

# **Report of the Director of Finance to the meeting of the Executive to be held on 12 April 2016.**

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**Subject:**

**Fourth Quarter Financial Position Statement for 2015-16**

**Summary statement:**

This report provides Members with an overview of the forecast pre-audit financial position of the Council at the 31st March 2016.

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. Any significant movement from this position will be reported at the meeting.

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Director of Finance

**Portfolio:**

**Leader of the Council and Strategic  
Regeneration**

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**Overview & Scrutiny Area:  
Corporate**

## **FOURTH QUARTER FINANCIAL POSITION STATEMENT FOR 2015-16**

### **1.0 INTRODUCTION**

This report is the fourth monitoring report presented to Members on the Council's 2015-16 financial position. It provides an early indication of the revenue and capital financial position of the Council at the 31st March 2016. The final financial out turn position will be confirmed in a comprehensive Joint Finance and Performance report to the Executive in June.

The report covers

- The forecast outturn of the Council's revenue budget including management mitigations where issues have been identified.
- The delivery of 2015-16 approved budget savings plans.
- A statement on the Council's reserves including movements since the third quarter report.
- An update on the Capital Investment Plan.
- An update on Council Tax and Business Rates Collection.

### **2.0. MAIN MESSAGES**

- Based on 29th February 2016 projection, the Council is forecasting that spend will be £0.8m less than the approved budget of £400.8m, similar to the position reported at the Third Quarter.
- Within this overall result, material movements since the Third Quarter include
  - £0.5m in Neighbourhoods and Streetscene, including higher parking charges and fines, and lower costs of Uniformed Services.
  - £0.4m for Climate Housing and Property, following rates rebates and school catering productivity gains.
  - £0.4m for Planning Transport and Highways, with the mild winter leading to lower gritting and road maintenance costs, combined with lower expenditure on the Local Plan.
  - Revenues and Benefits have seen a £0.4m reduction in the forecast income from the recovery of Housing Benefit overpayments.
  - Providing for future expected and potential liabilities including redundancy and restructuring, school sector reforms, potentially doubtful debts, and change risks.
- All other service areas are materially as forecast at Third Quarter. The main variances to budget are outlined in section 3 Service Commentaries.
- Requests to carry forward budget for priority activity and projects that will be completed in 2016-17 total £3.0m, and are outlined in Table 2 and in more detail in section 3.
- Regarding the £37m budgeted savings programme, it is still forecast that £5.4m of savings will not be delivered as planned. As previously reported, the main variances include
  - £3m reduction in transport assistance reform will be underachieved by £2m: making sure the approach to reassessing is right and properly resourced has taken longer than anticipated. £0.6m of investment over 2 years in Travel Training has been agreed as part of the 2016/17 budget to help travel assistance reform.

- £3m saving from Children's Centres will be underachieved by £0.3m due to delays in establishing the final external clusters, now expected by August 2016.
  - £1.6m saving in Adults Residential Care will be underachieved by £0.65m as numbers of external placements have not reduced as planned and an In House home that was planned to be de-commissioned remains open.
  - £1.0m saving linked to reductions in High Cost Adult Services placements will be underachieved by £0.5m due to lower than planned net reductions in placements.
- At 31 March 2016 it is forecast that £0.8m will be available to be added to Corporate Reserves.
  - At the 29<sup>th</sup> February reserves stand at £165.4m (Council £127m and Schools £38.4m). Net movements from reserves have led to a £18.7m reduction in total reserves from £184m at 1 April 2015 to £165.4m at 29<sup>th</sup> February 2016. Further movements from reserves will include approximately £13.8m from School reserves before year end leaving the school balance at approximately £24.6m.
  - Regarding Capital Expenditure, the profiled resource position for 2015-16 for the Capital Investment Plan (CIP) stands at £75m. This is a reduction of £6.4m from the third quarter monitor position.  
2 New schemes are recommended to be added to the Capital Investment Plan.
    - 1) A £7.265m scheme to build a new school in Silsden to replace an infant school and a junior school.
    - 2) A £0.227m scheme to refurbish 8 Children's Homes in line with recommendations of the Residential Review.
  - Regarding Council Tax and Business rates Collection, 88.92% of Council Tax had been collected at the end of February compared to 88.89% at the same point in 2014-15. There is a forecast surplus on the Council Tax Collection Fund of £2.5m, with the Council's share being approximately £2m. This surplus will be used as one-off funding to support the 2016-17 budget.
  - 91.32% of Business Rates had been collected at the end of February compared to 90.72% the same point in 2014-15. However, the Council is forecasting a 2015-16 Business Rates deficit of £10m. As reported previously, Business Rates appeals handled by the Governments Valuation Office relating mainly to GP surgeries and Health Centre are impacting on the Business Rates base.

## 2. COUNCIL REVENUE FORECAST

### 2015-16 Revenue Budget

The Council's approved net revenue budget for 2015-16 is £400.8m. The budget is after £37.0m of service and non service budget savings.

