AGENDA FOR

CABINET

Contact::Andrew WoodsDirect Line:0161 253 5134E-mail:a.p.woods@bury.gov.ukWeb Site:www.bury.gov.uk

To: All Members of Cabinet

Councillors : M C Connolly (Leader) (Chair), R Shori (Deputy Leader & Cabinet Member for Health and Well Being), J Lewis (Cabinet Member for Communities and Culture), S Walmsley (Cabinet Member for Resource and Regulation), T Isherwood (Cabinet Member for Environment) and G Campbell (Cabinet Member for Children and Young People)

Dear Member

Cabinet

You are invited to attend a meeting of the Cabinet which will be held as follows:-

Date:	Wednesday, 16 July 2014
Place:	Bury Town Hall, Knowsley Street, Bury, BL9 0SW
Time:	6.00 pm
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members of Cabinet are asked to consider whether they have an interest in any of the matters of the Agenda, and if so, to formally declare that interest.

3 PUBLIC QUESTION TIME

Questions are invited from members of the public present at the meeting about the work of the Council and the Council's services.

Approximately 30 minutes will be set aside for Public Question Time, if required.

4 MINUTES (Pages 1 - 4)

To approve as a correct record the Minutes of the meeting held on 11 June 2014.

5 BURY COUNCIL - ZERO WASTE STRATEGY AND SUSTAINABLE WASTE COLLECTION SERVICE (Pages 5 - 42)

Report attached.

- **6 CAPITAL OUTTURN 2013/2014** (*Pages 43 56*)
- **7 REVENUE AND HRA OUTTURN 2013/2014** (*Pages 57 80*)
- 8 TREASURY MANAGEMENT ANNUAL REPORT 2013/2014 (Pages 81 92)
- **9 RISK MANAGEMENT ANNUAL REPORT 2013/2014** (Pages 93 108)
- **10 CORPORATE PLAN PROGRESS REPORT QUARTER 4 2013/2014** (*Pages 109 - 136*)

11 URGENT BUSINESS

Any other business which by reason of special circumstances the Chair agrees may be considered as a matter of urgency.

Agenda Item 4

Minutes of:	THE CABINET
Date of Meeting:	11 June 2014
Present:	Councillor M Connolly (in the Chair) Councillors, A Isherwood, J Lewis, R Shori and S Walmsley
Also present:	Councillor P Heneghan (Deputy Cabinet Member Protection and Family Intervention)
Apologies:	Councillor G Campbell
Public attendance:	-

CA.22 DECLARATIONS OF INTEREST

Councillor Connolly declared a personal interest in any matters relating to the fact that his partner is employed by Adult Care Services.

CA.23 MINUTES

Delegated decision:

That the minutes of the meeting held on 9 April 2014 be approved and signed by the Chair as a correct record.

CA.24 PUBLIC QUESTION TIME

A period of thirty minutes was allocated for members of the public present at the meeting to ask questions about the work or performance of the Council or Council services.

No questions were asked.

CA.25 ADOPTION OF PRIVATE SECTOR HOUSING RENEWAL ASSISTANCE POLICY 2014

The Deputy Leader and Cabinet Member (Health and Wellbeing) submitted a report setting out a revision of the Councils Private Sector Housing Renewal Assistance Policy.

The revision introduces new powers to enable the Council to supplement mandatory Disabled Facilities Grants (DFGs) with discretionary grants and loans in certain circumstances. It also provides for other minor amendments to the Councils Private Sector Housing Renewal Assistance Policy in response to on-going financial constraints within Local Government since the Policy was last updated in 2009.

Delegated decision:

That approval be given to the proposals to revise the Private Sector Housing Renewal Assistance Policy as detailed in the report submitted.

Cabinet 11 June 2014

Reasons for the decision:

Approval and adoption of the Policy will:

- Add value to existing mandatory Disabled Facilities (DFG) provisions and support the Council's wider welfare obligations;
- Introduce streamlined processes and flexibilities for customers requiring adaptations;
- In exceptional cases, it will help customers who need expensive adaptations above the mandatory DFG level of £30,000 in a prudent and proportionate way;
- Maintain the Council's commitment to addressing poor housing conditions whilst operating within a more restrictive financial environment.

Other option considered and rejected:

To reject or amend the proposals.

CA.26 EXCLUSION OF PUBLIC

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Delegated decision:

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item of business as it involves the likely disclosure of information as detailed in the conditions of category 3.

CA.27 PROPOSED RELOCATION OF RADCLIFFE BUS STATION

The Leader submitted a report outlining proposals to undertake, in partnership with Transport for Greater Manchester (TfGM), the relocation of the existing Radcliffe Bus Station in order to create a key development opportunity as part of the wider Radcliffe Town Centre Regeneration Plan.

Delegated decisions:

- 1. That approval be given to the capital allocation of up to £1million, match funded on a 50:50 basis by TfGM, to be used for the development of a new bus station in Radcliffe.
- 2. That approval be given to delegate authority to the Executive Director of Regulation and Resources and the Head of Property and Asset Management, in consultation with the Leader of the Council, to request and accept tenders for the bus station contract.
- 3. That delegated authority be given to the Head of Property and Asset Management to grant TfGM a new long lease for the bus station and to accept a surrender of TfGM's interests in the existing bus station site.
- 4. That the Director of Regulation and Resources be requested to advise Cabinet of the outcome of the tender process.

Reasons for the decision:

As part of the Radcliffe Town Centre Masterplan 2010 the relocation of the existing Radcliffe bus station will free up a site for a suitable retail led development scheme.

Other options considered and rejected:

To amend or reject the recommendations.

CA.28 RADCLIFFE HALL CE/METHODIST SCHOOL – MAJOR IMPROVEMENT SCHEME CAPITAL PROJECT STAGE TWO APPROVAL Ε

The Leader of the Council and the Cabinet Member (Children and Young People) submitted a report setting out in financial terms the details of a project at Radcliffe Hall CE/Methodist Primary School which involved expenditure exceeding £250,000. Details of the financial profile of the project identifying the estimated cost to be incurred were provided.

Delegated decisions:

- 1. That approval be given to the financial details as detailed in the report submitted.
- 2. That approval be given to rescind the earmarking of the capital receipt from the sale of the site of the former Radcliffe High School (Minute number EX.030).
- 3. That approval be given to an equivalent amount to be guaranteed from future capital receipts/Council reserves to satisfy the conditions of minutes number EX.030

Reasons for the decision:

Radcliffe Hall CE/Methodist Primary School is one of the oldest school buildings use within Bury having been constructed in two parts between 1853 and 1898. The school requires refurbishment to allow it to continue as a valued learning environment.

Other option considered and rejected:

To reject the recommendation.

DELIVERY OF THE BURY STANDARD CA.29

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The Deputy Leader and Cabinet Member (Health and Wellbeing) submitted a report outlining the approach to the delivery of the increased capital programme investment of £12.36million in the Bury Council housing stock from 2014 to 2017, which is managed by Six Town Housing.

Delegated decision:

That approval be given to that total investment programme and the approach outlined in the report submitted.

Cabinet 11 June 2014

Reason for the decision:

This decision reaffirms the importance of maintaining the Council's housing stock.

Other options considered and rejected:

To reject the recommendation.

COUNCILLOR M CONNOLLY Chair

(Note: The meeting started at 6.00 pm and ended at 6:20 pm)

REPORT FOR DECISION





DECISION OF:	CABINET
DATE:	16 JULY 2014
SUBJECT:	BURY COUNCIL – ZERO WASTE STRATEGY AND SUSTAINABLE WASTE COLLECTION SERVICE
REPORT FROM:	COUNCILLOR T. ISHERWOOD CABINET MEMBER – ENVIRONMENT
CONTACT OFFICERS:	NEIL S LONG – ASSISTANT DIRECTOR (OPERATIONS) GLENN STUART – HEAD OF WASTE MANAGEMENT
TYPE OF DECISION:	Cabinet (KEY DECISION)
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	This report proposes a Zero Waste Strategy. This has been developed to complement the Greater Manchester Waste Disposal Authority's (GMWDA) Waste Management Strategy, protect the environment, cut back on the amount of waste generated and sharply increase recycling rates. The Strategy details the current position in Bury, the options available for the future and 10 strategic objectives to support the delivery of Bury Council's recycling targets.
	The Council has to consider all options to increase recycling and the proposals in this report focus on 3 of the 10 strategic objectives:
	 waste prevention; following the Waste Hierarchy; and education and awareness.
	This report also sets out options for a new waste collection system for implementation from October 2014. The focus of the new collection system would be to make the necessary operational changes to support residents with maximising recycling and minimising the amount of waste requiring treatment and disposal.

OPTIONS & RECOMMENDED OPTION	 Option 1 To approve and adopt Bury Council's – Zero Wast Strategy, including the 10 strategic objectives. To approve the proposed changes to the waste collectio service. To approve an invest to save initiative to include capital spend of up to £213,400 and one-or implementation costs of £189,700 to introduce th changes. These costs, ultimately will be self-financing but initially are to be funded from loan and reserves a detailed in section 4 of the report. Option 2 Do nothing. In doing nothing, the Council would not achieve recycling targets, efficiency savings or othe strategic objectives and costs associated with treatment and disposal of waste will continue to rise.			
	Option solutio	nmended Option 1 is recommended to provide a sustainable in to increasing recycling, cutting back on waste aproving education and awareness.		
IMPLICATIONS: Corporate Aims/Policy Framework: Statement by the S151 Officer: Financial Implications and Risk Considerations:		Do the proposals accord with the Policy Framework? Yes Risks associated with the proposals are outlined in section 7 of the report. A comprehensive risk register will be developed and maintained throughout the planning and implementation phases of the changes. Recycling rates will continue to be closely monitored and considered when budgets are set for future years.		
Health and Safety Implications		New waste collection rounds will be designed based on experience and knowledge of the Borough, taking on board health and safety requirements of the service. Issues such as people with medical conditions, families using disposable nappies, and larger families will be included in the risk register and households with special circumstances may be able to apply for additional residual capacity.		
Statement by Executive Director of Resources (including Health and Safety Implications)		The proposed changes to the waste management system could see recycling increase from 47.6% to at least 56% and realise significant savings towards overall budget cuts estimated to be £32m over the next 2 years.		
Equality/Diversity		No – No specific group will be disadvantaged		

implications:	from this proposal – See section 8.0 below
Considered by Monitoring Officer:	The preferred option would ensure compliance with the European Waste Framework Directive recycling targets. It is important that the Strategy and options are considered with due regard to the Council's equalities duty. A full impact assessment has been undertaken to accompany this report.
Wards Affected: Scrutiny Interest:	All Internal Scrutiny

TRACKING/PROCESS

DIRECTOR: Executive Directors DCN/DCW

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Specific User Groups
Briefing and consider Strategy/Business Case	Briefing and consider Strategy/Business Case	Briefing/Distribute information	Briefings July/August
Workforce	Internal Scrutiny	Cabinet	Council
09.07.14		16.07.14	

1.0 BACKGROUND

1.1 The Greater Manchester Waste Disposal Authority and its nine partners, including the Council, have formulated a Municipal Waste Management Strategy based on joint working that identifies the need for a waste management system driven by waste minimisation and a commitment to maximising the recycling and composting of waste.

The recycling rate for waste collected from households is approximately 47% for 2013/14. The largest increase in recycling came with the launch of the managed weekly collection service launched in October 2011. The recycling rate went up from **29.4%** to **47.6%**. This is now the third highest rate in Greater Manchester. However we recognise that we can, and must do better. Recycling is good for the environment as less waste requires treatment and disposal. It also makes sound financial sense and has already saved the Council **£2.54 million** over the last 3 years.

Introducing the managed weekly collection service increased the scope of materials to be collected to include food waste and at the same time an improved container in the form of a green wheeled bin for paper and card collections was provided. This meant that households now had 4 different coloured bins to allow more recyclables to be stored over a longer period (4 weeks).

As a result, households now have all the recycling bins that they require, in line with the 4 waste streams required by the 25 year GMWDA PFI contract. The challenge now is to encourage more residents to recycle and educate all residents to recycle more effectively

1.2 The Council currently spends **£10.2 million** annually on the treatment and disposal of residual waste, out of a total waste levy of £13.3m. Data shows, however, that approximately **75%** of household waste could be recycled. The Council's aim in introducing this Strategy is to increase recycling to 60% or more by March 2016. Every 1% rise in recycling rates for waste collected from households saves the Council up to **£130,000**.

2.0 Bury Council - Zero Waste Strategy

2.1 The European, National and Sub-Regional policy focus has moved away from simply sending waste that isn't recycled to landfill, to a more ambitious aim of managing waste as a resource to enable a move to a zero waste, resource efficient society. These are also very challenging times for the whole economy, including Councils who have faced significant financial cuts. The aim of this Strategy is to find new and innovative ways to cut back on waste, putting it to better use, without increasing overall costs. There is a significant cost of doing nothing as treatment and disposal costs continue to rise, and there is therefore a need to treat waste as a resource rather than a problem. This approach is widely recognised as good practice within the waste industry.

The most effective way to drive increased recycling is through behaviour change. To support this the proposed Strategy is based on providing information and guidance, ongoing education of householders on how to recycle more efficiently and on restricting capacity for waste that can't be recycled.

The Bury Council Zero Waste Strategy has been developed to sharply increase recycling rates. It sets out the current position in Bury and details of the options available for the future. The Strategy also supports the aims and objectives of the Greater Manchester Waste Disposal Authority (GMWDA) Waste Management Strategy, jointly agreed by the nine Waste Collection Authorities of Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside and Trafford.

The aim of the Bury Strategy is to:

- Recycle **55-60%** by March 2015;
- Recycle **60%+** by March 2016;
- Reduce disposal costs by cutting the amount of waste going to landfill;
- Support the Greater Manchester Strategy on reducing carbon emissions.

To support the delivery of these aims, ten strategic objectives have been developed: (See attached Strategy for further detail)

- 1. Follow the Waste Hierarchy
- 2. Preventing waste
- 3. Recycling on the go
- 4. Education and awareness
- 5. Enforcement
- 6. Best Value
- 7. Partnership working in Greater Manchester
- 8. Climate change
- 9. Empowering local communities
- 10. Review

2.2 **To increase recycling and save money, we want to...**

- Reuse, recycle and recover waste to convert into high value products. To do this more waste must be diverted from going into landfill.
- Cut back on treatment and disposal of waste as all residents have access to our full recycling service and as a result only a relatively small amount of waste (around **25%)** needs to go in grey bins.
- Increase the recycling rate to **60%** or more, strive to be the best recycler in Greater Manchester and consistently be above national recycling targets, progressively and systematically.
- Reduce the cost of waste treatment and disposal.
- Increase education/information so that residents can take steps to prevent waste.
- Reduce the carbon footprint in Bury.
- 2.3 To achieve the GMWDA's Waste Management Strategy's ambition of zero production of waste and Bury Council's own 'green' ambitions a further review of collections/recycling arrangements is necessary. The proposed new collection service detailed in section 3 below focuses on three of the ten strategic objectives. These are:

• Follow the Waste Hierarchy

By making opportunities available, designing appropriate collection systems and raising awareness so that everyone in our communities can play an active role in ensuring that the amount of waste is reduced before it enters the waste stream.

The hierarchy prioritises prevention followed by reuse, recycling and composting. The recovery of energy is the next preference followed by disposal as the last resort. The aim is to prevent waste from being produced in the first place and where waste is produced, treat it as a resource to maximise its potential value.

• Preventing waste

One of the biggest challenges we face in our daily lives is reducing the amount of waste we produce. Experience from other councils across the country suggests that if recycling levels of 60%+ are to be achieved then capacity for residual (non recyclable) waste must be restricted. In Bury, we currently recycle **47.6%** and our aim is to increase this to **60%** or more by March 2016. To do this, residents need to have the correct information and knowledge to allow them make informed decisions to help prevent waste. We have become used to purchasing items too easily and then throwing them away when they need replacing.

Waste prevention is about making different decisions and choices about the things we buy and use e.g. by buying items with less packaging, planning meals and food purchases, buying items in refillable containers and composting at home.

• Education and awareness

A cornerstone of the Council's Strategy would be to raise awareness and increase support to the public as strategic and operational changes are

implemented. Strong education and effective communication will need to be sustained in order to achieve these challenging targets.

A range of methods would be used to communicate with residents, businesses and schools. Various media formats recognising the diverse society across Bury would provide targeted educational messages. Education would be supported by the provision of advice and guidance backed up as required with enforcement for those in the community who repeatedly and persistently do not take full responsibility for their own waste such as deliberately contaminating recycling bins. The Council would be committed to seeing that such measures are applied in an open, reasonable, consistent and proportionate way.

