

COUNCIL BUDGET -2015/16 MONTH 8 REVENUE AND CAPITAL BUDGET MONITORING

Cabinet Member	Councillor Jonathan Bianco
Cabinet Portfolio	Finance, Property and Business Services
Report Author	Paul Whaymand, Corporate Director of Finance
Papers with report	Appendices A - F

HEADLINE INFORMATION

Purpose of report	<p>This report provides the Council's forecast financial position and performance against the 2015/16 revenue budget and Capital Programme.</p> <p>A net in-year underspend of £1,304k is projected against 2015/16 General Fund revenue budgets as of November 2015 (Month 8), representing an improvement of £151k from the position previously reported to Cabinet.</p> <p>The latest positions on other funds and the capital programme are detailed within the body of this report.</p>
Putting our Residents First	<p>This report supports the following Council objectives of: <i>Our People; Our Built Environment; Our Natural Environment; Our Heritage and Civic Pride; Financial Management</i></p> <p>Achieving value for money is an important element of the Council's Medium Term Financial Plan.</p>
Financial Cost	N/A
Relevant Policy Overview Committee	Corporate Services and Partnerships
Ward(s) affected	All

RECOMMENDATIONS

That Cabinet:

1. Note the forecast budget position as at November 2015 (Month 8).
2. Continue the delegated authority up until the 18 February 2016 Cabinet meeting to the Chief Executive to approve any consultancy and agency assignments over £50k, with final sign-off of any assignments made by the Leader of the Council. Cabinet are also asked to note those consultancy and agency assignments over £50k approved under delegated authority between the 17 December 2015 and 21 January 2016 Cabinet meetings, detailed at Appendix F.

3. **Approve the addition of £111,051 Deprivation of Liberty Safeguards (DoLS) New Burdens Funding to Adult Social Care budgets for 2015/16.**
4. **Approve acceptance of Planning Performance Agreement income in respect of the following applications:**
 - a) **Old Vinyl Factory, Blyth Road, Hayes (£69k-£92k)**
 - b) **15-17 Uxbridge Road, Hayes (£23.5k)**
5. **Endorse a decision taken on 19 November 2015 by the Deputy Chief Executive and Corporate Director of Residents Services, in conjunction with the Leader of the Council, to secure a 5 year lease of a new development at 9a Great Central Avenue, South Ruislip, HA4 6TT for temporary accommodation purposes at a cost of £223k per annum.**
6. **Note the rate of Ultra Low Sulphur Diesel fuel price fixed by the Corporate Director of Finance, in conjunction with the Leader of the Council and Cabinet Member for Finance, Property & Business Services as set out in the report.**

INFORMATION

Reasons for Recommendations

1. The reason for the monitoring recommendation is to ensure that the Council achieves its budgetary objectives, providing Cabinet with an update on performance at outturn against budgets approved by Council on 26 February 2015.
2. Recommendation 3 seeks authority to add new burdens funding in respect of Deprivation of Liberty Safeguards (DoLS) to Adult Social Care budgets for 2015/16. The Cheshire West judgement concerning DoLS has now been further extended to apply to people living in other community settings such as supported housing, shared living and in their own home. The service has conservatively estimated that an additional 258 people would require annual assessments and Court of Protection applications. The grant will help to mitigate some of these additional costs in 2015/16, with the remainder reflected in the monitoring position reported for Adult Social Care in this report.
3. Recommendation 4 - In order to expedite the processing of a major planning applications, gift funding has been offered by developers which if accepted by Cabinet will be utilised to fund dedicated staff to support this. The Old Vinyl Factory income may vary from £69k-£92k due to a minimum of 9 months being offered at £7.7k per month with an additional 3 months proposed, subject to workloads.
4. Recommendation 5 relates to a further proactive step by the Council to meet the ongoing demand for temporary accommodation. In late 2015, a decision was taken to lease a new development at 9a Great Central Avenue, South Ruislip, HA4 6TT (opposite South Ruislip Underground Station) for up to 5 years at a gross cost of £223k per annum. This will be a block booking arrangement for self contained nightly paid B&B accommodation, with occupation of the development ready from March 2016. It will comprise of 18 x1 bed flats with a maximum of 4 bed spaces. The accommodation is being converted from a vacant office block and will provide a cost effective way forward, reducing the more expensive spot purchasing of rooms.
5. Recommendation 6 - Cabinet on 24 September 2015 agreed to fix the wholesale price of fuel on 80% of the Council's usual Ultra Low Sulphur Diesel requirement for 12 months, but delegated authority to the Corporate Director of Finance, in consultation with the Leader of the Council and Cabinet Member for Finance, Property & Business Services, the rate at which the Council would fix the fuel price. Cabinet asked that the rate fixed be reported back via a future budget monitoring report. Members are now informed that the rate of 84.74 pence per litre

(inclusive of road diesel duty) was agreed on 6 January 2016 by the Corporate Director with Members. This will reduce the Council's exposure to the risks associated with fuel price volatility and allow a saving to be made on the existing budgetary provision which will be incorporated into the Council's MTF.

Alternative options considered

6. There are no other options proposed for consideration.

SUMMARY

REVENUE

7. An underspend on normal operating activities of £854k is projected at Month 8 for General Fund revenue budgets, with management action across all service areas expected to deliver underspends of £2,362k on Directorate Operating Budgets and £1,370k across Corporate Operating Budgets sufficient to contain £2,878k emergent pressures within contingency. This represents an improvement of £151k on the position reported at Month 7, principally relating to a reduction in forecast expenditure within Social Work being off-set by a higher call on SEN transport contingency than previously forecast. Outside normal operating activity, recovery of £450k Icelandic investments, first reported in Month 4, brings the headline underspend to £1,304k for 2015/16.
8. The 2015/16 revenue budget contains savings of £10,034k, including £127k of items brought forward from 2014/15. At Month 8, £5,552k of savings are banked in full, and a further £2,620k on track for delivery in full. The remaining £1,862k is currently reported as 'amber' primarily due to the expected phasing of delivery rather than more fundamental delivery issues.
9. General Fund balances are projected to total £36,743k at 31 March 2016, after allowing for the release of £5,000k to smooth the impact of front-loaded government funding cuts off-set by the £1,304k in-year underspend. Current forecasts assume that £500k of as yet uncommitted General Contingency and £654k unallocated Priority Growth will be utilised in full during the current financial year.
10. With the exception of the Collection Fund, there are no material variances on other funds affecting the General Fund position. Within the Collection Fund, there is a potential pressure of £1,125k on Business Rates being off-set by a £2,625k surplus on Council Tax activities. The net £1,500k surplus would be available to support the Council's 2016/17 budget.
11. The latest budget monitoring position and current status of the 2015/16 savings programme have been reviewed alongside development of the 2016/17 draft budget and reflected in the Council's Medium Term Financial Forecast which was presented to Members at December Cabinet.

CAPITAL

12. As at Month 8 an underspend of £17,010k is reported on the £80,239k General Fund Capital Programme for 2015/16, with £3,619k favourable cost variances and £13,391k slippage on project expenditure. The forecast outturn variance over the life of the 2015/16 to 2019/20 programme is £3,619k underspend relating partly to completed Primary Schools expansions projects and also on various other schemes.

13. General Fund Capital Receipts of £9,956k are forecast for 2015/16, with total receipts to 2019/20 expected to reach £63,000k, representing a favourable variance of £1,095k against budget.
14. Overall, Prudential Borrowing required to support the 2015/16 to 2019/20 Capital Programme is forecast to be within budget by £3,731k. Cost underspends of £3,619k and improvements in Capital Receipts and CIL forecasts totalling £2,595k are partly offset by shortfalls of grant funding of £2,483k. The grant shortfall is mainly due to 2015/16 Department for Education grant being lower than original budget estimates.

FURTHER INFORMATION

General Fund Revenue Budget

15. An underspend of £854k is reported on normal operating activities at Month 8. This position incorporates a £2,362k net underspend across Directorate Operating Budgets and an underspend of £1,370k across Corporate Operating Budgets, off-set by contingency pressures of £2,878k, primarily relating to Children's Social Care placements and Asylum services. In addition, a £450k favourable exceptional item is reported in relation to the recovery of the majority of outstanding Icelandic investments which brings the reported underspend across the General Fund to £1,304k.
16. Within the reported net underspend across the Council there remains a number of risk areas in which management action is in place to contain potential and emergent pressures. These risks are discussed in detail within the service appendices to this report, alongside narrative on the measures being taken to contain cost pressures, including acceleration of savings initiatives where appropriate.
17. The Council's General Fund revenue budget contains £10,034k savings, with £8,172k already banked or on-track for delivery in full at this stage of the year. The reported position on operating budgets reflects the status of these savings.

Table 1: General Fund Overview

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
186,215	1,460	Directorate Operating Budgets	187,675	185,313	(2,362)	(1,901)	(461)
8,793	(338)	Corporate Operating Budgets	8,455	7,085	(1,370)	(1,350)	(20)
12,340	(972)	Development & Risk Contingency	11,368	14,246	2,878	2,548	330
1,604	(150)	Priority Growth	1,454	1,454	0	0	0
208,952	0	Sub-total Normal Activities	208,952	208,098	(854)	(703)	(151)
		<u>Exceptional Items</u>					
		Recovered Icelandic Investment		(450)	(450)	(450)	0
208,952	0	Total Net Expenditure	208,952	207,648	(1,304)	(1,153)	(151)
(203,952)	0	Budget Requirement	(203,952)	(203,952)	0	0	0
5,000	0	Net Total	5,000	3,696	(1,304)	(1,153)	(151)
(40,439)	0	Balances b/fwd	(40,439)	(40,439)			
(40,439)	0	Balances c/fwd 31 March 2016	(35,439)	(36,743)			

18. The reported exceptional item relates to a further payment received in respect of outstanding Icelandic Investments, enabling release of £450k from the remaining impairment of these investments. 98% of the £15,000k invested with Heritable has now been recovered.
19. At 31 March 2015 General Fund Balances totalled £40,439k, with the budgeted drawdown of £5,000k and the projected £1,304k surplus the forecast closing balance at 31 March 2016 is

projected to total £36,743k. The Council's Medium Term Financial Forecast assumes that balances will remain between £20,000k and £30,000k to manage emergent risks, with sums above that level earmarked for use to smooth the impact of government funding cuts.

Directorate Operating Budgets (£2,362k underspend, £461k improvement)

20. An overview of the forecast outturn on Directorate Operating Budgets is contained in Table 2, with further detail for each directorate contained within Appendix A to this report. Variances relating to those more volatile areas of activity being managed through Development and Risk Contingency are expanded upon below.

Table 2: Directorate Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
11,133	15	Admin.	Expenditure	11,148	10,961	(187)	(190)	3
(1,331)	107		Income	(1,224)	(1,183)	41	46	(5)
9,802	122		Sub-Total	9,924	9,778	(146)	(144)	(2)
16,867	(38)	Finance	Expenditure	16,829	16,743	(86)	(120)	34
(2,583)	2		Income	(2,581)	(2,613)	(32)	2	(34)
14,284	(36)		Sub-Total	14,248	14,130	(118)	(118)	0
111,957	(2,662)	Residents Services	Expenditure	109,295	108,590	(705)	(570)	(135)
(53,324)	352		Income	(52,972)	(53,054)	(82)	(123)	41
58,633	(2,310)		Sub-Total	56,323	55,536	(787)	(693)	(94)
33,409	2,822	Children & Young People's Service	Expenditure	36,231	38,870	2,639	2,833	(194)
(8,329)	(962)		Income	(9,291)	(12,767)	(3,476)	(3,479)	3
25,080	1,860		Sub-Total	26,940	26,103	(837)	(646)	(191)
105,738	3,400	Adult Social Care	Expenditure	109,138	108,865	(273)	(47)	(226)
(27,322)	(1,576)		Income	(28,898)	(29,099)	(201)	(253)	52
78,416	1,824		Sub-Total	80,240	79,766	(474)	(300)	(174)
186,215	1,460	Total Directorate Operating Budgets		187,675	185,313	(2,362)	(1,901)	(461)

21. The Administration position is currently showing a £2k improvement from Month 7, resulting in an underspend of £146k at Month 8. The underlying underspend is mainly due to elected Members no longer being eligible for membership of the Local Government Pension Scheme. Shortfalls in income within the group are being managed through underspends on expenditure.

22. There has been no movement from the Month 7 position within Finance where there is an underspend of £118k mainly relating to vacant posts within Revenues and Operational Finance teams.

23. Residents Services budgets are reporting an underspend of £787k at Month 8, representing an improvement of £94k on the position reported at Month 7. The overall underspend is mainly due to salaries underspends across a number of services, totalling £1,030k and favourable income projections in planning & highways. These underspends are off-set by income pressures at Uxbridge town centre car parks and imported food sampling alongside significant pressures on maintenance budgets.

24. An underspend of £837k is reported within Children & Young People's Services, with £765k staffing underspends within Early Intervention Services off-setting the increased cost of agency staff in post within Children's Resources. A £191k increase in the reported underspend is reported from Month 7, mainly relating to a review of alternative funding

streams across the group. Within the reported position, £3,335k is being drawdown from earmarked reserves to support investment in managed services and the transition to new permanent staffing structures across the Group.

25. Adult Social Care budgets are reporting an improved position of £174k at Month 8, resulting in an overall underspend of £474k across the Group. This is mainly driven by staffing underspends within All Age Disabilities and Social Work being off-set by non-staffing pressures in the All Age Disabilities service.