#### 2.1 2015-16 Revenue Forecast as at 29 February 2016

Table 1 2015-16 Revenue Forecast Council Spend

	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	163.7	163.3	-0.4	38.2	38.6	-0.3	125.5	124.7	-0.8
Children's Services	620.6	622.9	2.3	517.0	517.9	-0.9	103.6	105.0	1.5
Environment & Sport	101.7	99.8	-1.9	46.6	47.2	-0.6	55.1	52.6	-2.5
Public Health	44.0	41.9	-2.1	43.7	41.6	2.1	0.4	0.4	-
Regeneration	99.2	97.9	-1.3	47.8	47.2	0.6	51.4	50.6	-0.8
Revenues & Benefits	188.2	187.7	-0.5	183.7	184.0	-0.3	4.5	3.7	-0.8
<b>Total services to the public &amp; businesses</b>	<b>1,217.4</b>	<b>1,213.5</b>	<b>-3.9</b>	<b>877.0</b>	<b>876.4</b>	<b>0.6</b>	<b>340.4</b>	<b>337.1</b>	<b>-3.3</b>
<b>Support services and non service</b>									
Property Programme	1.4	1.5	0.1	0.1	0.2	-0.1	1.3	1.3	-0.0
Chief Executive	4.9	4.5	-0.4	0.1	0.1	0.0	4.8	4.4	-0.4
City Solicitor	8.2	7.8	-0.4	2.2	1.9	0.3	6.0	5.9	-0.1
Human Resources	9.2	8.6	-0.6	2.1	2.3	-0.2	7.1	6.3	-0.8
Finance (Excluding Revenues & Benefits)	23.0	22.8	-0.2	1.9	1.8	0.0	21.2	21.0	-0.2
Non Service Budgets	8.1	7.5	-0.6	1.3	1.1	0.2	6.8	6.4	-0.4
<b>Total support services and non service</b>	<b>54.8</b>	<b>52.7</b>	<b>-2.1</b>	<b>7.6</b>	<b>7.4</b>	<b>0.3</b>	<b>47.2</b>	<b>45.3</b>	<b>-1.9</b>
Central Budgets & Net Transfers To Reserves	31.2	35.6	4.4	18.0	18.0	-	13.2	17.5	1.4
<b>Total Council Spend</b>	<b>1,302.2</b>	<b>1,300.1</b>	<b>-2.1</b>	<b>901.4</b>	<b>899.8</b>	<b>1.5</b>	<b>400.8</b>	<b>400.1</b>	<b>-3.8</b>
Deferred Expenditure									3.0
<b>Total Council Surplus in 2015-16</b>									<b>-0.8</b>

**Table 2 – Expenditure to take place in 2016-17**

<b>Deferred Activity</b>	<b>£m</b>	<b>£m</b>
<b>Adult Services</b>		
Housing Related Support - interim contract extension required due to re-procurement	0.2	
Learning Disabilities - 2 minibuses ordered, to be delivered in 2016-17	0.1	
	<u>0.3</u>	0.3
<b>Children's Services</b>		
Continued Investment in School Leadership	0.1	
	<u>0.1</u>	0.1
<b>Regeneration</b>		
Planning – Local Development Plan	0.3	
Economic Development - Match funding for super fast broadband	0.1	
Economic Development - ERDF Match Fund Enterprise Support	0.4	
Economic Development - Events	0.1	
	<u>0.9</u>	0.9
<b>Environment &amp; Sport</b>		
Neighbourhood Safer and Stronger Communities – Safety Project	0.1	
Street Cleaning - Bins that have been ordered, to be delivered in 2016-17	0.1	
Waste Disposal - Equipment to mitigate issue of contaminated batches impacting on recycle sales	0.1	
	<u>0.3</u>	0.3
<b>Public Health</b>		
To enable the completion of programmes linked to Mental Health, Health Improvement and Warm Homes which commenced in 2015-16	0.4	
	<u>0.4</u>	0.4
<b>Chief Executive</b>		
Policy Programmes and Change - help transition to lower cost base	0.1	
<b>Human Resources</b>		
Workforce Development - help transition to lower cost base	0.2	
<b>Finance</b>		
Revenues and Benefits – increase in unrecoverable income.	0.7	
<b>Property Programme</b>		
Property Programme - IT hardware to enable vacation of Jacobs Well	0.1	
<b>Total expenditure to take place in 2016-17</b>		<b>3.0</b>

## 2.2 Delivery of Budgeted Savings proposals

The combined budget savings of £37.7m in 2015-16 (£35.1m approved by Council in February 2015, and a £2.6m Government in year 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 £172.6m.

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

	£m
2011-12	48.7
2012-13	28.5
2013-14	26.1
2014-15	31.8
2015-16	37.7
<b>Total savings</b>	<b>172.6</b>

In tracking progress made against each individual saving proposal, £32.3m (86%) of the £37.7m is forecast to be delivered, leaving £5.4m that will not be delivered.

### **<sup>1</sup>Saving Tracker**

Service	Budgeted Savings	Revised* Savings	Forecasted Variance at Qtr 3	Forecasted Variance at Qtr 4
Adult & Community Services	8.6	8.3	1.2	1.2
Children's Services	9.5	9.1	1.2	1.1
Environment & Sport	2.9	4.5	0.5	0.5
Regeneration & Culture	4.7	4.2	0.2	0.2
Public Health	0.9	3.5	0.1	0.1
Director of Finance	1.9	1.9	0.1	0.1
City Solicitor	0.3	0.3	0.0	0.0
Chief Executives Office	1.1	1.1	0.0	0.0
Director of Human Resources	0.9	0.4	0.0	0.0
Non Service Budgets and cross cutting	1.3	1.1	0.2	0.2
Travel assistance	3.0	3.0	2.0	2.0
<b>Total</b>	<b>35.1</b>	<b>37.7</b>	<b>5.4</b>	<b>5.4</b>

\*Revised savings vary from the originally budgeted savings as a result of planned structure changes including Culture services and Youth services moving to Environment & Sport and the decentralisation of Transactional Services from Human Resources. Additionally there has been a £2.6m in year government cut to the Public Health grant requiring additional offsetting savings.

As reported previously, the main planned savings that are forecast not to be delivered in full include:

### **Transport 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 reduction in transport assistance will be underachieved by £2m. Making sure that the approach to reassessing is right and properly resourced has taken longer than anticipated. £0.6m of investment over 2 years in Travel Training has been agreed as part of the 2016/17 budget to help travel assistance reform.

## **Children's Centres**

- Of the £3m saving that was planned to be delivered from clustering Children's Centre provision across the district, £0.3m will not be achieved in 2015-16. The shortfall relates to a delay in the reconfiguration of the 3 remaining external Children Centre clusters. The new arrangements should be in-place by August 2016, and the issue should not recur.

## **Reduction in Adults Residential Care provision**

- A £1.6m saving was planned to be delivered by decommissioning an In-House Home and reducing external purchased residential care placements by 50. Of the £1.6m, £0.65m is forecast not to be delivered as the In-house home remains open and external residential placements have reduced by 32.

## **Renegotiation of high cost placements in Adults**

- £1m of savings was planned to be delivered by renegotiating high cost placements. To date savings of £1.2m have been achieved through reviews and sharing costs with health, however there have been new high cost placements costing £0.7m reducing the overall amount saved to £0.5m. There are a number of service users currently awaiting decisions surrounding Continuing Health Care funding from the NHS which could have a positive impact on the high cost placement budget outturn.

