

REPORT FOR DECISION



MEETING: CABINET
OVERVIEW & SCRUTINY COMMITTEE

DATE: 8 JULY 2015
29 JULY 2015

SUBJECT: REVENUE AND HOUSING REVENUE ACCOUNT
OUTTURN 2014/2015

REPORT FROM: DEPUTY LEADER OF THE COUNCIL AND CABINET
MEMBER FOR FINANCE AND HOUSING

CONTACT OFFICER: Steve Kenyon - Interim Executive Director of
Resources and Regulation
Andrew Baldwin - Head of Financial Management

TYPE OF DECISION: CABINET (KEY DECISION)

FREEDOM OF INFORMATION/STATUS: This paper is within the public domain

SUMMARY:

PURPOSE/SUMMARY:

This report provides Members with details of:

- the revenue outturn figures in respect of the last financial year, 2014/2015, detailing any specific carry-forward requests and the proposed application of the carry-forward rules;
- major variances between the revised estimate and the outturn;
- the level of school balances;
- HRA outturn for the year;
- The minimum level of balances in the light of risk assessments

The figures in the report are consistent with the figures included within the Statement of Accounts which were approved by the Responsible Finance Officer on 5 June and will be presented to Audit Committee on 15 July 2015. The figures in this report are presented in a format consistent with the Revenue Budget approved by

Council on 19 February 2014.

**OPTIONS &
RECOMMENDED OPTION**

Members are asked to:

- a) Note the final outturn for 2014/15, and explanations for major variances (Appendix A, B and C);
- b) Consider the application of the cash ceiling rules (Paragraph 3.0);
- c) Endorse the recommendations of the Interim Executive Director of Resources & Regulation for the minimum level of balances in light of the review of the corporate risk assessments and the newly completed departmental risk assessments (Paragraphs 5.1 & 6.2).

Recommended Option:

In view of the Council's financial situation and the budget pressures faced in 2015/16 and future years it is recommended that the normal cash ceiling rules governing the carry forward of over and underspendings should be suspended and that:

- a) The final revenue outturn and HRA outturn for 2014/15 be noted along with explanations for major variances;
- b) Overspendings in the departments of Children, Young People & Culture and Communities & Wellbeing are not to be carried forward;
- c) The level of the General Fund balances be noted;
- d) The minimum level of the General Fund balance to be retained at £4.5m subject to regular review as part of the budget monitoring process.

IMPLICATIONS:

Corporate Aims/Policy Framework:

Do the proposals accord with the Policy Framework? Yes

Financial Implications and Risk Considerations (statement by s151 officer):

Revenue expenditure has been incurred in accordance with the agreed Revenue Budget.

In considering requests to carry forward underspendings Members must be mindful of the level of General Fund balances and of the current and longer term budget position.

In order to strengthen the General Fund balances in anticipation of future pressures it would be prudent to suspend the normal cash ceiling rules and to retain uncommitted underspendings centrally.

As far as overspendings are concerned, it is accepted that it would be unhelpful to carry

forward the overspendings in view of the pressures faced by services in 2015/16 and beyond.

Statement by Interim Executive Director of Resources & Regulation:

There are no other resource implications.

Equality/Diversity implications:

No (see paragraph 9.1, page 10).

Considered by Monitoring Officer:

Yes. The presentation of an annual report on the Revenue and HRA Outturn is a requirement of the Council's Financial Regulations, as part of Council's Financial Procedure Rules. The report accords with the Council's Policy and Budget Framework and has been prepared in accordance with all Statutory Guidance and Codes of Practice.

Are there any legal implications?

No

Wards Affected:

All

Scrutiny Interest:

Overview & Scrutiny Committee

TRACKING/PROCESS

DIRECTOR: STEVE KENYON

Chief Executive/ Strategic Leadership Team	Cabinet	Ward Members	Partners
22/06/15	08/07/15		
Overview & Scrutiny Committee		Committee	Council
29/07/15			

1.0 BACKGROUND

- 1.1 This report details the major variances between the Revised Estimate and the Outturn in respect of the Council's Revenue and HRA budgets for 2014/15.
- 1.2 Work on the closure of the 2014/15 Accounts is complete and the Responsible Finance Officer approved the draft Statement of Accounts for 2014/15 on 5 June 2015. The figures in this report are consistent with the Statement of Accounts, though they are presented differently due to different reporting requirements required as part of CIPFA's Accounting Code of Practice.
- 1.3 The report also sets out the implications of the application of the cash ceiling rules; details of the General Fund balances position at 31st March 2015 and proposals for the continued strengthening of the budget monitoring arrangements.

2.0 REVENUE OUTTURN 2014/15

- 2.1 As the table shows, there was a total underspend against the Revised Estimate of **£0.095 million**.

	£000's
2014/2015 Revised Estimate	143,760
2014/2015 Outturn	143,665
Underspend	(95)

- 2.2 The revenue outturn and details of the major variations service by service are shown at Appendix A (pages 11 to 22) and are summarised below:

Department	Budget	Outturn	Variance
	£000s	£000s	£000s
Communities & Neighbourhood - Residual	258	191	(67)
Children, Young People & Culture	40,997	42,149	1,152
Communities & Wellbeing	72,260	73,341	1,081
Resources & Residual	6,352	6,048	(304)
Non Service Specific	23,893	21,936	(1,957)
TOTAL	143,760	143,665	(95)

- 2.3 All other things being equal, the outturn reported above will leave available General Fund balances standing at **£5.987m** at 31st March 2015. However the final level of balances will depend on decisions made around the application of the cash ceiling scheme (see section 3).