Progress on Savings

26. The Council's 2015/16 General Fund revenue budget contains £10,034k savings, with £9,907k new items approved by Cabinet and Council in February 2015 and a further £127k brought forward from prior years.

27. At Month 8, £5,552k savings are reported as banked, with a further £2,620k on track for delivery in full during the current financial year. £1,862k savings are being classed as Amber, primarily due to the expected phasing of delivery. No items are being reported as having serious risks of non-delivery at this stage.

28. Those savings marked as amber have been reviewed alongside development of the 2016/17 draft budget, with those higher risk items - principally related to Children & Young People's Services - replaced with alternative proposals in the new year. During the current financial year, sufficient underspends across the Council are in place to off-set the risk of a shortfall on remaining amber savings.

Table 3: Savings Tracker

2015/16 General Fund Savings Programme	Admin. & Finance	Residents Services	Adult Social Care	Children & Young People's Services	Total Savings	
	£'000	£'000	£'000	£'000	£'000	%
B Banked	(690)	(3,517)	(1,310)	(35)	(5,552)	55.3%
G On track for delivery	(663)	(831)	(797)	(329)	(2,620)	26.1%
A Potential significant savings shortfall or a significant or risky project which is at an early stage;	(30)	0	(1,210)	(622)	(1,862)	18.6%
R Serious problems in the delivery of the saving	0	0	0	0	0	0.0%
Total 2015/16 Savings	(1,383)	(4,348)	(3,317)	(986)	(10,034)	100.0%

Corporate Operating Budgets (£1,370k underspend, £20k improvement)

29. Corporately managed expenditure includes revenue costs of the Council's Capital Programme, externally set levies and income arising from provision of support services to other funds and ring-fenced budgets.

30. A favourable movement in interest costs increases the in-year underspend reported on the management of the Council's loan book and cash balances to £1,100k, which is attributable to on-going reviews of capital financing options and proactive management of treasury activity.

31. The £20k improvement from Month 7 relates to reduced employer pension contribution costs as a result of a senior member of staff opting out of the Local Government Pension Scheme.

32. As previously reported, there remains a risk that the use of Real Time Information by the DWP may adversely impact upon funding levels for Housing Benefit, however this situation is under review and at present scope exists to contain such a pressure in-year within the wider Subsidy position.

Table 4: Corporate Operating Budgets

Original Budget £'000	Budget Change £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
0	0	Interest and Investment Income	Salaries	0	0	0	0	0
9,861	(288)		Non-Sal Exp	9,573	8,473	(1,100)	(1,100)	0
(691)	0		Income	(691)	(691)	0	0	0
9,170	(288)		Sub-Total	8,882	7,782	(1,100)	(1,100)	0
493	0	Levies and Other Corporate Budgets	Salaries	493	473	(20)	0	(20)
11,925	(319)		Non-Sal Exp	11,606	11,556	(50)	(50)	0
(12,235)	269		Income	(11,966)	(12,166)	(200)	(200)	0
183	(50)		Sub-Total	133	(117)	(270)	(250)	(20)
0	0	Housing Benefit Subsidy	Salaries	0	0	0	0	0
151,736	0		Non-Sal Exp	151,736	151,736	0	0	0
(152,296)	0		Income	(152,296)	(152,296)	0	0	0
(560)	0		Sub-Total	(560)	(560)	0	0	0
8,793	(338)	Total Corporate Operating Budgets		8,455	7,105	(1,370)	(1,350)	(20)

Development & Risk Contingency (£2,878k pressure, £330k adverse movement)

33. The Council has set aside £11,368k to manage volatile and uncertain elements of budgets within the Development & Risk Contingency, which included £10,368k in relation to specific risk items and £1,000k as General Contingency to manage unforeseen risk items. As expected with such volatile areas, a number of variances are reported, including significant growth in the cost of supporting Looked After Children.

Table 5: Development & Risk Contingency

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
400	0	Fin.	400	300	(100)	(100)	0	
236	(236)	Residents Services	0	0	0	0	0	
1,836	0		0	1,836	0	0	0	
2,211	0		2,211	2,204	(7)	(7)	0	
1,272	0	Children and Young People	1,272	2,212	940	940	0	
465	0		465	3,336	2,871	2,621	250	
(117)	0		(117)	(117)	0	0	0	
1,298	0		1,298	1,298	0	0	0	
380	0	Adult Social Care	380	380	0	0	0	
393	0		393	67	(326)	(206)	(120)	
520	0		520	520	0	(200)	200	
129	0		129	129	0	0	0	
250	0	Corp. Items	250	250	0	0	0	
2,067	(736)		1,331	1,331	0	0	0	
1,000	0		1,000	500	(500)	(500)	0	
12,340	(972)	Total Development & Risk Contingency		11,368	14,246	2,878	2,548	330

34. Increases in homelessness caseloads have continued into December, with the full £1,836k and sums from earmarked reserves committed to managing the cost of temporary accommodation in 2015/16. As previously reported, this pressure is being driven by higher levels of households presenting as homeless and decreasing supply of suitable affordable accommodation.

35. A pressure of £940k is reported on support for Asylum Seekers, no movement from Month 7, with levels of Home Office funding remaining insufficient to meet the full cost of the service.

36. A drawdown of £3,336k (£250k adverse movement) from contingency is projected on Children's Social Care placements, representing a pressure of £2,871k on the 2015/16 budget provision. This pressure continues to be driven by a larger Looked After Children population with more complex needs and a requirement for correspondingly more costly residential placements.
37. An underspend of £326k is reported on the provision for clients transferring from the NHS to the Council following the Winterborne View report, an improvement of £120k from Month 7, reflecting delays in the transfers taking place and one case that is no longer transferring. It is expected that the majority of this sum will be required in 2016/17 once transfers are complete.
38. While a reduction in the projected cost of SEN Transport provision continues to be expected in the Medium Term, an adverse movement of £200k is reported on 2015/16 expenditure bringing estimates back into line with the original contingency allocation for this service. Ongoing savings from reviews of client eligibility and improved route planning processes are expected to emerge from 2016/17.
39. The 2015/16 budget included £1,000k of General Contingency to manage unforeseen cost pressures over and above those specific items included in Development & Risk Contingency. In line with Month 7 assumptions, it is projected that only £500k of this sum will be required, reflecting the outturn position in recent years. There is a potential income pressure arising from the partial closure of Uxbridge Town Centre car parks for major refurbishment, which will remain under review and may represent a call on contingency.

Priority Growth

40. The 2015/16 General Fund revenue budget approved by Cabinet and Council in February 2015 set aside £804k of unallocated Priority Growth, in addition to £800k of specific growth monies to support HIP Initiatives. To date £150k has been allocated from Unallocated Priority Growth, to support an increase in support for the First Time Buyer's Initiative. It is expected that Unallocated Growth monies will be applied in full during 2015/16 and not be released into General Balances.
41. The original HIP Initiatives Budget has been supplemented by £430k of uncommitted funds brought forward from 2014/15, providing a balance of £1,230k for investment in the current year. To date approved projects total £413k, leaving £817k available for new initiatives.

Table 6: Priority Growth

Original Budget £'000	Budget Changes £'000	Priority Growth	Month 8		
			Revised Budget £'000	Approved Allocations £'000	Unallocated Balance £'000
800	0	HIP Initiatives Budgets	800	0	800
430	0	B/fwd Funds	430	(413)	17
804	(150)	Unallocated Priority Growth	654	0	654
2,034	(150)	Total Priority Growth	1,884	(413)	1,471

Schools Budget, Parking Revenue Account and Collection Fund

42. The latest forecasts on other funds indicate favourable positions at year end and therefore will not adversely impact upon the General Fund.
43. A headline pressure of £3,141k is reported on the Schools Budget at Month 8, representing an adverse movement of £440k from Month 7 due to an adjustment to realign the DSG income in relation to St Martin's Primary School and Hillingdon Tuition Centre (renamed The Skills Hub)

and an increase in the number of post 16 college placements for young people with a Special Educational Need or Education, Health and Care Plans.

44. A surplus of £258k is forecast on the Parking Revenue Account at Month 8, a £60k improvement on the position at Month 7, reflecting increased income forecasts and significant reductions in expenditure. Given the volatile nature of enforcement and on-street parking income streams, this position will continue to be closely monitored.
45. The Collection Fund is reporting an estimated surplus of £1,500k at Month 8. This position consists of a £2,625k surplus on Council Tax activities as a result of strong collection performance and a £1,125k deficit on Business Rates principally driven by delays in the Valuation Office Agency bringing properties into rating. Any surplus or deficit will be released to the General Fund from 2016/17 and reflected in the Council's MTF.

Housing Revenue Account

46. As at Month 8 an in-year surplus of £50k is projected on the Housing Revenue Account, which represents an improvement of £35k, mainly due to improved void turnaround performance. Within the overall position, the pressure on income arising from increased Right to Buy sales is being off-set by underspends across HRA operations.
47. Unallocated General Balances within the HRA are therefore projected to increase to £32,290k as a result of the forecast £50k surplus and £1,663k planned contribution to balances. The current forecast reflects work underway to secure the £2,448k of savings included in the 2015/16 budget, which are reported on track for delivery in full.
48. 95 properties have been sold under Right to Buy arrangements as at Month 8, with a total of 175 sales forecast for 2015/16. As at 30 September 2015, £36,820k income has been generated through sales since January 2013, with the initial tranche of receipts repayable to DCLG in March 2016 if not utilised.

Future Revenue Implications of Capital Programme

49. Appendix D to this report outlines the forecast outturn on the 2015/16 to 2019/20 Capital Programme. Following rephasing of the Capital Programme at Month 7, borrowing projections for 2015/16 remain £12,062k lower than budget after allowing for the lower than anticipated level of 2015/16 Department for Education grant funding for school expansions. The on-going revenue implications of this reduced level of borrowing are reflected in the Council's draft revenue budget for 2016/17, as approved by Cabinet in December 2015.

Appendix A – Detailed Group Forecasts (General Fund)

ADMINISTRATION (£146k underspend, £2k improvement)

50. The Administration Group is showing an underspend of £146k at Month 8, an improvement of £2k on the reported position at Month 7. An adverse movement in Legal Services from the extension of agency staff, while the recruitment to permanent posts is ongoing, is negated by underspends across the remainder of the group due to salary savings as a result of the early implementation of business cases and other minor non salaries underspends.

51. The majority of the overall underspend in the Group is largely due to reduced expenditure on Members Allowances as Members are no longer part of the Local Government Pension Scheme, this additional budget is proposed to be removed from 2016/17 budgets as part of the MTF process.

Table 7: Administration Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
1,461	0	Democr. Services	Salaries	1,461	1,445	(16)	(7)	(9)
1,841	(69)		Non-Sal Exp	1,772	1,643	(129)	(133)	4
(658)	69		Income	(589)	(550)	40	42	(3)
2,644	0		Sub-Total	2,644	2,539	(105)	(98)	(7)
2,319	80	Human Resources	Salaries	2,399	2,363	(36)	(31)	(5)
626	(30)		Non-Sal Exp	596	579	(17)	(17)	(0)
(286)	38		Income	(248)	(232)	16	15	1
2,659	88		Sub-Total	2,747	2,709	(38)	(33)	(5)
1,955	34	Legal Services	Salaries	1,989	2,015	26	12	14
111	0		Non-Sal Exp	111	101	(10)	(10)	0
(341)	0		Income	(341)	(341)	(0)	0	(0)
1,725	34		Sub-Total	1,759	1,775	16	2	14
592	0	Policy & Partnerships	Salaries	592	597	5	5	(0)
2,228	0		Non-Sal Exp	2,228	2,218	(10)	(9)	(1)
(46)	0		Income	(46)	(60)	(14)	(11)	(3)
2,774	0		Sub-Total	2,774	2,755	(19)	(15)	(4)
6,327	114	Admin. Directorate	Salaries	6,441	6,420	(21)	(21)	0
4,806	(99)		Non-Sal Exp	4,707	4,541	(166)	(169)	3
(1,331)	107		Income	(1,224)	(1,183)	41	46	(5)
9,802	122		Total	9,924	9,778	(146)	(144)	(2)

FINANCE (£118k underspend, nil movement)

52. The Finance Group is showing an underspend of £118k at Month 8, a nil movement from Month 7. An adverse movement on Procurement due to anticipated agency and recruitment costs following approval of the business case to restructure the service has been negated by an improvement on forecast contract and licence underspends in Internal Audit, additional salaries underspends in Operational Finance and additional grant income in Revenues and Benefits relating to the implementation of Universal Credit.

