

COUNCIL BUDGET:2015/16 MONTH 11

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 £2,020k is projected against 2015/16 General Fund revenue budgets as of February 2016 (Month 11), representing an improvement of £536k 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 contributes to the Council's objective of: <i>Strong 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 February 2016 (Month 11).
2. Agree that during the period of 21 April 2016 to the Cabinet scheduled in June 2016, delegated authority be given to the Corporate Director of Finance, in full consultation with the Leader of the Council, to make any necessary revenue or capital budget virements, allocate priority growth funds, release contingency, agree fees/charges or accept grants that may be required for service or project delivery within the overall budget framework approved by Council on 25 February 2016.

Furthermore, that any such decisions made, be reported to the June 2016 Cabinet meeting for ratification.

3. Continue the delegated authority up until the June 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 March 2016 and 21 April 2016 Cabinet meetings, detailed at Appendix F.
4. Approve introduction of a fine of up to a maximum of £5,000 for any letting and property management agent refusing to join a Government approved redress scheme;
5. Approve to commit £50,000 to the Uxbridge BID Company to assist in securing a Business Improvement District for Uxbridge.
6. Approve acceptance of Planning Performance Agreement income in respect of the following applications:
 - 36-40 Rickmansworth Road, Northwood (£23,500)
 - Gatefold Development, Blyth Road, Hayes (£12,000)
7. Ratify the release of agreed funds from the 2016/17 development and risk contingency into the Residents Services Budget following the outcome of recent legal proceedings in relation to a planning matter in the Barnhill Ward and following the Cabinet Member decision taken by the Leader of the Council under special urgency on 1 April 2016 authorising expenditure.
8. Approve the introduction of the following planning fees from 3 May 2016:
 - Requests for confirmation of compliance with an Enforcement Notice, Breach of Condition Notice or other similar Notice under the Planning Acts (£196)
 - Requests to withdraw an extant Enforcement Notice, Breach of Condition Notice or other similar Notice under the Planning Acts (£196).
9. That Cabinet approve the introduction of the following new registrars fees from 3 May 2016:
 - Webcasting of wedding ceremonies (£70)
 - Conducting Civil Funerals (Civil Celebrants) (£180)
 - Passport Checking Service (£15)

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 2 - The next budget related report to Cabinet (2015/16 Budget Outturn) will be to the June 2016 Cabinet meeting and it is proposed that interim delegated authority be given to make any necessary financial decisions that would otherwise be made by Cabinet, reporting them back for ratification later. This will ensure the Council continues to maintain effective control of the budget planning process at the strategic level.
3. Recommendation 3 - As the next budget related report to Cabinet (2015/16 Budget Outturn) will be to the June 2016 meeting and it is proposed that for ease of reporting, the date for reporting back to Cabinet on any agency / consultancy assignments over £50k be deferred one month.
4. Recommendation 4 - Whilst the majority of letting agents and property managers provide a good service there are a minority who offer a poor service and engage in unacceptable practices. This requirement (to join an approved redress scheme) means that tenants and

landlords with agents in the private rented sector and leaseholders and freeholders dealing with property managers in the residential sector, have access to an independent complaints process about the service they have received. The Council is able to fine lettings agencies for not signing up to such a scheme and being non-compliant, up to £5,000.

5. Recommendation 5 - Cabinet Members have agreed that £50k would be available to assist in the delivery of a BID for Uxbridge on 20th October 2015. Since this date officers have been working with a range of Uxbridge Town Centre partners to ascertain whether there is enough interest in pursuing a BID and to determine the strategy for delivering a successful BID. A number of tasks have been completed already:
- A steering group consisting of a range of retail, commercial and community partners has been established;
 - A legal entity, the Uxbridge BID Company Ltd has now been formed;
 - A specialist consultancy has undertaken some initial market research and has advised that there is sufficient interest in a BID from those canvassed;
 - The support of the MP for Uxbridge and Ruislip South, Boris Johnson, has been secured;
 - An outline timetable for securing the Uxbridge BID has been agreed.

A legal agreement between the Council and the Uxbridge BID company has now been secured and serves to manage the loan of £50,000 to Uxbridge BID to assist in the delivery of the BID. The agreement also confirms that if the BID is successful then it will be repaid to the Council over the five years the initial Uxbridge BID is in place. It is proposed to hold a BID ballot in April 2017. Assuming that this ballot is successful the Uxbridge BID would be in place on 1st July 2017.

6. Recommendation 6 - In order to expedite the processing of two major planning applications, gift funding has been offered by developers which if accepted by Cabinet will be utilised to fund dedicated staff to support these.
7. Recommendation 7 - This recommendation relates to a confidential property matter recently settled and the release of funds for this from the contingency budget, which constitutionally requires Cabinet ratification. Members of the Council, should they wish to seek further information on this confidential matter, should contact Democratic Services.
8. Recommendation 8 - Introduction of new fees is recommended with effect from 3 May 2016 to recover costs incurred by the Council in those cases where an individual seeks written confirmation that a planning enforcement notice has been complied with. At present such costs are ultimately borne by the Council Taxpayer, rather than those subject to planning enforcement notices.
9. Recommendation 9 - This recommendation seeks approval to implement a number of new fee for additional services within the Registrars Service, including webcasting wedding ceremonies for those guests who are unable to attend in person, conducting civil funerals and passport checking specifically related to the Nationality Checking Service which is already undertaken. It is recommended that these fees are implemented from 3 May 2016.

Alternative options considered

10. There are no other options proposed for consideration.

SUMMARY

REVENUE

11. An underspend on normal operating activities of £1,570k is projected at Month 11 for General Fund revenue budgets, with management action across all service areas expected to deliver underspends of £3,035k on Directorate Operating Budgets and £1,370k across Corporate Operating Budgets sufficient to contain £2,835k emergent pressures within contingency. This represents an improvement of £536k on the position reported at Month 10, primarily due to release of the remaining £500k General Contingency which will not be required in 2015/16. Outside normal operating activity, recovery of £450k Icelandic investments brings the headline underspend to £2,020k for 2015/16.
12. The 2015/16 revenue budget contains savings of £10,034k, including £127k items brought forward from 2014/15. At Month 11, £8,202k of savings are banked in full, with the remaining £1,832k reported as 'amber' primarily due to the expected phasing of delivery rather than more fundamental delivery issues. These amber savings have been covered in full in-year with alternative savings. In addition, any necessary rephasing has been reflected in the MTF as part of budget setting at February Council.
13. General Fund balances are projected to total £37,459k 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 £2,020k in-year underspend. Current forecasts assume that £637k unallocated Priority Growth will be utilised in full during the current financial year.
14. With the exception of the Collection Fund, there are no material variances on other funds affecting the General Fund position. Within the Collection Fund, an improved position is reported from Month 10 as new properties have been brought into rating at Heathrow Airport, which has reduced the pressure on Business Rates to £425k. This is off-set by a £2,425k surplus on Council Tax. £1,500k of the net surplus will be released to the General Fund in 2016/17, with the remainder available to support 2017/18 budgets.

CAPITAL

15. As at Month 11 an underspend of £31,388k is reported on the £81,080k General Fund Capital Programme for 2015/16, with £5,447k favourable cost variances and £25,941k slippage on project expenditure. The forecast outturn variance over the life of the 2015/16 to 2019/20 programme is a £5,488k underspend relating partly to completed Primary Schools expansions projects and also on various other schemes.
16. General Fund Capital Receipts of £9,825k are forecast for 2015/16, with total receipts to 2019/20 expected to reach £62,710k, representing a favourable variance of £805k against budget.
17. Overall, Prudential Borrowing required to support the 2015/16 to 2019/20 Capital Programme is forecast to be within budget by £5,474k. Cost underspends of £5,488k and improvements in Capital Receipts and CIL forecasts totalling £2,305k are partly off-set by shortfalls of grants and contributions funding of £240k. The grant shortfall is mainly due to 2015/16 Department for Education grant being £2,319k lower than the original budget estimates.

FURTHER INFORMATION

General Fund Revenue Budget

18. An underspend of £1,570k is reported on normal operating activities at Month 11. This position incorporates a £3,035k net underspend across Directorate Operating Budgets and an underspend of £1,370k across Corporate Operating Budgets, off-set by contingency pressures of £2,835k, 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 £2,020k.
19. Within the reported net underspend there remain 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.
20. The Council's General Fund revenue budget contains £10,034k savings, with £8,202k banked. The reported position on operating budgets reflects the status of these savings.

Table 1: General Fund Overview

Original Budget	Budget Changes	Service	Month 11		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Movement from Month 10
£'000	£'000		£'000	£'000	£'000	£'000	£'000
186,215	1,474	Directorate Operating Budgets	187,689	184,654	(3,035)	(2,908)	(127)
8,793	(335)	Corporate Operating Budgets	8,458	7,088	(1,370)	(1,370)	0
12,340	(972)	Development & Risk Contingency	11,368	14,203	2,835	3,244	(409)
1,604	(167)	Priority Growth	1,437	1,437	0	0	0
208,952	0	Sub-total Normal Activities	208,952	207,382	(1,570)	(1,034)	(536)
		<u>Exceptional Items</u>					
		Recovered Icelandic Investment		(450)	(450)	(450)	0
208,952	0	Total Net Expenditure	208,952	206,932	(2,020)	(1,484)	(536)
(203,952)	0	Budget Requirement	(203,952)	(203,952)	0	0	0
5,000	0	Net Total	5,000	2,980	(2,020)	(1,484)	(536)
(40,439)	0	Balances b/fwd	(40,439)	(40,439)			
(40,439)	0	Balances c/fwd 31 March 2016	(35,439)	(37,459)			

21. The reported exceptional item relates to a 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.
22. At 31 March 2015 General Fund Balances totalled £40,439k. With the budgeted drawdown of £5,000k and the projected £2,020k surplus, the forecast closing balance at 31 March 2016

is projected to total £37,459k. The Council's current MTF assumes that balances will remain between £19,500k and £31,000k to manage emergent risks, with sums above that level earmarked for use to smooth the impact of government funding cuts.

Directorate Operating Budgets (£3,035k underspend, £127k improvement)

23. 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. 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	Budget Changes	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Movement from Month 10	
£'000	£'000		£'000	£'000	£'000	£'000	£'000	
11,133	15	Admin	Expenditure	11,148	10,959	(189)	(195)	6
(1,331)	107		Income	(1,224)	(1,187)	37	47	(10)
9,802	122		Sub-Total	9,924	9,772	(152)	(148)	(4)
16,867	(38)	Finance	Expenditure	16,829	16,721	(108)	(95)	(13)
(2,583)	2		Income	(2,581)	(2,607)	(26)	(39)	13
14,284	(36)		Sub-Total	14,248	14,114	(134)	(134)	0
111,957	(2,055)	Residents Services	Expenditure	109,902	108,919	(983)	(854)	(129)
(53,324)	151		Income	(53,173)	(53,272)	(99)	(9)	(90)
58,633	(1,904)		Sub-Total	56,729	55,647	(1,082)	(863)	(219)
139,147	5,581	Social Care	Expenditure	144,728	146,748	2,020	1,725	295
(35,651)	(2,289)		Income	(37,940)	(41,627)	(3,687)	(3,488)	(199)
103,496	3,292		Sub-Total	106,788	105,121	(1,667)	(1,763)	96
186,215	1,474	Total Directorate Operating Budgets		187,689	184,654	(3,035)	(2,908)	(127)

24. The Administration position is showing an underspend of £152k at Month 11, a minor £4k improvement on Month 10. 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.
25. An unchanged underspend of £134k is reported against Finance budgets, primarily arising from vacant posts held across the Directorate.
26. Residents Services is reporting an underspend of £1,082k at Month 11, an improvement of £219k on Month 10. This headline underspend includes £987k underspends against the Directorate's £52,595k staffing budget and strong income generation across planning and highways functions. This is off-set by pressures on property maintenance budgets and shortfalls in income at Uxbridge Town Centre car parks and Imported Food sampling at Heathrow Airport. Movement from Month 10 includes increased projections for construction fees not suitable for capitalisation being off-set by more general reductions in expenditure forecasts across the Group.
27. An underspend of £1,667k is reported across Social Care, with a £96k adverse movement reported from the Month 10 position due to a significant increase in the cost of supporting families under Section 17 of the Children's Act or who have No Recourse to Public Funds. Across the Group, the pressure on support for families and underspends of £2,081k within workforce budgets account for the the reported variance. A number of further pressures

across non-staffing expenditure are being contained through a combination of earmarked reserves and demand management.