2.4 It is proposed that the Zero Waste Strategy would be implemented over the next 3 to 5 years through delivery plans, promotion and awareness campaigns, community events, partnership working and monitoring the impact of recycling initiatives.

3.0 Proposed Changes to Waste Collection Services

3.1 Existing Service

Bury residents have access to all the containers that they require to effectively separate their waste into 4 different waste streams, in line with the Greater Manchester Waste Disposal Authority (GMWDA) PFI contract requirements. All residents now have access to the following.

- **Grey bin collection** (for waste that can't be recycled) once every 2 weeks.
- Brown bin or food caddy collection (for garden waste and/or food waste) once every 2 weeks.
- Green bin collection (for paper and cardboard) once every 4 weeks.
- **Blue bin collection** (for glass bottles/jars, plastic bottles, food and drink cans, empty aerosol cans, clean aluminium foil) once every 4 weeks.

There are around 82,000 households in the Borough. Of these, around 8,500 households use communal bins. Based on varying frequencies, annually we empty up to:

- 1.91 million grey residual waste bins.
- 0.96 million blue co-mingled recycling bins.
- 0.96 million paper/card recycling bins.
- 1.69 million brown garden and food waste bins.

The weight (tonnes) of material collected from households in the four main bin types (2010-2014) is shown below. This illustrates the overall progress made in reducing waste that can't be recycled, whilst increasing recycling tonnages.

Year	Grey - Residual	Blue - Bottles/cans /plastics	Green – Paper/card	Brown - garden/ food
2010/11	48,689	6,417	5,279	8,542
2011/12	39,990	7,109	6,783	11,233
2012/13	33,194	7,753	8,269	12,998
2013/14	32,346	7,861	7,921	13,623

Whilst the figures above relate to household collected bin waste only, the Council will seek to increase all forms of recycling including waste from street cleaning and commercial collections.

3.2 Why the need for change?

- Waste prevention and management is one of the top priorities of the EU Waste Directive.
- The GMWDA is aiming to achieve a recycling rate of **50%** and diversion of at least **75%** of waste away from landfill by 2015, as required by its 25 year PFI contract, with stretch targets of 60% recycling and 90% diversion from landfill.
- If the GMWDA fails to meet its landfill diversion and recycling targets the levy paid by each Waste Collection Authority (WCA) will increase and so Bury will also see an increase in costs.
- Bury has to make budget savings and up to **£7.3 million** annually is being spent on waste treatment and disposal costs that could be avoided. This is an opportunity to reduce waste management costs.
- In 2014/15 it will cost the Council £283.72 to treat and dispose of one tonne of residual waste. In comparison, brown bin waste costs £61.35 per tonne to process, whilst the Council receives an *income* of £25 per tonne for all materials collected in blue and green bins.
- The Council spends around **£28,000** per day to treat and dispose of residual waste.
- The cost of doing nothing is expensive. Waste disposal costs for Bury at current levels are expected to have ongoing price increases between 2014/15 and 2016/17.

3.3 **Options Appraisal and Financial Case**

6 collection options were modelled to achieve a recycling rate in excess of 50%, which are outlined in **Table 1** below.

Option	Grey residual waste	Brown garden/ food Up to 240 litre bin	Green paper and card Up to 240 litre bin	Blue Glass, cans and plastic 240 litre bin	Net ongoing saving	Net cost/ saving 2014/15 (6 months wef Oct 2014)
Existing service	240litre bin 2 Weekly	2 Weekly	4 Weekly	4 Weekly		
Option 1	140litre bin 2 Weekly	2 Weekly	4 Weekly	4 Weekly	-£720,281	£232,623
Option 2	140litre bin 2 Weekly	Weekly	4 Weekly	4 Weekly	-£380,742	£720,927
Option 3	240litre bin 3 Weekly	Weekly	4 Weekly	4 Weekly	-£987,899	£271,593

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Table	Τ.

Option 4	240litre bin	2 Weekly	4 Weekly	4 Weekly	-£1,033,498	-£67,641
	3 Weekly					
	240litre	Weekly	3 weekly	3 weekly	-£664,279	£434,803
Option 5	bin					
	3 Weekly					
	240litre	2 Weekly	3 weekly	3 weekly	-£862,078	£100,668
Option 6	bin					
	3 Weekly					

Notes:

- Option 1 and 2 require an investment of **£1.1m** to buy new 140 litre grey bins
- Options 5 and 6 provide improved service for blue and green bin recycling
- Options 2, 3 and 5 (weekly biowaste collection) have an additional operational cost of **£960k**. This could be offset with a **£630k** biowaste recycling saving. However a weekly biowaste collection could increase the amount of garden waste entering the system.
- All the above options would incur one off costs for marketing and communications and the purchase and delivery of additional bins.
- Options 1, 4 & 6 assume a diversion of 4000t of residual waste and levy savings of £890k.
- Options 2,3 & 5 assume diversion of 6700t and savings of £1520k, but with a higher risk of non achievement.

Option 6 is the preferred option and in summary, this option proposes:

- a reduction in collection frequency of the existing 240 litre residual waste grey bin to **3 weekly.**
- an increase in the collection frequency of the blue and green recycling bins from 4 weekly to 3 weekly.
- that **2 weekly** brown bin collections remain unaltered.
- that properties such as flats that have communal bins would, generally speaking, remain on 2 weekly collections of non recyclable waste because it would be impractical to extend collections to 3 weekly.

The advantages of option 6 include:

- it offers the same overall weekly bin capacity of **360 litres** as now, but with a shift in capacity in favour of recycling. It should be remembered that prior to the introduction of kerbside recycling in 2000, households had a single 240 litre grey bin emptied weekly in which to contain all their waste.
- it avoids capital outlay of approximately £1.1m and annual capital repayment costs of £135,000 associated with the purchase of approximately 70,000 140 litre grey bins, a procurement exercise to purchase the 140 litre bins and a huge logistical exercise of exchanging old for new bins.

- it is predicted to achieve an estimated recycling rate of around 56% and ongoing net savings of approximately £862,000 per annum from 2015/16 in avoided treatment and disposal costs.
- There is no increase in operational costs and no job losses.
- it enables grey, blue and green bin rounds to mirror each other. This enables the same collection crew to service grey, blue and green bins on the one round. This would improve familiarity and hence service quality, with an anticipated reduction in complaints regarding missed collections, etc.
- it provides maximum flexibility for the future. Does not preclude the introduction of 140 litre grey bins, weekly food waste collections or a return to 4 weekly dry recycling collections in future years.
- there is no increase in disruption to collections over Christmas and New Year. Any collections scheduled for Bank Holiday Mondays or Good Friday would take place as usual.

4.0 Financial Implications

Capital costs of **£213,355** would be incurred to buy extra recycling bins needed to support the scheme. These costs would be funded from loan and/or reserves.

There would be extra one-off revenue costs estimated at **£189,643** for promotion, distribution of bins, and additional support during the implementation period. These costs would be offset by estimated reductions in waste disposal charges through the levy, producing longer term savings. The extra costs and savings for each option are shown in the report, along with the estimated net impact on budgets in 2014/15 and 2015/16. The figures shown assume implementation of the options from October 2014.

As the Council has already committed to tonnages for 2014/15 the refund for reduced residual tonnages will only be at a marginal rate in 2014/15. The full impact of levy reductions will be received with effect from 2015/16. To achieve the saving the Council will need to commit to reduced tonnage levels by early December 2014.

One-off costs in 2014/15 in excess of in-year levy savings would be funded from the transformation reserve. If recycling performance exceeds the assumed levels and levy savings exceeded costs it is proposed to set these aside in the levy equalisation reserve to offset future years costs.

The levy reductions are dependent on achieving the estimated reductions in residual waste tonnages and increases in recycling tonnages beyond those committed to when the extra regulatory officers were approved in September 2013.

There remains a risk that the recycling targets and associated savings would not be achieved. This risk needs to be considered when budgets are set for future years.

The availability of finance through the Government's Weekly Collection Support Scheme was considered but this was deemed not a viable option for Bury in achieving recycling targets.

5.0 Communications

5.1 If the proposed option is agreed, a detailed implementation plan would be completed with communications being vital to market the new service and to promote behavioural change amongst residents. The success of implementing the change would be dependent on ensuring clear, simple and consistent communication and information, in respect of the new service and how to recycle effectively.

Key elements of this include:

- Compilation of a media pack.
- A list of Q & A's on the website.
- A series of neighbourhood road-shows across the Borough at which residents can speak directly to Waste Management Officers to address both general and individual concerns.
- In August/early September, delivery of a pre-leaflet to every household outlining the impending service changes.
- In mid to late September, delivery to every household of a comprehensive information pack, including a calendar of collection dates.

6.0 Timetable

It is proposed that the changes to the collection service are implemented from the week commencing Monday 6 October 2014. The changes would be implemented across the entire Borough at the same time.

Subject to cabinet approval, a pre-leaflet would be distributed to all households in late August/early September and a comprehensive information pack to all households including calendar of collection dates in mid to late September.

Presentations to Township Forums could be timed during September and October 2014

An additional missed bin vehicle could be provided between October 2014 and March 2015 to respond to residents' reports of missed bins and to support a smooth transition of service.

7.0 Risk Management

Given the extent and nature of the service changes proposed a Risk Register has been developed, which would be maintained through the planning and implementation phases.

One of the main risks in introducing a new collection arrangement relates to creating confusion and uncertainty amongst residents. It is therefore essential that there is effective communication and clear instructions given in the lead up to and during the implementation of the new scheme. In addition, it would be necessary to have contingency arrangements in place during the first few weeks in order to deal with reports from residents of 'missed collections' and until households become accustomed to the new arrangements.

One of the main concerns likely to be expressed by residents is in relation to odours, attraction of vermin and insects. This is of particular concern to those having to store disposable nappies in their grey bin for 3 weeks. There is an obvious need to encourage residents to make better use of the 2 weekly food waste collection service, whilst providing practical guidance on how to hygienically dispose of nappies in the grey bin and keeping the grey bin clean and to monitor this. We will work with residents and other groups to identify appropriate ways of dealing with issues that arise.

There is a risk that sufficient tonnage of recyclables is not diverted from the grey residual waste bin into the recycling bins and not achieving the required savings. For this reason recycling targets are conservative and once the service change is implemented we will monitor tonnages diverted closely on a month to month basis and budget accordingly.

Arrangements may not be suitable or effective in cases of larger families, those with babies using disposable nappies or those with a medical condition that generates medical waste. Therefore larger families and others with special circumstances would be able to apply for an additional bin. This would be subject to demonstrating that recycling is being maximised and may be subject to a waste audit.

We are however increasing recycling collections from 4 weekly to 3 weekly. The proposed changes are part of a wider strategy that includes education and awareness, effective communication, partnership working and preventing waste.

8.0 Equality and Diversity

The waste collection service is delivered to every single household in the Borough, regardless of its individual characteristics and Equality Analysis has shown there is a neutral impact in terms of equality-

Plans are in place to ensure that appropriate and accessible formats will be used to communicate information about the proposed change and provide support as necessary. Arrangements are already in place to help those who have difficulty in presenting bins for collection.

Households that may generate excess residual waste due to family size or having babies using disposable nappies or that contain somebody with a medical condition would be able to apply for additional grey bin capacity if they feel they have a need.

Home visits would be made by Waste Management Officers to households struggling to comply with collection service requirements, offering advice and guidance. Waste audits are also provided.

9.0 Conclusion

In the last 3 years, following major changes to the waste collection system in October 2011, Bury Council and the residents of Bury have successfully increased recycling performance from **29.4%** to **47.6%** and as a result saved **£2.54 million**. At **47.6%** our recycling rate is the third best rate in Greater Manchester but we know we can, and must do better.

The management, collection and handling of waste is becoming increasingly challenging in a society that continues to recognise the need to be more sustainable. To take recycling and waste management forward, a comprehensive strategy has been developed that captures all of the elements required for successfully achieving targets and reducing the cost of waste collection to Bury Council Tax payers. This is not just about restricting capacity in the grey bin for waste that can't be recycled but includes improving the recycling frequency, providing residents with help and support to maximise recycling as well as actions for education and awareness; waste prevention and enforcement where necessary.

List of Background Papers:-

- Bury Council Zero Waste Strategy
- GMWDA Waste Management Strategy
- Changes to Waste Collection Service Business Case
- Communications Plan
- Equality Analysis Form

Contact Details:-

Neil S Long

Assistant Director (Operations) Department of Communities and Wellbeing

E-mail: <u>n.s.long@bury.gov.uk</u> Telephone 0161 253 5735

Glenn Stuart

Head of Waste Management Department of Communities and Wellbeing

E-Mail: <u>g.stuart@bury.gov.uk</u> Telephone 0161 253 6621

Bury Council - Zero Waste Strategy

Published July 2014





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EXECUTIVE SUMMARY

Waste carries with it a significant cost to society and everyone has a collective responsibility to create less and recycle more. Bury's ambition is to reduce the amount of waste sent for treatment and disposal and to maximise recycling through ongoing education and awareness raising.

Recycling rates for collected bin waste in Bury have increased from 29.4% in 2010/11to 47.6% in 2013/14. This is now the third highest rate in Greater Manchester. However we recognise that we can, and must, do better. Increased recycling is good for the environment as less waste requires treatment and disposal. It also makes sound financial sense and has saved the Council **£2.54 million** since 2011/12. The challenge now is to encourage more residents to recycle more effectively. Nationally, recycling levels of 60% plus is being achieved.

The Council currently spends **£10.2 million** annually on the treatment and disposal of residual waste. Data shows, however, that **75%** of household waste could be recycled. If this was fully achieved the Council would have avoided costs in the region of **£7 million** for 2014/15 for waste treatment and disposal based on total levy costs. The Council's aim in introducing this Strategy to increase recycling to 60% or more by March 2016 is perhaps more modest but considerably more realistic in the short term and still produces dividends. Every 1% rise in recycling rates for waste collected from households saves the Council up to **£130,000**.

The most effective way to drive increased recycling is through behaviour change. To support this our Strategy is based on providing information and guidance, ongoing education of householders on how to recycle more efficiently and on restricting capacity for waste that cannot be recycled. Bury's residents currently have a weekly bin collection with a capacity of 360 litres, including recycling bins. Plans will be put in place to shift capacity away from residual waste towards the recycling bins and making whatever operational changes to the collection schedules as may be necessary to support residents in this task.

Research and work in Bury to date has shown that with the right support changes in behaviour can be made. Best practice generally has three elements: capacity, inducement (save money and the environment) and targeted enforcement.



Councillor Tony Isherwood Cabinet Member Environment

INTRODUCTION

Management of waste is one of the most important and challenging environmental issues faced today. The change to more sustainable waste management systems and long term global environmental protection is backed by substantial legislation and guided by policies at European and National level.

These are very challenging times for the whole economy, including Councils who have faced significant financial cuts. The aim of this strategy is to find new and innovative ways cut back on waste, putting it to better use, without increasing overall costs. There is a significant cost of doing nothing as treatment and disposal costs continue to rise, and there is therefore a need to treat waste as a resource rather than a problem.

Following the Service Improvement Review in 2010 and the launch of the Managed Weekly Collection Service in 2011, residents are now able to fully recycle three waste streams, including food and garden waste; glass containers, plastic bottles and metal cans; and paper and card from the kerbside. As a result, recycling rates for collected bin waste have improved to 47.6% for 2013/14, an increase from 29.4% three years ago

The Bury Council Zero Waste Strategy has been developed to provide a framework to sharply increase recycling rates further and manage waste to achieve a more resource efficient society. This Strategy also supports the aims and objectives of the Greater Manchester Waste Disposal Authority (GMWDA) Waste Management Strategy, jointly agreed by the nine Waste Collection Authorities (WCA) of Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside and Trafford.

The aim of this strategy is to:

- recycle **55-60%** by March 2015;
- recycle **60%+** by March 2016;
- reduce disposal costs by cutting the amount of waste going to landfill;
- support the Greater Manchester strategy on reducing carbon emissions.

To support the delivery of these aims ten strategic objectives have been developed:

- 1. Follow the Waste Hierarchy (see pictorial representation on page 14)
- 2. Preventing waste
- 3. Recycling on the go
- 4. Education and awareness
- 5. Enforcement
- 6. Best Value
- 7. Partnership working in Greater Manchester
- 8. Climate change
- 9. Empowering local communities
- 10. Review

The residents of Bury are key to improving recycling figures and the Council is committed to providing further support to meet the aims and objectives of this Strategy.