## **3. SERVICE COMMENTARIES**

### **3.1 Adult and Community Services**

Adult and Community Services are forecast to underspend the £125.5m net expenditure budget (£163.7m gross budget) by £0.8m as a result of retaining vacant posts and reducing contract payments in preparation for 2016-17 savings. This is an increase in the underspend reported at quarter 3 by £0.2m.

- The £57m Purchase Care budget is forecast to overspend by £1.1m primarily due to increased expenditure on Learning Disabilities (LD). LD Residential Fees are overspending by £1.2m due to an increase in the average cost per person per week as a result of the full year effect of 2014-15 high cost placements, and the part year effect of 2015-16 new high cost placements. LD Home Care is overspending by £1.2m due to an increase in the number of clients and also an increase in the average number of hours each client is receiving per week.
- Mental Health (MH) Purchased Care is also overspending by £0.4m mainly due to an increase in the number of clients receiving home support. This increase is due to a significant number of clients having more complex supported accommodation needs than can be currently met from the MH Housing Related Support (HRS) contract; consequently there is a corresponding underspend on the HRS budget for this client group.
- The service is also only partially achieving the budget savings as outlined in the section 2.2. The underachievement has however been mitigated by a reduction in the average cost of residential care placements and the allocation of demographic growth.

- The above pressures are being partially mitigated by underspends within Older People (£0.9m) and Physical Disabilities (£0.3m) packages of care, and overachieving the £0.2m savings target for recovering unspent direct payments by £0.5m.

Other pressures within the Department forecast to total £1.9m include:

- £0.7m in Bradford and Airedale Community Services (BACES) resulting from an increase in demand for both Children's equipment (£0.2m) and specialist equipment (£0.5m) to meet complex needs.
- Increased costs of £0.2m associated with assessing an increasing number of individuals under the new Deprivation of Liberty guidelines. A non recurrent grant has been allocated from Central Government of £0.25m
- Increasing costs of people who have No Recourse to Public Funds (£0.5m). The financial pressure on this budget has been addressed as part of the 2016-17 budget process. The total net budget is £0.4m.
- Income charged under the Fairer Charging Policy for Non Residential Fees is underachieving by £0.4m against a budget of £5.7m income. This will be reviewed as part of the new Charging Policy which will be under consultation over the next few months.

The pressures highlighted above have been offset by compensating savings of £3.8m made across the department. As previously reported employee budgets (£35m) are underspending by £1.4m as a result of management both controlling recruitment to meet operational need and holding posts vacant in preparation for further staffing savings in 2016-17. There has been a steady reduction throughout the year to the cost of contracts (£2m) in preparation for the savings in 2016-17 and there has been additional unbudgeted savings of £0.4m across the department.

As reported in previous years, there are a number of final budget reconciliations outstanding, relating to commissioned services, which still may affect the final outturn position.

## **3.2 Children's Services**

The Children's Services department is forecast to overspend the £103.6m net expenditure budget (£620.6m gross budget) by £1.5m which is similar to the reported position at the quarter 3.

### **3.2.1 Specialist Services**

Specialist Services are forecast to overspend the £58.1m net expenditure budget by £1.9m.

The main variances within Specialist Services include:

- The Looked After Children Purchased Placement budget is forecast to overspend the £5.6m net expenditure budget by £2.7m. This is due to an increase in the number of external Residential placements since 2014-15 and an increase in the cost of placements as demand for places is increasing within the sector.
- The allowances budget of £10.3m paid to carers (Special Guardians, Foster carers, Adoption carers) is forecast to overspend by £0.4m; £0.1m of this results from on-going consultation on Fostering Allowances that should not recur in 2016-17, the



remaining £0.3m is an on-going pressure resulting from the increasing numbers of children receiving support (see table below).

Type of Placement	2012-13	2013-14	2014-15	Qtr 3 2015-16	% Increase from 2012-13
Placed with Parents	90	82	84	83	-8%
Placed for Adoption	39	53	63	42	8%
Friends and Families	201	189	218	208	4%
Foster Parents	386	383	349	363	-6%
Fostering Agencies	39	37	32	31	-21%
Residential Care	60	70	68	64	7%
Residential Care (Ext)	40	41	46	51	28%
Fostering Other *	34	32	37	36	6%
<b>Sub Total (Number of Looked After Children)</b>	<b>889</b>	<b>886</b>	<b>897</b>	<b>878</b>	<b>-1%</b>
Residence Orders	78	81	65	71	-9%
Adoption Orders	213	224	270	267	25%
Special Guardianship Orders	122	157	240	257	106%
<b>Sub Total (Chd in Permanent Arrangements)</b>	<b>413</b>	<b>462</b>	<b>575</b>	<b>595</b>	<b>44%</b>
<b>Total Children Receiving Support</b>	<b>1,302</b>	<b>1,348</b>	<b>1,472</b>	<b>1,473</b>	<b>13%</b>

- The Council has allocated £1.5m to address the Purchased Placement and Allowances budget issues in 2016-17. Mitigating actions including reducing expenditure on external placements are planned to address the remaining pressure.
- The Care Management service is forecast to overspend the £19.7m net expenditure budget by £0.4m. This results from additional demands on the service reflecting an on-going pressure.
- The legal/court fees budget of £1.0m is forecast to underspend by £0.3m mainly due to reductions in court fees payable by the Council. Court fees are reviewed annually so it is currently unclear if the saving will recur.
- Direct payments for children with disabilities are set to be £0.1m below the £1.1m net expenditure budget as a result of reduction in carers entitled to Direct Payments. The Personal Budgets framework is due to be considered by the Executive in April 2016.
- The Prevention and Support service is forecast to underspend the £2.9m net expenditure budget by £0.2m mainly on the commissioning budget. Shared Care service, Residential units and the Youth Offending Team are forecasting a combined underspend of £0.2m on staffing budgets in preparation for further 2016-17 savings.

### 3.2.2 Client Services

Client services are forecast to underspend the £26.9m net expenditure budget (£38m gross budget) by £0.3m. The main variances to plan within Client Services include:

- Education, Employment and Training team is forecast to overspend the £2.4m net expenditure budget by £0.2m due to shortfall in generating income from projects/contracts. The reconfiguration of the Skills for Work service should ensure that the shortfall does not recur in 2016-17.
- The Employment and Skills service is forecast to underspend the £1.3m net expenditure budget by £0.3m due to vacancies held in preparation for 2016-17 budget savings.