Progress on Savings

28. 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. At Month 11, £8,202k savings are reported as banked, with the remaining £1,832k savings being classed as Amber, primarily due to the expected phasing of delivery. No items are being reported as having serious risks of non-delivery. Savings classed as amber have been reviewed alongside development of the 2016/17 budget, with those higher risk items, mainly related to Social Care, either rephased or replaced with alternative initiatives in the new year. During the current financial year, alternative savings have been identified and delivered which fully off-set the in-year shortfall on the amber savings.

Table 3: Savings Tracker

2015/16 General Fund Savings Programme	Admin. & Finance	Residents Services	Social Care	Total Savings	
	£'000	£'000	£'000	£'000	%
B Banked	(1,383)	(4,348)	(2,471)	(8,202)	81.7%
G On track for delivery	0	0	0	0	0.0%
A Potential significant savings shortfall or a significant or risky project which is at an early stage;	0	0	(1,832)	(1,832)	18.3%
R Serious problems in the delivery of the saving	0	0	0	0	0.0%
Total 2015/16 Savings	(1,383)	(4,348)	(4,303)	(10,034)	100.0%

Corporate Operating Budgets (£1,370k underspend, no movement)

29. Corporately managed expenditure includes revenue costs of the Council's Capital Programme, externally set levies and income arising from the provision of support services to other funds and ring-fenced budgets.
30. As previously reported, on-going reviews of capital financing options and proactive treasury management is expected to delivery an in-year underspend of £1,100k on Interest and Investment Income.

Table 4: Corporate Operating Budgets

Original Budget £'000	Budget Change £'000	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Movement from Month 10	
			£'000	£'000	£'000	£'000	£'000	
0	0	Interest and Investment Income	Salaries	0	0	0	0	0
9,861	(300)		Non-Sal Exp	9,561	8,461	(1,100)	(1,100)	0
(691)	0		Income	(691)	(691)	0	0	0
9,170	(300)		Sub-Total	8,870	7,770	(1,100)	(1,100)	0
493	0	Levies and Other Corporate Budgets	Salaries	493	473	(20)	(20)	0
11,925	(304)		Non-Sal Exp	11,621	11,571	(50)	(50)	0
(12,235)	269		Income	(11,966)	(12,166)	(200)	(200)	0
183	(35)		Sub-Total	148	(122)	(270)	(270)	0
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	(335)	Total Corporate Operating Budgets		8,458	7,088	(1,370)	(1,370)	0

Development & Risk Contingency (£3,335k pressure, £409k improvement)

31. 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 issues. 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 11		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Movement from Month 10 £'000
400	0	Fin.	400	300	(100)	(100)	0
236	(236)	Residents Services	0	0	0	0	0
1,836	0		1,836	1,836	0	0	0
2,211	0		2,211	2,204	(7)	(7)	0
1,272	0	Social Care	1,272	2,243	971	990	(19)
465	0		465	4,375	3,910	3,743	167
(117)	0		(117)	(117)	0	0	0
1,298	0		1,298	1,298	0	0	0
129	0		129	129	0	0	0
380	0		380	380	0	0	0
393	0		393	10	(383)	(326)	(57)
520	0		520	520	0	0	0
250	0	Corp. Items	250	250	0	0	0
2,067	(736)		1,331	775	(556)	(556)	0
1,000	0		1,000	0	(1,000)	(500)	(500)
12,340	(972)	Total Development & Risk Contingency	11,368	14,203	2,835	3,244	(409)

32. The headline cost of homelessness is projected to be contained within the £1,836k contingency provision for 2015/16, while Bed and Breakfast costs remain higher than reflected in the MTFF this is partially mitigated by retaining existing PSL properties. It is not expected that earmarked reserves will be required to supplement contingency funding.
33. A minor £19k improvement is reported on the outlook for Asylum, resulting from reductions in expected spend on allowances. The £2,243k call on contingency represents the net cost to Hillingdon residents of supporting Asylum Seekers in 2015/16, with funding rates for the new financial year still to be confirmed at the time of publication there remains uncertainty around the impact of Asylum on the Council's budgets for 2016/17.

34. A further adverse movement of £167k is reported on the cost of Looked After Children in respect of sustained high numbers of mother and baby placements and significant demand for residential placements for teenage children. The overall reported pressure of £3,910k is marginally higher than the Contingency provision included in the Council's 2016/17 budget, although a number of initiatives are planned to manage down this cost going forward.
35. There have been further delays in the transfer of clients to the Council in respect of the Winterbourne View judgement, with only one case, rather than six, actually transferring during 2015/16. This reduces the call on contingency by £57k in the current financial year.
36. 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. There have been no calls on General Contingency to date and it is expected that the full £1,000k will not be required, representing an improvement of £500k on the position reported at Month 11.

Priority Growth

37. 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 £167k has been allocated from Unallocated Priority Growth, £150k support for the First Time Buyer's Initiative and £17k match funding for the Textile Recycling donation to the Mayor's Charity. It is expected that the remaining Unallocated Growth monies will either be released into General Reserves as part of the closing of the accounts or carried forward as an earmarked reserve.
38. 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 £419k, leaving £811k available for new initiatives. Any unspent sums will be carried forward as an earmarked reserve to 2016/17.

Table 6: Priority Growth

Original Budget	Budget Changes	Priority Growth	Month 11		
			Revised Budget	Approved Allocations	Unallocated Balance
£'000	£'000		£'000	£'000	£'000
800	0	HIP Initiatives Budgets	800	0	(800)
430	0	B/fwd Funds	430	419	(11)
804	(167)	Unallocated Priority Growth	637	0	(637)
2,034	(167)	Total Priority Growth	1,867	419	(1,448)

Schools Budget, Parking Revenue Account and Collection Fund

39. The latest forecasts on other funds indicate favourable positions at year end and therefore will not adversely impact upon the General Fund in 2015/16 or 2016/17.
40. A headline pressure of £2,408k is identified on the Schools Budget at Month 11, representing an improvement of £122k on the previously reported position to reflect higher than anticipated Early Years Pupil Premium income. There is sufficient capacity within retained DSG balances to finance the in-year pressure, with £1,709k relating to the one-off release of the 2014/15 surplus to individual schools and £399k increases in the cost of SEN placements under the new banded funding model.

41. A surplus of £352k is forecast on the Parking Revenue Account at Month 11, an improvement of £110k on the position at Month 10 due to improvements on both income and expenditure projections. Given the volatile nature of enforcement and on-street parking income streams, this position will continue to be closely monitored.
42. The Collection Fund is reporting a surplus of £2,000k at Month 11, a £500k improvement on Month 10. This is as a result of significant number of properties at Terminal 2, Heathrow Airport, which opened in June 2014, now being brought into the rating list by the Valuation Office Agency. Within the overall position, a surplus of £2,425k is reported on Council Tax with a £425k deficit remaining on Business Rates. The Council's 2016/17 budget draws down £1,500k of this surplus, with the remainder available to support the 2017/18 General Fund budget.

Housing Revenue Account

43. At Month 11 an in-year surplus of £1,509k is projected on the Housing Revenue Account, a £378k improvement from Month 10 due to release of £583k of provisions previously set aside but no longer required being off-set by the pension strain cost associated with restructuring within the HRA.
44. Unallocated General Balances within the HRA are projected to increase to £33,371k as a result of the forecast £1,509k surplus and £1,663k planned contribution to balances. The current forecast reflects the full delivery of the £2,448k savings included in the 2015/16 budget.
45. 119 properties have been sold under Right to Buy arrangements as at Month 11, with a total of 140 sales forecast for 2015/16. Sufficient expenditure on the acquisition of new properties has been incurred to fully utilise the initial tranche of retained receipts and therefore avoid repayment to DCLG.

Future Revenue Implications of Capital Programme

46. 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 are £26,971k lower than budget after allowing for the lower than anticipated level of 2015/16 Department for Education grant funding for school expansions. £5,474k of this sum relates to underspends with the remainder representing slippage of expenditure into 2016/17 and beyond. The on-going revenue implications were reflected in the Council's revenue budget for 2016/17.

Appendix A – Detailed Group Forecasts (General Fund)

ADMINISTRATION (£152k underspend, £4k improvement)

45. The Administration Group is showing an underspend of £152k at Month 11, an £4k improvement from the Month 10 position. Pressures on Democratic Services budgets as a result of the continued additional workload of Individual Electoral Registration have been mitigated by an improvement to income forecasts as a result of an increase in Citizenship ceremony income. A slight shortfall is forecast within Legal Services income, which is covered by underspends across non-salaries budgets.
46. 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 has been removed from 2016/17 budgets as part of the MTF process.

Table 7: Administration Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Movement from Month 10 £'000	
1,461	0	Democr. Services	Salaries	1,461	1,454	(7)	(13)	6
1,841	(69)		Non-Sal Exp	1,772	1,686	(86)	(94)	8
(658)	69		Income	(589)	(574)	15	29	(14)
2,644	0		Sub-Total	2,644	2,566	(78)	(78)	0
2,319	80	Human Resources	Salaries	2,399	2,348	(51)	(48)	(3)
626	(30)		Non-Sal Exp	596	550	(46)	(52)	6
(286)	38		Income	(248)	(218)	30	34	(4)
2,659	88		Sub-Total	2,747	2,680	(67)	(66)	(1)
1,955	34	Legal Services	Salaries	1,989	2,025	36	35	1
111	0		Non-Sal Exp	111	83	(28)	(15)	(13)
(341)	0		Income	(341)	(331)	10	0	10
1,725	34		Sub-Total	1,759	1,777	18	20	(2)
592	0	Policy & Partnerships	Salaries	592	597	5	5	0
2,228	0		Non-Sal Exp	2,228	2,216	(12)	(13)	1
(46)	0		Income	(46)	(64)	(18)	(16)	(2)
2,774	0		Sub-Total	2,774	2,749	(25)	(24)	(1)
6,327	114	Admin. Directorate	Salaries	6,441	6,424	(17)	(21)	4
4,806	(99)		Non-Sal Exp	4,707	4,535	(172)	(174)	2
(1,331)	107		Income	(1,224)	(1,187)	37	47	(10)
9,802	122		Total	9,924	9,772	(152)	(148)	(4)

FINANCE (£134k underspend, nil movement)

47. The Finance Group is showing an underspend of £134k at Month 11, which represents a nil movement on the reported position at Month 10. Minor adverse movements in income forecasts within the Revenues and Benefits service have been mitigated by underspends in the salaries position as a result of a large number of vacant posts.
48. The overall underspend position is due to salaries underspends in Operational Finance as a result of the restructure of Assistant Finance Business Partners; in the Revenues and Benefits Service as a result of a high level of vacant posts within the Housing Benefits service; and in Strategic Finance due to a vacant post and maternity leave.