53. The overall underspend position is due to salaries underspends across the Group.

Table 8: Finance Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
487	0	Internal Audit	Salaries	487	495	8	12	(4)
56	0		Non-Sal Exp	56	56	0	18	(18)
0	0		Income	0	(10)	(10)	(10)	0
543	0		Sub-Total	543	541	(2)	20	(22)
2,185	(222)	Procurement	Salaries	1,963	1,995	32	0	32
121	(2)		Non-Sal Exp	119	209	90	56	34
(2)	2		Income	0	(28)	(28)	(23)	(5)
2,304	(222)		Sub-Total	2,082	2,176	94	33	61
3,360	(30)	Operation. Finance	Salaries	3,330	3,250	(80)	(65)	(15)
679	0		Non-Sal Exp	679	683	4	0	4
(159)	0		Income	(159)	(159)	0	0	0
3,880	(30)		Sub-Total	3,850	3,774	(76)	(65)	(11)
3,868	12	Revenues & Benefits	Salaries	3,880	3,818	(62)	(95)	33
2,285	0		Non-Sal Exp	2,285	2,248	(37)	(6)	(31)
(2,166)	0		Income	(2,166)	(2,160)	6	35	(29)
3,987	12		Sub-Total	3,999	3,906	(93)	(66)	(27)
1,300	154	Strategic Finance	Salaries	1,454	1,406	(48)	(40)	(8)
2,526	50		Non-Sal Exp	2,576	2,583	7	0	7
(256)	0		Income	(256)	(256)	0	0	0
3,570	204		Sub-Total	3,774	3,733	(41)	(40)	(1)
11,200	(86)	Finance Directorate	Salaries	11,114	10,964	(150)	(188)	38
5,667	48		Non-Sal Exp	5,715	5,779	64	68	(4)
(2,583)	2		Income	(2,581)	(2,613)	(32)	2	(34)
14,284	(36)		Total	14,248	14,130	(118)	(118)	0

54. A year end drawdown from the Insurance contingency of £300k is projected at Month 8, a nil movement from Month 7. The contingency of £400k provided for Insurance was fully utilised in 2014/15, as costs exceeded the available base budget of £359k. Payments of £850k were made in 2014/15 significantly lower than in previous years of which the £91k over budget was funded by a release from the Insurance Provision. The payments this year are projected to further drop and at this time claims payments are projected to be in the region of £595k, however, this does not take into account the potential seasonal impact to claims as a result of adverse weather conditions during winter.

55. In addition to the improvement in the claim payments position, there has also been a reduction in the projected Insurance provision required to be held to cover the Council's liability for open Insurance claims, which further supports the reduction in the draw upon contingency. The provision held at the end of 2014/15, was significantly lower than in previous years as a result of robust challenging of claims by the Insurance team and successful mitigation of a variety of high value claims, which has continued into this year.

56. As such, it is expected that the full contingency will not be required this year. This will continue to be monitored throughout the year, however, any seasonal or exceptional claims could be funded through the General Insurance reserve if necessary.

Table 9: Development & Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
400	0	Uninsured Claims	400	300	(100)	(100)	0
400	0	Current Commitments	400	300	(100)	(100)	(100)

RESIDENTS SERVICES GENERAL FUND (£787k underspend, £94k improvement)

57. Residents Services directorate is showing a projected outturn underspend of £787k at Month 8, excluding pressure areas that have identified contingency provisions.

Table 10: Group Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
13,368	1,186	Deputy Director Residents Services	Salaries	14,554	14,428	(126)	(148)	22
21,204	(3,084)		Non-Sal Exp	18,120	18,154	34	(50)	84
(10,051)	2,576		Income	(7,475)	(7,073)	402	288	114
24,521	678		Sub-Total	25,199	25,509	310	90	220
1,844	90	Development and Assets	Salaries	1,934	1,934	0	0	0
7,575	347		Non-Sal Exp	7,922	8,231	309	474	(165)
(2,397)	(9)		Income	(2,406)	(2,406)	0	0	0
7,022	428		Sub-Total	7,450	7,759	309	474	(165)
803	(324)	Estates and Tenancy Management	Salaries	479	479	0	0	0
1,254	(121)		Non-Sal Exp	1,133	1,133	0	0	0
(3,414)	177		Income	(3,237)	(3,164)	73	77	(4)
(1,357)	(268)		Sub-Total	(1,625)	(1,552)	73	77	(4)
5,050	(47)	Policy, Highways and Community Engagement	Salaries	5,003	4,947	(56)	(58)	2
6,004	(12)		Non-Sal Exp	5,992	5,977	(15)	(15)	0
(12,572)	10		Income	(12,562)	(12,832)	(270)	(270)	0
(1,518)	(49)		Sub-Total	(1,567)	(1,908)	(341)	(343)	2
4,135	(2,497)	Planning and Enforcement	Salaries	1,638	1,584	(54)	(54)	0
1,626	(787)		Non-Sal Exp	839	919	80	80	0
(2,973)	405		Income	(2,568)	(3,028)	(460)	(406)	(54)
2,788	(2,879)		Sub-Total	(91)	(525)	(434)	(380)	(54)
12,777	(1,176)	Green Spaces & Culture	Salaries	11,601	11,667	66	53	13
9,229	(1,057)		Non-Sal Exp	8,172	7,985	(187)	(187)	0
(9,819)	126		Income	(9,693)	(9,726)	(33)	(33)	0
12,187	(2,107)		Sub-Total	10,080	9,926	(154)	(167)	13
7,916	(73)	Communication, ICT and Customer Development	Salaries	7,843	7,683	(160)	(157)	(3)
4,241	170		Non-Sal Exp	4,411	4,414	3	3	0
(2,767)	22		Income	(2,745)	(2,745)	0	0	0
9,390	119		Sub-Total	9,509	9,352	(157)	(154)	(3)
5,279	0	Business and Technical Support	Salaries	5,279	4,901	(378)	(344)	(34)
879	(1)		Non-Sal Exp	878	840	(38)	(38)	0
(3,772)	0		Income	(3,772)	(3,492)	280	295	(15)
2,386	(1)		Sub-Total	2,385	2,249	(136)	(87)	(49)
3,537	482	Policy and Standards - Education, Housing and Public Health	Salaries	4,019	3,815	(204)	(150)	(54)
5,236	4,242		Non-Sal Exp	9,478	9,499	21	21	0
(5,559)	(2,955)		Income	(8,514)	(8,588)	(74)	(74)	0
3,214	1,769		Sub-Total	4,983	4,726	(257)	(203)	(54)
54,709	(2,359)	Residents Services	Salaries	52,350	51,438	(912)	(858)	(54)
57,248	(303)		Non-Sal Exp	56,945	57,152	207	288	(81)
(53,324)	352		Income	(52,972)	(53,054)	(82)	(123)	41
58,633	(2,310)		Sub-Total	56,323	55,536	(787)	(693)	(94)

58. The overall variance results from staffing underspends across the group and favourable income projections in highways and planning, offset mainly by pressures on maintenance budgets in development & assets as well as parking income shortfalls at Cedars and Grainges car parks and in Imported Food sampling.

59. The Council's 2015/16 contingency budget contains provision for areas of expenditure or income within Residents Services for which there is a greater degree of uncertainty. At Month 8 projected calls on contingency are £7k below provision. The position against these contingency items is shown in Table 11 below.

Table 11: Development and Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
236	(236)	Carbon Reduction Commitment	0	0	0	0	0
1,836	0	Impact of welfare reform on homelessness (Current)	1,836	1,836	0	0	0
2,211	0	Waste Disposal Levy (Demand-led Tonnage Increases)	2,211	2,204	(7)	(7)	0
4,047	0	Current Commitments	4,047	4,040	(7)	(7)	0

60. During the 2015/16 financial year the numbers of temporary accommodation requirements have been consistently above the original MTFF forecast. Within this increase, a higher proportion are in high cost Bed & Breakfast placements given the challenges on housing supply.

Table 12: Housing Needs performance data

	2015		
	September	October	November
Homeless Threat, Priority Need & Eligible	98	96	96
Presenting As Homeless	50	59	55
Duty Accepted	27	30	31
Households in Temporary Accommodation	585	587	594
Households in B&B	201	207	210

61. Increases in homelessness caseloads present a rising level of risk within the service, with the most recent data showing 108 cases awaiting a decision and a total of 325 prevention cases ongoing. Despite these continuing challenges to the service, the risk is expected to be contained within the current provision of £1,836k. It is anticipated this can be achieved through a combination of activities. These will include lower than projected spend on Finders' Fee, Find Your Own and other schemes, vacancy management, better than expected performance on voids & arrears and release of earmarked reserves. The key variables in terms of keeping high cost Bed & Breakfast type accommodation to a minimum are the prevention rate and the supply of properties.

62. The increasing pressure on supply and private sector rents means that the level of incentives payable to secure both prevention and Temporary Accommodation properties continues to increase, and is significantly higher than the cost of previous schemes. However, they remain significantly lower in cost than current Bed and Breakfast provision. The chief constraint continues to be the supply and availability of properties given the increasing difference between HB subsidy and market rents.

63. A contingency of £2,211k has been set aside to fund estimated increases in waste tonnages via the levy and the move to a new compliant rubble and hardcore contract. In June 2015, the Council commenced a new dry recycling contract, which is returning a variable net cost per

tonne of recyclate collected, as opposed to producing a small income stream in 2014/15, following a change in market conditions.

64. Early indications are showing a decline in the market for commodities within the recyclate collected and a higher than projected level of residual waste in the recycling loads. Projections currently show costs could be up to £155k per annum higher than the £560k initially modelled due to these factors.
65. The contingency for the Carbon Reduction Commitment has been released back to base budgets as approved by October Cabinet.

Deputy Director Residents Services (£310k overspend, £220k adverse movement)

66. In order to reflect revised reporting lines, the overall forecast for Deputy Director now incorporates enforcement services such as ASBIT, CCTV, Community Safety, Corporate Fraud and POCA. The previously published month 7 variances are therefore restated to show the movement at month 8.
67. The service is projecting a revised salary underspend of £126k which reflects an adverse movement of £22k further to revised salary forecasts across a number of teams within the service. There is an adverse movement of non-staffing costs of £84k following a review of directorate wide legal costs.
68. There is a continuing, sustained reduced projection in Imported Food sampling income based on receipts to end of November of £402k, a £114k adverse movement. This income stream has experiencing sustained volatility following the cessation of green bean testing from 1 July 2015. The service is currently experiencing a sustained reduction in income of between £6k and £10k per week.
69. Following the cessation of the short-term grant funding from the DCLG in support of weekly recycling and food waste collections, it is forecast that the council will be required to start to draw from reserves during 2015/16 for this activity.
70. The Council has built up an earmarked reserve from the initial funding tranches which it is anticipated will be sufficient to fund the cost of continuing to run the service over the next two financial years.

Development and Assets (£309k overspend, £165k improvement)

71. There is a forecast pressure of £242k, a £103k improvement, due to a revised view of the likely reactive maintenance works and ongoing cost pressures associated with the Civic Centre. Ongoing work on existing contracts has so far enabled this pressure to be managed down and ensure only essential works are undertaken.
72. A number of one-off rectification works at the Civic Centre have been identified following compliance testing. After allowing for capital items this is currently forecast at £67k, a £62k improvement.

Estates and Tenancy Management (£73k overspend, £4k improvement)

73. At Month 8 there is a projected income pressure of £73k on garages income, a £4k improvement. The current income projection is based on the most up to date income schedules received from the service.

Policy, Highways & Community Engagement (£341k underspend, £2k adverse movement)

74. At Month 8, the service is reporting a staffing underspend of £56k, £2k adverse, following a revised projection of salary costs.
75. Income projections across the service continue to exceed budget by £270k from crossovers and various other income streams.

Planning and Enforcement (£434k underspend, £54k improvement)

76. The previously published month 7 variances are restated following the re-parenting of Enforcement function to Deputy Director as mentioned in paragraph 13. There is a net improved income forecast of £54k owing to revised forecasts for planning income streams, following revised projections for planning gift funding and CIL.

Green Spaces, Sport & Culture (£154k underspend, £13k adverse movement)

77. A revised projection on staffing costs has resulted in a £13k adverse movement as a result of an increased use of casual staff across the Arts service.
78. Non-staffing and income variances remain unchanged from Month 7 projections at £187k and £33k underspent respectively.

Communications, ICT and Customer Development (£157k underspend, £3k improvement)

79. The service is reporting a salary underspend of £160k at Month 8 (£3k improvement). The movement can be attributed to a delay in recruitment to a vacant post in ICT.
80. A review into Hillingdon Grid for Learning (HGfL) has led to the decision to cease this service from 1 April 2016. Consequently, the level of commitment from schools to progress project work has dropped significantly with no new proposals now coming forward. This will result in an income shortfall of £91k for 2015/16. However, any variance at the year end is managed through the HGfL earmarked reserve, which will be able to absorb this projected shortfall in income.

Business and Technical Support (£136k underspend, £49k improvement)

81. The off-street parking income at the Cedars and Grainges multi-storey car parks continues to experience pressure relating to the loss of season ticket income at both car parks. The most recent income projection forecasts a pressure of £280k, £15k improvement. The favourable movement reflects a revised income projection from the latest available income data.
82. There is a revised projected underspend of £378k, £34k improvement relating to vacant posts across the service that are not expected to be filled this year.
83. There is a projected underspend on non-staffing costs of £38k that are not expected to be required further to the vacant posts discussed above.

Policy and Standards - Education, Housing and Public Health (£257k underspend, £54k improvement)

84. In order to reflect revised reporting lines, the overall forecast for Policy & Standards now incorporates Housing services that were previously reported under Deputy Director.
85. There is a revised staffing projection of £54k improvement, owing to revised projections for Performance & Intelligence (£29k) and Housing Options team (£25k).

CHILDREN & YOUNG PEOPLE'S SERVICES (£837k underspend, £191k improvement)

Overview of Directorate position

86. The Children and Young People's Service is projecting an underspend of £837k as at Month 8, an improvement of £191k on the Month 7 projections, due to a review of alternative funding streams, netted down by an increase in the number of allowances being paid. Within the salaries position there is an underspend of £421k, an improvement of £274k from Month 7, due to positive recruitment activity within the Key Worker Service and a review of the use of alternative funding streams.

