

Report of the Chief Officer Financial Services

Report to Executive Board

Date: 12th February 2020

Subject: Financial Health Monitoring 2019/20 – Month 9 (December)

| | | |
|--|---|--|
| 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 nine 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 sixth 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.

- At December 2019 (Month 9) it is forecast that by the end of the financial year there will be a potential underspend of £1.1m, however this assumes that a number of proposed measures are implemented successfully to ensure that a balanced budget position can be delivered.
- This position includes actions identified by directorates to date to contribute towards dealing with the uncertainty surrounding the timing of realising capital receipts, as first noted in the October report to this Board. To manage this risk and to ensure delivery of a balanced budget position the Council will continue to work to identify areas where spend could be reduced or stopped.
- 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.
- 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 December 2019 (Month 9), 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 9 (December) an overall underspend of £1.1m 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. Savings to date identified by directorates are incorporated into the position shown in this report.
- 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 9 (December).
- 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 note progress to date and that work is ongoing to identify budget savings proposals that will contribute towards the delivery of a balanced budget position in 2019/20.

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 9 (December).
- 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, 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 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 9 (December) an underspend of £1.1m is projected, as shown in Table 1.

Table 1

Summary Position - Financial Year 2019/20 Month 9

| Directorate | Director | (Under) / Over spend for the current period | | | | Previous Reported Position (Month 7) |
|--|-------------------|---|-------------------|----------------|--------------------------|--------------------------------------|
| | | Staffing | Total Expenditure | Income | Total (under) /overspend | |
| | | £000 | £000 | £000 | £000 | £000 |
| Adults & Health | Cath Roff | (523) | 1,569 | (1,569) | 0 | 0 |
| Children and Families | Steve Walker | (500) | 1,075 | (600) | 475 | 475 |
| City Development | Martin Farrington | (1,785) | (1,180) | 1,031 | (150) | (350) |
| Resources & Housing | Neil Evans | 794 | 2,634 | (2,944) | (310) | (324) |
| Communities & Environment | James Rogers | 1,693 | 3,075 | (3,165) | (90) | (88) |
| Strategic | Victoria Bradshaw | 10 | 8 | (1,037) | (1,029) | 287 |
| Total Current Month | | (310) | 7,181 | (8,284) | (1,104) | 0 |
| Previous month (under)/over spend | | (200) | 6,833 | (6,833) | 0 | |

3.2 The position shown includes actions identified by directorates to contribute towards dealing with the uncertainty surrounding the timing of realising capital receipts, as first noted in the October 2019 report to this Board. To manage this risk and to ensure delivery of a balanced budget position for 2019/20 as assumed in the Council's Medium Term Financial Strategy, the Council will continue to work to identify areas where spend could be reduced or stopped. Should an underspend be realised at the year end, this would be used to help offset any potential variations with regard to capital receipts. Should any shortfall in the assumed level of capital receipts receivable exceed any underspend, this would necessitate the implementation of contingency arrangements to enable delivery of a balanced budget.

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 9, 92% 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.

£1.7m 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 £1.6m 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 contribution to reserves of £0.9m 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.

3.3.2 **Children & Families** – At Month 9 it is projected that the Directorate will have a year-end overspend of £0.475m. This is in line with the Month 7 position. There are risks that the level of planned savings are not achieved, but the Directorate continues to review all areas and will look to further reduce the projected overspend over the coming months whilst still recognising that there are still a number of high risk areas that could worsen the financial position during the final quarter of the year.

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 working with the Passenger Transport Service on an action plan to mitigate the pressures on the transport budget and as a result of this work the projected overspend on transport has been reduced by £0.1m to £0.5m at Month 9. There is a risk that the proposed actions do not deliver the expected level of savings and the overspend increases.

Since Month 7 there has been a small increase in both External Residential (ER) and Independent Fostering Agency (IFA) placements, with the number of ER placements at 66 compared to the budget of 58 placements. The number of IFA placements is 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 £2m. It is anticipated that there will be a further small reduction in numbers over the remainder of the year due to the various actions being pursued by the Directorate with another children's home due to re-open in early 2020. There remains a risk that overall CLA numbers remain above these assumptions.

Other significant variations include an overspend of £0.4m on Learning for Life. This comprises a projected shortfall in fee income in Children Centres of £1.0m offset by savings within Family Services and Early help. There is a risk that the income position worsens and the autumn term nursery numbers will be key to determining the outturn position. The service is working on a number of actions to mitigate the income shortfall.

The 2019/20 budget included saving plans of £1.8m. All 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 establishing the revised staffing structures required to deliver the programme.

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 £5.3m on general DSG in 2019/20, leaving a deficit balance of £4.2m at the end of 2019/20. 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 £7.2m. 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 9 the City Development Directorate is forecasting to deliver a £0.15m underspend despite two significant pressures in relation to Kirkgate Market and the Strategic Investment Fund. This has reduced by £0.2m

from Month 7 due to a projected variation in the level of saving realisable through asset rationalisation.

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 2 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 current 20% rent concession (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 is circa £0.6m. 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.

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 £0.16m underspend, the net position of vacancy savings, increased CIL administration income, and the SAP Inspector costs of £0.12m.

There is a £0.47m Budget Action Plan to move the Directorate budget towards a balanced position via careful vacancy management (not all post release requests are approved, and as standard, non-grant funded or income earning posts are now questioned as to their need, which results in a time delay), reviewing and restricting other operational expenditure, additional one off income, and review and application of appropriate balances.

Finally there is a savings target of £0.35m on operational expenditure for the remainder of 2019/20 to assist the delivery of the £0.15m underspend and support the general reserves position.

3.3.4 Resources & Housing – At Month 9 the Directorate is projecting an underspend of £0.31m, in line with the previously reported position. 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 £0.15m, mainly in Members Allowances, and Strategy and Improvement of £0.13m are projected.

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 £0.15m (1.3%) 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 £0.29m 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 £0.17m within Car Parking services, mainly due to staffing and other expenditure variations, 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 anticipated 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 minor underspends within Electoral and Regulatory Services (mainly Environmental Health), Safer Leeds and Cleaner Neighbourhood Teams, contributing a further £0.11m to the overall projected underspend for the directorate.