- The Assistant Directors office is forecast to underspend the £0.6m net expenditure budget by £0.1m due to one off savings on ICT software license costs and staffing budgets.

### **3.2.3 Access and Inclusion**

Access and Inclusion is forecast to underspend the £9.8m net expenditure budget (£26.4m gross expenditure budget) by £0.1m. The main variances within Access and Inclusion include:

- The Diversity and Cohesion service is forecast to overspend the £0.2m net expenditure budget (£1.2m gross budget) by £0.1m due to shortfall in income generation and a shortfall in achieving cross cutting savings in combining equalities functions across the Council. The reconfiguration of Children's Services is planned to address this.
- The Health and Well Being Team is forecast to overspend the £0.2m net expenditure budget by £0.1m due to the under achievement of traded income. There are currently plans to cease providing the service from 2016-17.
- The Education Psychology service is forecast to underspend the £0.9m net expenditure budget by £0.1m due to higher levels of school income than budgeted. Plans to transfer the service to an employee owned mutual in 2016-17 are being considered by the Executive.
- The Special Education Needs (SEN) and Behaviour Support Services will underspend by £0.2m due to staffing vacancies held in preparation for 2016-17 budget savings.

### **3.2.4 Education and School Improvement**

Education and School improvement is forecast to underspend the £18.6m net expenditure budget (£48.8m gross budget) by £0.2m. The main variances within Education and School Improvement include:

- Children's Centres are forecast to overspend the £8.6m net expenditure budget by £0.3m due to delays in the implementation of the new Children Centre clusters. It is now expected that the final three external clusters will be established by August 2016.
- The Curriculum ICT traded service is facing a £0.1m shortfall in income generation against the £0.1m net income budget.
- Bradford Achievement Service (BAS) is forecast to underspend the £1.8m net expenditure budget by £0.2m as a result of staffing underspends in preparation for 2016-17 savings. The BAS will move to a school led school improvement service in 2016-17.
- Early Childhood Services are forecast to underspend the £10.4m net expenditure budget by £0.3m due to vacancies held in advance of service reconfiguration in 2016-17.
- The Pension Payment budget for former teachers and lecturers of £5.7m is forecast to underspend by £0.1m in 2015-16 due to a reduction in claimants.

### **3.2.5 Directors Office**

The Directors Office is forecast to overspend the £0.2m net expenditure budget by £0.1m due to the budget saving of £0.15m linked to management efficiencies across the service not being delivered. New management arrangements from April 2016 will ensure that the saving is delivered in 2016-17.

### **3.3 Environment and Sport**

Overall, the department is forecast to underspend the £55.1m net expenditure budget (£101.7m gross budget) by £2.5m; an increase of £0.4m since quarter 3.

The department has increased underspends within Neighbourhood Services (£0.5m) and Waste Collection (£0.1m) offset by a movement in Sports and Culture of £0.2m. A summary explanation is outlined in the sections below.

#### **Waste Service**

Waste Services are forecast to under spend the £25.3m net expenditure budget (£30.3m gross budget) by £0.1m compared to a break even position reported at quarter 3. The forecast position is comprised of a £0.8m under spend on Waste Collection and a £0.7m pressure on Waste Disposal.

- Waste Collection is forecast to under spend the £9.7m net budget by £0.8m due mainly to savings on fleet, employee costs and increased income from Trade Waste.
- Waste Disposal is forecast to over spend the £15.5m net budget by £0.7m, mainly as a result of insufficient income being received from paper sales due to contaminated batches (under achievement of £0.4m) and disposal charges projected to be over budget by £0.3m (disposal charges include extra costs incurred as a result of the December floods, for which a claim will be submitted to the DCLG).

The issue of contaminated paper batches should be rectified by the end of April 2016 following the procurement of specialist equipment. The service has requested a better use of budget carry forward of £0.1m to cover the cost of equipment hire and employee costs.

Going forward, the over spend on disposal charges should be mitigated by increased recycling, as a direct result of the Waste Minimisation Programme. Most of the work to deliver bins, education & awareness in the Keighley area has been completed and efforts are now being concentrated on the Bradford area.

However, there is concern an increasing population and number of households could cause an increase in residual waste, partially negating the benefits of increased recycling.

#### **3.3.2 Neighbourhoods and Customer Services**

Neighbourhoods and Customer Services are forecast to underspend the £13.8m net expenditure budget (£19.6m gross budget) by £1.9m after delivering £1.3m of planned savings.

- Uniformed Services are forecast to over achieve the £0.9m net income budget by £1.2m mainly due to increases in car parking & penalty charge notices (PCN's) of

£0.9m and parking ticket income of £0.1m. There is also an underspend of £0.2m on employee costs within the Warden Services.

- Youth Services are forecast to underspend the £2.9m net expenditure budget by £0.2m. The main areas of underspend relate to income from lettings of premises and employee cost underspends.
- Customer Services are forecast to underspend the £3.2m net expenditure budget by £0.3m due mainly to planned staff savings in advance of further agreed budget reductions in 2016-17.

### **Neighbourhood & Safer and Stronger Communities**

- The Neighbourhood Service is forecast to underspend the £3.3m net expenditure budget by £0.2m. The underspend is due to held vacancies and a refund of £53k received from West Yorkshire Police which remains unspent. The Service is waiting for a decision from Community Safety Board to approve a safety project. The funding will not be spent in this financial year, therefore the service has put forward a better use of budget request to carry the funding forward to 2016-17.
- Street Cleansing continues to forecast a break-even position against its net expenditure budget of £5.2m. It should be noted that the forecast position includes the purchase of new style litter bins totalling £0.1m, which if not delivered by 31<sup>st</sup> March 2016 will result in a better use of budget request for 2016-17.

### **Sports and Culture**

- Sports & Culture are forecast to overspend the £15.1m net expenditure budget by £0.1m after delivering £1.4m of planned savings. This is a movement of £0.3m from the £0.2m underspend reported at the end of the 3<sup>rd</sup> quarter.
- The service has received a rates rebate for facilities and museums totalling £0.3m and a request has been submitted to transfer to reserves to provide funding to help cover the cost of replacing sports facilities equipment and museum site development in future years.

