expected difference between the number of hours funded and the number of hours 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 £3,083k.
- an increase in special school places required from September 2019 is expected to result in an overspend of £756k on SILC funding.
- a general increase in the FFI top-up to mainstream schools and academies is projected to result in an overspend of at least £2,332k based on the FFI database at the end of December along with an overspend of £272k on additional place funding for schools with more high needs pupils. There is a risk that costs could increase over the remainder of the year.
- there has been a significant increase in early years FFI top-ups which is expected to result in an overspend of £603k
- the North West SILC is not now expected to become an academy until 2020/21 which means that additional funding needed to ensure that NW SILC is in a sustainable financial position going forward is not now required in 2019/20.

There is also a risk around a disapplication request which is to be submitted around top-up funding in respect of the SEMH provision. If unsuccessful, there is a potential additional cost of approximately £0.9m which is not included in the above projections.

Reserves - There is a surplus reserve brought forward from 2018/19 of £1,097k and a de-delegated reserve of £587k. As a result of the variations detailed above, there is expected to be an overall in year overspend of £5,231k which means that there is a projected deficit on general DSG carried forward to 2020/21 of £4,134k. Following the repayment of part of the accumulated reserves, the de-delegated reserves are expected to be a surplus of £403k.

There have been some recent changes to the DSG conditions of grant. The first is that local authorities are required to carry forward overspends to their DSG into future years. They can apply to the Secretary of State to disregard this requirement if they want to fund some or all of the overspend from other sources. The second change is that the requirement to submit a deficit recovery plan if the overall deficit is greater than 1% of the gross DSG allocation has been removed. Instead, any local authority that has an overall deficit on its DSG account at the end of the 2019 to 2020 financial year, or whose DSG surplus has substantially reduced during the year, must co-operate with the Department for Education (DfE) in handling that situation. This will involve providing a plan on how the deficit will be funded and regular updates on how that plan is working. It would also involve meetings with DfE officers to discuss any issues.

Budget Management - net variations against the approved budget

DSG Grant Reserves

	Budget £'000	Projection £'000	Variance £'000
Schools Block			
DSG Income	(301,877)	(299,347)	2,530
Individual Schools Budgets	295,939	293,193	(2,746)
De-delegated budgets	4,438	4,160	(278)
Growth Fund	2,900	1,739	(1,161)
Contribution to /from reserves	(1,400)	(1,000)	400
	0	(1,255)	(1,255)
Central School Services Block			
DSG Income	(4,725)	(4,725)	0
CSSB Expenditure	4,725	4,667	(58)
	0	(58)	(58)
Early Years Block			
DSG Income	(55,877)	(57,057)	(1,180)
FEEE 3 and 4 year olds	45,708	45,927	219
FEEE 2 year olds	7,312	7,050	(262)
Other early years provision	2,857	3,008	151
	0	(1,072)	(1,072)
High Needs Block			
DSG Income	(66,389)	(66,294)	95
Funding passported to institutions	59,524	66,902	7,378
Commissioned services	1,702	1,702	0
In house provision	4,605	4,470	(135)
Prudential borrowing	558	558	0
	0	7,338	7,338
Total	0	4,953	4,953

Latest Estimate

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

Projected Outturn

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)
5,231	(278)	4,953
0	462	462
4,134	(403)	3,731

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					
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.		2.30	0.00
B. Significant Variations					
Schools Block		Projected underspend on Growth Fund (net of reduced call on reserves)			(0.76)
Schools Block		Underspend due to adjustments made as part of the academy conversion process			(0.22)
Schools Block		Net underspend on de-delegated services.			(0.28)
Central School Services Block		Underspend on admissions service.			(0.06)
Early Years Block		Projected underspend on early years block mainly as a result of funding received for additional hours.			(1.07)
High Needs Block		Increased cost of outside and residential placements.			3.08
High Needs Block		Increase in funding to special schools			0.76
High Needs Block		Increase in FFI top-up and place funding to mainstream schools and academies			2.90
High Needs Block		Increase in early years FFI top-up.			0.60

Dedicated Schools Grant - Forecast Variation

4.95

CITY DEVELOPMENT 2019/20 BUDGET FINANCIAL DASHBOARD - MONTH 10 (APRIL - JANUARY)

At Period 10 the City Development Directorate is forecasting an increased underspend of £450k, an increase of £300k from Period 9 while it continues to manage and balance a number of existing and emerging significant budget pressures as detailed below. This improved position is down to an expected increase in fee income from asset disposals.