EUROPEAN, NATIONAL AND SUB-REGIONAL CONTEXT

The policy focus has moved away from addressing municipal waste simply through avoiding its landfill, to the more ambitious aim of managing recyclable waste as a resource. The European Union's (EU) Waste Framework Directive Seventh Environment Action Programme identifies waste prevention and management as one of four top priorities. The EU is aiming for a significant cut in the amount of rubbish generated, through new waste prevention initiatives, better use of resources, and encouraging a shift to more sustainable consumption patterns.

The EU's approach to waste management is based on three principles¹:

1. **Waste prevention** - Reducing the amount of waste generated in the first place. Waste prevention is closely linked with improving manufacturing

¹<u>http://ec.europa.eu/environment/waste/index.htm</u>

methods and influencing consumers to demand greener products and less packaging.

- Recycling and reuse If waste cannot be prevented, as many of the materials as possible should also be recovered, preferably by recycling. The European Commission has defined several specific 'waste streams' for priority attention, the aim being to reduce their overall environmental impact. For example, several EU countries are already managing to recycle over 50% of packaging waste.
- 3. **Improving final disposal and monitoring** Waste that cannot be recycled or reused should be safely incinerated, with landfill only used as a last resort. Both of these methods need close monitoring because of their potential for causing severe environmental damage.

The European Commission looks set to press ahead with plans to lay a 70% recycling target by 2030. Furthermore, a landfill ban on recyclable waste – which includes plastics, metals, glass, paper, cardboard and biodegradable waste – is also planned for 2025 and is likely to be extended to include all recoverable municipal waste by 2030.

In England alone, we generate 177 million tonnes of waste every year². The UK Government's Department for Environment, Food and Rural Affairs (DEFRA) now wants to move towards a 'zero waste economy'. This is a society where resources are fully valued, financially and environmentally, by reducing, reusing and recycling.

Regionally, the GMWDA (Greater Manchester Waste Disposal Authority) is responsible for dealing with 1.1 million tonnes of waste produced each year³. At a Greater Manchester level, Bury works in partnership with the GMWDA. GMWDA has a 25 year Private Finance Initiative (PFI) Waste Management Services contract with Viridor Laing (Greater Manchester) to treat and recycle waste. The basis of this contract is to maximise recycling, and then to make sure that what

² <u>https://www.gov.uk/government/policies/reducing-and-managing-waste</u>

³ http://www.gmwda.gov.uk/about-us

cannot be recycled is not wasted by sending to landfill but instead is used to generate green energy.

The aim of its PFI contract is to reach a 50% recycling target by 2015, stretching to 60% by 2025. The target for residual waste to be diverted from landfill is 90% by 2015.

DEFRA are working with local Councils to increase the frequency and quality of rubbish collections and to make it easier to recycle. Funding has been made available to councils through the Weekly Collection Support Scheme to find ways to improve weekly collections, increase environmental benefits and encourage use of innovative ideas or technology that help residents to recycle more.

Centrally imposed recycling targets have been removed to allow Councils to act on their own local priorities and improve recycling rates in line with local autonomy (the Localism Act 2011). The Council has, since 2011, optimised its resources and created capacity as much as it can by adapting existing collection systems; working in partnership with the GMWDA.

Discussions have taken place between the GMWDA and nine constituent Waste Collection Authorities about the different options available to the latter to increase recycling levels. It seems clear that a more radical change in collection practice will need to be adopted. Options to be considered include smaller residual waste bins, reduced collection frequencies for residual waste, a more proactive approach to locally targeted education and awareness, a proactive approach to enforcement and changes to collection regimes.

To achieve the budget diversion rates, Greater Manchester districts need to achieve an average of 50% recycling in 2015/16. It should also be noted that the 50% recycling rate (the UK national target) was built into the GMWDA PFI contract, and is therefore linked to the award of the grant.

CURRENT SERVICE

Since 2011, Bury has improved its recycling rates in Greater Manchester, with only Trafford and Stockport now recycling more – with over 60%.

Following the launch of the Managed Weekly Collection Service in October 2011, the recycling rate for collected bin waste has increased from 29.4% to 47.6% for 2013/14. This was achieved by reducing the frequency of grey bin collections to fortnightly and improving and extending kerbside recycling to all households. As a result, residents now have the recycling bins for the four waste streams required by the 25 year GMWDA PFI contract.

In recent years the service has broadened out the scope of what is to be collected, introducing different coloured and sized containers to residents to allow more recyclable materials to be stored over a longer period.

The service has always been committed to increasing recycling. This strategy sets ambitious new targets for diverting waste from landfill including improved education and ownership by residents, helping to reduce the carbon footprint i.e. put the 'Right Stuff in the Right Bin' and reduce the tax burden on residents and local businesses.

Facts and Figures

• Waste collected and recycled in Bury

There are approximately 82,000 households in the Borough and, on average, 447 kilogrammes of waste is collected annually per household. Of these, around 8,500 households use communal bins. Based on varying frequencies, annually we empty up to:

- 1.91 million grey residual waste bins.
- 0.96 million blue co-mingled recycling bins.
- 0.96 million green paper/card recycling bins.
- 1.69 million brown garden and food waste bins.

The weight (tonnes) of material collected from households in the four main bin types (2010-2014) is shown below. This illustrates the overall progress made in reducing waste that cannot be recycled, whilst increasing recycling tonnages.

Year	Grey - Residual	Blue - Bottles/cans /plastics	Green – Paper/card	Brown - garden/ food
2010/11	48,689	6,417	5,279	8,542
2011/12	39,990	7,109	6,783	11,233
2012/13	33,194	7,753	8,269	12,998
2013/14	32,346	7,861	7,921	13,623

Whilst the figures above relate to household collected bin waste only, the Council will seek to increase all forms of recycling including waste from street cleaning and commercial collections.

Bin capacities

Over the past 14 years, the amount of weekly bin capacity (litres) we provide to residents has changed considerably. The table below shows how available weekly bin capacity has increased with the introduction of kerbside recycling collections.

Year	Grey - residual waste	Blue - glass/cans /plastics	Green paper/ card	Brown garden/ food	Max weekly capacity (litres)
Pre 2000	240	0	0	0	240
2014	120	60	60	Up to 120	360

Recycling Potential

Data from the GMWDA Waste Compositional Analysis and Survey (2011) suggests that a typical household in Bury can actually recycle up to **75%** of their waste in their brown, green and blue bins:

- 34.2% food and garden waste.
- 21.8% paper and cardboard.
- 19% glass, cans, plastic bottles, foil.
- 25% cannot be recycled.

The table below shows the potential for improving recycling performance from collected bin waste.

Row 1: Tonnages of each material actually collected in the respective bins in 2013/14.

Row 2: Material that is theoretically available to recycle in each bin and the theoretical maximum that should be placed in the grey bin.

Row 3: Material that could potentially be diverted i.e. material currently going in the wrong bin.

	Total collected bin waste (t) (2013/14)	Brown – garden /food (t)	Green – Paper/ card (t)	Blue –Plastic bottles/ cans (t)	Grey - Residual waste (t)
1	61,751	13,623	7,921	7,861	32,346
2	61,751	21,119	13,462	11,733	15,438
3	-	7,496	5,541	3,872	-16,908

Diverting 1,000 tonnes of residual (grey) bin waste to recycling bins would represent an increase of around 1.5% on the household recycling rate and save the Council about **£195,000**. This is because every 1% increase in recycling avoids around **£130,000** in treatment and disposal costs.

A 1.5% shift to recycling is the equivalent to residents diverting around 100,000 bins full of recyclable material from their grey bins to a recycling bin. To achieve this, it is recognised that the most effective way to drive recycling behavioural change is to provide information, continue to educate householders and restrict residual waste capacity further.

Recycling Awareness in Bury

In Bury, the Waste Management Service has the following headline message and strap lines to raise awareness about the importance of recycling:

Recycle for Bury

- Every household counts!
- Make it part of your life!
- Every item counts!
- Our aim is zero waste to landfill!
- Right stuff, right bin...simple as.

WHY THE NEED FOR CHANGE?

Environmental Case

- Waste prevention and management is one of the top priorities of the EU Waste Directive.
- The GMWDA is aiming to achieve a recycling rate of **50%** and diversion of at least **75%** of waste away from landfill by 2015, as required by its 25 year PFI contract, with stretch targets of 60% recycling and 90% diversion from landfill.

Financial Case

- If the GMWDA fails to meet its landfill diversion and recycling targets the levy paid by each WCA will increase and so Bury will also see an increase in costs.
- Bury has to make budget savings and up to £7.3 million annually is being spent on waste treatment and disposal costs that could be avoided. This is an opportunity to reduce waste management costs.
- In 2014/15 it will cost the Council £283.72 to treat and dispose of one tonne of residual waste. In comparison, brown bin waste costs £61.35 per tonne to process, whilst the Council receives an *income* of £25 per tonne for all materials collected in blue and green bins.
- The Council spends around £28,000 per day to treat and dispose of residual waste.
- The cost of doing nothing is expensive. Waste disposal costs for Bury at current levels are expected to increase between 2014/15 and 2016/17.

TO INCREASE RECYCLING AND SAVE MONEY, WE WANT TO...

- Reuse, recycle and recover waste to convert into high value products. To do this more waste must be diverted from going into landfill.
- Cut back on the treatment and disposal of waste as all residents have access to our full recycling service and as a result only a relatively small amount of waste (around 25%) needs to go in grey bins.
- Increase the recycling rate to 60% or more, strive to be the best recycling Council in Greater Manchester and consistently be above national recycling targets, progressively and systematically.
- Reduce the cost of waste disposal.
- Achieve the GMWDA Waste Management Strategy's ambition of zero production of waste and Bury Council's own 'green' ambitions.
- Further review of collections/recycling arrangements is necessary.
- Improve education/information that residents can use to prevent waste.
- Reduce the carbon footprint in Bury.

HOW DO WE GET THERE? – TEN STRATEGIC OBJECTIVES

Follow the Waste Hierarchy

The main changes to waste management priorities in the United Kingdom come from the transposition and implementation of a five step waste hierarchy.

By making opportunities available, designing appropriate collection systems and raising awareness everyone in our communities can play an active role in ensuring that the amount of waste is reduced before it enters the waste stream.

Bury Council will continue to promote waste prevention through a variety of campaigns and initiatives that will be reviewed to ensure that the most effective campaigns, targeting key waste streams such as food waste, are implemented. The waste hierarchy is intended to act as a priority order in waste prevention legislation and policy. This is as follows:



The hierarchy prioritises prevention followed by reuse, recycling and composting. The recovery of energy is the next preference followed by disposal as the last resort. The aim is to prevent waste from being produced in the first place and where waste is produced, treat it as a resource to maximise its potential value.

Preventing waste

One of the biggest challenges we face in our daily lives is reducing the amount of waste we produce. In Bury, we currently recycle 47.6% of collected bin waste and our aim is to increase this to 60% or more by March 2016. To do this, residents need to have the correct information and knowledge to allow them to make informed decisions to help prevent waste. We have become used to purchasing items easily and then throwing them away when they need replacing. Waste prevention is about making different decisions and choices about the things we buy and use e.g. by buying items with less packaging, planning meals and food purchases, buying items in refillable containers and composting at home.

Recycling on the go

Recycling facilities have been introduced on the streets, in public Council buildings and workplaces, allowing recycling of the same waste streams as in our homes. These facilities help people to think about what they are throwing away, not only at home, but also when they are out and about.

Education and awareness

A cornerstone of the Council's Strategy will be to raise awareness and increase support to the public as strategic and operational changes are implemented. Strong education and effective communication will need to be sustained in order to achieve these challenging targets.

A range of methods will be used to communicate with residents, businesses and schools. Various media formats recognising the diverse society across Bury will provide targeted educational messages. Education will be supported by the provision of advice and guidance backed up as required with strong enforcement for those in the community who do not take full responsibility for their own waste.

Enforcement

The Council recognises that its waste collection service requirements can take time to be fully communicated and understood. Consequently the Council will adopt an approach that will offer advice, support and guidance as the first and preferred way to establish the Waste Management Regulatory and Enforcement Policy.

However, the Council is fully aware that resorting to the use of formal powers will be necessary in some circumstances and is committed to seeing such measures applied in an open, reasonable and proportionate way.

Best Value

The Council has an obligation to secure better value, by pursuing revised recycling arrangements. To achieve this we will work to deliver the Zero Waste Strategy in the most effective, efficient and economic way. With the cost of waste disposal forecast to increase, it is vital for residents, businesses and schools to utilise all of the waste recycling systems available to them.

This Strategy reinforces this important message and at the same time encourages efficient waste collection and disposal methods to ensure they provide best value and a cost benefit to Bury's residents. The Council has a duty to its Council Tax payers to provide a cost effective waste collection service.

Partnership working in Greater Manchester

Bury Council will ensure knowledge, best practice and experience is shared and will work together with other Greater Manchester authorities during the development and implementation of this Strategy. We will aim to adopt a common approach across the districts in areas of waste policy in accordance with the GMWDA Waste Management Strategy. The partnership cannot carry out the Strategy alone. We will actively develop partnerships with all sectors.

Climate change

What we do with our waste has a significant impact on our environment. Cutting down on the amount of waste produced, reducing our use of natural resources and recycling materials is a vital part of moving us towards more sustainable living.

The Council views waste as a resource and seeks to maximise the resource potential of waste. We will understand the environmental impacts of any decisions and aim to ensure policies, collection and treatment methods reduce the impact of resource depletion and carbon emissions.

Empowering local communities

This objective is intended to ensure that communities are involved in the development and implementation of this strategy. Without the support of Bury's residents, this Strategy will not achieve its vision, and it cannot deliver on its other nine objectives.

The Council is committed to meeting our duties under equalities legislation and will strive to make our services accessible and responsive to all. Promotional activities will seek to ensure that communities manage their waste in the most appropriate manner. By engaging with our local communities and taking their views into account when determining and implementing initiatives for the management of waste, they are more likely to understand and take responsibility for their role in managing their waste.

Review

Bury Council will continue to review the implementation of the waste management systems that are needed to deliver this Strategy. The service will maintain an understanding of the materials being collected and the impact of the services being provided.

This Strategy will be reviewed regularly to determine progress and update it in the light of new legislation, new technology or other significant developments. Regular communication with stakeholders and, in particular, residents will take place to ensure awareness of progress and involvement in any changes made.

GLOSSARY

Key word	What does it mean?				
Department for	The UK government department responsible for				
Environment, Food and	policy and regulations on environmental, food and				
Rural Affairs (DEFRA)	rural issues.				
European Commission	The EU's executive body which represents the				
	interests of Europe as a whole, as opposed to the				
	interests of individual countries.				
European Union (EU)	An economic and political union of 28 member states				
	that are primarily located in Europe.				
European Union's	Provides details of a broad range of environmental				
Seventh Environment	EU legislation.				
Action Programme					
European Union Waste	Provides the legislative framework for the collection,				
Framework Directive	transport, recovery and disposal of waste.				
Greater Manchester	Nine authorities working jointly within the GMWDA in				
Waste Collection	Bolton, Bury, Manchester, Oldham, Rochdale,				
Authorities (GMWCA)	Salford, Stockport, Tameside and Trafford.				
Greater Manchester	Responsible for waste treatment and disposal of the				
Waste Disposal Authority	nine Waste Collection Authorities.				
(GMWDA)					
Private Finance Initiative	A Private Finance Initiative (PFI) is a contract				
(PFI) contract	between a public body and a private company and				
	involves the private sector making capital investment				
	in the assets required to deliver improved services.				
	The successful PFI may attract revenue support from				
	the Government in the form of a grant.				
Viridor Laing (Greater	VLGM is the PFI contractor which provides GMWDA				
Manchester)	with facilities and services to manage household				
	waste across nine districts of Greater Manchester, in				
	an environmentally and economically sustainable				
	manner.				

Equality Analysis Form



The following questions will document the effect of your service or proposed policy, procedure, working practice, strategy or decision (hereafter referred to as 'policy') on equality, and demonstrate that you have paid due regard to the Public Sector Equality Duty.