Table 8: Finance Operating Budgets

Original Budget	Budget Changes	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Movement from Month 10	
£'000	£'000		£'000	£'000	£'000	£'000	£'000	
487	0	Internal Audit	Salaries	487	492	5	8	(3)
56	0		Non-Sal	56	59	3	2	1
0	0		Exp	0	(11)	(11)	(11)	0
543	0		Income	543	540	(3)	(1)	(2)
2,185	(222)	Procurement	Salaries	1,963	1,984	21	20	1
121	(2)		Non-Sal	119	219	100	100	0
(2)	2		Exp	0	(28)	(28)	(28)	0
2,304	(222)		Income	2,082	2,175	93	92	1
3,360	(30)	Operation. Finance	Salaries	3,330	3,236	(94)	(95)	1
679	0		Non-Sal	679	689	10	13	(3)
(159)	0		Exp	(159)	(157)	2	3	(1)
3,880	(30)		Income	3,850	3,768	(82)	(79)	(3)
3,868	34	Revenues & Benefits	Salaries	3,902	3,827	(75)	(64)	(11)
2,285	0		Non-Sal	2,285	2,248	(37)	(36)	(1)
(2,166)	0		Exp	(2,166)	(2,155)	11	(3)	14
3,987	34		Income	4,021	3,920	(101)	(103)	2
1,300	132	Strategic Finance	Salaries	1,432	1,378	(54)	(53)	(1)
2,526	50		Non-Sal	2,576	2,589	13	10	3
(256)	0		Exp	(256)	(256)	0	0	0
3,570	182		Income	3,752	3,711	(41)	(43)	2
11,200	(86)	Finance Directorate	Salaries	11,114	10,917	(197)	(184)	(13)
5,667	48		Non-Sal	5,715	5,804	89	89	0
(2,583)	2		Exp	(2,581)	(2,607)	(26)	(39)	13
14,284	(36)		Income	14,248	14,114	(134)	(134)	0

49. A year end drawdown from the Insurance contingency of £300k is projected at Month 11, a nil movement from Month 10. 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 claim payments are projected to be in the region of £660k.

50. 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.
51. 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: Finance Development & Risk Contingency

Original Budget	Budget Changes	Development & Risk Contingency	Month 11		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Movement from Month 10
£'000	£'000		£'000	£'000	£'000	£'000	£'000
400	0	Uninsured Claims	400	300	(100)	(100)	0
400	0	Current Commitments	400	300	(100)	(100)	0

RESIDENTS SERVICES (£1,082k underspend, £219k improvement)

52. Residents Services directorate is showing a projected outturn underspend of £1,082k at Month 11, excluding pressure areas that have identified contingency provisions.

Table 10: Residents Services Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Movement from Month 10 £'000	
13,368	1,186	Deputy Director Residents Services	Salaries	14,554	14,684	130	111	19
21,204	(3,079)		Non-Sal Exp	18,125	18,175	50	46	4
(10,051)	2,571		Income	(7,480)	(7,009)	471	494	(23)
24,521	678		Sub-Total	25,199	25,850	651	651	0
1,844	90	Development and Assets	Salaries	1,934	1,934	0	0	0
7,575	148		Non-Sal Exp	7,723	8,192	469	251	218
(2,397)	15		Income	(2,382)	(2,382)	0	0	0
7,022	253		Sub-Total	7,275	7,744	469	251	218
803	(324)	Estates and Tenancy Management	Salaries	479	464	(15)	(9)	(6)
1,254	(121)		Non-Sal Exp	1,133	1,072	(61)	0	(61)
(3,414)	177		Income	(3,237)	(3,215)	22	36	(14)
(1,357)	(268)		Sub-Total	(1,625)	(1,679)	(54)	27	(81)
5,050	(47)	Policy, Highways and Community Engagement	Salaries	5,003	4,869	(134)	(119)	(15)
6,004	(12)		Non-Sal Exp	5,992	5,846	(146)	(87)	(59)
(12,572)	10		Income	(12,562)	(12,849)	(287)	(270)	(17)
(1,518)	(49)		Sub-Total	(1,567)	(2,134)	(567)	(476)	(91)
4,135	(2,497)	Planning and Development	Salaries	1,638	1,584	(54)	(54)	0
1,626	(792)		Non-Sal Exp	834	831	(3)	83	(86)
(2,973)	411		Income	(2,562)	(3,058)	(496)	(468)	(28)
2,788	(2,878)		Sub-Total	(90)	(643)	(553)	(439)	(114)
12,777	(1,193)	Green Spaces & Culture	Salaries	11,584	11,664	80	73	7
9,229	(1,057)		Non-Sal Exp	8,172	8,004	(168)	(180)	12
(9,819)	126		Income	(9,693)	(9,717)	(24)	(30)	6
12,187	(2,124)		Sub-Total	10,063	9,951	(112)	(137)	25
7,916	(73)	Communication, ICT and Customer Development	Salaries	7,843	7,655	(188)	(167)	(21)
4,241	170		Non-Sal Exp	4,411	4,405	(6)	9	(15)
(2,767)	22		Income	(2,745)	(2,749)	(4)	0	(4)
9,390	119		Sub-Total	9,509	9,311	(198)	(158)	(40)
5,279	29	Business and Technical Support	Salaries	5,308	4,779	(529)	(474)	(55)
879	207		Non-Sal Exp	1,086	1,071	(15)	2	(17)
(3,772)	(24)		Income	(3,796)	(3,503)	293	303	(10)
2,386	212		Sub-Total	2,598	2,347	(251)	(169)	(82)
3,537	715	Policy and Standards - Education, Housing and Public Health	Salaries	4,252	3,975	(277)	(269)	(8)
5,236	4,595		Non-Sal Exp	9,831	9,715	(116)	(70)	(46)
(5,559)	(3,157)		Income	(8,716)	(8,790)	(74)	(74)	0
3,214	2,153		Sub-Total	5,367	4,900	(467)	(413)	(54)
54,709	(2,114)	Residents Services	Salaries	52,595	51,608	(987)	(908)	(79)
57,248	59		Non-Sal Exp	57,307	57,311	4	54	(50)
(53,324)	151		Income	(53,173)	(53,272)	(99)	(9)	(90)
58,633	(1,904)		Total	56,729	55,647	(1,082)	(863)	(219)

53. The overall variance is a result of staffing underspends across the group and favourable income projections in highways and planning, off-set mainly by pressure on maintenance budgets in development & assets as well as parking income shortfalls at Cedars and Grainges car parks and in Imported Food sampling.
54. 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. The position against these contingency items is shown in Table 11 below. At Month 11 projected calls on contingency are £7k below provision.

Table 11: Development and Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 11		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Movement from Month 10 £'000
1,836	0	Impact of welfare reform on homelessness	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

55. During 2015/16 the numbers of temporary accommodation requirements has 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

	2015/16		
	December	January	February
Homeless Threat, Priority Need & Eligible	88	117	100
Presenting As Homeless	34	49	44
Duty Accepted	20	39	26
Households in Temporary Accommodation	569	578	591
Households in B&B	196	201	221

56. Whilst the overall temporary accommodation numbers remain relatively stable, the proportion of high cost Bed & Breakfast (B&B) remains above that budgeted in the MTFF. Key variables in terms of keeping high cost B&B type accommodation to a minimum are the prevention rate and the supply of properties.
57. These costs are partially mitigated by net demand over the year to date being lower than expected and a slowdown PSL property lease expirations. This in turn has reduced spend on Finders' Fee, Find Your Own and other schemes. Further mitigation has been provided through vacancy management, voids turnover, better than expected performance on arrears and ongoing work to control the average cost of B&B accommodation.
58. It is therefore expected that the financial risk will remain within the current provision of £1,836k and there should be no request to utilise earmarked reserves.

59. 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.
60. West London Waste Authority (WLWA) are indicating a further improvement to the £1.9m underspend forecast previously reported, which if maintained until year end will increase WLWA reserves above their target level of £4,200k for 2016/17.
61. In this instance, WLWA will make recommendations regarding disbursement of excess reserves to boroughs. The recommendations will be made when the level of underspend and reserves are confirmed. WLWA have stated this will be following the impact of pension and property valuations and other year-end adjustments in June 2016.

Deputy Director Residents Services (£651k overspend, no change)

62. There is an increased projection for agency costs across waste services of £19k for Month 11 and an adverse movement of £4k in non-staffing costs.
63. There is a continuing, sustained reduced projection of £471k in Imported Food sampling income based on receipts to end of February. This represents a £23k favourable movement from last month, continuing a trend since the new year following implementation of new EU statutory charges for increased testing of animal products originating from New Zealand.
64. Following the cessation of the short-term grant funding from the DCLG in support of weekly recycling and food waste collections, the council has built up an earmarked reserve from the initial funding tranches.
65. It is anticipated this will be sufficient to fund the cost of continuing to run the service over the next two financial years. The earmarked reserve is therefore projected to be used in full by the end of 16/17.

Development and Assets (£469k overspend, £218k adverse movement)

66. Following a review of corporate construction fees, a number of fees cannot be capitalised either because the project is still at feasibility stage or if it is still awaiting approval for capital release. It is therefore projected that these costs will be posted back to revenue, resulting in a £218k adverse movement in non-staffing costs.

Estates and Tenancy Management (£54k underspend, £81k improvement)

67. In Month 11 the service is projecting a favourable movement of £81k.
68. The main movement is £61k in non-staffing expenditure, owing to improved projections for utility bills across the Council's portfolio, including £49k reductions for water bills, £6k electricity and £6k rents.
69. The remaining favourable movements relate to a £6k revision salary projection and a £14k improvement in income projection owing to an improvement in the garages income pressure to £38k.

Policy, Highways & Community Engagement (£567k underspend, £91k improvement)

70. At Month 11, the service is reporting a favourable salary projection of £15k, relating to a reduction in projected agency costs. In addition, there is a projected favourable movement of £59k in non-staffing costs across the service, incorporating reduced spend to factor in seasonal variations in the Highways service.

71. The income projection has been revised to show a £17k favourable movement, relating to additional income in the Highways service, including an additional £8k recharge to the HRA for reactive maintenance.

Planning and Enforcement (£553k underspend, £114k improvement)

72. Income streams across the service remain robust, with a projected improvement at Month 11 of £28k.
73. The service is reporting a favourable movement in non-staffing expenditure of £86k, primarily relating to a reduced projection for legal fees due to the timing of prosecution cases (£33k), a reduction in consultancy fees (£37k) and car allowances (£16k).

Green Spaces, Sport & Culture (£112k underspend, £25k adverse movement)

74. The service is projecting an overall adverse movement of £25k with revised projections for staffing, non-staffing and income across various cost centres.

Communications, ICT and Customer Development (£198k underspend, £40k improvement)

75. A review of salaries across the service has resulted in an overall favourable movement of £21k, comprising delays to recruitment and reduced agency staff in communications and a reduced projection in contact centre.
76. Following a review of non-staffing spend, the projection has been reduced by £15k across the service, including reduced spending on support & maintenance and software & licences.
77. The Communications Team is reporting a £4k favourable movement in income further to an increase in advertising in Hillingdon People.

