

# **Report of the Director of Finance to the meeting of the Executive to be held on 8<sup>th</sup> November 2016.**

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## **Subject:**

### **Mid Year Financial Position Statement and Performance Report for 2016-17**

#### **Summary statement:**

This report provides Members with an overview of the forecast financial position of the Council for 2016-17 and a mid year performance report.

It examines the latest spend against revenue and capital budgets and forecasts the financial position at the year end. It states the Council's current balances and reserves and forecasts school balances for the year.

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**Overview & Scrutiny Area:  
Corporate**



# MID YEAR FINANCIAL POSITION STATEMENT FOR 2016-17

## 1.0 INTRODUCTION

This report is the second monitoring report presented to Members on the Council's 2016-17 financial position. It provides an early indication of the revenue and capital financial position of the Council at the 31st March 2017.

The report covers

- The forecast outturn of the Council's revenue budget including management mitigations where issues have been identified.
- The delivery of 2016-17 approved budget savings plans.
- A statement on the Council's reserves including movements in the 2<sup>nd</sup> quarter.
- An update on the Capital Investment Plan including new schemes that are recommended for approval.
- An update on Council Tax and Business Rates Collection.
- An update and overview of current performance across Departments supporting the deliver of both the District and Council Plans.

## 2.0. Corporate Performance

2.1 On 14 June 2016, the Councils Executive approved a new District Plan which identifies the priority outcomes that the Council, its partners and local communities are working together to achieve:-

- Better Skills, more good jobs and a growing economy
- A great start and good schools for all our children
- Better health, better lives
- Decent homes that people can afford to live in
- Safe clean and active communities

The District Plan provides a focus and accountability for delivering investment and activities that secure positive progress towards achieving these priorities.

On 18 October 2016, full Council agreed the new Council Plan which identifies the Council's contribution and its responsibilities for direct delivery along with a new set of performance indicators and targets for each of the priority outcomes listed above. These indicators, some of which are included in statutory reporting arrangements, will help to report progress towards delivering both the District and Council Plans, will be used to guide decision making and will identify areas that require improvement. The new indicator set for all of the outcomes will form the basis of all future reporting.

Current performance information identifies that performance in many key areas is improving and remains on target although there continues to be areas where the District faces significant challenges and where performance is either deteriorating or not improving quickly enough. The information below provides a summary of the current position and particularly those areas of concern.

2.2 In Adult Services the focus remains on providing support which allows people to live independent lives by providing preventative services and keeping people living at home for as long as possible. The service reports against the Adult Social Care Outcomes Framework (ASCOF) which is used locally and nationally to set priorities for care and support, measures progress and strengthens accountability. A total of 22 ASCOF measures are reported and overall, performance is improving in 17

measures with 1 measure remaining the same and 4 measures showing a deterioration.

Recently completed 2015/16 outturn reports confirm that of the 22 indicators reported, Bradford's performance is in the top quartile for 7 indicators, including those related to the proportion of carers who reported they had as much social contact as they would like, admissions to residential and nursing home for older people aged 65+ and delayed transfers from hospital where Bradford is the top performer. 8 indicators are in the mid quartile regionally and 7 in the lower quartile including the proportion of Mental Health service users in employment and the proportion of people who use services who find it easy to find information and support about available services.

The 4 measures which are showing a deterioration on Bradford's previous performance are the proportion of Mental Health service users in employment (6.36% against a target of 7%), the proportion of people who use services who find it easy to find information and support about available services (70.8% against a target of 74.5%), the proportion of carers who reported they had as much social contact as they would like and the proportion of older people still at home 91 days after hospital discharge into re-ablement services. That said the performance in the latter two of these indicators is still above both the Regional and national comparator averages.

Performance in Adult Services was the subject of a recent detailed report to Health and Social Care Overview and Scrutiny Committee.

### **2.3** In Children's Services, Educational attainment, with good progress being made on engaging with children in the early years of life, and safeguarding vulnerable children continue to be the priorities.

In Early Years the critical indicators relate to the percentage of children's centre inspections rated good or outstanding which is now in line with both the regional and national comparators at 70% and the annual percentage take up rates of 2-4 year old children taking up early education. In the 2 and 3 age ranges Bradford is slightly below the England average but by 4 years old Bradford is in line with the national average:

- at 2 years old 65% are taking up early education compared to the 68% England average
- at 3 years old 91% are taking up early education compared to the 93% England average

The target in the recently approved Council Plan is to increase performance in these indicators to at least the national average.

The latest performance information in Social Care confirmed that of the 27 social care indicators reported, 12 were delivering against agreed targets, 6 were within acceptable tolerances and 9 were reporting as underperforming. Examples of good performance include:

- The percentage of Child Protection reviews carried out on time being at 99%
- Initial child protection conferences carried out within 15 days of the start of the Section 47 enquiries at 94% against a target of 93%
- Average number of days between a child entering care and moving in with its adoptive family (498 days against the 547 day target)

- Care leavers aged 16-18 in Employment, Education or Training (93% against the 90% target)
- Participation rates of Looked After Children in their reviews at the target of 91%

Areas of underperformance include:

- average number of days between receiving court authority to place a child and deciding on a match to an adoptive family (274 days against a target of 182days)
- the percentage of Looked after Children who had an annual health assessment (82.14% against a target of 95%)
- care leavers living in suitable accommodation (75.85% against a target of 87%)
- the percentage of Child Protection visits carried out ever 4 weeks in the last month (85.79% against a target of 95%)
- the percentage of Looked After Children visits carried out within agreed timescales (84.71% against a target of 95%)
- the percentage of Personal Education Plan's completed (88.47% against a target of 98%)
- the rate of single assessments per 10,000 of the child population (664 against a target of 500)

However whilst some of these indicators are being reported as underperforming against the agreed target, a number are showing a month on month improvement since April this year.

Performance in Children's social care is the subject of intense scrutiny at monthly meetings with the Leader of Council and the Chief Executive and alongside the performance indicator set, additional information is now being provided at team manager level on assessment times, average caseloads, Child Protection visits, Looked After Children visits, health and dental checks, and Personal Education Plan completion. Reports on case file audits, critical to any OFSED inspection, are also prepared monthly and considered as part of the performance management arrangements in social care.

- 2.4** Many of the indicators in the Department of Environment and Sport relate to the delivery of the Safer and Stronger Communities Plan 2016-19 and are annually reported indicators. Overall satisfaction with the delivery of the Anti Social Behaviour service improved from 76.3% to 79.1% and the total recorded incidents of ASB in the District reduced in from 17,292 to 16,355. The overall number of people killed or seriously injured in Road Traffic Collisions last year reduced from 204 in 2014/15 to 188 and the repeat victimisation rates for Domestic Abuse was just below the 37% target in 2014/15 but increased to 37.7% in the following 12 months.

The latest percentage for reported missed bins collections is 0.13% which is an improvement on last year's outturn figures and the tonnes of recyclables collected at the kerbside for first quarter April to June was 7,964 tonnes which is higher than the average quarterly figure collected in 2015/16 of 7,200 tonnes.

- 2.5** In Regeneration, the focus continues to be on securing additional inclusive growth in the economy and whilst employment rates still remain too low, the rate for the whole working age population has improved from 65.4% in April to 66.4% in September 2016 while the rate for 16-24 year olds has improved from 40.9% in April to 44.5%.

During the same period the percentage of working age people claiming out of work benefits fell from 12.2% to 11.7%.

In terms of skills the percentage of the working age population qualified at NVQ level 4 has improved to 26.8%, up from 25.7% in April 2015. However, the percentage of the working age population qualified at NVQ level 2 and 3 has decreased over the same period.

In housing the significant number of households presenting to the Council as homeless and subsequently being accepted saw the number of households placed in temporary accommodation during 2015/16 rise by 35% to 921, a trend the service is attempting to contain within a challenging target of 950 households in 2016/17. Alongside this, the average length of stay in bed and breakfast accommodation reduced significantly to 9.5 days in 2015/16 from 12 days the previous year and the service is aiming to reduce this further to 7 days by the end of 2017/18.

Within the same Department, Planning Services is maintaining current performance in dealing with major planning applications within 13 weeks at 87% which is currently above regional comparators and the service is currently on target to deliver the additional 3152 new houses by 2020 as set out in the Core Strategy.

### **3.0 MAIN FINANCIAL MESSAGES**

Based on September 30th 2016 projection, the Council is forecasting that spend will be £6.0m above the approved budget of £378.0m. A £0.6m improvement from the position reported at Qtr 1. The main forecast variances are

- Adult Services are forecast to overspend by £5.2m. This is caused mainly by a £3.9m forecast overspend on Purchased Care inclusive of a £1.4m overspend on older people linked to non achievement of budgeted savings, and a £2.9m forecast overspend on Learning Disability Purchased care due to increases in demographic growth.
- Within Adult Services, there is also a forecast underachievement of client contributions of £0.8m due to fewer clients being charged (£0.2m) and the underachievement of budget savings (£0.6m). The BACES equipment service is also forecast to overspend by £0.3m due to increased demand for special items.
- Children's Services are forecast to overspend by £3.1m caused mainly by increases in the number and cost of Looked After Children against planned reductions.

The forecast overspends above are partly mitigated by forecast underspends in other departments

- Regeneration is forecast to underspend by £0.2m largely resulting from forecast over achievement of net income in School Catering (£0.4m) and forecast underspend on energy costs (£0.3m). These are partly offset by forecast underachievement of income in Building Control (£0.3m) and underachieved savings in Development Services.

- Environment and Sport is forecast to balance the £45.8m net expenditure budget, with overspends in Waste Disposal of £0.9m linked to higher tonnages and lower income, being offset by underspends on Waste, Recycling and Trade Collection Services.
- Sports Facilities is also forecast to overspend by £0.9m due to higher than budgeted staffing costs and lower than budgeted income. This has however been offset with higher than planned car parking income and traffic regulations fines across the district and other underspends in the department.
- Public Health is forecast to balance and deliver savings as planned.
- Human resources (£0.2m), Legal (£0.3m), Chief Execs (£0.2m) and the Department of Finance (£0.6m) are forecast to underspend largely due to vacancies held in advance of future budget savings.
- Of the budgets that are held centrally and non service budgets, there is an overall forecast underspend of £1.1m due mainly to lower than planned capital spending, and lower than planned capital expenditure resulting in lower capital financing costs.
- Regarding the £45.6m budgeted savings that are included in the budgets outlined above, there are risks associated with the underachievement of a number of plans and it is forecast that £9.0m of savings will not be delivered as intended. The main underachieved savings are linked to Transport Assistance (£3.0m), Looked After Children (£1.8m), Older People Residential Care (£1.6m), Waste Disposal (£0.5m) and a number of smaller underachievement's that are outlined in section 2.2 – Delivery of budget savings proposals. One of the aims of this report is to flag these so that necessary action can be taken.
- A fuller analysis of the main departmental variances to budget are outlined in section 3 - Service commentaries. Actions taken between now and the end of the financial year, together with additional issues that might arise, such as the repercussions of Brexit and the need to provide for future redundancy costs will affect the ultimate outturn position.
- At the 30th September allocated and unallocated reserves stand at £150.9m (Council £117.1m and Schools £33.8m). Net movements from reserves have led to a £16.8m reduction in total reserves from £167.7m at 1 April 2016. Reductions are inclusive of £11.4m<sup>1</sup> of reserves used to support the 2016-17 budget, and £2.8m of Better use of Budget carry forwards from 2015-16 and further reductions in qt2 outlined in section 4.1.
- A review of Better Use of Budget carry forwards will be reviewed to see if some of these can be used to mitigate forecast overspends.
- Unallocated reserves now stand at £13.8m as a contingency reserve. This is equivalent to just 1.6% of the Council's gross budget excluding schools.

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<sup>1</sup> £6.2m unallocated reserves, £3.7m of service earmarked reserves and £1.5m of grant reserves

- The balance continues to be seen as potentially inadequate by both the Director of Finance and the Council's External Auditors given Governments fiscal policies that will reduce Council net spending from £400m in 2015-16 to £300m by 2021.
- Regarding Capital Expenditure, the profiled resource position for 2016-17 for the Capital Investment Plan (CIP) stands at £100.8m with £23.4m incurred at 30<sup>st</sup> September.
- New schemes that are recommended by the Project Appraisal Group to be added to the Capital Investment Plan include:
  - £16.9m to fund a 69 apartment Extra Care facility and 50 bed Residential Care home on the site of the former Bronte School in Keighley in line with the Great Places to Grow Old strategy. The scheme to be funded by £4.3m of grants, £4.5m of borrowing that will be funded by rental income and £8.1m from the Great Places to Grow Old budget already approved within the Capital Investment Plan.
  - £1.68m for Hard Ings road Improvements to improve traffic flow and reduce congestion in Keighley. The scheme requires temporary funding for land assembly prior to reimbursement from the West Yorkshire Transport Fund in line with WYCA assurance framework.
  - £3.5m for Harrogate Road/ New Line Junction road improvement scheme, to be funded by £1.9m of developer contributions and £1.6m of temporary funding for land assembly prior to reimbursement from the West Yorkshire Transport Fund. in line with WYCA assurance framework.
  - £0.3m for Chellow Dene Reservoir repair to be funded from capital contingency.
  - £1.6m for a Street Lighting invest to save scheme that would see old lanterns replaced with LED lights. The energy cost and maintenance running cost savings will fund the capital financing costs.
  - Where schemes align to Council Plan priorities and have been assessed by the Project Appraisal Group the use of future years General Contingency for strategic asset acquisitions.
- Regarding Council Tax, it is forecast that Council Tax collected will be higher than the 2016-17 budget of £159.9m. When added to the higher than forecast surplus from 2015-16, the approximately £2m surplus will help offset the forecast lower than budgeted Business rates outlined below.  
At 30<sup>th</sup> Sept 2016, the Council had collected £97.9m (50.36%) of the value of Council Tax bills for the year compared with £93.2m (50.28%) at the same point last year.
- By statute the Council in 2016-17 will receive its budgeted £63.7m share of Business Rates from the Collection Fund. A challenge on forecasting Business Rates is the cost of refunds for backdated appeals. The current forecast is that the Council will receive £2.5m less than budgeted, which will cause an equivalent pressure for the 2017-18 budget. The shortfall is caused in the main by higher than expected reductions in rateable values from some city centre areas due to the relocation of footfall to the Broadway shopping centre. Overall there has been a net increase in rateable values due arising from the Broadway shopping centre.

