

# COUNCIL BUDGET - 2017/18 REVENUE AND CAPITAL OUTTURN

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<b>Cabinet Portfolio</b>	Finance, Property and Business Services
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<b>Papers with report</b>	Appendices A - H

## HEADLINE INFORMATION

<b>Purpose of report</b>	<p>This report provides the Council's forecast financial position and performance against the 2017/18 revenue budget and Capital Programme.</p> <p>A net in-year underspend of £2,529k is reported against 2017/18 General Fund revenue budgets as of March 2018 (Outturn) representing an improvement of £1,200k from the position previously reported to Cabinet – primarily due to release of provisions and other activities undertaken as part of the accounts closure process.</p> <p>The latest positions on other funds and the Capital Programme are detailed within the body of this report.</p>
<b>Contribution to our plans and strategies</b>	<p><b>Putting our Residents First: <i>Financial Management</i></b></p> <p>Achieving Value for Money is an important element of the Council's Medium Term Financial Plan.</p>
<b>Financial Cost</b>	N/A
<b>Relevant Policy Overview Committee</b>	Corporate Services and Partnerships
<b>Ward(s) affected</b>	All

## RECOMMENDATIONS

That Cabinet:

1. Note the budget position as at March 2018 (Month 12), including the in-year release of Development and Risk Contingency funds into Directorate Operating budgets as outlined in Table 5
2. Note the use of Capital Receipts to fund service transformation as set out in Appendix E.
3. Note the Treasury Management update as at March 2018 at Appendix F.
4. Continue the delegated authority up until the July 2018 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 19 April 2018 and 21 June 2018 Cabinet meetings, detailed at Appendix F.

5. Approve the release of the following sums from Development and Risk Contingency to Directorate Operating Budgets in 2018/19:
  - a. Waste Disposal Levy and Associated Contracts - £794k
  - b. Demographic Growth - Looked After Children - £260k
  - c. SEN Transport - £184k
  - d. Demographic Growth - Transitional Children - £1,211k
  - e. Demographic Growth - Adults - £353k
6. Approve re-phasing of £16,722k 2017/18 General Fund capital expenditure and financing budgets into future years as set out in Tables 19 and 20 in this report and £30,357k of HRA Capital Budgets from 2017/18 into future years as set out in Table 18.
7. Agree to the appropriation of land and premises at 15-16 Welbeck Court, Welbeck Avenue, Hayes from the Housing Revenue Account to the General Fund to be let as a commercial shop unit.
8. Accept additional Transport for London Local Implementation Plan Corridor and Neighbourhood funding of £426k for 2018/19.
9. Approve acceptance of gift funding in relation to a Planning Performance Agreement on the following major development in accordance with the provisions of Section 93 of the Local Government Act 2003:
  - a. 30/32 Blyth Road, Hayes - Bellway Homes (£23,500)
  - b. Chailey Industrial Estate, Pump Lane, Hayes - Fairview Homes (£43,500)
10. Approve the changes to Leisure Fees & Charges as set out in Appendix H.
11. Agree that the Council donates £14,873 to the Mayor of Hillingdon's Charitable Trust to support local good causes, funded from the proceeds of kerbside textile waste collection and matched funding from the HIP Initiatives budget, with a further donation to top up the overall income for the year to £90,000.
12. Accept grant funding of £378,241 from the Ministry of Housing, Communities & Local Government Rough Sleeping Initiative Fund for 2018/19.

## INFORMATION

### Reasons for Recommendations

1. The reason for **Recommendation 1** is to ensure that the Council achieves its budgetary objectives, providing Cabinet with an update on performance at Month 12 against budgets approved by Council on 23 February 2017. This recommendation also seeks ratification of the release of Development and Risk Contingency completed during the closure of the 2017/18 accounts. **Recommendation 2** provides an update on the use of Capital Receipts at paragraph 20. An update on the Council's Treasury Management activities is signposted in **Recommendation 3**.
2. **Recommendation 4** is intended to enable continued delegation of approval for appointment of consultancy and agency appointments over £50k to the Chief Executive, with final sign-off from the Leader of the Council. In addition, Appendix F reports back on use of this delegated authority previously granted by Cabinet.
3. It is proposed to release those elements of Development and Risk Contingency relating to prior year growth into base budgets. There is currently £8,060k budgets held within Development and Risk Contingency, with £2,802k of this sum directly attributable to growth which is no longer contingent, i.e. 2016/17 growth confirmed as required in the outturn.

**Recommendation 5** therefore seeks authority to release this £2,802k to appropriate service operating budgets.

4. Given that some Capital Projects run over multiple years, it is sometimes necessary for budgets relating to underspends in-year to be re-phased into future years to fund future spend on said projects. **Recommendation 6** seeks approval to re-phase £16,722k of General Fund and £30,357k of HRA budgets into future years as set out in this report and appendices.
5. **Recommendation 7** - It is proposed that the commercial premises at 15 and 16 Welbeck Court, Welbeck Avenue, Hayes, are re-appropriated to the General Fund from the HRA as the original proposal to convert the units into residential units are impractical due to unforeseen site constraints. The Appropriation will be accounted for as a notional Capital Receipt at market value for which the estimated land value of £157k can be managed within the existing General Fund capital programme.
6. **Recommendation 8** – In March 2018, Transport for London announced an increase in LIP Corridors and Neighbourhood funding of £426k for 2018/19, following the Mayor of London's announcement about additional income from business rates to support local authorities in delivering the Mayor's Transport Strategy.
7. Gift funding has been offered by developers which if accepted by Cabinet will be utilised to fund dedicated staff to support this pre-application and application work. **Recommendation 9** seeks authority from Cabinet to approve the acceptance of this sum in relation to Planning Performance Agreements.
8. Fees & charges for the 2018/19 budget were approved at Council budget setting in February 2018. Leisure centre fees were not amended as it was previously agreed with the Council's leisure providers GLL and Fusion to refresh fees and charges at leisure centres in-year, i.e. subsequent to new 2018/19 fees & charges being formally approved and published by neighbouring boroughs. The output from this exercise in terms of the proposed increases has been summarised at Appendix H. **Recommendation 10** seeks authority from Cabinet to implement these changes.
9. Cabinet on 19 June 2014 agreed that proceeds from the kerbside textile waste initiative introduced in 2013 would be donated to the Mayors charity. The proceeds from this scheme in 2017/18 amounted to £7,436, with matched funding bring the overall donation to £14,873. **Recommendation 11** seeks authority for this payment to the Mayor's charity alongside a further contribution to bring total monies raised to £90,000.
10. A targeted £30 million fund was announced on 30 March 2018 for local authorities with higher numbers of rough sleepers. Hillingdon was one of 83 local authorities that were successful in their 2018/19 funding bids, which were published by the Government on 11 June 2018. Most rough sleeping in the Borough takes place in or around Heathrow Airport. **Recommendation 12** seeks Cabinet authority to accept the ring-fenced grant funding of £378,241 to service operating budgets.

### **Alternative options considered**

11. There are no other options proposed for consideration.

## **SUMMARY**

### **REVENUE**

12. General Fund revenue budgets are reporting an underspend of £2,529k, with underspends against both Directorate and Corporate Operating Budgets being off-set by a pressure on Development and Risk Contingency. As a result of this underspend, General Fund Balances total £40,321k at year end, an increase of £1,583k from the opening 2017/18 position.
13. The outturn position represents an improvement of £1,200k on the previously reported position, which includes £412k previously noted uncommitted growth and contingency budgets, £236k additional income from the outturn review of recharges to other funds and £552k of other improvements primarily linked to the release of provisions during the closure of accounts.
14. In March 2017 the Government announced supplementary funding to the Improved Better Care Fund, frontloading resources previously anticipated to be available from 2018/19 and 2019/20 in order to support local authorities in stabilising the Social Care provider market. The Council's 2017/18 Budget included provision within inflation allocations of £4,903k for this very purpose, which was originally to be funded from a planned £5,000k drawdown from General Reserves. As funding of £4,054k became available during 2017/18, the planned drawdown from reserves was reduced to £946k by this exceptional item.
15. £14,880k of the £15,508k 2017/18 savings are banked in full and £528k on track for delivery during 2018/19. The remaining £100k reported as 'amber' is ultimately expected to be delivered in full. £1,133k of savings were promoted from 'green' to banked since Month 11, demonstrating continuing progress in the delivery of the 2017/18 savings programme. Progress against delivery of the £628k of 'green' and 'amber' items will continue to be monitored into the new financial year alongside the broader 2018/19 savings programme.
16. With the exception of the Collection Fund, there are no material variances on other funds affecting the General Fund position. A surplus of £2,670k is reported within the Collection Fund, as a result of a favourable position on Council Tax, which is predominantly driven by the 2016/17 outturn surplus and which is being used to support the General Fund budget in 2018/19.
17. An in-year overspend of £2,989k is reported against the Schools Budget, representing an adverse movement of £618k from the position previously reported at Month 11. The total deficit to carry forward into 2018/19 is therefore £4,125k, with deficits historically being funded from subsequent Dedicated Schools Grant allocations and therefore not impacting upon the General Fund position.

### **CAPITAL**

18. An underspend of £20,995k is reported against the 2017/18 General Fund Capital Programme, predominantly as a result of re-phasing of project expenditure. A favourable movement of £2,049k is reported on cost variances, primarily as a result of releasing uncommitted budget where capacity already exists in 2018/19 budgets.

## FURTHER INFORMATION

### General Fund Revenue Budget

19. An underspend of £2,529k is reported against normal operating activities at outturn, driven by underspends of £1,942k and £450k against Directorate and Corporate Operating Budgets, being off-set by a pressure across Development & Risk Contingency items of £97k. This position represents an improvement of £1,200k on Month 11 projections, principally as a result of provisions being released as part of the closure of accounts with limited movement in underlying service positions.
20. The Improved Better Care Fund grant item has been treated as an Exceptional Item as the announcement of the increase in funding was made in March 2017, after the budget for 2017/18 was set. This funding represents an increase in Social Care funding of £4,054k for 2017/18 which was used to stabilise the Adult Social Care placements market.
21. The Council's General Fund revenue budget contained £15,508k savings, with £15,408k either banked or on track for delivery at outturn, no movement from the previously reported position. The underspend against operating budgets reflects the status of these savings, which are ultimately expected to be banked in full during 2018/19.

**Table 1: General Fund Overview**

Original Budget £'000	Budget Changes £'000	Service	Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
			Revised Budget £'000	Forecast Outturn £'000			
194,079	13,667	Directorate Operating Budgets	207,746	205,804	(1,942)	(1,144)	(798)
1,495	2,740	Corporate Operating Budgets	4,235	3,785	(450)	(460)	10
19,216	(11,156)	Development & Risk Contingency	8,060	8,157	97	275	(178)
454	0	Priority Growth	454	220	(234)	0	(234)
5,451	(5,151)	Unallocated Budget Items	300	300	0	0	0
<b>220,695</b>	<b>100</b>	<b>Sub-total Normal Activities</b>	<b>220,795</b>	<b>218,266</b>	<b>(2,529)</b>	<b>(1,329)</b>	<b>(1,200)</b>
0	(4,054)	Exceptional Items IBCF Allocation (announced March 2017)	(4,054)	(4,054)	0	0	0
<b>220,695</b>	<b>(3,954)</b>	<b>Total Net Expenditure</b>	<b>216,741</b>	<b>214,212</b>	<b>(2,529)</b>	<b>(1,329)</b>	<b>(1,200)</b>
(215,695)	(100)	Budget Requirement	(215,795)	(215,795)	0	0	0
<b>5,000</b>	<b>(4,054)</b>	<b>Net Total</b>	<b>946</b>	<b>(1,583)</b>	<b>(2,529)</b>	<b>(1,329)</b>	<b>(1,200)</b>
(38,738)	0	Balances b/fwd	(38,738)	(38,738)			
<b>(33,738)</b>	<b>(4,054)</b>	<b>Balances c/fwd 31 March 2018</b>	<b>(37,792)</b>	<b>(40,321)</b>			

22. General Fund Balances total £40,321k at 31 March 2018 as a result of the movements outlined above. The Council's current MTFE assumes that unallocated balances will remain between £15,000k and £32,000k to manage emergent risks, with any sums above that level earmarked for use to smooth the impact of government funding reductions.

## Directorate Operating Budgets (£1,942k underspend, £798k improvement)

23. Table 2 provides an overview of the final outturn on Directorate Operating Budgets with further detail for each directorate contained within Appendix A to this report. An underspend of £1,942k is reported, representing a £798k improvement on Month 11 primarily as a result of a review of recharges to other funds and release of previously established provisions during the closure of accounts.
24. The Council is currently permitted to finance the costs associated with service transformation from Capital Receipts, with both one-off implementation costs and the support for service transformation, including the BID team, being funded from this resource. £4,292k of such costs were funded from Capital Receipts during 2017/18 and have therefore been excluded from group monitoring positions.
25. A detailed breakdown of these costs incurred during 2016/17 and 2017/18 is attached to this report as Appendix E. The table within the appendix outlines how the £6,655k of capitalised spend over these years has been incurred in order to facilitate delivery of £36,420k savings over a three-year period.
26. The initial expectations for service transformation costs eligible for flexible use of Capital Receipts were £2,500k for 2016/17 and £2,750k for 2017/18. £878k of spend incurred in 2017/18 related to 2018/19 savings proposals and therefore over the years 2016/17-2017/18, a total of £5,777k spend was capitalised using Capital Receipts against a forecast £5,250k, a £527k variance.

**Table 2: Directorate Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Forecast Outturn £'000			
7,141	699	Chief Executive's Office	Expenditure	7,840	7,851	11	10	1
(1,103)	(56)		Income	(1,159)	(1,192)	(33)	(22)	(11)
<b>6,038</b>	<b>643</b>		<b>Sub-Total</b>	<b>6,681</b>	<b>6,659</b>	<b>(22)</b>	<b>(12)</b>	<b>(10)</b>
16,640	817	Finance	Expenditure	17,457	17,290	(167)	(149)	(18)
(3,517)	186		Income	(3,331)	(3,635)	(304)	(167)	(137)
<b>13,123</b>	<b>1,003</b>		<b>Sub-Total</b>	<b>14,126</b>	<b>13,655</b>	<b>(471)</b>	<b>(316)</b>	<b>(155)</b>
109,841	5,651	Residents Services	Expenditure	115,492	117,410	1,918	995	923
(36,991)	(5,043)		Income	(42,034)	(44,559)	(2,525)	(1,414)	(1,111)
<b>72,850</b>	<b>608</b>		<b>Sub-Total</b>	<b>73,458</b>	<b>72,851</b>	<b>(607)</b>	<b>(419)</b>	<b>(188)</b>
129,618	12,551	Social Care	Expenditure	142,169	140,995	(1,174)	(664)	(510)
(27,550)	(1,138)		Income	(28,688)	(28,356)	332	267	65
<b>102,068</b>	<b>11,413</b>		<b>Sub-Total</b>	<b>113,481</b>	<b>112,639</b>	<b>(842)</b>	<b>(397)</b>	<b>(445)</b>
<b>194,079</b>	<b>13,667</b>	<b>Total Directorate Operating Budgets</b>		<b>207,746</b>	<b>205,804</b>	<b>(1,942)</b>	<b>(1,144)</b>	<b>(798)</b>

27. An underspend of £22k is reported against the Chief Executive's Office for 2017/18, primarily as a result of an overachievement of planning and lease fee earning income in Legal and underspends against non-staffing budgets within Human Resources. These favourable variances were off-set by staffing overspends across both Human Resources and Legal Services where the services have been unable to meet their MVF.
28. A favourable movement of £155k is reported across Finance, which brings the total underspend to £471k for 2017/18. The overall underspend across Finance is primarily as a result of vacant posts across the Directorate and implementation of the Finance Phase 1

business case delivering MTFF savings in 2018/19. The movement from Month 11 is due to an increase in the charge to the HRA for Counter Fraud work carried out this year.