Planning & Sustainable Development are projecting a £142k underspend, this is the net position of vacancy savings, increased CIL administration income, and SAP Inspector and other legal costs.

Economic Development has a minor overspend mainly due to a shortfall in income. The income target has been removed from the 2020/21 estimates.

Asset Management and Regeneration are managing a number of pressures. The Strategic Investment Fund (SIF) requires further acquisitions to be made in order to achieve the net income target of £3.36m and the current shortfall has increased from £592k to £728k. This £136k increase is the net pressure from unforeseen delays in the lettings of the three new Trilogy warehouses. These pressures have been partially offset by the assumed use of the £130k SIF reserve and the slipping of some prudential borrowing charges. Further investment opportunities continue to be sought and financially appraised.

There is a further pressure of £200k on the Asset Rationalisation savings target. Major staffing relocations and asset rationalisations of Hough Top Court and Navigation House have been successfully completed, however due to the accounting requirements of the HRA some of the savings achieved are not realisable to City Development. To partially offset these pressures £150k from the Round Foundry reserve has been identified as useable (unapplied in previous years) and £86k historic new burdens funding for Self and Custom Build Housing also not applied in previous years. Additional fee income of £550k from asset sales has been recognised in Period 10.

Employment and Skills are maintaining a balanced position.

The Highways and Transportation Service is projecting a small underspend arising from minor variations across the service. The Street Lighting LED conversion programme was planned to start in September 2019 however the Deed of Variation for the PFI contract is not expected to be signed off until March 2020 and full commencement of works cannot proceed until then. However some 'small works' instructions for lantern swaps have been issued to ensure energy savings are realised and at present there are no budget pressures arising from this delay. The forecast includes a £500k payment from the PFI Street Lighting contractor which can only be accounted for in 2019/20 if the Deed of Variation is signed before the end of March, however all Senior partners have collaborated to ensure all relevant parties are available to sign the paperwork by March 2020.

At Kirkgate Market traders have been granted a 20% rent discount for 7 months (April to October) as footfall continues to be an issue in the market, which comprises £200k of the forecast £732k shortfall in income, the rest is due to vacant or unlettable units within the market, and rent free periods on new lettings.

The £667k Budget Action Plan is required to deliver the forecast £450k underspend. The Directorate continues to develop a schedule of options that will be reviewed and approved by the Director and Chief Officers at year end.

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	9,605	(7,659)	1,946	(313)	(20)	237	(10)	5	0	0	0	0	(101)	(41)	(142)
Economic Development	2,211	(538)	1,673	5	2	(16)	7	11	0	0	0	0	9	31	40
Asset Management & Regeneration	17,434	(20,691)	(3,257)	(1,001)	432	(31)	5	(38)	0	(150)	0	0	(783)	643	(140)
Employment & Skills	6,199	(4,505)	1,694	(19)	19	0	0	0	0	0	0	0	0	0	0
Highways & Transportation	65,457	(48,346)	17,111	(950)	(277)	620	(121)	211	0	0	0	0	(517)	405	(112)
Arts & Heritage	19,682	(8,812)	10,870	196	(93)	518	(8)	31	13	0	0	0	657	(619)	38
Active Leeds	25,627	(20,489)	5,138	124	(34)	(213)	12	10	0	0	0	0	(101)	22	(79)
Resources & Strategy	1,008	0	1,008	(88)	0	(44)	0	0	0	0	0	0	(132)	(687)	(819)
Markets & City Centre	3,410	(3,702)	(292)	(6)	(24)	(35)	0	(3)	0	0	0	0	(68)	829	761
Total	150,633	(114,742)	35,891	(2,049)	5	1,036	(115)	227	13	(150)	0	0	(1,033)	583	(450)