3.0 OPERATION OF THE CASH CEILING SCHEME

- 3.1 The cash ceiling scheme allows for under and overspendings to be carried forward into the following financial year. The Council's Financial Regulation 4.3 states:

'Any overall underspendings at year end may be carried forward to the following year subject to assessment of the corporate financial position of the Council but in any case allowing a carry-forward of 1% of net budget or £50,000 whichever is the greater.'

- 3.2 Normal operation of the scheme also requires all overspendings to be carried forward and it allows for certain items of underspending to be earmarked and carried forward in their entirety. **Underspendings which are carried forward are funded directly from the General Fund balances.**
- 3.3 The process for considering carry-forwards involves three distinct stages:
- (i) Cash ceilings are adjusted to reflect items of expenditure that services have no direct control over. Cash Ceiling requests are taken into account before the application of the carry-forward rules, and whilst they do not impact directly on the overall level of balances retained by the Council they do influence the calculation of the underspendings against which the 1% rule applies. In 2014/15 as part of the closure of accounts process **no requests have been received from Departments for cash ceiling adjustments** to the revised estimate.
 - (ii) Departments are asked to identify any earmarked carry forward requests that should be considered prior to the application of the '1% or £50,000 rule'. **No earmarked carry forward requests have been received.**
 - (iii) Members then consider whether to apply the '1% or £50,000' rule. Any underspendings that are carried forward will reduce the level of balances carried into the current financial year and so the application of the '1% rule' should be considered alongside the need for a responsible and prudent use of balances highlighted in the budget strategy report previously considered by Council and the Council's current financial position. In view of the budget pressures facing the Council in the short to medium term it is felt prudent to recommend that **no underspendings or overspendings are to be carried forward into 2015/16.**

4. SCHOOLS POSITION

- 4.1 The Dedicated Schools Grant is ring fenced and these externally provided monies can only be spent on schools and associated areas, which are specified by the Department for Education in various Statutory Instruments. In accordance with these statutory requirements, the balances of each school are carried forward into the next financial year for the benefit of the relevant school.
- 4.2 As at 31st March 2015, schools have accumulated a surplus balance of £6.724m across schools in Bury. Taking account of a deficit of £3.731m relating to Central Spend within the Schools Block and the DSG Control Account (see par. 4.8) the net level of school balances at 31st March 2015 is £2.993m. This represents a decrease of £1.115m from the opening balance of £4.108 m.
- 4.3 The DSG Control Account includes the mechanism for dealing with the deficit of Radcliffe Riverside High School following its closure at the end of the 2013/14 academic year, which was £387,000.

- 4.4 Of the other Primary and Secondary schools, only Manchester Mesivta High School is in a deficit position, which became a significant financial problem in September 2011. This led to financial delegation being withdrawn from the Governing Body with Financial Services taking over the financial management of the school. As at 31st March 2015 its carry forward deficit was £201,013, being £183,642 lower than the £384,655 deficit at the end of the 2103/14 financial year. This latter amount was 72.6% of the school's total revenue budget, while the current deficit is 46.5% of the school's revenue budget. The debt recovery plan agreed with the school should see the school in surplus during 2018/19.
- 4.5 The schools surplus balance of £6.724m is a decrease of approx £0.387m when compared to 31st March 2014, of which £0.140m was due to 2 Primary schools becoming enforced academies. 77 out of 80 schools with delegated budgets have surplus balances.
- 4.6 Ten schools are reporting balances, which are deemed "excessive" as defined by the "Scheme for Financing Schools" and as such will be subject to a balance control review by the Executive Director of Children, Young People & Culture who will take into account the views of the Schools Forum.
- 4.7 Any balances within the Central Spend are also carried forward into the following financial year and subsequently allocated to services and schools funded by the DSG. The deficit has increased mainly as a result of increased demand pressures for pupils with Special Educational Needs and under-funding of Post-16 Learners with Learning Difficulties and Disabilities (LLDD) by the Department for Education. With agreement of the Schools Forum and the Council the overspending should be cleared by the end of 2016/17.
- 4.8 The main variations are:

	Revised Estimate £000's	Outturn £000's	2014/15 Variation £000's
2013/14 Overspending b/f	0	2,719	2,719
Radcliffe Riverside closure	312	699	387
LLDD Post-16 Provision	350	962	612
Termination of Employment	0	170	170
Independent Special Schools	3,842	5,012	1,170
Inter-authority recoupment	0	192	192
Paediatric Disability Service	0	161	161
Early Years 2 year old funding	2,899	1,581	(1,318)
School Contingencies	131	51	(80)
Additional Needs Team	885	823	(62)
LAC (Education)	180	122	(58)
Provision for Pupils with SEN	801	700	(101)
Other	4,086	4,025	(61)
Total Central Spend and DSG Control A/c	13,486	17,217	3,731