- For Business Rates the collection figure at 30th September 2016 is £81.7m (53.51% of the total value of bills) compared to £81.9m (56.05%) at the same time last year. The reduction in collection rate is in part due to changes in rateable value for several large value properties resulting in payments not being collected in the month, and the payment plan being recalculated over the remainder of the year.
- External uncertainties, including the EU referendum result to leave the EU has added a further layer of risk to the ultimate financial outcome of the Council. The impact to the Council could be the direct loss of EU structural funds and any indirect effect of potential further cuts to local government funding if there is a downturn in the economy leading to a reduction in public sector spending.
- Current performance information identifies that performance in many key areas is improving and remains on target, although there continues to be areas where the District faces significant challenges and where performance is either deteriorating or not improving quickly enough. The information in Section 7 provides a summary of the current position and particularly those areas of concern.
- In the last quarter the 2015/16 final accounts have been signed off, with the Auditors reporting that the Council effectively used its resources and staff in order to deliver its priorities and maintain statutory functions. The Auditors also gave a high rating for sound governance, understanding and using reliable financial and performance information and reliable financial planning and reporting that supports the Council's priorities and the maintenance of its statutory functions.

## 4.0 COUNCIL REVENUE FORECAST

### 2016-17 Revenue Budget

The Council's approved net revenue budget of £378.0m is forecast to overspend by £6.0m. The budget is after £45.6m of service and non service budget savings.

#### 4.1 2016-17 Revenue Forecast as at 30th September 2016

	Gross expenditure			Income			Net expenditure		
	Budget £m	Forecast £m	Variance £m	Budget £m	Forecast £m	Variance £m	Budget £m	Forecast £m	Variance £m
<b>Services to the public &amp; businesses</b>									
Adult & Community Services	157.4	162.1	4.8	37.6	37.2	0.5	119.7	125.0	5.2
Children's Services	580.4	572.1	-8.3	499.3	488.0	11.4	81.1	84.1	3.1
Environment & Sport	90.8	91.7	0.9	45.0	45.9	-0.9	45.8	45.8	0.0
Public Health	46.1	46.0	-0.1	45.0	44.9	0.1	1.1	1.1	-
Regeneration	85.3	83.2	-2.1	46.6	44.6	2.0	38.7	38.6	-0.2
Revenues & Benefits	178.3	189.7	11.4	175.0	186.6	-11.6	3.3	3.1	-0.2
<b>Total services to the public &amp; businesses</b>	<b>1,138.3</b>	<b>1,144.8</b>	<b>6.5</b>	<b>848.6</b>	<b>847.1</b>	<b>1.5</b>	<b>289.7</b>	<b>297.7</b>	<b>8.0</b>
<b>Support services and non service</b>									
Chief Executive	4.5	4.3	-0.2	0.1	0.1	0.0	4.4	4.2	-0.2
City Solicitor	8.4	8.0	-0.4	2.2	2.1	0.1	6.2	5.9	-0.3
Human Resources	7.9	8.1	0.2	1.9	2.1	-0.2	6.0	6.0	-0.0
Finance (Excluding Revenues & Benefits)	20.1	19.8	-0.3	1.9	1.9	-0.0	18.2	17.9	-0.3
Non Service Budgets	7.2	7.2	-	1.3	1.3	-	5.9	5.9	-
<b>Total support services and non service</b>	<b>48.0</b>	<b>47.3</b>	<b>-0.7</b>	<b>7.3</b>	<b>7.4</b>	<b>-0.1</b>	<b>40.7</b>	<b>39.9</b>	<b>-0.8</b>
Central Budgets & Net Transfers To Reserves	71.7	70.6	-1.1	24.1	24.1	-	47.6	46.5	-1.1
<b>Total Council Spend</b>	<b>1,258.1</b>	<b>1,262.7</b>	<b>4.7</b>	<b>880.0</b>	<b>878.7</b>	<b>1.3</b>	<b>378.1</b>	<b>384.1</b>	<b>6.0</b>

## 4.2 Delivery of Budgeted Savings proposals

The combined budget savings of £45.6m in 2016-17 (£44.6m approved by Council in February 2016<sup>2</sup>, and a further £1.0m Government cut to the Public Health Grant) brings the total savings the Council has had to find in the five years following the 2010 Comprehensive Spending Review (CSR) to £218.3m.

**Table 2- Year on Year savings since 2010 CSR**

	£m
2011-12	48.7
2012-13	28.5
2013-14	26.1
2014-15	31.8
2015-16	37.7
2016-17	45.6
<b>Total savings</b>	<b>218.3</b>

In tracking progress made against each individual saving proposal, £36.6m (80%) of the £45.6m is forecast to be delivered, leaving £9.0m that is forecast not to be delivered.

### **Saving Tracker**

Service	Original Budgeted Savings	Revised Savings <sup>3</sup>	Forecasted Variance at Qtr. 2
Adult & Community Services	12.5	12.6	3.0
Children's Services	3.2	3.7	1.8
Environment & Sport	3.2	3.5	0.5
Regeneration	4.1	4.3	0.7
Public Health	1.4	1.4	0.0
Director of Finance	7.1	7.2	0.0
City Solicitor	0.0	0.0	0.0
Chief Executives Office	0.2	0.2	0.0
Director of Human Resources	0.7	1.0	0.1
Non Service Budgets and cross cutting	10.2	8.8	0.0
Travel assistance	3.0	3.0	3.0
<b>Total</b>	<b>45.6</b>	<b>45.6</b>	<b>9.0</b>

The forecast variance in delivery is higher than it has been in prior years reflecting the increased difficulty of delivering savings.

	Budgeted Savings £ms	Underachieved Savings £ms
2013/14	26.1	4.4
2014/15	31.8	2.3
2015/16	37.7	4.9
2016/17 (Forecast)	45.6	9.0

<sup>2</sup> £27.4m of savings agreed in Feb 2015 that impact on 2016-17 budget, and £17.3m of additional savings agreed in Feb 2016.

<sup>3</sup> Revised savings include £1.5m of savings linked to Transactional support being allocated to departments from cross cutting, and £0.1m of savings linked to Connexions being implemented by Environment and Sport.

The main planned savings that are at risk of not being delivered in full are:

### **Travel Assistance**

- Informed by extensive public consultation, the Executive in June 2015 approved a revised Travel Assistance Policy based on principles and guidance contained in a joint framework between Children's and Adults. The £3m savings reduction in 2015-16 transport assistance was underachieved by £1.8m and there is a further saving of £3.0m in 2016-17. The service will be undertaking reassessments of entitlement in 2016-17 which will contribute towards the savings target, but the saving cannot yet be quantified. The Council also agreed to allocate £0.6m of investment over 2 years from 2016-17 to support the provision of Travel Training. The forecast underachievement is covered by Corporate contingencies in 2016-17.

### **Adults £12.6m saving, £3.0m forecast underachievement**

- £1.2m of savings planned to be delivered by reducing the number of Older People Residential Care placements are forecast to be underachieved by £1m. Numbers are reducing but not as quickly as planned.
- £0.4m of savings linked to the closure of an in-house residential home are forecast not to be delivered as the home remains open. To mitigate the underachievement £0.4m of reserves have been drawn down whilst the Great Places to Grow Old strategy is implemented (see section 5 - Capital Expenditure)
- Of the £0.7m of savings linked to increased contributions from Adults Service users, £0.6m is forecast to be unachieved. £0.4m of the underachievement is due to an extended consultation period on the recently approved new charging policy, with the remaining £0.2m due to the time taken to review and financially assess Mental Health clients.
- £1m of savings planned to be delivered by renegotiating Adults high cost placements are forecast to be underachieved by £0.2m due to the time taken to review and negotiate costs with providers. The underachievement is not expected to recur in 2017-18.
- £1.5m savings planned to be delivered by Learning Disability commissioning savings are forecast to be underachieved by £0.6m. The savings shortfall in 2016-17 is due to both provider changes and contractual arrangements leading to a delay in implementation. The underachievement is not expected to recur in 2017-18.

### **Children's £3.7m, £1.8m forecast not to be achieved.**

- £0.8m of savings planned to be delivered by reducing the number of Looked After Children by 75 to 800 are forecast not to be delivered as numbers are increasing (902 in qtr 2).

- £0.6m of savings planned to be delivered by bringing Looked After Children cared for outside of Bradford back into the district are forecast not to be delivered as numbers are increasing.
- £0.4m of savings planned to be delivered by reducing payments to Foster Carers due to a reduction in the number of Looked After Children is forecast to be underachieved by £0.3m due to a delay in the second phase of plans to review care packages.
- Children's services plan to mitigate the overspend on Purchased Placements and Allowances by reviewing the sufficiency and commissioning strategy; Re-commissioning block contracts for residential and fostering provision; reviewing the care plans of all young people in purchased placements who can return internally or to an Independent Foster Agency placement, and increasing the capacity of the In-House Fostering Service through training and recruitment.
- £0.6m of savings linked to streamlining the service and staffing efficiencies is forecast to be underachieved by £0.2m. A restructure of Admin services is underway which will generate the saving for 2017/18.

#### **Environment and Sport £3.5m, £0.6m forecast not to be achieved**

- £0.5m saving linked to reducing waste disposal costs and increasing recycling income are forecast not to be delivered as disposal tonnages are higher than budgeted, and recycling income is lower than planned due to contaminated batches of recycled paper reducing value.
- Although the saving is not being delivered as planned, recycling collection tonnages have increased to the highest ever level, and action has been taken to solve the issue of contaminated batches. The forecast underachievement in 2016/17 is being offset by underspends/ overachievement of savings plans in Waste Collection services (Domestic, Recycling, Garden and Trade).

#### **Regeneration £4.3m, £0.7m forecast underachievement**

- £0.4m of savings planned to be delivered by reducing the number of posts in Development Management and increasing income are forecast to be underachieved by £0.3m. The full year effect of the saving will be achieved in 2017-18 however timing in the restructuring process means fewer posts will have been deleted by the end of 2016-17 than had been initially planned. The slippage has occurred in the consultation process with staff and trade unions but is now scheduled to be completed by the end of October.
- £0.2m of savings planned to be delivered by transferring some functions to the West Yorkshire Combined Authority are not being achieved and progress is dependent on the WYCA 'One Organisation' strategy. Staffing savings, and lower than planned spend on the Local Plan are helping to offset the underachievement.
- Of the £0.7m of Highways Asset Management savings, £0.2m is forecast to be underachieved. Originally, the service had expected to be able to reduce the corporate Insurance Premium through expected favourable changes in

capping associated legal costs. It also planned to invest to save in Street Lighting. However, the timing of the restructuring in staff and in invest to save projects will likely to result in a phased achievement in the savings overall. Instead, Highways applied a range of mitigating savings in highway maintenance, footway maintenance, traffic signals, depots, vehicles. Most of the savings are on track for a full year saving but the timing means £0.2m will cross over into early 2017-18.

## 5.0 SERVICE COMMENTARIES

### 5.1 Adult and Community Services

- Adult and Community Services are forecast to overspend the £119.8m net expenditure budget by £5.2m (£3.5m at qtr 1). The forecast overspend is caused mainly by a £3.9m forecast overspend on Purchased Care; a £0.8m underachievement of service user income, a £0.3m recurrent overspend on the BACES equipment service, and £0.6m overspend on Commissioned Services outlined in detail below.
- Of the £12.6m of 2016-17 budget savings; the forecast is currently showing a 76% achievement of the target, giving a shortfall of £3m.

	Gross Expenditure			Income			Net Expenditure		
	Budget £m	Forecast £m	Variance £m	Budget £m	Forecast £m	Variance £m	Budget £m	Forecast £m	Variance £m
<b>Adult Services</b>									
Purchased Care	71.2	75.1	3.9	13.0	13.0	0.0	58.2	62.1	3.9
Community Care Services	10.1	10.2	0.1	8.3	8.6	-0.3	1.8	1.6	-0.2
In-house Residential & Day Care	12.1	12.3	0.2	3.5	3.7	-0.2	8.6	8.6	0.0
Access, Assessment & Support	13.5	13.5	0.0	2.7	2.8	-0.1	10.8	10.7	-0.1
No Recourse to Public Funds	0.8	0.9	0.1	0.0	0.0	0.0	0.8	0.9	0.1
Other Operational Services	0.3	0.3	0.0	0.0	0.0	0.0	0.3	0.3	0.0
Non-Residential Charges	0.0	0.0	0.0	6.4	5.6	0.8	-6.4	-5.6	0.8
Commissioned Services	32.7	33.3	0.6	1.2	1.2	0.0	31.5	32.1	0.6
Integration & Transition	15.2	15.1	-0.1	2.3	2.1	0.2	12.9	13.0	0.1
Strategic Director	1.5	1.5	0.0	0.2	0.2	0.0	1.3	1.3	0.0
<b>Total</b>	<b>157.4</b>	<b>162.2</b>	<b>4.8</b>	<b>37.6</b>	<b>37.2</b>	<b>0.4</b>	<b>119.8</b>	<b>125.0</b>	<b>5.2</b>

#### Purchased Care

Purchased Care is forecast to overspend the £58.2m by £3.9m; included in this overspend is £1.4m of unachieved savings from an overall savings target of £4m.

#### Older People (OP) Purchased Care

- The table below shows that Older People services are providing higher levels of Community Care (Home Care, Direct Payments), and less Residential and Nursing Care in line with the departments strategy.