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	R	(1,000)	728
2.	Asset Management & Regeneration	Angela Barnicle	Asset Rationalisation	R	(250)	200
3.	Highways & Transportation	Gary Bartlett	LED Street Lighting Conversion	G	(700)	0
4.	Highways & Transportation	Gary Bartlett	Fees Capitalisation	G	(400)	0
5.	Active Leeds	Cluny MacPherson	Sport Income	G	(220)	22
6.	Active Leeds	Cluny MacPherson	Sport Efficiencies	G	(150)	(101)
Total Budget Action Plan Savings					(2,720)	849
B. Other Significant Variations						
1.	Markets & City Centre	Phil Evans	Markets net rental income re 20% rent reduction and loss of income re vacant/unlettable units			732
2.	Asset Management & Regeneration	Angela Barnicle	Additional Fee Income from Asset Sales			(550)
3.	Asset Management & Regeneration	Angela Barnicle	Use of Round Foundry balance and historic new burdens funding for Self and Custom Housing not applied in previous years.			(236)
4.	Asset Management & Regeneration	Angela Barnicle	Vacancy savings net of income generating posts			(235)
5.	Planning & Sustainable Development	David Feeney	Vacancy savings and additonal CIL administration fees partially offset by SAP Inspector Fees			(142)
6.	Highways	Gary Bartlett				(112)
7.	All	All	Other minor variations			(89)
C. In Year Budget Action Plans						
1.	Resources & Strategy	Phil Evans	Action Plan to balance Directorate budget - via careful vacancy management, reviewing and restricting other operational expenditure, additional one off income, and review and application of appropriate balances.			(667)
					City Development Directorate - Forecast Variation	(450)

RESOURCES AND HOUSING

FINANCIAL DASHBOARD - 2019/20 FINANCIAL YEAR

PERIOD 10

Overall

The Directorate's month 10 forecast position is a projected underspend of £223k, a net reduction of £87k from the month 9 reported position of £310k. The main reasons for the net change in the forecast position is that LBS is now forecast to be £400k short against the budgeted surplus, an increase of £250k from the month 9 position. The deterioration in the LBS position is partially offset by an improvement of £186k across the forecast positions of Strategy and Improvement, HR and Democratic Services, these increased forecast savings are mainly as a result of vacant posts. Budget pressure remain within Corporate Property Management (CPM) at just below £400k. However, these are more than offset by savings in CEL through business rates following the confirmation of the business rates valuation and a backdated refund at Merrion House.

Resources

The budget requires the delivery of over £3.2m of savings in this area of which approximately £2m are staffing savings. After a number of years of reductions in support services, this figure is becoming increasingly challenging to achieve without fundamental change to the way some of these services are provided. There may be a timing issue to deliver all the savings as planned. There are likely to be overall pressures in Shared Services of just over £0.4m. The assumptions around savings through staff turnover within Shared Services are lower than initially projected and will be closely monitored for the remainder of the financial year. Offsetting this are savings from a review of accruals, forecast to be (£0.2m). There are also forecast savings within Digital and Information Services relating to expenditure on Microsoft licences of £320k and a further £50k from other expenditure and in Democratic services, savings in Members Allowances and general running costs of around £155k and projected savings of £215k within Strategy and Improvement from vacant posts and other expenditure.

Housing Services

There are continuing pressures within the CPM function which are estimated at around £0.4m. This is after assuming additional capitalisation of building maintenance and staffing costs. At this stage there are no significant variations to report within the remainder of the Housing General Fund and Supporting People services.

Civic Enterprise Leeds (CEL)

There is a projected saving of £625k within Facilities Management due to savings in business rates following the confirmation of the valuation of Merrion House by the VOA. This saving is partly offset by a £175k pressure in the Catering service covering income and staffing across elements of the service. Following a number of high profile events and protests at the Civic Hall, the service is trying to manage additional security cost pressures of £24k for the financial year. Within School Crossing Patrol savings on staffing mean that the service is projecting a £20k saving overall and the remaining services within CEL are expected to be in line with the budget.

Leeds Building Services

The budget assumes delivery of an £11m surplus with a turnover of just under £70m. At Period 10, it is projected that the service will be around £400k (3.6%) short against the budgeted surplus. This is mainly due to a combination of a shortfall in achieving the budgeted turnover level (£69m) and front line vacant posts which will affect the overall recovery position. It is assumed that work will be sub contracted to minimise the adverse impact on the business plan turnover levels.