Business and Technical Support (£251k underspend, £82k improvement)

78. 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 £293k, (£10k favourable). The parking service is also reporting a favourable movement of £17k in non-staffing expenditure, primarily relating to reduced utility costs.
79. There is a revised projected underspend of £529k (£55k favourable) as further recruitment is put on hold until restructuring plans are finalised. The resulting favourable movement relates to an £8k reduction in agency costs, with the remaining £47k favourable movement relating to vacant posts that will not be filled this year.

Policy and Standards - Education, Housing and Public Health (£467k underspend, £54k improvement)

80. The improved position in this area relates to a further review of expenditure plans in the School Improvement Service. The underspend reported relates to a number of staffing structure reviews that have taken place, and the finalisation of the number of defibrillators required for purchase following consultation with schools.

SOCIAL CARE (£1,667k underspend, £96k adverse movement)

81. The Social Care directorate is projecting an underspend of £1,667k as at Month 11, an adverse movement of £96k on Month 10 projections. Within the salaries position there is an underspend of £2,081k, an improvement of £52k, due to staff recruitment taking longer than previously forecast across specific services. The underspend generated by these vacancies has been netted down by the additional cost of agency staff particularly within Children's Services, whilst the service undertakes a major staff recruitment campaign to the new structures. There remain a number of significant pressures on non salary expenditure within the service which the Social Care Directorate continues to mitigate through the robust management of the demand for both children's and adult social care. The projected variances at Month 11 are summarised in the following table, with more detail provided in the paragraphs below:

Table 13: Social Care Operating Budgets

Original Budget £'000	Budget Changes £'000	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Movement from Month 10 £'000	
1,038	677	Safeguarding Children	Salaries	1,715	1,769	53	53	0
1,579	20		Non-Sal Exp	1,599	1,722	124	139	(15)
(150)	(13)		Income	(163)	(171)	(8)	(3)	(5)
2,467	684		Sub-Total	3,151	3,320	169	189	(20)
3,545	953	Children's Early Intervention Services	Salaries	4,498	3,735	(762)	(665)	(97)
3,631	310		Non-Sal Exp	3,941	3,584	(357)	(363)	6
(707)	(278)		Income	(985)	(1,071)	(86)	(86)	0
6,469	985		Sub-Total	7,454	6,248	(1,205)	(1,114)	(91)
2,091	1,996	Looked After Children	Salaries	4,087	4,160	73	73	0
744	(21)		Non-Sal Exp	723	3,459	2,735	2,865	(130)
(294)	171		Income	(123)	(2,950)	(2,827)	(2,837)	10
2,541	2,146		Sub-Total	4,687	4,668	(19)	101	(120)
8,352	(1,127)	Children's Resources	Salaries	7,225	7,348	123	96	27
12,428	(568)		Non-Sal Exp	11,860	12,595	735	482	253
(7,177)	(653)		Income	(7,830)	(8,251)	(422)	(447)	25
13,603	(2,348)		Sub-Total	11,255	11,693	436	131	305
5,402	2,498	All-Age Disabilities	Salaries	7,900	6,773	(1,127)	(1,089)	(38)
44,007	451		Non-Sal Exp	44,458	46,165	1,707	1,499	208
(6,852)	(1,584)		Income	(8,436)	(8,820)	(384)	(282)	(102)
42,557	1,365		Sub-Total	43,922	44,118	196	128	68
4,294	7	Adult Social Work	Salaries	4,301	3,905	(395)	(371)	(24)
29,110	(82)		Non-Sal Exp	29,028	28,721	(307)	(416)	109
(8,266)	8		Income	(8,258)	(8,318)	(60)	43	(103)
25,138	(67)		Sub-Total	25,071	24,308	(762)	(744)	(18)
9,018	(62)	Adult's Early Intervention & Prevention	Salaries	8,956	8,944	(13)	(15)	2
3,370	(94)		Non-Sal Exp	3,276	3,237	(39)	(41)	2
(11,826)	169		Income	(11,657)	(11,580)	77	86	(9)
562	13		Sub-Total	575	600	25	30	(5)
2,185	206	Safeguarding, Quality & Partnerships	Salaries	2,391	2,405	14	(61)	75
7,165	137		Non-Sal Exp	7,302	6,871	(431)	(385)	(46)
(378)	(110)		Income	(488)	(465)	23	38	(15)
8,972	233		Sub-Total	9,205	8,811	(394)	(408)	14
294	120	Directorate & Support Services	Salaries	414	367	(47)	(50)	3
893	161		Non-Sal Exp	1,054	988	(66)	(26)	(40)
0	0		Income	0	0	0	0	0
1,187	281		Sub-Total	1,468	1,355	(113)	(76)	(37)
36,219	5,268	Social Care Total	Salaries	41,487	39,406	(2,081)	(2,029)	(52)
102,927	314		Non-Sal Exp	103,241	107,342	4,101	3,754	347
(35,650)	(2,290)		Income	(37,940)	(41,626)	(3,687)	(3,488)	(199)
103,496	3,292		Total	106,788	105,122	(1,667)	(1,763)	96

82. The Council's 2015/16 Development and Risk Contingency contains provision for areas of expenditure within 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 and children requiring care and support for a range of care needs, including Asylum seekers and SEN Transport. Table 14 sets out the forecast spend against the development and risk contingency.

Table 14: Social Care Development & Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 11		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Variance (As at Month 11) £'000	Variance (As at Month 10) £'000	Movement from Month 10 £'000
1,272	0	Asylum Funding Shortfall	1,272	2,243	971	990	(19)
465	0	Social Care Pressures (Children's)	465	4,509	3,910	3,743	167
(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
129	0	Social Care Pressures (Adults)	129	129	0	0	0
380	0	Increase in Transitional Children due to Demographic Changes	380	380	0	0	0
393	0	Winterborne View	393	10	(383)	(326)	(57)
520	0	SEN transport	520	520	0	0	0
4,340	0	Current Commitments	4,340	8,838	4,498	4,407	91

Asylum Service (£971k overspend, £19k improvement)

83. This service is projecting a drawdown of £2,243k from contingency, £971k above budget and an improvement of £19k on the Month 10 position, due to a slight reduction in the cost of allowances. The overspend relates primarily to a reduction in the Home Office Grant, notified in March 2015, and a reduction in the grant funding received relating to the change in the age profile of Asylum Seeking Children. 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+).
84. Indications from other councils show they are still experiencing growth in this provision, especially those with Sea Ports and in particular Kent County Council. Kent has an agreed redistribution strategy with other councils and there are ongoing discussions with the Home Office asking them to fully fund 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+. The funding for the over 18's is £50 higher than that received by Hillingdon.
85. Over the last few months, it is evident that Hillingdon is starting to experience a slight increase in the number of Asylum Seeking Children. This position is being monitored closely to ascertain whether it is a bulge or a continuing theme. If it is the latter, then there is a possibility that there will be ongoing pressures evident in the 2016/17 financial year.

Social Care Pressures - Children's Demographics (£3,910k overspend, £167k adverse movement)

86. The service is projecting a drawdown of £4,375k from Contingency, £3,910k above the budget, an adverse movement of £167k on the Month 10 position. This increase is as a result of abnormally high numbers of mother and baby placements and a high number of teenage children in residential placements, where the service is finding it very difficult to step down the type of provision due to the complex needs of the children. Earlier assumptions were based on a number of children being moved on, which is no longer possible within the 2015/16 financial year.
87. The service continues to have a number of high cost placements, including residential placements for children with complex needs and identified safeguarding risks, where the current placements total is 34 (25 in Month 3). This equates to an in year annual increased cost of approximately £1,800k. As at Month 11, there are 3 children in secure placements (one of which costs £6,250 per week); 9 placements are as a result of safeguarding responsibilities (weekly costs are in the region of £4,000), where children need to be placed out of borough and a significant increase in the number of mother and baby placements (total projected cost estimated at £265k) when normally the annual cost would be around £65k.
88. Senior Management has implemented a rigorous 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. The placement data is then reviewed each month with the main focus on higher cost placements. Steps have been taken to introduce a weekly review of placements to ensure that the most up to date financial position is available.
89. Over the last year there have been a number of changes including the extension of the Staying Put legislation, which increases the age range for children to 21 (up from 18) 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 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.
90. However, it should be noted that the performance data indicates that the service has stabilised. Looked After Children numbers are consistently within the range of 340 to 360 placements over the months from May 2015, those with a Child Protection Plan is consistent and stabilising on 340 cases, and those where children have been identified as Children in Need is relatively consistent standing at approximately 645 cases. Social Work caseloads are and have been consistently at or slightly below the recommended safe level since December 2014. Additionally, since Month 3, the service has reduced the number of Independent Fostering Agency placements and has been able to use more In-House Foster Carers, improving the proportions from a split of 54% IFA to 46% In-House in Month 3, to 47.5% IFA and 52.5% In House at Month 11.

Early Support Cost Avoidance (Nil variance, nil movement)

91. 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, nil movement)

92. A drawdown of £1,298k from Contingency, will be required, no change from Month 10. This relates to the additional cost of appointing agency staff, whilst the service implements a major recruitment campaign.

Social Care Pressures (Adults) (Nil variance, nil movement)

93. At Month 11 it is forecast that the contingency (£129k) for Adult Demographic changes will be required in full. The demographic forecasting tool is regularly refreshed and expenditure areas are kept under close review.

Increase in Transitional Children (Nil variance, nil movement)

94. Similarly the contingency (£380k) for Transitional Children will be required in full. The forecast is regularly refreshed and expenditure is kept under close review.

Winterbourne View (£383k underspend, £57k improvement)

95. In total six clients were expected to transfer during 2015-16. Only one client has actually transferred and the other five clients are now expected to transfer early in 2016-17. The forecast drawdown against the contingency in the current year has been revised to £10k, a reduction of £57k from Month 10. The balance of the remaining £383k will be needed in 2016/17 to fund the full year cost of this placement and the slippage of five cases into the next financial year.

SEN Transport (Nil variance, nil movement)

96. An external review of the Transport Service has recently taken place, this coupled with a further review of the forecast spend continues to show a £200k adverse movement identified in Month 8. Work is continuing to review and revise route plans and to re-procure private vehicles for transporting eligible children. It is anticipated that the completion of this work in this financial year will provide a more accurate financial position for the service in 2016/17 and future years.

DIRECTORATE OPERATING BUDGETS

Safeguarding Children (£169k overspend, £20k improvement)

97. The service is reporting an overspend of £169k, a slight improvement of £20k on the Month 10 position, due to a slight reduction in the cost of Local Safeguarding Children Board activity. The service pressure relates to an overspend of £53k on staff due to a number of agency staff covering vacant posts and an overspend of £124k on non-staffing which relates to an increase in Child Protection, LSCB and Family Conference delivery costs.

Children's Early Intervention & Prevention Services (£1,205k underspend, £91k improvement)

98. The service is reporting an underspend of £1,205k, an improvement of £91k on the Month 10 position, primarily due to a further reduction in the projected cost of salaries following a review of agency staffing costs. This relates to an underspend of £762k on salaries due to a number of recruitment difficulties to a relatively high number of posts in the new structure; an underspend of £357k on non-staffing costs from the cessation of the CfBT (young people's support, information, advice and guidance (YSIAG) services) contract, lower commitments being made on targeted support programmes and an underspend on the Children Centre programme delivery budgets, including school based centres. There is also a surplus of £86k

on grant income for programme management for the next phase of the Troubled Families programme.