- 4.9 The Education Funding Agency (EFA) of the Department for Education provides funds for 16-19 year old pupils in Bury schools through a funding formula mechanism. These funds supported pupils at Elms Bank and St Monica's High schools as well as pupils in independent special schools. The amount of funds provided by the EFA is insufficient to meet the needs and demand pressures of pupils and students up to the age of 25.
- 4.10 Termination of Employment costs are mainly due to early retirements and voluntary severances at Radcliffe Riverside High School, which was in its final year of operation.
- 4.11 Higher numbers of pupils attending other Local Authority and Independent Special Schools coupled with increased fees charged by these schools have meant that the budget has overspent by over £1.35 million or 35%.
- 4.12 The cost of the Aids and Adaptations provision for pupils with special educational needs has been included within the DSG rather than being charged to the local authority's budget.
- 4.13 The level of take-up by parents of 2 year olds is lower than the funding provided by the DfE. It is anticipated that in the future it is highly unlikely that the disparity between funds and take-up will continue as there are more parents taking advantage of the 2 year old offer. It is anticipated that in the future the DfE will require local authorities to return any unused grant funding.
- 4.14 During the budget setting process it was estimated that there would be a deficit of £3 million at the end of 2014/15 and that this would be funded from the increase in DSG monies for 2015/16. The Schools Forum and the Authority agreed that the deficit could be repaid over the next 2 financial years, 2015/16 and 2016/17.
- 4.15 The overall level of school balances masks some of the trends in individual schools. Appendix B shows an analysis of movements on school balances to allow Members to consider the spread of school balances around the Borough. Schools are currently being asked to identify the committed usage of their balances. These figures will be included in the Consistent Financial Reporting return and the Section 251 Outturn Statements which are published nationally.

5.0 GENERAL FUND BALANCES

- 5.1 On the assumption that the recommendations made in paragraph 3.6 are approved then the level of General Fund balances will be as follows:

	£m
General Fund Balance 31 March 2015	10.487
Less : Minimum balances to be retained in 2015/16	-4.500
Available balances at 1 April 2015	5.987

- 5.2 Given potential budget pressures facing the authority in the future it is strongly recommended that the available balances are retained.

6.0 RISK MANAGEMENT

- 6.1 In determining the minimum level of balances, a key aspect of the assessment made by the Interim Executive Director of Resources and Regulation is the level of risk faced by the authority that may impact on the financial situation.

- 6.2 For 2015/16 the Council accepted the Interim Executive Director's recommendation that the minimum level of balances should be calculated at **£4.5m**, £0.8m above the amount indicated by the 'Golden Rules'. In coming to this recommendation the Director considered the assessment of corporate risks that had been undertaken in February 2015.
- 6.3 As a result, provision of £1.2m was made for unpredictable and demand led expenditure, £1.0m as a budget strategy risk cushion, £0.4m to cover uncertainty of income and £0.5m to cover the potential costs of minor emergencies.
- 6.4 It was also indicated that the minimum level of balances would be kept under regular review and this will happen quarterly as part of the budget and risk monitoring process. However it is felt appropriate to also consider the balances position at this stage.
- 6.5 Departmental strategic risk assessments have also been completed and at this stage there are no issues that are anticipated to impact directly on balances over and above provision that has already been made around systems, demand levels, workforce development and changing structures as a result of the corporate risk assessments. Departments will be setting out risk mitigation measures within their individual Medium Term Financial Strategies.
- 6.6 A further assessment of minimum balances will be incorporated into the Month 3 Budget Monitoring report that will be presented to Cabinet in September 2015.
- 6.7 Effective budget monitoring is vital and various risk management techniques have been applied to budget monitoring throughout the year. These include cost bridges and the traffic light process which is used to assess budgets in terms of forecast over and underspending and secondly the identification of 'hot spots' based on risk factors that are inherent in individual budget areas. Reports containing this information were provided on a regular basis to the Strategic Leadership Team, the Overview & Scrutiny Committee, the Cabinet, Audit Committee and Star Chambers.
- 6.8 The use of this methodology will continue in 2015/16 and reports will be presented to the Cabinet meetings.

7.0 HOUSING REVENUE ACCOUNT OUTTURN 2014/15

- 7.1 The Housing Revenue Account (HRA) for 2014/15 is attached at Appendix C. The HRA is a ring-fenced account funded principally through Housing Rents. Any surplus or deficit is required to be carried forward between financial years. Councils cannot budget for a cumulative deficit on the HRA. In 2014/15 a contribution of £0.330m was required from the Business Plan Headroom Reserve to cover the in-year deficit and maintain the working balance at £1.000m; this contribution was £0.116m less than expected.
- 7.2 There are a number of variations that have contributed to this overall result however the variances only exceed 10% / £50k in the following areas:
- Increase in provision for bad debts – the budget contained two provisions, £0.184m for uncollectable debts and £0.100m to reflect the potential impact that welfare benefit changes could have on the level of rent arrears; the contribution for the year, calculated with reference to the type of arrear, the amount outstanding on each individual case and

the balance remaining in the provision following write off of debts, was £0.117m less than the budget. The reduced requirement has resulted from delays in the implementation of some welfare benefit changes whilst the effects of others have been mitigated through the actions of the Welfare Reform Group and close working with Partners in implementing the Corporate Debt Policy.

- Depreciation/impairment of fixed assets - the increased charges are reversed back out of the HRA (Appropriation relevant to impairment) so have no impact on the 'bottom line' of the account.