3.3.6 Strategic & Central Accounts - At Month 9, 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 £0.7m from the Insurance reserve as a result of a small number of high value claims. 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.

In response to this identified risk, work continues to identify areas where spend could be reduced or stopped to manage this position. Savings identified to date are incorporated into directorate positions in this report.

3.4 Other Financial Performance

3.4.1 Council Tax

The Council Tax in-year collection rate at the end of December was 80.78% which is slightly behind performance in 2018/19. At this stage the forecast is to achieve the 2019/20 in-year collection target of 96.1%, collecting some £364m of income.

3.4.2 Business Rates

The business rates collection rate at the end of December was 81.10% which is 0.80% behind performance in 2018/19. The forecast is to achieve the 2019/20 in-year collection target of 97.7%, collecting some £382m of income.

The total rateable value of business properties in Leeds has increased from £930.2m at 1st April 2019 to £937.3m at the end of December 2019, an increase of £7.1m. 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 £268.0m, which is £5.53m 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 December 2019, there were 1,102 appeals outstanding against the 2010 ratings list. During December 17 appeals have been settled, of which 5 have not resulted in changes to rateable values. 56 new appeals were received in December, an unusually high number as appeals are no longer accepted against the 2010 list except in very specific circumstances. At 31st December there are 1,141 outstanding appeals in Leeds, with 10.7% 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 4.3% 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 9, a deficit of £5.5m is projected on the authority's Collection Fund in respect of business rates. This is the Council's declared deficit for 2019/20 and reduces the revenue funds available to the Council in 2020/21, as it is managed

through a Collection Fund to allow the Authority time to deal with any such deficit rather than having to absorb it in year.

4. Housing Revenue Account (HRA)

- 4.1 At the end of Month 9 the HRA is projecting a balanced position after a contribution of £0.2m to reserves.
- 4.2 Estimated Right to Buy sales for 2019-20 are 625 and this is contributing to a forecast reduction in rental income of around £0.4m 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 £1.4m in the revenue contribution to the Major Repairs Reserve (MRR).
- 4.3 Repairs, including disrepair, are forecast to be £1.4m 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 £0.2m 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 9 position for the Authority in respect of the revenue budget which currently projects an underspend of £1.1m. 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.

7. Recommendations

7.1 Executive Board are asked to note the projected financial position of the authority as at Month 9 (December).

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 note progress to date and that work is ongoing to identify budget savings proposals that will contribute towards the delivery of a balanced budget position in 2019/20.

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 9 (December 2019)

The directorate is projected to deliver a balanced position.

Budget Action Plans are required to deliver £13.1m of savings. At Period 9, 92% 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 9 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 (+£1.7m)

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.

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 (-£0.2m)

Due to early repayment of debt there are savings of £0.3m offset by other running costs, in particular increased transport costs which are the impact of higher priced tenders for private hire routes are mitigated by savings within non-front line budgets.

Appropriation Accounts (£0.3m):

- a) Leeds Adults Safeguarding Board (£0.1m) - an in year 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.
- b) Winter Pressures Funding (£0.2m) – CCG funding that was brought forward from 2018/19 to fund intensive support for patients leaving hospital.
- c) Recognising the pressures facing the authority and the directorate in 2020/21 it is intended that the £0.3m saving from the early repayment of debt will be carried forward via reserves to be utilised in the next financial year.
- d) 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).
- e) 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 directorate plans this sum will be transferred to balances to mitigate future pressures.

Income (-£1.6m)

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.

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 | (110) | 0 | 3 | (3) | (8) | 0 | 0 | 0 | 0 | (118) | 25 | (93) |
| Access & Care Delivery | 273,246 | (47,934) | 225,312 | (125) | 8 | 32 | 12 | 107 | 4,019 | (2,179) | 0 | 48 | 1,921 | (1,012) | 909 |
| Service Transformation Team | 1,508 | (15) | 1,493 | 28 | 0 | 0 | 0 | 0 | 14 | 0 | 0 | 0 | 42 | (159) | (117) |
| Commissioning Services | 28,559 | (54,597) | (26,038) | (369) | 0 | (167) | 0 | 0 | (200) | 0 | 0 | 524 | (212) | (297) | (509) |
| Resources and Strategy | 5,734 | (841) | 4,894 | 98 | 0 | (11) | 0 | (173) | 0 | 0 | 0 | 23 | (63) | (127) | (190) |
| Public Health (Grant Funded) | 43,886 | (43,542) | 344 | (44) | 0 | 0 | 0 | 0 | 330 | 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 | (523) | 8 | (143) | 9 | (74) | 4,163 | (2,179) | 0 | 308 | 1,569 | (1,569) | 0 |

Key Budget Action Plans and Budget Variations:

| | | Lead Officer | Additional Comments | RAG | Action Plan Value £m | Forecast Variation against Plan/Budget £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 | | G | 0.3 | (0.4) |
| 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) | S Hume | | G | 0.2 | 0.0 |
| 13. | Staffing | Various | primarily use of vacancy factors | B | 0.8 | (0.1) |
| 14. | Income | Various | better collection of assessed income and recovery of monies from partners | G | 2.2 | (0.6) |
| 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 | | | 2.2 |
| 3. | General running costs | All | non-spend of debt related budget saving reduced by transport cost increases | | | (0.2) |
| 4. | Use of reserves | All | net contribution to reserves (Leeds Adults Safeguarding Board and debt savings offset by transfers from reserves for Community Beds and Public Health and carry forward of debt underspend) | | | 0.3 |
| 5. | Income | S. McFarlane | client contributions and CCG contribution to CHC transport costs | | | (1.0) |
| | | | | | Adults and Health Directorate - Forecast Variation | |
| | | | | | 0.0 | |