	2013-14	2014-15	2015-16	2016-17 Forecast
Average Older People Residential Population	1,000	980	943	889
Average Older People Nursing Population	403	488	346	342
Average Older People in receipt of Homecare	1,378	1,425	1,426	1,517
Average Older People in receipt of Direct Payments	88	96	104	129
<b>Total</b>	<b>2,869</b>	<b>2,989</b>	<b>2,819</b>	<b>2,877</b>
OP Residential Fees Gross Cost £m's	16.4	16.2	15.9	16.1
OP Nursing Fees Gross Cost £m's	7.0	7.2	7.1	7.0
OP Purchased Home Care Gross Cost £m's	8.4	8.8	8.8	9.3
OP Direct Payments Gross costs £m's	0.9	1.1	1.2	1.3
<b>Total</b>	<b>32.7</b>	<b>33.3</b>	<b>33.0</b>	<b>33.7</b>

- Older People Purchased Care is however forecast to overspend the £24.6m net expenditure budget by £1.4m. The breakdown of the expenditure is as follows:

- **Older People Residential Fees** is forecast to overspend the £8.7m net expenditure budget (£14.9m gross expenditure budget) by £1.2m due to the delay in fully achieving the £2m 2016-17 budget reductions from:
  - Promoting independent living (£1.2m)
  - Increasing the number of long stay service users in in house homes (£0.8m)
- Activity data is indicating a 2,800 reduction in the number of bed weeks to 46,220 compared to 2015-16 as a result of increases in in-house care (+36 clients to 88), with the remainder due to promoting independent living. Consequently £0.6m of the £0.8m saving, and £0.2m of the £1.2m saving are forecast to be delivered, leaving a £1.2m aggregate underachievement.
- In order to fully achieve the savings the number of residential weeks in the independent sector will need to reduce by a further 3,860 in 2016-17.
- To reduce demand to the saving target level the service is working closely with the NHS to ensure that at discharge from hospital all clients are accessing re-ablement services before the appropriate long term service is agreed. The service manager is also closely monitoring the number of placements being made.
- **Older People Nursing Fees** is forecast to underspend the £5.6m net expenditure budget by £0.4m due to a forecast reduction of 234 weeks to 17,794 weeks in 2016-17. This underspend position is helping to offset the pressure on residential fees.
- **Older People Home Support** is forecast to overspend the £9m net expenditure budget by £0.2m due to a forecast increase in both the number of clients and hours of homecare provided that results partly from the department's strategy to decrease typically more costly older people residential placements.
- **Older People Direct Payments** is forecast to overspend the £0.9m net expenditure budget by £0.3m due to a forecast increase of 25 in the average population to 129 in 2016-17. Despite the overspend, this is a positive direction of travel in line with the strategy of increasing the use of direct payments to give more choice to service users. The department is currently working on providing a specification for service users setting out the brokerage service options for those wishing to have a direct payment.
- **Older People Respite Vouchers** is forecast to overspend the £0.3m net expenditure budget by £0.1m due to an increase in the number of respite nights purchased in the independent sector (+1,209 nights to 9,040 in 2016-17) as a result of the service been unable to place clients in internal respite beds, as they are now being used for long stay clients.

### **Physical Disabilities (PD) Purchased Care**

- Physical Disabilities are forecast to underspend the £7m net expenditure budget by £0.7m. This is mainly due to a reduction in the number of clients in residential and nursing care and a significant reduction in home care hours due to the work Occupational Therapists reducing the number of double-ups (home care sessions requiring two home care staff) provided.

	2013-14	2014-15	2015-16	2016-17 Forecast
Average PD Residential Population	88	83	85	78
Average PD Nursing Population	59	56	55	52
Average PD Population in receipt of Homecare	242	237	203	169
Average PD Population in receipt of Direct Payments	133	133	132	135
<b>Total</b>	<b>522</b>	<b>509</b>	<b>475</b>	<b>434</b>
PD Residential Fees Gross Cost £m's	2.4	2.4	2.4	2.1
PD Nursing Fees Gross Cost £m's	1.4	1.3	1.3	1.2
PD Purchased Home Care Gross Cost £m's	2.5	2.6	2.4	2.1
PD Direct Payments Gross costs £m's	1.4	1.5	1.5	1.6
<b>Total</b>	<b>7.7</b>	<b>7.8</b>	<b>7.6</b>	<b>7.0</b>

### Learning Disabilities (LD) Purchased Care

- The table below shows both the increase in the number of Learning Disability clients supported and the resultant increase in expenditure. The table also shows a positive direction of travel regarding the strategy of reducing residential and nursing placements and increasing community care services (i.e. homecare, day care and direct payments) that promote independence.

	2013-14	2014-15	2015-16	2016-17 Forecast
Average LD People Residential Population	134	136	133	136
Average LD People Nursing Population	53	53	50	42
Average LD People in receipt of Homecare	416	445	501	448
Average LD Day Care Contracts	265	292	352	379
Average LD people in receipt of Direct Payments	266	280	356	388
<b>Total</b>	<b>1,134</b>	<b>1,206</b>	<b>1,392</b>	<b>1,393</b>
LD Residential Gross Fees £m's	7.1	7.6	8.1	8.6
LD Nursing Gross Fees £m's	1.3	1.1	1.1	1.0
LD Purchased Home Care Gross Cost £m's	5.0	6.4	7.9	8.8
LD Day Care Gross Cost £m's	1.1	1.8	1.8	2.3
LD Direct Payments Gross Costs £m's *	3.1	3.0	5.0	5.5
<b>Total £m's</b>	<b>17.6</b>	<b>19.9</b>	<b>23.9</b>	<b>26.2</b>

\*Includes Individual Living Funds from 2015-16

- Despite the positive direction of travel the service is forecast to overspend the £20.2m net expenditure budget by £2.9m.
- Learning Disabilities Residential Fees** are forecast to overspend the £6.5m net expenditure budget by £1.2m as a result of a recurrent overspend from 2015/16 of £0.6m; a £0.5m overspend due to increases in the number of weeks of care (+172) and rising unit costs (+£45 to £1,195 per week) caused by new high costs placements for service users with complex needs, and a £0.1m underachievement of the 2016-17 £0.5m budget saving linked to reducing high cost placements.

- To mitigate the overspend the department's dedicated LD reviewing team will continue to review client's packages of care and negotiate costs with providers. The department also works closely with the NHS to share the cost of high cost placements where a client has both health and social care needs.
- **Learning Disabilities Nursing Fees budget** is forecast to underspend the £0.9m net budget by £0.1m. As in previous years the average population and weeks of care provided continues to decline.
- **Learning Disabilities Home Care** is forecast to overspend the £7.9m net expenditure budget by £0.9m. Although there is a forecast reduction in the number of clients to 448 in 2016-17, there has been an increase in the number of home care hours provided per client; from 18.36 in 2015-16 to 23.74 in 2016-17 due to the increased complexity of care requirements.
- **Learning Disabilities Day Care** is forecast to overspend the £1.9m net expenditure budget by £0.4m. This is due to a forecast increase in clients receiving a service (+18 to 326 in 2016-17). The average cost per person per week has also increased by £24 from £115 in 2015-16 to £139 in 2016-17.
- **Learning Disabilities Direct Payments** is forecast to overspend the £3m net expenditure budget by £0.5m due to an increase in the average population of 32 to 389 in 2016-17 in line with the strategy, and higher average payments.

The service is continuing to carry out audits of direct payments, resulting in the clawback of unused funds. The forecast assumes £0.4m will be recovered in 2016-17, which is £0.2m above the target.

### Mental Health (MH) Purchased Care

- The table below shows that the Mental health Purchased Care is relatively static except for increases in direct payments in line with the strategy.

	2013-14	2014-15	2015-16	2016-17 Forecast
Average MH People Residential Population	131	135	143	138
Average MH People Nursing Population	63	58	50	52
Average MH People in receipt of Homecare	-	141	108	113
Average MH people in receipt of Direct Payments	25	22	21	42
<b>Total</b>	<b>219</b>	<b>356</b>	<b>322</b>	<b>345</b>
MH Residential Fees £m's	3.9	3.6	3.6	3.6
MH Nursing Fees £m's	1.2	1.4	1.3	1.4
MH Purchased Home Care Gross Cost £m's	0.6	0.9	1.4	1.4
MH Direct Payments Gross costs £m's	0.1	0.1	0.1	0.5
<b>Total £m's</b>	<b>5.8</b>	<b>6.0</b>	<b>6.4</b>	<b>6.6</b>

- The service is however forecast to overspend the £5.9m net expenditure budget by £0.6m.

- **Mental Health Residential Fees** is forecast to overspend the £2.9m net expenditure budget by £0.3m due to a recurrent pressure from 2015-16.
- The service has a budget reduction of £0.3m from the 2016-17 High Cost Placement savings target of £1m and it is forecast that this will be fully achieved by the yearend mainly as a result of review carried out by the MH Reviewing team helping to move clients to independent living with less support required. Without the impact of the reviewing teams both the weeks of care and the unit cost figure would be higher.
- The MH Reviewing Team will continue to review all residential placements, to reduce the cost of care and to move clients onto independent living where appropriate.
- **Mental Health Home Support** is forecast to overspend the £1.1m net expenditure budget by £0.3m due in part to a recurrent pressure from 2015-16 and increases in the number of clients.

### **BACES Equipment Service**

- **The Bradford and Airedale Community Equipment Service (BACES)** are forecast to overspend the £0.3m net expenditure budget (£2.7m gross budget, pooled with health) by £0.3m.
- The forecast overspend is a combination of demographic growth; as more clients are supported at home the number of service users requiring support is increasing.

<b>BACES Pooled budget</b>	<b>2015-16 Quarter 2 Total</b>	<b>2016-17 Quarter 2 Total</b>
Total Number of Items Lent	18,194	18,343
Total Number of Clients Receiving Equipment	6,205	6,206

- Clients are also presenting with more complex needs which is reflected in the increase in 'special orders' requested for new equipment not previously funded.

Financial year	2012-13	2013-14	2014-15	2015-16	2016-17 Forecast
Expenditure on 'Special Orders' £ms	0.3	0.5	0.7	0.8	0.8

- The service is working closely with health through the BACES Board to put in place plans to reduce expenditure where possible. These include reviewing the equipment provided and introducing a panel from October 2016 to review both Council and NHS special order requests.
- The service is also looking into the possibility of minor adaptations being funded from the Disabled Facilities Grant (DSG) to reduce pressure on the revenue budget.

## **Non-Residential Income**

- The service is forecast to under-achieve the £6.4m net income budget by £0.8m, due to £0.6m of unachieved savings and a £0.2m recurrent pressure due to reductions in the numbers of clients charged.
- The new charging policy has now been approved, however the shortfall is due to the extended consultation period and time taken to implement the changes.
- There is a further £0.2m saving relating to reviewing charging arrangement for Mental Health clients which is forecast to be unachieved at quarter 2. However it is anticipated that this position will improve as MH clients are continuing to be reviewed and will make a contribution following a financial assessment.

## **Commissioned Services**

- The service is forecast to overspend the £31.5m net expenditure budget by £0.6m. This is primarily due to the underachievement of £0.6m savings from a total £1.5m budget reduction relating to Learning Disability block contracts. The savings shortfall in 2016-17 is due to both provider changes and contractual arrangements which have meant that savings plans have not been fully implemented. The £0.6m underachievement is not expected to recur in 2017-18.
- All other Adult Services are materially forecast to balance.
- The department is looking into using approximately £1m of service earmarked reserves in 2016-17 to mitigate some of the underachieved savings that have occurred due to the timing of implementation. This would bring the overall forecast overspend for Adult Services to £4.2m.

## **Mitigating Actions**

In order to mitigate the financial pressures the following actions are being taken:

- The Adult and Community Services Management Team when reviewing monthly expenditure will actively review the number of and outcome of individual care packages to ensure that people are getting the correct funding they are entitled to offset the costs of the care packages;
- The current way of working will be strengthened in line with good practice, including assessment, that will proactively build on individuals strengths and assets and transferring activity to local community groups where it makes sense to do so. The Management Team will also be working with front line staff to support further change in the culture in the community social work practices; this will include workforce development .
- Work will continue to be undertaken, in partnership with health colleagues, to integrate health and social care services in line with the Sustainability and Transformation plan so that the demand for social care via the NHS is controlled and additional investment is attracted into Adult social care .
- Individual contracts with providers are also being renegotiated in a bid to reduce the cost of the packages of care and the costs of contracts.

## 5.2 Children's Services

- Children Services are forecast to overspend the £81.1m net expenditure budget (£580.3m) Gross budget) by £3.1m. The forecast overspend is mainly within Looked After Children Purchased Placement and Fees and Allowances paid for other Children requiring support as outlined below. The forecast overspend is inclusive of a £1.8m shortfall in the £3.7m of budgeted savings for 2016-17 as outlined in section 2.2 below.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget £m	Forecast £m	Variance £m	Budget £m	Forecast £m	Variance £m	Budget £m	Forecast £m	Variance £m
Directors Office	0.3	0.3	0.0	0.0	0.0	0.0	0.3	0.3	0.0
Learning Services	407.1	394.5	-12.7	416.1	403.4	12.7	-8.9	-8.9	0.0
Children's Specialist Services	58.6	62.5	3.9	3.7	4.2	-0.5	55.0	58.3	3.4
Performance, Commissioning	3.5	3.7	0.2	0.2	0.3	-0.1	3.3	3.4	0.1
Deputy Director	110.9	111.2	0.3	79.4	80.1	-0.7	31.4	31.0	-0.4
<b>Total</b>	<b>580.4</b>	<b>572.1</b>	<b>-8.3</b>	<b>499.3</b>	<b>488.0</b>	<b>11.4</b>	<b>81.1</b>	<b>84.1</b>	<b>3.1</b>

### Children Social Care Service

- Children's Social Care is forecast to overspend the £55.0m net expenditure budget by £3.4m. The overspend is largely attributable to:
  - Increases in the overall numbers of Looked after Children impacting on cost of Purchased Placements (£1.2m) and Fees and Allowances (£1m).
  - The consequent non achievement of a budget saving plan to reduce the number of Looked after Children to 800 (£0.8m).
  - The underachievement of a £0.6m budget savings plan to reduce the remaining Looked after Children in typically more expensive external purchased placements to in house care, as numbers are increasing.
- The table below shows the increases in the number of Children receiving support.

Type of Placement	2012-13	2013-14	2014-15	2015-16	2016-17 (Qtr2)
Placed with Parents	90	82	84	86	103
Placed for Adoption	39	53	63	38	20
Friends and Families	201	189	218	206	222
Foster Parents	386	383	349	365	377
Fostering Agencies (Ext)	39	37	32	32	40
Residential Care	60	70	68	63	56
Residential Care (Ext)	40	41	46	50	54
Other *	34	32	37	34	30
<b>Total Looked After Children</b>	<b>889</b>	<b>886</b>	<b>897</b>	<b>874</b>	<b>902</b>
Residence Orders	78	81	65	69	61
Adoption Orders	213	224	270	271	259
Special Guardianship Orders	122	157	240	277	287
<b>Total Chd in Permanent Arrangement</b>	<b>413</b>	<b>462</b>	<b>575</b>	<b>617</b>	<b>607</b>
<b>Total Children Receiving Support</b>	<b>1,302</b>	<b>1,348</b>	<b>1,472</b>	<b>1,491</b>	<b>1,509</b>

## Looked After Children – Purchased Placements

- Purchased placements are forecast to overspend the £6.8m net expenditure budget by £1.2m.
- A purchased placement is an independent fostering placement, an external residential placement, a leaving care placement, or secure residential provision.
- There are several issues contributing to the pressure on purchasing external placements:
  - A shortage of in house options including in-house foster carers; appropriate vacancies within in-house residential units; lack of in-house leaving care provision and no local secure provision.
  - An increase in the number of teenagers requiring placements and the reduction in the number of very young children being accommodated has led to a mismatch with current in-house foster carer approval level, skills and/or experience.
  - Some risks attract a higher cost package of care (e.g. Child Sexual Exploitation (CSE), Children going missing, violent aggressive behaviour and self harm amongst others).
- In 2015-16 Purchase Placements overspent the £5.3m budget by £3m, and recognising the issues outlined above, the Council allocated £1.5m of additional budget (£6.8m).
- The table below outlines that some headway is being made in reducing costs, but the reduction is not sufficient to balance the budget. It should be noted that since 2013/14 the gross cost of purchased placements has increased by 42%.