Looked After Children (£19k underspend, £120k improvement)

99. This service is reporting a slight underspend of £19k, an improvement of £120k on the Month 10 position, which relates to a reduction in the projected costs of staff training. The overspend relates to a £73k overspend on staffing costs, due to the continued use of agency staff; an overspend of £2,735k on non-staffing costs, which primarily relates to the cost of the Skylakes managed service; and a surplus of £2,827k on income to reflect the proposed use of earmarked reserves to fund the Skylakes service up to the end of March 2016.

Children's Resources (£436k overspend, £305k adverse movement)

100. The service is reporting an overspend of £436k, an adverse movement of £305k on the Month 10 position, due primarily to a significant increase in the cost of providing support for families under Section 17 regulations or who have No Recourse to Public Funds (NRPF). The overspend relates to an overspend of £123k on staffing due to a high level of agency staff being employed prior to instigating a major staff recruitment campaign and an overspend of £735k on non-staffing costs due primarily to the cost of allowances, including the cost of temporary Bed and Breakfast accommodation and the cost of providing financial support to families under Section 17 regulations or who have No Recourse to Public Funds (NRPF). This is netted down by additional income of £422k, from the use of earmarked reserves to fund the Coram and HCL managed service and the cost of agency staff, and the receipt of additional grant income for the use of Hillingdon Adopters by other local authorities.

All Age Disabilities (AAD) (£196k overspend, £68k adverse movement)

101. The AAD restructure is being implemented and a staff recruitment drive continues to fill the remaining vacant posts in the new service. The staff budget is currently forecast to underspend by £1,127k, an improvement of £38k since Month 10. The improvement is due to recruitment taking longer than estimated with some hard to fill posts being re-advertised to find people with the right skills and experience. £360k of the underspend is off-set by reduced recharge income from the Dedicated Schools Grant (DSG) as posts remain vacant.
102. Within the non staffing budget a pressure of £1,707k is forecast, an adverse movement of £208k since Month 10. Part of this pressure arises from the slippage in the Supported Living Programme, the movement this month is for increase forecast in placement costs.
103. 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. To date the outcome of six cases has been received, two have received CHC funding, one is joint funded and three have been declined. The outcome of another two still awaited and if assessed as eligible for CHC then funding received from the CCG will further help to mitigate this pressure in future years.
104. The Department of Health have announced £542k of grant for 2016/17 to cover the ILF pressures for these clients. The additional costs of these clients is estimated at £643k leaving a full year pressure of £101k for 2016/17 if no further clients received CHC funding.

Social Work (£762k underspend, £18k improvement)

105. There are a number of vacant posts within the Social Work Service which are currently subject to recruitment. In addition, there are 4 vacancies within the Telecareline staff

establishment and this service is subject to review. The forecast underspend within staffing is £395k, a favourable movement of £24k due to delays in recruitment.

106. The non-staffing budget is forecast to underspend by £307k, an adverse movement of £109k, due to increased costs for short term placements and minor movements on other placements costs.
107. Income, mainly from client contributions, is currently forecast to overachieve by £60k, a favourable movement of £103k since M10. The favourable movement this month is from a number of back dated financial assessments being completed.

Adults Early Intervention & Prevention (£25k overspend, £5k improvement)

108. There is a net pressure of £25k with the EI&P Service, a favourable movement of £5k since Month 10. As at Month 11 it is forecast that the salaries budget will be underspent by £13k. This is due to the continued proactive management action in significantly reducing the level of staff absence and therefore the requirement for agency support.
109. The slippage in the project to develop new models of delivery for in house Learning Disability services into 2017/18 has led to the rephasing of saving in the 2016/21 MTF agreed at Cabinet in January 2016. In year compensatory savings have been identified to compensate for the shortfall in savings.
110. There is a pressure on the income budget of £77k mainly due to a forecast reduction in client contributions due to the reduction in the amount of Housing Benefit recovered.

Safeguarding Quality & Partnerships (£394k underspend, £14k adverse movement)

111. Within the service a forecast pressure is reported on staffing costs of £14k, an adverse movement of £75k since month 10.
112. The non-staffing budget is forecasting an underspend of £431k, an improvement of £46k. There has been a write back of a provision for a liability which is no longer required amounting to £104k. This has been in part off-set by additional forecast costs against residential placements.
113. There is a forecast pressure of £60k for work associated with DoLs cases in excess of the Government grant received for this work of £111k.
114. The income budget is forecast to overspend by £23k an improvement of £15k since Month 10, due to an increased contribution to S117 (mental health) cases by the CCG.

Directorate & Support (£113k underspend, £37k improvement)

115. There is a forecast underspend arising 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. The movement in forecast this month is in respect of legal costs being lower than previously forecast.

Better Care Fund

116. The Month 11 budget monitoring for the BCF shows a forecast pressure of £368k on the Council share of the pooled budget, an adverse movement of £45k from Month 10. This pressure is made up of £673k 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.

117. Some of this pressure is off-set by forecast underspends on the TeleCareLine service of £338k mainly arising from the proposal to implement the proposal in MTFB Budget for 2016/17 to capitalise expenditure on Telecare equipment currently forecast to be £223k in 2015/16 using the annual social care capital grant within the BCF to fund this expenditure with the balance as salaries underspend. The estimated forecast pressure on Community Equipment provision is forecast to be £64k following detailed work to improve the more effective use of the service and reduce costs.

Appendix B – Other Funds

SCHOOLS BUDGET

Dedicated Schools Grant (£2,408k overspend, £122k improvement)

118. The Dedicated Schools Grant is projecting an in year overspend of £2,408k, an improvement of £122k on the month 10 projections, due to the Department for Education (DfE) clarifying that funding provided for the Early Years Pupil Premium would not be adjusted for actual take up in 2015/16. The DSG budget is regularly reviewed and amended by the DfE due to academy conversions and recalculations of two year old and early years funding, which could result in further amendments to the DSG. The budget has been realigned to reflect the increase in the DSG for two year old place funding of £338k which was confirmed on the 19 February 2016.
119. 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. 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, an increase in the cost of Looked After Children placements out of Borough, an increase in the cost of the admissions team to deal with increased workloads and a projected pressure of £244k on the growth contingency, due to the additional cost of set up funding and diseconomies of scale funding for the three new basic need academy schools. The following Table summarises the Total DSG income and expenditure for 2015/16.

Table 15: DSG Income and Expenditure 2015/16

Original Budget	Budget Changes	Funding Block	Month 10		Variance (+ adv / - fav)		
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Change from Month 10
£'000	£'000		£'000	£'000	£'000	£'000	£'000
(145,373)	8,538	Dedicated Schools Grant Income	(136,835)	(136,981)	(146)	(338)	192
113,606	(11,287)	Delegated to Schools	102,319	104,509	2,190	1,712	478
4,581	201	Early Years	4,782	4,226	(556)	(3)	(552)
3,604	(155)	Centrally Retained	3,449	3,970	521	530	(9)
23,582	2,703	Special Needs	26,285	26,684	399	629	(230)
0	0	Total Schools Budget	0	2,408	2,408	2,530	(122)
0	0	Balance Brought Forward 1 April 2015	(4,083)	(4,083)			
0	0	Balance Carried Forward 31 March 2016	(4,083)	(1,675)			

Dedicated Schools Grant Income (£146k surplus, £192k adverse)

120. The budget has now been realigned by £338k to reflect the receipt of additional funding for two year old placements above the current DSG, which was notified on the 19 February 2016. The surplus position of £146k now reported, relates to an adjustment to the Early Years Pupil Premium, where it was previously anticipated that any unspent funds would have to be returned to the DfE, however it has now been confirmed that all councils can keep their original funding.

Delegated to Schools (£146k surplus, £192k adverse)

121. The overspend of £2,190k 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 and to a realignment of the DSG to reflect the correct distribution of the post 16 funding allocations.

Early Years (£556k underspend, £552k improvement)

122. The Early Years funding block is projecting an underspend of £3k, an adverse movement of £398k on the Month 9 position, due to a further review of the funding allocations for increasing two year old provision, where a number of schemes have now started and an increase in the payments made for two year old free entitlement places. The underspend is due to an underspend on the two year old capacity funding budget of £135k, an underspend of £168k on the Early Years Educational Psychology provision, where there is uncertainty around the delivery model required and an underspend of £236k relating to funding set aside to support the placement of vulnerable children, where the criteria has not yet been agreed. This is netted down by an overspend of £264k, which relates to an allocation of DSG funds above the base budget to fund the continuation of the 2 year old capacity building initiative and an overspend of £272k across the Early Years Centres.

Centrally Retained (£521k overspend, £9k improvement)

123. The centrally retained budgets are projecting an overspend of £521k, an improvement of £9k on the month 10 position, due to a slight improvement in the salary projections. £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 £150k 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.

Special Needs (£399k overspend, £230k improvement)

124. The Special Needs budgets are projecting an overspend of £399k, an improvement of £230k on the month 10 position, due to a projected reduction in the cost of FE College Alternative Education provision and additional tuition costs. The overspend relates to an increase in the number of SEN pupils, especially in the post 19 age range and an increase in the number of Looked After Children being placed out of Borough. However, 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

125. 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 (renamed The Skills Hub) converted on 1 September 2015.

Year End Balances

126. 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 £1,553k.

Maintained School Balances

127. An ongoing review of school balances has identified 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 £66k.

128. 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

129. 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 (£352k in year surplus, £110k improvement)

130. 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.

Table 16: Parking Revenue Account

Original Budget £'000	Budget Changes £'000	Service	Month 11		Variance (+ adv / - fav)		
			Revised Budget £'000	Forecast Outturn £'000	Month 11 £'000	Month 10 £'000	Movement £'000
(4,076)	0	Income	(4,076)	(4,178)	(102)	(52)	(50)
4,076	0	Expenditure	4,076	3,886	(250)	(190)	(60)
0	0	In-year (Surplus) / Deficit	0	(352)	(352)	(242)	(110)

131. An in-year surplus of £352k is forecast for the 2015/16 financial year. There is a total income surplus of £102k (£50k favourable). The increase in income projection is a result of additional income from parking bay suspensions, permits and bailiffs.

132. The income pressure is off-set by compensating savings totalling £250k (£60k favourable). The favourable movement is a result of additional enforcement activity which has improved the income position.

COLLECTION FUND (£2,000k surplus, £500k improvement)

133. 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 relate to the Council's own share of income and disregard monies collected on behalf of the Greater London Authority and Central Government.
134. An improved outlook for the Collection Fund is reported at Month 11, with a net £700k increase in retained Business Rates resulting from a number of properties at Heathrow Airport being brought into rating being partially off-set by a £200k adverse movement on Council Tax due to the timing of properties coming on stream and increased volumes of discounts being awarded.
135. Overall a surplus of £2,000k is reported on the Collection Fund for 2015/16, with £1,500k of this surplus being released to the General Fund in 2016/17 and the remainder available to support the Council's 2017/18 budget. This headline position consists of a £2,425k surplus on Council Tax and a £425k deficit on Business Rates.