CHILDREN & FAMILIES 2019/20 FINANCIAL YEAR FINANCIAL DASHBOARD - Period 9

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 Children Looked After (CLA) demand, £0.7m Passenger Transport costs. At period 9 the directorate is projecting an overspend of **£0.475m** against a gross expenditure budget of £295m which equates to an overspend of under 0.2%. This is in line with reported position at P8, however the budget pressure for CLA ER Placements has increased by £0.1m offset by a corresponding reduction in the Passenger Transport pressure. The Directorate has identified a number of actions to help offset the projected overspend on demand-led budgets with a total of £2.7m in savings and additional income being proposed so far. The Directorate will continue to identify potential options to manage the overspend. Pressures at P9, £2.0m CLA and Financially Supported Non-CLA pressures, £0.525m Passenger Transport, £0.4m Learning for Life (Lfl) net pressure principally due to Children Centre fee income and £0.25m shortfall in Adel Beck income. These pressures are expected to be partly offset by additional £1.415m income; UASC grant income of £0.3m, School Improvement and Brokerage Grant £0.415m, DfE Innovation (SFPC) grant £0.3m, Youth Service £0.3m and Partnership & Health grant & other income £0.1. An underspend on staffing of £0.5m, release from the Strategic budget for Children Services **£0.5m**. Other planned service action plans **£0.135m** and savings on Supplies & Services and Internal Charges of £0.15m. There is a risk that the projected overspend worsens, with action being required to contain the CLA, Lfl Nursery fee income, savings target for Staffing and Passenger Transport pressures at this reported position.

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 1,322; decrease of 8 from the reported position at Period 8. This has resulted in significant pressures on the 19-20 External Residential (ER) and Independent Fostering Agencies (IFA) budgets, with the trend over the last quarter being for increased placement numbers. Current ER numbers are 66 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 **£1.80m** an increase of £0.1m from P8. The reconfiguring of the LCC run children homes and their current limited capacity continues to impact on the CLA demand budgets; although Luttrell Children's Home has now reopened. This is further compounded with barriers in education provision within the city preventing CLA children being placed back into Leeds. There is still a risk that there will be further budget pressure increases in 2019-20, with the modelling reflected in this statement assuming a reduction to 58 ER and 200 IFA placement numbers by the end of Jan'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 887; increase of 7 from the reported position at Period 8. 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 P4 the Directorate made a commitment to deliver savings of £0.40m on the pay budget. Additional to this, via scrutiny of all post releases, a further saving of £0.05m was reflected from P6 onwards. Total projected pay saving at Period 9 is **£0.45m**. This reflects some one-off funding from the carry forward of DfE PIP monies and Troubled Families Earned Autonomy. The directorate is strictly controlling all post releases and DDN requests to achieve this position and mitigate any potential pay pressures. The Directorate is also reviewing and controlling the use of Overtime and Agency staff. A saving of **£0.05m** for Teachers Ongoing Pension Costs in Resources & Strategy - Central Overheads is now reflected in the overall savings making total employee savings of £0.5m.

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 contract prices over the increase allowed for in the 2019/20 budget. At this stage an increase in costs for CEL Passenger Transport of **£0.525m** are projected. A number of actions are being progressed to reduce costs and the Directorate is working with CEL to mitigate the demand and cost pressures, for example; route rationalisation, Independent Travel Training and switch from Private Hire to In-House fleet transportation. There is a risk that demand continues to increase and unit costs increase further during the year, although latest projections suggest that the overspend should be in line with the current projection.

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. Again there is a significant risk that the projected level of nursery fee income is not achieved.

Supplies & Services & Internal Charges: - The S&S budget for C&F directorate is £61.4m, of which £52.8m relates to Pfl payments and £1.0m for food costs for LCC run homes and nurseries. A savings target of **£0.05m** is now reflected. Controls will need to be put in place to ensure only essential expenditure on controllable S&S is committed for the remainder of the year. **£0.1m** savings on Legal Disbursement charges is also now projected.

Other Income / Projects: - On the 17th April 2019 the DfE announced that the authority was successful in its bid, Strengthening Families Protecting Children (SFPC). 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 and deliver further **£0.3m** contribution to current costs. 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. **£0.415m** School Brokerage Grant contribution to current costs; covers the first 2 terms of the 19-20 academic year, The Government had previously indicated that funding would cease at the end of August 2019. A detailed review of income at P6 identified additional net income of **£150k**; Youth Service £300k, Partnership & Health £100k offset by income pressure of £250k for Adel Beck.

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

| | PROJECTED VARIANCES | | | | | | | | | | | | | | | Total (under) / overspend £'000 | |
|-------------------------------------|---------------------|------------------|-----------------|--------------|----------|---------------------|------------|------------------|--------------------|-------------------|----------|---------------|-------------------|--------------|----------|------------------------------------|----------------|
| | Expenditure Budget | Income Budget | Latest Estimate | Staffing | Premises | Supplies & Services | Transport | Internal Charges | External Providers | Transfer Payments | Capital | Appropriation | Total Expenditure | Income | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | | | |
| Demand Led Budgets: | | | | | | | | | | | | | | | | | |
| In House placed CLA | 20,352 | (3,648) | 16,704 | 0 | 0 | 0 | 0 | 0 | (450) | 0 | 0 | 0 | (450) | 0 | 0 | 0 | (450) |
| Independent Fostering Agency | 7,546 | | 7,546 | 0 | 0 | 0 | 0 | 0 | 1,300 | 0 | 0 | 0 | 1,300 | 0 | 0 | 0 | 1,300 |
| External Residential | 11,913 | | 11,913 | 0 | 0 | 0 | 0 | 0 | 600 | 0 | 0 | 0 | 600 | 300 | 0 | 0 | 900 |
| Other Externally placed CLA | 2,566 | | 2,566 | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 100 | 0 | 0 | 0 | 100 |
| Non CLA Financially Supported | 12,883 | (3,514) | 9,369 | 0 | 0 | 0 | 0 | 0 | 150 | 0 | 0 | 0 | 150 | 0 | 0 | 0 | 150 |
| Transport | 15,062 | (617) | 14,445 | 0 | 0 | 0 | 525 | 0 | 0 | 0 | 0 | 0 | 525 | 0 | 0 | 0 | 525 |
| Sub total Demand Led Budgets | 70,322 | (7,779) | 62,542 | 0 | 0 | 0 | 525 | 0 | 1,700 | 0 | 0 | 0 | 2,225 | 300 | 0 | 0 | 2,525 |
| Other Budgets | | | | | | | | | | | | | | | | | |
| Partnerships & Health | 4,977 | (1,231) | 3,746 | (50) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (50) | (235) | 0 | 0 | (285) |
| Learning | 31,500 | (26,906) | 4,594 | (100) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (100) | (415) | 0 | 0 | (515) |
| Social Care | 123,422 | (77,400) | 46,022 | (250) | 0 | (50) | 0 | (100) | 0 | 0 | 0 | (500) | (900) | (250) | 0 | 0 | (1,150) |
| Resources and Strategy | 65,291 | (60,427) | 4,864 | (100) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (100) | 0 | 0 | 0 | (100) |
| Sub total Other Budgets | 225,190 | (165,964) | 59,226 | (500) | 0 | (50) | 0 | (100) | 0 | 0 | 0 | (500) | (1,150) | (900) | 0 | 0 | (2,050) |
| Total | 295,512 | (173,743) | 121,769 | (500) | 0 | (50) | 525 | (100) | 1,700 | 0 | 0 | (500) | 1,075 | (600) | 0 | 0 | 475 |