87. The projected variances at Month 8 are summarised in the following table, with more detail provided in the paragraphs below:

Table 13: Group Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Change from Month 7 £'000	
1,038	176	Safeguarding Children	Salaries	1,214	1,312	98	89	9
1,579	20		Non-Sal Exp	1,599	1,722	123	110	13
(150)	(13)		Income	(163)	(162)	1	1	0
2,467	183		Sub-Total	2,650	2,872	222	200	22
3,545	1,209	Early Intervention Services	Salaries	4,754	3,989	(765)	(464)	(301)
3,631	447		Non-Sal Exp	4,078	3,770	(308)	(295)	(13)
(707)	(278)		Income	(985)	(1,079)	(94)	(98)	4
6,469	1,378		Sub-Total	7,847	6,680	(1,167)	(857)	(310)
2,091	1,996	Looked After Children	Salaries	4,087	4,038	(49)	(79)	30
744	(21)		Non-Sal Exp	723	3,560	2,837	2,818	19
(294)	171		Income	(123)	(2,960)	(2,837)	(2,837)	0
2,541	2,146		Sub-Total	4,687	4,638	(49)	(98)	49
8,352	(1,152)	Children's Resources	Salaries	7,200	7,494	294	307	(13)
12,429	147		Non-Sal Exp	12,576	12,985	409	347	62
(7,178)	(842)		Income	(8,020)	(8,566)	(546)	(545)	(1)
13,603	(1,847)		Sub-Total	11,756	11,913	157	109	48
15,026	2,229	Children's and Young People's Directorate	Salaries	17,255	16,833	(422)	(147)	(275)
18,383	593		Non-Sal Exp	18,976	22,037	3,061	2,980	81
(8,329)	(962)		Income	(9,291)	(12,767)	(3,476)	(3,479)	3
25,080	1,860		Total	26,940	26,103	(837)	(646)	(191)

Safeguarding Children (£222k overspend, £22k adverse movement)

88. The service is reporting an overspend of £222k, an adverse movement of £22k from Month 7, due to an increase in agency staffing costs and training costs. The service pressure relates to an overspend of £98k on staff due to a number of agency staff covering vacant posts and an overspend of £123k on non-staffing which relates to an increase in Child Protection, LSCB and Family Conference delivery costs.

Early Intervention & Prevention Services (£1,167k underspend, £310k improvement)

89. This service is reporting an underspend of £1,167k, an improvement of £310k from Month 7, due primarily to a decrease in the projected cost of salaries following a further review of agency staffing costs and a review of alternative funding streams. This relates to an underspend of £765k on salaries, which is due to a relatively high number of vacant posts that have existed in the new structure, which have now been recruited to, an underspend of

£308k on non-staffing costs, which relates to the cessation of the CfBT (young people's support, information, advice and guidance (YSIAG) services) contract and a surplus of £94k on income, which primarily relates to the receipt of additional grant funding being provided for the programme management of the next phase of the Troubled Families Grant.

Looked After Children (£49k underspend, £49k adverse)

90. The service is reporting an underspend of £49k, an adverse movement of £49k, due to a slight increase in the cost of agency staff. The underspend reported relates to a £49k underspend on staffing costs, an overspend of £2,837k on non-staffing costs, which primarily relates to the cost of the Skylakes managed service and a surplus of £2,837k on income to reflect a proposed use of earmarked reserves to fund the Skylakes managed service up to the end of March 2016.

Children's Resources (£157k overspend, £48k adverse)

91. The service is reporting an overspend of £157k, an adverse movement of £48k, due to an increase in the projected number of allowances being paid. The overspend, on staffing costs, arises from a high level of agency staff being employed prior to the launch of a major staff recruitment campaign and the overspend of £409k on non-staffing costs primarily due to the cost of allowances. This has been netted down by additional income of £546k, relating to a proposed use of earmarked reserves to fund the Coram and HCL managed service contract and the cost of agency staff whilst the service continues to seek to recruit permanent staff to the new structure, and the receipt of additional grant income for the use of Hillingdon Adopters by Other Local Authorities.

Development & Risk Contingency Items

Table 14: Development & Risk Contingency

Original Budget	Budget Changes	Development & Risk Contingency	Month 8		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
£'000	£'000		£'000	£'000	£'000	£'000	£'000
1,272	0	Asylum Funding Shortfall	1,272	2,212	940	940	0
465	0	Social Care Pressures (Children's)	465	3,336	2,871	2,621	250
(117)	0	Early Support Cost Avoidance	(117)	(117)	0	0	0
1,298	0	Potential Shortfall in Social Care & Health Integration Funding	1,298	1,298	0	0	0
2,918	0	Current Commitments	2,918	6,729	3,811	3,561	250

Asylum Service (£940k overspend, no change)

92. This service is projecting a draw down of £2,212k from the Development and Risk Contingency, £940k above the budget, no change on the Month 7 position. The overspend reported, relates to a reduction in the Home Office Grant, which was notified in March 2015 and a reduction in the grant funding received, which relates to the change in the age profile of Asylum Seeking children as the growth in the over 18 population is projected to increase at a higher rate than the number of new Asylum Seekers below 18, where the grant is significantly higher (£114 per day for eligible under 16's and £91 per day for eligible 16 to 17 year olds, compared to £150 per week for eligible 18+).

93. There continues to be indications from other Councils that they are still experiencing growth in this provision, especially those with Sea Ports. There are ongoing discussions with the Home Office, who are being asked to consider fully funding the cost of support for Asylum Seeking Children. The Home Office sent a letter to all Councils on 24 November setting out the proposed funding arrangements, which indicates that grant funding will be provided for these children at a rate of £114 per day for eligible under 16's, £91 per day for eligible 16 to 17 year olds and £200 per week for eligible 18+.
94. At present, Hillingdon is not experiencing a significant increase in the number of Asylum Seeking Children, however, Hillingdon is experiencing a growing over 18 population compared to the under 18 population.

Social Care Pressures - Children's Demographics (£2,871k overspend, £250k adverse movement)

95. The service is projecting an increased drawdown of £3,336k from the Development and Risk Contingency, which is £2,871k above the budget and represents a £250k adverse movement from Month 7. The service continues to have a number of high cost placements, including residential placements that have been made to support children with complex needs and those where there is an identified safeguarding risk. Additionally, there has been a significant increase in the number of Mother and Baby placements, where the total projected cost is estimated to be £265k, where normally the annual cost would be in the region of £65k.
96. Senior Management have implemented a vigorous monitoring and review process to ensure that the correct decisions are being made on the most appropriate placement for an individual child. Decisions are scrutinised and then agreed at a weekly panel meeting, chaired by the Assistant Director of Children's Services, the placement data is then reviewed each month where the main focus is on the higher cost placements. Steps have also been taken to introduce a weekly review of placements to ensure that the most up to date financial position is available.
97. Over the last year, there have been a number of changes across this part of the service, including the extension of the Staying Put legislation, which increases the age range for children up from 18 to 21 to stay in their current foster care placement, a significant move towards the issuing of Special Guardianship Orders and a court ruling requiring connected persons to be paid an allowance equivalent to an In-House Foster Carer. All of these changes have increased the cost of placements. They also remove a potential In House Foster Carer from the system as in most cases the new arrangements restricts them from looking after new children.

Early Support Cost Avoidance (Nil variance, no change)

98. The service is projecting that it will be able to deliver a saving of £117k identified within the Development and Risk Contingency, through a review of the resources required to deliver the new Early Support and Intervention services.

Social Care and Health Integration Fund (Nil variance, no change)

99. The service is projecting a drawdown of £1,298k from the Development and Risk Contingency, in line with the budget, no change on the Month 6 position. This relates to the additional cost of appointing agency staff, whilst the service implements a major recruitment campaign.

ADULT SOCIAL CARE (£474k underspend, £174k improvement)

101. As at Month 8, Adult Social Care is forecasting an underspend of £474k, an improvement of £174k from Month 7, although there remain a number of pressures on non salary expenditure which the service continues to mitigate through robust management. The table below sets out the detailed expenditure and income for each service area.

Table 15: Adult Social Care Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
5,402	2,498	All Age Disabilities	Salaries	7,900	7,008	(892)	(892)	0
44,007	498		Non-Sal Exp	44,505	46,008	1,503	1,594	(91)
(6,852)	(1,584)		Income	(8,436)	(8,871)	(435)	(435)	0
42,557	1,412		Sub-Total	43,969	44,145	176	267	(91)
4,294	7	Social Work	Salaries	4,301	3,989	(312)	(305)	(7)
29,110	(15)		Non-Sal Exp	29,095	28,933	(162)	(42)	(120)
(8,266)	8		Income	(8,258)	(8,232)	26	(26)	52
25,138	0		Sub-Total	25,138	24,690	(448)	(373)	(75)
9,018	27	Early Intervention & Prevention	Salaries	9,045	9,075	30	96	(66)
3,370	(130)		Non-Sal Exp	3,240	3,172	(68)	(128)	60
(11,826)	0		Income	(11,826)	(11,726)	100	100	0
562	(103)		Sub-Total	459	521	62	68	(6)
2,185	206	Safeguarding Quality & Partnerships	Salaries	2,391	2,333	(58)	(58)	0
7,165	28		Non-Sal Exp	7,193	6,963	(230)	(227)	(3)
(378)	0		Income	(378)	(270)	108	108	0
8,972	234		Sub-Total	9,206	9,026	(180)	(177)	(3)
294	120	Directorate & Support	Salaries	414	364	(50)	(50)	0
893	161		Non-Sal Exp	1,054	1,020	(34)	(35)	1
0	0		Income	0	0	0	0	0
1,187	281		Sub-Total	1,468	1,384	(84)	(85)	1
21,193	2,858	Adult Social Care Directorate Total	Salaries	24,051	22,769	(1,282)	(1,209)	(73)
84,545	542		Non-Sal Exp	85,087	86,096	1,009	1,162	(153)
(27,322)	(1,576)		Income	(28,898)	(29,099)	(201)	(253)	52
78,416	1,824		Total	80,240	79,766	(474)	(300)	(174)

102. The Council's 2015/16 Development and Risk Contingency contains provision for areas of expenditure within Adult Social Care for which there is a greater degree of uncertainty. In part this is caused by in year demographic changes in the number of adults requiring care and support for a range of care needs, and Children with Disabilities who transition into Adult Social Care on reaching adulthood as well as increased demand from Children with Special Educational Needs who require transport.

103. There is also a contingency arising from the Winterbourne View Review to cover a small number of adults who are currently in long term secured accommodation run by the NHS and are planned to be moved into community settings and become the responsibility of the Council. Table 16 sets out the forecast spend against the development and risk contingency.

Table 16: Development & Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
380	0	Increase in Transitional Children due to Demographic Changes	380	380	0	0	0
129	0	Social Care Pressures (Adult)	129	129	0	0	0
393	0	Winterbourne Pressures	393	67	(326)	(206)	(120)
520	0	SEN Transport	520	520	0	(200)	200
1,422	0	Current Commitments	1,422	1,096	(326)	(406)	80

104. At Month 8 it is anticipated that the contingency for Transitional Children Adult Demographic and SEN Transport pressures are currently forecast to be used in full. These areas are kept under close review and any changes anticipated will be reported as the year progresses.
105. An external review of the Transport Service has recently taken place, this coupled with a further review of the forecast spend has identified that there is an £200k adverse movement from Month 7. The use of the contingency forecast has therefore increased by £200k.
106. A review of the Winterbourne View cases this month has identified that of the 6 expected to transfer in 2015-16, 1 transferred in October and 1 is not now expected to move until 2016-17. The remaining 4 are expected to move this financial year and the part year cost for 2015-16 is now forecast to be £67k, a reduction of £120k from Month 7 forecast. The balance of the remaining £326k will be needed in 2016/17 to fund the full year cost of these placements and the slippage of one case into 2016/17.

All Age Disabilities (AAD) (£176k overspend, £91k improvement)

107. The AAD Service approved restructure plan is now being implemented and a recruitment drive is underway to fill the remaining vacant posts in the new service. The staff budget is currently forecast to underspend by £892k, no change since Month 7. £320k of this underspend is offset by reduced recharge income against the Dedicated Schools Grant (DSG) salary recharges.
108. Within the placements budget a pressure of £1,611k is forecast, a minor adverse movement of £17k since Month 7. Part of this pressure arises from the slippage in the Supported Living Programme. The movement this month relates to minor changes to placement costs. A zero based review of funding streams has resulted in a £91k improvement from Month 7.
109. A key continuing pressure on the placements budgets arises from the devolution of the Independent Living Fund (ILF) from the DWP to the Council in July 2015. The fund provided additional resources to 34 clients and there are a number of these clients receiving support which may be classified as continuing health care (CHC) and CHC referrals have been made to the CCG. The outcome of the assessments is awaited but if assessed as eligible for CHC then funding received from the CCG will help to mitigate this pressure. Any future funding for these clients from April 2016 and beyond has yet to be announced.