Table 17: Collection Fund

Original Budget	Budget Changes	Service	Month 11		Variance (+ adv / - fav)			
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Movement from Month 10	
£'000	£'000		£'000	£'000	£'000	£'000	£'000	
(115,652)	0	Council Tax	Gross Income	(115,652)	(116,441)	(789)	(1,189)	400
14,153	0		Council Tax	14,153	13,499	(654)	(454)	(200)
(2,697)	0		Support B/fwd Surplus	(2,697)	(3,679)	(982)	(982)	0
(104,196)	0		Sub-Total	(104,196)	(106,621)	(2,425)	(2,625)	200
(111,480)	0	Business Rates	Gross Income	(111,480)	(110,832)	648	2,048	(1,400)
(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	4,261	(337)	(1,037)	700
500	0		B/fwd Deficit	500	590	90	90	0
(46,955)	0	Sub-Total	(46,955)	(46,530)	425	1,125	(700)	
(151,151)	0	Total Collection Fund	(151,151)	(153,151)	(2,000)	(1,500)	(500)	

136. A surplus of £2,425k is reported on Council Tax at Month 11, which represents an adverse movement of £200k on the position reported at Month 10 due to discounts and exemptions remaining higher than previously forecast. The overall surplus reflects strong collection performance during 2015/16, lower than projected demand for the Council Tax Reduction Scheme and release of the brought forward surplus from 2014/15.
137. A significant improvement is reported on Business Rates, with the overall deficit reducing by £700k to £425k as a result of 45 new properties being brought into rating at Heathrow Airport

- including a number of sites backdated to the re-opening of Terminal 2 in June 2014. The remaining deficit is principally related to higher than budgeted levels of empty properties.

Appendix C – HOUSING REVENUE ACCOUNT

138. The Housing Revenue Account (HRA) forecast is an in-year surplus of £1,509k, a movement of £378k from Month 10. The table below presents key variances by service area:

Table 18: Housing Revenue Account

Original Budget	Budget Changes	Function	Month 11			Variance (+ adv / - fav)	
			Revised Budget	Forecast Outturn	Variance (As at Month 11)	Variance (As at Month 10)	Change from Month 10
£'000	£'000		£'000	£'000	£'000	£'000	£'000
(57,573)	0	Rent Income	(57,573)	(57,408)	165	182	(17)
(5,346)	0	Other Income	(5,347)	(4,873)	474	473	1
(62,919)	0	Net Income	(62,919)	(62,281)	638	654	(16)
10,806	0	Housing Management	10,805	11,280	475	40	435
5,320	0	Tenant Services	5,320	4,859	(461)	(459)	(2)
5,078	0	Repairs	5,078	4,813	(265)	(109)	(157)
3,477	166	Planned Maintenance	3,643	2,330	(1,313)	(1,258)	(55)
19,810	(166)	Contribution to Works to Stock	19,644	19,644	0	0	(0)
15,212	0	Interest & Investment Income	15,212	15,212	0	0	0
		Contributions from Provisions & Reserves	0	(583)	(583)	0	(583)
1,553	0	Development & Risk Contingency	1,553	1,553	0	0	0
61,256	0	Operating Costs	61,256	59,108	(2,148)	(1,786)	(362)
(1,663)	0	(Surplus) / Deficit	(1,663)	(2,794)	(1,509)	(1,131)	(378)
(30,577)		General Balance 1 April 2015	(30,577)	(30,577)	0	0	0

Income

139. Rental income is improved by £17k from the position shown in Month 10 and reflects RTB sales of 140 sales. There have been 119 sales to the end of February.

140. The number of RTB applications has averaged 14 per month for the period from April 2012 to December 2014. However, since January 2015 the number of RTB applications has averaged 25 per month, a significant increase in activity, this has continued in February with a further 25 applications having been received.

141. The reason for the slowdown in RTB completions is due to an increase in cancellations when compared to previous years. This is explained by the following:

- The increase in house prices over the last few months has deterred some applicants from proceeding with their applications. This is highlighted by the large number of valuation reviews in the system.
- The Fraud team have included an additional information sheet re: financial information into the application process which has deterred some applicants from proceeding. The Fraud team have also identified tenants trying to exercise the RTB when they were not entitled to, usually through sub-letting.
- The Notice to Complete which allows the Council to cancel applications after an offer is made is up-to-date. Tenants have 12 weeks to complete after legal are

instructed to progress or the Council serve notices to complete, and these notices last for 4 months after which the application is cancelled.

142. There is only a very marginal change in other income of £1k lower than forecast in Month 10.

Expenditure

143. Housing management shows a £435k adverse variance when compared to Month 10. This is due in the main to pension fund strain costs associated with the redundancies from housing management restructures earlier in the year. Also a reduction in the Delivery Team fees estimated to be rechargeable to capital of £94k.
144. There are significant legal and consultancy costs arising from the Triscott House dispute with the latest projected costs for the year being £500k. Due to the uncertainty over the scale and timing of the costs and any cost recovery, these costs are to be funded from the general contingency of £873k.
145. For tenancy services, the projected underspend of £461k is only a marginal change to the Month 10 position.
146. The repairs budget is forecasting a £265k underspend, a favourable movement of £157k compared to Month 10. The underspend relates to cost savings arising from vacant operative posts which total £68k including associated savings for allowances. In addition there has been a further increase in the materials underspend of £39k which last month was £28k and now is a total of £67k, this is due to greater efficiencies of material usage that has been achieved by the change in management. There has also been a reduction on the pressure in voids expenditure by £69k due to reduced activity. Recharges for reclaimable repair costs for corporate garages and the travellers site have also produced an improvement of £61k.
147. However, the underspend excludes the projected cost of external management of service and interim support for the restructuring process estimated at £271k 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 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.
148. The remaining balance on the general contingency (£373k) is to be made available if required to increase the level of the bad debt provision. The exact figure will be calculated at year end but an initial estimate is that approximately £300k will be needed. The rise in arrears can be partly attributed to the impact of welfare reform, including benefit caps and reductions in spare room subsidy. It is anticipated that with the roll out of universal credit this position will worsen in the future.
149. Planned maintenance is currently showing an underspend of £1,313k, a decrease of £55k from Month 10. The reduced forecast is due to lift refurbishment and minor adaptations programmes of works.
150. Contribution from provisions, there has been a favourable write back of 2 provisions to revenue in respect of dilapidation costs and an industrial tribunal case, £350k and £233k respectively.

Savings

151. The original budget included savings of £2,448k which are now all fully banked.

HRA Capital

152. The forecast outturn on the HRA Capital Programme is set out in the table below:

Table 20: HRA Capital Expenditure

	Revised Budget 2015/16 £000	Forecast 2015/16 £000	Cost Variance Forecast vs Budget £000	Project Rephasing £000	Total Project Budget 2015-2020 £000	Total Project Forecast 2015-2020 £000	Total Project Variance £000	Movement from Month 10 £000
Dwelling Components	7,750	2,000	(5,750)	-	34,355	28,605	(5,750)	(2,070)
Estates / Blocks	2,477	488	(1,989)	-	9,951	7,962	(1,989)	(534)
Welfare	2,600	1,849	(751)	-	9,500	8,749	(751)	(1,175)
Other Projects	524	397	(127)	-	524	397	(127)	-
Contingency	2,000	-	(2,000)	-	10,000	8,000	(2,000)	(2,000)
Total Works to Stock	15,351	4,734	(10,617)	-	64,330	53,713	(10,617)	(5,779)
Purchase & Repair	4,267	3,519	-	(748)	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	841	-	(31)	39,737	39,978	241	-
Land Appropriations	3,508	3,508	-	-	8,026	8,026	-	-
Total Major Projects	14,574	13,795	-	(779)	95,981	95,981	-	-
Former New Build Schemes	97	-	(97)	-	97	995	898	-
Total	30,022	18,529	(10,714)	(779)	160,408	150,689	(9,719)	(5,779)
Movement from Month 10		(2,931)	(5,779)	2,848				

Works to Stock

153. The Works to Stock programme is forecasting a cost variance of £10,617k as a number of schemes will not be implemented this financial year.

- Dwelling Components - the forecast cost variance of £5,750k is partly due to the kitchens and bathrooms programme being under review, as well as projected underspends on existing roofing projects, structural works and double glazing installation. Electrical upgrade works, various identified structural works and storage heaters replacement at Rabbs Mill House, will be carried out as part of next year's works to stock programme.
- Estates and Block Renewal - the forecast cost variance of £1,989k is partly due to the time required to tender and carry out leaseholder consultation on lift works which will now require to be met from next year's budget. In addition, environmental and security works planned at five low rise blocks of flats in Hayes are to be tendered. The works will be completed in 2016/17 and will be contained within next

year's budget. There are also cost savings on playgrounds, security works lift works and refuse collection. Works which were identified in 2015/16, but which will be carried out in 2016/17 and will need to be funded from 2016/17 budgets include:- £533k for fire door replacements; partial lift refurbishment works (expected to be appropriate for capitalisation) - £300k; and the fitting of heat meters.

- Welfare - the underspend of £721k is mainly due to the lack of a detailed sheltered remodelling works programme (2015/16 budget of £1,000k), although a detailed programme will be prepared in 2016/17. This underspend has been reduced by increased volumes of adaptations to HRA properties in 2015/16, which will exceed the budget.
- Other Projects - an amount of £127k is forecast as cost savings representing the uncommitted budget for further housing fleet vehicle purchases.

154. Land Appropriations - two sites are to be appropriated to the HRA this financial year (they were included in the prior months budget monitoring report to Cabinet) for supported housing schemes that are currently being tendered. Appropriation of the Acol site has now been slipped into 2016/17 as it is unlikely that any development of the site for supported housing will commence this financial year.

Major Projects

155. Purchase and Repair Programme - There have been 19 purchases in 2015/16, with a number of further purchases in the pipeline for completion in the new financial year.

156. Council New Build General Needs Housing - external consultants are reviewing the feasibility of potential developments. Options are being considered on numerous sites following a feasibility review by external consultants.

157. Approval has been given to the acquisition of one site containing 41 units, currently being developed by Paradigm Housing. The development will cost £10,300k (plus possible stamp duty costs of £206k and survey costs of £10k). The net approved cost is £5,927k, partly funded by the application of the Trickle Transfer Funding and also by utilising RTB receipts. Acquisition of this development has resulted in the rephasing of £3,177k of the New Build General Needs Stock budget into 2015/16.

158. Supported Housing Programme - Approval of 2 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 have recently gone out to tender with submissions due by mid March 2016.

159. Other potential sites are being considered and results in the rephasing of the budget totalling £8,232k.

160. The forecast underspend 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, but increased expenditure is forecast to be made in 2016/17.

HRA Capital Receipts

161. There have been 119 Right to Buy sales of Council dwellings as at end of February 2016 for a total sales value of £14.7m and a total of a further 21 sales are forecast to bring the yearly total to 140, totalling approximately £16.9m in 2015/16.
162. The Council has signed an agreement with Department for Communities & 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 government with the addition of punitive interest. The revised General Needs housing programme for 2015-2020 approved by Cabinet in February has been phased to utilise these receipts within the allowed timescales.
163. The 140 RTB sales forecast for 2015/16 would give the projected apportionment of receipts as follows:

Table 21: Projected Apportionment of Receipts 2015/16

		RTB Receipts £	RTB Admin £	Allowable Debt £	LA Assumed Income £	New Provision Receipts £	Pooling Payment £
2015.16	Quarter 1	4,869,300	119,700	1,265,867	117,460	3,068,611	297,661
	Quarter 2	3,401,500	85,500	749,871	117,460	2,151,007	297,661
	Quarter 3	3,389,050	79,800	663,775	117,460	2,230,353	297,661
	Quarter 4	5,194,464	114,000	1,221,859	117,460	3,443,484	297,661
	Total	16,854,314	399,000	3,901,372	469,840	10,893,456	1,190,646

164. Total receipts would amount to £16.9m, a decrease of 13.7% when compared to 2014/15. New provision receipts would total £10.9m, a decrease of 7.2% compared to 2014/15.
165. The deadline for use of the initial retained Right to Buy was 31 March 2016, with sufficient expenditure incurred by the Council on one for one replacement of dwellings to apply the full £2,595k receipts in the initial tranche. There will therefore be no repayment of retained Right to Buy receipts during 2015/16.