<b>PURCHASED PLACEMENTS</b>	2013-14	2014-15	2015-16	2016-17 Forecast
Gross Costs £000s	6,000	5,927	8,733	8,545
Income £000s	(104)	-	(592)	(600)
Net Costs £000s	5,896	5,927	8,141	7,945
Fostercare Purchased Nights	16,775	12,941	12,320	12,766
Secure Residential Care Nights	443	289	770	346
Residential Nights Purchased	14,125	13,156	17,829	17,255
Leaving Care Supported Nights	1,641	3,204	3,899	1,962
<b>Total</b>	<b>32,984</b>	<b>29,590</b>	<b>34,818</b>	<b>32,329</b>
Cost per Purchased Fostercare Week £s	813	792	791	799
Cost per Secure Residential Week £s	4,215	5,152	3,381	4,669
Cost per Purchased Residential Care Week £s	2,037	2,226	2,421	2,268
Cost per Leaving Care Supported Week £s	827	1,003	1,076	1,348

## Fees and Allowances

- The Fees and Allowances budgets of £16.7m for Looked After Children and Children in Permanent Arrangements are also anticipated to overspend by £1m as follows due to increasing demand.
  - Special Guardians Allowances £0.4m
  - Adoption Allowances £0.3m
  - Fostering £0.2m
  - Friends & Family £0.1m

- The forecast overspends on Looked after Children and Children Receiving Support are partly offset by forecast underspends on legal/court cost budgets £0.3m, Children Shared Care services £0.2m, Youth Offending/Family support services £0.2m, Early Help services £0.2m and non employee budgets of £0.2m.
- There is also pressure on the social work team budgets of £0.7m and a £0.2m pressure on residential/respite home provision.
- Bradford is not unique on the budgetary pressure faced across Children Services. The table below provides the current Children Services budgetary position across neighbouring authorities:-

Local Authority	2016-17 Forecast	Main Adverse Variances
Leeds	£3.8m Overspend	£3.5m pressure on External Residential Places, £1.4m Independent Fostering Agency, Home to School Transport £1.7m
Kirklees	£8.6m Overspend	£4.2m pressure on Safeguarding & Family Support; Demand Led Activity, £2.9m Agency cost on Safeguarding & Family Support Services
Calderdale	£1.9m Overspend	£1.5m pressure on placement costs.
Wakefield	£2.1m Overspend	£5.3m Safeguarding and Family

- It should also be noted that Bradford also has a low number of Looked After Children compared to other authorities as shown in the table below, and consequently has a relatively low budget.

Local Authority	No of looked after Children per 10,000 children 0 to 17 years
Bradford	63
Calderdale	70
Kirklees	63
Leeds	78
Wakefield	72
Blackburn	83
Knowsley	95
Oldham	68
Rochdale	104

### Performance Commissioning and Development

- Performance Commissioning and Development are forecast to overspend the £3.3m net expenditure budget by £0.1m.
- The main pressure is £0.1m overspend on the Bradford Children's Safeguarding Board staffing budget and a £0.2m staffing overspend on the administration team budget.

- The pressure is offset by a favourable variance of £0.2m on the Commissioning Team budgets.

### **Education, Employment and Skills**

- Education, Employment and Skills are forecast to underspend the £31.4m net expenditure budget by £0.4m. This is due to a £0.6m underspend from staffing vacancies, partly offset by overspends on the Travel Assistance budget of £0.2m.

### **Mitigating Actions**

#### Specialist Services

The overspend in Children's specialist services is underpinned by a 9% increase in children coming into care. This rise is 23% nationally. Many of those newly arrived into Bradford are coming into the system at acute and specialist levels. CSE reporting levels have also been high. There is also pressure regionally and nationally around purchased placement providers as there is a shortage of placements and where there has been significant price increases in the last year.

- Children's services plan to mitigate the overspend on Purchased Placements and Allowances by reviewing the care plans of all young people in purchased placements who can return internally or to an Independent Foster Agency placement. This process has started and a number of children now have plans to return home.
- Three meetings have taken place with Independent Fostering Agencies exploring the possibility of developing a partnership around Bradford children to increase opportunities for young people moving from residential external placements to fostering. The allowances paper will go to executive in December to achieve the savings within two years.
- Work is on going in relation to recruiting further foster cares for Bradford. Further plans have been put in place to reduce agency spending through a review of social work numbers which has now taken place.
- A detailed review of budgets and teams has taken place and challenge has been put in place where spending exceeds budgets.

#### Performance and Commissioning

The £0.1 million overspend in Performance and Commissioning relates to additional costs incurred in the Safeguarding Children Board. These additional costs have been incurred due to the appointment of an interim Board manager during the absence and then resignation of the Board manager. This role is a critical one for the Authority, and has a high profile in relation to CSE and two on-going Serious Case Reviews (SCR) and could not be left unfilled. Recruitment is underway for a permanent replacement and the interim leaves on the 9<sup>th</sup> December. Additional costs were also incurred due to a complex serious case review and high costs for the Author. Two SCRs have been undertaken in 2015/16 which could not have been anticipated. Mitigations are:

- A review of all of the Board has taken place with posts funded for non core board staff stopped;
- Tighter financial controls in place around non staff spending;
- A secondment into the Board is ending from April 2017;
- There will be a review of partner contributions from 2017 and a balanced budget set.

## 5.3 Environment and Sport

- Environment and Sport is forecast to balance the £45.8m net expenditure budget, (£90.8m gross budget). Of the £3.5m planned savings £2.9m are currently planned to be delivered with compensating savings being identified against the unachieved savings of £0.6m.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Directors Office	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fleet & Transport Services	12.7	12.6	-0.1	13.1	13.3	-0.2	-0.4	-0.7	-0.3
Waste Collection & Disposal	28.9	29.1	0.2	6.1	6.2	-0.1	22.9	22.9	0.1
Neighbourhoods & Street Scene	18.5	18.2	-0.3	5.9	6.3	-0.4	12.6	12.0	-0.7
Sports & Culture Services	30.7	31.7	1.1	20.0	20.1	-0.2	10.7	11.6	0.9
<b>Total</b>	<b>90.8</b>	<b>91.7</b>	<b>0.9</b>	<b>45.0</b>	<b>45.9</b>	<b>-0.9</b>	<b>45.8</b>	<b>45.8</b>	<b>0.0</b>

- The balanced position is however inclusive of a forecast overspend within Sports Facilities (£0.9m) & Bingley Music Live (£0.2m), offset by underspends in Parks & Landscapes, Fleet Services, and income from bus lane fines & Bereavement services. The Waste Disposal budget is also forecast to overspend by £0.9m, with offsetting underspends in Waste Collection (Domestic, Recycling, Green and Trade Waste).

### Waste Services

- Waste services are forecast to overspend the £22.8m net expenditure budget (£28.9m gross budget) by £0.1m, with overspends in Waste Disposal being offset by underspends in Waste Collection services (Domestic, Recycling, Garden and Trade).
- Waste Disposal is forecast to over spend the £15.2m net budget by £0.9m, mainly due to lower than budgeted income from paper sales due to contamination, and higher disposal costs linked to higher than budgeted tonnages (148,000 forecast tonnes vs budgeted tonnes of 143,000)

	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
<b>Waste Disposal</b>				
Gross Costs £000s	8,740	8,668	9,200	17,429
Income £000s	(717)	(538)	(623)	(1,469)
Direct Net Costs £000s	8,022	8,130	8,577	15,960
Waste Collected as Recycling (Tonnes)	36,246	36,916	38,049	64,839
Waste to Landfill or Alternative Treatment (Tonnes) Excl Trade Waste	74,740	75,559	75,011	148,380
Total before Trade Waste	110,987	112,475	113,060	213,219
Trade Waste tonnes 000s (funded by Trade Waste)	9,771	9,857	9,664	20,106
Total Municipal Waste Disposed of (Tonnes)	120,758	122,332	122,724	233,328
Gross cost per tonne	£72.4	£70.9	£75.0	£74.7
Net cost per tonne	£66.4	£66.5	£69.9	£68.4

- A Materials Recycling Facility (MRF) at Bowling Back Lane is now operational and is planned to remedy the contaminated paper problem and an upturn in income is expected during the later part of the year.
- To reduce disposal tonnages, the service is continuing with the Waste Minimisation Programme, including delivery of recycling bins, enforcement of the bin policy (closed lid, no side waste, etc.) and is also planning the move to alternate weekly collections (AWC), due to commence in April 2017.
- Wyke has been chosen as the pilot area for AWC and residents have already been informed of the plans. Lessons learned from this pilot will inform future decisions and direction for AWC by honing best practice and providing an insight into likely timescales for wider implementation.
- Waste Collection (Incl. Domestic, Recycling, Garden & Trade) is forecast to underspend the £7.2m net budget by £0.8m mainly due to savings on transport costs and over achieved income from Green & Trade Waste collections.
- Regarding tonnages collected, recycling tonnes have increased to the highest ever levels, and kerbside domestic waste collected is reducing showing a positive direction of travel in line with the Waste Minimisation strategy. Garden Waste tonnes collected have reduced following the introduction of charging (with increases at Household Waste sites), and Trade Waste tonnes/ contracts are performing well.

Waste Collection	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Kerbside Waste Tonnes collected 000s	67.3	67.5	65.3	129.7
Kerbside Recycling Tonnes collected 000s	8.6	8.7	9.8	18
Garden Waste Tonnes collected 000s	7.2	8.1	5.8	10.9
Trade Waste Tonnes collected 000s	9.8	9.9	9.7	20.1

## Sports and Culture

### Sports & Leisure

- Sports & Culture are forecast to overspend the £10.7m net expenditure budget (£30.7m gross budget) by £0.9m. Of the £0.8m planned savings £0.7m are on target to be achieved with compensating savings being identified for the majority of area's not being achieved.
- Employee costs within Sports Facilities are currently forecast to over spend the £4.3m budget by £0.7m. When compared to the 2015/16 outturn figure of £4.8m this is a £0.2m increase year on year.
- Sports Facilities income is currently forecast to outturn at £4.3m, an underachievement of £0.2m. When compared to the 2015/16 outturn figure of £4.3m this shows a similar year on year position after taking into account the annual effect of price increases.

<b>Sports Facilities</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Gross Costs £000s	3,010	3,046	3,329	7,759
Income £000s	(2,070)	(2,014)	(2,264)	(4,555)
Direct Net Costs £000s*	939	1,032	1,065	3,204
Total Attendances 000s	941	904	892	1,822
Gross Direct Cost per attendance	£3.20	£3.37	£3.73	£4.26
Income Per Attendance	-£2.20	-£2.23	-£2.54	-£2.50
Direct Net Costs per attendance	£1.00	£1.14	£1.20	£1.76

\* Excluding capital charges and corporate & department recharges

- Visitor numbers are lower than last year largely as a result of the closure of Nab Wood and flooding at Baildon Recreation centre.
- Bingley Music Live did not achieve anticipated levels of income and have reported a £0.2m under achievement of income. This is based on reduced levels of ticket & bar sales due to a decrease in attendance of 27% from 37,054 in 2015/16 to 26,874 in 2016/17. Advance ticket sales were down by £77k and possible reasons might be pricing structure, popularity of the acts, and competing summer festivals. Walk up ticket sales were also affected by the weather. This is now an established event and could attract interest from a private sector partner in order to reduce financial risk and attract specialist skills to improve the event in future years and a review of the ticket price will also help to reduce the event cost and increase the potential income.
- Transportation costs, equipment running costs & maintenance & prudential borrowing, within Parks & Landscapes, are forecasting a combined underspend of £0.2m against a budget of £1.1m. This has been achieved through a combination of reduced activity, planned replacement of equipment and service efficiencies, £0.1m. In addition the knock on effect of cash purchases made in 2015/16 reduced the requirement for prudential borrowing funding in 2016/17 by £0.1m.

## Culture

- Culture Services are forecast to underspend the £5.7m net expenditure budget (£16.6m gross) by £0.1m, with underspends being generated by efficiencies in non staff costs in Museums & Tourism. The £5.4m budget includes £0.5m transitional funding to facilitate the delivery of savings during 2016/17.
- As previously noted in Qtr 1 a strategic review of the function of tourism services in the Bradford District is underway. The shape of the future service will be expected to follow from the conclusions of the review but as its conclusions are not expected until late Autumn, the timing when Tourism must adjust from a £0.5m service to a £0.3m function is likely to carry forward into 2017-18.
- Central to Culture Service planning for this year and beyond is the development of a Culture Company, £0.2m is set aside for funding the development although this includes planning for Sport and Leisure assets not just Culture. Part of the reserve will further support the transitional planning for Tourism Services.
- Theatres expect to balance the budget overall despite a now longer than expected closure of St George's Hall while the part Heritage Lottery Funded restoration takes place. Despite the closure, Ticket sales overall are however higher than at the same time last year due to the success of shows such as Wicked in this year's programme at the Alhambra.

<b>THEATRES</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Alhmabra Ticket Sales	138	120	146	269
St Georges Hall Ticket Sales	27	18	0	77
Total Ticket Sales	166	141	147	350

- Libraries and Museums are paying very close attention to workforce planning in order to manage costs down and deliver in year savings and prepare for further savings in 2017-18. The combined net budget of £5.2m for the services is expected to balance.
- Despite the financial limitations Museums and Galleries have been able to present a programme of art works including Hockney and the Royal Collection, and visitor numbers are similar to last year.

<b>Visitor numbers at Libraries and Museums</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Number of visits to Museums 000s	144	117	113	213

- The Markets Service is currently forecast to underachieve the £1.3m net income budget by £0.03m due mainly to increases in vacant market stalls at the indoor and outdoor venues. This has meant not only a loss of income but in the case of our retail indoor markets increased expenditure in terms of increased Business Rates liabilities.