| Key Budget Action Plans and Budget Variations: | | Lead Officer | Additional Comments | Action Plan Value | Forecast Variation |
|---|---|--------------------------------|---|--------------------------|---------------------------|
| A. Significant Variations | | | | RAG | £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 66 ER and 199 IFA Placements. Partly impacted due to reduced capacity in LCC run homes; currently at 23 against potential 28 when 7 mainstream homes fully operational. Luttrell Children Home reopened beginning of October. At P6 revised the CLA and Financially Support non-CLA demand pressures and a further £0.1m added at P9 due to high number of ER placements; taking overall reported pressure to £2m. | R | 2.000 |
| | Staffing Related Costs | C&F Leadership Team | £0.8m High Level Action Plan target savings (£0.4m Social Care, £0.1m Learning and £0.3m Attendance). Close control of recruitment & post releases and potential impact of any DDN's need to be monitored and actioned to deliver the projected savings of £0.4m. Also control use of Agency and Overtime costs. Further pay saving of £0.05m from controlling all post releases. Central Overheads £0.05m saving on Teachers Ongoing Pension Costs (v047). | G | (0.500) |
| | Learning For Life - Early Start & Youth Services | Sal Tariq / Andrea Richardson | Net pressure of £0.4m explained by £1m shortfall in Children Centres income, offset by savings within Family Services and Early Help. Impact of numbers on roll at the start of the new academic year will be crucial for determining the level of nursery fee income for 19-20. | R | 0.400 |
| | 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 | £0.3m Home Office announcement re new funding formulae for councils looking after asylum seeking children (UASC) and implementation of a flat standard rate of £114 per day. £0.415m School Brokerage grant income for the autumn and spring terms of the 19-20 academic year and £0.3m from slippage of spend on externally funded programmes. £0.3m Youth Service additional income from Other LA's and West Yorkshire Police, £0.1m Partnership & Health income offset by income pressure of £0.25m for Adel Beck. | G | (1.165) |
| | Supplies & Services and Internal Charges | C&F Leadership Team | £0.05m savings target from S&S budget. To put in place controls to reduce overall spend. £0.1m savings re Legal Disbursement charges reflecting lower in-year demand. | A | (0.150) |
| 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 | Increases in charges agreed, overall position will depend on the placements. | G | (0.20) 0.000 |
| 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 | To identify additional income or further savings on expenditure. | | (0.135) |
| Children and Families Directorate - Forecast Variation | | | | | 0.475 |

CHILDREN & FAMILIES 2019/20 FINANCIAL YEAR

DEDICATED SCHOOLS GRANT FINANCIAL DASHBOARD - PERIOD 9

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 9 there is a projected in year overspend of £5,261k on general DSG and an in year underspend of £124k 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 this is partly offset by increased costs on maternity pay and SIMS licences. The Growth Fund budget is part of this block and is currently projected to be £1,067k 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.

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 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 £2,300k.
- an increase in special school places required from September 2019 is expected to result in an overspend of £820k 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 £2,586k based on the FFI database at the end of August. There is a risk that costs increase over the remainder of the year.
- the North West SILC is expected to become an academy during 2019/20 which means that additional funding will be needed to ensure that NW SILC is in a sustainable financial position going forward. It is expected that additional costs associated with this will be £1,497k.

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 £5,261k which means that there is a projected deficit on general DSG carried forward to 2020/21 of £4,164k. Following the repayment of part of the accumulated reserves, the de-delegated reserves are expected to be a surplus of £249k.

Budget Management - net variations against the approved budget

DSG Grant Reserves

| | Budget £'000 | Projection £'000 | Variance £'000 |
|--------------------------------------|-----------------|---------------------|-------------------|
| Schools Block | | | |
| DSG Income | (301,877) | (300,014) | 1,863 |
| Individual Schools Budgets | 295,939 | 293,871 | (2,068) |
| De-delegated budgets | 4,438 | 4,314 | (124) |
| Growth Fund | 2,900 | 1,833 | (1,067) |
| Contribution to /from reserves | (1,400) | (1,000) | 400 |
| | 0 | (996) | (996) |
| 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) | (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) | (66,318) | 71 |
| Funding passported to institutions | 59,524 | 66,643 | 7,119 |
| Commissioned services | 1,702 | 1,702 | 0 |
| In house provision | 4,605 | 4,620 | 15 |
| Prudential borrowing | 558 | 558 | 0 |
| | 0 | 7,205 | 7,205 |
| Total | 0 | 5,137 | 5,137 |

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) |
| 5,261 | (124) | 5,137 |
| 0 | 462 | 462 |
| 4,164 | (249) | 3,915 |

Key Budget Action Plans and Budget Variations:

| | Lead Officer | Additional Comments | RAG | Action Plan Value | Forecast Variation against Plan/Budget |
|--------------------------------------|--------------|---|-----|-------------------|--|
| A. Key Budget Action Plans | | | | | |
| Transfer funding to High Needs Block | | Transfer of £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 | £m 2.30 | £m 0.00 |
| B. Significant Variations | | | | | |
| Schools Block | | Projected underspend on Growth Fund (net of reduced call on reserves) | | | (0.67) |
| Schools Block | | Underspend due to adjustments made as part of the academy conversion process | | | (0.21) |
| Schools Block | | Net underspend on de-delegated services. | | | (0.12) |
| Early Years Block | | Projected underspend on early years block mainly as a result of funding received for additional hours. | | | (1.07) |
| High Needs Block | | | | | 2.30 |
| High Needs Block | | Increase in funding to special schools | | | 0.82 |
| High Needs Block | | Increase in FFI top-up to mainstream schools and academies | | | 2.59 |
| High Needs Block | | Additional cost relating to NW SILC academy conversion | | | 1.50 |