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	98,531	(31,173)	67,358	2,497	(23)	(519)	(30)	(16)	0	(38)	0	74	1,945	(2,484)	(539)
LBS	58,336	(69,345)	(11,009)	(1,929)	0	2,461	0	(132)	0	0	0	0	400	0	400
Housing	26,243	(12,898)	13,345	(3)	802	40	22	79	(5)	0	0	0	935	(549)	386
CEL	81,283	(68,722)	12,561	45	(370)	(161)	560	11	0	0	0	0	85	(555)	(470)
Directorate Action Plan				0		0							0		0
Total	264,393	(182,138)	82,255	610	409	1,821	552	(58)	(5)	(38)	0	74	3,365	(3,588)	(223)

Key Budget Action Plans and Budget Variations:				RAG	Action Plan Value	Forecast Variation against Plan/Budget
Service	Budget Action	Lead Officer	Comments		£m	£m
HOUSING						
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 operational spend	G	(0.05)	
Leeds Building Services	To deliver an improved surplus of £1.4m from additional turnover; efficiencies and productivity.	Sarah Martin	Forecast shortfall of surplus mainly due to vacant front line posts. (Permanent advert is out for these trades)	A	(1.40)	0.40
RESOURCES						
DIS	Procurement efficiencies targeted to deliver £0.5m of contract savings	Dylan Roberts	£346k secured and savings realised; £180k 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 to PM roles. Ongoing review of activity	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. Projected £166k over on staffing, offset by £159k income; Expected to balance	G	(0.30)	0.04
HR	Deliver £0.09m staffing savings to balance the 19/20 budget	Andrew Dodman	Budget should be delivered through management of releases	G	(0.09)	(0.13)
HR	Development of ULEV scheme	Andrew Dodman (Alex Watson)	Initial Communications and promotion has gone out;	A	(0.06)	0.05
HR	Secure £150k of income chargeable to the Apprentice Levy	Andrew Dodman (Alex Watson)	Income not achievable through this plan, but service budget is expected to be balanced for 19-20 from savings in other areas.	R	(0.15)	0.15
Legal Services	To identify £206k of external legal costs that can be brought in house	Catherine Witham (Nicole Walker)	Delivered through staffing savings 19/20; Virement for 20/21 required	G	(0.21)	(0.03)
Shared Services	Deliver £0.79m staffing savings to balance the 19/20 budget	Mariana Pexton	Requires around 8% VF to deliver; Current staffing levels suggests £600k pressure after additional income for funded posts; Careful management of turnover required.	R	(0.79)	0.15
Shared Services	Electronic Processing of Invoices	Mariana Pexton	Unlikely to deliver project this Financial Year.	R	(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 £100k; Balance to be delivered through management of vacancies.	G	(0.26)	(0.21)
B. Other Significant Variations						
1	CPM	Sarah Martin	Pressures on the maintenance budget (net of £0.4m additional capitalisation)	R		0.39
2	Finance -Court Fees	Victoria Bradshaw	Budget reduced to £2m in 19/20. No variation at Month 10	G		0.00
3	Resources - Schools Income	All	No variation assumed from traded income with schools	G		0.00
4	Facilities Management	Sarah Martin	VOA - Valuation of Merrion House finalised - in year saving £600k from 18/19 accrual and some backdating	G		(0.60)
4	All Other Variations	All	£370k savings mainly from DIS relating to Microsoft; £100k projected savings in Democratic Services , £175k Catering pressure; Review of accruals £200k and other minor variations	G		(0.58)
Resources and Housing Directorate - Outturn Variation						(0.22)

COMMUNITIES & ENVIRONMENT DIRECTORATE SUMMARY
FINANCIAL DASHBOARD - 2019/20 FINANCIAL YEAR
Period 10 (January 2020)

Overall Position (£94k Under Budget)

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

Customer Access (£336k Overspend)
The service is currently projecting an overspend of £336k. This is partly attributable to additional staffing costs within the Contact Centre (£450k) due to recruitment to improve call answer rates, although this is largely offset by funding of £300k secured from Housing Leeds in respect of Housing enquiries. In addition additional premises costs of £143k are projected which includes increased security costs and business rates at Hubs. All other costs including additional staffing costs within the library service are projected at a net £43k.