### **3.4 Public Health**

- Public Health continues to forecast that it will fully spend its 2015-16 Department of Health (DoH) allocation of £38.9m. In year reductions of £2.6m have been met through realignment of the procurement plan, one off vacancy savings and non recurrent funding from NHSE.
- As reported at quarter 3 further reductions to the Public Health grant have been confirmed by the DoH, and will be phased in over the next 4 years; this additional reduction of £4.3m is expected between 2016-17 and 2019-20.
- The service plan to submit a better use of budget request for £0.4m to cover the completion of programmes linked to Mental Health, Health Improvement and Warm Homes which commenced in 2015-16.

### 3.5 Regeneration

The Department of Regeneration is forecast to underspend the £51m net expenditure budget (£99.2m gross budget) by £0.9m. The main variances to plan include:

- **Planning, Transportation and Highways (Building Control and Development Services)** are forecast to overspend the £26m net expenditure budget by £0.3m mainly due to lower than budgeted income from fees for building control and planning charges. The forecast overspend will be mitigated by a plan of action which involves maximising income including grants, strict vacancy management and improved productivity.
- The forecast at quarter 4 represents a £0.3m improvement since quarter 3, after less spend than expected materialised on the Local Plan and winter maintenance after a mild winter.
- A better use of budget request to carry forward £0.3m of budget to 2016-17 will be submitted to meet Local Plan commitments.
- **ISG, part of Climate Housing and Property** is forecast to overspend the £0.2m net expenditure budget by £0.4m due to lower than budgeted sales. Plans are in place for 2016-17 to focus on core activity that prioritises a contribution to the bottom line.
- **Facilities Management** (including School Catering and Utilities) is forecast to underspend the £11.6m net expenditure budget by £0.5m, a £0.2m improvement since quarter 3. This is primarily due to one off savings from adjustments in rateable values in admin buildings and the on-going improvement in the position of School Catering.
- School Catering is now forecast to be £0.3m over its targeted surplus due to volume increases linked to universal infant free school meals, and economies of scale resulting in productivity improvements. Higher project fees in Building Services accounted for the remainder of the improvement.
- **Estates Management** is forecast to over achieve the £0.2m net income target by £40k.
- **Economic Development Services** as previously reported, will underspend the £5.5m budget by £0.9m, this is after adjusting for unspent non-accrued grant of £0.7m. Progress continues with major Regeneration projects such as One City Park and the Odeon. A funding agreement for an initial allocation of funds for One City Park from the Combined Authority has just been signed in February 2016.
- The service intends to submit better use of budget requests to carry forward underspent budget to 2016-17. The requests will include £0.1m of match funding for the Super Fast Broadband project; £0.4m of match funding for the Enterprise Support and £0.1m for Events.

### 3.6 Chief Executive

- The Chief Executive's Office including Policy, Programmes & Change (PPC) is forecast to underspend the £4.7m net expenditure budget (£4.9m gross budget) by

£0.3m. This is primarily through a forecast under spend on employees in Public Affairs and Policy Programmes and Change as a prudent approach to staffing is being taken in anticipation of a need to achieve further efficiencies in 2016-17.

- Additionally substantial savings targets of £1.1m are on track to be delivered as the service completes its transition to a lower cost base.
- The service plans to submit a better use of budget request to help the service transition to a lower cost base in 2016-17.

### **3.7 Finance**

- Overall, the Finance Department is forecast to underspend the £25.7m net expenditure budget (£211.2m gross budget) by £1m mainly due to underspends in Revenues & Benefits (£0.8m) and in Commissioning and Procurement which has remained at a £0.3m underspend.
- The Revenues & Benefits forecast underspend has reduced by £0.4m since quarter 3 to £0.8m. This is primarily due to a reduction in the previously anticipated underspend in the Housing Benefits payments budget.
- The main additional contributions to the total forecast underspend are from Council tax and Benefits administration (£0.3m) and payroll (£0.1m) due to increased charge income.
- Revenues and Benefits plan to submit a better use of budget request to help cover the cost of potentially unrecoverable income in 2016-17.
- Information Technology Services (ITS) are now forecast to balance the £16.7m net expenditure budget.
- Financial Services including the Director of Finance are forecast to overspend the £2.7m net expenditure budget by £0.1m as reported at quarter 3.
- Budgeted savings of £1.9m allocated to the Finance Department as a whole in 2015-16 remain on track to be achieved.

### **3.8 Human Resources**

- Human Resources (HR) are forecast to underspend the £7.1m net expenditure budget by £0.5m which is in addition to £0.4m of savings applied to it in 2015-16 which are being reported as being achieved.
- Approximately half the under spend is in employee costs within the core Human Resources & Administration functions due to vacancy control pending the completion of the restructure and the decentralisation of Transactional Support staff. The other half of the under spend is from one off savings and income generation within Workforce Development. The projections also allow for work on Council priority programmes such as New Deal & Learner Management System being funded in 2015-16 via prior year underspends.
- HR plan to submit a better use of budget request for £0.2m to help cover the

transition to a lower cost base in 2016-17.

### **3.9 City Solicitor**

- The City Solicitor is forecast to balance the £5.9m net budget and deliver the £0.3m of budget savings in 2015-16.

### **3.10 Property Programme**

- The Property Programme is forecast to underspend the £1.3m net expenditure budget by £0.1m as a result of staffing vacancies held in advance of 2016-17 budget savings.
- The Programme intends to submit a better use of budget request for £0.1m to help fund costs associated with the vacation of Jacobs Well in 2016-17.

### **3.11 Non Service Budgets**

- Non Service Budgets of £6.8m are forecast to underspend by £0.4m due mainly to underspends on External Audit (£0.1m) and West Yorkshire Joint Services Archives and Archaeology (£0.2m).
- Confirmation of the dividend to be paid by Yorkshire Purchasing Organisation (YPO) is still awaited. Any variance from the £0.5m base YPO dividend budget will affect the final outturn position.

### **3.12 Central Budgets & Contingencies**

- Budgets held centrally include the revenue costs associated with Capital Investment (interest and principal repayment), the implementation of living wage and contingencies amongst others.
- The £1.4m forecast variance represents costs that the Council will need to set aside to provide for future expected and potential liabilities including redundancy and restructuring and change risks. Additionally some potentially doubtful debts have been identified and will be determined shortly, on-going negotiations carried out in good faith will seek to minimise these. Also accelerated Academisation of schools and proposed changes to the school funding formula may result in liabilities falling to the Council.