1. RESPONSIBILITY

Department	Communities and Wellbeing			
Service	Waste Management			
Proposed policy	Zero Waste Strategy and reconfiguration of the waste collection service to increase recycling rates			
Date	16 July 2014			
Officer responsible	Name Glenn Stuart			
for the 'policy' and	Post Title Head of Waste Management			
for completing the	Contact Number 0161 253 6621			
equality analysis	Signature G. Stuart			
	Date 2 nd July 2014			
Equality officer	Name	Mary Wood		
consulted	Post Title	Principal Officer - Equalities		
	Contact Number	ontact Number 0161 253 6795		
	Signature	ure (10) (22) 17/2014		
	Date 2 nd July 2014			

2. AIMS

What is the purpose of the	The Zero Waste Strategy sets out the Council's plan in respect of waste collection and disposal over the next few
policy/service and what is it intended to achieve?	years. It outlines the European, National and Greater Manchester context within which the Council is operating and aims to increase recycling rates to 55-60% by March 2015 and 60% + by March 2016, reduce disposal costs by cutting the amount of waste going to landfill and support the Greater Manchester Strategy on carbon emissions.
	This will be achieved through ten strategic objectives. The most effective way to increase recycling is through behavioural change and there are plans to address this in a number of ways through information and education about recycling and restricting residual waste capacity.
	It is planned to reconfigure the waste collection service to increase the household waste recycling rate to 55-60%, by restricting residual waste capacity for householders, whilst increasing recycling capacity. It is proposed that the grey

	residual (non recyclable) waste bin is collected less frequently i.e. 3 weekly instead of 2 weekly as at present. At the same time however the blue and green recycling bins will be emptied 3 weekly, instead of the current 4. Overall available weekly bin capacity will remain at 360 litres per household.
	It is hoped that this reconfiguration of the service will prompt further recycling behavioural change amongst residents that results in more waste being diverted from the grey bins to the blue, green and brown recycling bins.
	The above will be aided by increased education and awareness raising activity and, as a last resort, enforcement. This will be achieved by direct engagement with householders, ensuring that they understand exactly how the 4 wheeled bin system works, what types of waste should be placed in each bin and also the economic and environmental benefits of recycling.
	This will help achieve the objectives of the Council's Waste Strategy, reducing the environmental impact of the service and achieving significant budget savings, through avoided disposal costs.
Who are the main stakeholders?	Every householder across the borough
	Waste Management staff
	RSLs including STH
	Private landlords

3. ESTABLISHING RELEVANCE TO EQUALITY

3a. Using the drop down lists below, please advise whether the policy/service has either a positive or negative effect on any groups of people with protected equality characteristics.

If you answer yes to any question, please also explain why and how that group of people will be affected.

Protected equality characteristic	Positive effect (Yes/No)	Negative effect (Yes/No)	Explanation
Race	No	No	Any potential language barriers in communicating information about the planned change in areas with a BME population will be overcome by direct engagement with community leaders and elected Members in those Wards.
Disability	No	No	Assistance is provided to those

			households where typically, due to age or infirmity, they find difficulty in presenting their wheeled bins for collection. In such cases their bins are retrieved from and returned to their property after emptying by collection crews. It is intended to consult Baddac/Bury Coalition for Independent Living about the proposed service changes.
Gender	No	No	
Gender reassignment	No	No	
Age	No	No	see Disability above
Sexual orientation	No	No	
Religion or belief	No	No	
Caring responsibilities	No	No	Households containing a member with a medical condition that generates excess residual waste may apply for additional bin capacity.
Pregnancy or maternity	No	No	Families with a child/children using disposable nappies may apply for additional residual bin capacity.
Marriage or civil partnership	No	Νο	

3b. Using the drop down lists below, please advise whether or not our policy/service has relevance to the Public Sector Equality Duty. If you answer yes to any question, please explain why.

General Public Sector Equality Duties	Relevance (Yes/No)	Reason for the relevance
Need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010	Yes	Suitable provision will be put in place to ensure information about the change is communicated where people may be disadvantaged by the proposed service changes to ensure that they are not discriminated against.
Need to advance equality of opportunity between people who share a protected characteristic and those who do not (eg. by removing or minimising disadvantages or meeting needs)	Yes	Appropriate provision will be made to ensure that all residents are aware of and understand the change, with support available for those who may have difficulty in complying. Arrangements are already in place for those who are unable to present their bins for collection.
Need to foster good relations between people who share a protected characteristic and those who do not (eg. by tackling prejudice or promoting understanding)	No	

If you answered 'YES' to any of the questions in 3a and 3b

Go straight to Question 4

If you answered 'NO' to all of the questions in 3a and 3b

Go to Question 3c and <u>do not</u> answer questions 4-6

3c. If you have answered 'No' to all the questions in 3a and 3b please explain why you feel that your policy/service has no relevance to equality.

The waste collection service is delivered to every single household in the borough, regardless of its individual characteristics.

Larger households of 5 or more that may generate excess residual waste will be able to apply for additional grey bin capacity if they feel they have a need.

At premises such as flats, where residents share communal residual waste bins, collections are likely to remain 2 weekly.

Home visits will be made by Waste Management Officers to households struggling to comply with collection service requirements, offering advice and guidance. Waste audits are also provided.

4. EQUALITY INFORMATION AND ENGAGEMENT

4a. For a <u>service plan</u>, please list what equality information you currently have available, **OR** for a <u>new/changed policy or practice</u> please list what equality information you considered and engagement you have carried out in relation to it.

Please provide a link if the information is published on the web and advise when it was last updated?

(NB. Equality information can be both qualitative and quantitative. It includes knowledge of service users, satisfaction rates, compliments and complaints, the results of surveys or other engagement activities and should be broken down by equality characteristics where relevant.)

Details of the equality information or engagement	Internet link if published	Date last updated
GMWDA Waste Strategy		
Bury Council Zero Waste Strategy Business Case for reconfiguring the waste collection service		
Waste tonnage data from GMWDA		
Waste Management Communications Plan		

4b. Are there any information gaps, and if so how do you plan to tackle them?

5. CONCLUSIONS OF THE EQUALITY ANALYSIS

What will the likely overall effect of your policy/service plan be on equality?	The overall effect on equality will be neutral. Plans are in place to ensure that appropriate and accessible formats will be used to communicate information about the proposed change and provide support as necessary. Arrangements are already in place to help those who have difficulty in presenting bins for collection.
If you identified any negative effects (see questions 3a) or discrimination what measures have you put in place to remove or mitigate them?	See section 3a for mitigation of any potential negative impact.
Have you identified any further ways that you can advance equality of opportunity and/or foster good relations? If so, please give details.	
What steps do you intend to take now in respect of the implementation of your policy/service plan?	The Zero Waste Strategy, the Business Case and the accompanying report will go before Cabinet on 16 July for approval. A Project Plan has been produced to aid with planning and preparation. The service changes are due to commence on 06 October 2014. The impact of the service changes will be monitored closely.

6. MONITORING AND REVIEW

If you intend to proceed with your policy/service plan, please detail what monitoring arrangements (if appropriate) you will put in place to monitor the ongoing effects. Please also state when the policy/service plan will be reviewed.

Following implementation of the proposed service changes in October 2014 we will monitor the impact closely in respect of recycling performance and tonnages of the different waste streams collected. We will also monitor and respond to complaints and queries about the service from residents. Waste Management Officers will be available to visit individual households to offer advice and guidance, in an effort to resolve any difficulties.

COPIES OF THIS EQUALITY ANALYSIS FORM SHOULD BE ATTACHED TO ANY REPORTS/SERVICE PLANS AND ALSO SENT TO THE EQUALITY INBOX (<u>equality@bury.gov.uk</u>) FOR PUBLICATION.

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Agenda Item 6

REPORT FOR DECISION



MEETING:	CABINET OVERVIEW & SCRUTINY COMMITTEE			
DATE:	16 JULY 2014 30 JULY 2014			
SUBJECT:	CAPITAL OUTTURN 2013/14			
REPORT FROM:	LEADER OF THE COUNCIL AND CABINET MEMBER FOR FINANCE			
CONTACT OFFICER:	MIKE OWEN, EXECUTIVE DIRECTOR OF RESOURCES AND REGULATION; STEVE KENYON, ASSISTANT DIRECTOR OF RESOURCES AND REGULATION (FINANCE)			
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 capital outturn figures in respect of the last financial year 2013/14; Major variances between the Revised Estimate 			
	and the Outturn;The financing of the Capital Programme in			
	 2013/14; Re-profile of budgets/allocations and funding into 2014/15; Details of the capital receipts realised during the year. 			
OPTIONS & RECOMMENDED OPTION	 Members are asked to: a) Note the final capital outturn for 2013/2014, and explanations for major variances (Appendix A and report) b) Note the financing of the Capital Programme in 2013/14 (Paragraph 3.5) 			
	 c) Consider and recommend for approval the re- profiled/slippage requests and associated funding into 2014/2015 (Appendix B) 			

	d) Note the level of Capital Receipts realised in year.		
	Recomm	ended Option:	
	To approve the recommendations set out above.		
IMPLICATIONS:			
Corporate Aims/Policy Framework:		The successful management of capital investment in the Borough supports the delivery of all of the Council's Aims and Objectives.	
Financial Implications and Considerations (Statemer s151 Officer):		Capital expenditure has been incurred in accordance with the agreed Capital Programme. This links the expenditure with the objectives of the Council and the Capital Strategy. The Programme has been financed in a way that optimises to the maximum the resources available, including the prudent use of capital receipts.	
Statement by Executive Director of Resources:		See statement by s151 officer above. The capital receipts used to fund the Programme were made available through disposal of assets in accordance with the policies specified in the Asset Management Plan.	
Equality/Diversity implication	ations:	No (see paragraph 8.1, page 8)	
Considered by Monitoring Officer:		Yes. The presentation of an annual report on the Capital Outturn is a requirement of the Council's Financial Regulations, as part of the 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?		Yes	
Wards Affected:		All	
Scrutiny Interest:	Overview & Scrutiny Committee		
TRACKING/PROCESS	I	DIRECTOR: MIKE OWEN / STEVE KENYON	

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Yes	Yes		

Scrutiny Commission	Committee	Council
Overview & Scrutiny Committee		
Committee		

1.0 BACKGROUND

- 1.1 The Capital Programme is an integral part of the Council's financial planning and represents expenditure on schemes or assets where the Council or an approved third party will derive a long term benefit, over more than one year.
- 1.2 The funding for the Capital Programme comes from a variety of sources that include borrowing, capital grants, external contributions, revenue contributions and capital receipts. Capital receipts are received through the disposal of the Council's assets and are detailed later in the report. Operating within statutory rules, the financing of the Programme seeks to optimise the funding resources available.
- 1.3 Since the introduction of the Prudential Code in 2004 the Council is required to finance and account for the capital expenditure on an accruals basis. The significance of this is that all capital expenditure incurred within the financial year is financed in that year and any outstanding capital creditors and debtors at year end will have to be accounted for and then reconciled with the actual amounts that are paid out or received in the following year.
- 1.4 Amounts for schemes that wait for grant funding to be claimed are also accrued for in the financial year.
- 1.5 The indications for supported capital allocations from the government are now made on a two year basis with firm indications for amounts allocated being supplied for the following year. This means that the uncertainty of finances for schemes extending over one year is now greater and managers will have to plan more carefully for longer term schemes. Only a limited number of capital grants can be carried forward to fund schemes that have slipped between financial years.
- 1.6 The report also gives details of the major variances between the revised estimate and the outturn and gives explanations for these variances.
- 1.7 The following three appendices are attached to the report to provide Members with additional detail and support the recommendations made:
 - **Appendix A** shows a summary of the Capital Programme expenditure against the Revised Estimate analysed by each Department and project.
 - **Appendix B** lists capital projects that have not completed by end of financial year and are re-profiled into 2014/15 and future years, analysed by category of funding source and project.

2.0 CAPITAL OUTTURN 2013/2014

2.1 **Approved Capital Budget and Outturn**

2.2 The total Capital Budget approved by **Council on 20 February 2013** with the subsequent movements during the financial year 2013/14 and the final expenditure at outturn are shown in the table below:

Capital Budget 2013/14	£m	£m
Original approved budget		16.483
Value of schemes re-profiled from 2012/13 programme	13.772	
Amendments to budget in year	8.694	22.466
Revised programme for 2013/14		38.949
Value of schemes re-profiled to 2014/15		(16.126)
Final Capital Programme 2013/14		22.823
Capital Outturn for 2013/14		22.828
Variance		(0.005)

- 2.3 Members are reminded, for completeness and not included in the figures above, that the Voluntary Aided schools in Bury receive the Capital Grant allocations from the Department for Education. The allocations are awarded directly to the schools and the expenditure funded by these amounts was accounted for by the Voluntary Aided schools' governors and **not** by the Council. In 2013/14 the grant totalled **£1.280million**.
- 2.4 Capital expenditure that was achieved from schemes carried out during the year totalled **£22.828million** against the final approved Programme funding (excluding the amounts for the VA schools and the re-profiled amounts) of **£22.823million.** There was an overall minimal negative variance at the end of the year of **£0.005 million**.
- 2.5 The small negative variance shown arises from timing differences and will be carried forward into the following financial year to be offset against a future capital receipt. The receipt will be realised at a future date from the sale of the developed associated asset.
- 2.6 In addition to the figure above, the Council has honoured payments in the year of **£0.473million** towards the Equal Pay Back Pay claims received.

3.0 CAPITAL PROGRAMME FUNDING

3.1 The Capital Programme is funded from the variety of funding sources as specified in paragraph 1.2. The methodology used for the financing the Capital Programme is particularly important and the emphasis is placed on the optimisation of resources available.

- 3.2 The objective is to achieve best possible financial position for the Council and one that will have minimal effect on the Council's future financial position.
- 3.3 This is realised through maximising the use of government supported borrowing, capital grants and external contributions. The Capital Programme also relies on and uses contributions from capital receipts and the revenue budget.
- 3.4 The introduction of the Prudential regime as explained at paragraph 1.3 requires the Authority to finance its capital expenditure on an accruals basis. In 2013/14 the amount financed after accruing for all payments made or to be made for contract work, goods and services supplied by 31st March 2014 was **£22.828 million.**
- 3.5 The financing of expenditure carried out during the year and reported inclusive of all accruals for the year for both expenditure and income is detailed below:

Expenditure:	£m	£m
Fixed assets	22.124	
Intangible assets	0.568	
Vehicle, Plant and Equipment	0.136	
Total		22.828
Financed by:		
Loan	2.534	
Capital Receipts	0.684	
External Grants and Contributions	11.403	
General Fund Revenue and Reserves	1.027	
Housing Revenue Account	0.770	
Major Repair Allowance	6.410	
Total		22.828

- 3.6 As a result of statutory controls over council finances the Council's ability to determine the level of its Capital Programme is limited to the level of contributions it can make to the Capital Programme from revenue and reserves and the level of unsupported borrowing that it can service in financing costs.
- 3.7 The alternative way for the Council to fund new capital projects is by way of replacing older assets with new ones through disposal of the surplus properties held in within Council's assets. The availability of proceeds from the disposal is linked to market conditions that attach an element of risk to the final level of this type of income available each year.
- 3.8 In 2013/14 the Council financed schemes to a total value of **£0.684million** from total available capital receipts including the carry forward from previous year. The Council has realised capital receipts from the sale of assets in 2013/14 of **£1.854million** of which **£0.926million** can be used towards future capital investment or repayment of debt.

- 3.9 The balance of general usable capital receipts at year end will be carried forward into 2014/2015 to ensure an amount for earmarked capital receipts that have been approved and required for imminent specific projects.
- 3.10 Effective financing implies the use of cash available in the year instead of the use of unsupported borrowing that would attract higher financing costs. This was applied to some schemes that have slipped into 2014/15 that originally had approved funding from Council's resources.
- 3.11 Accordingly, the borrowing requirement is delayed until it becomes absolutely necessary. This also ensures that a healthy cash flow for the Council is maintained at all times.

4.0 CAPITAL PROJECTS RE-PROFILED TO FUTURE YEARS AND SLIPPAGE OF FUNDING

- 4.1 Explanations were given earlier in the report to the specific nature of the Capital Programme that demands budget allocations in every financial year to be continuously modified as the schemes develop. This ultimately means that the capital budget changes significantly from the original approved to final figure.
- 4.2 A direct result of the continuous change to the budget through the year is the difficulty in timing the delivery of capital schemes to the funding that is used in the budgeting process. The process accepts that capital spend is not always completed within the financial year in which the scheme is approved. Explanations for the reasons are given in the table shown in Appendix B.
- 4.3 The majority of re-profiled schemes are the major projects for which approvals were given for a longer term delivery. The report seeking approval to the Council Annual Budget meeting specified that these will be delivered over several years and the detailed design, planning and cost estimates require a considerable amount of time before they are fully quantified.
- 4.4 The total amount that was re-profiled to the next and future years was **£16.126million**, as reported above in the table at paragraph 2.2 and the details of projects are shown in Appendix B.
- 4.5 The table below shows the different elements of funding approved by full Council in February 2013 for the 2013/14 financial year that were not spent in the year. These amounts were part of the three year rolling capital programme, from 2013/14 to 2015/16 compiled and presented to Council by Operational officers of the Authority.