Electoral and Regulatory Services (Nil variance)

Elections, Licensing and Registrars (£75k Overspend)
The service is projecting an overspend of £75k which is partly due to a projected shortfall in local land charges income and an under recovery of Elections costs relating to 2017 General election.

Environmental Health (£75k Under Budget)
The Environmental Health service is projecting a saving of £75k, due to both staffing and operational savings across the service.

Welfare and Benefits (£119k Under budget)
The service is currently projecting an underspend of £119k. This saving is mainly due to additional grant funding within the Benefits service, partially offset by staffing variations within Council Tax. There remains an ongoing area of risk around the achievement of the budgeted level of overpayment income.

Parks and Countryside (Nil variance)
The service is projecting a balanced position. Although there is currently a net pressure across Attractions and the Arium of £0.5m, it is anticipated that these pressures will be offset by expenditure savings and additional income in other areas of the service.

Car Parking (£213k Under budget)
The service is currently projecting a saving of £213k. This saving is in part due to staffing and other expenditure variations (£114k). In addition, whilst there is a projected shortfall against budget in respect of 'on street' parking income (+£338k), this is offset by additional income including 'off street' parking income and PCNs.

Cleaner Neighbourhoods Teams (£95k Under budget)
The service is projecting a net saving of £95k which is due to projected staffing and expenditure savings, partially offset by additional vehicle costs.

City Centre (£25k Overspend)
The service is projecting an overspend of £25k due to increased staffing costs (including the cost of covering of events) and other minor expenditure variations, partially offset by additional income.

Waste Management (Nil variance):
Pressures within the Refuse service relating to the ongoing Refuse review combined with additional costs of recovery are anticipated to be offset by residual waste disposal contract savings. Other staffing pressures, mainly within Waste Operations, are assumed to be offset by other savings across the service. There are also pressures on the SORT disposal contract (£162k), mainly due to market income prices, and also pressures on a number of recently re-let waste stream contracts due to price increases (£112k), although these are largely offset by volume trend variations across waste streams.

Community Safety (£28k)
Community Safety is currently projecting an underspend of £28k which is mainly due to staff savings across the service.

Budget Management - net variations against the approved budget;

Summary By Service

				Period 10 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	17,436	(12,080)	5,356	0		(1)	(66)	0	35	0	0	0	0	0	(32)	32	0
Customer Access	24,294	(4,282)	20,012	826	195	335	17	1	0	0	0	0	0	1,374	(1,038)		336
Electoral & Regulatory Services (including Environmental Health)	8,327	(5,913)	2,414	(103)	19	46	(11)	20	0	0	0	39	10	(10)			0
Welfare And Benefits	265,394	(260,867)	4,527	(69)	(12)	60	(1)	95	0	0	0	0	73	(192)		(119)	
Car Parking Services	4,874	(13,155)	(8,281)	(89)	25	(70)	1	20	0	0	0	0	(113)	(100)		(213)	
Community Safety	8,735	(6,342)	2,393	(262)	0	82	9	39	0	0	0	0	(132)	104		(28)	
Waste Management	42,737	(7,693)	35,044	1,868	42	(364)	231	(408)	0	0	0	0	1,369	(1,369)		0	
Parks And Countryside	33,164	(25,896)	7,268	(79)	139	744	(101)	111	0	0	0	0	814	(814)		0	
Environmental Action (City Centre)	2,079	(427)	1,652	47	4	57	(1)	(4)	0	0	0	0	103	(78)		25	
Cleaner Neighbourhood Teams	12,662	(4,176)	8,486	(196)	(8)	(115)	312	(15)	0	0	0	0	(22)	(73)		(95)	
Directorate wide	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	
Total	419,702	(340,831)	78,871	1,943	403	709	456	(106)	0	0	0	39	3,444	(3,538)		(94)	