Dedicated Schools Grant - Forecast Variation

5.14

CITY DEVELOPMENT 2019/20 BUDGET FINANCIAL DASHBOARD - MONTH 9 (APRIL - DECEMBER)

At Period 9 the City Development Directorate is forecasting to deliver an underspend of £150k despite two significant pressures in relation to Kirkgate Market and the Strategic Investment Fund. This has reduced by £200k from Period 8 due to the Asset Rationalisation savings target and some of the savings made to date not being cashable to City Development.

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 £699k shortfall in income, the rest is due to vacant and unlettable units within the market.

The Strategic Investment Fund requires further acquisitions to be made in order to achieve the net income target of £3.36m, the current shortfall is circa £592k. Further investment opportunities continue to be sought and financially appraised. A further pressure of £200k is due to some of the anticipated asset rationalisation savings from recent office relocations (Navigation House to Merrion House) not being realisable to City Development. £150k 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.

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 is no budget pressure arising from this delay. The projections includes a £500k payment 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 there has been a number of communications with Senior partners to ensure all relevant parties are available to sign the paperwork and there is a collective desire to ensure this is signed off by March 2020.

Planning & Sustainable Development are projecting a £157k underspend this is the net position of vacancy savings, increased CIL administration income, and the SAP Inspector costs of £120k.

The £493k Budget Action Plan is to balance the Directorate budget and the £350k action plan to deliver an underspend to support the general reserves position will be achieved via careful vacancy management (Not all Saf release requests are approved, and as standard, non grant funded or income earning posts are now questioned as to their need, which results in a time delay), reviewing and restricting other operational expenditure, 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 | |
| Planning & Sustainable Development | 9,465 | (7,519) | 1,946 | (130) | (20) | 99 | (8) | 0 | 0 | 0 | 0 | 0 | (59) | (98) | (157) |
| Economic Development | 2,194 | (521) | 1,673 | 4 | 1 | (8) | 2 | 10 | 0 | 0 | 0 | 0 | 9 | 35 | 44 |
| Asset Management & Regeneration | 17,314 | (20,571) | (3,257) | (645) | 300 | (186) | 3 | 83 | 0 | 0 | 0 | 0 | (445) | 874 | 429 |
| Employment & Skills | 6,238 | (4,544) | 1,694 | (15) | 0 | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Highways & Transportation | 65,368 | (48,256) | 17,112 | (1,172) | (359) | 1,150 | 31 | 213 | 0 | 0 | 0 | 0 | (137) | 32 | (105) |
| Arts & Heritage | 19,513 | (8,643) | 10,870 | 128 | (69) | (51) | (3) | 16 | 13 | 0 | 0 | 0 | 34 | (43) | (9) |
| Active Leeds | 25,580 | (20,441) | 5,139 | 124 | (63) | (177) | 0 | 10 | 0 | 0 | 0 | 0 | (105) | 25 | (80) |
| Resources & Strategy | 1,008 | 0 | 1,008 | (58) | 0 | (390) | 0 | 0 | 0 | 0 | 0 | 0 | (448) | (493) | (941) |
| Markets & City Centre | 3,410 | (3,702) | (292) | (21) | 15 | (23) | 0 | 0 | 0 | 0 | 0 | 0 | (29) | 699 | 670 |
| Total | 150,090 | (114,197) | 35,893 | (1,785) | (195) | 414 | 25 | 347 | 13 | 0 | 0 | 0 | (1,180) | 1,031 | (150) |

Key Budget Action Plans and Budget Variations:

| | | | | RAG | Action Plan Value | Forecast Variation against Plan/Budget |
|---|------------------------------------|---------------------|---|-----|--|--|
| | | | | | £'000 | £'000 |
| A. Budget Action Plans | | | | | | |
| | | Lead Officer | Additional Comments | | | |
| 1. | 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) | 592 |
| 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) | 25 |
| 6. | Active Leeds | Cluny MacPherson | Sport Efficiencies | G | (150) | (105) |
| Total Budget Action Plan Savings | | | | | (2,720) | 712 |
| B. Other Significant Variations | | | | | | |
| 1. | Markets & City Centre | | Markets net rental income re 20% rent reduction and loss of income re vacant/unlettable units | | | 699 |
| 2. | Asset Management & Regeneration | Angela Barnicle | Vacancy savings net of income generating posts | | | (235) |
| 3. | Planning & Sustainable Development | David Feeney | Vacancy savings and additional CIL administration fees partially offset by SAP Inspector Fees | | | (157) |
| 4. | All | All | Other minor variations | | | (176) |
| 5. | Asset Management & Regeneration | Angela Barnicle | Use of Round Foundry balance not applied in previous years | | | (150) |
| C. In Year Budget Action Plans | | | | | | |
| 1. | Resources & Strategy | Ed Mylan | 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. | | | (493) |
| 2. | All | All | Savings target of £350k on operational expenditure for the remainder of 2019/20 to support the General Reserves position. | | | (350) |
| | | | | | City Development Directorate - Forecast Variation | (150) |

RESOURCES AND HOUSING

FINANCIAL DASHBOARD - 2019/20 FINANCIAL YEAR

PERIOD 9

Overall

The Directorate's month 9 forecast position is a projected underspend of £310k, slightly down from the month 8 projection of a £325k underspend. Budget pressures remain within Corporate Property Management (CPM) and LBS. 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 £0.4m. This figure has increased from month 8 as the assumptions around savings through staff turnover 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 £100k.

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 variations to report within the remainder of the Housing General Fund and Supporting People services.