Appendix D - GENERAL FUND CAPITAL PROGRAMME

166. As at Month 11 an underspend of £31,388k is reported on the £81,080k General Fund Capital Programme for 2015/16, with £5,447k favourable cost variances and £25,941k slippage on project expenditure. The forecast outturn variance over the life of the 2015/16 to 2019/20 programme is £5,488k underspend relating partly to completed Primary Schools expansions projects and also on various other schemes.
167. General Fund Capital Receipts of £9,825k are forecast for 2015/16, with total receipts to 2019/20 expected to reach £62,710k, representing a favourable variance of £805k against budget.
168. Overall, Prudential Borrowing required to support the 2015/16 to 2019/20 capital programme is forecast to be within budget by £5,474k. Cost under spends of £5,488k and improvements in capital receipts and CIL forecasts totalling £2,305k are partly off-set by shortfalls of grant and contributions funding of £2,319k. The grant shortfall is mainly due to 2015/16 Department for Education grant being £2,303 lower than the original budget estimates.

Capital Programme Overview

169. Table 23 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 23: 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 10
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Schools Programme	34,391	25,838	(2,709)	(5,844)	152,679	149,950	(2,729)	(82)
Main Programme	17,816	9,495	(1,342)	(6,979)	40,408	39,100	(1,308)	(85)
Programme of Works	25,168	14,051	(885)	(10,232)	75,045	74,160	(885)	(100)
Future Projects	3,194	308	-	(2,886)	67,997	67,942	(55)	-
Total Main Programme	80,569	49,692	(4,936)	(25,941)	336,129	331,152	(4,977)	(267)
General Contingency	511	-	(511)		6,511	6,000	(511)	(511)
Provision for Additional Schools Funding	-	-			7,022	7,022	-	-
Total Capital Programme	81,080	49,692	(5,447)	(25,941)	349,662	344,174	(5,488)	(778)
Movement from Month 10	84	(3,461)	(792)	(2,753)	174	(604)	(778)	

170. The 2015/16 Capital Programme budget has increased by £84k due to an allocation of Section 106 monies to fund further works at the Compass Theatre (Sport & Cultural Projects). There have also been allocations of £90k S106 balances for projects that will commence in 2016/17.

171. The Schools Programme reports a cost underspend of £2,729k which is a favourable movement of £82k from the previous month. The overall saving is mainly due to 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.
172. The main programme forecasts an overall under spend of £1,308k on various schemes inclusive of minor cost pressures on a small number of projects. The favourable movement of £85k is mainly due to tender prices being lower than previous estimates for the West Drayton Cemetery Extension project.
173. The forecast under spend on Programme of Works has increased by £100k and this is partly due to Private Sector Renewal Grants and Adaptations for Adopted Children budget which are not fully committed this financial year. The Property Works Programme is forecast to under spend by a further £65k as there are schemes that will now commence in early 2016/17 and will require to be funded from next year's allocation.
174. Within Future Projects there is a favourable forecast variance of £55k on works at Harlington/Pinkwell Bowls Club and Pavilion which will be completed early in next financial year. The majority of projects under this heading remain in early stages.
175. Slippage of £25,941k is reported across the capital programme which is an increase of £2,753k in month on various schemes and programmes expected to be delivered next financial year.
176. There are £6,511k unallocated contingency funds within the 2015/16 - 2019/20 programme. The remaining contingency budget of £511k for 2015/16 is now reported as under spent as these funds will not be required this financial year. 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

177. Table 24 below outlines the latest financing projections for the Capital Programme, with a favourable medium term variance of £5,474k reported on Prudential Borrowing, due to scheme cost underspends and increase in other sources of finance largely off-set by a shortfall in grant income for the 2015/16 Schools Programme.

Table 24: General Fund Capital Programme Financing 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 10 £'000
Council Resource Requirement	52,801	25,599	(27,202)	211,542	208,373	(3,169)	(783)
Financed by							
Capital Receipts	9,956	9,825	(131)	61,905	62,710	805	443
CIL	2,000	1,900	(100)	20,000	21,500	1,500	-
Prudential Borrowing	40,845	13,874	(26,971)	129,637	124,163	(5,474)	(1,226)
Total Council Resources	52,801	25,599	(27,202)	211,542	208,373	(3,169)	(783)
Grants & Contributions	28,279	24,093	(4,186)	138,120	135,801	(2,319)	5
Total Programme	81,080	49,692	(31,388)	349,662	344,174	(5,488)	(778)

178. Total receipts achieved for the year to the end of February amount to £5,428k and the forecast is £9,825k for 2015/16 with the remainder of the forecast largely relating to the appropriations approved by March Cabinet of two General Fund sites to the HRA for the supported housing programme. The overall forecast has improved by £443k due to an increase in the expected receipts for one site which is likely to complete early in 2016/17.
179. As at the end of February a total of £1,777k CIL receipts (after administration fees) have been invoiced or received by the Council this financial year including a further £49k receipts in February. The forecast for 2015/16 has been reduced by £100k although this is expected to be recovered in future years.
180. Spend to date on eligible activity exceeds the £1,777k 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.
181. Over the life of the programme there is a favourable movement of £1,226k on Prudential Borrowing which is due to further cost under spends noted earlier and increase in the capital receipts forecast. Borrowing in 2015/16 has also been reduced by the allocation of £2,079k further Section 106 monies towards the Primary and Secondary Schools Expansions programmes which meet the criteria for various agreements. This enables borrowing to be deferred to future years of the Schools Expansions programme.

ANNEX A - 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	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Schools Expansion Programme										
127,228	Primary Schools Expansions	12,082	9,347	(2,684)	(51)	15,097	12,393	(2,704)	8,024	1,738	2,631
0	New Primary Schools Expansions	300	300	0	0	13,500	13,500	0	5,246	8,254	0
84	Secondary Schools Expansions	300	150	0	(150)	76,816	76,816	0	22,191	56,704	(2,079)
1,207	Secondary Schools New Build	21,499	15,856	0	(5,643)	47,047	47,047	0	35,150	9,449	2,448
0	Hearing Impaired Resource Base (Vyners)	210	185	(25)	0	219	194	(25)	194	0	0
128,519	Total Schools Programme	34,391	25,838	(2,709)	(5,844)	152,679	149,950	(2,729)	70,805	76,145	3,000

ANNEX B - 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	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Main Programme										
3,899	Environmental Assets	556	143	(293)	(120)	556	263	(293)	263	0	0
5,196	Purchase of Vehicles	473	405	0	(68)	2,545	2,545	0	2,545	0	0
0	Natural England Fencing & Gating	30	0	0	(30)	30	30	0	0	30	0
32,198	Hillingdon Sports & Leisure Centre	100	0	0	(100)	862	862	0	862	0	0
285	Sport & Cultural Projects	678	588	0	(90)	713	713	0	359	0	354
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	354	0	(45)	434	434	0	0	0	434
158	ICT Infrastructure	822	747	0	(75)	1,042	1,042	0	1,042	0	0
1,089	Harlington Road Depot Refurbishment	236	190	0	(46)	263	263	0	263	0	0
0	Uxbridge Cemetery Gatehouse & Chapel	150	12	0	(138)	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	2,227	1,305	0	(922)	4,770	4,770	0	334	4,206	230
25	Inspiring Shopfronts	147	100	0	(47)	1,553	1,553	0	1,553	0	0
0	Gateway Hillingdon	50	55	0	5	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
19	West Drayton Cemetery & Resurfacing	450	4	(220)	(226)	503	283	(220)	283	0	0
192	Kings College Pavilion Running Track	38	38	0	0	38	38	0	0	0	38
0	Telecare Equipment	300	223	0	(77)	600	600	0	377	223	0
152	CCTV Programme	140	75	0	(65)	335	335	0	258	0	77
1	Youth Centres Kitchen Upgrades	142	113	(25)	(4)	142	117	(25)	87	0	30
9,488	Central Library Refurbishment	0	11	11	0	0	45	45	45	0	0
0	Yiewsley Library Purchase	702	707	5	0	702	707	5	707	0	0
609	Infant Free School Meals	1,222	1,213	0	(9)	1,248	1,248	0	476	715	57
0	Youth Centre Project	150	93	0	(57)	2,400	2,400	0	2,307	93	0
0	Cedars & Granges Car Park Improvements	2,998	2,200	(285)	(513)	3,075	2,790	(285)	2,589	0	200
0	Dementia Centre	53	53	0	0	2,000	2,000	0	1,947	53	0
25,035	Major Projects Completing in 2015/16	144	189	45	0	144	189	45	105	84	0
80,023	Total Main Programme	17,816	9,495	(1,342)	(6,979)	40,408	39,100	(1,308)	29,955	7,724	1,420

ANNEX C - 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	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Programme of Works										
N/A	Leaders Initiative	536	225	0	(311)	1,336	1,336	0	1,336	0	0
N/A	Chrysalis Programme	1,896	1,196	0	(700)	5,896	5,896	0	5,784	0	112
N/A	Civic Centre Works Programme	1,300	140	0	(1,160)	2,300	2,300	0	2,300	0	0
N/A	Formula Devolved Capital to Schools	1,826	1,465	0	(361)	3,538	3,538	0	0	2,597	941
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	2,418	0	(858)	6,316	6,316	0	6,316	0	0
N/A	Pavement Priority Growth	2,000	850	0	(1,150)	2,000	2,000	0	2,000	0	0
N/A	ICT Single Development Plan	682	244	0	(438)	2,282	2,282	0	2,282	0	0
N/A	Property Works Programme	480	250	(230)	0	2,400	2,170	(230)	2,043	127	0
N/A	Road Safety	380	243	0	(137)	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	5,068	2,983	0	(2,085)	19,703	19,703	0	0	18,746	958
N/A	Urgent Building Condition Works	3,597	845	0	(2,752)	9,429	9,429	0	2,259	5,311	1,859
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	10	(190)	0	1,000	810	(190)	810	0	0
N/A	Private Sector Renewal Grant	562	97	(465)	0	3,610	3,145	(465)	1,811	1,334	0
N/A	Landlord Property Renovation Grant	200	67	0	(133)	200	200	0	176	24	0
N/A	Section 106 Projects	485	392	0	(93)	575	575	0	0	0	575
0	Total Programme of Works	25,168	14,051	(885)	(10,232)	75,045	74,160	(885)	32,732	36,984	4,445

ANNEX D - 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	Government Grants	Other Cont'ns
£'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	0	0	(100)	250	250	0	250	0	0
N/A	Car Park Resurfacing	180	56	0	(124)	250	250	0	250	0	0
N/A	Ruislip Lido Boat House	286	10	0	(276)	301	301	0	301	0	0
N/A	Bowls Club Refurbishments	150	30	0	(120)	750	750	0	8	0	742
N/A	Harlington/Pinkwell Bowls Club & Football Pavillion	303	150	0	(153)	318	263	(55)	0	0	263
N/A	Haste Hill Golf Club	400	0	0	(400)	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	0	0	(200)	44,000	44,000	0	42,950	0	1,050
N/A	New Museum	200	0	0	(200)	5,000	5,000	0	4,250	0	750
N/A	Battle of Britain Bunker Heritage Pride Project	896	30	0	(866)	4,996	4,996	0	4,996	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	3,194	308	0	(2,886)	67,997	67,942	(55)	61,859	3,246	2,837
	Development & Risk Contingency										
0	General Contingency	511	0	(511)	0	6,511	6,000	(511)	6,000	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	511	0	(511)	0	13,533	13,022	(511)	13,022	0	0
208,541	Total GF Capital Programme	81,080	49,692	(5,447)	(25,941)	349,662	344,174	(5,488)	208,373	124,099	11,702