<b>MARKETS</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Gross Costs £000s	507	576	589	1,799
Income £000s	(1,660)	(1,668)	(1,645)	(2,838)
Direct Net Costs £000s	(1,154)	(1,092)	(1,056)	(1,039)
Indoor units occupied %	90%	88%	85%	86%
Wholesale units occupied %	79%	88%	83%	88%
Outdoor units occupied %	48%	45%	47%	49%
Visitor Numbers	3,006	2,832	2,823	5,828

## Neighbourhoods and Customer Services

- Neighbourhoods and Customer Services are forecast to underspend the £12.6m net expenditure budget (£18.5m gross budget) by £0.7m. Of the £1.1m planned savings £1.0m are on target to be achieved with compensating savings being identified for the other £0.1m.
- The under spend of £0.7m is being driven by higher than expected revenues within Uniformed Services of £0.6m and staff vacancies within Customer Service (Face to Face) of £0.1m.
- The under spend within Uniformed Services is due to vacancies within the Wardens Service at the beginning of the year (the Wardens Service is now fully staffed) and higher than budgeted revenues from Parking Services linked to bus lane & parking

fines and ticket income. Although forecast revenues are higher than expected, they are lower than at the same point last year, and could be impacted further by increased city centre competition.

<b>Uniformed Services</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
9301 Tickets	876	850	888	1,948
9303 Contract Parking	123	137	132	142
9345 Parking Fines and Fixed Penalty Fines	1,539	1,622	1,533	3,700
Other Income	35	15	52	71
<b>TOTAL Income</b>	<b>2,573</b>	<b>2,625</b>	<b>2,605</b>	<b>5,861</b>

### **Fleet & Transport Services**

- Fleet & Transport services are forecast to over achieve the £0.4m net income budget (£12.7m gross budget) by £0.3m. This mainly comprises a £0.2m underspend within Fleet services due to staff savings and a £0.2m over achievement of income in land charges due to increased search requests.
- One off investment of £0.3m was given to the Travel training Unit in 2016/17 as part of an 'Invest to save' initiative. Fleet services are working with Children's & Adults to decide how this funding will be spent over the next 2 years.

## 5.4 Public Health

The department is forecast to balance the £1.1m net expenditure budget (£46.1m gross budget) and deliver the £1.4m savings as planned.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Public Health Leadership	0.9	1.6	0.7	0.0	0.0	0.0	0.9	1.6	0.7
Information & Intelligence	0.2	0.2	0.0	0.0	0.0	0.0	0.2	0.2	0.0
Nutrition, Obesity & Physical Activity	2.3	2.3	0.0	0.0	0.0	0.0	2.3	2.3	0.0
Drugs Misuse	12.2	12.0	-0.3	0.7	0.7	0.0	11.5	11.2	-0.3
Alcohol Misuse	0.6	0.6	0.0	0.0	0.0	0.0	0.6	0.6	0.0
Tobacco	1.1	1.1	0.0	0.0	0.0	0.0	1.1	1.1	0.0
Dental Public Health	0.7	0.7	0.0	0.0	0.0	0.0	0.7	0.7	0.0
Children 5-19	3.5	3.5	0.0	0.0	0.0	0.0	3.5	3.5	0.0
Health Checks	0.2	0.2	0.0	0.0	0.0	0.0	0.2	0.2	0.0
Sexual Health	4.7	4.6	-0.1	0.0	0.0	0.0	4.7	4.5	-0.1
Emergency Preparedness	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Premises becthe respons	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.1	0.0
Running Costs	1.3	1.1	-0.2	0.0	0.0	0.0	1.3	1.1	-0.2
Health Protection	1.7	1.7	0.0	0.0	0.0	0.0	1.7	1.7	0.0
Wider Determination	4.9	4.9	0.0	0.0	0.0	0.0	4.9	4.9	0.0
Children's Service (0-5 Year Olds)	10.7	10.7	0.0	0.0	0.0	0.0	10.7	10.7	0.0
Public Health Grant Funding	0.0	0.0	0.0	44.0	44.0	0.0	-44.0	-44.0	0.0
Environmental Health Management	0.5	0.4	0.0	0.0	0.0	0.0	0.4	0.4	0.0
Air Quality	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Environmental Health & Transport	0.4	0.3	-0.1	0.2	0.1	0.1	0.2	0.2	0.0
<b>Total</b>	<b>46.1</b>	<b>46.0</b>	<b>-0.1</b>	<b>45.0</b>	<b>44.9</b>	<b>0.1</b>	<b>1.1</b>	<b>1.1</b>	<b>0.0</b>

- The department is forecast to balance the £1.1m net expenditure budget (£46.1m gross budget) and deliver the £1.4m savings as planned.
- The Public Health grant for 2016-17 is £44m which includes a reduction of £1m from the 2015-16 funding level. In addition to the reduction in funding from the Department of Health (DoH), a further reduction of £0.34m was agreed in February 2015 as part of the overall Local Authority budget savings and this has facilitated the removal of base budget within Environmental Health to the value of £0.34m.
- The total annual funding from DoH is expected to reduce from £44m to £40.7m in 2020-21 and Public Health continue to plan for the reductions.

## 5.5 Regeneration

- The Department of Regeneration is forecast to underspend the £38.7m net expenditure budget (£85.3m gross budget) by £0.2m. Of budgeted savings of £4.3m, £3.6m are currently forecast to be delivered, however, there are some risks associated with delivery of £0.6m of savings in Planning, Transportation and Highways.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Strategic Director Office	0.3	0.3	0.0	0.0	0.0	0.0	0.3	0.3	0.0
Economy and Development Services	10.5	10.4	0.0	1.6	1.7	-0.1	8.9	8.7	-0.1
Estates and Property Services	54.1	51.7	-2.4	38.6	36.9	1.8	15.4	14.9	-0.6
Planning Transport & Highways	20.5	20.8	0.3	6.3	6.0	0.3	14.1	14.7	0.6
Total	85.3	83.2	-2.1	46.6	44.6	2.0	38.7	38.6	-0.2

### Economy and Development Services

- Economy and Development Services are forecast to underspend the £8.9m budget by £0.1m, mainly from within housing and ancillary school support services.
- In Qtr2 EDS has signed an interim agreement to work in partnership with the West Yorkshire Combined Authority and other districts in supporting the establishment of an M62 Corridor Enterprise Zone, bringing three sites closer to development. Other major Regeneration projects such as One City Park and the Odeon continue to progress subject to funding and negotiation with operators.
- No material change is reported since Qtr 1 for Housing Operations and so the service is still on course to underspend the £1m net expenditure budget by £0.1m due to additional fees being collected from the delivery of Disabled Facilities Grants. Demand for adaptations to homes to allow for independent living remains high and Housing Access services (homelessness services) are also much in demand but costs are being contained.

### Estates and Property Services

- Estates and Property Services are forecast to underspend the £14.9m budget by £0.6m. This is a marked improvement when compared with the Qtr1 forecast where an overspend of £0.5m was predicted. The improvement is due mainly to the Energy Unit successfully addressing billing and supply matters, and increases in income in School Catering.
- The Energy Unit forecasts to underspend the £5.2m budget by £0.2m which compares favourably to a £0.1m overspend reported at Q1. The Unit is currently on target to deliver £0.7m in allocated savings despite contenting with gas price rises in 2016. The unit's efficiency work and building vacations delivered by the Property Programme have helped reduce energy consumption and mitigate the financial impacts of cost rises.

Energy Usage Kwh ms	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Electric (Non Street Lighting)	10.1	8.0	8.4	21.7
Gas	15.2	14.9	11.0	45.4
Total Gas & electric	25.3	22.9	19.5	67.2

- Additional benefits in water cost savings from better billing work, more precision and shutting down unused supplies have further assisted the bottom line.
- School catering is also reporting an improved position due to the increasing volumes of school meals being provided year on year, despite some primary schools ending their relationship with the schools meals service in 2016-17. This increase is additional to that initially attributable to the Universal Infant Free School Meals and is as a result of more parents opting for school meals.

<b>School Catering</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17	Outturn 15/16
Number of Meals 000s	2,356	2,649	2,858	6,476
Other activity - e.g Breakfast clubs meals 000s	60	71	78	179
Number of Primary Schools Catered For	149	149	147	149
Number of Secondary Schools Catered For	3	4	5	5
Take up of school lunches	59%	70%	68%	69%
Primary school childrens satisfaction with school meals	74%	72%	72%	72%

- Estates management are forecast to balance the £1.8m net rent account this year. Additional income has been secured from both one off rent reviews and new temporary occupiers of Shipley Town Hall and Future House. The new income will provide a boost to the account of between £0.2m and £0.4m.
- Subject to the overall financial outturn, the service plan to earmark any additional income to help offset any additional costs required to undertake a wide ranging review of commercial and non commercial leases in 2017-18, and undertake other property related work associated with transitioning to a smaller estate.
- The Councils operational estate continues to reduce in size, and improve in quality as reported previously due largely to the Property Programme.

Backlog Maintenance	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Operational £ms	77.7	68.4	55.2	50.1	50.3	48.7
Non Operational £ms	10.8	10.8	10.8	9.2	4.6	7.4
Total Backlog Maintenance £ms	88.4	79.1	66.0	59.3	54.9	56.1
Of which Priority 1 £ms	61.8	53.8	43.3	31.1	27.8	26.2
Size of Estate						
Operational GIAm2 000s	285	268	252	248	248	223
Non-Operational GIAm2 000s	26	26	26	26	23	37
Total £m2 £000s	312	295	278	274	271	260

- Other vacations including Future House and Jacobs Well office accommodation amongst others, will reduce the size and cost of the estate further in 2016/17 onwards.
- Industrial Services Group's (ISG) operations from the sheltered employment workshop (30+ FTE's are people with declared disabilities) have been mixed. While £0.2m of budgeted sales for the festive light operation will comfortably hit target, sales of windows and doors are subject to considerable uncertainty now that ISG is no longer a guaranteed supplier to Incommunities. ISG will make full use this year of one off subsidy of £0.4m and will achieve a balanced result if sales including subsidy reach £1.3m. Going forward ISG is planning to restructure to match current workloads. They will at first make sufficient reductions to bring the service back into line with base budget and then in the following two years bring the service back to a nil operating budget. i.e. break even.

### Planning, Transportation and Highways

- The service is forecast to overspend the £14.1m net expenditure budget by £0.6m. The delivery of budgeted savings of £1.8m is proving challenging, where £0.6m has yet to be realised.. The service aims to balance through cost efficient practice and strict vacancy management.
- There continues to be lower than budgeted income from fees for Building Control (£0.3m) although planning charges have improved slightly compared to last year, as have receipts from new charges made to operators who seek clearance for temporary highway obstructions which after an extension to targets is expected to balance.

<b>Development Management (BRTPD)</b>	At Qtr 2 14/15	At Qtr 215/16	At Qtr 2 16/17	Outturn 15/16
Major Planning applications processed	58	46	38	80
Minor Planning applications processed	530	473	522	913
Other Planning application processed	1,014	1,116	1,432	2,165
<b>Total</b>	<b>1,602</b>	<b>1,635</b>	<b>1,992</b>	<b>3,158</b>
Income £000s	(880)	(748)	(839)	(2,063)

- Staffing costs in Development Management remain £0.2m above budget but costs will reduce as restructures progress.
- An additional £1.6m street lighting capital investment has been recommended by the Project Appraisal Group to be added to the Capital Investment Plan which adds to the £0.8m already in progress. This is expected to lead to savings in utility and maintenance costs. Local Plan spending is less than planned.
- Highways Asset Management and the Highways Delivery Unit are expected to balance. Weather conditions can be a factor in closing the account favourably and so there is a degree of uncertainty in projections. Mitigating efficiencies will be found from within highways operations, leasing vehicles instead of purchase, reducing depot costs, productivity improvements and vacancy management.

## 5.6 Chief Executive

- The Chief Executive's Office including Policy, Programmes & Change (PPC) is forecast to underspend the £4.4m net expenditure budget (£4.5m gross budget) and achieve the £0.2m of savings targets.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Chief Executive Core Office	0.4	0.4	0.0	0.0	0.0	0.0	0.4	0.4	0.0
Political Offices	0.2	0.2	-0.1	0.0	0.0	0.0	0.2	0.2	-0.1
Public Affairs	1.4	1.3	-0.1	0.1	0.1	0.0	1.3	1.2	-0.1
Policy Programme	2.5	2.4	-0.1	0.0	0.0	0.0	2.5	2.4	-0.1
Total	4.5	4.3	-0.2	0.1	0.1	0.0	4.4	4.2	-0.2

## 5.7 Finance

- The department is forecast to underspend the £21.5m net expenditure budget (£178m gross budget) by £0.5m, and deliver £7.2m of savings as planned.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Director of Finance	0.3	0.2	0.0	0.0	0.0	0.0	0.3	0.2	0.0
Financial Services	2.6	2.5	-0.1	0.2	0.2	0.0	2.4	2.4	-0.1
Revenues & Benefits	178.3	189.7	11.4	175.0	186.6	-11.6	3.3	3.1	-0.2
Information & Customer Services	15.2	15.3	0.0	1.4	1.5	-0.1	13.8	13.8	0.0
Commissioning & Procurement	1.9	1.8	-0.2	0.3	0.3	0.0	1.7	1.5	-0.2
Total	198.4	209.4	11.1	176.9	188.5	-11.6	21.5	21.0	-0.5

- Revenues & Benefits** are forecast to underspend by £0.2m due largely to employee underspends. This underspend is inclusive of a 2015-16 carried forward underspend of £0.1m to complete the URB system migration and MyServices ICT work which is now unlikely to take place this year. Accordingly it has been requested that this sum be transferred to a reserve in qtr 3 to be used in 2017/18.
- Benchmarking information indicates that the service is efficient when compared to other Councils. Higher Council tax collection cost per dwelling reflects the continuing and increasing challenges of collecting from low income families impacting on the net income level and consequent cost per dwelling.

Business Rates Collection	Cipfa	
	Bradford	Benchmark
Business Rates - Cost per hereditament per year	£31.11	£50.40
Council Tax – Cost per Dwelling per year	£13.30	£11.24
Corporate Debt – Cost per invoice	£7.73	£8.05
Payroll – Bradford Cost per Employee per year	£31.51	

- Information Technology Services (ITS)** are forecasting a balanced budget with the costs of recruiting to new posts anticipated to be balanced by structural changes to achieve the budgeted savings.

- Spend on ICT has significantly reduced since the end of the IBM contract in September 2015, and the service is on track to deliver planned savings and reduce spend to closer to the NABIT (Northern Authorities Benchmarking IT) cost per user

	2014/15	2015/16	2016/17 Forecast	2017/18 planned
Bradford Gross Cost per user £s	3,404	2,656	2,481	2,243
Bradford Net Cost per user £s	3,176	2,442	2,243	2,050
NABIT Benchmark cost per user	1,700			

- **Financial Services** are forecast to underspend the £2.4m net expenditure budget by £0.1m and deliver savings as planned. Recently received CIPFA benchmarking information shows that the Council spends the lowest on Financial Services relative to other Councils.