Civic Enterprise Leeds (CEL)

Within Facilities Management, there is a projected saving of £625k 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. 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 9, it is projected that the service will be around £150k (1.3%) short of the budgeted surplus. This is mainly due to front line vacant posts which will affect the overall recovery position. It is assumed that work will be sub contracted to deliver 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 | 98,427 | (31,068) | 67,359 | 2,217 | (43) | (825) | (34) | 37 | 0 | 0 | 0 | 74 | 1,426 | (1,791) | (365) |
| LBS | 58,336 | (69,345) | (11,009) | (1,652) | 0 | 1,934 | 0 | (132) | 0 | 0 | 0 | 0 | 150 | 0 | 150 |
| Housing | 25,964 | (12,620) | 13,344 | 74 | 799 | (2) | 16 | 1 | (5) | 0 | 0 | 0 | 883 | (508) | 375 |
| CEL | 81,283 | (68,722) | 12,561 | 155 | (435) | (118) | 562 | 11 | 0 | 0 | 0 | 0 | 175 | (645) | (470) |
| Directorate Action Plan | | | | 0 | | 0 | | | | | | | 0 | | 0 |
| Total | 264,010 | (181,755) | 82,255 | 794 | 321 | 989 | 544 | (83) | (5) | 0 | 0 | 74 | 2,634 | (2,944) | (310) |

| 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) | 0.15 |
| 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 £217k over on staffing, offset by £180k income; Expected to balance | G | (0.30) | 0.05 |
| 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) | (0.06) |
| 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) | (0.13) |
| B. Other Significant Variations | | | | | | |
| 1 | CPM | Sarah Martin | Pressures on the maintenance budget (net of £0.4m additional capitalisation) | R | | 0.38 |
| 2 | Finance -Court Fees | Victoria Bradshaw | Budget reduced to £2m in 19/20. No significant variation at Month 7 | G | | 0.05 |
| 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 | | (0.63) |
| Resources and Housing Directorate - Outturn Variation | | | | | (0.31) | |

COMMUNITIES & ENVIRONMENT DIRECTORATE SUMMARY
FINANCIAL DASHBOARD - 2019/20 FINANCIAL YEAR
Period 9 (December 2019)

Overall Position (£90k Under budget)

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

Customer Access (£293k Overspend)
 The service is currently projecting an overspend of £293k which is attributable to additional staffing costs within the Contact Centre (£450k) due to recruitment to improve call answer rates. This has been partially 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.

Electoral and Regulatory Services (£20k Under budget)

Elections, Licensing and Registrars (£61k Overspend)
 The service is projecting an overspend of £61k which is mainly due to the under recovery of Elections costs relating to 2017 General election.

Environmental Health (£81k Under budget)
 The Environmental Health service is projecting a saving of £81k, due to both staffing and operational savings across the service.

Welfare and Benefits (£105k Under budget)
 The service is currently projecting an underspend of £105k. 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 £0.4m, it is anticipated that these pressures will be offset by expenditure savings and additional income in other areas of the service.

Car Parking (£167k Under budget)
 The service is currently projecting a saving of £167k. This saving is mainly due to staffing and other expenditure variations. In addition, based on current trends, there is a projected shortfall against budget on the levels of 'on street' parking income (+£337k), although this is offset by additional income including 'off street' parking income and PCNs.

Cleaner Neighbourhoods Teams (£90k Under budget)
 The service is projecting a net saving of £90k which is due to projected staffing and expenditure savings, partially offset by additional vehicle costs.

City Centre (£21k Overspend)
 The service is projecting an overspend of £21k 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 (£112k), 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 (£22k Under budget)
 Community Safety is currently projecting an underspend of £22k which is mainly due to staff savings across the service.

Budget Management - net variations against the approved budget;

| Summary By Service | Period 9 Projected variances | | | | | | | | | | | | | | | | | Total (under) / overspend |
|--|------------------------------|------------------|-----------------|--------------|------------|---------------------|------------|------------------|--------------------|-------------------|----------|---------------|-------------------|--------------|----------------|-------------|-------|---------------------------|
| | 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 | £'000 | £'000 | | |
| Communities | 17,436 | (12,080) | 5,356 | 1 | (1) | (86) | 0 | 21 | 0 | 0 | 0 | 0 | 0 | 0 | (65) | 65 | 0 | |
| Customer Access | 24,294 | (4,282) | 20,012 | 448 | 130 | 246 | (17) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 807 | (514) | 293 | |
| Electoral & Regulatory Services (including Environmental Health) | 8,327 | (5,913) | 2,414 | (116) | 18 | 6 | (2) | 20 | 0 | 0 | 0 | 50 | 0 | 0 | (24) | 4 | (20) | |
| Welfare And Benefits | 265,394 | (260,867) | 4,527 | 15 | (12) | 53 | (1) | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 145 | (250) | (105) | |
| Car Parking Services | 4,874 | (13,155) | (8,281) | (81) | 25 | (70) | 1 | 20 | 0 | 0 | 0 | 0 | 0 | 0 | (105) | (62) | (167) | |
| Community Safety | 8,735 | (6,342) | 2,393 | (294) | 0 | 145 | 7 | 65 | 0 | 0 | 0 | 0 | 0 | 0 | (77) | 55 | (22) | |
| Waste Management | 42,737 | (7,693) | 35,044 | 1,856 | 32 | (340) | 234 | (408) | 0 | 0 | 0 | 0 | 0 | 0 | 1,374 | (1,374) | 0 | |
| Parks And Countryside | 33,164 | (25,896) | 7,268 | (3) | 159 | 856 | (22) | (8) | 0 | 0 | 0 | 0 | 0 | 0 | 982 | (982) | 0 | |
| Environmental Action (City Centre) | 2,079 | (427) | 1,652 | 51 | | 20 | (1) | (5) | 0 | 0 | 0 | 0 | 0 | 0 | 65 | (44) | 21 | |
| Cleaner Neighbourhood Teams | 12,662 | (4,176) | 8,486 | (184) | (4) | (138) | 311 | (12) | 0 | 0 | 0 | 0 | 0 | 0 | (27) | (63) | (90) | |
| Directorate wide | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total | 419,702 | (340,831) | 78,871 | 1,693 | 347 | 692 | 510 | (217) | 0 | 0 | 0 | 50 | 0 | 3,075 | (3,165) | (90) | | |

| 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 Parking) | 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 | | | | | | |
| 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 | | | | | | |
| | | | | | | |
| Other Significant Variations | | | | | | |
| All services | | | Other expenditure variations | | | (320) |
| Communities & Environment - Forecast Variation | | | | | | (90) |

**STRATEGIC & CENTRAL ACCOUNTS - 2019/20 FINANCIAL YEAR
FINANCIAL DASHBOARD - PERIOD 9**

Overall :

At month 9 Strategic & Central Accounts are projected to underspend by £1m.