## **4. BALANCE SHEET**

### **4.1 Cash Reserves**

At 29<sup>th</sup> February 2016 unallocated reserves stand at £19m and it is anticipated that a further £0.8m will be added at outturn. The 2016-17 budget assumes £5.9m will be used to leave a forecasted unallocated balance of £13.8m at 31 March 2017.

The balance continues to be seen as potentially inadequate by both the Council's Section 151 Officer 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 £18.7m reduction in total reserves from £184m at 1 April 2015 to £165.4m at 29<sup>th</sup> February (£127.0m Council and £38.4m schools). The £18.7m net releases from reserves include:

- £21.1m of net releases from reserves outlined in the mid year and quarter 3 reports.
- £2.4m of net additions to reserves in quarter 4 including:

#### Releases from reserves

- £0.3m for match funding from the Regional Growth Fund reserve
- £0.7m to fund transitional spend approved in the 2015-16 budget from the Transitional and Risk Reserve
- £1.3m Earmarked reserves reviewed during 2016-17 budget process released to fund Cricket Pitch, Empty Rates relief and the 2<sup>nd</sup> year of Great Places to Grow Old Programme
- £2.4m

#### Additions to reserves

- +£0.7m to Match Fund the basic needs grant reserve.
- +£0.4m to the Great Places to Grow old reserve for year 2 of agreed funding.
- +£0.4m to the Social Lettings reserve to fund the Private Rented Sector team who facilitate access to private rented sector for people in housing need.
- +£1.7m Care Act Grant Reserve to cover the future cost of the Government delayed Care Act implementation.
- +£0.3m for Cricket Pitch Refurbishment per 2016-17 budget approval
- +£0.5m for Empty Rates Relief Scheme per 2016-17 budget approval
- +£0.1m for the Workforce Development New Deal reserve
- +£0.1m for the Learner Management System reserve
- +£0.6m for the Grant Reserve relating to the community safety projects
- +£4.8m

Appendices 1&2 outline Council and schools reserves.

## 4.2 School Balances

The table below shows that School Reserves (including Schools Contingencies) position as at 31st of December 2015. At the end of the 2014-15 financial year, the school reserve balance was £38.4m. The table below provides the current position on school balances.

	Balance 1 <sup>st</sup> April 2015		Balance 31 <sup>st</sup> March 2016		Forecast Movement	
	Nos	£000	Nos	£000	Nos	£000
Nursery	7	866	7	659	0	207
Primary	137	13,281	137	11,476	0	1,805
Secondary	15	4,303	13	1,381	0	2,922
Special	6	773	6	542	0	231
Pupil Referral Units (PRU)	7	1,841	7	297	0	1,544
<b>Total</b>	<b>172</b>	<b>21,064</b>	<b>170</b>	<b>14,355</b>	<b>0</b>	<b>6,709</b>
School Contingency		16,693		9,637	0	7,056
City Learning Centres/Other		598		598	0	0
<b>Total</b>	<b>172</b>	<b>38,355</b>	<b>172</b>	<b>24,590</b>		<b>13,765</b>



- There are six schools (Oastlers, Hanson, The Holy Family Catholic, St Bede's & St Joseph's College, Eastburn Junior and Stocks Lane Primary) forecasting a combined deficit of £1.3m in 2015-16.
- Two schools (Belle Vue Boys and Immanuel College) converted to Academy status in 2015-16.
- In setting the 2016/17 budget, the Schools Forum has utilised the £9.6m balance on School Contingencies.

## 5. CAPITAL

The profiled resource position for 2015-16 for the Capital Investment Plan (CIP) stands at £75m. This is a reduction of £6.4m from the third quarter position. This is due to changes to the profile of spend on a number of schemes. The most notable are the re-profiling of spend into next year on Schools Capital Maintenance, Primary Schools Expansion Scheme and the Property Programme.

	Budget App by Exec	Change	Re profiled Budget	Spend	Budget 2016-17	Budget 2017-18 & Onward s
	£m	£m	£m	£m	£m	£m
Adult & Community Services	0.5	0.1	0.6	0.5	2.6	19.5
Children's' Services	28.1	-3.3	24.8	18.8	28.5	2.9
Public Health	0.4	-	0.4	-	-	-
Environment & Sports	5.5	-1.9	3.6	2.7	17.0	33.9
Regen – Property & Economic Development	19.8	-1.6	18.2	15.6	16.4	4.3
Regen - Climate, Housing, Employment & Skills	11.2	-	11.2	9.8	21.7	33.0
Regeneration – Planning	1.1	-	1.1	0.7	0.6	-
Regen - Highways & Transport	14.8	0.3	15.1	12.0	10.7	48.3
Reserve Schemes & Contingencies	0.0	-	0.0		15.4	31.3
<b>TOTAL - All Services</b>	<b>81.4</b>	<b>-6.4</b>	<b>75.0</b>	<b>60.1</b>	<b>112.9</b>	<b>173.2</b>

- At beginning of March £60.1 m of capital expenditure had been incurred with further charges expected before outturn.

### New Capital Schemes

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

- Silsden School – this seeks to replace an infant school and junior school with a new school. The project aims to close and merge the existing infant and junior school, extend the age range of one of the schools and allow for future growth. The total cost is estimated at £7,265,000 to be funded from a mixture of grant, developers contribution and capital receipts from the disposal of the existing school sites. Though there may be a need for temporary borrowing until the school sites have been sold.

- Children's Residential Homes –The bid is to refurbish 8 children's residential homes at a total cost of £227,000. The projects aim is to improve the environment within 8 mainstream children's homes in line with the recommendations of the residential review and as part of the placement strategy to return young people to district. The funding for this scheme will come from the capital contingency.

## **Capital funding**

- Capital receipts from the disposal of assets stand at £7.3m, most of which comes from the sale of affordable housing. During the year external borrowing has been reduced by £53m. The Capital Financing Requirement is expected to be below forecast and the Council is within its Prudential Indicator limits for borrowing and capital expenditure.