	2015/16
Bradford cost of Fin Services per £000 Gross Revenue Turnover	1.81
Cipfa Group Average Cost per £000 Gross Revenue Turnover	4.17

- Indicatively, if the Council incurred at the same as the average of benchmark Councils it would have incurred £5.8m in 2015/16 rather than the £2.5m that it did.
- **Commissioning & Procurement** are forecast to underspend by £0.05m on salaries due to the decision not to fill vacant posts pending a service review, and is anticipating a further £0.05m in year saving to be made through the renegotiation of contracts.

## 5.8 Human Resources

- Human Resources (HR) are forecast to balance the £6.0m net expenditure, after accounting for £1m of budget savings.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
HR Functions	5.0	5.1	0.0	0.3	0.5	-0.2	4.7	4.5	-0.2
Single Status	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Corporate Projects	0.1	0.2	0.1	0.0	0.0	0.0	0.1	0.2	0.1
Miscellaneous Income	0.0	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0
Traded HR Functions	1.2	1.2	0.0	1.4	1.4	0.0	-0.3	-0.2	0.1
Administration	1.6	1.6	0.0	0.1	0.1	0.0	1.5	1.5	0.0
Total	7.9	8.1	0.2	1.9	2.1	-0.2	6.0	6.0	0.0

- The projections also allow for work on Council priority programmes such as New Deal & Learner Management System being funded in 2016-17 via prior year underspends of £0.2m.

## 5.9 City Solicitor

- The City Solicitor is forecasting an underspend of £0.3m on the £6.2m net budget. This partly as a result of improved position for Registrars since the move into City Hall, and vacancies held in advance of future years savings.

Service Name	Gross expenditure			Income			Net expenditure		
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m
City Solicitor's Office	0.3	0.2	-0.1	0.1	0.1	0.0	0.2	0.1	-0.1
Democratic	5.4	5.3	-0.1	1.9	1.8	0.1	3.5	3.5	0.0
Legal	2.7	2.5	-0.2	0.2	0.2	0.0	2.6	2.3	-0.2
Total	8.4	8.0	-0.4	2.2	2.1	0.1	6.2	5.9	-0.3

## 5.10 Non Service Budgets

- The £7.2m of Non service budgets that include payments to Joint Committees with other West Yorkshire Local Authorities, External Audit, bank interest and Yorkshire Purchasing Organisation dividends amongst others are forecast to balance.

## 5.11 Central Budgets & Contingencies

- Budgets held centrally include the revenue costs associated with Capital Investment (interest and principal repayment), payment to the West Yorkshire Passenger Transport Executive and contingencies amongst others.
- Contained within Central budgets and contingencies are £4.8m of undelivered savings associated with Transport Assistance (£1.8m from 15/16 and £3m in 16/17) that are forecast to be mitigated by the use of £4.8m of contingencies in 2016-17.
- Other budgets are forecast to underspend by £1.1m as a result of lower capital financing costs due to lower than planned capital spending, offset by the forecast requirement to make provision for future redundancy costs.

## 6.0 BALANCE SHEET

### 6.1 Cash Reserves

- At 30<sup>th</sup> September 2016 unallocated reserves stand at £13.8m.
- The balance continues to be seen as potentially inadequate by both the Director of Finance and the Council's External Auditors given the expected cuts in non protected Government Departments spending the future.
- Net movements from reserves have led to a £14.3m reduction in total reserves from £167.7m at 1 April 2016 to £150.9 at 30<sup>th</sup> September 2016 (£117.1m Council and £33.8m schools). The £14.3m net releases from reserves include:

In addition to the releases and additions outlines at qtr 1, there has been a further £2.1m net releases from reserves including:

Transfers from

- £540k from Care Act Reserve – to offset delays in implementation
- £136k from Great Places to Grow Old reserve – to fund project team costs
- £57k from Museum Restoration Reserve – to fund the royal collection exhibition and install lighting
- £73k from Business Support Centre reserve – for online recruitment licence and transitional costs of HR Plus service
- £170k from Workforce Development – to fund on-going three year talent

management programme (which includes the Future Leader programme and succession planning)

-£85k from Learner Management System reserve – to fund the cost of the new Evolve online training system

-£600k from Regional Growth Fund- to provide contractual match funding to the RGF scheme

-£482k from Grant Reserves

Appendices 1&2 outline Council and schools reserves.

## 6.2 School Balances

- The table below shows that School Reserves (including Schools Contingencies) position as at 30<sup>th</sup> of June 2016. Schools do not report their quarter two financial position for 2016-17 until the end of October 2016.

	Balance 1 <sup>st</sup> April 2016		Balance 31 <sup>st</sup> March 2017		Movement	
	Nos	£000	Nos	£000	Nos	£000
Nursery	7	634	7	703	0	(69)
Primary	137	13,193	125	8,904	12	4,289
Secondary	13	3,307	8	(1,198)	5	4,505
Special	6	693	6	445	0	248
Pupil Referral Units (PRU)	7	1,041	7	706	0	335
<b>Total</b>	<b>170</b>	<b>18,868</b>	<b>170</b>	<b>9,560</b>	<b>17</b>	<b>9,308</b>
School Contingency		14,091		7,000	0	7,091
City Learning Centres/Other		844		844	0	0
<b>Total</b>	<b>170</b>	<b>33,803</b>	<b>170</b>	<b>17,404</b>		<b>16,399</b>

- There have been seventeen schools (Laisterdyke Business College, High Craggs Primary, Thornbury Primary, Barkerend Primary, Westminster CoE Primary, Oxenhope Primary, Oakworth Primary, Lees Primary, Buttershaw College, Allerton Primary, Oakbank School, Queensbury School, Haworth Primary, St Winefrieds Catholic Primary, St Josephs Catholic Primary, Thornton Grammar and St John the Evangelist Catholic Primary) who converted to Academy Status in 2016-17.
- In setting the 2016-17 Schools budget, The Schools Forum allocated £9.6m balance held within School Contingencies.

## 7.0 CAPITAL

- The profiled resource position for 2016-17 for the Capital Investment Plan (CIP) stands at £100.8m. This is a reduction of £17.6m from the first quarter monitor position. To the end of September there has been spend of £23.4m. A summary position by service is shown in the Table below and the detailed Capital Monitor in Appendix 4. The Capital Monitor has been updated to reflect changes to the structure of the Regeneration Directorate

Service	Budget Exec Jul 2016	Changes	Re - profiled Budget for Year	Profiled Budget Apr-Sep	Actual Spend to 30 Sep	2017-18 Budget	2018-19 Onwards
	£'m	£'m	£'m	£'m	£'m	£m	£'m
Adult & Community Services	2.6	-0.8	1.8	0.3	0.2	15.0	5.2
Children's Services	30.0	-5.9	24.1	9.1	8.9	26.8	15.6
Environment & Sport	21.3	-1.1	20.2	3.4	2.8	26.0	25.9
Regen – Estates & Property Serv	7.1	-0.4	6.7	1.6	1.4	1.9	0.0
Regen – Economic & Devel Serv	33.6	-14.9	18.7	6.5	5.2	34.6	17.1
Regen – Plan , Transport & Hghwys	14.0	5.2	19.2	5.8	4.9	6.1	43.8
Reserve Sch & Contingencies	9.8	0.3	10.1	0.0	0.0	16.0	26.6
<b>All Services</b>	<b>118.4</b>	<b>-17.6</b>	<b>100.8</b>	<b>26.7</b>	<b>23.4</b>	<b>126.4</b>	<b>134.2</b>

- The main reasons for the reduction in the Budget are:
- The reprogramming of £9.2m of CS0244 Primary Schools Expansion into future years partly offset by additional grant on other schemes within Children's Services.
- Within Economic and Development Services there has been slippage of £3.9m on CS0291 Tyrls due to on going discussions with West Yorkshire Combined Authority (WYCA), delayed site starts on CS0308 Affordable Housing Programme 2015 -18 has allowed £2.4m to move into next year, £2m has slipped on CS0305 LCR Revolving investment fund pending further scheme approval by WYCA and £1.8m change on CS0136 Disabled Housing Facilities Grant.
- Within Planning, Highways and Transport there has been a net increase of £5.2m reflecting additional grants to various schemes partly offset by reprofiling £5m on CS0306 Strategic Transport Infrastructure into next year.
- £4.8m in reserves and contingencies has been moved into future years offset by two new schemes included in the year. The £0.3m funding in reserves for School Catering has been transferred to revenue as the expenditure relates to repairs and is revenue in nature.

### New Capital Schemes

The Project Appraisal Group (PAG) has considered the following capital bids and recommends their approval by Executive for inclusion in the Capital Investment Plan.

- **Great Places to Grow Old - Keighley Extra Care and Residential Care Homes**  
PAG appraised two bids to develop a 69 apartment Extra Care home and a 50 bedded Residential Care Home in Keighley on the former Bronte school site. The total estimated costs of the two developments is £16.9m and would be funded from a grant from the Homes and Communities Agency (HCA) and Department of Health totalling £4.3m, service funded prudential borrowing of £4.5m repaid from rents generated and an allocation of £8.1m funding from the Great Places to Grow Old budget already approved within the CIP.

The schemes will provide modern facilities and enable the objectives of the Great Places to grow Old strategy to be achieved.

- **Chellow Dene Reservoir Repair** - The upper dam of the Chellow Dene Reservoirs is subject to detrimental settlement requiring remedial works. The groundwater settlement is detrimental to the structural integrity of the dam and, if left unattended, any further settlement could lead to a failure in the structure and potential serious localised flooding. This is essential repairs and the estimated cost of the work is £0.3m, funded from the Capital contingency.

- **Harrogate Road/New Line junction** - The Harrogate Road / New Line junction is a strategically important junction which suffers from high levels of congestion during morning and evening peaks with queues extending considerable distances on all approaches. Currently there are no pedestrian or cycling facilities and the junction has long been the focus of local concerns.

The project requires temporary funding for land assembly for an improvement scheme in advance of funding from the West Yorkshire Transport Fund (WYTF) at Project Gateway 3 (Implementation Approval) stage, and the full receipt of Developer Contributions.

In accordance with the resolution of the Executive of 13 January 2015, instigation of negotiations for the Harrogate Road/ New Line junction property acquisition is delegated to the Strategic Director Regeneration & Culture, in consultation with the Portfolio Holder. The total estimated cost is £3.5m with £1.9m coming from Developers Contributions and the remaining £1.6m being temporarily funded from CS0306 Strategic Transport Infrastructure line in the CIP prior to being reimbursed by the WYTF.

- **Hard Ings Road Improvements, Keighley** - The A650 Hard Ings Road is a strategically important route which links Bradford to Keighley and onwards to Skipton and the Pendle area of Lancashire. The A650 is mostly dual carriageway except for a short section, Hard Ings Road which runs between the Bradford Road and Skipton Road in Keighley. The single carriageway section is a key pinch point causing congestion not only on the main A650 but it also impacts Keighley Town Centre as drivers avoid this length of road. Increasing congestion levels will make the area less attractive for inward investment resulting in a detrimental impact on future economic growth.

Improvements to Hard Ings Road will Improve traffic flow and reduce congestion, improving air quality. It will introduce new pedestrian and cycle facilities to encourage sustainable modes for local journeys and improve the local environment through the use of high quality materials. It will also assist in the longer term growth aspirations for housing and economic development and encourage investment from the digital, design, knowledge and service sectors.

This project seeks temporary short term funding to secure the purchase of any areas of land that may be successfully acquired by agreement in advance of full scheme funding through the WYTF. The estimated cost of the scheme is £1.68m to be temporarily funded from CS0306 Strategic Transport Infrastructure line in the CIP prior to being reimbursed by the WYTF.

- **Street lighting** - This scheme would see old lanterns replaced with energy efficient LED light sources. This is an invest to save scheme and the capital investment of £1.6m would be funded by prudential borrowing. The energy cost and maintenance running cost savings will fund the capital financing costs.
- **Strategic asset acquisitions** - Unforeseen schemes often emerge within the financial year such as the acquisition of strategic sites that come onto the market. The CIP includes £8m in future years within General Contingency to provide flexibility to respond to such opportunities the in year emergence of schemes, which, where they align to Council Plan priorities, would be subject to appraisal by the Project Appraisal Group. The first scheme to use the contingency will be funded from prudential borrowing and will generate a net surplus. The Executive is recommended

to endorse this investment approach.

### Capital Resources

- Capital receipts from the sale of fixed assets exceed £2.5m to date and the Council is expected to achieve the target of £3m in capital receipts for the year. The Council has received an additional £24.2m in capital grants and contributions so far this year.

## 8.0 COUNCIL TAX AND BUSINESS RATES COLLECTION

### Council Tax

- In 2016-17, the Council will receive its budgeted £159.9m share of Council Tax, as well as a budgeted share of a £2m forecasted surplus for 2015-16. The Council receives its budgeted shares by statute, paid for from a separate account called the Collection Fund, with any surplus or deficit compared to the actual amount collected carried forward into the following year. Forecast Council Tax income in 2016-17 is higher than the Council Tax budget. Also the actual 2015-16 surplus was even higher than the forecast surplus made before the end of the financial year and on which the budget was based. Combining these two factors means that the Council's share of the 2016-17 forecast surplus is £2m, which will be carried forward into 2017-18 and used to support next year's budget.
- At 30<sup>th</sup> September 2016, the Council had collected £97.9m (50.36%) of the value of Council Tax bills for the year compared with £93.2m (50.28% at the same point last year.

<b>Council Tax Collection</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17
Council Tax - Dwellings administered	211,356	213,312	214,483
BV9 Council Tax collected in year £000s	89,964	93,233	97,865
BV9 % of Council Tax Collected	50.60%	50.28%	50.36%
Council Tax Collection Target	50.80%	50.50%	50.00%

### Business Rates

- For Business Rates, the Council in 2016-17 will receive by statute its budgeted £63.7m share of Business Rates from the Collection Fund, which already takes account of its deficit carried forward from 2015-16.
- The current forecast is that the Council will receive £2.5m less than forecasted, which will cause an equivalent pressure for the 2017-18 budget. The shortfall is caused in the main by higher than expected reductions in rateable values from some City Centre areas due to the relocation of footfall to the Broadway shopping centre. There has been a net increase in rateable values due arising from the Broadway shopping centre.
- Overall therefore the latest estimate is that there will be a potential Business Rates deficit in 2017-18 but nearly all of this will be compensated by the projected Council Tax surplus.

- For Business Rates the collection figure at 30th September 2016 is 53.51% compared to 56.05% at the same time last year. This is in part due to changes in rateable value for several large value properties resulting in payments not being collected in the month and the payment plan being recalculated over the remainder of the year.