29. An overall underspend of £607k is reported across Residents Services, which incorporates a number of compensating variances and movements from Month 11 forecasts detailed in Appendix A to this report. The total variance is primarily due to staffing underspends across the Directorate, most notably in Administrative, Technical & Business Services and Infrastructure, Waste & ICT. The favourable staffing variances are accompanied by adjustments to bad debt provisions at year end, which contribute towards an overachievement of income of £2,525k against the budgeted position. There are however various underlying income pressures across the Directorate which have been discussed throughout the year, these include but are not limited to Uxbridge car parks and imported food sampling.
30. Social Care budgets have underspent by £842k during 2017/18, largely due to a number of vacant posts across the Directorate which were not covered by agency staff. The non-staffing underspend of £264k is as a result of increased charges to the HRA following BID reviews of a number of services and is off-set by the £332k underachievement of income relating to the Educational Psychology Service.

### Progress on Savings

31. The Council's 2017/18 General Fund revenue budget contained £15,508k savings, with all prior year savings delivered in full during 2016/17. £14,880k savings are reported as banked at Outturn, with £528k marked as on track for delivery during 2018/19 and the remaining £100k being classed as Amber. The item reported as Amber is ultimately expected to be delivered in full, with no items being reported as having serious risks of non-delivery. Progress in delivery of the £628k savings classified as Green and Amber will continue to be tracked into the new financial year.

**Table 3: Savings Tracker**

2017/18 General Fund Savings Programme	CE's Office & Finance	Residents Services	Social Care	Cross Cutting	Total Savings	
	£'000	£'000	£'000	£'000	£'000	%
B Banked	(1,077)	(6,158)	(6,964)	(681)	(14,880)	96.0%
G On track for delivery	0	(45)	(150)	(333)	(528)	3.4%
A Potential significant savings shortfall or a significant or risky project which is at an early stage;	0	0	0	(100)	(100)	0.6%
R Serious problems in the delivery of the saving	0	0	0	0	0	0.0%
<b>Total 2017/18 Savings</b>	<b>(1,077)</b>	<b>(6,203)</b>	<b>(7,114)</b>	<b>(1,114)</b>	<b>(15,508)</b>	<b>100.0%</b>

## Corporate Operating Budgets (£450k underspend, £10k adverse movement)

32. Corporately managed expenditure includes revenue costs of the Council's Capital Programme, the net impact of Housing Benefit Subsidy arrangements on the Council, externally set levies and income arising from the provision of support services to other funds and ring-fenced budgets.
33. As a result of deferral of external borrowing and an improved outlook for investment income, the final underspend for 2017/18 is £439k across Interest and Investment Income. Within Levies and Other Corporate Budgets, reduced uptake of the Council Tax Older People's Discount supplements the compensatory variances on New Homes Bonus Refund Grant and the West London District Coroners Services to deliver a £10k net underspend.

**Table 4: Corporate Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Outturn £'000			
0	0	Interest and Investment Income	Salaries	0	0	0	0	0
5,259	425		Non-Sal Exp	5,684	5,314	(370)	(360)	(10)
(104)	(752)		Income	(856)	(925)	(69)	(81)	12
<b>5,155</b>	<b>(327)</b>		<b>Sub-Total</b>	<b>4,828</b>	<b>4,389</b>	<b>(439)</b>	<b>(441)</b>	<b>2</b>
450	7	Levies and Other Corporate Budgets	Salaries	457	457	0	0	0
11,237	1,068		Non-Sal Exp	12,305	12,417	112	86	26
(14,788)	2,143		Income	(12,645)	(12,767)	(122)	(106)	(16)
<b>(3,101)</b>	<b>3,218</b>		<b>Sub-Total</b>	<b>117</b>	<b>107</b>	<b>(10)</b>	<b>(20)</b>	<b>10</b>
0	0	Housing Benefit Subsidy	Salaries	0	0	0	0	0
144,372	(1,419)		Non-Sal Exp	142,953	143,189	236	1,391	(1,155)
(144,931)	1,268		Income	(143,663)	(143,900)	(237)	(1,390)	1,153
<b>(559)</b>	<b>(151)</b>		<b>Sub-Total</b>	<b>(710)</b>	<b>(711)</b>	<b>(1)</b>	<b>1</b>	<b>(2)</b>
<b>1,495</b>	<b>2,740</b>	<b>Total Corporate Operating Budgets</b>		<b>4,235</b>	<b>3,785</b>	<b>(450)</b>	<b>(460)</b>	<b>10</b>



## Development & Risk Contingency (£97k overspend, £178k improvement)

34. The Council set aside £19,216k to manage volatile and uncertain elements of budgets within the Development & Risk Contingency, which included £18,466k in relation to specific risk items and £750k as General Contingency to manage unforeseen issues. £10,656k of this budget was released into base budgets during Month 7 to reflect growth which is no longer contingent, with a further £500k released from General Contingency to meet one-off costs incurred during 2017/18.

**Table 5: Development & Risk Contingency**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Forecast Outturn £'000			
291	0	Fin.	Uninsured claims	291	291	0	0	0
1,736	0	Residents Services	Impact of Welfare Reform on Homelessness	1,736	1,736	0	0	0
3,522	(2,728)		Waste Disposal Levy & Associated Contracts	794	485	(309)	(309)	0
100	0		High Speed 2 Challenge Fund	100	100	0	0	0
200	0		Heathrow Expansion Challenge Fund	200	200	0	0	0
1,648	0	Social Care	Asylum Service	1,648	1,970	322	322	0
5,298	(5,038)		Demographic Growth - Looked After Children	260	1,465	1,205	1,205	0
277	0		Social Worker Agency Contingency	277	277	0	0	0
184	0		SEN transport - Contingency	184	248	64	64	0
2,910	(1,699)		Demographic Growth - Transitional Children	1,211	880	(331)	(331)	0
785	(432)		Demographic Growth - Adults	353	0	(353)	(353)	0
197	0		Winterbourne View	197	50	(147)	(147)	0
759	(759)		Deprivation of Liberty Safeguards	0	0	0	0	0
559	0	Corp. Items	Apprenticeship Levy	559	376	(183)	(176)	(7)
750	(500)		General Contingency	250	79	(171)	0	(171)
<b>19,216</b>	<b>(11,156)</b>	<b>Total Development &amp; Risk Contingency</b>		<b>8,060</b>	<b>8,157</b>	<b>97</b>	<b>275</b>	<b>(178)</b>

35. The reduction of households in high-cost B&B has continued throughout 2017/18, with Earmarked Reserves no longer required to finance in-year investment to secure suitable properties and funding being retained to manage this volatile area in the new financial year. The one-off disbursement from the West London Waste Authority in respect of excess reserves results in a £309k underspend against waste disposal.
36. The drawdown from the Asylum contingency for 2017/18 was £1,970k, a £322k pressure against the budgeted position. This is due to the reduction in income following confirmation from the Home Office that a number of supported individuals will no longer be eligible for funding.
37. An overspend of £1,205k is reported against the Looked After Children contingency, which predominantly relates to the cost of CWD placements and adoption, where the service had to place children outside of the borough.

38. The previously reported pressure against the SEN transport contingency item was realised at outturn. This £64k overspend was due to higher than anticipated growth in demand for the service.
39. The underspend against the Transitional Children Contingency item is as a result of transition clients entering the service at lower than anticipated costs as they have remained in education settings for longer periods.
40. There was no drawdown required against the Adults Demographic Growth Contingency as previously reported, due to ongoing process improvements for placements, including timely assessment and recognition of external funding streams, combined with reduced demand for Physical Disability client placements.
41. £50k of the £197k budget was required from the Winterbourne View Contingency as the majority of clients were funded through the CCG.
42. As in previous years, the Council retains a General Contingency to meet the costs of exceptional or emerging pressures which had not been specifically provided for at the time of budget setting. At Month 10, £500k of this contingency was allocated to Residents Services budgets in respect of fly tipping and storm damage costs and the extended opening of the Winter Night Shelter. During outturn a further £79k was released from General Contingency, primarily to fund exceptional Storm Damage mitigation costs.

### Priority Growth

43. The 2017/18 General Fund revenue budget approved by Council in February 2017 set aside £254k of unallocated Priority Growth, in addition to £200k of base budget available to support HIP Initiatives. The 2017/18 HIP budget is supplemented by £954k brought forward balances, which provided £1,154k resources for HIP Initiatives.
44. £395k of projects were approved for funding from HIP resources during 2017/18, leaving £749k available for future release. The £20k allocation of Priority Growth in Table 6 below is as a result of the recommendation in the December Cabinet Report relating to the refurbishment works at Willow Tree Centre.

**Table 6: Priority Growth**

Original Budget	Budget Changes	Priority Growth	Outturn		
			Revised Budget	Approved Allocations	Unallocated Balance
£'000	£'000		£'000	£'000	£'000
200	0	HIP Initiatives Budgets	200	0	(200)
0	954	B/fwd Funds	954	395	(559)
254	0	Unallocated Priority Growth	254	20	(234)
<b>454</b>	<b>954</b>	<b>Total Priority Growth</b>	<b>1,408</b>	<b>415</b>	<b>(993)</b>

### Schools Budget

45. An in-year overspend of £2,989k is reported against the Dedicated Schools Grant in 2017/18, bringing the brought forward deficit on the centrally retained reserve to £4,125k. This position reflects pressures of £3,489k mainly due to a significant increase in the cost of placements as the service moves all children onto Education & Health Care Plans (EHCPs) being off-set by £500k contingency provision held back to manage such emerging pressures. Deficits on the

retained reserve have historically been funded from future Dedicated Schools Grant allocations.

### **Collection Fund**

46. The Collection Fund is reporting a £2,670k surplus for 2017/18, made up of £3,179k surplus against Council Tax and a £509k deficit across Business Rates. This represents a £49k adverse movement from the Month 11 reported position and is still broadly in line with assumptions made in the 2018/19 budget of a £2,611k carried forward surplus.
47. The overall position on Council Tax is driven by the £2,004k from the release of historic provisions for doubtful debt following the adoption of an improved accounting methodology from 2016/17. Similarly the £509k pressure on Business Rates is largely as a result of the £408k pressure on the 2016/17 brought forward surplus balance.
48. Within this position Council Tax has improved by £204k from Month 11, mainly as a result of improvements in gross income collected from taxpayers and a corresponding £253k adverse movement in Business Rates, due primarily to the impact of backdated reductions in Rateable Value.

### **Housing Revenue Account**

49. The Housing Revenue Account (HRA) delivered an in-year overall deficit of £8,718k which is a £2,946k improvement on the budgeted deficit of £11,664k. This represents a net £336k favourable movement on the position reported at Month 11. The favourable movements are due to development and risk contingency £609k and housing management £58k. The adverse movements are due to net income £128k, repairs and planned maintenance £147k, tenant services £10k and interest and investment income £46k. As a result, HRA General Balances total £37,108k at 31 March 2018, with a significant element of this sum earmarked to support investment in new housing stock.
50. There have been 64 Right to Buy sales of council dwellings as at the end of March 2018, a reduction of 1 from the projection at Month 11. Sufficient expenditure was incurred on the acquisition of new properties and internal development during 2017/18 to avoid repayment of Right to Buy Receipts to MHCLG, with the approved 2018/19 capital programme developed to similarly avoid any repayment of retained receipts.

### **Parking Revenue Account (PRA)**

51. The Parking Revenue Account (PRA) was 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. The PRA is managed within Residents Services Administrative, Technical & Business Services division.
52. At outturn, an in-year surplus of £136k was recorded for the 2017/18 financial year. This increases the PRA's retained balance to £1,462k of which £312k is committed to schemes and a further £104k represents the earmarked balance on the School Keep Clear Scheme, which was implemented during the 2016/17 financial year.

### **Future Revenue Implications of Capital Programme**

53. 2017/18 capital expenditure was £1,437k lower than previously reported at Month 11, with a £286k increase in Capital Receipts, £5,716k improvement in grants and contributions and £15k improvement in CIL resulting in a reduction in borrowing of £7,454k during the year. Appendix D provides further detail on the capital outturn position.

## Appendix A – Detailed Group Forecasts (General Fund)

### CHIEF EXECUTIVE'S OFFICE (£22k underspend, £10k improvement)

54. The outturn position for the Chief Executive's Office for 2017/18 is an underspend against budget of £22k, which represents a £10k improvement on the month 11 forecast position.

**Table 7: Chief Executive's Office Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Forecast Outturn £'000			
1,466	22	Democratic Services	Salaries	1,488	1,489	1	1	0
1,669	26		Non-Sal Exp	1,695	1,746	51	47	4
(596)	(58)		Income	(654)	(620)	34	41	(7)
<b>2,539</b>	<b>(10)</b>		<b>Sub-Total</b>	<b>2,529</b>	<b>2,615</b>	<b>86</b>	<b>89</b>	<b>(3)</b>
2,001	(101)	Human Resources	Salaries	1,900	1,911	11	13	(2)
89	683		Non-Sal Exp	772	704	(68)	(64)	(4)
(247)	2		Income	(245)	(275)	(30)	(28)	(2)
<b>1,843</b>	<b>584</b>		<b>Sub-Total</b>	<b>2,427</b>	<b>2,340</b>	<b>(87)</b>	<b>(79)</b>	<b>(8)</b>
1,833	69	Legal Services	Salaries	1,902	1,929	27	28	(1)
83	0		Non-Sal Exp	83	72	(11)	(15)	4
(260)	0		Income	(260)	(297)	(37)	(35)	(2)
<b>1,656</b>	<b>69</b>		<b>Sub-Total</b>	<b>1,725</b>	<b>1,704</b>	<b>(21)</b>	<b>(22)</b>	<b>1</b>
5,300	(10)	Chief Executive's Office Directorate	Salaries	5,290	5,329	39	42	(3)
1,841	709		Non-Sal Exp	2,550	2,522	(28)	(32)	4
(1,103)	(56)		Income	(1,159)	(1,192)	(33)	(22)	(11)
<b>6,038</b>	<b>643</b>		<b>Total</b>	<b>6,681</b>	<b>6,659</b>	<b>(22)</b>	<b>(12)</b>	<b>(10)</b>

### Democratic Services (£86k overspend, £3k improvement)

55. The outturn position for Democratic Services shows a small improvement of £3k, which relates to a slight increase in income received within Registration services compared to the forecast at month 11. The costs of staffing have come in on budget, with a slight increase to the pressure on non salaries expenditure in the service as a result of payments to the reserve to fund the cost of elections. The outturn variance of £34k pressure on income budgets reflect a sustained fall in demand for Nationality Checking and Citizenship Ceremony services and have been addressed as part of zero based reviews for 2018/19.

### Human Resources (£87k underspend, £8k improvement)

56. Human Resources is reporting an underspend of £87k, a £8k improvement from the previously forecast position, primarily due to increased learning and development income relating to newly qualified social workers and the phasing of the new PADA system into 2018/19.