	£m
2013/14 Capital schemes re-profiled into 2014/15	16.126
Financed by:	
Capital grants and contributions	10.889
Major Repair Reserve	1.406
Capital receipts / reserves	0.630
General Fund Revenue / reserves	0.588

Loan	2.613
Total	16.126

- 4.6 The value of the schemes re-profiled into 2014/15 will be financed in the next and future years from balances carried forward as usable reserves on the Balance Sheet. The amount shown as loan of £2.613million represents previous years' approvals made by Council for projects that are long term and that will require several years to complete such as:
 - Contribution to Green Deal
 - Philips Park New Leaf
 - Street Lighting LED Invest to Save
 - Traffic Calming Schemes
 - Longer term redevelopment schemes (The Rock Fire Station, Demolition of former Police HQ and Irwell Street, Radcliffe Town Centre)
 - Empty Homes Strategy
 - Children Services supported projects
- 4.7 There should be no further impact on Council's own resources as a result of this and all funding has been allowed for within the existing cost of borrowing.
- 4.8 The unused allocation from the Major Repairs Allowance for council house repairs is transferred at year end to a reserve account and available to finance re-profiling of schemes into the 2014/15 capital expenditure.
- 4.9 To further and complete the quarterly monitoring process, the **Leader of the Council and Cabinet Member for Finance** will be requested to note the schemes re-profiled in the above table and recommend to Council approval of the carry forward of funding into 2014/15.
- 4.10 The Capital Programme approved by Council in February 2014 for the 2014/15 financial year will be updated with the slippage of funding as recommended by Cabinet and approved by Council.

5.0 MONITORING ARRANGEMENTS

- 5.1 The Capital Programme depends on available and acquired resources that are more than often generated from a wide variety of sources and are difficult to estimate long in advance.
- 5.2 The planning, approval, spend during the year, and outturn strongly indicate the need for regular monitoring and for flexibility during the year in order to achieve the capital investment objectives as set down in the Capital Strategy.
- 5.3 At the same time an important objective is to maximise the capital resources available to the Council that support the programme and after that to ensure that the available funds are used in the most effective way.
- 5.4 In order that issues connected to the preparation and the delivery of the programme are identified at an early stage there is a senior officer level Capital Programme Management Group that meets on a monthly basis. Monitoring reports on the Capital Programme position are also included in the quarterly corporate financial management reports considered by the Strategic Leadership Team, the Deputy Leader of the Council and Cabinet Member for Finance &

Corporate Affairs, Executive and subsequently scrutinised by the Overview and Scrutiny Committee (Internal).

5.5 The Capital investment requirement for the Council is considered over a three year rolling programme, with a longer term view for projects that require.

6.0 RISK MANAGEMENT

- 6.1 The successful delivery of the capital programme and the financing or funding of expenditure realised in the year bears several risks that have been identified:
- 6.2 Projected outturns throughout the year are based on the best knowledge of the Project Managers at the end of each quarter and tend to change significantly from one report to the next if there are changes that can be major, in circumstances. Regular budget monitoring and reporting through the Capital Programme Management Group provide the updates for the forecast and enable analysis of these changes by the officers in charge.
- 6.3 If corrective action needs to be taken this is normally done in a timely manner to ensure the flow of the programme for the year and minimise the impact on the financial resources available.
- 6.4 The management techniques applied include the traffic light process which is used to assess budgets in terms of forecast over and under spending and secondly the identification of 'hot spots' based on risk factors that are inherent in individual budget areas. Reports containing this information have been provided on a regular basis to Strategic Leadership Team, Scrutiny Committee (Internal), Cabinet, Audit Committee and Star Chambers.
- 6.5 It is envisaged that this style of reporting will be continued into the next and future financial years.
- 6.6 The availability of funding required to support the programme is partly controlled by external providers and there is always a risk that the finances required for the year are either not realised or timing issues arise. These instances are outside Council's control and could put the completion of certain projects at risk.
- 6.7 One of the significant sources of funding for the capital programme are capital receipts realised and these have reduced in recent years in size and numbers as the national and global financial crisis is felt deeper within the economy. This has further had a negative effect on the mix and size of the capital projects that have been approved by Council. The Council has taken steps to mitigate the downside effect on the programme by streamlining the number of projects approved at the beginning of the year in favour of additional approvals being considered only as resources become available. Capital expenditure reliant on capital receipts is only taking place when the receipt is actually realised.

7.0 REVIEW OF COMPLETED SCHEMES

- 7.1 For all schemes where Council approved funding in excess of **£0.250million** a Completion Review Form is completed by Project Managers. This ensures that the monitoring process for larger schemes can be extended to evaluate, highlight and assess outcomes directly in line with the Council's aims and objectives. Explanations for variances are also included.
- 7.2 The Summary of Accounts which is published after the statement of accounts are audited and approved will show in £'000 and percentages the contribution made by the Capital Programme in the year towards Council's priorities, aim and objectives.

8.0 EQUALITY AND DIVERSITY

8.1 There are no specific equality and diversity implications.

9.0 FUTURE ACTIONS

9.1 See Section 5 of this report for details of the continuation of the monitoring arrangements.

Councillor Mike Connolly Leader of the Council and Cabinet Member for Finance

Background documents:

Capital Cost Tab and Financing Working Papers, 2013/2014 Council Approved Capital Programme 2013/14 , Report and Appendix1

For further information on the details of this report, please contact:

Mr S. Kenyon, Assistant Director of Resources & Regulation (Finance), Tel. 0161 253 6922 E-mail: S.kenyon@bury.gov.uk

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Corporate Monitoring Statement 2	АММЕ 013 -14	(1) Original Budget £000's	(2) Revised Budget £000's	(3) Reprofiled to Future Years £000's	(4) Revised Estimate After Reprofile Col(2)- Col(3) £000's	(5) Outturn £000's	(6) Month 12 variance (Under) or Over Col(5)- Col(4) £000's	Month 12 Direction of Travel (outturn forecast) <i>formula</i>
	Opportunity Land Purchase	0	114	(109)	5	5	0	ĸ
	Demolition of Former Police HQ, Irwell Street	300	367	(22)	345	345		ĸ
	Demolition of the Rock Fire Station	0	136	(94)	42	42	0	ĸ
	Bury Market - New Toilets	0	9	13	22	22		J
	Bury Open Market Extension to Polycarbonate Roofing	0	17	0	17	17	0	J
	Bradley Fold	0	111	(33)	78	78	(0)	J
Chief Executive	18 Haymarket Street	0	1,236	0	1,236	1,241	5	ĸ
	Townside Fields - Joint Venture	0	5	(5)	0	0		K
	Radcliffe Town Centre Redevelop/Bus Station Relocation	300	300	(174)	126	126		K
	The Rock Fire Station Redevelopment	0	4	(4)		0		J
	Sale of Assets	0	0	0	0	7		K
	Corporate ICT Projects (i Trent)	300	300	(140)	160	160	0	K
	Older People	439	1,291	(140)	1,199	1,199		
		439	1,291	(92)	1,199	1,199		<u>K</u>
	Learning Disabilities							J
Adult Oraci Oraciana	Mental Health	0	950 267	0	950 231	950 231	0	K
Adult Care Services	Improving Information Management			(37)				J
	Empty Property Strategy	199	430	(405)	25	25		J
	Disabled Facilities Grant	620	1,114	(337)	777	777	0	J
	GM Green Deal and eco Deliver Partnership	1,200	1,200	(1,200)	0	0		K
	Support Services	0	127	(84)	44	44		J
	NDS Modernisation	0	10,576	(7,767)	2,809	2,809	(0)	K
	Access Initiative	0	77	(62)	15	15		K
	Derby High School Sport Hall	1,295	1,270	(134)	1,136	1,136		J
	16-19 Demographic Growth Fund	0	274	(174)	100	100		K
Children Services	DFES - Devolved Formula	0		(1,250)	813	813		K
	Targetted Capital Funds	0	611	(130)	480	480	0	K
	Children Centres	0	44	(44)	0	0	0	K
	Extended Schools	0	285	0	285	285		K
	Short Break Allocation	0	179	0	179	179	0	K
	Early Education Fund	0	324	(321)	3	3	(0)	K
ALAL	Radio Frequency ID	0	221	(77)	144	144	0	J
	Sculpture Gallery	0	123	(33)	90	90	0	J
	Highway Network Services	1,553	1,466	(122)	1,343	1,343	0	J
	Street Lighting LED Invest to Save	976	1,136	(528)	607	607	0	K
DCN - Highways	Bridges	475	460	(32)	428	428	0	K
5 ,	Transportation & Parking	106	380	(108)	271	271	(0)	J
	Traffic Man't/Road Safety	250	466	(314)	151	151	0	J
	,	295	265	(126)	139	139	0	J
	Development Group Projects			. ,				
DCN - Planning	East Lancashire Railway Trust	0	39	0	39	39	(0)	K
	Environmental Projects	320	665	(366)	299	299	(0)	J
DCN - Leisure	Parks	0	9	(2)	7	7	0	K
JCIN - Leisure	Leisure and Sport Facilities	0	237	(2)	236	236	0	J
	Contaminated Land	0	51	(31)	20	20	0	K
DCN - Environmental Works	Air Quality	0	35	(19)	16	16		K
-	Salix Energy Efficiency Scheme	0	62	0	62	62		J
	Operational Depots Rationsalisation	228	665	(83)	582	582		K
DCN - Operational Services	Bradley Fold Asbestos Removal	220	72	(83)	72	72		J
	Waste Recycling Phase 2	0	13	0	12	13	1	K
DCN - Other Services		0	168	(124)	44	44		X
The discontract Considered	Recycling Action Plan Pimhole Renewal Area	0	0	(124)	44		1	
Environmental Services	Disabled Facilities Adaptations			0		(7)		K
Six Town Housing - Public Sector		515	515 8,071	(1,406)	515 6,665	515 6,665	0 (0)	K K
lousing	Major Repairs Allowance Schemes	7,113						

Funding position:

Capital Receipts	1,458	1,458	(630)	828	833
Capital Reserves	-	284	(117)	167	167
General Fund Revenue/Reserves	-	588	(588)		0
Capital Grants/Contributions	4,329	18,361	(10,772)	7,589	7,589
Housing Revenue Account	515	770	-	770	770
Major Repair Reserve	7,113	7,113	(1,406)	5,707	5,707
Supported Borrowing	-	-	-	-	-
Unsupported Borrowing	3,068	10,375	(2,613)	7,762	7,762
	16,483	38,949	(16,126)	22,823	22,828

Key for budget monitoring reports

Projected Overspend (or Income Shortfall) of		
a major problem with the budget	more than 10% and above £50,000	
a significant problem with the budget	more than 10% but less than £50,000	
expenditure/income in line with budget		
a significant projected underspend (or income surplus)	more than 10% but under £50,000	
a major projected underspend (or income surplus)	more than 10% and above £50,000	

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PROGRAMME SLIPPAGE/RE-PROFILE REQUEST 2013/14 TO 2014/15

SERVICE	SCHEME	£000's	FUNDING SOURCE	COMMENTS
	Disabled Facilities Grant	87 250	Council Resources Grant	Due to low/variable referral rates and some committed/problematic high spending cases
Adult	Empty Homes Strategy	405	S106 Contribution	Allocation committed for Year3 of HCA empty properties programme and Albion St CPO
Care Services	GM Green Deal and ECO Deliver Partnership	1,200	Council Resources	Clarification expected from AGMA in next 2-3 months if contribution still required
	Improving Information Management	37	Grant	Balance required for on-going ICT spend.
	Learning Disabilities	148	Grant External Funding	Work at Clarence Park Community Cafe continues into 2014/15 Balance of funds required to complete works relating to the
	Older People	78	Grant	Elmhurst Refurbishment Project - Completion due summer 2014.
TOTAL	ADULT CARE SERVICES	2,219		
	Support Services	84	Revenue Contribution	Required for continued development of new IT systems
	Devolved Formula	1,250	Grant	Funding allocated on a three year rolling programme to allow schools to identify, plan, and deliver schemes. Budgets can be rolled forward to fund projects in the following year.
	New Deal for Schools Modernisation	7,767	Grant	Works continuing on a number of large schemes;£2.3m designated for remodelling of Elms Bank High School.
Children's Services	Schools Access Initiative	62	Council Resources	Allocation required for lift access at Fairfield Primary and specialist equipment at other schools
	Targeted Capital Funding New Millwood	130	Grant	Final payments due 2014/15
	Children Centres	44	Grant	Remaining grant to be allocated in 2014-15
	Early Education Fund – Two Year Olds	321	Grant	On-going project work
	16-19 Demographic Growth	174	Grant	Linked to project continuing at Elms Bank
	Other School Projects	134	External Funding	Majority of budget relates to new sports hall at Derby High School.
TOTAL	CHILDREN SERVICES	9,966		
Six Town Housing	Housing Public Sector Programme	1,406	Major Repairs Allowance	Delay on start date for some schemes; works continue into 2014/15
TOTAL	SIX TOWN HOUSING	1,406		

SERVICE	SCHEME	£000's	FUNDING SOURCE	COMMENTS
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Do	cument Pack Page 56	5		
Arts, Libraries	Libraries – Radio Frequency Identification	77	Contribution from reserves	Continued development of new system at all libraries.
and Adult Learning	Sculpture Gallery	33	Grant	Completion due May 2014
	Highways Network Service – Street Lighting	528	Council Resources	The Invest to Save scheme delivered in phases, to continue in 2014/15
Engineeri	Highways Network Service – Other Works	123	Grant	Budget includes Severe Weather Grant received March 2014
ng Services	Engineering Consultancy	32	Grant	Prettywood Road Bridge – Completion due June 2014
	Transportation & Parking	108	Grant/ External	Majority of budget relates to Better Bus Area Fund
	Traffic Management & Road Safety	314	Capital Receipts	Schemes delayed due to ongoing consultation with residents
Leisure	Community Meadows / Outdoor Tennis Courts	4	Grant	Remaining budget required for final payment to contractor
Operation al Services	Fernhill to Bradley Fold Relocation	83	Revenue Contribution	Ongoing scheme
Other Services	Recycling Action Plan	124	Grant / Council Resources	Ongoing scheme
	Development Group	126	Council Resources	Various schemes continuing into 2014/15
Planning	Environmental Projects	240	Council Resources	Majority of Slippage required to match fund future HLF bid
		126	External Funding	Local Sustainable Transport Fund
Environm ental Works	Contaminated Land & Air Pollution Monitoring	50	Grant	Outstanding work to be completed in 2014/15
TOTAL	DEPARTMENT FOR COMMUNITIES AND NEIGHBOURHOODS	1,077		
	Opportunity Land Purchase	109	Council Resources	Required towards purchase of new assets as opportunity arises
	Demolition of the Former Rock Fire Station	94	Capital Receipt	Funding required to finalise demolition
Chief	Bradley Fold	33	Grant	Balance of funding to be received in line with final spend
Executive Property	Radcliffe Town Centre Redevelopment	174	Capital receipts	Works continuing into 2014/15
Services	Other Property Service Schemes	17	Capital receipts	Funding required to finalise prospective new schemes
	Corporate IT Developments - iTrent	140	Council Resources/C apital Receipt	Development of iTrent due to continue until September 2014
TOTAL	CHIEF EXECUTIVE	567		
Total	External Funding/Reserves/ Contributions		11,477	
funding c/fwd to	Major Repairs Allowance		1,406	
2014/15	Council Resources/Loan		2,613	
	Capital Receipts		630	
TOTAL	SLIPPAGE/RE-PROFILE	16,126	16,126	

Agenda Item 7

REPORT FOR DECISION



[
MEETING:	CABINET OVERVIEW & SCRUTINY COMMITTEE			
DATE:	16 JULY 2014 30 JULY 2014			
SUBJECT:	REVENUE AND HRA OUTTURN 2013/14			
REPORT FROM:	LEADER OF THE COUNCIL AND CABINET MEMBER FOR FINANCE			
CONTACT OFFICER:	STEVE KENYON, ASSISTANT DIRECTOR OF RESOURCES & REGULATION (FINANCE AND EFFICIENCY)			
	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, 2013/2014, detailing 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 2014. The figures in this report mirror the figures in the Accounts but are presented in a format consistent with			

	the Revenue Budget approved by Council on 20 February 2013.		
	2013.		
OPTIONS & RECOMMENDED OPTION	 Members are asked to: a) Note the final outturn for 2013/14, and explanations for major variances (Appendix A, B and C) b) Consider the application of the 1% rule (Paragraph 3.3); c) Endorse the recommendations of the Assistant Director of Resources (Finance and Efficiency) for the minimum level of balances in light of the review of the corporate risk assessments and the newly completed departmental risk assessments (Paragraphs 5.3 & 6.2) 		
	Recommended Option:		
	In view of the Council's financial situation and the budget pressures faced in 2014/15 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 2013/14 be noted along with explanations for major variances; b) Overspendings of the Children's Services, Adult Care Services and Chief Executive's departments not to be carried forward; c) The level of the General Fund balances be noted; d) The minimum level of the General Fund balance 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 Considerations (statemer s151 officer):	•		

	forward the overspendings in view of the pressures faced by services in 2014/15 and beyond.
Statement by Executive Director of Resources & Regulation:	There are no other resource implications.
Equality/Diversity implications:	No (see paragraph 9.1, page 11).
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: MIKE OWEN

Chief Executive/ Strategic Leadership Team	Cabinet	Ward Members	Partners
23/6/14	16/7/14		
Overview & Scrutiny Committee		Committee	Council
30/7/14			

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 2013/14.
- 1.2 Work on the closure of the 2013/14 Accounts is complete and the Responsible Finance Officer approved the draft Accounts for 2013/14 on 5 June 2014. 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 2014 and proposals for the continued strengthening of the budget monitoring arrangements.