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. A data Migration process is required to facilitate the new support contract, this should be funded out of savings delivered but may also need some capital resource.	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.	R	(310)	150
Welfare & Benefits						
Welfare and Benefits	Achievement of staffing efficiencies	Lee Hemsworth	A restructure has been approved, now projecting to achieve this efficiency due to a vacancy freeze and keeping posts vacant.	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	Route review ongoing, anticipated to be offset by other savings across the service.	A	(1,100)	0
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 (incl Parks and Countryside)	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.	R	(50)	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						0
Other Significant Variations						
All services			Other expenditure variations			(324)
					Communities & Environment - Forecast Variation (94)	

**STRATEGIC & CENTRAL ACCOUNTS - 2019/20 FINANCIAL YEAR
FINANCIAL DASHBOARD - PERIOD 10**

Overall :

At month 10 Strategic & Central Accounts are on track to achieve a £0.95m surplus compared to the budget. The main variations within this are :

- There is a projected underspend of £1.9m on the debt budget, after taking into account that the proposed release of £1m from reserves to fund a move from short term to long term borrowing is no longer required. The costs of borrowing have also been offset by additional de-minimis capital receipts from the sale of vehicles.
- There is a projected shortfall in the New Homes Bonus grant of £0.57m
- The current projection for Section 31 grant income is £0.88m higher than budget
- There is a projected shortfall of £0.50m in both general capitalisation and schools capitalisation
- It is anticipated that the procurement exercise for insurance cover will generate savings of £0.64m to offset projected overspend of £1.68m on insurance claims. It should be noted that a further call on the Insurance reserve of £0.4m is anticipated to cover interal costs related to insurance claims within Childrens & families

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	(3,829)	(18,998)	(22,827)	90		1,152								1,242		1,242
Debt	20,859	(17,376)	3,483			54						(1,620)		(1,566)	(319)	(1,885)
Govt Grants	6,001	(36,209)	(30,208)											0	(278)	(278)
Joint Committees	35,902	(7)	35,895							16				16		16
Miscellaneous	5,836	(833)	5,003	(89)		1								(88)	42	(46)
Insurance	10,470	(10,470)	0			1,810		(651)					(731)	428	(428)	0
Total	75,239	(83,893)	(8,654)	1	0	3,017	0	(651)	16	0	(1,620)	(731)	32	(983)	(951)	

STRATEGIC & CENTRAL ACCOUNTS - 2019/20 FINANCIAL YEAR

Key Budget Action Plans and Budget Variations:

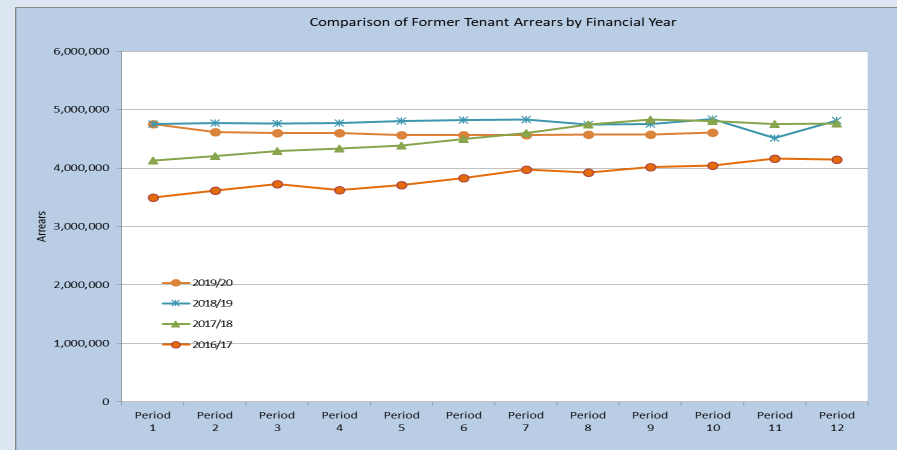
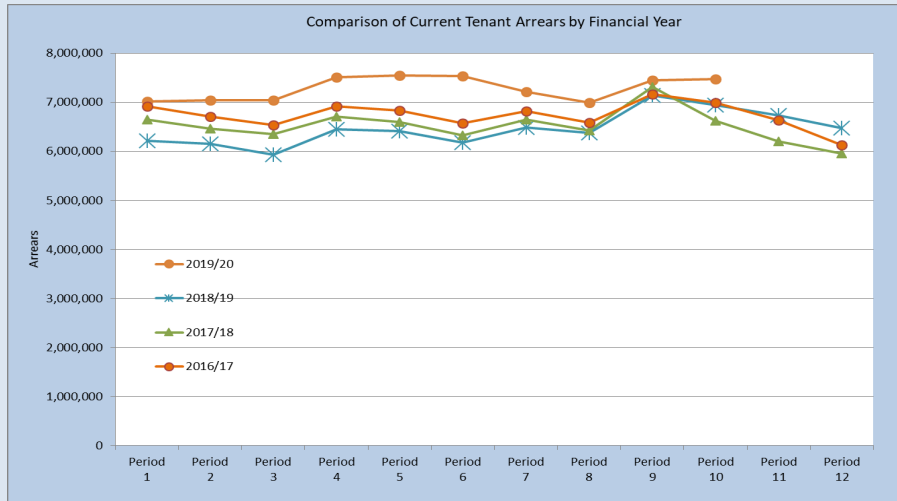
				RAG	Budget	Forecast Variation against Budget
		Lead Officer	Additional Comments		£m	£m
A. Major Budget Issues						
1.	Debt Costs and External Income	Victoria Bradshaw	Variation anticipated at Period 10 plus replacement of short term with long term borrowing to take advantage of low long term interest rates	G	18.6	(2.3)
2.	Minimum Revenue Provision	Victoria Bradshaw	No variation anticipated at Period 10	G	1.0	0.0
3.	New Homes Bonus	Victoria Bradshaw	Current forecast is £571k below budget	R	(9.9)	0.6
4.	Business Rates (S31 Grants & retained income)	Victoria Bradshaw	Current forecast is (£888k) above budget	G	(26.0)	(0.9)
5.	S278 Contributions	Victoria Bradshaw	(£3,000k) income achievable, uncertainty over remaining (£500k). A full review will be conducted in February.	G	(3.5)	0.0
6.	General capitalisation target	Victoria Bradshaw	Current forecast is £500k below budget.	A	(4.1)	0.5
7.	Schools capitalisation target	Victoria Bradshaw	Based on 18/19 outturn there is a risk that the budget will not be met; current forecast is a £500k deficit.	R	(4.0)	0.5
8.	Joint Committees	Victoria Bradshaw	Minor variation anticipated at Period 9	G	35.9	0.0
B. Other Significant Budgets						
1.	Insurance	Victoria Bradshaw	Cost of insurance claims offset by lower external premiums and higher than budgeted income from schools. 9 large claims settled but replaced by 10 new large claims with an estimated cost of £2,264k.	A	0.0	0.0
2.	Prudential Borrowing Recharges	Victoria Bradshaw	Current forecast is £343k below budget	A	(16.1)	0.3
3.	Miscellaneous	Victoria Bradshaw	Minor variation anticipated at Period 10	G	5.0	0.1
4.	Strategic Accounts	Victoria Bradshaw	Shortfall of £150k on prompt payment target and £90k on apprenticeship levy income.	A	(11.2)	0.2
Strategic & Central Accounts - Forecast Variation						(1.0)