Appendix E – Treasury Management Report as at 29 February 2016

Table 25: Outstanding Deposits - Average Rate of Return on Deposits: 0.56%

	Actual (£m)	Actual (%)	Benchmark (%)
Up to 1 Month	85.1	55.01	35.00
1-2 Months	17.4	11.25	0.00
2-3 Months	20.0	12.93	10.00
3-6 Months	10.0	6.46	10.00
6-9 Months	9.5	6.14	10.00
9-12 Months	12.5	8.08	15.00
12-18 Months	0.0	0.00	15.00
18-24 Months	0.0	0.00	5.00
Subtotal	154.5	99.87	100.00
Unpaid Maturities	0.2	0.13	0.00
Grand Total	154.7	100.00	100.00

182. 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, Monmouthshire CC, Salford CC, Wolverhampton CC, Coventry Building Society, Nationwide Building Society, Close Brothers, Lloyds, Santander and UK Treasury Bills. Overseas deposits are held with Svenska Handelsbanken, Development Bank of Singapore, Oversea China Banking Corporation and National Australia Bank. The Council also holds a Certificate of Deposit, with Standard Chartered and a Covered Bond with Lloyds Bank.
183. 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 February 51% of the Council's total funds have exposure to bail-in risk compared to a December benchmark average of 67% in the Local Authority sector (benchmark provided quarterly). The Council's exposure reduces to 24% once instant access facilities are removed from the bail-in total.
184. During the month cash was placed and withdrawn from instant access accounts. There were several fixed term deposit maturities which were used to cover scheduled payments.

Table 26: Outstanding Debt - Average Interest Rate on Debt: 3.01%

		Actual (£m)	Actual (%)
General Fund	PWLB	64.85	20.45
	Long-Term Market	15.00	4.73
HRA	PWLB	204.32	64.42
	Long-Term Market	33.00	10.40
	Total	317.17	100.00

185. There were no scheduled debt repayments. Premiums still remain high resulting in no early repayment opportunities. There were no breaches of the prudential indicators or non-compliance with the treasury management policy and practices.
186. In order to maintain liquidity for day-to-day business operations, daily cash balances will either be placed in instant access accounts or short term deposits. Opportunities to place longer term deposits will be monitored and placed if viable.

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

187. 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 27: Consultancy and agency assignments

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
Finance						
Benefits Officer	03/08/2015	04/04/2016	02/10/2016	37	29	66
Benefits Officer	01/12/2014	28/03/2016	25/09/2016	66	26	92
Benefits Officer	03/08/2015	04/04/2016	02/10/2016	39	29	68
Residents Services						
Architect	01/07/2013	21/03/2016	12/06/2016	133	13	146
Principle Quantity Surveyor	07/10/2012	21/03/2016	19/06/2016	214	18	232
Plasterer/Multi trade	19/09/2013	04/04/2016	04/07/2016	84	9	93
Plumber/ Multi trade	06/01/2014	04/04/2016	04/07/2016	85	9	94
Plasterer/Multi trade	10/07/2013	04/04/2016	04/07/2016	79	9	88
Interim Housing Specialist & Needs Manager	28/09/2015	14/03/2016	03/07/2016	40	40	80
Asset Management Support Manager	05/08/2013	11/04/2016	08/07/2016	225	26	252
Internal Communications Officer	15/09/2014	18/04/2016	17/07/2016	81	14	95
Highways Major Projects	10/06/2013	14/03/2016	12/06/2016	172	17	190
Highways Major Projects	10/06/2013	15/04/2016	14/07/2016	163	19	182
Homeless Prevention Caseworker x2	23/03/2015	29/02/2016	17/06/2016	87	27	114
Homeless Prevention Caseworker x4	24/02/2014	29/02/2016	26/08/2016	281	89	370
OPHS Officer	21/04/2014	04/03/2016	27/05/2016	50	8	58
Mobile Caretaker	07/12/2012	01/04/2016	30/06/2016	55	4	59
Mobile Caretaker	22/09/2013	01/04/2016	30/06/2016	62	6	68
Mobile Caretaker	24/08/2012	01/04/2016	30/06/2016	60	4	64
Mobile Caretaker	29/08/2012	01/04/2016	30/06/2016	60	4	64
Mobile	06/09/2012	01/04/2016	30/06/2016	59	4	63

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Caretaker						
Mobile Caretaker	16/12/2012	01/04/2016	30/06/2016	55	4	59
Education Officer	01/06/2015	03/04/2016	13/05/2016	59	8	67
Education Officer	09/03/2015	19/03/2016	13/05/2016	64	8	72
Building Control Surveyor	23/08/2012	28/03/2016	26/06/2016	125	9	134
DFG Adaptations Officer	14/12/2014	04/04/2016	03/07/2016	134	16	150
Social Care						
Advanced Practitioner	10/08/2015	04/04/2016	01/05/2016	46	6	52
Social Worker	05/05/2015	04/04/2016	01/05/2016	47	6	53
Practice Improvement Practitioner	08/05/2014	04/04/2016	01/05/2016	46	7	53
Senior Social Worker	17/08/2015	04/04/2016	01/05/2016	47	6	53
Advanced Practitioner	10/08/2015	04/04/2016	01/05/2016	47	6	53
Child Protection Chair	07/07/2014	04/04/2016	01/05/2016	50	7	57
Early Years Practitioner	01/09/2013	04/04/2016	01/05/2016	55	2	57
Independent Domestic Violence Advisor	12/01/2015	04/04/2016	01/05/2016	55	4	59
Social Worker	28/07/2014	04/04/2016	01/05/2016	54	6	60
Social Worker	06/10/2014	04/04/2016	01/05/2016	55	5	60
Senior Social Worker	30/06/2015	04/04/2016	01/05/2016	56	6	62
Child Protection Chair	20/07/2015	04/04/2016	01/05/2016	56	7	63
Panel Advisor	10/08/2015	04/04/2016	01/05/2016	56	7	63
Social Worker	04/05/2015	04/04/2016	01/05/2016	61	5	66
Key Worker - NEET (Post 16 care leavers)	15/06/2014	04/04/2016	01/05/2016	66	3	69
Social Worker	04/02/2015	04/04/2016	01/05/2016	75	5	80
Social Worker	13/04/2015	04/04/2016	01/05/2016	74	6	80
Social Worker	18/05/2015	04/04/2016	01/05/2016	75	6	81
Practice Improvement Practitioner	17/11/2014	04/04/2016	01/05/2016	78	6	84
Child Protection Chair	13/04/2015	04/04/2016	01/05/2016	79	7	86
Social Worker	06/01/2015	04/04/2016	01/05/2016	80	6	86
Social Worker	11/10/2014	04/04/2016	01/05/2016	82	5	87
Social Worker	27/10/2014	04/04/2016	01/05/2016	83	6	89

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Social Worker	01/10/2013	04/04/2016	01/05/2016	91	5	96
Social Worker	05/03/2014	04/04/2016	01/05/2016	93	6	99
Independent Reviewing Officer	27/05/2014	04/04/2016	01/05/2016	92	7	99
Social Worker	27/10/2014	04/04/2016	01/05/2016	102	6	108
Senior Social Worker	25/09/2013	04/04/2016	01/05/2016	102	6	108
Social Worker	06/06/2014	04/04/2016	01/05/2016	104	6	110
Social Worker	13/05/2014	04/04/2016	01/05/2016	107	6	113
Social Worker	19/06/2014	04/04/2016	01/05/2016	110	6	116
Social Worker	19/08/2014	04/04/2016	01/05/2016	112	5	117
Social Worker	30/09/2014	04/04/2016	01/05/2016	112	6	118
Social Worker	05/09/2014	04/04/2016	01/05/2016	115	6	121
Social Worker	19/06/2014	04/04/2016	01/05/2016	118	6	124
Team Manager	30/09/2014	04/04/2016	01/05/2016	120	7	127
Corporate Parenting Manager	01/09/2014	04/04/2016	01/05/2016	123	6	129
Social Worker	23/12/2013	04/04/2016	01/05/2016	124	6	130
Child Sexual Exploitation (CSE) Co-ordinator	03/11/2014	04/04/2016	01/05/2016	124	6	130
Social Worker	11/08/2014	04/04/2016	01/05/2016	129	7	136
Social Worker	03/03/2014	04/04/2016	01/05/2016	134	4	138
Team Manager - MASH	28/09/2014	04/04/2016	01/05/2016	135	7	142
Social Worker	02/12/2013	04/04/2016	01/05/2016	139	6	145
Social Worker	30/04/2012	04/04/2016	01/05/2016	143	6	149
Social Worker	01/04/2013	04/04/2016	01/05/2016	143	6	149
Social Worker	01/04/2013	04/04/2016	01/05/2016	171	6	177
Social Worker	01/01/2013	04/04/2016	01/05/2016	177	5	182
Case Progression Manager	07/04/2014	04/04/2016	01/05/2016	177	7	184
Social Worker	01/01/2013	04/04/2016	01/05/2016	187	6	193
Social Worker	19/12/2011	04/04/2016	01/05/2016	188	6	194
Social Worker	19/12/2011	04/04/2016	01/05/2016	203	6	209
MASH Manager	13/01/2014	04/04/2016	01/05/2016	205	10	215
Social Worker	19/12/2011	04/04/2016	01/05/2016	226	6	232
Team Manager	01/01/2013	04/04/2016	01/05/2016	226	7	233
Social Worker	05/03/2012	04/04/2016	01/05/2016	241	6	247
Social Worker	06/01/2012	04/04/2016	01/05/2016	251	6	257
Social Worker	05/03/2012	04/04/2016	01/05/2016	256	6	262
Senior Residential Worker	01.09.2014	04/04/2016	30/06/2016	65	3	68
Residential Care Worker	01/04/2012	04/04/2016	30/06/2016	107	2	109

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Team Manager	03/11/2014	04/04/2016	30/06/2016	114	7	121
Lead Approved Mental Health Practitioner	01/06/2012	04/04/2016	30/06/2016	164	5	169
Occupational Therapist	07/10/2013	04/04/2016	30/06/2016	149	5	154
Care Act Programme Implementation Manager	02/10/2014	04/04/2016	30/06/2016	235	14	248
Occupational Therapist	01/04/2015	04/04/2016	30/06/2016	68	5	73
Contract Management Officer	24/08/2015	04/04/2016	30/06/2016	81	9	90
LD Programme Review	29/07/2015	04/04/2016	30/06/2016	78	10	88
Social Worker	02/04/2015	04/04/2016	30/06/2016	53	5	58
Senior Social Worker	29/03/2015	04/04/2016	30/06/2016	57	5	61
Business Objects Officer	19/10/2015	04/04/2016	30/06/2016	59	11	69
AMHP Social Worker	18/08/2015	04/04/2016	30/06/2016	48	6	54
AMHP	12/09/2015	04/04/2016	30/06/2016	46	5	51
Community Learning Disability Nurse	28/06/2015	04/04/2016	30/06/2016	48	5	53