2.0 REVENUE OUTTURN 2013/14

2.1 As the table shows, there was a total underspend against the Revised Estimate of **£0.406 million**.

	£000's
2013/2014 Revised Estimate	148,640
2013/2014 Outturn	148,234
Underspend	(406)
•	

2.2 The revenue outturn and details of the major variations service by service are shown at Appendix A (pages 12 to 22) and are summarised below:

Department	Budget	Outturn	Variance
	£000s	£000s	£000s
Communities & Neighbourhood Services	39,541	39,410	(131)
Children's Services	47,444	47,841	397
Adult Care Services	56,236	56,376	140
Chief Executive's	4,926	5,286	360
Non Service Specific	493	(679)	(1,172)
TOTAL	148,640	148,234	(406)

2.3 All other things being equal, the outturn reported above will leave available General Fund balances standing at **£7.080m** at 31st March 2014. 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 2013/14 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 underspends 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. Based on the outturn figures shown in Appendix A the table below shows the level of underspends that Departments would be able to carry-forward under the application of the 1% rule:

	Application of `1% or £50,000' rule
	£000
Communities & Neighbourhood Services	131
Housing General	103
Total	234

- 3.4 The table above assumes that Members would not wish Children's Services, Adult Care Services or Chief Executive's Department to carry forward their overspendings in view of the pressures faced by the services in the current year. This is also consistent with policies that have been applied to previous years overspendings.
- 3.5 If approved, this would reduce the in-year contribution to General Fund balances to only £0.172m compared to £0.406m, a reduced contribution to balances of £0.234m.
- 3.6 In view of this, and 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 be carried forward** under the terms of the 1% rule.

4.0 SCHOOLS POSITION

- 4.1 The Dedicated Schools Grant (DSG) is ring fenced and these externally provided monies can only be spent on schools and associated areas as specified by the Department for Education in various Statutory Instruments. In accordance with these statutory requirements, balances of each school are carried forward into the next financial year for the benefit of the relevant school.
- 4.2 The level of school balances at 31st March 2014 is **£4.108m**. This includes a deficit of just over £2.5 million relating to Central Spend within the Schools Block (see par. 4.8 below). In total this represents a decrease of **£2.080 million** from the opening balance of **£6.188m**.
- 4.3 Changes to funding, especially the Pupil Premium Grant, coupled with increased pupil numbers meant that the available monies in 2013/14 for schools increased by approximately 3% compared to 2012/13.
- 4.4 As at 31st March 2014, schools have accumulated a surplus balance of £7.335m across the schools in Bury. This is a decrease of approx £0.028m when compared to 31st March 2013, with 77 out of 81 schools showing surplus balances. There are four schools reporting deficits amounting to £673,000.
- 4.5 Eleven 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's Services, who will take into account the views of the Schools Forum.
- 4.6 Schools' surpluses at 31st March 2014 represented approximately 5% of the total Schools Budget of £143 million.
- 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. This will involve budget transfers from the Schools Block to the High Needs Block and Early Years Block.

	Revised	Out-turn	2013/14
	Estimate		Variation
	£000's	£000's	£000's
2012/13 Overspending b/f	0	0	664
2013/14 Underfunding by DfE	0	0	640
LLDD 6 th Form Funding by DfE	(1,043)	(860)	183
Termination of Employment	0	100	100
Maternity, Paternity, Suspensions and			
Public Duties Supply Cover	450	672	222
Additional in-year Statements	0	518	518
Independent Special Schools	4,192	5,140	948

4.8 The main variations are:

Inter-authority recoupment	0	(620)	(620)
Other	1,232	1,131	(101)
Total Central Spend	4,831	7,385	2,554

- 4.9 The Education Funding Agency (EFA) of the Department for Education provided 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 level of funding provided by the agency for 2013/14 was lower by some £180,000 than the original figures that were based on the 2012/13 amounts.
- 4.10 Termination of Employment costs of £100,000 are due to early retirements and voluntary severances at Radcliffe Riverside High School, which is in its final year of operation.
- 4.11 The level of maternity supply cover continues to be much higher than the Central Spend budget, generally being more than £220,000 above budget. The responsibility for these types of Supply Cover have been transferred to schools' delegated budgets with effect from 2014/15.
- 4.12 There are much higher numbers of pupils with Statements than was budgeted for. The £518,000 additional spending is funding the extra costs within schools' delegated budgets.
- 4.13 Higher numbers of pupils attending Independent Special Schools coupled with increased fees charged by these schools have meant that the budget has overspent by 22%.
- 4.14 Other local authorities have contributed more for their SEN pupils attending Bury schools through the Recoupment mechanism.
- 4.15 All these variations mean that the amount of the overspend on the Central Spend is much higher than originally budgeted for and will require further contributions from the Schools Block to fund the amounts being carried forward and various ongoing commitments.
- 4.16 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 2014	11.580
Less : Minimum balances to be retained in 2014/15	-4.500
Available balances at 1 April 2014	7.080

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 of the Assistant Director of Resources (Finance & Efficiency) is the level of risk faced by the authority that may impact on the financial situation.
- 6.2 For 2014/15 the Council accepted the Assistant Director's recommendation that the minimum level of balances should be increased to **£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 2014.
- 6.3 As a result provision of ± 1.2 m was made for unpredictable and demand led expenditure, ± 0.6 m as a budget strategy risk cushion, ± 0.4 m to cover uncertainty of income and ± 0.5 m 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 2014.
- 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 2014/15 and reports will be presented to the Cabinet meetings.

7.0 HOUSING REVENUE ACCOUNT OUTTURN 2013/14

- 7.1 The Housing Revenue Account (HRA) for 2013/14 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. The final outturn shows an operating deficit of **£0.198m** at the end of 2013/14.
- 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:

- Decrease in provision for bad debts the budget contained two provisions, £0.192m 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 £0.100m 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.
- Interest receivable on balances the reduction in the level of income is due to a lower interest rate than anticipated.
- Revenue contributions to capital the increased expenditure relates in the main to a £0.238m contribution from Six Town Housing's reserves (included within the Repairs and Maintenance budget line) being used to fund Capital heating and kitchen replacements.
- 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 2013/14 was on average 2.02%. 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 £0.064m.
- 7.5 The total rent arrears at the end of 2013/14 were £0.850m, an increase of 0.7% from the start of the year when arrears totalled £0.844m.
- 7.6 The original HRA budgets assumed 37 Right to Buy sales during 2013/14 (based on the assumed level in the HRA self financing valuation). The actual number of sales in 2013/14 was 40.
- 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 the Executive to take a view on the company's financial position.
- 7.8 Six Town Housing's draft accounts for the 2013/14 financial year show that the ALMO made a deficit of **£0.324m** on a turnover of **£14.896m**, a rate of -2.2% (for 2012/13 the rate was 0.1%); the deficit for 2013/14 excludes pension adjustments made in line with FRS17 requirements.
- 7.9 Six Town Housing have 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 2013/14 was assessed to be

 \pm 1.394m and the draft accounts indicate net assets (before pension liabilities) to be \pm 1.994m.

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 2014 for approval.
- 8.2 Members are also asked to note that the Accounts for 2013/14 were available for public inspection at the Town Hall for 20 working days effective **from 6 June 2014**. This matter was advertised in the local press and placed on the Council's website and the Accounts can be viewed by contacting the Assistant Director of Resources (Finance and Efficiency) 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 2014/15 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 Mike Connolly Leader of the Council and Cabinet Member for Finance

Background documents:

Revenue Cost Information and Finance Working Papers, 2013/14

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

Mr S. Kenyon, Assistant Director of Resources (Finance and Efficiency), Tel. 0161 253 6922, E-mail: <u>S.kenyon@bury.gov.uk</u>, or

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

FINAL OUTTURN 2013/14 AND EXPLANATIONS FOR VARIANCES Appendix A

	2013/14 Current Budget £000's	2013/14 Outturn £000's	Variance £000's	Reason For Variance	One – Off / Ongoing			
Directorate of Co	Directorate of Communities and Neighbourhoods (DCN)							
Localities								
Arts, Libraries & Adult Learning	3,853	3,898	45	Libraries & Arts Services salary costs underspend due to vacancies & fewer additional hours, (-£0.122m) Severance costs (+ £0.117m) Reduction in take-up of and contributions to school library service (+£0.054m) Revenue contribution made for works at Bury library (+£0.021m) Savings on lease and insurance costs following acquisition of Bury Adult Learning Centre building (net of amount due to Adult Care) (-£0.025m)	One Off One-off Ongoing One-off Ongoing			
Communities	834	786	(48)	Underspends on salary, NI & superann costs (-£0.020m) Net underspend on initiatives and other spend after contributions from other bodies (-£0.028m)	One-off One-off			
Environmental Services	1,636	1,595	(41)	Severance costs $(\pm \pm 0.008m)$ Savings on salary costs e.g. from VERs and vacancies $(\pm 0.063m)$ DCN car allowance savings not achieved $(\pm \pm 0.021m)$ Shortfalls on income from gambling, pest control, scientific unit & fines $(\pm \pm 0.047m)$, offset by additional income from scrap metal licences & other income $(\pm 0.034m)$ Net savings on premises, discretionary spend and other budgets $(\pm 0.020m)$	One-off One-off Ongoing One-off			
Planning Services	1,085	1,131	46	Shortfall on building regulation income (+£0.030m) Higher than expected income from planning applications due to receipt of major applications (-£0.090m) Extra costs for AGMA Commissions & projects (+£0.025m) Environment & Planning severance costs (+£0.047m) Overspend on salary costs due to delays in restructuring, reduced by savings	Ongoing One-Off Ongoing One-off One-off			

Localities Sub Total	7,408	7,410	2	from VERs, vacancies & staff oncosts (+£0.018m) One-off costs for planning enquiries, legal advice and surveys for major applications, offset by savings on discretionary spend & overheads (+£0.016m)	One-off
Operations					
Community Safety	(190)	(293)	(103)	Emergency and Security Services additional income and savings on staffing & equipment costs (-£0.103m)	One-Off
Highways Services	8,288	8,520	232	Severance costs (+£0.026m) Refund of surface water drainage costs (-£0.022m) Overspend on gullies, pothole repairs & roadmarkings (+£0.104m), offset by underspends on drainage, street lighting & accident repairs (-£0.159m) Savings as works on traffic signal costs now done by GMCA (-£0.023m) Shortfall in GMRAPS permit income (+£0.113m) Shortfalls in other highways income (+£0.050m) Parking services overspend due to not achieving target income for parking and penalty charge notices (+£0.172m), plus increases in contract costs (+£0.022m), counteracted by extra income from sale of permits and from Millgate car park (-£0.060m) Income from bus lane enforcement below target (+£0.045m), but offset by savings on works (-£0.045m) Overspend on school crossing patrols (+£0.050m), savings target not achieved. Net underspends on various staffing and discretionary budgets (-£0.041m)	One-Off One-Off Ongoing Ongoing Ongoing Ongoing Ongoing Ongoing One-Off One-Off
Civic Halls	428	558	130	Although bar and box office income is slightly higher than in 2012/13, it is still below target (+0.036m) Overspend on supplies (+ \pounds 0.098m) Premises overspend – essential health & safety repairs at Ramsbottom Civic Hall (+ \pounds 0.018m) Other variances – staffing & overheads (- \pounds 0.022m)	Ongoing Ongoing One-off Ongoing
Parks Services	3,685	3,701	16	Extra income from cemetery services (-£0.028m) & parks events (-£0.045m) Revenue contribution to Fernhill relocation works (+£0.060m)	One-off One-off

Operations Sub Total	32,866	33,095	229		
				clearance contract $(+\pounds0.080m)$ Underspend on winter maintenance, due to milder winter $(-\pounds0.028m)$ Other underspends $(-\pounds0.010m)$	One-off One-off
				repairs & utility costs (-£0.024m) Street cleansing – additional cost of leaf	Ongoing
				(+£0.147m) Public conveniences underspend on	Ongoing
				and sale of bins (+£0.053m) Shortfall on commercial waste income	Ongoing
				Underspend on caddy liners (-£0.206m) Shortfall in income from bulky waste	Ongoing Ongoing
				Underspend on refuse, recycling & street cleaning labour costs (-£0.156m)	Ongoing
				Initial recycling regulatory team costs $(+\pounds0.051m)$	Ongoing
				Contribution of balances to levy reserve $(+\pounds0.439m)$	One-off
				Income from return of surplus GMWDA balances (-£0.439m)	One-off
				+£0.102m for extra street cleansing waste)	
Management	, , , ,	,		meeting the tonnage targets included in levy calculations $(+\pounds0.152m, including)$	
Waste	17,807	17,866	59	Castle Buildings (-£0.195m)	One-Off
				Administrative buildings underspent following closure of Athenaeum House &	Ongoing
Conservation				(-£0.106m) Reduced energy mgt costs (-£0.008m)	One-off
Buildings and Energy	-,=0+		(200)	buying carbon allowances under the CRC Energy Efficiency Scheme	0
Administrative	1,201	892	(309)	Other minor variances (-£0.005m) Underspend on provision for the cost of	One-off One-Off
				Women & girls project $(-\pounds 0.045m)$ transferred to Reserve $(+\pounds 0.045m)$	One off
				refurbishment at CLC (+£0.012m) Salary Saving due to staff seconded to	One-off
				not covered by insurance Contribution to changing room	One-Off
				including asbestos works & window replacement at Radcliffe Pool which was	
				including -£0.027k saved at Radcliffe) Repairs & Mtce overspend (£0.080m),	One-Off
				compensated for by underspends on staff costs and supplies (-£0.157m,	
Services	1,017	1,001	201	income (+£0.274m, including +£0.036k during the closure of Radcliffe Pool)	ongoing
Leisure	1,647	1,851	204	Leisure centres underachievement of	Ongoing
				Severance costs (£+0.013m) Other minor variances across parks services (+£0.016m)	One-off One-off