- There is a projected shortfall in the New Homes Bonus grant of £0.57m, an improvement of £0.15k since period 8
- The current projection for Section 31 grant income is £0.96m higher than budget
- There is a projected underspend of £1.9m on the debt budget. The costs of borrowing have been offset by additional de-minimis capital receipts from the sale of vehicles.
- There are projected shortfalls in the general capitalisation budget of £0.50m and in the schools capitalisation budget of £0.50m.
- It is anticipated that the procurement exercise for insurance cover will generate savings of £0.64m to offset projected overspend of £1.67m on insurance claims.

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 | | 1,150 | | | | | | | | 1,240 | | 1,240 |
| Debt | 21,859 | (17,376) | 4,483 | | | 77 | | | | | (1,660) | | | (1,583) | (314) | (1,897) |
| Govt Grants | 6,001 | (36,209) | (30,208) | | | | | | | | | | | 0 | (350) | (350) |
| Joint Committees | 35,902 | (7) | 35,895 | | | | | | 16 | | | | | 16 | | 16 |
| Miscellaneous | 5,836 | (833) | 5,003 | (80) | | 1 | | | | | | | | (79) | 41 | (38) |
| Insurance | 10,470 | (10,470) | 0 | | | 1,799 | | (648) | | | | (737) | | 414 | (414) | 0 |
| Total | 76,239 | (83,893) | (7,654) | 10 | 0 | 3,027 | 0 | (648) | 16 | 0 | (1,660) | (737) | 8 | (1,037) | (1,029) | |

STRATEGIC & CENTRAL ACCOUNTS - 2019/20 FINANCIAL YEAR

Key Budget Action Plans and Budget Variations:

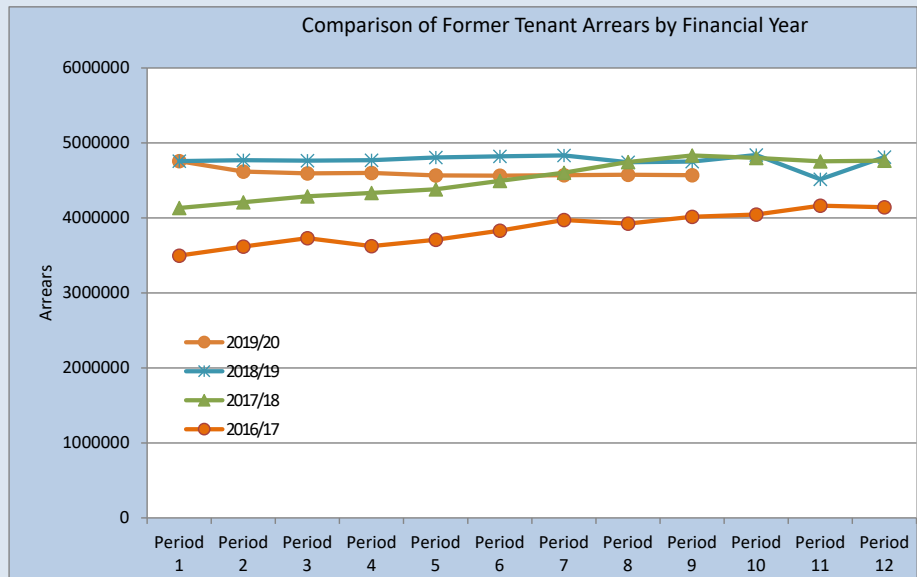
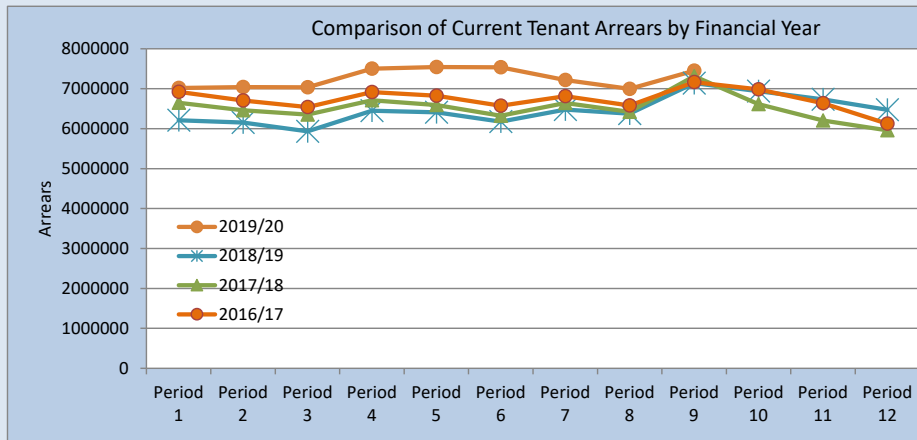
| | | | | RAG | Budget | Forecast Variation against Budget |
|--|---|-------------------|---|-----|--------|--|
| | | Lead Officer | Additional Comments | | £m | £m |
| A. Major Budget Issues | | | | | | |
| 1. | Debt Costs and External Income | Victoria Bradshaw | Minor variation anticipated at Period 9 plus replacement of short term with long term borrowing to take advantage of low long term interest rates | G | 18.6 | (2.1) |
| 2. | Minimum Revenue Provision | Victoria Bradshaw | No variation anticipated at Period 9 | 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 (£960k) above budget | G | (26.0) | (1.0) |
| 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 | Current forecast is £500k below budget | A | (4.1) | 0.5 |
| 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) | 0.5 |
| 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. 8 large claims settled but replaced by 8 new large claims with an estimated cost of £1,916k. | A | 0.0 | 0.0 |
| 2. | Prudential Borrowing Recharges | Victoria Bradshaw | Current forecast is £221k below budget | A | (16.1) | 0.2 |
| 3. | Miscellaneous | Victoria Bradshaw | Minor variation anticipated at Period 9 | G | 5.0 | 0.1 |
| 4. | Strategic Accounts | Victoria Bradshaw | Shortfall of £150k on prompt payment target and £90k on apprenticeship levy income. | A | (11.4) | 0.2 |
| Strategic & Central Accounts - Forecast Variation | | | | | | (1.0) |