- 7.3 There are a number of factors that can impact on the HRA year-end balance but the main ones are normally void levels, the level of rent arrears and the levels of Right to Buy sales.
- 7.4 The rent loss due to voids for 2014/15 was on average 2.1%. The original dwelling rents budget allowed for a void level target of 1.8%. This increase in void losses equates to a reduction in rental income of £0.092m.
- 7.5 The total rent arrears at the end of 2014/15 were £0.946m, an increase of 11.3% from the start of the year when arrears totalled £0.850m.
- 7.6 The original HRA budgets assumed 42 Right to Buy sales during 2014/15 (based on the assumed level in the HRA self financing valuation). The actual number of sales in 2014/15 was 41.
- 7.7 A major element of the HRA's costs is the Management Fee paid to the authority's ALMO, Six Town Housing. As the ALMO is a wholly owned Council company it is appropriate for Cabinet to take a view on the company's financial position.
- 7.8 Six Town Housing's draft accounts for the 2014/15 financial year show that the ALMO made a surplus of **£0.612m** on a turnover of **£16.446m**, a rate of 3.7% (for 2013/14 the rate was -2.2%); the surplus for 2014/15 excludes pension adjustments made in line with FRS17 requirements.
- 7.9 Six Town Housing has developed a Reserves Policy (with input from the Council's Section 151 Officer) which determines the minimum level of balances that the company should hold and thus identify any 'free' reserves over and above this level. The use of these reserves is subject to joint decisions by Six Town Housing and the Council. The minimum level of reserves for 2014/15 was assessed to be £0.450m and the draft accounts indicate net assets (before pension liabilities) to be £2.605m.

8.0 OTHER ISSUES

- 8.1 The Accounts and Audit (England) Regulations 2011 require that Councils have their Accounts approved by 30th June each year by the Council's Section 151 Officer. The unaudited accounts were approved by the Council's Section 151 Officer on 5 June and will be presented to Audit Committee members on 15 July 2015 for approval.
- 8.2 Members are also asked to note that the Accounts for 2014/15 were available for public inspection at the Town Hall for 20 working days effective **from 8 June 2015**. This matter was advertised in the local press and placed on the Council's website and the Accounts can be viewed by contacting the Interim Executive

Director of Resources & Regulation or the Head of Financial Management (details below).

9.0 EQUALITY AND DIVERSITY

9.1 There are no specific equality and diversity implications.

10.0 FUTURE ACTIONS

10.1 Budget monitoring reports for 2015/16 will continue to be presented to the Strategic Leadership Team on a monthly basis and on a quarterly basis to the Cabinet, Star Chambers, Overview and Scrutiny Committee and Audit Committee.

Councillor Rishi Shori

Deputy Leader of the Council and Cabinet Member for Finance and Housing

Background documents:

Revenue Cost Information and Finance Working Papers, 2014/15

For further information on the details of this report and copies of the detailed variation sheets, please contact:

Mr S. Kenyon, Interim Executive Director of Resources & Regulation, Tel. 0161 253 6922,
E-mail: S.kenyon@bury.gov.uk, or

Mr A. Baldwin, Head of Financial Management, Tel. 0161 253 5034,
E-mail: A.Baldwin@bury.gov.uk

	2014/15 Current Budget £000's	2014/15 Outturn £000's	Variance £000's	Reason For Variance	One - Off / Ongoing
Directorate of Communities and Neighbourhoods (DCN) - Residual					
Administration & Directors Accounts	258	191	(67)	Salary savings due to staff leaving midyear - full year savings have been taken in the 2015/16 budget.	One-off
Department of Children, Young People and Culture					
Learning – Schools	(65)	(68)	(3)	Any underspend or overspend funded via the DSG are rolled forward into the next financial year.	
Learning – Non Schools	16,390	16,062	(328)	SEN Home to School Transport (+£0.302m) - the level of demand remains at a similar level to previous years. SEN Home to College Transport (+£0.044m) again due to increased demand from the number of students attending local colleges. Under spends on Non-SEN transport (-£0.046m) as there was lower than anticipated uptake of bus passes and Bus Escorts (-£0.063m).	Ongoing Ongoing Ongoing
				School Attendance (-£0.188m) - savings achieved due to increased penalty notice income and buy-back income.	One-off
				Youth Service (-£0.077m) - savings achieved on the property for Connexions as the service moved into 3KP.	One-off
				Childcare & Extended Services (-£0.246m) - vacancies were not filled and secondments were not covered in preparation for the service being restructured, plus efficiency savings.	One-off
				Other minor underspends (-£0.054m).	One-off
Social Care & Safeguarding	13,752	14,888	1,136	Children’s Disabilities Team (-£0.060m) - under spend due to changes in the funding of the Direct Payments. Family Placement (+£0.234m) - payments to carers increased above	One-off Ongoing

				<p>budget due to the recruitment of additional carers and also an increase in the number of children requiring foster care. Adoption overspent as the Adoption Reform Grant was reduced in 2014-15 and less income recouped on adoption placement fees.</p> <p>Safeguarding Unit (+£0.061m) - agency staff were brought in to cover long term sickness and to reduce social worker caseload numbers in line with Ofsted requirements.</p> <p>Advice & Assessment (+£0.616m) - as above, additional agency social workers were engaged to reduce caseloads to within the Ofsted guidelines.</p> <p>Leaving Care (+£0.384m) - the impact of supporting young people until the age of 21 continues to cause the service to overspend.</p> <p>Safeguarding – External Legal Fees (-£0.103m) - fewer court cases and a reduction in the court costs.</p> <p>Early Help Team (-£0.054m) - savings on the non-covering of vacancies and long term sickness plus efficiency savings.</p> <p>CYPIC (+£0.049m) - overspend due to agency staff cover.</p> <p>Other minor overspends (+£0.09m).</p> <p>Financial Services (+£0.057M) were affected by the DCN budget adjustments and the purchase of computer software licences.</p> <p>Grant Funding & Budgets earmarked for savings (-£0.987m) - prior year grant underspends and projects that ceased 'in-year'.</p> <p>Catering (-£0.285m) underspend due to over recovery of income and meal numbers.</p> <p>Cleaning (-£0.198m) savings on vacant posts and materials and equipment.</p> <p>Other underspends (-£0.036m).</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>
Other Management Costs	3,889	2,440	(1,449)		
Strategy / Commissioning	896	924	28	Agency cover for the Strategic Lead post and additional agency admin staff to support the MASH & CSE Teams.	One-off
Departmental Wide	(1,227)	(877)	350	Payments made to individuals taking VER and the Mutual Settlement Scheme.	One-off
Children's	3,965	5,331	1,366	Continued increase in the number of	Ongoing