<b>Business Rates Collection</b>	At Qtr 2 14/15	At Qtr 2 15/16	At Qtr 2 16/17
Number of Business Rates bills issued plus the number of summonses	17,933	18,314	18,800
CIS_034 (BV10) - Business Rates collected in year £000s	82,783	81,938	81,687
BV10 % Business Rates collected in year	57.1%	56.1%	53.5%
Business Rates Collection Target	56.0%	56.0%	56.0%

## 9.0 RISK MANAGEMENT

- The Financial risks of future known and uncertain liabilities are being addressed through contingencies and provisions outlined in this report.

## 10.0 LEGAL APPRAISAL

- This report is submitted to the Executive in accordance with the Budget and Policy Framework Procedure rules

## 11.0 NOT FOR PUBLICATION DOCUMENTS

None

## 12.0 RECOMMENDATIONS

### That the Executive

12.1 Approve the actions being taken in departments to mitigate the forecast overspend.

12.2 Approve the following capital expenditure schemes

- £16.9m to fund a 69 apartment Extra Care Facility and 50 bed residential care home on the site of the former Bronte School in Keighley in line with Great Place to Grow Old Strategy. The scheme to be funded by £4.3m of grants, £4.5m of borrowing that will be funded by Rental income and £8.1m from the Great Places to Grow Old budget already approved within the Capital Investment Plan.
- £1.68m for Hard Ings road improvements to improve traffic flow and reduce congestion in Keighley. The scheme to be funded by short term borrowing prior to reimbursement from the West Yorkshire Transport Fund.
- £3.5m for Harrogate Road/New Liine Junction road improvement scheme, to be funded by £1.9m of developers contribution and £1.6m of short term borrowing prior to reimbursement from the West Yorkshire Transport Fund.
- £0.3m for Chellow Dene Reservoir repair to be funded from capital contingency.

- £1.6m for Street Lighting invest to save to be funded from the revenue budget savings from lower energy costs and lower maintenance.
- The Executive is asked to approve the use of the General Contingency on schemes that generate a net surplus.

### **13.0 APPENDICES**

Appendix 1	Reserves Statement as at 30 September 2016
Appendix 2	Service Earmarked Reserves as at 30 September 2016
Appendix 3	Capital Investment Plan

### **14.0 BACKGROUND DOCUMENTS**

- Qtr 1 Finance Report 2016-17 Executive Report 19 July 2016
- Medium Term Financial Strategy 2017/18 to 2019/20 and Beyond incorporating the Efficiency Plan - Executive Report 19 July 2016
- Annual Finance and Performance Outturn Report 2015-16 Executive Report 19 July 2016
- The Council's Revenue Estimates for 2016/17 & 2017/18 – Council Report R 25 February 2016
- The Council's Capital Investment Plan for 2016/17 to 2019/20 – Executive Report BB 23 February 2016
- Section 151 Officer's Assessment – Council document S 25 February 2016

## Reserves Statement as at 30<sup>th</sup> September 2016

## Appendix 1

	Opening Balance £000	Movement in 2016-17 £000	Closing Balance £000	Comments
<b>A. Reserves available to support the annual revenue budget</b>				
Unallocated Corporate Reserves	19,919	-6,099	13,820	The approved 2016-17 Budget used £6.2m of unallocated reserves.
<b>Total available Unallocated Corporate Reserves</b>	<b>19,919</b>	<b>-6,099</b>	<b>13,820</b>	
<b>B Corporate Earmarked Reserves to cover specific financial risk or fund specific programmes of work.</b>				
Employment Opportunities fund	1,025	0	1,025	Funding to support young and disadvantaged people into employment
Managed severance	4,093	0	4,093	Money to meet termination costs in the years beyond 2017-18.
Exempt VAT	2,000	0	2,000	Amount set aside to meet the estimated cost of VAT that the Council would not be able to recover should it exceed its partial exemption limit.
Waste Collection and Disposal Options	4,029	0	4,029	A Trade Waste VAT claim resulted in a £4.4m reimbursement. This has been set aside to address future Waste Collection and Disposal costs
Trade Waste VAT refund	463	-120	343	£120k per annum to be used in 2015-16 onwards to contribute towards the cost of Financial Services.
PFI credits reserve	805	0	805	Funding to cover outstanding potential Building Schools for the Future liabilities.
Insurance	1,775	0	1,775	To mitigate and smooth the impact of any future increases in insurance premiums.
Industrial Centres of Excellence	1	0	1	
Sports Strategy	165	0	165	To cover feasibility costs associated with the Sports Strategy.
Single Status	24	0	24	To cover any residual implementation of Single Status costs.
Capital Feasibility Studies	70	-70	0	
Transformation Programme	124	0	124	To fund transformational activity
Better Use of Budgets	2,757	-2,756	1	£2.7m has been transferred back to Services to enable projects and activities carried over from 2015-16 to be completed.
Producer City Initiative	743	-559	184	To pump prime initiatives linked to the Council's Producer City programme
Regional Growth Fund	6,345	0	6,345	The Council's revenue match funding for the Regional Growth Fund
Regional Revolving Investment Fund	3,956	0	3,956	Money set aside in 2013-14 carried forward to meet the Council's commitment to the Regional Revolving Investment Fund.
Discretionary Social Fund	1,848	0	1,848	To fund a replacement local welfare scheme following the government ending its Local Welfare Assistance grant

	Opening Balance £000	Movement in 2016-17 £000	Closing Balance £000	Comments
Transitional and Risk Reserve	7,748	-3,609	4,139	programme at 31 March 2015. To help fund Transitional work, and cover risks. £3.6m has been used to support the 16-17 budget.
Health Integration Reserves	222	0	222	Available to fund projects that lead to greater integration between the Council and its Health partners.
Match Fund Basic needs Grant	700	0	700	
Strategic Site Assembly and Development	0	800	800	
<b>Sub Total</b>	<b>38,893</b>	<b>-6,916</b>	<b>31,977</b>	
<b>C. Reserves to support capital investment</b>				
Renewal and replacement	11,917	0	11,917	Funding used to support the capital investment programme.
Markets	1,231	0	1,231	Cumulative Market trading surplus's to be re-invested in maintaining market buildings throughout the district.
<b>Sub total</b>	<b>13,148</b>	<b>0</b>	<b>13,148</b>	
<b>D. Service Earmarked Reserves</b>	<b>42,829</b>	<b>-1,216</b>	<b>41,613</b>	See Appendix 2
<b>E. Revenue Grant Reserves</b>	<b>8,389</b>	<b>-2,308</b>	<b>6,080</b>	
<b>F General Reserves</b>				
General Fund	10,803	0	10,803	The GF balance acts as a necessary contingency against unforeseen events. The balance at 31st March represents a minimum of 2.5% of the Council's budget requirement in line with council policy and the general advice of External Auditors.
Schools delegated budget	33,802	0	33,802	Represents in the main balances held by schools as part of delegated budget responsibility. These balances are <b>not</b> available for Council use but are balances attributable to individual schools.
<b>Sub total General Fund Reserve &amp; School balances</b>	<b>44,605</b>	<b>0</b>	<b>44,605</b>	
<b>Grand total</b>	<b>167,783</b>	<b>-16,846</b>	<b>150,937</b>	

## Appendix 2

### Departmental Earmarked Reserves Statement as at 30th September 2016

	Opening Balance £000	Movement in 2016-17 £000	Latest Balance £000	Comments
<b>Adult and Community Services</b>				
Supporting People	2,065	0	2,065	Funding to support invest to save projects
Integrated Care	5,347	0	5,347	NHS and Council monies used to support ring fenced projects and integration of health and social care
Great Places to Grow Old	604	-168	436	Funding to cover management and staffing costs linked to the transformation of services for older people.
District Tenants Federation	30	0	30	Funding committed to provide support to District Tenants Federation
Stock Condition	95	0	95	Funding to procure Stock Condition Surveys.
Social Lettings	664	0	664	To undertake a feasibility study for a Social lettings Agency.
Homelessness prevention	1,044	0	1,044	To fund initiatives to prevent Homelessness.
Care Act Reserve	4,863	-540	4,323	To support the implementation of the Care Act
<b>Total Adult and Community Services</b>	<b>14,712</b>	<b>0</b>	<b>14,004</b>	
<b>Children Services</b>				
BSF Unitary Charge	6,568	0	6,568	These reserves are being built up to ensure that in the future there is sufficient money available to meet the cost of BSF annual contract payments when the PFI grant the Council receives reduces
BSF Unitary Charge Phase 2	4,093	0	4,093	See above
Dilapidation	1,000	0	1,000	At the end of a lease on a building, the Council will be liable for any dilapidations of the building.
Better Start Programme	90	0	90	Council's two year contribution to a programme that will bring in £50m of revenue investment to the District over a 10 year period.
Safeguarding Board	86	0	86	Support for the Council in its role as the accountable body for the Bradford Children's Safeguarding Board

	Opening Balance £000	Movement in 2016-17 £000	Latest Balance £000	Comments
Routes to Work	361	0	361	Employment and Skills funding that was carried forward from 2014-15 to complete initiatives that span more than twelve months.
Advanced Skills Fund	386	0	386	
Retail Academy (Skills for Employment)	337	0	337	
Training Work Programme (Skills for Work)	1031	0	1,031	
<b>Total Children</b>	<b>13,952</b>	<b>0</b>	<b>13,952</b>	
<b>Finance</b>				
Non Council Events programme	10	0	10	To support events put on by non Council .
Community Support and Innovation Fund	404	0	404	To support community led service provision and investment in initiatives that engage with vulnerable people.
Subsidy Claim	711	0	711	Contingent support set aside to address the fluctuations in the subsidy claims.
ICT Programmes Budget	4900	0	4,900	To fund future ICT projects
UC Admin Reserve	545	0	545	To help cover the cost of the implementation of universal credit administration.
<b>Total Finance</b>	<b>6,570</b>	<b>0</b>	<b>6,570</b>	
<b>Environment and Sport</b>				
Marley pitch replacement	305	0	305	To provide match funding under the terms of grants given to maintain Sports and Leisure venues across the District
Waste disposal procurement	278	0	278	Set aside to meet Departmental costs associated with delivering a Waste Management solution
Customer Service Strategy	849	0	849	Non recurring investment to be used to fund the Customer Service Strategy.
Taxi Licensing	320	0	320	Statutory requirement to set aside any taxi licensing surplus when setting future fees.
Theatres Box Office	96	0	96	
Cricket Pitch Refurbishment	310	0	310	
Culture Service Transition	121	0	121	To cover costs associated with modernising the service and adopting a different service delivery model.
Art Fund	12	0	12	To fund the purchase of works of Art.

	Opening Balance £000	Movement in 2016-17 £000	Latest Balance £000	Comments
HLF Building Maintenance	10	0	10	A condition of the HLF grant is that an asset management programme is in place to maintain Manningham Library to a specified standard.
Torex	10	0	10	To address e-Govt targets and improve service delivery.
Saltaire Tourist Information Centre	15	0	15	
Culture Company	200	0	200	Help create a Culture Company
Gym Equipment	133	0	133	To fund replacement gym equipment in Sports Facilities
Museum Restoration	133	-57	76	
Tour De Britain	8	0	8	
Tour De Yorkshire	139	0	139	
Lidget Moor YC	18	0	18	To support Youth Services in Lidget Green Area
<b>Total Environment and Sport</b>	<b>2,957</b>	<b>0</b>	<b>2,900</b>	
<b>Regeneration</b>				
Empty Homes	125	0	125	To support the on-going programme to bring empty homes back into use
Council Housing Reserve	375	0	375	To meet future costs associated with later stages of the affordable housing programme
Housing Development Programme	212	0	212	Fee income generated to be used to subsidise the delivery of projects in future years.
Facility Management Service Improvement	515	0	515	To support investment in service improvements and cover against uncertainty in the client base
City Park Sinking Fund	630	0	630	Funding set aside to meet the future maintenance costs of City Park.
European Structural Investment Programme	867	0	867	Match funding for ESIP
Empty Rates Relief Scheme	500	0	500	Supporting Business Growth
City Centre Regeneration W	150	0	150	
<b>Total Regeneration</b>	<b>3,374</b>	<b>0</b>	<b>3,374</b>	
<b>Human Resources</b>				
Schools Traded HR Reserves	106	0	106	To mitigate the risk of changes in customer base.

	Opening Balance £000	Movement in 2016-17 £000	Latest Balance £000	Comments
Business Support Centre	145	-73	72	To support organisational development
Workforce Development New Deal	530	0	530	Changing the organisation - vision & values, recruitment & selection, development of managers, performance management, leadership & succession planning linked closely with the New Deal agenda.
Learner Management System	85	0	85	Software/system implementation etc in support of workforce development.
<b>Total Human Resources</b>	<b>866</b>	<b>0</b>	<b>538</b>	
<b>City Solicitor</b>				
District Elections	216	0	216	To smooth the cost of District Elections over a four year period.
<b>Public Health</b>				
Public Health	182	-123	59	
<b>Total Service Earmarked Reserves</b>	<b>42,829</b>	<b>-1,216</b>	<b>41,613</b>	