### Legal Services (£21k underspend, £1k adverse movement)

57. The Legal Services outturn position is showing an underspend of £21k against budget, representing an adverse movement of £1k in the month 11 forecast position. This underspend position of £22k primarily relates to the overachievement of income in the year through increased planning and lease fee earning income.

58. For 2017/18, the full £221k savings presented by the Chief Executive's Office were banked. A further cross-cutting MTFF proposal of £559k for the Council's contribution to the Apprenticeship Levy is being managed within HR and is on track for delivery.

**FINANCE (£471k underspend, £155k improvement)**

59. The outturn position for Finance for 2017/18 is an underspend of £471k and represents an improvement of £155k on the month 11 position. This is primarily as a result of the increase of charges to the HRA for Counter Fraud, which was agreed as part of a business case to restructure the service in December 2017 and has now been applied to 2017/18 charges.

**Table 8: Finance Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Forecast Outturn £'000			
942	869	Business Assurance	Salaries	1,811	1,786	(25)	(46)	21
1,404	(44)		Non-Sal Exp	1,360	1,377	17	29	(12)
(659)	47		Income	(612)	(751)	(139)	15	(154)
<b>1,687</b>	<b>872</b>		<b>Sub-Total</b>	<b>2,559</b>	<b>2,412</b>	<b>(147)</b>	<b>(2)</b>	<b>(145)</b>
1,608	0	Procurement	Salaries	1,608	1,590	(18)	(16)	(2)
75	0		Non-Sal Exp	75	74	(1)	0	(1)
(31)	0		Income	(31)	(36)	(5)	(5)	0
<b>1,652</b>	<b>0</b>		<b>Sub-Total</b>	<b>1,652</b>	<b>1,628</b>	<b>(24)</b>	<b>(21)</b>	<b>(3)</b>
3,127	540	Corporate Finance	Salaries	3,667	3,510	(157)	(154)	(3)
(7)	2,017		Non-Sal Exp	2,010	2,014	4	4	0
(127)	(46)		Income	(173)	(188)	(15)	(14)	(1)
<b>2,993</b>	<b>2,511</b>		<b>Sub-Total</b>	<b>5,504</b>	<b>5,336</b>	<b>(168)</b>	<b>(164)</b>	<b>(4)</b>
4,382	(30)	Revenues & Benefits	Salaries	4,352	4,496	144	146	(2)
1,841	0		Non-Sal Exp	1,841	1,744	(97)	(79)	(18)
(2,360)	150		Income	(2,210)	(2,355)	(145)	(163)	18
<b>3,863</b>	<b>120</b>		<b>Sub-Total</b>	<b>3,983</b>	<b>3,885</b>	<b>(98)</b>	<b>(96)</b>	<b>(2)</b>
1,034	(531)	Pensions, Treasury & Statutory Accounting	Salaries	503	475	(28)	(28)	0
2,234	(2,004)		Non-Sal Exp	230	224	(6)	(5)	(1)
(340)	35		Income	(305)	(305)	0	0	0
<b>2,928</b>	<b>(2,500)</b>		<b>Sub-Total</b>	<b>428</b>	<b>394</b>	<b>(34)</b>	<b>(33)</b>	<b>(1)</b>
11,093	848	Finance Directorate	Salaries	11,941	11,857	(84)	(98)	14
5,547	(31)		Non-Sal Exp	5,516	5,433	(83)	(51)	(32)
(3,517)	186		Income	(3,331)	(3,635)	(304)	(167)	(137)
<b>13,123</b>	<b>1,003</b>		<b>Total</b>	<b>14,126</b>	<b>13,655</b>	<b>(471)</b>	<b>(316)</b>	<b>(155)</b>

**Business Assurance (£147k underspend, £145k improvement)**

60. Business Assurance has finished the year with an underspend of £147k, which represents an improvement of £145k on the Month 11 position. The Leader agreed a business case in December 2017 to restructure the Counter Fraud team and to realign the proportion charged to the HRA to be more reflective of the work undertaken. This business case has been implemented and the increased recharge to the HRA has been budgeted for 2018/19. As the current work of the team was reviewed as part of this business case, it was identified that the

charge to the HRA for the current year's workload was understated and this has now been resolved.

#### **Procurement (£24k underspend, £4k improvement)**

61. The outturn position for Procurement is an underspend of £21k, which is a minor improvement of £4k on the Month 11 position. The £24k underspend position has been principally achieved through part year vacancies and maternity leave posts being managed within existing resources. The overachievement of income reflects a rebate against council-wide pcard expenditure.

#### **Corporate Finance (£168k underspend, £4k improvement)**

62. Corporate Finance is reporting an underspend of £168k for 2017/18, a £4k improvement on the previous month, primarily due to revised staffing costs. The overall staffing underspend reflects implementation of the Finance Phase 1 business case delivering MTFF savings in 2018/19, with the anticipated overachievement of income relating to S46 Receivership Fees.

#### **Revenues & Benefits (£98k underspend, £2k improvement)**

63. Revenues and Benefits is reporting a small improvement of £2k on the month 11 position, resulting in an underspend on the year of £98k. Within the position, staffing pressures reflect the cost of temporary agency workers employed on a performance based scheme, which aims to cut down fraud and reduce errors in Housing Benefit claims, funded directly from grant contributions as shown by the increased income.

#### **Pensions, Treasury & Statutory Accounting (£34k underspend, £1k improvement)**

64. Pensions, Treasury and Statutory Accounting is reporting a final position of £34k for the year, representing a small improvement of £1k on the month 11 position following confirmed grant audit costs. The favourable position is primarily due a vacant post held within the team.
65. The full £856k Finance savings proposed as part of the MTFF 2017/18 have been banked.

**Table 9: Finance Development & Risk Contingency**

Original Budget	Budget Changes	Development & Risk Contingency	Outturn		Variance (Outturn)	Variance (As at Month 11)	Movement from Month 11
			Revised Budget	Forecast Outturn			
£'000	£'000		£'000	£'000	£'000	£'000	£'000
291	0	Uninsured claims	291	291	0	0	0
291	0	<b>Current Commitments</b>	291	291	0	0	0

66. The Development and Risk Contingency budget for Uninsured Claims is requested to be fully drawn down to cover the costs of providing Insurance. Contingency budget, alongside base budget of £359k is required to fully cover the cost of General Fund insurance claim payments below excess limits. Expenditure variances beyond this level can be managed from existing insurance reserves.

#### **RESIDENTS SERVICES (£607k underspend, £188k improvement)**

67. Residents Services directorate reported an underspend of £607k at outturn, excluding pressure areas provided for in contingency.

**Table 10: Residents Services Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Outturn £'000			
15,219	1,348	Infrastructure, Waste and ICT	Salaries	16,567	16,058	(509)	(711)	202
31,833	3,707		Non-Sal Exp	35,540	36,694	1,154	899	255
(9,790)	(702)		Income	(10,492)	(11,595)	(1,103)	(339)	(764)
<b>37,262</b>	<b>4,353</b>		<b>Sub-Total</b>	<b>41,615</b>	<b>41,157</b>	<b>(458)</b>	<b>(151)</b>	<b>(307)</b>
16,922	(433)	Housing, Environment, Education, Health & Wellbeing	Salaries	16,489	16,359	(130)	(366)	236
23,024	1,398		Non-Sal Exp	24,422	26,250	1,828	1,494	334
(16,874)	(853)		Income	(17,727)	(19,200)	(1,473)	(1,159)	(314)
<b>23,072</b>	<b>112</b>		<b>Sub-Total</b>	<b>23,184</b>	<b>23,409</b>	<b>225</b>	<b>(31)</b>	<b>256</b>
7,430	(3,731)	Planning, Transportation & Regeneration	Salaries	3,699	3,713	14	42	(28)
1,901	(1,132)		Non-Sal Exp	769	1,161	392	322	70
(6,397)	3,030		Income	(3,367)	(3,795)	(428)	(445)	17
<b>2,934</b>	<b>(1,833)</b>		<b>Sub-Total</b>	<b>1,101</b>	<b>1,079</b>	<b>(22)</b>	<b>(81)</b>	<b>59</b>
1,777	(252)	Performance & Improvement	Salaries	1,525	1,485	(40)	(21)	(19)
160	0		Non-Sal Exp	160	160	0	6	(6)
(270)	252		Income	(18)	(25)	(7)	(4)	(3)
<b>1,667</b>	<b>0</b>		<b>Sub-Total</b>	<b>1,667</b>	<b>1,620</b>	<b>(47)</b>	<b>(19)</b>	<b>(28)</b>
10,766	1,891	Administrative, Technical & Business Services	Salaries	12,657	11,408	(1,249)	(992)	(257)
809	2,855		Non-Sal Exp	3,664	4,122	458	322	136
(3,660)	(6,770)		Income	(10,430)	(9,944)	486	533	(47)
<b>7,915</b>	<b>(2,024)</b>		<b>Sub-Total</b>	<b>5,891</b>	<b>5,586</b>	<b>(305)</b>	<b>(137)</b>	<b>(168)</b>
52,114	(1,177)	Residents Services Directorate	Salaries	50,937	49,023	(1,914)	(2,048)	134
57,727	6,828		Non-Sal Exp	64,555	68,387	3,832	3,043	789
(36,991)	(5,043)		Income	(42,034)	(44,559)	(2,525)	(1,414)	(1,111)
<b>72,850</b>	<b>608</b>		<b>Total</b>	<b>73,458</b>	<b>72,851</b>	<b>(607)</b>	<b>(419)</b>	<b>(188)</b>

68. The overall variance is a result of staffing underspends across the directorate, with these favourable variances offset in part by pressures in fleet management, as well as parking income shortfalls at Cedars and Grainges car parks and in Imported Food sampling.
69. The Council's 2017/18 contingency budget contained provision for areas of expenditure or income within Residents Services for which there was a greater degree of uncertainty. At outturn, the required contingency call was £309k below the budgeted position. The position against these contingency items is shown in Table 11 below.



**Table 11: Development and Risk Contingency**

Original Budget	Budget Changes	Development & Risk Contingency	Outturn		Variance (Outturn)	Variance (As at Month 11)	Movement from Month 11
			Revised Budget	Outturn			
£'000	£'000		£'000	£'000	£'000	£'000	£'000
1,736	0	Impact of Welfare Reform on Homelessness	1,736	1,736	0	0	0
3,522	(2,728)	Waste Disposal Levy & Associated Contracts	794	485	(309)	(309)	0
100	0	High Speed 2 Challenge Fund	100	100	0	0	0
200	0	Heathrow Expansion Challenge Fund	200	200	0	0	0
<b>5,558</b>	<b>(2,728)</b>	<b>Current Commitments</b>	<b>2,830</b>	<b>2,521</b>	<b>(309)</b>	<b>(309)</b>	<b>0</b>

70. As in previous years, a contingency was set aside in 2017/18 to resource the need for Temporary Accommodation in the borough. The call on contingency relating to homelessness at outturn remained as per prior projections of £1,736k, which is equal to the budgeted provision.
71. Increased prevention and move-on activity has resulted in the service not having to drawdown on either the Housing Incentives earmarked reserve or the grant funding as heavily as anticipated to deal with homelessness accommodation related cost pressures.
72. Drawdown of £2,728k was approved by Cabinet from the contingency of £3,522k set aside to fund estimated increases in waste tonnages via the levy. At outturn, the required drawdown of £485k remains consistent with previous forecasts supplied through monthly monitoring.
73. The outturn data in Table 3 below shows a reduction from the previously reported B&B and temporary accommodation figures earlier in the financial year, following the impact of increased prevention work. The reducing number of Households in higher cost Bed & Breakfast accommodation is in line with MTFF assumptions made by officers in modelling Supply and Demand, with the fluctuation in demand managed with existing budgets.

**Table 12: Housing Needs performance data**

	2017/18		
	January	February	March
Homeless Threat, Priority Need & Eligible	101	117	84
Presenting As Homeless	37	21	57
Duty Accepted	16	18	19
<b>Households in Temporary Accommodation</b>	535	526	538
<b>Households in B&amp;B</b>	160	150	161

### Infrastructure, Waste and ICT (£458k underspend, £307k improvement)

74. At outturn the service reported an underspend of £458k, a £307k favourable movement against the M11 forecast.
75. The movement relates to finalisation of provisions (£171k favourable) following completion of the net 2018/19 provision requirements; facilities management (£123k favourable), including improvement in Civic Centre running costs and confirmation of costs for Traveller Incursions.

This was netted down by contributions made to earmarked reserves to protect the council against future risk in respect of existing contracts across a number of service areas.

- 76. There was an improvement in the overall contract spend in respect of ICT and printing of £204k and an £85k improvement in the overall Fleet management position, reducing the overspend for this service.
- 77. Other improvements in the final outturn related to favourable income movements in respect of income refunds and an improvement in the bad debt provision requirement.

**Housing, Environment, Education, Health & Wellbeing (£225k overspend, £256k adverse movement)**

- 78. There was an overspend of £225k at outturn, representing a net adverse movement of £256k.
- 79. There was an outturn underspend of salaries across the group of £130k, an adverse movement of £236k. The movement reflects lower vacancy levels in libraries and grounds maintenance than forecast alongside some additional costs of agency and sessional staff in these services, reflecting seasonal variations in the service. The balance of the adverse movement was attributable to increased equipment maintenance costs.

**Planning, Transportation & Regeneration (£22k underspend, £59k adverse movement)**

- 80. There was an underspend of £22k at outturn, representing a net adverse movement of £59k on the Month 11 projection.
- 81. There was a £70k adverse movement in the non-staffing position, represented primarily by higher contract costs in planning as a result of increased activity in quarter 4 of the year, plus a net pressure on planning appeals. The service experienced a net adverse movement in CIL admin income at outturn.

**Performance & Improvement (£47k underspend, £28k improvement)**

- 82. There was an underspend of £47k at outturn, representing a net favourable movement of £28k on the Month 11 projection.
- 83. This resulted from a favourable movement in the staffing forecast of £19k following one post in Business Performance Team remaining vacant and within the service (£60k favourable), netted down by agency costs in the Communications team of (£41k adverse).
- 84. There was an improvement in the non-staffing variance of £6k, attributable to a reduction in printing costs (£3k) as well as smaller reductions across training, subscriptions and advertising budget lines. There was also a £3k improvement at outturn in Hillingdon People advertising income.

**Administrative, Technical & Business Services (£297k underspend, £160k improvement)**

- 85. There was an underspend of £297k at outturn, representing a net favourable movement of £160k on the Month 11 projection. There was an outturn underspend of £1,240k on staffing budgets across the service. The majority of the underspend resided within Technical Administration and Business Support, as well as in the Contact centre. These services have traditionally experienced both high staff turnover and recruitment delays resulting in vacant posts and the resulting underspends against budget.

86. The Imported Food income pressure at outturn was £486k, although there was an improvement in Products of Animal Origin (POAO) income of £64k from the M11 forecast as a result of the impact of revised fees & charges, partly netted down by an adverse movement in inspection fees for non-POAO products (£15k). For Uxbridge car parks, there was a £435k (£43k favourable) income shortfall for Cedars & Grainges at outturn; £62k pressure (£31k favourable) relating to IT costs (non-TfL/School Keep Clear funded CCTV camera expenditure); £75k for Cedars/Grainges PoF contractors (£10k favourable) and a £45k pressure for Pay & Display machine repairs & anti-vandal plates. These are netted down by wider parking income streams including the Parking Revenue Account).