Agency				children and complexity of support required. Remand costs have added additional pressures on this service as the funding is insufficient to cover the costs.	
Libraries, Arts & Museums	2,996	3,028	32	Income targets within Arts & Museums were not met offset by savings on books, equipment and not covering vacancies.	Ongoing
School Crossing Patrol	401	421	20	Efficiencies found with the service.	Ongoing
TOTAL CHILDREN, YOUNG PEOPLE & CULTURE	40,997	42,149	1,152		

Department of Communities & Wellbeing

Operations	7,718	8,094	376	<p>Killelea EPH (+£0.361m) - historical underfunding from Health and increase in carepool cover (e.g. sickness & holiday) and equal pay increments.</p> <p>Reablement Service (+£0.020m) - minor variations across the service, although the variance is not material given the net Reablement budget is £2.3m.</p> <p>Older People Fieldwork (+£0.013m) - the small overspend is largely the result of service demand pressures.</p> <p>Employment Support (-£0.057m) - variance largely the result of Income generation from Bury Employment Support Team (BEST) being higher than 14/15 budget provision and a higher than forecast transfer from reserves actual.</p> <p>Mental Health South (+£0.064m) - largely due to staffing severance payments.</p> <p>Choices (+£0.110m) - overspend is the result of service demand pressures.</p> <p>Assessment & Care Management (-£0.132m) - largely due to salary underspends.</p> <p>Resilience Fund (-£0.003m) - this budget is largely balanced.</p>	<p>Ongoing</p> <p>One-off</p> <p>One-Off</p> <p>One-off</p> <p>One-off</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p>
-------------------	-------	-------	-----	---	---

Workforce Modernisation	10,003	9,760	(243)	<p>Shared Lives Team (-£0.004m) - minor variations across the service. This budget is largely balanced.</p> <p>Older People's Day Care (-£0.007m) - OP day care budget is largely balanced (i.e. Net Budget is c£1.1m).</p> <p>Homes for Older People (-£0.175m) - underspending on Employee Budgets.</p> <p>Woodbury (-£0.003m) - minor variations across the service. This budget is largely balanced (i.e. Net budget of c.£0.950m).</p> <p>Day Centres under 65yrs (+£0.037m) - net result of several small over/underspends at day centres.</p> <p>Learning Disability Support Team 1 (-£0.034m) - staffing underspend as a result of vacancies.</p> <p>Learning Disability Support Team 2 (-£0.027m) - variance largely due to the income received from other Local Authorities</p> <p>ACS HR Section (-£0.013m) - underspending on Employee Budgets.</p> <p>ACS Training Management (-£0.024) - underspend largely due to lower than expected Training Fee and Training cover expenditure.</p> <p>Internal Recruitment Agency (+£0.007m) - minor variations across the service. This budget is largely balanced.</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>
Business Redesign	6,040	6,041	1	<p>Adult Education (-£0.011) - this budget is largely balanced.</p> <p>Communities (-£0.009m) - this budget is largely balanced.</p> <p>Gateway 2 Project (+£0.019m) - overspends on Utilities budgets.</p> <p>Private Sector Leasing (-£0.016m) - underspend is largely the result of overachievement in rent and housing benefit income plus a small underspend on utility budgets.</p> <p>Afghan Project (+£0.008m) - small overspend on rents.</p> <p>Accommodation Team (-£0.067m) -</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>

				rental and housing benefit income actual exceeding 2014/15 budget provision.	
				Sheltered Housing General & Support (-£0.152m) - largely the result of underspending employee and telephone budgets.	One-off
				Falcon & Griffin (+£0.040m) - variance largely a result of service demand pressures.	One-off
				Home Support Scheme (+£0.011m) - variance largely a result of service demand pressures.	One-off
				Carelink (+£0.049m) - service demand pressures and staffing pressure.	One-off
				Housing Choices (+£0.189m) - service demand pressures.	One-off
				Preventing Homelessness (-£0.089m) - the underspend reflects the impact of 2 schemes not going ahead during 2014/15 (IDVA & Mediation).	One-off
				Performance & Housing Strategy (-£0.143m) - salary vacancies plus one-off additional income re Affordable Housing. This service is undergoing a restructure in 2014/15, and budgets are due to be re-aligned for the beginning of 2015/16.	One-off
				Policy & Improvement (-£0.075m) - underspend on salaries due to vacancies and maternity. This service is undergoing a restructure in 2014/15, and budgets are due to be re-aligned for the beginning of 2015/16.	One-off
				Seedfield Resource Centre (+£0.089m) - overspend largely the result of rental income underachievement and rental expenditure exceeding 2014/15 budget provision.	One-off
				ICES Store (Seedfield) (+£0.118m) - overspend is largely the result of budgetary pressure on Pressures on Personal aids, Adaptations, Equipment repairs and Clinical waste.	One-off
				Home Improvement Grants (+£0.002m) - this budget is largely balanced.	One-off
				Urban Renewal Holding Account (+£0.041m) - service demand	One-off