## Appendix 3

## Capital Monitor

Scheme No	Scheme Description	First Qtr Budget Exec		Re profiled Budget 2016-17	Profile Budget		Budget 2017-18	Budget 2018-19	Budget 2019-20 & Onwards
		19 July	Changes		Apr - Sep	Spend Sept 16			
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Adult &amp; Community Services</b>									
CS0008	HIV Capital Grant	7	0	7	7	7	0	0	0
CS0237	Great Places to Grow Old	1	254	255	0	0	11,756	3,914	1,313
CS0239	Community Capacity Grant	2,110	-995	1,115	50	38	3,195	0	0
CS0257	BACES Mattresses	2	0	2	0	0	0	0	0
CS0275	Bfd Dementia Friendly Environ Pilot	2	0	2	0	0	0	0	0
CS0311	Autism Innovation Capital Grant	19	0	19	0	0	0	0	0
CS0312	Integrated IT system	410	0	410	200	186	0	0	0
CS0326	Single Gateway to Hsg Support	50	-50	0	0	0	0	0	0
<b>Total - Adult &amp; Community Services</b>		<b>2,601</b>	<b>-791</b>	<b>1,810</b>	<b>257</b>	<b>230</b>	<b>14,951</b>	<b>3,914</b>	<b>1,313</b>
<b>Children's Services</b>									
CS0039	Surestart Early Years & Childcare	0	0	0	0	0	0	0	0
CS0073	BSF P2	0	0	0	0	0	0	0	0
CS0231	C&I School (Convers Thorn Park)	1	0	1	0	0	0	0	0
CS0025	Children's Home Residential Prov	14	-8	6	6	6	0	0	0
CS0227	Designated Specialist Provision	4	0	4	0	0	0	0	0
CS0249	Schools DRF	3,689	-689	3,000	0	0	0	0	0
CS0256	2yr old Nursery Educ Expansion	356	51	407	180	147	0	0	0
CS0278	Targeted Basic Needs	171	89	260	138	111	0	0	0
CS0286	Outdoor Learning Centres	319	21	340	292	292	30	0	0
CS0287	S106 Education	0	0	0	0	0	0	0	0
CS0297	Universal Free Sch Meals - Kitchen	26	0	26	2	2	0	0	0
CS0022	Devolved Formula Capital	1,716	1,429	3,145	3,670	3,670	0	0	0
CS0030	Capital Improvement Work	112	88	200	18	17	0	0	0
CS0042	Primary Capital Programme	124	0	124	111	111	0	0	0
CS0240	Capital Maintenance Grant	3,827	2,105	5,932	1,773	1,706	4,538	0	0
CS0244	Primary Schools Expansion Progr	18,735	-9,235	9,500	2,682	2,528	21,692	15,605	0
CS0313	School Capital Loans	400	0	400	0	0	550	0	0
CS0314	Foster Homes Adaptation	187	0	187	0	0	0	0	0
CS0316	Tracks Educational provision	0	185	185	85	85	0	0	0
CS0322	Horton Park Prim Open Spaces	90	86	176	129	131	10	0	0
CS0338	Ingleborough Hall Gateway	3	-3	0	0	0	0	0	0
CS0072	Finance Leases	0	0	0	0	0	0	0	0
CS0343	Children's Home Build Works	227	0	227	59	54	0	0	0
<b>Total - Children's Services</b>		<b>30,001</b>	<b>-5,881</b>	<b>24,120</b>	<b>9,145</b>	<b>8,861</b>	<b>26,820</b>	<b>15,605</b>	<b>0</b>

Scheme No	Scheme Description	First Qtr Budget Exec		Re profiled Budget 2016-17	Profile Budget		Budget 2017-18	Budget 2018-19	Budget 2019-20 & Onwards
		19 July	Changes		Apr - Sep	Spend Sept 16			
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Environment &amp; Sports</b>									
CS0060	Replacement of Vehicles	3,000	0	3,000	1,200	1,065	3,000	3,000	6,000
CS0066	Ward Investment Fund	35	0	35	0	0	0	0	0
CS0151	Building Safer Commun	47	0	47	0	0	0	0	0
CS0063	Waste Infrastructure & Recycling	0	0	0	0	0	1,100	0	0
CS0090	Landfill Restoration Sugden End	40	0	40	0	0	0	0	0
CS0132	Community Hubs	25	0	25	0	0	0	0	0
CS0274	Bfd Enhanced Recycle Collect Bid	0	0	0	0	0	0	0	0
CS0283	Above Ground Fuel Storage	60	0	60	0	0	0	0	0
CS0324	Waste Minimisation Strategy	299	70	369	319	288	0	0	0
CS0328	Cliffe Castle Chimney Project	5	64	69	5	1	0	0	0
CS0340	St George's Hall	3,788	0	3,788	108	108	0	0	0
CS0121	Roberts Park	53	0	53	0	0	0	0	0
CS0129	Scholemoor Project	83	-83	0	0	0	83	0	0
CS0162	Capital Projects - Recreation	17	493	510	360	328	0	0	0
CS0187	Comm Sports Field & Facili	53	0	53	0	0	0	0	0
CS0229	Cliffe Castle Restoration	4,153	-480	3,673	602	598	38	56	386
CS0242	War Memorial	5	0	5	5	0	0	0	0
CS0288	Thornton Grammar	0	1	1	1	0	0	0	0
CS0347	Park Ave Cricket Ground	0	570	570	0	0	0	0	0
CS0004	S106 Recreation	0	0	0	0	0	0	0	0
CS0245	Doe Park	194	0	194	100	9	0	0	0
CS0349	Chellow Dene Upper Reservoir	0	300	300	100	0	0	0	0
CS0284	Sport Facilities Invest Prog (SFIP)	7,548	-1,048	6,500	500	394	20,154	1,430	12,873
CS0107	Markets	77	-57	20	10	8	180	160	467
CS0327	Oastler Market Redevelop	1,164	-964	200	50	25	1,150	1,209	0
	Westgate Car park	660	0	660	50	14	300	300	0
CS0247	Replace Box Office Equip	10	0	10	5	4	0	0	0
<b>Total - Environment &amp; Sports</b>		<b>21,316</b>	<b>-1,134</b>	<b>20,182</b>	<b>3,415</b>	<b>2,843</b>	<b>26,005</b>	<b>6,155</b>	<b>19,726</b>
<b>Regen - Estates &amp; Property Services</b>									
CS0094	Property Programme (bworks)	1,145	-295	850	75	67	0	0	0
CS0262	Prop Prog - Office Ration/ Fmr Library	0	225	225	225	224	0	0	0
CS0294	Property Prog - Essential Maint	563	26	589	200	104	0	0	0
CS0295	Property Prog - Invest to Save	0	0	0	0	5	0	0	0
CS0309	Birklands-Mail Finishing Equip	7	0	7	7	0	0	0	0
CS0308	Property Programme 15/16	189	44	233	233	232	0	0	0
CS0333	Argos Chambers / Britannia Hse	343	1,277	1,620	500	500	723	0	0
CS0344	Property Programme 16/17	1,500	-500	1,000	125	87	0	0	0
CS0230	Beechgrove Allotments	274	0	274	0	0	0	0	0
CS0050	Carbon Management	2,936	-1,171	1,765	200	176	1,170	0	0
CS0157	DEEP/Community Warmth	96	0	96	0	0	0	0	0
CS0305	LCR Green Deal Comm	76	0	76	76	5	0	0	0
	DDA Compliance	0	0	0	0	0	0	0	0
<b>Total - Regen – Estates &amp; Property Services</b>		<b>7,129</b>	<b>-394</b>	<b>6,735</b>	<b>1,641</b>	<b>1,400</b>	<b>1,893</b>	<b>0</b>	<b>0</b>

Scheme No	Scheme Description	First Qtr Budget Exec 19 July		Re profiled Budget 2016-17	Profile Budget		Budget 2017-18	Budget 2018-19	Budget 2019-20 & Onwards
		£'000	Changes		Apr - Sep	Spend Sept 16			
<b>Regen - Economy &amp; Development Services</b>									
CS0134	Computerisation of Records	10	0	10	0	0	0	0	0
CS0136	Disabled Housing Facilities Grant	5,602	-1,802	3,800	1,800	1,807	2,471	2,471	4,942
CS0137	Development of Equity Loans	1,766	-766	1,000	250	163	1,000	1,000	2,000
CS0141	Area Renewals	0	0	0	0	0	0	0	0
CS0144	Empty Private Sector Homes Strat	1,034	9	1,043	250	148	1,021	0	0
CS0158	Regional HALS	11	0	11	11	2	0	0	0
CS0160	Afford Housing - Longfield Dve	11	-11	0	0	0	0	0	0
CS0223	Afford Housing - Beech Grove	0	0	0	0	-260	0	0	0
CS0225	Afford Housing Prog 11-15	982	-15	967	600	148	0	0	0
CS0308	Afford Housing Prog 15 -18	7,430	-2,380	5,050	950	871	19,268	2,258	0
CS0250	Goitside	550	-250	300	270	246	5	0	0
CS0280	Temp Housing Clergy House	1,210	0	1,210	600	520	41	0	0
CS0145	S106 monies Affordable Hsg	0	0	0	0	0	0	0	0
CS0299	CPO Monies to be held	0	0	0	0	0	0	0	0
CS0335	Bfd Cyrenians 255-257 Mngm Ln	288	-9	279	10	0	0	0	0
CS0186	Enterprise Hubs	0	0	0	0	-5	0	0	0
CS0213	Park Dam	6	0	6	3	3	0	0	0
CS0269	Burley In Whrfedle Culvert repair	100	0	100	0	1	0	0	0
CS0331	Demolit of Edwards Rainbow Ctre	36	0	36	22	22	0	0	0
CS0084	City Park	205	0	205	0	0	0	0	0
CS0085	City Centre Growth Zone	1,939	-1,519	420	-195	-281	1,300	4,400	0
CS0086	LEGI	51	0	51	0	0	0	0	0
CS0189	Buck Lane	171	-71	100	0	0	71	0	0
CS0228	Canal Road	300	-200	100	0	0	200	0	0
CS0241	Re-use of Frmr College Builds Kghly	556	0	556	30	27	0	0	0
CS0266	Superconnected Cities	907	-882	25	0	0	882	0	0
CS0290	Odeon	6	-6	0	0	0	0	0	0
CS0291	Tyrils	5,115	-3,915	1,200	85	37	3,600	0	0
CS0265	LCR Revolving Econ Invest Fund	3,956	-1,956	2,000	1,700	1,657	1,956	0	0
CS0285	Strategic Development Fund	1,167	-1,167	0	0	0	1,167	0	0
CS0345	Develop Land at Crag Rd, Shply	120	115	235	150	142	1,591	0	0
<b>Total - Regen - Economy &amp; Development Serv</b>		<b>33,529</b>	<b>-14,825</b>	<b>18,704</b>	<b>6,536</b>	<b>5,248</b>	<b>34,573</b>	<b>10,129</b>	<b>6,942</b>
<b>Regen - Planning, Transportation &amp; Highways</b>									
CS0131	Kghly Town Cntr Heritage Initi	669	-1	668	12	12	0	0	0
CS0178	Ilkley Moor	30	-18	12	4	4	18	0	0
CS0179	Landscape Environ Imp	23	0	23	1	1	0	0	0
CS0281	Saltaire - Public Realm imp	192	1	193	68	62	0	0	0
CS1000	Countances Way - Bridge grant	30	-30	0	0	0	30	0	0
CS0071	Highways S106 Projects	303	-90	213	27	23	460	0	0
CS0091	Capital Highway Maint	0	4,892	4,892	1,804	1,806	0	0	0
CS0095	Bridges	0	894	894	643	594	0	0	0
CS0096	Street Lighting	202	186	388	107	101	0	0	0
CS0097	Bridge Assessments	0	0	0	0	0	0	0	0
CS0099	Integrated Transport	389	923	1,312	362	362	0	0	0
CS0103	WY Casualty Reduction Ptner	42	0	42	26	0	0	0	0

Scheme No	Scheme Description	First Qtr		Re	Profile		Budget	Budget	Budget
		Budget	Changes	profiled	Budget	Spend	2017-	2018-19	2019-20
		Exec		Budget	Apr -	Sept 16	18		&
		19 July		2016-17	Sep				Onwards
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0164	Local Intgrtd Transp Area Com	554	568	1,122	350	335	0	0	0
CS0168	Connecting the City (Westfield)	56	0	56	21	28	0	0	0
CS0169	Public Realm Impm't, City Centre	33	0	33	0	0	0	0	0
CS0172	Saltaire R/bout Cong& Safety Works	311	75	386	109	110	0	0	0
CS0252	Measures to Support Hubs	206	-206	0	0	0	45	0	0
CS0264	Highway to Health	99	402	501	233	204	0	0	0
CS0282	Highways Strategic Acquisi	209	-1	208	1	1	0	0	0
CS0289	Local Pinch Point Fund	542	0	542	300	16	0	0	0
CS0293	West Yorks & York Transport Fund	1,019	741	1,760	779	343	2,966	38,314	0
CS0296	Pothole Fund	0	299	299	50	0	0	0	0
CS0306	Strategic Transp Infrastr Priorit	5,500	-5,500	0	0	0	1,810	5,500	0
CS0302	Highways Prop Liab Redn Strat	122	-1	121	4	4	0	0	0
CS0307	Bus Hot Spots	0	70	70	37	37	0	0	0
CS0310	Clean Vehicle Technology Fund	0	3	3	0	0	0	0	0
CS0317	VMS Signage	43	0	43	0	2	0	0	0
CS0319	Challenge Fund	2,068	-538	1,530	243	249	750	0	0
CS0323	Flood Risk Mgmt	45	10	55	7	7	0	0	0
CS0325	Street Lighting Invest to Save	509	-1	508	115	118	0	0	0
CS0329	Damens County Park	138	0	138	0	1	0	0	0
CS0332	Flood Funding	0	2,500	2,500	412	386	0	0	0
CS0334	Air Quality Monitoring Equip	33	0	33	25	24	0	0	0
CS0346	WY+TF Forster Sq Station Gtwy Imp	700	0	700	0	0	0	0	0
<b>Total - Regen - Planning, Transportation &amp; Highways</b>		<b>14,067</b>	<b>5,178</b>	<b>19,245</b>	<b>5,740</b>	<b>4,830</b>	<b>6,079</b>	<b>43,814</b>	<b>0</b>
<b>Reserve Schemes &amp; Contingencies</b>									
	General Contingency	976	3,700	4,676	0	0	2,000	2,000	0
CS0277	Wyke Manor Ph2 Sports Dev	493	0	493	0	0	0	0	0
	Essential Maintenance Prov	500	0	500	0	0	2,000	2,000	4,000
CS0239	Whiteoaks Respite Centre	503	-503	0	0	0	0	0	0
	Bfd City Ctre Townscape Herit	2,750	0	2,750	0	0	0	0	0
	Schools Catering Equipment	300	-300	0	0	0	0	0	0
	Britannia Hse/Argus Chamb P2	1,000	-1,000	0	0	0	1,000	0	0
	Strategic acquisition	275	-275	0	0	0	0	0	0
	Keighley One Public Sector Est	3,000	-3,000	0	0	0	3,000	10,000	5,000
	Silsden School		0	0	0	0	3,633	3,633	0
	Strategic land purch Hard Ings Kghly		0	0	0	0	950	0	0
	Strategic land purch Harrogate Rd / New Line Jct		0	0	0	0	3,500	0	0
	Street Lighting		1,650	1,650	0	0	0	0	0
<b>Total - Reserve Schemes &amp; Contingencies</b>		<b>9,797</b>	<b>272</b>	<b>10,069</b>	<b>0</b>	<b>0</b>	<b>16,083</b>	<b>17,633</b>	<b>9,000</b>
<b>TOTAL - All Services</b>		<b>118,440</b>	<b>-17,575</b>	<b>100,865</b>	<b>26,734</b>	<b>23,412</b>	<b>126,404</b>	<b>97,250</b>	<b>36,981</b>