T	(700)		(262)		
Trading Services	(733)	(1,095)	(362)	Engineering Services overspent £0.364m. Income below levels assumed in workbook, including delay of	One-off
				LED scheme $(+\pm 0.375m)$ & loss of productivity re depot move $(+\pm 0.070m)$	One-off
				Savings on materials costs (-£0.166m)	One-off One-off
				Staff savings not realised within expected timeframe $(+\pounds0.051m)$	
				Buy out of relocation expenses, leading to longer term savings $(+\pounds 0.023m)$	One-off
				Severance costs (+£0.034m) Other minor variances (-£0.023m)	One-off Ongoing
				Beverage and Vending Services overspend of £0.052m includes	
				severance costs $(\pm £0.009m)$ and lower than expected net income levels $(\pm £0.043m)$	Ongoing
				Grounds Mtce overspend of £0.010m after allowing for severance costs	One-off
				$(\pm \pm 0.020 \text{m})$, costs associated with the depot relocation $(\pm \pm 0.020 \text{m})$ and delays	One-off
				in reducing salary costs $(+\pounds0.084m)$. Savings on leasing costs $(-\pounds0.072m)$ by delaying equipment replacements and	One-off
				savings on other costs (-£0.042m) reduced the final overspend.	
				Catering underspend of -£0.276m due to improved net income (-£0.315m) offset by extra expenditure on system	Ongoing One-off
				upgrade and equipment in preparation for extension of free school meals (+£0.039m)	One-on
				Architectural Services overspend of £0.184m. Lower than expected income $(+\pounds0.205m)$ compensated for by savings on salaries and other costs $(-\pounds0.021m)$.	Ongoing
				Cleaning underspent by -£0.134m Income exceeded target (-£0.098m) and savings in other costs (-£0.036m)	Ongoing
				Transport Services underspent by - £0.357m including savings on leasing costs (-£0.022m), repairs (-£0.157m), extra income (-£0.093m) and savings on salaries & other costs (-£0.085m)	Ongoing
				Overspend on support costs of £0.161m includes provision for severance costs and one-off costs for IT upgrades. Savings of £0.075m on departmental administration costs have been reallocated to services and are included above.	One-off
				Underspend of -£0.369m on DCN	Ongoing

				contingency budget is offset by total	0 "
				severance costs of $\pounds 0.393m$ accounted for in the service variances above.	One-off
				Minor overspends (+£0.003m)	One-off
Trading Services Sub Total	(733)	(1,095)	(362)		
TOTAL DCN	39,541	39,410	(131)		
Children's Servic	es Director	ate			
Learning – Schools	(29)	(29)	0	Any underspend or overspend funded via the DSG are rolled forward into the next financial year.	
Learning – Non Schools	28,163	27,816	(347)	Areas of overspending include SEN Home to School Transport due to increased demand and slow take-up of the independent travel training (+£0.302), SEN Home to College Transport again due to increased demand as the number of students attending local colleges rather than residential provision (+£0.114).	Ongoing
				Underspends on the non-filling of vacancies across the Learning-Non schools division (-£0.184). School Improvement raised additional buy-back income from the schools (-£0.032), Bus Escorts saving on salaries (-£0.074), Welfare Service benefitted from increased penalty notice income, buy-back income and delays in appointing staff (-£0.124)	One-off One-off
				The Youth Service shortfall on salaries was compensated by funding from elsewhere within the Learning Division (- \pounds 0.052) and Early Years, where the Children's Centres budgeted expenditure was held at 2012-13 levels saving (- \pounds 0.197) and the transfer of Sector Support to Ofsted (- \pounds 0.050).	One-off
				Other minor underspends (-£0.50).	One-off
Social Care & Safeguarding	13,809	13,790	(19)	Demand pressures within Advice & Assessment led to the addition of a number of agency social workers $(+\pounds0.245)$ in an attempt to reduce Social Worker caseloads to within	Ongoing

[]					
				acceptable levels.	
				Children and Young People in Care Service employed 3 agency staff to cover long term sickness, and also overspent on the Child Looked After payments (± 0.102).	Ongoing
				Emergency Duty Team suffered delays recruiting to vacancies following a restructure (-£0.024).	One-off
				Victoria Family Centre was funded via the Early Years/High Needs block of the DSG in the current year (-£0.493).	Ongoing
				Fostering and Adoption benefitted from an increase in adoption placement fees $(-\pounds0.066)$.	One-off
				Savings across Intensive Family Intervention Team, Early Intervention and Early Help due to the restructure of the service $(-\pounds0.198)$.	One-off
				The Safeguarding Unit benefitted from a contribution from the Bury Safeguarding Children's Board (-£0.053) and a new	One-off
				contract for Children's Domestic Violence (-£0.067).	One-off
				Leaving Care continued to overspend on housing young people with complex needs and those in semi-independent placements (± 0.583) Minor underspends (± 0.048).	On going One-off
Other Management Costs	4,162	3,903	(259)	Budgetary savings on Strategic Management (-£0.412) were offset by overspends on the upgrading of	One-off
				computers/licences (+ \pounds 0.056), agency cover and recruitment of senior staff dealing with the safeguarding of children (+ \pounds 0.052), protected pay,	One-off One-off
				relocation expenses and re-grading of posts affected by restructures $(+\pounds0.045)$.	Ongoing
Strategy / Commissioning	881	855	(26)	Minor variations across the service.	One-Off
Departmental Wide	(3,902)	(3,773)	129	Payments made to individuals taking VER relating to the remodelling of the service.	One-Off
Children's Agency	4,360	5,279	919	Continued increase in the number of children and complexity of support required. Strategies introduced to minimise future budget pressures has	Ongoing

				lod to a reduction in summation of]
				led to a reduction in expenditure of £1.1million from 2012-13.	
TOTAL CHILDREN'S SERVICES	47,444	47,841	397		
Adult Care Servio	ces Director	rate			
Operations	9,204	9,263	59	Shortfall in contributions from NHS (+£0.200m)	Ongoing
				Assessment & Re-integration savings on vacant posts $(-£0.035m)$	One-off
				Mental Health Services savings on vacant posts (-£0.051m)	One-off
				Vulnerable Adults (BEST) Generation of additional external income (-£0.055m)	Ongoing
Workforce Modernisation	10,297	10,299	2	Development & Training greater use of in-house resources & more efficient procurement (-£0.030m)	Ongoing
				Homes for people with Learning Disabilities : reduced income & additional staffing costs (+£0.165m)	Ongoing
				Learning Disability Care Teams: Efficient use of agency & care pool staff to cover vacancies (-£0.046m)	One-off
				Under 65 day care: additional severance costs not anticipated at beginning of year $(\pm 20.048m)$	One-off
				Older people residential & day care services efficient use of agency and care pool staff to cover vacancies & increased income from greater occupancy rates (-£0.135m)	One-off

Business Redesign	5,532	5,657	125	Performance & Housing Strategy – staff savings and small underspends in most budget headings (-£0.065m) Customer Services reception	
				refurbishment costs & several other minor overspends (+£0.018m)	
				Assets & IT : Unachieved budget saving (capital & revenue costs of non- operational assets) (+£0.130m) plus	Ongoing
				other unavoidable costs such as security, basic maintenance & rates on non-operational buildings (+£0.123m)	Ongoing
				Housing Choices : several minor under (and over) spends on various budget headings (-£0.017m)	One-off
				Accommodation Team savings on vacant posts (-£0.020m)	One-off
				Urban renewal savings on vacant posts (-£0.044m)	One-off
Finance	(2,270)	(2,166)	104	ACS General Budget savings relating to policies that are still in development $(+\pounds0.113m)$	One-off
				Finance additional income generated from right to control / work choice (- \pounds 0.036m) offset partly by additional computer software acquisition & licence costs (+ \pounds 0.027m)	One-off
Policy & improvement Team	283	224	(59)	Policy & Improvement savings on comprehensive area assessment inspection costs (- \pounds 0.042m) and vacant posts (- \pounds 0.033m) offset partly by severance costs (+ \pounds 0.016)	All One Off
Commissioning & Procurement - Care in the Community	26,166	26,490	324	Community Care Continued increasing numbers of people eligible for services in all client categories and all types of service $(+\pounds0.324m)$.	Ongoing
Public Health	0	0	0	Public Health expenditure is covered by Government Grant, with any surplus at year end being transferred to a specific earmarked reserve.	Ongoing
Commissioning & Procurement - Other	7,024	6,609	(415)	Procurement savings on vacant posts (-£0.062m).	One-off
				Commissioning & Strategy underspend due to expenditure on care packages for carers being less than anticipated; staff	

TOTAL ADULT CARE SERVICES	56,236	56,376	140	vacancy savings in a number of team, reduced expenditure on external contracts and receipt of additional income (-£0.353m)	
Directorate of th	ne Chief Exec	cutive			
Corporate Management	209	337	128	Increased subscription contributions to the AGMA district and Salford Work Leavers programme have resulted in an overspend of £0.128m	Ongoing
Chief Executive's	322	314	(8)	Minor variances	One-Off
Executive Direct	or of Resour	ces			
Finance & Efficiency	2,681	2,553	(128)	Reduction in the external audit fee (-£0.100m) Completion of management restructure (-£0.181m) Coroners Court overspent by £0.115m on the amounts paid to Rochdale MBC for administration, due to increased demand placed on the service Severance costs for VER's approved during 2013/14 (+£0.136m) Contribution to Bad Debt Provision (+£0.025m) Vacancies held and tightening of controllable expenditure (-£0.123m)	Ongoing One-off One-off
Human Resources	589	563	(26)	Severance costs for VER's approved during 2013/14 ($\pm £0.011m$) Vacancies held and tightening of controllable expenditure ($\pm 20.037m$)	One-Off One-Off
Legal & Democratic Services	1,797	1,667	(130)	Member Allowances underspend (- \pounds 0.081m) Underspends within Civic and Mayoral Expenses (- \pounds 0.023m) Unfunded legislative developments within Registration of Electors and Voluntary Registration (+ \pounds 0.062m) Over-recoveries of income against budget for Legal Services – External Fees (- \pounds 0.039m) and Registrar of Births, Deaths and Marriages fees (- \pounds 0.062m) Minor variances (+ \pounds 0.013m)	Ongoing One-Off

Customer Support & Collections	1,528	1,687	159	The Collection Fund Revenue account has an overall overspend of (+£0.112m) made up of Council Tax and NNDR summons costs income under-recovery Net staffing/agency cover underspend (-£0.101m) Computer software licences/acquisitions overspends in part due to XP replacement costs (+£0.148m)	Ongoing One-Off One-Off
ICT	(101)	(97)	4	Admin Building recharges overspend (+£0.020m) Staffing and agency costs overspend (+£0.043m) Severance costs for VER's approved during 2013/14 (+£0.017m) Under-recovery of printing income (+£0.027m) Storage Area Network (SAN) lease not charged this year due to upgrade costs (-£0.029m) External Communications reduced due to short term lease extension (-£0.068m) Minor variances (-£0.006m)	Ongoing One-Off Ongoing One-Off One-Off One-Off
Property & Asset Management	(2,099)	(1,738)	361	Shortfall in rent income due to increased voids $(+\pounds0.149m)$ Major shortfall on Millgate / Longfield income due to increased voids and permitted deductions $(+\pounds0.337m)$ Increased Empty Rates due to increased voids $(+\pounds0.027m)$ Additional income from De-Minimis Capital Receipts $(-\pounds0.081m)$ Savings and repairs and maintenance $(-\pounds0.071m)$	Ongoing Ongoing Ong-Off One-Off
Executive Director of Resources	4,395	4,635	240		
TOTAL CHIEF	4,926	5,286	360		
EXECUTIVE'S	.,520	0,200			
Creants to	4 4 9 7	1 0 4 0	(00)		Onceire
Grants to Voluntary Organisations	1,137	1,048	(89)	Bury Housing Concern – grant withdrawn due to closure (-£0.012m) Section 48 (AGMA) grants reduced (-£0.028m) Contingency Fund not required (-£0.033m) Sundry grants (transport/lettings etc) lower than budget (-£0.016m)	Ongoing One off One off One off

Non Service Specific Items

Housing	(151)	(254)	(103)	Reduced subsidy and administration grant received for the Housing Benefit administration (- \pounds 0.435m) Contribution to the bad debt provision (+ \pounds 0.327m) Minor underspends (+ \pounds 0.005m)	
Cost of Borrowing	9,358	8,822	(536)	Saving on Loan interest payable (-£0.299m) Increased investment income (-£0.199m) Other overspends (+£0.038m)	One-Off One-Off One-Off
BMBC Townside Fields	0	(26)	(26)	Management Fee chargeable	One-Off
Passenger Transport levy	13,676	13,676	0	n/a	
Environment Agency	92	92	0	n/a	
National Non Domestic Rates	108	108	0	n/a	
Manchester Airport	(1,328)	(1,746)	(418)	Increased dividend receipt(+£0.400m) and rental share income(+£0.018m)	One-Off One-Off
Corporate Savings	(483)	(483)	0	n/a	
Provisions	3,183	3,183	0	n/a	
Cost of Retirement	37	37	0	n/a	
IAS19 Retirement Benefits	7,889	7,889	0	n/a	
Accumulated Absences	370	370	0	n/a	
Capital Charges / Asset Rentals	(33,395)	(33,395)	0	n/a	
TOTAL NON SERVICE SPECIFIC	(644)	(1,727)	(1,083)		
Total Revenue Expenditure (exc. Schools)	148,640	148,234	(406)		

LEVEL AND MOVEMENT OF SCHOOL RESERVES

Appendix B

Overall Levels of Balances	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000
School Balances at 31st March	(3,681)	(4,504)	(7,805)	(6,188)	(4,108)
	(3,001)	(+,50+)	(7,005)	(0,100)	(+,100)

Number of Schools – Surpluses/Deficits in Percentage Terms

Table	2009/10	2010/11	2011/12	2012/13	2013/14
	No. Schools	No. Schools	No. Schools	No. Schools	No. Schools
Nursery & Primary					
Greater than +9%	5	6	10	4	7
+8% to 9%	8	4	11	9	3
+5% to 8%	19	27	27	27	26
0% to 5%	31	25	14	23	26
Deficits	1	2	1	0	1
Total	64	64	63	63	63
Secondary					
Greater than +6%	4	4	5	4	4
+5% to 6%	-	1	3	2	1
0% to 5%	10	9	6	6	7
Deficits	-	-	-	2	2
Total	14	14	14	14	14
Special					
Greater than +9%	3	1	-	-	-
+8% to 9%	-	-	-	-	1
+5% to 8%	-	-	2	2	1
0% to 5%	-	2	1	1	1
Deficits	-	-	-	-	1
Total	3	3	3	3	4
Number above the original	20	16	29	19	16
"Excessive Surplus" thresholds					
(Prim/Spec 8% & High 5%)					
Number above the new "Excessive	12	11	15	8	11

Surplus" thresholds			
(Prim/Spec 9% & High 6%)			

Number of Schools – Surpluses/Deficits in Monetary Terms

Table	2009/10	2010/11	2011/12	2012/13	2013/14
	No.	No.	No.	No.	No.
	Schools	Schools	Schools	Schools	Schools
Nursery & Primary					
Deficits					
£0 to £25,000	1	2	1	-	1
Surpluses					
£0 to £50,000	35	33	20	25	24
£50,000 to £100,000	23	26	31	29	26
£100,000 to £150,000	4	2	10	7	11
£150,000 to £200,000	1	1	1	2	1
Greater than £200,000	-	-	-	-	-
Total	64	64	63	63	63
Secondary					
Deficits					
£0 to £100,000	_	-	-	-	-
£100,000 to £200,000	_	-	-	1	-
£200,000 to £300,000	-	-	-	-	1
Greater than £300,000	-	-	-	1	1
Surpluses					
£0 to £50,000	3	2	1	-	-
£50,000 to £100,000	3	1	2	2	2
£100,000 to £150,000	3	2	1	1	-
£150,000 to £200,000	3	4	2	1	1
£200,000 to £250,000	-	3	3	2	4
£250,000 to £500,000	3	2	4	5	5
Greater than £500,000	-	-	1	1	-
Total	14	14	14	14	14
Special					
Deficits					
£0 to £25,000	_	-	-	-	1
Surpluses					
£0 to £50,000	-	1	1	1	1
£50,000 to £100,000		1	-	-	-
£100,000 to £150,000	1	-	-	-	-
£150,000 to £200,000	-	-	2	1	1
£200,000 to £250,000	-	-	-	-	-
Greater than £250,000	2	1		1	1
Total	3	3	3	3	4

HOUSING REVENUE ACCOUNT

APPENDIX C

	2013/14 REVISED ESTIMATE	2013/14 OUTTURN	VARIATION FROM BUDGET
	£	£	£
INCOME	20 506 800	20 552 447	44 252
Dwelling rents Non-dwelling rents	29,596,800 220,800	29,552,447 225,156	44,353 (4,356)
Heating charges	72,400	72,803	(4,330)
Other charges for services and facilities	885,300	886,328	(1,028)
Contributions towards expenditure	53,900	38,193	15,707
 Total Income	30,829,200	30,774,927	54,273
EXPENDITURE Repairs and Maintenance	6,805,000	6,568,521	(226 470)
General Management	6,645,700	6,670,703	(236,479) 25,003
Special Services	1,041,100	1,046,120	5,020
Rents, rates, taxes and other charges	95,000	130,465	35,465
Increase in provision for bad debts	291,800	191,343	(100,457)
Cost of Capital Charge	4,530,300	4,492,553	(37,747)
Depreciation/Impairment of fixed assets		, ,	
- council dwellings	7,112,500	14,292,967	7,180,467
Depreciation of fixed assets - other assets	40,500	41,911	1,411
Debt Management Expenses	40,700	40,956	256
Contrib. to Business Plan Headroom Reserve	4,048,900	3,993,750	(55,150)
Total Expenditure	30,651,500	37,469,289	6,817,789
Net cost of services	(177,700)	6,694,362	6,872,062
Amortised premia / discounts	(14,600)	(14,646)	(46)
Interest receivable - on balances	(135,900)	(69,740)	66,160
Interest receivable - on loans (mortgages)	(1,900)	(1,047)	853
 Net operating expenditure	(330,100)	6,608,929	6,939,029
Appropriations			
Appropriation relevant to impairment	0	(7 180 467)	(7,180,467)
Revenue contributions to capital	515,400	769,999	254,599
	·		
(Surplus) / Deficit	185,300		13,161
Working balance brought forward	(1,185,300)	(1,198,461)	(13,161)
 Working balance carried forward	(1,000,000)	(1,000,000)	0