Social Work (£448k underspend, £75k improvement)

110. There are a number of vacant posts within the Social Work Service which are currently subject to recruitment. In addition, there are continuing vacancies within the Telecareline staff establishment of four posts. The forecast underspend is £312k, a favourable movement of £7k since Month 7.
111. The non-staffing budget is forecast to underspend by £162k, a movement of £120k from Month 7. This favourable movement relates to a reduction in forecast expenditure for community equipment £42k and the balance from a reduction in Residential and Nursing placements. Whilst the cost pressures from the new homecare contracts that commenced in November 2014 are continuing, these are being offset by robust demand management within the service.
112. Income, mainly from client contributions, is currently forecast to under achieve by £26k, an adverse movement of £52k since Month 7. The reduction in Residential and Nursing placements has reduced forecast client contributions.

Early Intervention & Prevention (£62k overspend, £6k improvement)

113. There is a net pressure of £62k with the EI&P Service, a favourable movement of £6k since Month 7.
114. There is a pressure on staffing of £30k, a favourable movement of £66k from Month 7, forecast against the staffing budget due to an increase in hourly rates being charged for the use of temporary care staff being provided in council run establishments, by the new provider of agency staff for the Council. A wide ranging review of this contract with the provider is continuing including the need to mitigate the additional costs arising from the increase in hourly rates. The proactive management action relating to absence monitoring has reduced the forecast pressure this month.
115. There is slippage in the project to develop new models of delivery for in house Learning Disability services. It is now anticipated that this project will not be completed until 2017/18 and the delivery of this saving has been re-phased for the draft MTFP agreed at Cabinet in December. In year compensatory savings have been identified to make up the shortfall in savings; however it has been identified that some anticipated one off savings cannot be delivered and the saving against non salary expenditure has moved adversely by £60k in Month 8.
116. There is a pressure on the income budget of £100k due to a forecast reduction in client contributions and the amount of Housing Benefit recovered.

Safeguarding Quality & Partnerships (£180k underspend, £3k improvement)

117. There is an underspend forecast on staff costs of £58k, this underspend is within the Community Mental Health Teams, no movement from Month 7.
118. The non-staffing budget forecast is for an underspend of £230k, a minor improvement of £3k since Month 7. The underspend is in part off-set by pressure on the income budget £108k and from reduced costs of placements for residents with no recourse to public funds.

Directorate & Support (£84k underspend, £1k adverse movement)

119. The forecast underspend arises from the estimated spend on the responsibilities for the Care Act being less than originally anticipated, in part with slippage in spend against the

Safeguarding Board. This will continue to be closely monitored during the year. There is a minor adverse movement this month of £1k.

Better Care Fund

120. The Month 8 budget monitoring for the BCF shows a forecast pressure of £733k on the Council share of the pooled budget. This pressure is made up of £783k on the Care Act burdens from the cost of providing support and Care to Carers as a new responsibility following the implementation of the Care Act. The Council holds a contingency provision to fund pressures relating to the implementation of Care Act responsibilities. Some of this pressure is off-set by forecast underspends on the TeleCareLine service of £53k.

APPENDIX B – OTHER FUNDS

Schools Budget

Dedicated Schools Grant (£3,141k overspend, £440k adverse)

121. The Dedicated Schools Grant is projecting an in year overspend of £3,141k, an adverse movement of £440k on the month 7 projections, due to an adjustment to realign the DSG income in relation to St Martin's Primary School and Hillingdon Tuition Centre (renamed The Skills Hub) and an increase in the number of post 16 college placements for young people with a Special Educational Need or Education, Health and Care Plans. The DSG budget is regularly reviewed and amended by the Department for Education (DfE) due to academy conversions and recalculations of two year old and early years funding, which could result in further amendments to the DSG.
122. The overspend on the DSG, in the main, reflects the planned use of the surplus balance that was carried forward from 2014/15, where additional resources totalling £1,709k were delegated to schools above the actual amount of DSG and £337k has been earmarked to fund the continuation of the two year capacity building initiative. The remaining pressure relates to a projected increase in the cost of Special Educational Need/Education Health and Care Plan placements as the new banded funding rates are starting to be applied and the impact of the introduction of the changes set out in the Children and Families Act 2014, which extends the age range down to 0 and up to 25, where there is evidence of additional pressures coming through in pre-school and post 16 children, and an increase in the cost of Looked After Children placements out of Borough. The following Table summarises the Total DSG income and expenditure for 2015/16.

Original Budget	Budget Changes	Funding Block	Month 8		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Change from Month 7
£'000	£'000		£'000	£'000	£'000	£'000	£'000
(145,373)	8,406	Dedicated Schools Grant Income	(136,967)	(136,498)	469	0	469
113,606	(10,817)	Delegated to Schools	102,789	104,045	1,256	1,548	(292)
4,581	(137)	Early Years	4,444	4,761	317	275	41
3,604	(148)	Centrally Retained	3,457	4,013	556	543	13
23,582	2,696	Special Needs	26,278	26,820	542	334	208
0	0	Total Schools Budget	0	3,141	3,141	2,701	440
0	0	Balance Brought Forward 1 April 2015	(4,083)	(4,083)			
0	0	Balance Carried Forward 31 March 2016	(4,083)	(942)			

Dedicated Schools Grant Income: £469 overspend, £469 adverse

123. The Department for Education (DfE) have confirmed that the DSG has been adjusted and reduced by £469k following a reconciliation by the DfE of the funding in relation to the Hillingdon Tuition Centre which converted to an academy on 1 September 2015 and St Martin's Primary, the latest basic need academy, which opened to reception pupils on 1 September 2015.

Delegated to Schools (£1,256k overspend, £292 improvement)

124. The overspend is due to Schools Forum agreeing to utilise part of the surplus balance carried forward from 2014/15 by delegating more resources to schools than were provided in the DSG budget allocation. This overspend has reduced when compared to the month 7 position due to the special school funding adjustment following the conversion of the Hillingdon Tuition Centre to academy status.

Early Years (£317k overspend, £41k adverse)

125. The Early Years funding block is projecting an overspend of £317k, an adverse movement of £41k on the month 7 position. The overspend is primarily due to Schools Forum allocating £337k of DSG funds above the base budget to fund the continuation of the 2 year old capacity building initiative, netted down by an underspend of £48k on the Early Years Educational Psychology provision, which has experienced significant recruitment difficulties. The increase in the overspend is due to a decrease in the income projections of the three Early Years Centres.

Centrally Retained (£556k overspend, £13k adverse)

126. The centrally retained budgets are projecting an overspend of £556k, an adverse movement of £13k on the month 7 position. £244k of the overspend is due to the cost of the three new Basic Need Academy school set up costs and diseconomies of scale funding, including Lake Farm and John Locke, which opened in September 2014 and St Martin's, which opened in September 2015. The increased costs of support services in line with the 2014/15 outturn figures, which will be charged to the DSG is contributing £182k to the overspend. Additionally a review of the Barnhill PFI costs has identified a cost pressure of £130k as the PFI grant is cash limited, whereas the PFI contract allows for indexation. The adverse movement between month 7 and month 8 is due to additional costs incurred following the recent restructure of the Admissions team.

Special Needs (£542k overspend, £208k adverse)

127. The Special Needs budgets are projecting an overspend of £542k, an adverse movement of £208k on the month 7 position, due to emerging pressures resulting from an increase in post 16 high needs college placements from September 2015 (this appears to be a national picture). The SEN position could change further once the review of the banding of children in special schools has been completed. Early indications suggest that the top-up funding provided will increase. It is worth noting that there is a significant movement in the cost of Independent School placements, which is projected to be significantly lower than that incurred in 2014/15.

School Academy Conversions

128. The Academies Act 2010, allows schools to convert to academy status and by doing so will receive funding directly from the Education Funding Agency (EFA). Schools can convert at any point in the year, once they have converted, a number of adjustments will be required to realign the DSG Income budget and the amount delegated to schools. The DfE maintain a register online, indicating which schools are proposing to convert. For Hillingdon, Chantry Special School (renamed the Young Peoples Academy) converted on 1 April 2015 and The Hillingdon Tuition Centre converted on 1 September 2015 (this was delayed by one month).

Year End Balances

129. The DSG is allowed to carry forward any in year over or underspend. At the end of the 2014/15 financial year, the DSG had a surplus balance of £4,083k. It should be noted that where the DSG is expected to underspend, it is anticipated that this will be factored into the total DSG available for delegation in the following year. At its meeting on 15 January 2015, Schools Forum agreed to include £1,709k of this surplus within the Schools Delegated Budget for 2015/16, additionally they agreed to set aside £337k for two year old capacity funding as an earmarked reserve for the two year old free entitlement offer in 2015/16. Based on the projected outturn position reported in the table above, the projected year-end balance will reduce to £942k.

Maintained School Balances

130. An ongoing review of school balances has started to identify that there are a number of schools facing cash flow difficulties, with a number setting an in year deficit, which will be funded from the schools surplus balances. Across Hillingdon, there is only one school that has an approved licensed deficit of £729k, however, it is evident that one primary school will be in deficit by the year end with a projected deficit of £130k.

131. The following table provides an update on the in year financial position of schools maintained by the Council (this excludes academy schools), based on school budget plans:

School Type	Total Number of Schools	Number of Schools In Year Deficits	Value of In Year Deficit £000
Primary	51	41	3,600
Secondary	2	2	600
Special	2	2	200
Total	55	45	4,400

132. Maintained Schools started the year with an opening surplus balance of £12.5 million, based on the school budget plans and the projected in year deficits, the year-end total schools surplus balance will reduce to £8.1 million.

Parking Revenue Account (£258k in year surplus, £60k improvement)

133. The Parking Revenue Account is established to govern the use of income from Penalty Charges Notices (PCNs), together with other on-street parking income streams, in accordance with Section 55 of the Road Traffic Regulation Act 1984.

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Month 8 £'000	Month 7 £'000	Movement £'000
(4,076)		Income	(4,076)	(4,084)	(8)	46	(54)
4,076		Expenditure	4,076	3,826	(250)	(244)	(6)
0	0	In-year (Surplus) / Deficit	0	(258)	(258)	(198)	(60)
		Unallocated Balances b/fwd			0	0	0
0	0	Unallocated Balances C/fwd	0	(258)	(258)	(198)	(60)

134. An in-year surplus of £258k is forecast for the 2015/16 financial year. There is a total income surplus of £8k (£54k favourable). The favourable movement relates to a revised projection for Pay & Display income.
135. The income pressure is offset by compensating savings totalling £250k (£6k favourable). The favourable position is a result of a review of recharges to the PRA and a decrease in the cost of levies.
136. The Parking Revenue Account is established to govern the use of income from Penalty Charges Notices (PCNs), together with other on-street parking income streams, in accordance with Section 55 of the Road Traffic Regulation Act 1984.

Collection Fund (£1,500k surplus, nil movement)

137. The collection of local taxes is managed through the Council's Collection Fund in order to avoid short-term volatility in income impacting on provision of services. Sums quoted related to the Council's own share of income and disregard monies collected on behalf of the Greater London Authority and Central Government.
138. The overall outlook for the fund is positive, with a surplus of £1,500k anticipated at this stage of the year arising from a £2,625k surplus on Council Tax and £1,125k deficit on Business Rates. Any surplus or deficit will be released to the General Fund from 2016/17 and reflected in the Council's Medium Term Financial Forecast.

Table 19: Collection Fund

Original Budget	Budget Changes	Service	Month 6		Variance (+ adv / - fav)			
			Revised Budget	Forecast Outturn	Variance (As at Month 67)	Variance (As at Month 6)	Movement from Month 6	
£'000	£'000		£'000	£'000	£'000	£'000	£'000	
(115,652)	0	Council Tax	Gross Income	(115,652)	(116,841)	(1,189)	(1,189)	0
14,153	0		Council Tax	14,153	13,699	(454)	(454)	0
(2,697)	0		Support B/fwd Surplus	(2,697)	(3,679)	(982)	(982)	0
(104,196)	0		Sub-Total	(104,196)	(106,821)	(2,625)	(2,625)	0
(111,480)	0	Business Rates	Gross Income	(111,480)	(109,432)	2,048	2,048	0
(860)	0		Section 31 Grants	(860)	(836)	24	24	0
60,287	0		Less: Tariff	60,287	60,287	0	0	0
4,598	0		Less: Levy	4,598	3,561	(1,037)	(1,037)	0
500	0		B/fwd Deficit	500	590	90	90	0
(46,955)	0	Sub-Total	(46,955)	(45,830)	1,125	1,125	0	
(151,151)	0	Total Collection Fund	(151,151)	(152,589)	(1,500)	(1,500)	0	

139. As a result of strong performance on collection to November 2015 and resulting reduction in provision for doubtful debts, a £1,189k overachievement of income is projected on Council Tax income at Month 8. In addition, a reduction in eligibility for the Council Tax Reduction Scheme has been seen since approval of the taxbase in January 2015, accounting for a further favourable variance of £454k in 2015/16. Taking account of the £982k surplus brought forward from 2014/15, £2,625k is therefore expected to be available for release to the General Fund in future years.

140. Primarily as a result of continuing delays in bringing Heathrow Terminal 2 back into the rating list since its opening in June 2014, a deficit of £2,048k continues to be reported on the Council's 30% share of Business Rates income. The corresponding reduction in the levy on growth, alongside minor variances on Section 31 grant income and the brought forward deficit, reduces the ultimate impact on the General Fund to £1,125k. It is expected that this position will improve as the full value of new hereditaments are reflected in the rating list, although there has been no change in the situation over the previous months.