				pressures.	
				Adult Care Customer Services Team (-£0.033m) - underspend on salaries, publicity and postage.	One-off
				Complaints (-£0.001m) - this budget is largely balanced.	One-off
				Asset Management (-£0.071m) - underspending on employee budgets.	One-off
				Non operational assets (+£0.102m) - service demand pressures.	One-off
Finance	(3,628)	(2,854)	774	ACS Senior Management (+£0.790m) - overspend largely the result of the mutual settlement agreements.	One-off
				Finance (-£0.043m) - largely the net result of staffing vacancies.	One-off
				NHS Support for Social care(+£0.027m)	One-off
Commissioning & Procurement - Care in the Community	26,663	27,048	385	Care in the Community (+£0.385m) - demand pressures on the care in the community budgets particularly around Domiciliary Care, Residential Care and Self Directed Support Budgets.	Ongoing
Commissioning & Procurement - Other	6,825	6,570	(255)	Head of Commissioning and Strategy (-£0.045m) - saving on dementia advisory service contract.	One-off
				Commissioning and Procurement Team (-£0.058m) - staff vacancies.	One-off
				Carers Services (-£0.219m) - ongoing savings on carers personal budgets.	One-off
				Strategic Commissioning (-£0.037m) - staffing vacancies & No call on Dementia Advisory Service Budget.	One-off
				Strategic safeguarding Team (+£0.121m) - deprivation of Liberty Safeguarding (DoLS) pressure.	Ongoing
				DAT - General (-£0.017m) - staffing vacancies.	One-off
Public Health	(98)	(98)	0	Public Health - the 2014/15 Public Health outturn was a balanced budget.	
Ex DCN Residual	18,737	18,780	43	Beverage & vending (+£0.057m) - difficulties in meeting budget target due	Ongoing

				<p>to reduced footfall, also inflation has been applied to income targets and no inflation applied to goods and services which increases the gap between budget target and achievement.</p> <p>Civic halls (+£0.138m) - Civic Hall's continue to face difficulties in achieving income targets in current market conditions. However there has been an improvement on last year's actual.</p> <p>Environmental Services (-£0.054m): lower levels of activity and an increase in fines on the Dog Warden services has resulted in an overall underspend (-£0.014m);</p> <p>No calibration of equipment or professional advice required this year on the Air Monitoring units (-£0.016m);</p> <p>Travellers (-£0.007m) additional income from removal of unauthorised travellers underspend on salaries due to maternity leave an a secondment;</p> <p>Pest Control (-£0.006m) - additional income;</p> <p>Miscellaneous (-£0.011m).</p> <p>Grounds Maintenance / Parks & Countryside (-£0.003m) due to slight underspend.</p> <p>Highways Network Services (£+0.002m) due to slight overspend.</p> <p>Sports & leisure (+£0.164): Closure of Radcliffe pool has resulted in an overall loss (+£0.120m); Various overspends on running costs (+£0.044m).</p> <p>Transport Services - (-£0.304m): Transport had reduced leasing cost due to more vehicles entering secondary lease period (-£0.134m); Reduction in R&M resulted in an underspend (-£0.079m); Increased income from additional hires and insurance claims (-£0.115m); Underspend on training budgets (-£0.007m); Additional income from sale of vehicles (-£0.012m); Transport With Driver (+£0.030m) - Shortfall in income, Fewer Welfare runs offset by more Home to School work resulting in additional payroll Costs, offset by a reduction in Vehicle & fuel costs resulted in an overall overspend; Vehicle workshop (+£0.013m) - Shortfall in income due to new vehicles,</p>	<p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-Off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p>
--	--	--	--	--	---

				partly offset by savings on salaries due to vacancies. Waste Management (£+0.043m) - Increase number of grits resulted in an overspend on grit salt.	Ongoing
TOTAL COMMUNITIES & WELLBEING	72,260	73,341	1,081		
Resources and Regulation Department					
Executive Director of Resources & Regulation					
Finance & Efficiency	2,583	2,035	(548)	Reduction in the external audit fee identified as savings in 2015/16 (-£0.137m). Staffing underspend due to holding of vacancies and maximising funding (-£0.156m). Coroners Court costs due to increased demands placed on the service (+£0.166m). Corporate Procurement tightening controllable expenditure, overachieved income and underspend on Healthwatch (-£0.160m). Contingency budget transferred from ex-DCN (-£0.221m). Additional income achieved (-£0.064m). Bank charges, credit card charges and various minor overspends (+£0.024m).	One-off Ongoing Ongoing Ongoing Ongoing One-off Ongoing
Human Resources	514	370	(144)	Management of vacancies in preparation for savings in 2015/16.	One-off
Legal & Democratic Services	1,805	1,716	(89)	Members Allowances and running costs underspends (-£0.111m). Underspends within Civic and Mayoral Expenses (-£0.016m). Unfunded legislative developments within Registration of Electors (+£0.058m). Municipal Elections overspend (+£0.124m).	Ongoing Ongoing Ongoing Ongoing