## SOCIAL CARE (£842k underspend, £445k improvement)

87. Social Care's final outturn position was an underspend of £842k, an improvement of £445k on the Month 11 position, due primarily to an increase in recharges to the Housing Revenue Account (HRA), reflecting the agreed approach taken for 2018/19 following a BID review of a number of Social Care Services, which provide sustainable tenancy support. The year-end position related to an underspend of £910k on staffing costs, where the service had a number of posts vacant throughout the year, which were not covered by agency assignments and an underspend of £264k on non staffing costs, reflecting the increase in the recharges to the HRA. This was netted down by an underachievement of £332k in income, due primarily to a reduced level of recharges to the Dedicated Schools Grant for the Educational Psychological Service.

**Table 13: Social Care Operating Budgets**

Original Budget	Budget Changes	Service		Outturn		Variance (Outturn)	Variance (As at Month 11)	Movement from Month 11
£'000	£'000			Revised Budget £'000	Forecast Outturn £'000	£'000	£'000	£'000
13,299	244	Children's Services	Salaries	13,543	13,963	420	436	(16)
12,635	4,873		Non-Sal Exp	17,508	17,767	259	200	59
(7,804)	815		Income	(6,989)	(6,785)	204	49	155
<b>18,130</b>	<b>5,932</b>		<b>Sub-Total</b>	<b>24,062</b>	<b>24,945</b>	<b>883</b>	<b>685</b>	<b>198</b>
7,784	141	Early Intervention, Prevention & SEND	Salaries	7,925	7,197	(728)	(412)	(316)
6,257	(80)		Non-Sal Exp	6,177	6,107	(70)	(104)	34
(2,370)	(308)		Income	(2,678)	(2,291)	387	396	(9)
<b>11,671</b>	<b>(247)</b>		<b>Sub-Total</b>	<b>11,424</b>	<b>11,013</b>	<b>(411)</b>	<b>(120)</b>	<b>(291)</b>
4,597	(96)	Older People & Physical Disabilities Service	Salaries	4,501	4,237	(264)	(245)	(19)
34,209	3,481		Non-Sal Exp	37,690	37,757	67	161	(94)
(11,146)	(750)		Income	(11,896)	(11,918)	(22)	(3)	(19)
<b>27,660</b>	<b>2,635</b>		<b>Sub-Total</b>	<b>30,295</b>	<b>30,076</b>	<b>(219)</b>	<b>(87)</b>	<b>(132)</b>
11,537	(517)	Adult Social Care - Provider & Commissioned Care	Salaries	11,020	10,718	(302)	(329)	27
5,874	674		Non-Sal Exp	6,548	6,239	(309)	(282)	(27)
(590)	(32)		Income	(622)	(575)	47	30	17
<b>16,821</b>	<b>125</b>		<b>Sub-Total</b>	<b>16,946</b>	<b>16,382</b>	<b>(564)</b>	<b>(581)</b>	<b>17</b>
4,341	(603)	Learning Disability and Mental Health Service	Salaries	3,738	3,694	(44)	(33)	(11)
29,435	4,121		Non-Sal Exp	33,556	33,334	(222)	(61)	(161)
(5,264)	(1,239)		Income	(6,503)	(6,787)	(284)	(205)	(79)
<b>28,512</b>	<b>2,279</b>		<b>Sub-Total</b>	<b>30,791</b>	<b>30,241</b>	<b>(550)</b>	<b>(299)</b>	<b>(251)</b>
320	(110)	Directorate & Support Services	Salaries	210	218	8	5	3
(670)	423		Non-Sal Exp	(247)	(236)	11	0	11
(376)	376		Income	0	0	0	0	0
<b>(726)</b>	<b>689</b>		<b>Sub-Total</b>	<b>(37)</b>	<b>(18)</b>	<b>19</b>	<b>5</b>	<b>14</b>
41,878	(941)	<b>Social Care Directorate Total</b>	Salaries	40,937	40,027	(910)	(578)	(332)
87,740	13,492		Non-Sal Exp	101,232	100,968	(264)	(86)	(178)
(27,550)	(1,138)		Income	(28,688)	(28,356)	332	267	65
<b>102,068</b>	<b>11,413</b>		<b>Total</b>	<b>113,481</b>	<b>112,639</b>	<b>(842)</b>	<b>(397)</b>	<b>(445)</b>

## SOCIAL CARE DEVELOPMENT AND RISK CONTINGENCY (£760k overspend, no change)

88. The Council's 2017/18 Development and Risk Contingency included a provision for areas of expenditure within Social Care for which there was a greater degree of uncertainty and relates to in year demographic changes, including Asylum seekers and SEN Transport. Table 14 sets out the final outturn position for the Development and Risk Contingency, which is reporting an overspend of £760k, no change on the month 11 position.

**Table 14: Social Care Development & Risk Contingency**

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
			Revised Budget £'000	Outturn £'000			
1,648	0	Asylum Service	1,648	1,970	322	322	0
5,298	(5,038)	Demographic Growth - Looked After Children	260	1,465	1,205	1,205	0
277	0	Social Worker Agency Contingency	277	277	0	0	0
184	0	SEN transport - Contingency	184	248	64	64	0
2,910	(1,699)	Demographic Growth - Transitional Children	1,211	880	(331)	(331)	0
785	(432)	Demographic Growth - Adults	353	0	(353)	(353)	0
197	0	Winterbourne View	197	50	(147)	(147)	0
759	(759)	Deprivation of Liberty Safeguards	0	0	0	0	0
<b>12,058</b>	<b>(7,928)</b>	<b>Current Commitments</b>	<b>4,130</b>	<b>4,890</b>	<b>760</b>	<b>760</b>	<b>0</b>

**Asylum Service (£322k overspend, no change)**

89. The service drew down £1,970k from the contingency, an overspend of £322k, no change from the Month 11 position. This reflects the impact of a drop in grant income as there were a high proportion of Unaccompanied Asylum Seeking Children (UASC) who turned 18 during the 2017/18 financial year, where the grant funding is less than that provided for under 18's. Additionally, with the introduction of the National Transfer Agreement in 2016, the number of under-18 UASC grew at a much lower rate.

**Demographic Growth - Looked After Children (£1,205k overspend, no change)**

90. The service drew down £1,465k from the Contingency, £1,205k above the budget, no change from the Month 11 position. The overspend reported predominantly related to the cost of CWD placements and the cost of adoption, where the Service had to place children outside of the Borough.

**Social Worker Agency (Children's) (Nil variance, no change)**

91. This contingency provided funding to cover the additional cost of using agency staff whilst the service undertook recruitment activity. For the 2017/18 financial year it was assumed that the service would operate at a level of 90% of posts filled by permanent staff and 10% filled by agency staff. However, the recruitment of Social Workers continues to be very competitive, and as a consequence, the permanency rate for the year was approximately 80%. Therefore, the full drawdown of this contingency was required.

### **Demographic Growth - SEN Transport (£64k overspend, no change)**

92. The service drew down £248k from the SEN Transport contingency, £64k above the budget, no change on the month 11 forecast. The pressure on this budget corresponds to the increase experienced in the number of children requiring an Education, Health and Care Plan (EHCP), which was in excess of a 15% increase in the number of pupils.

### **Demographic Growth - Transitional Children (£331k underspend, no change)**

93. The service drew down £880k from the Transitional Children contingency, £331k below the budget, no change on the month 11 position. The underspend is as a result of transition clients entering the service at lower than anticipated costs as they have remained in education settings for longer periods, part of which is funded from the Dedicated Schools Grant up to and including the age of 24.

### **Demographic Growth - Adults Placements (£353k underspend, no change)**

94. The service did not need to drawdown funds from the Adults Placements contingency, which resulted in the £353k underspend, no change on the Month 11 position. The main reason for this is primarily due to ongoing process improvements for placements, including timely assessment and recognition of external funding streams, combined with reduced demand for Physical Disability client placements. It should however be recognised that the adult population is still growing and that more eligible people still require care, however, these care needs are being met in a different way, which in most cases will be at a lower cost than previous clients.

### **Winterbourne View (£147k underspend, no change)**

95. The service drew down £50k from the Winterbourne View contingency, £147k below the budget as most of these clients attracted funding from the CCG.

## **DIRECTORATE OPERATING BUDGETS**

### **Children's Services (£883k overspend, £198k adverse movement)**

96. The service overspent by £883k, an adverse movement of £198k from the Month 11 position, which reflects the year-end review of the debt position with a number of historical irrecoverable rent accounts written-off in combination with increased legal costs for some legacy cases.
97. The main reason for the overspend related to the cost and use of agency staff, that were required to cover essential social worker posts, the costs associated with temporary bed and breakfast accommodation, which is a requirement under Section 17 of The Children Act 1989, to support families with children that have become homeless and legal costs relating to a number of legacy cases.

### **Early Intervention, Prevention & SEND (£411k underspend, £291k improvement)**

98. The service underspent by £411k, an improvement of £291k on the Month 11 position, due to an improvement in the staffing costs, where agency staff were either not required or could not be provided across a range of services.
99. The final position related to an underspend of £728k on staffing costs, due to a number of vacant posts not being covered by agency staff and an underspend on non-staffing costs of £70k due to management action being taken to restrict discretionary spend. This was netted

down by a shortfall of £387k in income, due to a reduction in funding received from the Dedicated Schools Grant for the Educational Psychology Service, where the service had difficulties recruiting Educational Psychologists.

#### **Older People and Physical Disabilities (£219k underspend, £132k improvement)**

100. The service underspent by £219k, an improvement of £132k on the Month 11 position, primarily due to an increase in recharges to the HRA, relating to those services that provide sustainable tenancy support. This related to an underspend of £264k on staffing, where the service had a number of staff vacancies, and a small overachievement in income of £22k, netted down by an overspend on non-staffing of £67k, where the service entered into a contract for the provision of Occupational Therapy.

#### **Adult Social Care - Provider and Commissioned Care (£564k underspend, £17k adverse movement)**

101. The service underspent by £564k, an adverse movement of £17k on the Month 11 position. This related to an underspend of £302k on staffing costs, due to recruitment difficulties within the Reablement Team, posts that were vacant for part of the year in the Positive Behaviour Support Team and recruitment to the new structure taking longer than anticipated. Additionally, the non-staffing budget underspent by £309k, which predominantly related to a review of a number of contracts.

#### **Learning Disability and Mental Health (£550k underspend, £251k improvement)**

102. The service underspent by £550k, an improvement of £251k on the Month 11 position, primarily due to an increase in recharges to the HRA, relating to those services that provide sustainable tenancy support.
103. The year-end position is due to an underspend of £44k on staffing costs, where the service had a number of staff vacancies, an underspend of £222k on non-staffing costs, the majority of which related to additional recharges to the HRA and additional income from external bodies of £284k.

#### **Directorate & Support (£19k overspend, £14k adverse movement)**

104. The Directorate budget overspent by £19k, an adverse movement of £14k on the Month 11 position, due to incurring some minor non-staffing costs.

## Appendix B – Other Funds

### SCHOOLS BUDGET

#### Dedicated Schools Grant (£2,989k overspend, £618k adverse movement)

105. The Dedicated Schools Grant (DSG) outturn position is an in-year overspend of £2,989k, an adverse movement of £618k from the month 11 position. This is due predominantly to continuing pressures in the cost of High Needs, particularly post-16 pupils, along with an increase in the projected number of children accessing the free entitlement for 2 year olds and 3 & 4 year olds. When the £1,136k deficit brought forward from 2016/17 is taken into account the deficit to carry forward to 2018/19 is £4,125k.

**Table 15: DSG Income and Expenditure 2017/18**

Original Budget	Budget Changes	Funding Block	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
(148,436)	5,690	<b>Dedicated Schools Grant Income</b>	(142,746)	(142,763)	(17)	0	(17)
112,811	(5,490)	<b>Delegated to Schools</b>	107,321	107,632	311	162	149
3,971	(341)	<b>Early Years</b>	3,630	3,704	74	44	30
3,889	0	<b>Centrally Retained</b>	3,889	4,162	273	73	200
27,265	141	<b>High Needs</b>	27,406	30,254	2,848	2,592	256
<b>(500)</b>	<b>0</b>	<b>Total Funding Blocks</b>	<b>(500)</b>	<b>2,989</b>	<b>3,489</b>	<b>2,871</b>	<b>618</b>
<b>500</b>	<b>0</b>	<b>Retained Balance</b>	<b>500</b>	<b>0</b>	<b>(500)</b>	<b>(500)</b>	<b>0</b>
<b>(0)</b>	<b>0</b>	<b>Total Schools Budget</b>	<b>0</b>	<b>2,989</b>	<b>2,989</b>	<b>2,371</b>	<b>618</b>
0	0	Balance Brought Forward 1 April 2017	1,136	1,136			
0	0	<b>Balance Carried Forward 31 March 2018</b>	<b>1,136</b>	<b>4,125</b>			

#### Dedicated Schools Grant Income (£17k underspend, £17k improvement)

106. The underspend relates to the Early Years Pupil Premium where the grant allocation was slightly higher than the amount of eligible children identified by early years settings. The budget has been realigned to reflect the final DSG allocation following adjustments to reflect the two school conversions to academy status which took place on the 1 September 2017.

#### Delegated to Schools (£311k overspend, £149k adverse movement)

107. The overspend is as a consequence of the £1.42m funding reduction which was made to the Early Years block funding in July 2017. It had been hoped that it would be possible to absorb this reduction in the current year but the increase in the number of three and four year olds accessing the free hours in the spring term has led to an overspend in this area.
108. It has been estimated that additional funding will be received to partly off-set this increase when the Early Years block funding for 2017/18 is adjusted in July 2018 and this additional income has been accounted for in the current year

#### Early Years (£74k overspend, £30k adverse movement)

109. Two year old funding was reduced by £341k in July 2017 following a reduction in the number of children accessing the entitlement based on the January 2017 census. It was anticipated



that this funding reduction could be absorbed in the current year, however the number of eligible children accessing the entitlement increased which has led to an overspend. An income accrual has been included to take account of the estimated adjustment to the 2017/18 funding which will take place in July 2018 based on numbers recorded in the January 2018 census.

110. The Early Years Centres ended the year with a £155k overspend due to a shortfall in the levels of income being generated. The overspend was lower than projected in previous months following rebates received relating to the catering contract.
111. The overspends are offset by a £168k underspend in the two year old capacity grant funding following a significant reduction in the number of settings applying for grant funding in 2017/18. This is despite the criteria being extended to include early years settings requiring adaptations in order to provide the additional 15 hours free entitlement for 3 & 4 year olds. This budget has been removed in 2018/19 following the requirement to find savings within the centrally retained DSG.
112. The Early Years Psychology team underspent by £82k due to uncertainty regarding the delivery model and the capacity of the team to deliver services to the Early Years sector. The projection in previous months was based on the amount of educational psychology time that was allocated to Early Years in 2016/17, though the actual spend was lower given the current capacity of the team.
113. There is a £72k underspend across the Early Years Advisory and Family Information Services, both of which currently have vacancies. In addition there is also a £69k underspend in the vulnerable children funding.