APPENDIX C – HOUSING REVENUE ACCOUNT

Housing Revenue Account (£50k surplus, £35k improvement)

141. The Housing Revenue Account (HRA) forecast is for an in-year surplus of £50k, an improvement of £35k compared to Month 7. Table 20 below shows the key variances by function:

Table 20: Housing Revenue Account

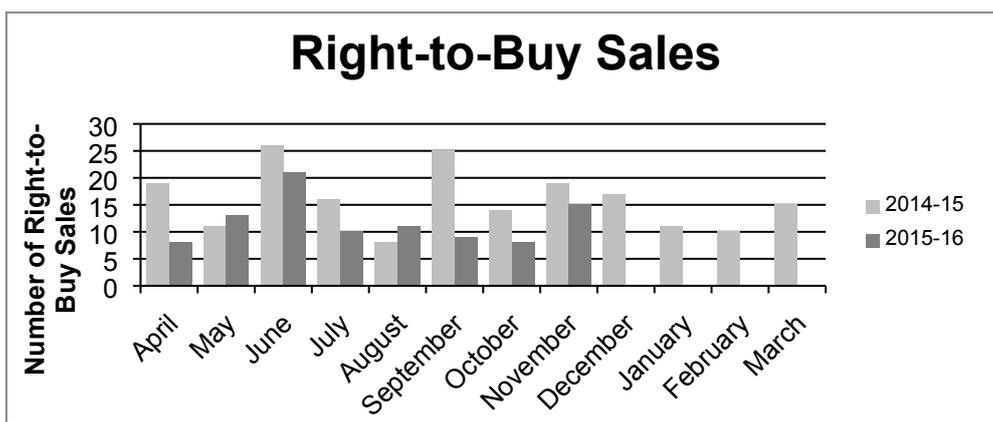
Original Budget £'000	Function	Month 8		Variance (+ adv / - fav)		
		Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Change from Month 7
		£'000	£'000	£'000	£'000	£'000
(57,573)	Rent Income	(57,573)	(57,294)	279	316	(37)
(5,346)	Other Income	(5,346)	(5,164)	182	120	62
(62,919)	Net Income	(62,919)	(62,458)	461	436	25
10,806	Housing Management	10,806	10,950	144	155	(11)
5,320	Tenant Services	5,320	4,929	(391)	(359)	(32)
5,078	Repairs	5,078	5,046	(32)	(105)	73
3,477	Planned Maintenance	3,643	3,411	(232)	(142)	(90)
19,810	Contribution to Works to Stock	19,644	19,644	0	0	0
15,212	Interest & Investment Income	15,212	15,212	0	0	0
1,553	Development & Risk Contingency	1,553	1,553	0	0	0
61,256	Operating Costs	61,256	60,745	(511)	(451)	(60)
(1,663)	(Surplus) / Deficit	(1,663)	(1,713)	(50)	(15)	(35)
(30,577)	General Balance 1 April 2015	(30,577)	(30,577)	0	0	0
(32,240)	General Balance 31 March 2016	(32,240)	(32,290)	(50)	(15)	(35)

Income (£461k pressure, £25k adverse movement)

142. There is a forecast pressure on rental income of £279k, an improvement of £37k compared to Month 7, due to further improved void turnaround performance.

143. The overall pressure arises predominantly from the impact of Right-to-Buy (RTB) sales over the last year. The estimate for RTB sales in the current year is 175 sales, no change compared to Month 7. There have been 95 sales completed this financial year to the end of November. The chart below shows the RTB sales per month since April 2014:

Chart 1: Monthly RTB Sales



144. There is also a forecast pressure of £182k on leaseholder contributions to capital works due to re-phasing in the HRA Capital Programme, an adverse movement of £62k compared to Month 7 due to further re-phasing reported this month.

Expenditure (£511k underspend, £60k improvement)

145. The Planned Works team which manages the planned and capital works programme for the HRA is projecting a £343k underachievement of capitalised fee income, as a result of re-phasing of the Works to Stock programme, no change compared to Month 7.
146. RTB administration income is forecast to exceed the income target by £100k, no change compared to Month 7.
147. There is a forecast staffing underspend of £99k in the Community Housing team as a result of vacant posts in the service, an improvement of £11k compared to Month 7 due to reduced use of agency staff.
148. Legal and consultancy costs arising from the contract dispute regarding Triscott House are projected to be £402k, no change compared to Month 7. Due to the uncertainty over the scale and timing of the costs and of any cost recovery, these costs are being met initially from the general contingency of £873k.
149. For tenant services, there is a projected underspend of £391k, relating to the impact of staff turnover and posts being held vacant pending further restructuring, an improvement of £32k compared to Month 7 due to posts being held vacant pending restructuring of the caretaking team.
150. The repairs budget is showing a forecast £32k underspend, an adverse movement of £73k compared to Month 7. Expenditure on void works is increasing, which is being offset by the impact of staffing underspends while the service is undergoing restructuring, as well as the positive impact on rent income described above. However, the underspend excludes the projected cost of external management of service and interim support for the restructuring process estimated at £386k, no change compared to Month 7, which is covered by the repairs element of the Development & Risk Contingency. There are also continuing costs from remedial works at Triscott House estimated at an additional £194k this financial year, no change compared to Month 7, and it is anticipated that these costs will also be met by the repairs contingency. The repairs contingency is available to cover one-off costs within the year and totals £680k.
151. There is a forecast underspend on gas servicing within the planned maintenance budget of £142k, no change compared to Month 7. There is also a forecast underspend of £90k against the planned maintenance contingency of £150k, where the only forecast expenditure is on stock condition consultancy.

Savings

152. The HRA budget contains savings targets of £2,448k as shown in Table 2 below:

Table 21: HRA Savings 2015/16

2015/16 HRA Savings Programme	Housing Management	Repairs	Planned Maintenance	Planned & Repairs	Total Savings	
	£'000	£'000	£'000	£'000	£'000	%
B Banked	0	0	(675)	(1,000)	(1,675)	68.42%
G On track for delivery	(650)	(123)	0	0	(773)	31.58%
A Potential significant savings shortfall or a significant or risky project which is at an early stage	0	0	0	0	0	0.00%
R Serious problems in the delivery of the saving	0	0	0	0	0	0.00%
Total 2015/16 Savings	(650)	(123)	(675)	(1,000)	(2,448)	100.00%

153. The restructure of the housing service is still being completed but the required 2015/16 savings have been identified and will be realised. The asset management and tenancy services teams are completing reorganisations with further savings expected to materialise through this process.

154. The responsive maintenance saving of £123k is still on target to be achieved through the restructure that is due to go live at the end of December 2015.

HRA Capital

155. The forecast outturn on the HRA capital programme is set out in Table 22 below:

Table 22 - HRA Capital Expenditure

Programme	Revised Budget 2015/16 £000	Forecast 2015/16 £000	Cost Variance Forecast vs Budget £000	Project Re-phasing £000	Total Project Budget 2015-2020 £000	Total Project Forecast 2015-2020 £000	Total Project Variance £000	Change from Month 7 £000
Dwelling Component Renewal	7,750	2,448	(264)	(5,038)	34,355	34,091	(264)	132
Estates & Blocks Renewal	2,477	1,112	(297)	(1,068)	9,951	9,654	(297)	
Welfare	2,600	2,162		(438)	9,500	9,500		
Other Projects	524	397		(127)	524	524		
Contingency	2,000	2,000		-	10,000	10,000	-	-
Total Works to Stock	15,351	8,119	(561)	(6,671)	64,330	63,769	(561)	132
Purchase & Repair	4,267	4,267			11,566	11,566		
New Build - General Needs	5,927	5,927			31,252	31,011	(241)	
New Build - RSL					5,400	5,400		
Supported Housing	872	872			39,737	39,978	241	
Land Appropriations	3,508	3,508			8,026	8,026		
Total Major Projects	14,574	14,574	0	0	95,981	95,981	0	0
Former New Build Schemes	97	995	898		97	995	898	
Total	30,022	23,688	337	(6,671)	160,408	160,745	337	132
Change from Month 7	(9,573)	(735)	132	8,706				

Works to Stock

156. The Works to Stock programme has a forecast phasing underspend of £6,671k, an increased re-phasing of £867k compared to Month 7, as a number of schemes will not be implemented this financial year.

- a. Dwelling Component Renewal - the forecast underspend of £5,302k is partly due to the kitchens and bathrooms programme being under review (£1,650k slippage, an increase of £50k compared to Month 7). There are also phasing underspends on roofing projects, boilers, electrical upgrades, double glazing installation and structural projects.
- b. Estates and Blocks Renewal - the forecast underspend of £1,365k is due mainly to the time required to tender and carry out leaseholder consultation on lift works, although an estimated £297k of lift repairs are due to be carried out in the interim this financial year, from the planned maintenance revenue budget which may replace renewal requirements included in the capital budget. In addition, environmental and security works planned at five low rise blocks of flats are now expected to be delivered into 2016/17, an increase in re-phasing of £400k compared to Month 7.

- c. Welfare - the sheltered remodelling works programme of £1,000k will slip into 2016/17 to allow time for a detailed programme to be prepared, however, it is currently anticipated that expenditure on major adaptations to HRA properties this financial year could exceed the budget of £1,500k by as much as £544k, due to the delivery of backlog adaptations approved last year.
- d. Other Projects - an amount of £127k is forecast as re-phasing representing the remaining budget for further housing fleet vehicle purchases which may be required in the future but are not anticipated this financial year.

Major Projects

- 157. Purchase and Repair Programme - There have been 13 purchases in 2015/16 at a total cost of £3,086k. There are five other potential buy back properties that have been valued and are at different stages of the acquisition process.
- 158. Council New Build General Needs Housing - external consultants are reviewing the feasibility of potential developments.
- 159. Approval has been given to the acquisition of one site containing 41 units, currently being developed by Paradigm Housing. The net approved cost is £5,927k, partly funded by the application of the Trickle Transfer Funding and also by utilising RTB receipts. The development is expected to be completed shortly.
- 160. Supported Housing Programme - Approval for two sites has been given, with external cost and design consultants appointed. Design changes required on one of the sites in order to successfully obtain planning (including the removal of the top floor of the design and creation of a basement floor instead), are expected to cost approximately £300k. These increased costs are included within the forecast for Supported Housing however it is anticipated these can be managed from within the overall Major Projects budget. Planning consent has now been obtained and the works will go out to tender shortly.
- 161. Land Appropriations - the revised budget and current year forecast in Table 22 above reflects re-phasing of £4,518k into future years, as not all identified sites will be appropriated for supported housing this year. This includes appropriation of the Acol Crescent site, as planning discussions regarding the site are still taking place.
- 162. The forecast overspend of £898k on former New Build schemes relates to contractual issues around the Triscott House development which have yet to be resolved. The dispute is going through arbitration which is a lengthy process and the outcome remains uncertain.

HRA Capital Receipts

- 163. There have been 95 RTB sales of Council dwellings as at end of November 2015 for a total sales value of £10,966k, out of a total forecast of 175 sales for the year, resulting in projected gross receipts of £20.3m.
- 164. The Council has signed an agreement with Department for Communities and Local Government to re-invest the proceeds in housing stock regeneration. This enables the Council to retain a higher level of receipts because of reduced pooling, however the terms of the agreement stipulate that receipts must be spent within three years or otherwise are returned to central Government with the addition of punitive interest.
- 165. Table 23 below sets out the total level of retained receipts since the inception of the agreement:

Table 23: Retained RTB Receipts

Period	Number of Sales	Retained Right to Buy Receipts Total (£'000)	Allowable Debt Provisional (£'000)	One for One Replacement Provisional (£'000)	Deadline for Utilisation of 1 for 1 Receipts
2012/13 Q4 Actual	33	3,541	946	2,595	March 2016
2013/14 Q1 Actual	13	910	291	619	June 2016
2013/14 Q2 Actual	35	3,046	1,005	2,041	Sept 2016
2013/14 Q3 Actual	24	1,918	598	1,320	Dec 2016
2013/14 Q4 Actual	34	2,678	945	1,733	March 2017
2014/15 Q1 Actual	56	4,817	1,659	3,158	June 2017
2014/15 Q2 Actual	49	4,679	1,480	3,199	Sept 2017
2014/15 Q3 Actual	50	4,583	1,529	3,054	Dec 2017
2014/15 Q4 Actual	36	3,412	1,090	2,322	March 2018
2015/16 Q1 Actual	42	4,335	1,266	3,069	June 2018
2015/16 Q2 Actual	30	2,901	750	2,151	Sept 2018
Total Retained Receipts	402	36,820	11,559	25,261	

166. Up to the end of Quarter 2 of 2015/16 there have been £36,820k retained RTB receipts to be used for allowable debt purposes and one for one housing replacement of which £57k has been applied as capital financing. The first deadline is at the end of this financial year and requires £2,595k of receipts to be applied by March 2016.
167. The use of retained RTB receipts are limited by the regulations to the agreement to a maximum 30% of the cost of replacement housing, although regulations also allow 50% of the cost of purchase and repair (buyback) expenditure to be financed from retained receipts, however, this is capped at 6.5% of the total level of receipts in that quarter. Therefore in order to utilise the £2,595k retained receipts a minimum of £8,560k is required to be spent on one for one replacement by the end of this financial year, which will be met by the application of receipts to buyback properties and the Paradigm Housing development described above. However, full utilisation of all receipts available up to 2018/19 will require further sustained delivery of the remainder of the new build major projects programme.