Customer Support & Collections	1,510	1,348	(162)	Holding of vacancies & reduced use of locums within Legal services (-£0.099m). Press & Media vacancy (-£0.020m). Tightening of controllable expenditure and minor variances (-£0.025m). Council Tax and NNDR summons costs income under-recovery (+£0.056m). Net staffing/agency cover underspend (-£0.232). Running costs minor overspends (+0.014m).	Ongoing Ongoing One-Off Ongoing One-off One-off
ICT	(164)	(164)	0	Admin Building recharges overspend (+£0.020m). Under-recovery of printing income (+£0.017m). Reduced leasing costs (-£0.144m). Contribution to Transformation Reserve to fund agreed future development costs (+£0.107m).	Ongoing Ongoing One-off One-off
Property & Asset Management	(1,301)	(783)	518	Shortfall in rent income due to increased voids (+£0.113m). Shortfall on Millgate / Longfield income due to increased voids and permitted deductions (+£0.417m). Increased Empty Rates due to increased voids (+£0.046m). Additional income from De-Minimis Capital Receipts (-£0.049m). Savings on repairs and maintenance (-£0.063m). Shortfall on Markets Rents due to temporary closure of Radcliffe Market for refurbishment (+£0.071m). Minor Variances (-£0.017m).	Ongoing Ongoing Ongoing One-off Ongoing One-off
Mutual Settlement costs	0	165	165	Severance and legal costs associated with Mutual Settlements agreed for the department.	One-off
Executive Director Resources & Regulation	4,947	4,687	(260)		
DCN Residual					

Engineering Services	147	500	353	<p>GMRAPS (+£0.104m) under recovered ambitious targets set on outdated data.</p> <p>Coring (+£0.031m) under recovered better compliance by the utility companies.</p> <p>Car parking under recovered (+£0.025m).</p> <p>Shortfall in Pay & Display income off set by underspends on DPE contract & Repairs & Maintenance (+£0.124m).</p> <p>Reduced decriminalised Parking (Fines) (+£0.023m).</p> <p>Bus Lane Enforcement reduced fines (+£0.046m).</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>
Planning & Development Control	635	676	41	<p>Overspend on Development Management (+£0.095m) due to additional costs for Walmsley Village Green inquiry & Fletcher Bank quarry appeal off set by surplus income for Sect 106 admin fees (-£0.011m).</p> <p>Surplus on Building Control due to staffing savings off set by shortfall in income and additional software costs (-£0.043m).</p>	<p>One-off</p> <p>One-off</p>
Environmental Services	642	620	(22)	<p>Over recovery of income for Licensing, Alcohol & Entertainment off set by shortfall in income for Gambling & Miscellaneous licensing. Small over recovery for Trading Standards due to savings on salaries & general underspends off set by shortfall in income targets & allowance for severance payments.</p>	<p>Ongoing</p>
Administrative Buildings	(39)	(103)	(64)	<p>Rate refunds (-£0.147m) for Humphrey House, Whittaker Street & Athenaeum House.</p> <p>Running costs (+£0.083m) for Athenaeum House & Castle Buildings plus rent increases for 3 Knowsley Place.</p>	<p>One-off</p> <p>Ongoing</p>
Architectural Services	(326)	(528)	(202)	<p>The level of charges has remained consistent however the increase in capital programmes and the ability to forward plan has resulted in increased efficiency and utilisation of resources. Increase in tender values has resulted in a proportional increase in fee recovery.</p>	<p>One-off</p>

Energy Conservation	65	82	17	Additional (+£0.009m) for actual carbon allowances purchased.	Ongoing
Bradley Fold Depot	155	141	(14)	Additional costs (+£0.008m) for carbon & energy management. General underspends on Repairs & Maintenance plus other discretionary budgets.	One-off One-off
Stores	(6)	(89)	(83)	Surplus from stock takes & fuel oncosts.	One-off
Community Safety	(214)	(281)	(67)	Additional income on Security & Alarms plus staff savings due to vacancy although the level of income is expected to remain the same this has been taken into account for saving target for 2015/16.	One-off
Economic Development	346	343	(3)	Underspends on Economic Initiatives & Bury Employment Plan off set by overspends on Radcliffe & Prestwich Works.	One-off
DCN Residual	1,405	1,361	(44)		
TOTAL RESOURCES & REGULATION	6,352	6,048	(304)		
Grants to Voluntary Organisations	1,054	962	(92)	Section 48 (AGMA) grant reduced (-£0.029m). Contingency Fund not used (-£0.047m). Sundry grants (transport/lettings etc) lower than budget (-£0.016m).	Ongoing One-off One-off
Non Service Specific Items					
Housing	(386)	(708)	(322)	Increased net Housing Benefit subsidy (-£0.618m). Reduced Housing Benefit administration grant received (+£0.102m). Contribution to the bad debt provision (+£0.216m). Minor underspends (-£0.022m).	One-off One-off One-off One-off
Cost of Borrowing	9,085	8,338	(744)	Saving on Loan interest payable (-£0.546m). Increased investment income (-£0.074m). Other underspends (-£0.124m).	One-off One-off One-off
Passenger Transport levy	13,650	13,650	0	n/a	
Environment	92	92	0	n/a	

Agency					
National Non Domestic Rates	108	108	0	n/a	
Manchester Airport	(1,400)	(1,484)	(84)	Increased annual dividend receipt.	One-off
Chief Executive	312	312	0	n/a	
Corporate Management	745	930	185	Increased subscriptions (+£0.169m) and Professional Fees (+£0.016m).	One-off One-off
Waste Disposal Levy	12,219	12,219	0	n/a	
Provisions	2,756	1,856	(900)	Reduction in level of contributions made to provisions.	One-off
Cost of Retirement	37	37	0	n/a	
IAS19 Retirement Benefits	6,217	6,217	0	n/a	
Accumulated Absences	(2,040)	(2,040)	0	n/a	
Capital Charges / Asset Rentals	(18,556)	(18,556)	0	n/a	
TOTAL NON SERVICE SPECIFIC	22,839	20,974	(1,865)		
Total Revenue Expenditure (exc. Schools)	143,760	143,665	(95)		