#### **Centrally Retained (£273k overspend, £200k adverse movement)**

114. The Growth Contingency fund overspent by £208k due to an increase in the diseconomies funding requirement for one of the basic need academies, where they had lower than expected pupil numbers.
115. The increase in overspend when compared to month 11 follows confirmation from the ESFA that the copyright licences should be charged to the centrally retained DSG.
116. A further increase in the number of pupil exclusions has resulted in £132k of income as the local authority is able to reclaim some funding from schools relating to excluded pupils. This funding has been used to partly off-set the increase in funding paid to the in-borough alternative provision setting as a consequence of them being over planned place numbers.
117. There were also underspends in the School Procurement service following the secondment of one of the team from November onwards and the Admissions team due to a current vacant post.

#### **High Needs (£2,848k overspend, £256k adverse movement)**

118. The High Needs funding block overspent by £2,848k, an adverse movement of £256k on the Month 11 projections. The adverse movement is predominantly linked to an increase in the expenditure on post-16 pupils with SEN. It had been hoped that the post-16 costs could be negotiated down further but due to the increase in the number of young people with additional needs attending college placements this was not possible.
119. There was an overspend on the placement of pupils with SEN in independent or non-maintained schools. The High Needs budget included a savings target within the budget for

Independent and non-maintained school SEN placements which was dependant on a number of pupils leaving at the end of the summer term 2017 and new placements not being made. However, a number of placements were made from September 2017, resulting in additional pressure on the High Needs block.

120. The high needs overspend includes additional expenditure to cover the cost of an increase in pupils attending in-borough alternative provision. The unit has a planned place number of 70, however recent pupil numbers have been in excess of this following an increase in exclusions across the borough. Income has been received from schools that have excluded pupils, which has partly off-set this pressure.
121. There is a further overspend relating to the cost of young people being temporarily educated in independent hospital settings. The local authority has very little control over these placements as they often occur with short notice following emergency intervention.
122. The above budget pressures have been partly off-set by underspends in the DSG contribution to the non-statutory work of the Educational Psychology team where the service has found it challenging to recruit and retain Educational Psychologists (there is a national shortage of qualified Educational Psychologists), in the SEN support services as a result of vacant posts and in the SEN Inclusion grant expenditure where the full £200k budget was not fully allocated in 2017/18.

### **School Academy Conversions**

123. The Academies Act 2010, allows schools to convert to academy status and by doing so will receive funding directly from the Education & Skills Funding Agency (ESFA). Schools can convert at any point in the year, once they have converted, a number of adjustments are required to realign the DSG income budget and the amount delegated to maintained schools. There were two maintained primary schools which converted on 1 September 2017.

### **Maintained School Balances & Budgets**

124. A review of balances at the end of the 2017/18 financial year identified four schools which ended the year in deficit. Any schools that fall into deficit are subject to more focused monthly monitoring by LA officers to ensure that everything possible is being done to address the situation.
125. Maintained schools ended the 2017/18 financial year with a cumulative closing surplus balance of £10.1m (revenue & capital). This was a £0.9m decrease from the adjusted previous year total (the two academy converters have been removed from the 2017/18 figures), which is due to one particular school. Despite the relatively healthy total balance, there is a wide spread with a number of schools having low balances that are expected to experience financial difficulties in 2018/19 due to reductions in pupil numbers and funding not keeping up with actual year-on-year increases in costs.
126. The table below provides an update on the financial position of schools maintained by the Council (this excludes academy schools), based on school outturns for 2016/17 and 2017/18.

<b>School Type</b>	<b>Total Number of Schools</b>	<b>Number of Schools In Deficit 2017/18</b>	<b>Value of Deficit 2017/18 £000</b>	<b>Number of Schools In Deficit 2016/17</b>	<b>Value of Deficit 2016/17 £000</b>
Nursery	1	0	0	0	0
Primary	49	3	83	2	35
Secondary	2	1	2,475	1	1,549
Special	2	0	0	0	0
<b>Total</b>	<b>54</b>	<b>4</b>	<b>2,558</b>	<b>3</b>	<b>1,583</b>

127. A significant number of schools submitted budgets for the 2017/18 financial year with an in-year deficit, resulting in a budgeted reduction in school revenue balances of £6.1m for 2017/18. In the majority of cases the outturn position was much improved compared to the budget, however over half of the schools did end the year with an in-year deficit. This is a concern as the use of balances is one-off and continued in-year deficits are unsustainable in the medium term. The Schools Finance team are currently working with schools to set realistic balanced budgets for 2018/19 which, despite an increase in Schools Block funding, for some schools is proving a challenge.

## COLLECTION FUND (£2,670k surplus, £49k adverse movement)

128. 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. A headline surplus of £2,670k is reported on the Council's share of Collection Fund activity for 2017/18, an adverse movement of £49k from the previously reported position. The surplus is made up of a £3,179k surplus on Council Tax and £509k pressure on the retained share of Business Rates. The surplus will be released to support the Council's General Fund budget in 2018/19.

**Table 16: Collection Fund**

Original Budget £'000	Budget Changes £'000	Service		Outturn		Variance (Outturn) £'000	Variance (As at Month 11) £'000	Movement from Month 11 £'000
				Revised Budget £'000	Forecast Outturn £'000			
(119,465)	0	Council Tax	Gross Income	(119,465)	(120,639)	(1,174)	(970)	(204)
11,266	0		Council Tax Support	11,266	11,265	(1)	(1)	0
(500)	0		B/fwd Surplus	(500)	(2,504)	(2,004)	(2,004)	0
<b>(108,699)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(108,699)</b>	<b>(111,878)</b>	<b>(3,179)</b>	<b>(2,975)</b>	<b>(204)</b>
(105,520)	249	Business Rates	Gross Income	(105,271)	(104,909)	362	(17)	379
(2,350)	523		Section 31 Grants	(1,827)	(1,914)	(87)	(214)	127
51,412	0		Less: Tariff	51,412	51,412	0	0	0
6,217	(772)		Less: Levy	5,445	5,271	(174)	79	(253)
(2,000)	0		B/fwd Surplus	(2,000)	(1,592)	408	408	0
<b>(52,241)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(52,241)</b>	<b>(51,732)</b>	<b>509</b>	<b>256</b>	<b>253</b>
<b>(160,940)</b>	<b>0</b>	<b>Total Collection Fund</b>		<b>(160,940)</b>	<b>(163,610)</b>	<b>(2,670)</b>	<b>(2,719)</b>	<b>49</b>

129. Council Tax has improved by £204k from Month 11, mainly as a result of improvements in gross income collected from taxpayers. The overall position on Council Tax is driven by the £2,004k from the release of historic provisions for doubtful debt following the adoption of an improved accounting methodology from 2016/17.

130. Similarly the £509k pressure on Business Rates is largely as a result of the £408k pressure against the brought forward £2,000k surplus from an increase in Empty Property Relief awarded during 2016/17. The £253k adverse movement from Month 11 in Business Rate is due primarily to the impact of backdated reductions in Rateable Value of properties in the borough.

## Appendix C – HOUSING REVENUE ACCOUNT

131. As at 31st March 2018 the Housing Revenue Account (HRA) General Balance is £37,108k and the Major Repairs Reserve (MRR) is £18,463k.

132. Overall the HRA shows an in-year drawdown of reserves of £8,718k compared to a budgeted £11,664k drawdown of reserves, an underspend of £2,946k for the year and a favourable movement of £336k from Month 11. The table below presents key variances by service area.

**Table 17: Housing Revenue Account**

Service	Outturn		Variance (+ adv / - fav)		
	Revised Budget	Outturn	Variance (Outturn)	Variance (As at Month 11)	Movement from Month 11
	£'000	£'000	£'000	£'000	£'000
Rent Income	(55,064)	(55,696)	(632)	(593)	(39)
Other Income	(5,494)	(4,914)	580	413	167
<b>Net Income</b>	<b>(60,558)</b>	<b>(60,610)</b>	<b>(52)</b>	<b>(180)</b>	<b>128</b>
Housing Management	12,214	12,742	528	586	(58)
Tenant Services	4,973	4,484	(489)	(499)	10
Repairs	5,033	4,887	(146)	(169)	23
Planned Maintenance	4,906	3,089	(1,817)	(1,941)	124
Capital Programme Funding	28,237	28,237	0	0	0
Interest & Investment Income	15,121	15,270	149	103	46
Development & Risk Contingency	1,738	619	(1,119)	(510)	(609)
<b>Operating Costs</b>	<b>72,222</b>	<b>69,328</b>	<b>(2,894)</b>	<b>(2,430)</b>	<b>(464)</b>
<b>(Surplus) / Deficit</b>	<b>11,664</b>	<b>8,718</b>	<b>(2,946)</b>	<b>(2,610)</b>	<b>(336)</b>
General Balance 01/04/2017	(45,826)	(45,826)	0	0	0
<b>General Balance 31/03/2018</b>	<b>(34,162)</b>	<b>(37,108)</b>	<b>(2,946)</b>	<b>(2,610)</b>	<b>(336)</b>

### Income

133. Rental Income shows a favourable movement of £39k and reflects actual rental income from tenants being higher than the Month 11 forecast. Other Income shows an adverse movement of £167k from Month 11 mainly due to the reduction in leaseholders' income from capital projects.

134. The number of RTB applications received in 2017/18 was 166, whilst in 2016/17 it was 279, a reduction of 40%. The number of RTB completions in 2017/18 was 64, a reduction of 1 compared to the Month 11 forecast of 65 and a reduction of 51 compared to the 115 assumed in the budget. The RTB completions of 64 in 2017/18 represents a reduction of 35% compared to 99 RTB completions in 2016/17. Both the reduction in RTB applications and completions is indicative of affordability issues in the housing market.

## Expenditure

135. The Housing management service improved by £58k compared to Month 11. This includes a favourable movement of £484k relating to the conclusion of the Triscott House dispute, which is offset by adverse movements in the realignment of the funding of housing support costs between the HRA and the General Fund £282k, running costs including central recharges £89k and utilities £55k.
136. There is a minor adverse movement of £10k in tenancy services.
137. There is an adverse movement of £23k in the repairs service due to an increase in reactive void repairs £96k, which is offset by an increase in income from rechargeable repairs of £73k. There is an adverse movement of £124k in planned maintenance, compared to Month 11, mainly due to more work being completed in 2017/18 than forecast last month relating to fencing £101k and external decorations £30k, netted down by minor underspends of £7k.
138. The interest and investment income movement compared to Month 11 is adverse by £46k due to actual interest earned on HRA balances being lower than forecast.
139. The development and risk contingency is underspent by £1,119k, a favourable movement of £609k on Month 11, mainly due to a favourable movement on the bad debt provision. The cumulative balance of the bad debt provision as at 31st March 2018 is £1,707k which represents 62% of overall arrears.

## HRA Capital

140. The HRA capital programme is set out in the table below and the 2017/18 revised budget is £78,696k.

**Table 18: HRA Capital Expenditure**

2017/18 HRA Capital Expenditure Outturn					Analysis of 2017/18 Variance	
Programme	Revised Budget	Actuals	Variance	Move-ment from M11	Cost Variance	Rephasing into Future Years
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Major Projects</b>						
New General Needs Housing Stock	17,470	14,219	(3,251)	(2,888)	(262)	(2,989)
New Build - Appropriation of Land	8,635	(157)	(8,792)	(157)	(157)	(8,635)
New Build – Shared Ownership	119	155	36	49	184	(148)
New Build - Supported Housing Provision	20,967	18,488	(2,479)	(1)	(798)	(1,681)
HRA General Capital Contingency	9,207	2,753	(6,454)	2,816	(46)	(6,408)
<b>Total Major Projects</b>	<b>56,398</b>	<b>35,458</b>	<b>(20,940)</b>	<b>(181)</b>	<b>(1,079)</b>	<b>(19,861)</b>
<b>Works to Stock</b>						
Works to stock programme	19,964	10,456	(9,508)	(1,026)	0	(9,508)
Major Adaptations to Property	2,334	1,346	(988)	(4)	0	(988)
<b>Total Works to Stock</b>	<b>22,298</b>	<b>11,802</b>	<b>(10,496)</b>	<b>(1,030)</b>	<b>0</b>	<b>(10,496)</b>
<b>Total HRA Capital</b>	<b>78,696</b>	<b>47,260</b>	<b>(31,436)</b>	<b>(1,211)</b>	<b>(1,079)</b>	<b>(30,357)</b>

141. The sums identified for rephasing are taken from a range of schemes within programmes at various stages of delivery. There may be a requirement to further reallocate sums across programmes as project costs and timescales are finalised during 2018/19. A significant element of this rephased sum such as on the Works to Stock programme is based on estimated costings but should it not be fully required it can provide flexibility for other HRA capital schemes such as General Needs Housing acquisitions.

## **Major Projects**

142. The 2017/18 Major Projects programme has a favourable variance of £20,940k, of which £19,861k is re-phasing whilst £1,079k represents cost underspends. The cost underspend has been adjusted from the Month 11 monitoring position to ensure sufficient budget is re-phased to deliver approved schemes over the MTFF period.
143. The movement from Month 11 is an increase of £181k in re-phasing resulting largely from the re-appropriation of the vacant commercial premises at 15 and 16 Welbeck Court, Welbeck Avenue, Hayes, as the planned residential development on the site will no longer be progressing. The remaining £24k re-phasing is a combination of the unspent acquisitions budget within the new general needs housing stock budget, offset by accelerated expenditure within the Shared Ownership schemes following greater than anticipated progress on the Woodside redevelopment. This is inclusive of the acquisition of Union Park via the use of the HRA contingency budget.

## New General Needs Housing Stock

144. There is an outturn phasing variance of £2,989k, an increased phasing variance of £2,888k compared to Month 11, on the New General Needs Housing Stock budget. This is largely as a result of the unspecified acquisitions budget remaining unspent at year end.
145. The 2017/18 outturn of £14,219k comprised a combination of acquiring the former British Legion site consisting of 13 housing units, 17 purchase and repair buyback properties and internal development.
146. The planning application was approved at Planning Committee on 20 February 2018 for the mixed development of General Needs and Shared Ownership units at the Acol Crescent site. The contractor has now completed demolition and tree removal works and the former nursery site has now been cleared.
147. The Housing programme comprising seven units of new build properties and five extensions or conversions at various sites has progressed with all the extensions and the conversion at Standale Grove complete. Works at the Coaxden Day Centre is anticipated to complete in the first quarter of 2018/19 whilst the new builds are due for completion by September 2018.
148. Lead Consultants and architects have been appointed for the three developments at Belmore allotments, Maple and Poplar Day Centre and Willow Tree. The employer's agents and appointed architects continue to work on finalising the design of the schemes. Planning applications have been submitted for both the Maple/Poplar and Willow Tree sites whilst the submission for Belmore is planned shortly, with further site investigations currently being undertaken.

## New Build - Appropriation of Land

149. There is a re-phasing of £8,635k for New Build appropriation of land for 2 sites at the former Belmore allotments and Maple / Poplar day centre. The £157k favourable movement compared to Month 11 is with respect to the re-appropriation of the aforementioned 15 and 16 Welbeck Court site.

## New Build - Shared Ownership

150. The new build shared ownership budget comprises schemes being delivered across 4 sites. The schemes at both Belmore and Maple and Poplar are being delivered concurrently with the General Needs units and are at the planning stage. These will deliver 60 units in total.
151. The Woodside Day centre redevelopment has progressed in year following approval to submit Planning Application for mixed use development of a GP surgery and 20 shared ownership flats. The Planning Application was approved at February Planning Committee and consultants are being appointed.