APPENDIX D - GENERAL FUND CAPITAL PROGRAMME

168. As at Month 8 an underspend of £17,010k is reported on the £80,239k General Fund Capital Programme for 2015/16, with £3,619k favourable cost variances and £13,391k slippage on project expenditure. The forecast outturn variance over the life of the 2015/16 to 2019/20 programme is £3,619k underspend relating partly to completed Primary Schools expansions projects and also on various other schemes.
169. General Fund Capital Receipts of £9,956k are forecast for 2015/16, with total receipts to 2019/20 expected to reach £63,000k, representing a favourable variance of £1,095k against budget.
170. Prudential Borrowing required to support the 2015/16 to 2019/20 Capital Programme is forecast to be within budget by £3,731k. Cost underspends of £3,619k and improvements in Capital Receipts and CIL forecasts totalling £2,595k are partly offset by shortfalls of grant funding of £2,483k. The grant shortfall is mainly due to 2015/16 Department for Education grant being lower than original budget estimates.

Capital Programme Overview

171. Table 24 below sets out the latest forecast outturn on General Fund capital projects, with project level detail contained in annexes A - C to this report. Forecasts for future years include capital projects and programmes of work approved by Cabinet and Council in February 2015.

Table 24: General Fund Capital Programme Summary

	Revised Budget 2015/16	Forecast 2015/16	Cost Variance Forecast vs Budget	Project Re-phasing	Total Project Budget 2015-2020	Total Project Forecast 2015-2020	Total Project Variance	Movement from Month 7
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Programme	34,389	32,105	(2,284)	-	152,677	150,393	(2,284)	-
Main Programme	17,610	11,316	(935)	(5,359)	40,202	39,267	(935)	8
Programme of Works	24,535	16,953	(412)	(7,170)	74,322	73,910	(412)	(50)
Future Projects	3,048	2,198	12	(862)	67,851	67,863	12	(90)
Total Main Programme	79,582	62,572	(3,619)	(13,391)	335,052	331,433	(3,619)	(132)
General Contingency	657	657			6,657	6,657	-	-
Provision for Additional Schools Funding	-	-			7,022	7,022	-	-
Total Capital Programme	80,239	63,229	(3,619)	(13,391)	348,731	345,112	(3,619)	(132)
Movement from Month 7	(30,737)	(1,849)	(132)	29,020	-	(132)	(132)	

172. The 2015/16 Capital Programme budget has reduced by £30,737k following December Cabinet approval to re-phase expenditure budgets into future years on various projects to reflect latest forecast profiling of spend.
173. The Schools Programme reports a cost underspend of £2,284k which is mainly due to savings on completed schemes within the Primary Schools expansions (phase 2) and new

build programmes (phase 3). Further details on the financial performance of the Schools Programme and the Urgent School Building Condition programme of works are provided in the Schools Cabinet Update Report.

174. The main programme contains sufficient overall budget provision for this year for various schemes in the programme to be delivered with a forecast £935k underspend, inclusive of minor cost pressures of £45k on completion of the Central Library Refurbishment and other residual costs totalling £47k on several prior year schemes.
175. The underspend of £412k on Programme of Works is mainly around Private Sector Renewal Grants where elements of the budget remain unallocated and this includes £212k previously assumed grant funding that will not be received resulting in a grant financed underspend. The forecast underspend has increased by £50k as commitments on adaptations for adopted children are expected to be below the approved budget.
176. Within Future Projects there is a forecast cost pressure of £12k due to a minor overspend of £12k on Harlington/Pinkwell Bowls Club and Pavilion where detailed cost estimates are slightly higher than the approved budget. A virement of £91k has been made from the general contingency budget to the Ruislip Lido Boat House replacement scheme to cover additional costs arising from a change in scope of the scheme.
177. Slippage of £13,391k is reported across the capital programme and this is partly on various Programme of Works schemes. The reduction in forecast expenditure of £1,849k in month is mainly due to further re-phasing on several projects including Hayes Town Centre improvements and Transport for London Local Implementation Plan.
178. There remain £6,657k unallocated funds within the 2015/16 - 2019/20 programme. It is anticipated that the remaining £7,022k provision for additional school expansions will be required in full to manage growing demand for schools places within the Borough.

Capital Financing - General Fund

179. Table 25 below outlines the latest financing projections for the Capital Programme, with a favourable medium term variance of £3,731k reported on Prudential Borrowing, due to scheme cost underspends and increase in other sources of finance largely offset by a shortfall in grant income for the 2015/16 Schools Programme.

Table 25: General Fund Capital Programme Summary

	Revised Budget 2015/16 £'000	Forecast 2015/16 £'000	Variance £'000	Total Financing Budget 2015-2020 £'000	Total Financing Forecast 2015-2020 £'000	Total Variance £'000	Movement from Month 7 £'000
Council Resource Requirement	53,060	40,998	(12,062)	211,802	210,666	(1,136)	(132)
Financed by							
Capital Receipts	9,956	9,956	-	61,905	63,000	1,095	(83)
CIL	2,000	2,000	-	20,000	21,500	1,500	-
Prudential Borrowing	41,104	29,042	(12,062)	129,897	126,166	(3,731)	(49)
Total Council Resources	53,060	40,998	(12,062)	211,802	210,666	(1,136)	(132)

Grants & Contributions	27,179	22,231	(4,948)	136,929	134,446	(2,483)	-
Total Programme	80,239	63,229	(17,010)	348,731	345,112	(3,619)	(132)

180. Total receipts achieved for the year to the end of November amount to £5,228k and the forecast is £9,956k for 2015/16. The overall forecast has reduced slightly by £83k due to revised estimates of valuations for two sites. However over the life of the programme there is a favourable variance of £1,095k due mainly to an increase in the General Fund share of forecast RTB receipts over the original budget and improvements in valuations over original estimates for various sites.
181. A total of £1,633k Community Infrastructure Levy (CIL) receipts (after administration fees) have been invoiced by the Council to the end of November, which represents a movement of £5k from last month on one minor development. The forecast has improved by £1,500k over the medium term as it is expected that there will be increased residential development over the next five years.
182. Spend to date on eligible activity exceeds the £1,633k receipts to date, with spend on Highways investment and community assets through the Chrysalis Programme meeting the criteria for application of CIL monies. Budgeted expenditure across these projects totals £7,932k for 2015/16, with scope to apply funds in support of schools, libraries and other major community investment in the event of substantial slippage in these areas.
183. On grants there is an adverse variance of £2,483k which is mainly due to the shortfall of £2,303k in actual Basic Needs and Capital Maintenance grant allocations for 2015/16 announced by the Department for Education since the budget was approved in February. This grant funding was allocated to the Schools Expansions programme and consequently results in a potential increase in prudential borrowing this year to meet the shortfall. The position around grant funding for future years of the Schools programme is under review.

APPENDIX 1a - Schools Programme

Prior Year Cost	Project	2015/16 Revised Budget	2015/16 Forecast	2015/16 Cost Variance	Project Re-phasing	Total Project Budget 2015-2020	Total Project Forecast 2015-2020	Total Project Variance 2015-2020	Project Forecast Financed by:		
									Council Resources		
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Schools Expansion Programme										
127,228	Primary Schools Expansions	12,080	9,821	(2,259)	0	15,095	12,836	(2,259)	10,687	715	1,434
0	New Primary Schools Expansions	300	300	0	0	13,500	13,500	0	5,246	8,254	0
84	Secondary Schools Expansions	300	300	0	0	76,816	76,816	0	18,399	56,854	1,563
1,207	Secondary Schools New Build	21,499	21,499	0	0	47,047	47,047	0	37,700	9,347	0
0	Hearing Impaired Resource Base (Vyners)	210	185	(25)	0	219	194	(25)	194	0	0
128,519	Total Schools Programme	34,389	32,105	(2,284)	0	152,677	150,393	(2,284)	72,226	75,170	2,997

APPENDIX 1b - Main Programme

Prior Year Cost	Project	2015/16 Revised Budget	2015/16 Forecast	2015/16 Cost Variance	Project Re-phasing	Total Project Budget 2015-2020	Total Project Forecast 2015-2020	Total Project Variance 2015-2020	Project Forecast Financed by:		
									Council Resources		
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Main Programme										
3,899	Environmental Assets	556	281	(275)	0	556	281	(275)	281	0	0
5,196	Purchase of Vehicles	473	473	0	0	2,545	2,545	0	2,545	0	0
0	Natural England Fencing & Gating	30	30	0	0	30	30	0	0	30	0
32,198	Hillingdon Sports & Leisure Centre	100	50	0	(50)	862	862	0	862	0	0
285	Sport & Cultural Projects	594	594	0	0	629	629	0	353	0	276
237	Yiewsley Health Centre	4,302	0	0	(4,302)	8,233	8,233	0	8,233	0	0
813	Eascote House Buildings and Gardens	399	399	0	0	434	434	0	0	0	434
158	ICT Infrastructure	822	822	0	0	1,042	1,042	0	1,042	0	0
1,089	Harlington Road Depot Refurbishment	236	236	0	0	263	263	0	263	0	0
0	Uxbridge Cemetery Gatehouse & Chapel	150	100	0	(50)	1,000	1,000	0	1,000	0	0
0	Social Care Investment	580	0	(580)	0	2,900	2,320	(580)	0	2,320	0
255	Hayes Town Centre Improvements	2,160	1,303	0	(857)	4,703	4,703	0	334	4,139	230
25	Inspiring Shopfronts	147	147	0	0	1,553	1,553	0	1,553	0	0
0	Gateway Hillingdon	50	50	0	0	3,378	3,378	0	3,378	0	0
45	Whiteheath Farm Refurbishment	50	0	0	(50)	265	265	0	265	0	0
326	Grounds Maintenance	677	677	0	0	677	677	0	677	0	0
128	West Drayton Cemetery & Resurfacing	450	300	(150)	0	503	353	(150)	353	0	0
192	Kings College Pavilion Running Track	38	38	0	0	38	38	0	0	0	38
0	Telecare Equipment	300	300	0	0	600	600	0	300	300	0
152	CCTV Programme	140	140	0	0	335	335	0	258	0	77
1	Youth Centres Kitchen Upgrades	142	120	(22)	0	142	120	(22)	90	0	30
9,488	Central Library Refurbishment	0	45	45	0	0	45	45	45	0	0
0	Yiewsley Library Purchase	702	702	0	0	702	702	0	702	0	0
609	Infant Free School Meals	1,167	1,167	0	0	1,193	1,193	0	477	715	1
0	Youth Centre Project	150	100	0	(50)	2,400	2,400	0	2,374	26	0
0	Cedars & Granges Car Park Improvements	2,998	2,998	0	0	3,075	3,075	0	2,875	0	200
0	Dementia Centre	53	53	0	0	2,000	2,000	0	1,947	53	0
25,033	Major Projects Completing in 2015/16	144	191	47	0	144	191	47	107	84	0
80,129	Total Main Programme	17,610	11,316	(935)	(5,359)	40,202	39,267	(935)	30,314	7,667	1,286

Cabinet – 21 January 2016

APPENDIX 1c - Programme of Works

Prior Year Cost	Project	2015/16 Revised Budget	2015/16 Forecast	2015/16 Cost Variance	Project Re-phasing	Total Project Budget 2015-2020	Total Project Forecast 2015-2020	Total Project Variance 2015-2020	Project Forecast Financed by:		
									Council Resources		
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Programme of Works										
N/A	Leaders Initiative	536	304	0	(232)	1,336	1,336	0	1,336	0	0
N/A	Chrysalis Programme	1,896	1,396	0	(500)	5,896	5,896	0	5,672	0	224
N/A	Civic Centre Works Programme	1,300	500	0	(800)	2,300	2,300	0	2,300	0	0
N/A	Formula Devolved Capital to Schools	1,387	1,387	0	0	3,099	3,099	0	0	2,597	502
N/A	Highways Localities Programme	236	236	0	0	1,060	1,060	0	1,060	0	0
N/A	Highways Structural Works	3,276	2,276	0	(1,000)	6,316	6,316	0	6,316	0	0
N/A	Pavement Priority Growth	2,000	677	0	(1,323)	2,000	2,000	0	2,000	0	0
N/A	ICT Single Development Plan	682	313	0	(369)	2,282	2,282	0	2,282	0	0
N/A	Property Works Programme	480	480	0	0	2,400	2,400	0	2,283	117	0
N/A	Road Safety	380	275	0	(105)	1,180	1,180	0	1,180	0	0
N/A	Street Lighting	144	90	0	(54)	720	720	0	720	0	0
N/A	Transport for London	4,983	3,538	0	(1,445)	19,618	19,618	0	0	18,745	873
N/A	Urgent Building Condition Works	3,568	2,273	0	(1,295)	9,400	9,400	0	1,826	6,290	1,284
N/A	Disabled Facilities Grant	2,300	2,300	0	0	11,500	11,500	0	2,655	8,845	0
N/A	Adaptations for Adopted Children	200	150	(50)	0	1,000	950	(50)	950	0	0
N/A	Private Sector Renewal Grant	562	200	(362)	0	3,610	3,248	(362)	2,000	1,248	0
N/A	Landlord Property Renovation Grant	200	200	0	0	200	200	0	100	100	0
N/A	Section 106 Projects	405	358	0	(47)	405	405	0	0	0	405