Housing Revenue Account - Period 10 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)	(208,992)	504	19/20 budgeted RtB sales were 530. 18/19 Outturned 615 and assuming 610 19/20.	456
Service Charges	(7,976)	(8,049)	(73)	£125k Sheltered budget assumed 3.3% uplift - charge same as 18/19. [£-60k] Multi Story Flats. [£-140k] Leaseholder income based on 1819 outturn.	(74)
Other Income	(34,083)	(33,637)	446	£218k Reduced capitalisation due to staffing savings, £118k Reduction in Telecom Income - Lease renewals and £40k reduction in Switch 2 income. £46k reduction in RtB admin fee due to reducing projected RTB's in year. £19k other reduction in Housing Mgt partly offset by internal charges.	381
Total Income	(251,556)	(250,678)	878		764
Expenditure					
Disrepair Provision	1,400	2,500	1,100	Projected overspend based on period 1-9 actuals.	1,000
Repairs to Dwellings	44,791	44,944	153	£80k for Mears overhead. [£-720k] Gain share income. £793k projected o/spend on Repairs.	80
Council Tax on Voids	680	770	90		-
Employees	30,806	29,241	(1,565)	£71k Technical, [£-859k] Housing Management, [£-226k] Housing Growth and [£-550k] Property and Contracts.	(1,459)
Premises	8,716	8,674	(41)	£140k Potential Navigation Dilapidation Settlement. Review of utilities expenditure [£-148]	134
Supplies & Services	4,100	4,119	19		26
Internal Services	41,451	42,142	691	£300k Contact Centre staffing, £390k Disrepair legal (inc £100k for external outsourcing to Swinburne Maddison), £100k Horticultural Maintenance, £265 Supporting People, [£-136k] Insurance and [£-123k] ICT Savings. [£-50k] Court fees reduction partly offset in other income. £67k RtB legal. [£-28k] PPPU PFI. [£-95k] various other savings.	811
Capital Programme	62,441	61,298	(1,143)	Use of additional usable capital receipts from RtB sales. Reduced in line with reduced sales assumption.	(1,358)
Unitary Charge PFI	9,685	9,512	(173)		-
Capital Charges	44,776	44,877	101	Additional interest payments to GF	81
Other Expenditure	6,192	6,204	13		1
Total Expenditure	255,037	254,281	(755)		(684)
Net Position	3,481	3,604	123		80
Appropriation: Sinking funds	(2,345)	(2,414)	(69)	LLBH PFI	(96)
Appropriation: Reserves	(1,137)	(1,190)	(53)		16
(Surplus)/Deficit	(0)	0	0		0
Proposed New Reserves			-		-
Transfer to Capital Reserve			-		-
Total Current Month	(0)	0	0		(0)

Housing Revenue Account - Period 10 Financial Dashboard - 2019/20 Financial Year



Change in Stock	Budget	Projection
Right to Buy sales	(530)	(610)
Right of First Refusals/ Buybacks	0	41
New Build (Council House Growth)	0	0
Total	(530)	(569)

Right to Buy Receipts	2018/19 Actual	2019/20 Projection
Total Value of sales (£000s)	32,969	33,672
Average Selling Price per unit (£000s)	53.6	55.2
Number of Sales*	615	610
Number of Live Applications	1,428	1,391
Sales to end P10: 484		

Arrears	2018/19	2019/20	Variance
	£000	£000	£000
Dwelling rents & charges	2018/19 Week 39	2019/20 Week 39	
Current Dwellings	6,367	6,563	196
Current Other	772	887	115
Former Tenants	4,753	4,572	(181)
	11,892	12,022	130
Under occupation	2018/19 Week 52	2019/20 Week 40	
Volume of Accounts	3,650	3,189	(461)
Volume in Arrears	1,316	1,332	16
% in Arrears	36.1%	41.8%	5.7%
Value of Arrears	295	204	(91)
Collection Rates	2018/19 Week 52	2019/20 Week 40	
Dwelling rents	97.27%	96.29%	-1.0%
Target	97.50%	97.50%	0.0%
Variance to Target	-0.23%	-1.21%	-1.0%

Housing Revenue Account - Period 10 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)	575		(797)
Housing Advisory Panels	(410)			(410)
Sheltered Housing	(2,921)	180		(2,741)
Holdsworth Place - land purchase	(64)	64		0
Early Leavers' Initiative	(408)	82		(326)
Wharefedale View	(15)			(15)
Changing the Workplace	(235)	92		(143)
ERDMS	(262)			(262)
	(5,687)	993	0	(4,694)
PFI Reserves				
Swarcliffe PFI Sinking Fund	(5,092)	3,801		(1,291)
LLBH&H PFI Sinking Fund	(4,617)		(1,387)	(6,004)
	(9,709)	3,801	(1,387)	(7,295)
Capital Reserve				
MRR (General)	(21,814)	70,198	(58,990)	(10,606)
MRR (New Build)	(2,179)	1,944		(235)
	(23,992)	72,142	(58,990)	(10,841)
Total	(45,883)	76,935	(60,377)	(29,325)