Housing Revenue Account - Period 9 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) | (209,040) | 456 | 19/20 budgeted RtB sales were 530. 18/19 Outturned 615 and assuming 625 19/20. | 403 |
| Service Charges | (7,976) | (8,050) | (74) | £125k Sheltered budget assumed 3.3% uplift - charge same as 18/19. [£-60k] Multi Story Flats. [£-140k] Leaseholder income based on 1819 outturn. | (89) |
| Other Income | (34,083) | (33,702) | 381 | £218k Reduced capitalisation due to staffing savings, £118k Reduction in Telecom Income - Lease renewals and £40k reduction in Switch 2 income | 404 |
| Total Income | (251,556) | (250,791) | 764 | | 719 |
| Expenditure | | | | | |
| Disrepair Provision | 1,400 | 2,400 | 1,000 | Projected overspend based on period 1-7 actuals. | 1,000 |
| Repairs to Dwellings | 44,791 | 44,871 | 80 | £80k for Mears overhead. Reviewed P9, several budget areas are overspending but this is offset by a large saving on void repairs. | 410 |
| Council Tax on Voids | 680 | 680 | - | | - |
| Employees | 30,806 | 29,346 | (1,459) | £71k Technical, [£-803k] Housing Management, [£-227k] Housing Growth and [£-500k] Property and Contracts. | (1,290) |
| Premises | 8,716 | 8,850 | 134 | £140k Potential Navigation Dilapidation Settlement. | 26 |
| Supplies & Services | 4,100 | 4,126 | 26 | | 18 |
| Internal Services | 41,451 | 42,262 | 811 | £300k Contact Centre staffing, £300k Disrepair legal (inc £100k for external outsourcing to Swinburne Maddison), £100k Horticultural Maintenance, £136k Environmental services, £115k Community safety, £103k Community Hubs, [£-136k] Insurance and [£-118k] ICT Savings. | 684 |
| Capital Programme | 62,441 | 61,083 | (1,358) | Use of additional usable capital receipts from RtB sales. Reduced in line with reduced sales assumption | (1,559) |
| Unitary Charge PFI | 9,685 | 9,685 | - | | - |
| Capital Charges | 44,776 | 44,857 | 81 | Additional interest payments to GF | 81 |
| Other Expenditure | 6,192 | 6,193 | 1 | | 1 |
| Total Expenditure | 255,037 | 254,353 | (684) | | (629) |
| Net Position | 3,481 | 3,561 | 80 | | 90 |
| Appropriation: Sinking funds | (2,345) | (2,441) | (96) | LLBH PFI | (112) |
| Appropriation: Reserves | (1,137) | (1,120) | 16 | | 22 |
| (Surplus)/Deficit | (0) | (0) | 0 | | (0) |
| Proposed New Reserves | | | - | | - |
| Transfer to Capital Reserve | | | - | | - |
| Total Current Month | (0) | (0) | 0 | | (0) |

Housing Revenue Account - Period 9 Financial Dashboard - 2019/20 Financial Year



| Change in Stock | Budget | Projection |
|-----------------------------------|--------------|--------------|
| Right to Buy sales | (530) | (625) |
| Right of First Refusals/ Buybacks | 0 | 56 |
| 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 | 35,814 |
| Average Selling Price per unit (£000s) | 53.6 | 55.5 |
| Number of Sales* | 615 | 625 |
| Number of Live Applications | 1,428 | 1,567 |
| Sales to end P7: 330 | | |

| Arrears | 2018/19 | | 2019/20 | | Variance £000 |
|-------------------------------------|-----------------|--------|-----------------|--------|------------------|
| | 2018/19 Week 35 | £000 | 2019/20 Week 36 | £000 | |
| Dwelling rents & charges | | | | | |
| Current Dwellings | 5,704 | | 6,119 | | 416 |
| Current Other | 672 | | 877 | | 205 |
| Former Tenants | 4,744 | | 4,577 | | (167) |
| | | 11,120 | | 11,573 | 454 |
| Under occupation | | | | | |
| Volume of Accounts | 3,650 | | 3,254 | | (396) |
| Volume in Arrears | 1,316 | | 1,269 | | (47) |
| % in Arrears | 36.1% | | 39.0% | | 2.9% |
| Value of Arrears | 295 | | 210 | | (85) |
| Collection Rates | | | | | |
| Dwelling rents | 97.27% | | 96.31% | | -1.0% |
| Target | 97.50% | | 97.50% | | 0.0% |
| Variance to Target | -0.23% | | -1.19% | | -1.0% |

Housing Revenue Account - Period 9 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) | 589 | | (783) |
| Housing Advisory Panels | (410) | | | (410) |
| Sheltered Housing | (2,921) | | | (2,921) |
| Holdsworth Place - land purchase | (64) | 64 | | 0 |
| Early Leavers' Initiative | (408) | | | (408) |
| Wharfedale View | (15) | | | (15) |
| Changing the Workplace | (235) | 92 | | (143) |
| ERDMS | (262) | | | (262) |
| | (5,687) | 745 | 0 | (4,942) |
| PFI Reserves | | | | |
| Swarcliffe PFI Sinking Fund | (5,092) | 3,902 | | (1,190) |
| LLBH&H PFI Sinking Fund | (4,617) | | (1,461) | (6,078) |
| | (9,709) | 3,902 | (1,461) | (7,268) |
| Capital Reserve | | | | |
| MRR (General) | (21,814) | 65,377 | (58,990) | (15,427) |
| MRR (New Build) | (2,179) | 1,944 | | (235) |
| | (23,992) | 67,321 | (58,990) | (15,662) |
| Total | (45,883) | 71,967 | (60,451) | (34,367) |