## New Build - Supported Housing

152. The Supported Housing Programme comprises the build of 160 mixed client group units across three different sites. The development of 14 Supported Housing units at Acol Crescent has now been removed from the programme (see paragraph 141) as there is no longer a requirement for the units. This has resulted in the forecast cost underspend of £3,675k being reported across the life of the programme, of which £798k is declared within the 2017/18 budget.
153. The delivery of the 88 unit extra care sheltered housing scheme, and dementia resource centre at Grassy Meadow is currently on programme to complete to agreed timescales. However due to adverse weather conditions and programme delays, the delivery of the 60 units at Parkview is likely to run beyond the agreed timescales.
154. The scheme at Yiewsley is a small part of a wider re-development of the whole site and is anticipated to create 12 units of supported housing. The project is at the preliminary stage of feasibility with the appointment of consultants being imminent

## HRA General Contingency

155. HRA General Contingency : A capital contingency budget of £9,207k is included within the HRA capital programme to ensure the Council retains sufficient flexibility to secure additional housing units where opportunities become available. Since the last reporting period, Cabinet approved the budget virement of £63k towards the Woodside redevelopment to meet costs incurred with the scheme in 2017/18. Further to this the contingency was utilised to complete the acquisition of 13 housing units at Union Park for a cost of £2,755k. At the year-end there is an adjusted forecast re-phasing of £6,408k into 2018/19.

## **Works to Stock**

156. The Works to Stock revised budget for 2017/18 is £19,964k and the outturn expenditure is £10,456k. The estimated phasing variance is £9,508k, across various work-streams, due to the validation, procurement and consultation timetables required to deliver these works. This represents an increase in the phasing variance of £1,026k compared to Month 11, of which the largest factor was due to continued external access being required to four high-rise blocks meaning that costs associated with scaffolding being taken down were not incurred by the end of March 2018, as had been previously forecasted..



157. The major adaptations to property has an overall favourable variance of £988k for 2017/18 as a result of the timetable required to deliver these works, an increase of £4k in the phasing variance compared to Month 11.

### **HRA Capital Financing**

158. The HRA capital programme expenditure of £47,417k was funded from £32,922k contributions from the Major Repairs Reserve and £14,495k Capital Receipts (£10,526k RTB receipts and £3,969k non RTB receipts). In addition there is an appropriation of land which reduces the capital financing requirement by £157k.
159. The application of RTB receipts fully consumed the quarterly retained tranche of receipts that were required to be used by March 2018.
160. There were 64 RTB sales completed in 2017/18 for a sales value of £11,777k. From these receipts the provisional amount the Council is able to retain for investing in housing stock regeneration is £8,385k. These funds must be spent or committed within a deadline of three years from each quarterly retained receipt.
161. The Major Repairs Reserve reduced by a net £4,685k from £23,148k as at 1st April 2017 to £18,463k as at 31st March 2018. The net reduction comprised £32,922k being applied to fund the HRA capital programme netted down by an increase of £28,237k in the Reserve funds from depreciation (£10,220k) and revenue contributions to capital (£18,017k).

## Appendix D - GENERAL FUND CAPITAL PROGRAMME

162. At outturn an underspend of £20,995k is reported on the £63,473k General Fund capital programme for 2017/18. A favourable movement of £2,049k is reported on cost variances, primarily as a result of releasing uncommitted budget where capacity already exists in 2018/19 budgets.

### Capital Programme Overview

163. The table below sets out the outturn on General Fund capital projects, with project level detail contained in annexes A - D to this report. General Fund capital expenditure outturn totalled £42,478k against a revised budget of £63,473k resulting in an overall underspend of £20,995k in 2017/18.

**Table 19: General Fund Capital Programme Summary**

2017/18 General Fund Capital Programme Outturn					Analysis of 2017/18 Variance	
Directorate	2017/18 Budget £'000	2017/18 Actual £'000	2017/18 Variance £'000	Movement from Month 11 £'000	Cost Variance £'000	Re-Phasing Variance £'000
Schools Programme	10,985	7,149	(3,836)	(85)	(289)	(3,547)
Self Financing Developments	150	14	(136)	(11)	-	(136)
Main Programme	20,802	14,288	(6,514)	(669)	(4,074)	(2,440)
Programme of Works	31,010	21,027	(9,983)	(857)	616	(10,599)
General Contingency	526	-	(526)	185	(526)	-
<b>Total Capital Programme</b>	<b>63,473</b>	<b>42,478</b>	<b>(20,995)</b>	<b>(1,437)</b>	<b>(4,273)</b>	<b>(16,722)</b>
<b>Movement from Month 11</b>	<b>-</b>	<b>(1,437)</b>	<b>(1,437)</b>		<b>(2,049)</b>	<b>612</b>

164. The total under spend of £20,995k consists of £4,273k net cost underspend variances and £16,722k net re-phrasings proposed to be carried forward into future financial years. The reduction in expenditure of £1,437k from the Month 11 forecast partly reflects a reduction in previously reported committed Disabled Facilities Grants (Programmes of Works) as there have been cumulative underspends confirmed across a number of completed adaptations. The movement in the Main Programme outturn of £669k is due mainly to further re-phrasings on various schemes.
165. The favourable movement of £2,049k in cost under spends from Month 11 is in part due to financing the construction of the Grassy Meadow Dementia Centre from the Disabled Facilities Grant. There were also cumulative underspends on uncommitted budgets in the Main Programme such as the Vehicle Replacement Programme where future expenditure requirements can be funded from the 2018/19 approved budget.
166. The committed expanded Highways investment programme continuing into 2018/19 is financed by underspends elsewhere in the capital programme and this is reflected in the increased re-phasing under the Programmes of Works budget.

167. The general contingency budget had £526k remaining funds which were not required in the year. The movement of £185k from Month 11 is partly due to the appropriation of Welbeck Court to the General Fund for £157k and also an amount of £28k has recently been allocated to the Property Works Programme for works at Uxbridge Mortuary.

### Capital Financing - General Fund

168. The table below outlines the outturn financing of the capital programme. The accelerated use of £3,486k additional grants and contributions resulted in an in-year under spend of £24,481k on Council resources.

**Table 20: General Fund Capital Programme Financing Summary**

	Revised Budget 2017/18 £'000	Outturn 2017/18 £'000	Variance £'000	Financing Cost Variance £'000	Financing Re-Phasing Variance £'000
Council Resource Requirement	42,121	17,640	(24,481)	(8,233)	(16,248)
Financed By					
Capital Receipts	23,475	7,740	(15,735)	(3,752)	(11,983)
CIL	5,151	3,455	(1,696)	(1,696)	-
Prudential Borrowing	13,495	6,445	(7,050)	(2,779)	(4,271)
<b>Total Council Resources</b>	<b>42,121</b>	<b>17,640</b>	<b>(24,481)</b>	<b>(8,227)</b>	<b>(16,254)</b>
Grants & Contributions	21,352	24,838	3,486	3,954	(468)
<b>Total Programme</b>	<b>63,473</b>	<b>42,478</b>	<b>(20,995)</b>	<b>(4,273)</b>	<b>(16,722)</b>

169. Capital receipts applied in year to finance capital expenditure totalled £7,740k after top slicing £4,291k to fund transformation expenditure. The adverse income variance of £3,752k is partly due to lower General Fund Share of Right to Buy receipts as sales were lower than original budget estimates. Also transformation financing was greater than the original budget estimate. The phasing variance of £11,983k mainly includes planned appropriations to the Housing Revenue Account for several residential developments that are in early stages.
170. Community Infrastructure Levy receipts for the year totalled £3,455k from various developments and the variance of £1,696k on the revised budget is reported as an under recovery from original estimates as the timing and scale of CIL income is not certain. CIL receipts have been fully utilised to support financing of infrastructure related capital expenditure in 2017/18.
171. Grants and Contributions report a favourable income variance of £3,954k over the revised budget which is mainly due to Basic Needs, Capital Maintenance and Disabled Facilities Grant awards for 2017/18 being higher than estimates used for setting the original budget. Net grants and contributions totalling £468k require to be re-phased and this mainly relates to the Transport for London programme. The overall re-phasing amount is offset by a budget phasing adjustment into 2017/18 to take into account original 2018/19 Basic Needs grant of £2,284k received this financial year and utilised towards the Schools Expansions programme.
172. Prudential borrowing has a favourable variance of £7,050k due mainly to expenditure under spends on various Council resourced schemes and programmes. An amount of £4,271k

requires to be re-phased to fund schemes continuing into the new financial year, adjusted for phasing movements on other capital financing sources such as capital receipts and grants.

## ANNEX A - Schools Programme

Prior Years Cost	Project	2017/18 Revised Budget	2017/18 Outturn	2017/18 Variance	Cost Variance	Project Re-phasing to future years	2017/18 Project Financed by:		
							Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Schools Programme</b>								
136,966	Primary Schools Expansions	200	172	(28)	(54)	26	172	0	0
786	New Primary Schools Expansions	6,461	3,566	(2,895)	0	(2,895)	0	3,566	0
482	Secondary Schools Expansions	1,215	559	(656)	0	(656)	0	559	0
42,721	Secondary Schools New Build	3,097	2,847	(250)	(228)	(22)	639	1,650	558
187	Hearing Impaired Resource Base (Vyners)	12	5	(7)	(7)	0	5	0	0
<b>181,142</b>	<b>Total Schools Programme</b>	<b>10,985</b>	<b>7,149</b>	<b>(3,836)</b>	<b>(289)</b>	<b>(3,547)</b>	<b>816</b>	<b>5,775</b>	<b>558</b>

## ANNEX B - Self Financing Developments

Prior Years Cost	Project	2017/18 Revised Budget	2017/18 Outturn	2017/18 Variance	Cost Variance	Project Re-phasing to future years	2017/18 Project Financed by:		
							Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Self Financing Developments</b>								
	<b>Finance, Property and Business Services</b>								
237	Yiewsley Site Development	150	14	(136)	0	(136)	14	0	0
0	Belmore Allotments Development	0	0	0	0	0	0	0	0
<b>237</b>	<b>Total Main Programme</b>	<b>150</b>	<b>14</b>	<b>(136)</b>	<b>0</b>	<b>(136)</b>	<b>14</b>	<b>0</b>	<b>0</b>

## ANNEX C - Main Programme

Prior Year Cost	Project	2017/18 Revised Budget £'000	2017/18 Actual £'000	2017/18 Variance £'000	2017/18 Cost Variance £'000	Proposed Re-phasing £'000	2017/18 Project Financed by:		
							Council Resources £000	Government Grants £000	Other Cont'ns £000
	Community, Commerce and Regeneration								
1,702	CCTV Enforcement (SKC's)	40	50	10	10	0	50	0	0
561	Gateway Hillingdon	2,377	1,640	(737)	0	(737)	1,640	0	0
4,897	Hayes Town Centre Improvements	1,770	1,377	(393)	0	(393)	38	1,169	170
224	Inspiring Shopfronts	397	224	(173)	0	(173)	190	0	34
15	Uxbridge Cemetery Gatehouse	50	10	(40)	(40)	0	10	0	0
100	Uxbridge Change of Heart	946	851	(95)	0	(95)	74	738	39
	Central Services, Culture and Heritage								
883	Bowls Club Refurbishments	510	359	(151)	0	(151)	327	0	32
214	Haste Hill Golf Club	66	46	(20)	(20)	0	46	0	0
32,203	Hillingdon Sports & Leisure Centre	650	5	(645)	0	(645)	5	0	0
0	Ruislip Lido Railway Society Workshop	382	341	(41)	0	(41)	341	0	0
0	Mobile Library	117	117	0	0	0	117	0	0
	Finance, Property and Business Services								
2,282	Battle of Britain Heritage Pride Project	4,199	4,157	(42)	0	(42)	3,157	0	1,000
29	Battle of Britain Underground Bunker	200	6	(194)	0	(194)	6	0	0
0	Bessingby Football/Boxing Clubhouse	180	97	(83)	0	(83)	97	0	0
0	Uniter Building Refurbishment	100	0	(100)	0	(100)	0	0	0
0	New Museum	100	0	(100)	0	(100)	0	0	0
0	New Theatre	100	0	(100)	0	(100)	0	0	0
0	Youth Provision	1,000	0	(1,000)	(591)	(409)	0	0	0
0	Hillingdon Outdoor Activity Centre	250	12	(238)	(250)	12	12	0	0
	Planning, Transportation and Recycling								
57	Ruislip Lido Car Park Improvements	155	155	0	0	0	0	155	0
2,279	Cedars & Granges Car Park	391	70	(321)	0	(321)	70	0	0
1,343	Harlington Road Depot Improvements	264	111	(153)	(3)	(150)	111	0	0
0	Purchase of Vehicles	600	38	(562)	(562)	0	38	0	0
0	RAGC Car Park	50	0	(50)	0	(50)	0	0	0
287	Street Lighting - Invest to Save	4,313	3,730	(583)	0	(583)	3,730	0	0
	Social Services, Housing, Health and Wellbeing								
0	1 & 2 Merrimans Housing Project	50	0	(50)	0	(50)	0	0	0
47	Grassy Meadow Dementia Centre	0	0	0	(2,465)	2,465	(2,512)	2,512	0
	Cross Cabinet Member Portfolios								
233	Environmental/Recreational Initiatives	834	430	(404)	(17)	(387)	430	0	0
9,234	Projects Completing in 2017/18	711	462	(249)	(136)	(113)	462	0	0
56,589	Total Main Programme	20,802	14,288	(6,514)	(4,074)	(2,440)	8,439	4,574	1,275

## ANNEX D - Programme of Works

Prior Years Cost	Project	2017/18 Revised Budget	2017/18 Outturn	2017/18 Variance	Cost Variance	Project Re-phasing to future years	2017/18 Project Financed by:		
							Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Programme of Works</b>								
N/A	Leaders Initiative	436	243	(193)	0	(193)	243	0	0
N/A	<b>Community, Commerce and Regeneration</b>								
N/A	Chrysalis Programme	1,512	1,108	(404)	(73)	(331)	1,050	0	58
N/A	Playground Replacement Programme	250	0	(250)	(250)	0	0	0	0
N/A	<b>Education and Children Services</b>								
N/A	Formula Devolved Capital to Schools	2,096	1,645	(451)	0	(451)	0	311	1,334
N/A	Urgent Building Condition Works	3,592	1,483	(2,109)	0	(2,109)	0	1,127	356
N/A	<b>Finance, Property and Business Services</b>								
N/A	Civic Centre Works Programme	1,610	606	(1,004)	0	(1,004)	510	0	96
N/A	ICT Single Development Plan	671	143	(528)	(488)	(40)	143	0	0
N/A	Property Works Programme	1,117	917	(200)	0	(200)	170	0	747
N/A	<b>Planning, Transportation and Recycling</b>								
N/A	Highways Structural Works	7,369	6,061	(1,308)	2,957	(4,265)	5,964	97	0
N/A	Road Safety	150	28	(122)	(70)	(52)	28	0	0
N/A	Transport for London	7,923	6,073	(1,850)	(17)	(1,833)	0	5,974	99
N/A	<b>Social Services, Housing, Health and Wellbeing</b>								
N/A	Disabled Facilities Grant	2,707	1,485	(1,222)	(1,222)	0	0	1,360	125
N/A	Adaptations for Adopted Children	17	0	(17)	(17)	0	0	0	0
N/A	PSRG / LPRG	100	47	(53)	(53)	0	26	0	21
N/A	Social Care Equipment Capitalisation	985	880	(105)	(105)	0	0	880	0
N/A	<b>Cross Cabinet Member Portfolios</b>								
N/A	Section 106 Projects	112	70	(42)	0	(42)	0	0	70
N/A	Equipment Capitalisation	363	238	(125)	(46)	(79)	237	0	1
	<b>Total Programme of Works</b>	<b>31,010</b>	<b>21,027</b>	<b>(9,983)</b>	<b>616</b>	<b>(10,599)</b>	<b>8,371</b>	<b>9,749</b>	<b>2,907</b>
	General Contingency	526	0	(526)	(526)	0	0	0	0
	<b>General Fund Capital Programme</b>	<b>63,473</b>	<b>42,478</b>	<b>(20,995)</b>	<b>(4,273)</b>	<b>(16,722)</b>	<b>17,640</b>	<b>20,098</b>	<b>4,740</b>