LEVEL AND MOVEMENT OF SCHOOL RESERVES
Appendix B

Overall Levels of Balances	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
School Balances at 31st March	(4,504)	(7,805)	(6,188)	(4,108)	(2,993)

Number of Schools – Surpluses/Deficits in Percentage Terms

Table	2010/11 Number of Schools	2011/12 Number of Schools	2012/13 Number of Schools	2013/14 Number of Schools	2014/15 Number of Schools
Nursery & Primary					
Greater than +9%	6	10	4	7	9 ²
+8% to 9%	4	11	9	3	6
+5% to 8%	27	27	27	26	25
0% to 5%	25	14	23	26	20
Deficits	2	1	0	1	1
Total	64	63	63	63	61¹
Secondary					
Greater than +6%	4	5	4	4	1
+5% to 6%	1	3	2	1	2
0% to 5%	9	6	6	7	9
Deficits	-	-	2	2	2 ³
Total	14	14	14	14	14
Special & PRU's ⁴					
Greater than +9%	1	-	-	-	-
+8% to 9%	-	-	-	1	-
+5% to 8%	-	2	2	1	2
0% to 5%	2	1	1	1	3
Deficits	-	-	-	1	-
Total	3	3	3	4	5
Number above the original "Excessive Surplus" thresholds (Prim/Spec 8% & High 5%)	16	29	19	16	18
Number above the new "Excessive Surplus" thresholds (Prim/Spec 9% & High 6%)	11	15	8	11	10

Number of Schools – Surpluses/Deficits in Monetary Terms

Table	2010/11 Number of Schools	2011/12 Number of Schools	2012/13 Number of Schools	2013/14 Number of Schools	2014/15 Number of Schools
Nursery & Primary					
Deficits					
£0 to £50,000	2	1	-	1	1
Surpluses					
£0 to £50,000	33	20	25	24	25
£50,000 to £100,000	26	31	29	26	19
£100,000 to £150,000	2	10	7	11	15
£150,000 to £200,000	1	1	2	1 ²	1 ²
Total	64	63	63	63	61¹
Secondary					
Deficits					
£0 to £200,000	-	-	1	-	-
£200,000 to £300,000	-	-	-	1 ³	1
Greater than £300,000	-	-	1	1	1 ³
Surpluses					
£0 to £50,000	2	1	-	-	-
£50,000 to £100,000	1	2	2	2	2
£100,000 to £150,000	2	1	1	-	3
£150,000 to £200,000	4	2	1	1	2
£200,000 to £250,000	3	3	2	4	4
£250,000 to £500,000	2	4	5	5	1
Greater than £500,000	-	1	1	-	-
Total	14	14	14	14	14
Special & PRU's ⁴					
Deficits					
£0 to £50,000	-	-	-	1	-
Surpluses					
£0 to £50,000	1	1	1	1	2
£50,000 to £100,000	1	-	-	-	-
£100,000 to £150,000	-	-	-	-	-
£150,000 to £200,000	-	2	1	1	1
£200,000 to £250,000	-	-	-	-	1
Greater than £250,000	1	-	1	1	1
Total	3	3	3	3	5

Notes

- 1 - Two Primary Schools were converted to academies during 2013/14
- 2 - Gorsefield Primary was converted to an academy on 1st April 2015
- 3 - Radcliffe Riverside closed at the end of the 2014/15 academic year
- 4 - Pupil Referral Units became eligible for delegated budgets at the start of 2013/14

HOUSING REVENUE ACCOUNT

APPENDIX C

	2014/15 REVISED ESTIMATE	2014/15 OUTTURN	VARIATION FROM BUDGET
	£	£	£
INCOME			
Dwelling rents	30,060,100	30,118,438	(58,338)
Non-dwelling rents	220,400	221,161	(761)
Heating charges	73,800	74,217	(417)
Other charges for services and facilities	928,100	955,548	(27,448)
Contributions towards expenditure	53,900	27,429	26,471
Total Income	31,336,300	31,396,793	(60,493)
EXPENDITURE			
Repairs and Maintenance	6,852,500	6,840,599	(11,901)
General Management	6,932,500	7,000,381	67,881
Special Services	1,055,600	1,048,955	(6,645)
Rents, rates, taxes and other charges	90,000	107,489	17,489
Increase in provision for bad debts	284,300	167,608	(116,692)
Cost of Capital Charge	4,531,900	4,533,799	1,899
Depreciation/Impairment of fixed assets			
- council dwellings	7,361,500	20,103,600	12,742,100
Depreciation of fixed assets - other assets	41,900	42,282	382
Debt Management Expenses	40,600	33,031	(7,569)
Contrib. from Business Plan Headroom Reserv	(445,800)	(330,247)	115,553
Total Expenditure	26,745,000	39,547,497	12,802,497
Net cost of services	(4,591,300)	8,150,704	12,742,004
Amortised premia / discounts	(14,600)	(14,646)	(46)
Interest receivable - on balances	(66,200)	(66,419)	(219)
Interest receivable - on loans (mortgages)	(1,000)	(702)	298
Net operating expenditure	(4,673,100)	8,068,937	12,742,037
Appropriations			
Appropriation relevant to impairment	0	(12,742,200)	(12,742,200)
Revenue contributions to capital	4,673,100	4,673,263	163
(Surplus) / Deficit	0	0	0
Working balance brought forward	(1,000,000)	(1,000,000)	0
Working balance carried forward	(1,000,000)	(1,000,000)	0