## **6. COUNCIL TAX AND BUSINESS RATES COLLECTION**

### **Council Tax**

- There is a forecast surplus on the Council Tax Collection Fund of £2.5m, with the Council's share being approximately £2m. This surplus will be used as one-off funding to support the 2016-17 budget. It cannot be used as additional income in the 2015-16 financial year because by statute Council Tax income has to be the same as the budgeted amount.
- The main factor causing the forecast surplus is the lower actual cost of Council Tax Reduction in comparison with the budgeted cost. The cost of Council Tax Reduction arises from discounts given on Council Tax bills to those on low incomes. The cost of these discounts to working age residents have reduced because of the reduction in the claimant count.
- In 2016-17, this lower cost of Council Tax Reduction is being use to provide additional support to the more severely disabled and carers.

### **Business Rates**

- By statute the Council in 2015-16 will receive its budgeted £68.7m share of Business Rates from the Collection Fund. However, the Council is forecasting a 2015-16 Business Rates deficit of £10m, due to the estimated impact of appeals on rateable values, mainly on purpose built GP surgeries and Health Centres.
- The Council has no control over the business rate appeals process, which is run by the Valuation Office. This has been a problem for all Councils and many, Bradford included, have made representations to Government about the impact of this decision, but to no avail. The adverse financial impact will be felt in 2016/17, with a £3.6m reduction compared to the December estimate, a figure material in the context of the Council's existing fiscal challenge, and representing 2.3% of Council Tax.
- This deficit is rolled forward into 2016-17 and has no impact in 2015-16. The impact on 2016-17 Business Rates income is in part mitigated by growth from the Broadway development.

## **Collection Rates**

- At 29th February 2016 the Council had collected 88.92% of the value of Council Tax bills for the year compared with 88.89% at the same point last year. The collection figure is inclusive of all those residents who under Council Tax Reduction are required to pay up to 25% of their Council tax liability. This almost standstill position masks two things; the growing difficulty in collecting small amounts of Council Tax from those on a low income and improvement in collection processes that have been implemented in the last twelve months.
- For Business Rates the collection figure at 29 February 2016 is 91.32% compared to 90.72% at the same time last year.

## **6.0 RISK MANAGEMENT**

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

## **7.0 LEGAL APPRAISAL**

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

## **8.0 OTHER IMPLICATIONS**

There are no further implications beyond those identified in the report

### **8.1 EQUAL RIGHTS**

There are no direct equal rights implications resulting from this report

### **8.2 SUSTAINABILITY IMPLICATIONS**

There are no direct sustainability implications resulting from this report

### **8.3 GREENHOUSE GAS EMISSIONS IMPACTS**

There are no direct greenhouse gas emissions implications resulting from this report

### **8.4 COMMUNITY SAFETY IMPLICATIONS**

There are no direct community safety implications resulting from this report

### **8.5 HUMAN RIGHTS ACT**

There are no direct human rights implications resulting from this report

### **8.6 TRADE UNION**

There are no direct Trade Union implications resulting from this report

### **8.7 WARD IMPLICATIONS**

There are no direct ward implications resulting from this report

## **9.0 NOT FOR PUBLICATION DOCUMENTS**

None

## **10.0 RECOMMENDATIONS**

### **That the Executive**

- 10.1 Note the contents of this report and the actions to be taken to manage the closure of the Council's financial position for 2015-16.
- 10.2 That in preparing the Final Accounts the Director of Finance be empowered to take appropriate steps to secure the best advantage for the Council's financial position.
- 10.3 Approve subject to the actual outturn position at the 31 March 2016 being in line with that reported in Table 2, the deferred expenditure (Better Use of Budget Requests) as set out in Table 2.
- 10.4 Approve the addition of the £7.265m Silsden School capital scheme to the Capital Investment Plan. The scheme to be funded from a mixture of grant, developers contribution and capital receipts from the sale of the existing school sites.
- 10.5 Approve the addition of the £0.227m Children's Homes refurbishment scheme to the Capital Investment Plan. The scheme to be funded from the Capital Contingency

## **11.0 APPENDICES**

Appendix 1 Reserves Statement as at 29 February 2016

Appendix 2 Service Earmarked Reserves as at 29 February 2016

## **12.0 BACKGROUND DOCUMENTS**

- Qtr 3 Finance Report 2015-16 – Executive Report 9 February 2015
- Mid Year Finance and Performance report 2015-16 – Executive Report 3 November 2015
- Medium Term Financial Strategy 2016-17 to 2018-19 and Beyond Executive Report 21 July 2015
- First Quarter Financial Position Statement for 2015-16 Executive Report 21 July 2015
- Annual Finance and Performance Outturn Report 2014-15 Executive Report 23 June 2015
- Council 2015-16 Budget Update 10 February 2015

## Reserves Statement as at 29 February 2016

## Appendix 1

	Opening Balance £000	Movement in 2015-16 £000	Closing Balance £000	Comments
<b>A. Reserves available to support the annual revenue budget</b>				
Unallocated Corporate Reserves	33,666	-14,669	18,997	The approved 2015-16 Budget used £14.8m of unallocated reserves. A further £5.9m will be drawn down in 2016-17.
<b>Total available Unallocated Corporate Reserves</b>	<b>33,666</b>	<b>-14,669</b>	<b>18,997</b>	
<b>B Corporate Earmarked Reserves to cover specific financial risk or fund specific programmes of work.</b>				
Employment Opportunities fund	2,427	0	2,427	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	4,433	0	4,433	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	583	-120	463	£120k per annum to be used in 2015-16 onwards to contribute towards the cost of Financial Services.
PFI credits reserve	4,627	-200	4,427	Funding to cover outstanding potential Building Schools for the Future liabilities. £200k used to support the 2015-16 Budget.
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	255	0	255	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	273	-203	70	
Carbon intervention	761	0	761	To be spent on carbon efficiency measures over a number of years.
Transformation Programme	124	0	124	To fund transformational activity in 2015-16
Better Use of Budgets	7,274	-7,274	0	£3.7m has been transferred back to Services to enable projects and activities carried over from 2014-15 to be completed and £3.6m has been transferred into other earmarked reserves.
Producer City Initiative	768	-25	743	To pump prime initiatives linked to the Council's Producer City programme
Regional Growth Fund	7,000	-613	6,387	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.