Cabinet report: 21 June 2018

Classification: Part 1 – Public



## Appendix E - Transformation Capitalisation Schedule

Directorate	Saving Description	Savings				Transformation Costs		
		2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £'000	2016/17 £'000	2017/18 £'000	Total £'000
<b>CEO</b>	Review of staffing structure within Human Resources	(101)	(37)	0	(138)	0	16	16
<b>Finance</b>	Review of staffing structures within Revenues & Benefits	(100)	0	0	(100)	0	31	31
	Finance BID Project - Consolidation of Finance Support	0	(72)	0	(72)	75	0	75
	Finance BID Project - Alignment of Transactional Functions	0	(70)	0	(70)	0	61	61
	Restructure of Business Assurance Function	0	(20)	0	(20)	0	97	97
	Procurement Restructure	(275)	0	0	(275)	177	134	311
	Finance - Phase 1	0	0	(250)	(250)	0	128	128
<b>Residents Services</b>	BID reviews - Directorate Management Structures	0	(250)	0	(250)	0	485	485
	BID reviews - Planning and Transport	0	(212)	0	(212)	0	51	51
	BID reviews - Highways & Street Lighting Programme	0	(1,346)	0	(1,346)	52	152	204
	BID reviews - ICT phase 2	0	(750)	0	(750)	299	1,031	1,330
	Pollution Control and Food Hygiene	0	(112)	0	(112)	0	220	220
	BID reviews - Grounds maintenance/Street Cleansing	0	(250)	0	(250)	0	93	93
	Housing/Homelessness proposals - various	0	(131)	0	(131)	210	0	210
	Waste Services - Phase 1	0	0	(357)	(357)	0	207	207
<b>Social Care</b>	Review of Social Care Staffing Structures	0	(650)	0	(650)	0	235	235
	Further Transformation / Zero-Based Review Savings	(636)	(214)	0	(850)	572	6	578
	Transport	(500)	0	(599)	(1,099)	128	517	645
	Review of Children Centre Delivery Model	(215)	(189)	0	(404)	0	206	206
	Category Management Portfolio Plans	(593)	0	0	(593)	91	0	91
	Review of Looked After Children Placement Costs	(562)	0	0	(562)	132	0	132
	New Delivery Models for In-house Provision (Older People)	(120)	0	0	(120)	154	0	154
	Zero based budget review of CNWL	(200)	0	0	(200)	27	0	27
<b>Cross-Cutting</b>	Supplier Early Payment Programme	0	0	(100)	(100)	0	25	25
<b>Sub-Total</b>		<b>(3,302)</b>	<b>(4,303)</b>	<b>(1,306)</b>	<b>(8,911)</b>	<b>1,917</b>	<b>3,696</b>	<b>5,613</b>
<b>Other Savings</b>		(10,007)	(11,205)	(6,297)	(27,509)	0	0	0
<b>Cross-Cutting Support for Service Transformation / BID Programme</b>		0	0	0	0	447	595	1,042
<b>Grand Total</b>		<b>(13,309)</b>	<b>(15,508)</b>	<b>(7,603)</b>	<b>(36,420)</b>	<b>2,363</b>	<b>4,292</b>	<b>6,655</b>

Cabinet report: 21 June 2018

Classification: Part 1 – Public

## Appendix F – Treasury Management Report as at 31 March 2018

### Summary

This report summaries the Council's treasury management activities during 2017/18 and presents details of capital financing, borrowing, debt management and investment transactions alongside an outturn position.

During the year the Council utilised internal balances and no new borrowing was taken to fund capital expenditure. Over the year the Council's loan portfolio had an average rate of 3.39%. The portfolio was reduced by £17.3m with debt that matured naturally leaving a balance at year-end of £250.1m (GF £61.5m, HRA £188.6m). Interest paid over the year totalled £8.7m (GF £2.3m, HRA £6.4m).

Investment income returns for the year on internally managed cash yielded 0.42% (0.57% 2016/17), resulting in total investment income for 2017/18 of £442k.

### The Borrowing Requirement and Debt Management

	Balance on 31/3/2017 £m	New Borrowing £m	Debt Maturing £m	Debt Prematurely Repaid £m	Balance on 31/3/2018 £m	Year- End Average Rate %
CFR	404				400	
<b>GF Loans</b>						
PWLB Fixed Rate	55.82	-	12.28	-	43.54	3.53
Market Fixed Rate	15.00	-	-	-	15.00	4.28
PWLB Variable Rate	4.50	-	1.50	-	3.00	0.76
<b>Total GF Loans</b>	<b>75.32</b>	<b>0.00</b>	<b>13.78</b>	<b>0.00</b>	<b>61.54</b>	
<b>HRA Loans</b>						
PWLB Fixed Rate	159.07	-	3.50	-	155.57	3.19
Market Fixed Rate	33.00	-	-	-	33.00	4.03
<b>Total HRA Loans</b>	<b>192.07</b>	<b>0.00</b>	<b>3.50</b>		<b>188.57</b>	
<b>Total Loans</b>	<b>267.39</b>	<b>0.00</b>	<b>17.28</b>		<b>250.11</b>	<b>3.40</b>
Other Long Term Liabilities	1.66				1.41	
<b>Total External Debt</b>	<b>269.05</b>				<b>251.52</b>	

The Council's underlying need to borrow is measured by the Capital Financing Requirement (CFR) which, as at 31/3/2018, was £400.0m (31/3/2017 £403.9m). The Council's borrowing requirement, the difference between the CFR and total physical borrowing, was £149.9m. This amount represents the level of internal borrowing, primarily supported by the Council's own reserves.

At 31 March 2018, the Council held £202.1m of PWLB debt (£46.5m General Fund and £155.6m HRA) containing a broad range of loan types including both Maturity and EIP loans with fixed and variable rates and with varying maturities.

In addition, the Council has £48m of market loans (£15m General Fund and £33m HRA). £12m are fixed-rate loans and £36m are LOBO loans. Out of the LOBO loans, £5m were in their option

state in 2017/18. During the year the lenders of these loans did not exercise any call options and therefore the loans remain outstanding on the same terms.

Over 2017/18, the Council's loan portfolio had an average rate 3.39% with the General Fund Loans average rate of 3.55% and HRA average rate of 3.33%. By using internal resources in lieu of borrowing, loan interest costs for the year totalled £8.7m, avoiding additional interest costs of approximately £5.1m that would have been incurred otherwise. During the year there was £17.28m of naturally maturing debt.

In January 2015 the Department of Communities and Local Government (now the Ministry of Housing, Communities & Local Government) confirmed that HM Treasury (HMT) would be taking the necessary steps to abolish the Public Works Loans Board. HMT has confirmed however that its lending function will continue and local authorities will retain access to borrowing rates which offer good value for money. During 2017/18 no real progress has been made on this matter. The Council intends to use the PWLB's replacement as a potential source of borrowing if required.

### Investment Activity

The table below shows investment balances on 31<sup>st</sup> March 2018 and the weighted average balance of investments over the year was £110.7m.

<b>Investments</b>	<b>Balance on 31/03/2017 £m</b>	<b>Balance on 31/03/2018 £m</b>
Call Accounts	0.00	0.90
Notice Accounts	10.00	0.00
Money Market Funds	23.70	33.40
Pooled Funds	0.00	15.00
Short Term Investments	39.40	15.00
Long Term Investments	10.00	0.00
<b>Total Investments</b>	<b>83.10</b>	<b>64.30</b>
Average Rate % Received	<b>0.57%</b>	<b>0.42%</b>

Security of capital remained the Council's chief investment objective and this was maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2017/18. Investments during the year included deposits with the Debt Management Office and Local Authorities, investments in AAA-rated Money Market Funds and Pooled Funds. In addition, both instant access and fixed-term deposits were also held with UK Banks and Building Societies within the Councils Counterparty limits. Investments continued to be placed in overseas banks with a deposit being made with DBS a Singaporean bank and deposits in instant access and notice accounts with Svenska Handelsbanken a Swedish bank. All bank and building society placements held a minimum or higher credit rating of BBB+ for UK counterparties and A+ for Overseas counterparties.

**Credit Risk:** Counterparty credit quality was assessed and monitored with reference to credit ratings (Council's minimum long-term counterparty rating of BBB+ across all three rating agencies, Fitch, Standard & Poor's and Moody's). However reliance does not rest solely with these agencies and are supplemented by use of market/economic information, media updates and intelligence from the Council's Treasury Advisors. With the introduction of the Banking Reform Act in January 2015 the Council optimised its use of bail-in exempt instruments and institutions by utilising local authorities and banks where this legislation has not be adopted. At the end of March, 70% of the Council's total funds had exposure to bail-in risk compared to a March benchmark average of 55% in the Local Authority sector (latest benchmark provided quarterly by the Council's treasury

advisors Arlingclose). Although the Council bail-in risk was significantly higher than the benchmark, it was essential to keep cash in instant access facilities to ensure liquidity over the year end period. The Council had no exposure to bail in risk once instant access balances are removed.

**Liquidity:** In keeping with CLG's Guidance on Investments, the Council maintained a sufficient level of liquidity through the use of Money Market Funds, targeted maturity deposits and the use of call accounts.

**Yield:** The Council sought to optimise returns commensurate with its objectives of security and liquidity. The UK Bank held base rate at the record low level of 0.25% until November 17 when it was raised to 0.50%, resulting in continued low levels being achievable on short-term money market rates. At the beginning of 17/18 short-term money was mainly placed in instant access accounts to ensure liquidity was maintained and as the rates offered on these accounts were on the whole significantly better than those offered on short fixed-term deposits. However, after the base rate raise in November, rates offered on DMADF deposits were higher than those on Money Market Funds and the majority of liquid cash was placed in short-fixed-term deposits with the DMADF, until rates on Money Market Funds caught up with the market. A small proportion of longer dated deposits were placed to enhance income in a low interest rate environment. The two approaches resulted in an average return on Investments of 0.42%

All investments made during the year complied with the Council's agreed Treasury Management Strategy, Prudential Indicators, Treasury Management Practices and prescribed limits. Maturing investments were repaid to the Council in full and in a timely manner.

### **Compliance with the Prudential Code and Prudential Indicators**

The Local Government Act 2003 gave freedoms to Local Authorities to borrow subject to macro economic considerations, on condition that compliance with the Prudential Code was observed. The Code developed a series of 'prudential indicators' (Appendix 1) that were designed to provide greater information to the council tax payer and the rent payer on the impact of any borrowing decisions taken.

The main objectives of the prudential code are to demonstrate affordability of the authority's capital expenditure plans and ensure prudent external borrowing levels, which are sustainable in the future. It also verifies that treasury management decisions are taken in accordance with best professional practice.

The Council can confirm that it did comply with its Prudential Indicators for 2017/18, set in February 2017 as part of the Council's Treasury Management Strategy Statement. The levels of debt were measured on an ongoing basis during the year for compliance with the Authorised Limit of £511m and the Operational Boundary of £481m, the former being somewhat higher to allow for fluctuations in cash-flow. The Council maintained its total external borrowing and other long-term liabilities within both limits; at its peak this figure was £269.05m.

### **Upper Limits for Interest Rate Exposure:**

<b>Upper Limits for Interest Rate Exposure</b>	<b>Actual Level at 31/03/18 %</b>	<b>2016/17 Approved %</b>
Upper Limit for Fixed Interest Rate Exposure on Debt	99	100
Upper Limit for Fixed Interest Rate Exposure on Investments	(0)	(75)

Upper Limit for Variable Interest Rate Exposure on Debt	1	50
Upper Limit for Variable Interest Rate Exposure on Investments	(100)	(100)

### **Maturity Structure of Fixed Rate borrowing:**

	Upper limit %	Lower limit %	Actual Borrowing as at 31/3/2018 (£m)	Percentage of total as at 31/3/2018
under 12 months	25	0	15.78	6.39%
12 months and within 24 months	25	0	15.78	6.39%
24 months and within 5 years	50	0	30.88	12.50%
5 years and within 10 years	100	0	27.50	11.13%
10 years and within 20 years	100	0	58.00	23.47%
20 years and within 30 years	100	0	22.57	9.13%
30 years and within 40 years	100	0	28.60	11.57%
40 years and within 50 years	100	0	39.00	15.78%
50 years and above	100	0	9.00	3.64%

(The above table includes LOBO's as fixed rate and at their maturity date)

For 2017/18 the Prudential Indicator which limits principal sums invested for periods longer than 364 days was set at £35m. At the start of the year there were fixed-term deposits with two local authorities totally £10m. However by year-end these moved into short-term as the remaining duration reduced.

Non-treasury related Prudential Indicators are included in Appendix 1.

### **Balanced Budget**

The Council complied with the Balanced Budget requirement.

### **Training**

As part of the Council's continuous performance and development programmes, officers received treasury management training by attending workshops and seminars provided by the Council's treasury advisers Arlingclose and CIPFA.

## Non-Treasury Prudential Indicators 2017/18

### 1 Estimated and Actual Capital Expenditure

Prudential Indicator	2017/18	2017/18
Capital Expenditure	Estimated £m	Outturn £m
General Fund	66	45
HRA	63	47
<b>Total</b>	<b>129</b>	<b>92</b>

### 2 Estimated and Actual Ratio of Financing Costs to Net Revenue Stream

Prudential Indicator	2017/18	2017/18
Ratio of Financing Costs to Net Revenue Stream	Estimated %	Outturn %
General Fund	2	2
HRA	25	28

### 3 Capital Financing Requirement

Prudential Indicator	Estimated (£m)	Outturn (£m)
CFR	2017/18	2017/18
General Fund	238	209
HRA	208	191
<b>Total</b>	<b>446</b>	<b>400</b>

The reduction in CFR compared to the estimate is due to the cumulate effect from the 2016/17 and 2017/18 Capital programme and Revenue Contributions to repay debt. The Capital programme over the two year period used for the purpose of estimating the CFR has seen re-phasing of a number of projects to be funded from borrowing in future. The Council was also able to fund more of its capital programme through early receipt of grants and from Revenue Contributions to Capital.