APPENDIX 1d - Future Projects

Prior Year Cost	Project	2015/16 Revised Budget	2015/16 Forecast	2015/16 Cost Variance	Project Re-phasing	Total Project Budget 2015-2020	Total Project Forecast 2015-2020	Total Project Variance 2015-2020	Project Forecast Financed by:		
									Council Resources		
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Future Projects										
N/A	Youth Centre Projects x 2	0	0	0	0	2,700	2,700	0	2,700	0	0
N/A	Environmental and Recreational Initiatives	32	32	0	0	1,000	1,000	0	968	0	32
N/A	Capital Priority Growth	0	0	0	0	965	965	0	965	0	0
N/A	RAGC Car Park	100	100	0	0	250	250	0	250	0	0
N/A	Car Park Resurfacing	180	180	0	0	250	250	0	250	0	0
N/A	Ruislip Lido Boat House	286	286	0	0	301	301	0	301	0	0
N/A	Bowls Club Refurbishments	150	150	0	0	750	750	0	50	0	700
N/A	Harlington/Pinkwell Bowls Club & Football Pavillion	303	200	12	(115)	318	330	12	12	0	318
N/A	Haste Hill Golf Club	400	400	0	0	530	530	0	530	0	0
N/A	New Years Green Lane EA Works	0	0	0	0	6,490	6,490	0	3,244	3,246	0
N/A	New Theatre	200	200	0	0	44,000	44,000	0	42,950	0	1,050
N/A	New Museum	200	150	0	(50)	5,000	5,000	0	4,250	0	750
N/A	Battle of Britain Bunker Heritage Pride Project	750	500	0	(250)	4,850	4,850	0	4,850	0	0
N/A	Local Plan Requirement	197	0	0	(197)	197	197	0	197	0	0
N/A	Community Safety Assets	250	0	0	(250)	250	250	0	250	0	0
0	Total Future Projects	3,048	2,198	12	(862)	67,851	67,863	12	61,767	3,246	2,850
	Development & Risk Contingency										
0	General Contingency	657	657	0	0	6,657	6,657	0	6,657	0	0
0	Provision for Additional Secondary Schools Funding	0	0	0	0	7,022	7,022	0	7,022	0	0
	Total Development & Risk Contingency	657	657	0	0	13,679	13,679	0	13,679	0	0
208,648	Total GF Capital Programme	80,239	63,229	(3,619)	(13,391)	348,731	345,112	(3,619)	210,666	124,025	10,421

Appendix E – Treasury Management Report as at 30 November 2015

Outstanding Deposits - Average Rate of Return on Deposits: 0.55%

	Actual (£m)	Actual (%)	Bench-mark (%)
Up to 1 Month	42.1	24.88%	40.00%
1-2 Months	5.0	2.96%	10.00%
2-3 Months	30.0	17.73%	5.00%
3-6 Months	77.4	45.74%	25.00%
6-9 Months	5.0	2.96%	5.00%
9-12 Months	9.5	5.61%	10.00%
12-18 Months	0.0	0.00%	5.00%
18-24 Months	0.0	0.00%	0.00%
Subtotal	169.0	99.88%	100.00%
Unpaid Maturities	0.2	0.12%	0.00%
Grand Total	169.2	100.00%	100.00%

184. With the exception of the unpaid Heritable investments, deposits are held with UK or overseas institutions, all of which hold a minimum A- Fitch (or lowest equivalent) long-term credit rating. UK deposits are currently held in AAA rated Money Market Funds, Pooled Funds, Birmingham CC, Blaenau Gwent CBC, Lancashire CC, Wolverhampton CC, Coventry Building Society, Close Brothers, Goldman Sachs International, Lloyds, Nationwide, Santander and UK Treasury Bills. The Council also holds two Certificates of Deposit, with Standard Chartered and Nordea Bank and a Covered Bond with Lloyds Bank. Overseas deposits are held with Svenska Handelsbanken, Development Bank of Singapore, Oversea China Banking Corporation (OCBC) and National Australia Bank.
185. The Council aims to minimise its exposure to bail-in risk by utilising bail-in exempt instruments and institutions whenever possible. However, due to the significant amount held instant access facilities to manage daily cashflows, it is not possible to fully protect Council funds from bail-in risk. Currently at the end of November 46% of the councils total funds have exposure to bail-in risk compared to a Q2 benchmark average of 68% in the Local Authority Sector. The Council's exposure reduces to 27% once instant access facilities are removed from the bail-in total. During the month fixed-term deposits continued to mature in line with cashflow requirements. To maintain liquidity, surplus cash was placed in instant access accounts. To improve yield and maintain diversification, five 6 month deposits and a 3 month Certificate of Deposit were placed, as well as purchasing a 3 month T-Bill.

Outstanding Debt - Average Interest Rate on Debt: 3.01%

	Actual (£m)	Actual (%)
General Fund		
PWLB	65.60	20.63
Long-Term Market	15.00	4.72
HRA		
PWLB	204.32	64.27
Long-Term Market	33.00	10.38
Total	317.92	100.00

186. There were no scheduled debt repayments, and as premiums still remain high, there were no early repayment opportunities. There were no breaches of the prudential indicators or non-compliance with the treasury management policy and practices.

187. In order to maintain liquidity for day-to-day business operations, short-term balances will either be placed in instant access accounts or short term deposits of up to 6 months. Opportunities to place longer term deposits will be monitored.

APPENDIX F – Consultancy and agency assignments over £50k approved under delegated authority

188. The following Agency staff costing over £50k have been approved under delegated powers by the Chief Executive in consultation with the Leader and are reported here for information.

Table 26: Consultancy and agency assignments

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Residents Services						
Carpenter / Multi-trade	06/01/2014	01/01/2016	01/04/2016	70	9	79
Plasterer/Multi-trade	19/09/2013	01/01/2016	29/01/2016	75	3	78
Community Housing Officer	14/07/2014	08/01/2016	01/04/2016	57	9	66
Internal Communications Officer	15/09/2014	11/01/2016	10/04/2016	14	67	81
Highways Engineer	10/11/2014	21/12/2015	28/03/2016	62	15	77
Development Surveyor	01/07/2011	04/01/2015	03/04/2015	289	18	307
DFG Clerk of Works/Inspector	08/12/2014	11/12/2015	10/06/2016	67	34	101
Mobile Caretaker	07/12/2012	31/12/2015	31/03/2016	51	4	55
Mobile Caretaker	24/08/2012	31/12/2015	31/03/2016	56	4	60
Mobile Caretaker	29/08/2012	31/12/2015	31/03/2016	56	4	60
Mobile Caretaker	16/12/2012	31/12/2015	31/03/2016	51	4	55
Mobile Caretaker	06/09/2012	31/12/2015	31/03/2016	55	4	59
Mobile Caretaker	22/09/2013	31/12/2015	31/03/2016	56	6	62
Education Officer	12/03/2015	04/01/2016	07/02/2016	50	7	57
Education Officer	12/03/2015	04/01/2016	07/02/2016	53	7	60
Senior Project Engineer	10/06/2013	26/12/2015	25/03/2016	143	19	162
Children & Young People's Services						
Independent Domestic Violence Advisor	12/01/2015	04/01/2016	07/02/2016	45	5	50
Social Worker	04/03/2015	04/01/2016	07/02/2016	46	6	52
Social Worker	17/11/2014	04/01/2016	07/02/2016	44	7	52
Social Worker	05/10/2015	04/01/2016	07/02/2016	48	4	52
Social Worker	04/05/2015	04/01/2016	07/02/2016	51	6	57
Social Worker	15/12/2014	04/01/2016	07/02/2016	53	6	59
Key Worker - NEET (Post 16 care leavers)	15/06/2014	04/01/2016	07/02/2016	57	3	60
Social Worker	13/04/2015	04/01/2016	07/02/2016	57	7	64

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Social Worker	18/05/2015	04/01/2016	07/02/2016	57	7	65
Social Worker	04/02/2015	04/01/2016	07/02/2016	59	6	65
Team Manager	02/03/2015	04/01/2016	07/02/2016	63	7	69
Child Protection Chair	13/04/2015	04/01/2016	07/02/2016	62	8	70
Social Worker	27/10/2014	04/01/2016	07/02/2016	65	7	72
Social Worker	06/01/2015	04/01/2016	07/02/2016	66	7	73
Social Worker	11/10/2014	04/01/2016	07/02/2016	68	6	74
Quality Assurance Auditor (Social Work Cases)	08/05/2014	04/01/2016	07/02/2016	71	8	79
Social Worker	01/10/2013	04/01/2016	07/02/2016	76	6	82
Social Worker	05/03/2014	04/01/2016	07/02/2016	76	7	83
Social Worker	07/11/2014	04/01/2016	07/02/2016	82	7	89
Social Worker	27/10/2014	04/01/2016	07/02/2016	83	7	90
Senior Social Worker	25/09/2013	04/01/2016	07/02/2016	84	7	92
Social Worker	17/09/2014	04/01/2016	07/02/2016	85	7	92
Social Worker	13/05/2014	04/01/2016	07/02/2016	91	7	98
Social Worker	19/08/2014	04/01/2016	07/02/2016	93	6	99
Social Worker	06/06/2014	04/01/2016	07/02/2016	92	7	99
Social Worker	30/09/2014	04/01/2016	07/02/2016	93	7	100
Social Worker	19/06/2014	04/01/2016	07/02/2016	95	8	102
Team Manager	31/07/2014	04/01/2016	07/02/2016	94	9	103
Social Worker	05/09/2014	04/01/2016	07/02/2016	96	7	103
Team Manager	30/09/2014	04/01/2016	07/02/2016	99	9	107
Child Sexual Exploitation (CSE) Co-ordinator	03/11/2014	04/01/2016	07/02/2016	102	8	110
Corporate Parenting Manager	01/09/2014	04/01/2016	07/02/2016	104	7	111
Social Worker	19/06/2014	04/01/2016	07/02/2016	105	7	113
Social Worker	23/12/2013	04/01/2016	07/02/2016	108	7	114
Team Manager	02/06/2014	04/01/2016	07/02/2016	106	9	115
Social Worker	03/03/2014	04/01/2016	07/02/2016	114	5	119
Social Worker	11/08/2014	04/01/2016	07/02/2016	111	8	119
Team Manager - MASH	28/09/2014	04/01/2016	07/02/2016	112	9	121
Social Worker	02/12/2013	04/01/2016	07/02/2016	121	7	128
Social Worker	30/04/2012	04/01/2016	07/02/2016	124	7	131
Social Worker	01/04/2013	04/01/2016	07/02/2016	129	7	137
Service Manager Fostering and Adoption	10/12/2014	04/01/2016	07/02/2016	126	14	140
Social Worker	01/04/2013	04/01/2016	07/02/2016	153	7	160
Case Progression Manager	07/04/2014	04/01/2016	07/02/2016	156	8	164
Social Worker	01/01/2013	04/01/2016	07/02/2016	159	6	165

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Social Worker	01/01/2013	04/01/2016	07/02/2016	168	7	176
MASH Manager	13/01/2014	04/01/2016	07/02/2016	173	13	186
Service Manager Children in Care	07/07/2014	04/01/2016	07/02/2016	177	15	192
Social Worker	19/12/2011	04/01/2016	07/02/2016	185	7	192
Social Worker	19/12/2011	04/01/2016	07/02/2016	187	7	194
Team Manager	01/01/2013	04/01/2016	07/02/2016	203	9	212
Social Worker	19/12/2011	04/01/2016	07/02/2016	210	7	218
Social Worker	05/03/2012	04/01/2016	07/02/2016	222	7	230
Social Worker	06/01/2012	04/01/2016	07/02/2016	233	7	241
Social Worker	05/03/2012	04/01/2016	07/02/2016	239	7	246
Child Protection Chair	15/04/2015	04/01/2016	07/02/2016	62	8	70
Independent Reviewing Officer	27/05/2014	04/01/2016	07/02/2016	74	8	82
SW Practice & Development Mentor	17/11/2014	04/01/2016	07/02/2016	59	8	67
Adult Social Care						
Senior Residential Worker	01/09/2014	04/02/2016	31/03/2016	55	4	59
Residential Care Worker	01/04/2012	04/02/2016	31/03/2016	100	3	103
Team Manager	03/11/2014	04/02/2016	29/02/2016	99	8	107
Lead Approved Mental Health Practitioner	01/06/2012	04/02/2016	31/03/2016	153	6	159
Occupational Therapist	07/10/2013	04/02/2016	31/03/2016	132	6	138
Approved Mental Health Worker	08/05/2014	04/02/2016	31/03/2016	94	8	102
Care Act Programme Implementation Manager	02/10/2014	04/02/2016	31/03/2016	190	17	207
Lead Nurse	07/12/2014	04/02/2016	29/02/2016	75	7	82
Assistant Ed Psychologist	12/11/2014	04/02/2016	31/03/2016	68	6	75
Approved Mental Health Worker	01/03/2014	04/02/2016	31/03/2016	82	8	91
Occupational Therapist	01/04/2015	04/02/2016	31/03/2016	51	7	57
Speech & Language Therapist	16/03/2015	04/02/2016	31/03/2016	58	7	65
Contract Management Officer	24/08/2015	04/02/2016	31/03/2016	50	11	61
AMHP	01/06/2015	04/02/2016	31/03/2016	48	8	56
Principal Educational Psychologist	01/06/2015	04/02/2016	29/02/2016	43	12	55