	Opening Balance £000	Movement in 2015-16 £000	Closing Balance £000	Comments
Discretionary Social Fund	1,848	0	1,848	To fund a replacement local welfare scheme following the government ending its Local Welfare Assistance grant programme at 31 March 2015.
Transitional and Risk Reserve	5,300	-1,456	3,844	The opening £5.3m includes £4.0m transitional funding set aside as part of the 2015-16 Budget plus £1.3m hedge against delays in delivering the 2015-16 saving proposals. To date £756k has been used to fund transitional spend as approved in the 2015-16 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	0	700	700	
<b>Sub Total</b>	<b>47,744</b>	<b>-9191</b>	<b>38,553</b>	
<b>C. Reserves to support capital investment</b>				
Renewal and replacement	12,648	-719	11,929	Funding used to support the capital investment programme.
Markets	1,235	0	1,235	Cumulative Market trading surplus's to be re-invested in maintaining market buildings throughout the district.
<b>Sub total</b>	<b>13,883</b>	<b>-719</b>	<b>13,164</b>	
<b>D. Service Earmarked Reserves</b>	<b>30,619</b>	<b>8,309</b>	<b>38,929</b>	See Appendix 2
<b>E. Revenue Grant Reserves</b>	<b>9,081</b>	<b>-2,442</b>	<b>6,639</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	38,355	0	38,355	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>49,158</b>	<b>0</b>	<b>49,158</b>	
<b>Grand total</b>	<b>184,151</b>	<b>-18,712</b>	<b>165,439</b>	

Departmental Earmarked Reserves Statement as at 29<sup>th</sup> February 2016

	Opening Balance £000	Movement in 2015-16 £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	7,776	-2,643	5,133	NHS and Council monies used to support ring fenced projects in 2015-16 and integration of health and social care
Great Places to Grow Old	350	63	413	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
Clergy House	171	0	171	To fund the capital costs of developing a new temporary housing scheme.
Stock Condition	95	0	95	Funding to procure Stock Condition Surveys.
Social Lettings	259	405	664	To undertake a feasibility study for a Social lettings Agency.
Homelessness prevention	934	0	934	To fund initiatives to prevent Homelessness.
Care Act Reserve	0	1,688	1,688	To support the implementation of the Care Act
<b>Total Adult and Community Services</b>	<b>11,681</b>	<b>-488</b>	<b>11,193</b>	
<b>Children Services</b>				
BSF Unitary Charge	6,071	0	6,071	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	4,343	0	4,343	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.
BSF Phase 3 Local Education Partnership	100	-100	0	Used to support the 2015-16 Budget as no residual costs following the cessation of Phase 3 of the BSF programme are expected to come through.
Children's Planned Underspend	550	-550	0	2013-14 underspend of £1.5m included as part of Children's Services saving

	Opening Balance £000	Movement in 2015-16 £000	Latest Balance £000	Comments
The Innovation Centres	197	0	197	proposals in 2014-15. Planned underspend in 2014-15 carried forward to meet 2015-16 savings. The Innovation Centres were formerly run by Schools and transferred to children's Services in 2013-14, The reserve covers the cost of on-going service provision from 2014-15
Better Start Programme	135	-45	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.
Food Poverty	89	-89	0	NHS Bradford contribution to support on-going projects aimed at School Cooks, parents and a Grow Your Own Initiative used in 2015-16
Home Safety Equipment	190	-190	0	To be used to install fireguards and other safety equipment in homes across the District
Child Sexual Exploitation (CSE)	20	20	0	For CSE support and parenting projects
Safeguarding Board	176	-176	0	Support for the Council in its role as the accountable body for the Bradford Children's Safeguarding Board
Routes to Work	0	1,400	1,400	Employment and Skills funding that was carried forward from 2014-15 to complete initiatives that span more than twelve months.
Advanced Skills Fund	0	700	700	
Retail Academy (Skills for Employment)	0	100	100	
Training Work Programme (Skills for Work)	0	600	600	
<b>Total Children</b>	<b>12,871</b>	<b>1,603</b>	<b>14,501</b>	

#### Finance

Non Council Events programme	35	-25	10	To support events put on by non Council Departments in 2014-15.
Community Support and Innovation Fund	480	0	480	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	0	4,900	4,900	To fund future ICT projects
UC Admin Reserve	0	545	545	To help cover the cost of the implementation of universal credit administration.



	Opening Balance £000	Movement in 2015-16 £000	Latest Balance £000	Comments
<b>Total Finance</b>	<b>1,226</b>	<b>5,420</b>	<b>6,646</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	341	0	341	Set aside to meet Departmental costs associated with delivering a Waste Management solution
Customer Service Strategy	912	-63	849	2013-14 non recurring investment to be used to fund the Customer Service Strategy.
Taxi Licensing	457	0	457	Statutory requirement to set aside any taxi licensing surplus when setting future fees.
Theatres Box Office	0	136	136	
Cricket Pitch Refurbishment	0	310	310	
Culture Service Transition	216	-95	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.
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	
Lidget Moor YC	27	0	27	To support Youth Services in Lidget Green Area
<b>Total Environment and Sport</b>	<b>2,305</b>	<b>288</b>	<b>2,593</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	244	0	244	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

	Opening Balance £000	Movement in 2015-16 £000	Latest Balance £000	Comments
City Park Sinking Fund	295	210	505	Funding set aside to meet the future maintenance costs of City Park. (£210k contribution 2014-15 BUB)
European Structural Investment Programme	257	610	867	Match funding for ESIP (£610k contribution 2014-15 BUB)
Empty Rates Relief Scheme	0	500	500	Supporting Business Growth
<b>Total Regeneration</b>	<b>1,648</b>	<b>1,320</b>	<b>2,968</b>	
<b>Human Resources</b>				
Schools Traded HR Reserves	106	0	106	To mitigate the risk of changes in customer base.
Business Support Centre	218	-72	145	To support organisational development
Workforce Development New Deal	264	211	475	
Learner Management System	0	85	85	
<b>Total Human Resources</b>	<b>588</b>	<b>224</b>	<b>811</b>	
<b>City Solicitor</b>				
District Elections	301	-85	216	To smooth the cost of District Elections over a four year period.
<b>Total Service Earmarked Reserves</b>	<b>30,619</b>	<b>8,309</b>	<b>38,928</b>	