### 4 Actual External Debt

Actual External Debt as at 31/03/2018	£m
Borrowing	250.11
Other Long-term Liabilities	1.41
<b>Total</b>	<b>251.52</b>

### 5 Incremental Impact of Capital Investment Decisions

Incremental Impact of Capital Investment Decisions	2017/18 (£)
Increase in Band D Council tax	-3.65
Increase in average weekly housing rents	0.00

As an indicator of affordability, the Incremental Impact of Capital Decisions shows the notional impact of capital investment decisions on Council Tax and Housing Rent levels and represents the impact on these if the financing of the Capital Programme were to be funded from taxes and rents. The reduction in Band D Council Tax noted above reflects savings from the reported underspend on Interest & Investment Income budgets in 2017/18. The fixed nature of the HRA

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

173. 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 23: Consultancy and agency assignments**

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
<b>Chief Executive's Office</b>						
Paralegal - Housing	24/04/2017	28/05/2018	30/09/2018	43	14	57
<b>Residents Services</b>						
Education Strategy & Quality Assurance Manager	29/04/2015	01/04/2018	04/08/2018	415	55	465
Senior School Improvement Advisor	07/03/2016	09/04/2018	16/07/2018	194	35	229
Senior School Improvement Advisor	07/03/2016	09/04/2018	15/07/2018	167	26	193
Planning Enforcement Officer	06/10/2014	03/04/2018	02/07/2018	287	25	312
Technical Manager M&E - Planned Works	24/10/2016	30/04/2018	27/07/2018	188	34	222
Financial Assessment Officer	20/04/2015	07/05/2018	05/08/2018	97	8	105
Programme Manager (Planned Works)	13/06/2017	07/05/2018	03/08/2018	56	20	76
Repairs Planner	05/12/2016	14/05/2018	13/08/2018	54	10	64
Electrician/Multitrade	24/10/2016	07/05/2018	06/08/2018	48	12	60
Development Surveyor	06/11/2017	14/05/2018	12/08/2018	54	27	81
Licensing Officer	03/05/2016	11/05/2018	10/08/2018	74	10	84
Major Application (PPA) Planner	03/01/2017	21/05/2018	17/08/2018	98	21	119
CCTV Programme & Project Manager	25/09/2016	14/05/2018	22/07/2018	91	14	105
Trading Standards Officer	04/09/2017	14/05/2018	31/03/2019	76	69	145
FM Technical Manager	25/10/2017	11/06/2018	07/09/2018	46	25	71
Interim Pre-Applications Manager	01/11/2015	04/06/2018	31/08/2018	194	25	219
Parking Operations Manager	03/07/2017	22/05/2018	24/07/2018	59	13	72
Housing Lawyer	07/07/2014	26/05/2018	25/11/2018	211	33	244
Programme Manager, Capital & Planned Works	14/08/2016	21/05/2018	19/08/2018	22	91	113

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
DFG & Home Adaptations Surveyor	13/03/2017	11/06/2018	14/10/2018	128	42	170
Major Application (PPA) Planner	16/01/2017	18/06/2018	14/09/2018	106	21	127
Development / Programme Manager	07/02/2016	04/06/2018	02/09/2018	165	24	189
<b>Social Care</b>						
Approved Mental Health Worker	29/05/2016	30/04/2018	01/07/2018	142	13	155
Approved Mental Health Worker	01/06/2015	30/04/2018	01/07/2018	204	9	213
Care Worker	06/07/2016	30/04/2018	01/07/2018	53	4	57
Lead Approved Mental Health Practitioner	01/06/2012	30/04/2018	01/07/2018	293	10	303
Occupational Therapist	01/04/2015	30/04/2018	01/07/2018	212	11	223
Occupational Therapist	07/10/2013	30/04/2018	01/07/2018	293	12	305
Occupational Therapist	03/12/2015	30/04/2018	01/07/2018	164	11	175
Occupational Therapist	06/06/2016	30/04/2018	01/07/2018	137	11	148
Residential Care Worker	01/04/2012	30/04/2018	01/07/2018	166	4	170
Senior Social Worker	03/10/2016	30/04/2018	01/07/2018	102	12	114
Senior Social Worker	01/05/2017	30/04/2018	01/07/2018	68	12	80
Social Worker	09/09/2016	30/04/2018	01/07/2018	56	11	67
Social Worker	05/06/2017	30/04/2018	01/07/2018	46	5	51
Social Worker	05/06/2017	30/04/2018	01/07/2018	55	10	65
Social Worker	05/06/2017	30/04/2018	01/07/2018	45	6	51
Social Worker	05/06/2017	30/04/2018	01/07/2018	49	5	54
Social Worker	09/09/2016	30/04/2018	01/07/2018	61	9	70
Social Worker (CHC)	03/01/2017	30/04/2018	01/07/2018	61	7	68
Social Worker/Senior Social Worker	04/09/2017	30/04/2018	01/07/2018	46	5	51
Social Worker/Senior Social Worker	04/09/2017	30/04/2018	01/07/2018	46	12	58
Support Worker	04/04/2016	30/04/2018	01/07/2018	60	4	64
Team Manager	26/06/2016	30/04/2018	01/07/2018	136	14	150
Case Progression Manager	07/04/2014	30/04/2018	30/07/2018	369	18	387
Child Protection Chair	20/07/2015	30/04/2018	30/07/2018	213	14	227
Child Protection Chair	01/07/2015	30/04/2018	30/07/2018	174	16	190
Early Years Practitioner	24/02/2014	30/04/2018	01/07/2018	62	2	64



<b>Post Title</b>	<b>Original Start Date</b>	<b>Approved From</b>	<b>Proposed End Date</b>	<b>Previous Approval £'000</b>	<b>Approved £'000</b>	<b>Total £'000</b>
Early Years Practitioner	23/02/2015	30/04/2018	01/07/2018	65	4	69
Educational Psychologist	01/05/2017	30/04/2018	31/05/2018	57	4	61
Educational Psychologist	15/11/2015	30/04/2018	01/07/2018	193	16	209
Educational Psychologist	15/08/2016	30/04/2018	01/07/2018	121	16	137
Educational Psychologist	01/05/2017	30/04/2018	01/07/2018	51	4	55
Educational Psychologist	01/03/2016	30/04/2018	01/07/2018	201	27	228
Placement Officer	18/03/2016	30/04/2018	30/07/2018	92	10	102
Practice Improvement Practitioner	08/05/2014	30/04/2018	30/07/2018	169	14	183
Senior Social Worker	06/06/2016	30/04/2018	01/07/2018	81	13	94
Senior Social Worker	01/04/2013	30/04/2018	30/07/2018	92	13	105
Senior Social Worker	30/04/2012	30/04/2018	30/07/2018	281	13	294
Senior Social Worker	21/11/2017	30/04/2018	30/07/2018	97	14	111
Senior Social Worker	19/12/2011	30/04/2018	30/07/2018	366	14	380
Senior Social Worker	29/06/2017	30/04/2018	30/07/2018	73	13	86
Senior Social Worker	05/10/2015	30/04/2018	30/07/2018	124	14	138
Social Worker	01/05/2017	30/04/2018	30/07/2018	48	11	59
Social Worker	01/03/2018	30/04/2018	30/07/2018	49	13	62
Social Worker	09/09/2016	30/04/2018	01/07/2018	51	12	63
Social Worker	06/04/2017	30/04/2018	30/07/2018	70	13	83
Social Worker	03/10/2016	30/04/2018	30/07/2018	87	14	101
Social Worker	16/12/2016	30/04/2018	01/07/2018	100	13	113
Social Worker	07/11/2016	30/04/2018	30/07/2018	104	11	115
Social Worker	21/11/2016	30/04/2018	30/07/2018	106	13	119
Social Worker	13/11/2016	30/04/2018	01/07/2018	107	13	120
Social Worker	26/08/2016	30/04/2018	30/07/2018	110	12	122
Social Worker	26/09/2016	30/04/2018	30/07/2018	110	13	123
Social Worker	27/10/2016	30/04/2018	30/07/2018	111	13	124
Social Worker	27/10/2016	30/04/2018	30/07/2018	112	13	125
Social Worker	07/11/2016	30/04/2018	30/07/2018	116	13	129
Social Worker	07/11/2016	30/04/2018	30/07/2018	122	13	135
Social Worker	21/08/2016	30/04/2018	01/07/2018	127	13	140
Social Worker	01/09/2016	30/04/2018	30/07/2018	127	13	140
Social Worker	28/03/2016	30/04/2018	30/07/2018	132	11	143
Social Worker	01/04/2013	30/04/2018	30/07/2018	134	13	147
Social Worker	03/07/2016	30/04/2018	30/07/2018	135	14	149
Social Worker	01/08/2015	30/04/2018	30/07/2018	155	13	168
Social Worker	01/08/2015	30/04/2018	30/07/2018	165	14	179
Social Worker	04/05/2015	30/04/2018	30/07/2018	181	11	192

<b>Post Title</b>	<b>Original Start Date</b>	<b>Approved From</b>	<b>Proposed End Date</b>	<b>Previous Approval £'000</b>	<b>Approved £'000</b>	<b>Total £'000</b>
Social Worker	04/05/2015	30/04/2018	30/07/2018	197	13	210
Social Worker	13/04/2015	30/04/2018	30/07/2018	214	13	227
Social Worker	19/06/2014	30/04/2018	30/07/2018	231	13	244
Social Worker	05/09/2014	30/04/2018	30/07/2018	283	13	296
Social Worker	11/08/2014	30/04/2018	30/07/2018	293	13	306
Social Worker	01/01/2013	30/04/2018	30/07/2018	316	13	329
Social Worker	01/01/2013	30/04/2018	30/07/2018	324	13	337
Social Worker (0.5 FTE)	19/12/2016	30/04/2018	30/07/2018	77	7	84
Special Needs Officer	01/12/2016	30/04/2018	01/07/2018	81	12	93
Special Needs Officer	05/01/2015	30/04/2018	01/07/2018	138	16	154
Supervising Social Worker	01/09/2016	30/04/2018	30/07/2018	58	12	70
Support Worker	20/12/2015	30/04/2018	30/07/2018	64	5	69
Team Manager	17/07/2017	30/04/2018	01/07/2018	88	8	96
Team Manager	27/03/2017	30/04/2018	30/07/2018	91	16	107

## Appendix H – Proposed Amendments to Leisure Fees for 2018/19

Fee description	LBH Resident 2017/18	LBH non-resident 2017/18	Resident Charge 2018/19 (with rounding)	Non Resident Charge 2018/19 (with rounding)
<b>Swimming Indoor (per hour)</b>				
Adult peak	£3.70	£4.50	£3.80	£4.60
Adult concession	£1.80	£2.10	£1.85	£2.15
Junior peak	£1.90	£1.90	£1.95	£1.95
Junior concession	£1.10	£1.10	£1.15	£1.15
Adult off peak	£3.00	£3.50	£3.10	£3.60
Adult off peak concession	£1.00	£1.20	£1.05	£1.25
Junior off peak	£1.60	£1.60	£1.65	£1.65
Junior off peak concession	£0.85	£0.85	£0.90	£0.90
Family (2A+2J) peak	£9.50	£11.00	£9.80	£11.30
Family (2A + 2J) peak concession	£5.30	N/A	£5.45	N/A
Family (2A+2J) off peak	£7.80	£8.75	£8.00	£9.00
Family (2A+2J) off peak concession	£3.10	N/A	£3.20	N/A
<b>HSLC Outdoor Pool</b>				
Adult	£5.55	£7.20	£5.70	£7.40
Adult concession	£3.70	£5.00	£3.80	£5.15
Child	£3.30	£3.60	£3.40	£3.70
Child concession	£2.20	£3.50	£2.25	£3.55
Family (2A +2J)	£14.40	£18.00	£14.80	£18.00
<b>Swimming - Other (per session)</b>				
Sports Parties (Hall/pool and room hire)	£108.15	£122.00	£111.40	£125.65
Sports Parties incl party host	£128.75	£149.35	£132.60	£153.80
Swimming instruction per lesson adult (30mins)	£7.15	£8.25	£7.35	£8.50
Swimming instruction per lesson adult concession	£5.20	£5.50	£5.30	£5.65
Swimming instruction per lesson child	£5.15	£5.15	£5.30	£5.30
Swimming instruction per lesson child concession	£3.70	£3.70	£3.80	£3.80
Swim Crash Course 1/2 hour per day x 4 day (per half hour)	£20.60	£23.70	£21.20	£24.40
<b>Private Hire (25-33m Pools)</b>				
Pool Hire per hour (one lane up to Gala)				
- whole pool	£100.95	£127.30	£104.00	£131.10
- one lane	£20.50	£25.75	£21.10	£26.50
<b>Private Hire (50m Pool)</b>				
- 50m pool (for info)	£190.00	£250.00	£195.70	£257.50
<b>Young at Heart</b>	£3.90	£4.45	£4.00	£4.50
<b>Gym</b>				
Gym inductions (Casual use) group	£18.00	£20.60	£18.50	£21.20
Casual Gym Session Peak	£7.00	£8.00	£7.20	£8.20
Casual Gym Session Off-Peak	£5.70	£6.40	£5.85	£6.60
Coached Fitness Classes Charges	£6.40	£7.20	£6.60	£7.40
Coached Fitness Classes Concessionary	£5.00	£5.65	£5.15	£5.80
<b>Main Hall Hire</b>				
Hillingdon Sport & Leisure Centre (4 courts)	£42.45	£50.95	£43.70	£52.50
Queensmead Sports Centre (6 courts)	£61.00	£70.00	£62.80	£72.10
Botwell Leisure Centre (4 courts)	£42.45	£50.95	£43.70	£52.50
<b>Badminton</b>				
Badminton (per court) - Off peak	£6.20	£7.20	£6.40	£7.40
<b>Other</b>				
Queensmead SC - Netball / 5-a-side External / AI (including floodlights) (per court)	£27.60	£31.85	£28.40	£32.80
<b>Athletics</b>				
Athletics - Adult	£3.20	£3.70	£3.30	£3.80
Athletics - child	£1.75	£1.85	£1.80	£1.90
Athletic meeting - Hillingdon club/school (Mon to Fri)	£38.10	N/A	£39.20	N/A
Athletic meeting - Hillingdon club/school (Weekend)	£45.30	N/A	£46.60	N/A
Athletic meeting - other organisations (Mon to Fri)	N/A	£56.00	N/A	£57.70
Athletic meeting - other organisations (Weekend)	N/A	£62.50	N/A	£64.40
<b>Gymnastics &amp; Other Junior Activities</b>				
Gym tots & pre school (45 minutes)	£4.80	£4.85	£4.90	£4.85
Gym tots & pre school (45 minutes) concession	£3.60	£3.70	£3.70	£3.70
Trampolining (intermediate)	£5.10	£5.25	£5.25	£5.40
Trampolining (intermediate) concession	£4.10	£4.20	£4.20	£4.20
Adult gym	£8.45	£9.30	£8.60	£9.30
Adult gym concession	£6.40	£7.50	£6.60	£7.50
Development, floor & vault squad 2	£4.35	£4.45	£4.45	£4.45
Development, floor & vault squad 2 concession	£3.30	£3.40	£3.40	£3.40
Development, floor & vault squad 1	£3.80	£3.90	£3.90	£3.90
Development, floor & vault squad 1 concession	£2.80	£2.90	£2.90	£2.90
Sports acro squad	£2.80	£2.90	£2.90	£2.90
Sports acro squad concession	£1.75	£1.85	£1.80	£1.85
Creche off peak	£2.30	£2.35	£2.35	£2.35
Creche off peak concession	£1.60	£1.65	£1.65	£1.65
Creche peak	£3.00	£3.00	£3.10	£3.00
Creche peak concession	£2.10	£2.20	£2.15	£2.20