Agenda Item 8

REPORT FOR DECISION



MEETING:	CABINET OVERVIE	T EW & SCRUTINY COMMITTEE				
DATE:	16 JULY 30 JULY					
SUBJECT:	2013/14 REPORT	TREASURY MANAGEMENT ANNUAL				
REPORT FROM:		DER OF THE COUNCIL AND CABINET MEMBER				
CONTACT OFFICER:		KENYON, ASSISTANT DIRECTOR OF RCES (FINANCE)				
TYPE OF DECISION:	CABINET	(KEY DECISION)				
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain					
SUMMARY:	PURPOSE	PURPOSE/SUMMARY:				
	The Council undertakes Treasury Management Activities in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management, which requires that the Council receives an annual strategy report by 31 March for the year ahead and an annual review report of the previous year by 30 September. This report is the review of Treasury Management activities during 2013/14.					
OPTIONS & RECOMMENDED OPTION	It is recommended that, in accordance with CIPFA's Code of Practice on Treasury Management, the report be noted.					
IMPLICATIONS:						
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes					

Financial Implications and Risk Considerations:	As set out in the report and the comment of the Assistant Director of Resources (Finance and Efficiency) below.
Statement by Assistant Director of Resources (Finance and Efficiency):	This report provides information on the Council's debt, borrowing, and investment activity for the financial year ending on 31 st March 2014 in conformity with the CIPFA Code of Practice for Treasury Management. The successful management of the Council's borrowing and investments is central to the Council's financial strategy, both in the short term and in ensuring a balanced debt profile over the next 25 to 60 years.
	The overall strategy for 2013/14 was to finance capital expenditure by running down cash/investment balances and using shorter term borrowing rather than more expensive long term loans. The taking out of longer term loans (1 to 10 years) to finance capital spending would only then be considered if required by the Council's underlying cash flow needs.
	Debt increased during the year, £209.943 million at 31^{st} March 2014 compared to £203,694 million at 31^{st} March 2013, due to the planned delayed replacement of a loan for £7.5m that matured in 2012/13 . The average borrowing rate fell from 4.43% to 3.95% due to fall out of high coupon rate debt and new short term loans. Investments at 31 March 2014 stood at £44,277 million, compared to £17,456 million the previous year, the increase being due to the receipt of grant payments towards the end of the year. The average rate of return on investments was 0.78% in 2013/14 compared to 1.67% in 2012/13.
Equality/Diversity implications:	No - (see paragraph 8.1, page 9)
Considered by Monitoring Officer:	Yes. The presentation of an annual report on Treasury Management by 30 th September of the following financial year is a requirement of the Council's Financial Regulations 5.7, as part of the Council's Financial Procedure Rules and Budget and Policy framework, relating to Risk Management and Control of Resources: Treasury Management.
Are there any legal implications?	No

Staffing/ICT/Property:	There are no direct staffing, ICT or property implications arising from this report.		
Wards Affected:	All		
Scrutiny Interest:	Overview & Scrutiny Committee		

TRACKING/PROCESS

ASSISTANT DIRECTOR: STEVE KENYON

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
	Yes 16/7/14		
Overview & Scrutiny Committee		Committee	Council
30/7/14			

1.0 INTRODUCTION

- 1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

- 1.3 This report summarises the following:-
 - Capital activity during the year;
 - Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
 - The actual prudential and treasury indicators;

- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

2.0 THE COUNCIL'S OVERALL BORROWING NEED

- 2.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2013/14 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.
- 2.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or utilising temporary cash resources within the Council.
- 2.3 The Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision MRP, to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- 2.4 The total CFR can also be reduced by:
 - the application of additional capital financing resources (such as unapplied capital receipts); or
 - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
- 2.5 The Council's 2013/14 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2013/14 on 20/02/2013.
- 2.6 The Council's CFR for the year is shown below, and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract.

Capital	2012/13	2013/14	2013/14
Financing	Actual	Estimate	Actual

Requirement	£'000	£'000	£'000
CFR – non HRA	131,233	130,696	127,648
CFR – HRA existing	40,531	40,531	40,531
Housing Reform Settlement	78,253	78,253	78,253
Total CFR	250,017	249,480	246,432

2.7 Borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit. In order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2013/14) plus the estimates of any additional capital financing requirement for the current (2014/15) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2013/14. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	2012/13 Actual £'000	2013/14 Estimate £'000	2013/14 Actual £'000
Gross borrowing position	203,694	209,943	209,943
CFR	250,017	249,480	246,432

- 2.8 **The authorised limit** the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2013/14 the Council has maintained gross borrowing within its authorised limit.
- 2.9 **The operational boundary** the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
- 2.10 Actual financing costs as a proportion of net revenue stream this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2013/14 £'000
Authorised limit	288,700
Maximum gross borrowing position	220,609
Operational Boundary	253,700
Average gross borrowing position	212,113
Financing costs as a proportion of net revenue stream:-	
Non - HRA	3.21%
HRA	14.60%

3.0 TREASURY POSITION AS AT 31 March 2014

3.1 The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2013/14 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

	31st March 2013 Principal £'000	Average Interest Rate	31st March 2014 Principal £'000	Average Interest Rate
Fixed Rate Funding:				
- PWLB	153,862		146,362	
- Market	39,000		57,500	
- Local Bonds	3		3	
Variable Rate Funding:				
- Temporary Loans	6,000		2,000	
- PWLB	0		0	
- Market	0		0	
Bury MBC Debt	198,865		205,865	
Airport Debt	4,829		4,078	
Total Debt	203,694	4.43%	209,943	3.96%
Total Investments	17,456	1.67%	44,277	0.78%

3.2 The table below shows the maturity structure of the debt portfolio

	2012/13	2013/14
	Actual	Actual
	£'000	£'000
Under 12 months	14,251	8,579
12 months and within 24 months	6,059	11,280
24 months and within 5 years	12,352	19,078
5 years and within 10 years	14,026	14,000
10 years and within 15 years	550	550
15 years and over	156,456	156,456
Total Debt	203,694	209,943

3.3 All the investments held are for a period of less than one year.

4.0 OVERVIEW OF THE STRATEGY FOR 2013/14

- 4.1 The strategy for 2013/14 was to finance capital expenditure by running down cash/investment balances and use short term loans at lower rates of interest than more expensive long term loans. These loans would be postponed as long as it is prudent to do so. One PWLB loan of £7.5m was repaid in the year together with an Airport loan of £0.279m. In line with the strategy, these loans, together with a PWLB loan of £7.5m repaid in 2012/13 which was not replaced in the year, have been replaced by shorter term 2-3 year market loans, at lower interest rates. All other borrowing in the year comprised temporary short term loans.
- 4.2 As a result of 3.1 above, the Council was able to lower the average interest rate on debt from 4.43% to 3.96%. Due to poor investment returns, the average interest rate on investments fell to 0.78% in 2013/14 compared to an average rate of 1.67% for 2012/13.
- 4.3 Grants received towards the end of the financial year meant a temporary increase in investment balances at 31^{st} March 2014.

5.0 ECONOMIC REVIEW FOR 2013/14

- 5.1 The original expectation for 2013/14 was that Bank Rate would not rise during the year and for it only to start gently rising from quarter 1 2015. This forecast rise has now been pushed back to a start in quarter 3 2015. Economic growth (GDP) in the UK was virtually flat during 2012/13 but showed signs of improvement during the year. Consequently there was no additional quantitative easing during 2013/14 and Bank Rate ended the year unchanged at 0.5% for the fifth successive year. While CPI inflation had remained stubbornly high and substantially above the 2% target during 2012, by January 2014 it had, at last, fallen below the target rate to 1.9% and then fell further to 1.7% in February. It is also expected to remain slightly below the target rate for most of the two years ahead.
- 5.2 Gilt yields were on a sharply rising trend during 2013 but volatility returned in the first quarter of 2014 as various fears sparked a flight to quality. The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling drastically in the second half of that year and continuing into 2013/14. That part of the Scheme which supported the provision of credit for mortgages was terminated in the first quarter of 2014 as concerns rose over resurging house prices.
- 5.3 The UK coalition Government maintained its tight fiscal policy stance and recent forecasts indicate a reduction in the forecasts for total borrowing over the next five years.
- 5.4 The EU sovereign debt crisis subsided during the year as confidence in the ability of the Eurozone remained intact. Perceptions of counterparty risk improved after the ECB statement in July 2012 that it would do "whatever it takes" to support struggling Eurozone countries; this led to a return of confidence in its banking system which has continued into 2013/14 and led to a move away from only very short term investing. However, this is not to say that the problems of the Eurozone, or its banks, have ended as the zone faces the likelihood of weak growth over the next few years at a time when the total size of government debt for some nations is likely to continue rising. Upcoming stress tests of Eurozone banks could also reveal some areas of concern.

6.0 BORROWING OUTTURN FOR 2013/14

- 6.1 The Council's ability to borrow is determined by the cumulative capital financing requirement (CFR). When the cumulative CFR is compared to outstanding debt the difference is the amount of headroom still available to borrow. At the end of 2013/14 debt stood at £209.943m and the CFR at £246.432m. Therefore, in theory, borrowing of £36.489m could be taken to finance past and present capital expenditure.
- 6.2 An analysis of movements at nominal values on loans during the year is shown below:

	Balance			Balance
	at	Loans	Loans	at
	31/03/13	raised	repaid	31/03/14
	£000's	£000's	£000's	£000's
PWLB	153,862	0	(7,500)	146,362
Market	39,000	18,500	0	57,500
Temporary				
Loans	6,000	2,000	(6,000)	2,000
Other loans	3	0	0	3
Bury MBC Debt	198,865	20,500	(13,500)	205,865
Airport PWLB				
Debt	4,829	0	(751)	4,078
Total Debt	203,694	20,500	(14,251)	209,943

6.3 The loans raised during the year are shown below. Additional loans were taken out during the year to replace a PWLB loan, for \pm 7.5m, that matured but which was not replaced in 2012/13.

Lender	Rate	Amount £000's	Start Date	End Date
County Council	1.13%	5,000	05/04/2013	05/07/2016
Fire Authority	0.39%	2,000	15/07/2013	14/07/2014
Police Authority	0.68%	2,000	08/08/2013	24/07/2016
County Council / Fire & Rescue Authority	1.06%	5,500	15/10/2013	22/04/2016
County Council / Police & Crime Commissioner	1.06%	4,000	21/10/2013	21/04/2016
County Council	1.06%	2,000	01/11/2013	22/04/2016
Total		20,500		

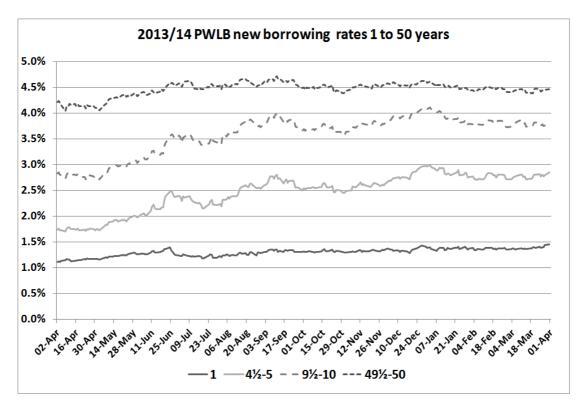
- 6.4 The approach during 2013/14 was to take advantage of rates when they were at their lowest and identify debt rescheduling opportunities. Unfortunately, there were no opportunities to make savings through debt rescheduling in 2013/14.
- 6.5 In line with the strategy, the Council delayed borrowing as long as possible by running down short term investments. When it was time to borrow, shorter term loans were taken in preference to more expensive long term loans. By maintaining borrowing at short term rates, the Council was able to minimise any corresponding risk from holding short term investments. As the year progressed further borrowing was kept to a minimum and cash balances were used to finance new capital expenditure. Therefore counterparty risk incurred

on investments was minimised. This also maximised treasury management budget savings as investment rates were much lower than most new borrowing rates.

6.6 The active monitoring of the debt portfolio, the full year effect of previous rescheduling of loans, and the taking of new loans at historically low rates, have decreased the average Interest rate on the debt held over time:

Year	07/08	08/09	09/10	10/11	11/12	12/13	13/14
Average Interest Rate on Debt	5.40%	5.33%	4.98%	4.81%	4.56%	4.43%	3.96%

- 6.7 From 2007/08 the average interest rate falls over time due to rescheduling of loans to lower interest rates and the borrowing of new loans at historically low levels.
- 6.8 The Council's policy on the fall out of debt has been to establish a debt profile where the amount of debt due to be refinanced each year is stable and large scale financing in any one year avoided. Market LOBO (Lenders Option Borrower's Option) loans are recorded in accordance with the regulations set down in the Prudential Code which states "the maturity of borrowing should be determined by reference to the earliest date on which the lender can require payment".
- 6.9 PWLB borrowing rates the graph below shows for a selection of maturity periods, the high and low points in rates, the average rates, spreads and individual rates at the start and the end of the financial year.



7.0 INVESTMENT OUTTURN FOR 2013/14

- 7.1 The Council's investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council on 20 February 2013. This policy set out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).
- 7.2 The Council manages its investments in-house (with advice from Capita Asset Services) with the overall objective to balance risk with return and the overriding consideration being given to the security of the available funds.
- 7.3 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 7.4 The strategy recognised that the Council's funds would be mainly cash-flow driven. The Council would seek to utilise business reserve accounts and short dated deposits in order to benefit from the compounding of interest.
- 7.5 Detailed below is the result of the investment strategy undertaken by the Council.

	Average	Rate of	Benchmark
	Investment	Return	Return *
Internally Managed	£54,517,602	0.78%	0.35%

* the benchmark return is the average 7-day London Interbank Bid (LIBID) rate sourced from Capita Asset Services

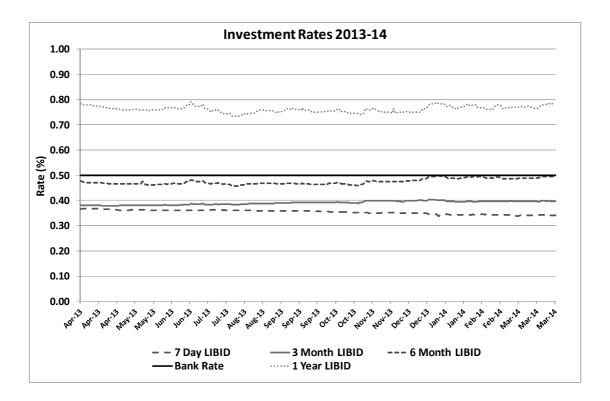
7.6 Investments at 31 March 2014 stood at £44.277m (£17.456m at 31 March 2013), whilst the average for the year was £54.517m (£35.416m at 31 March 2013).

	Investment at 31/03/13 £000's	Amount Invested in year £000's	Investments realised in year £000's	Balance at 31/03/14 £000's
Fixed Rate Investments				
Royal Bank of Scotland	3,700	0	(3,700)	0
Bank of Scotland	9,600	19,600	(9,600)	19,600
District Council	0	6,200	(6,200)	0
County Council	0	1,200	0	1,200
Total - Fixed rate	13,300	27,000	(19,500)	20,800
Call Accounts				
Bank of Scotland - Call Account	0	224,690	(224,690)	0
NATWEST bank - Call Account	4,156	55,521	(36,200)	23,477
Total Investments	17,456	307,211	(280,390)	44,277

7.7 The table below gives details of the fixed rate investments made during the year.

	Rate	Amount £000's	Start Date	End Date
Bank of Scotland	1.10%	5,000	11/04/2013	10/04/2014
Bank of Scotland	1.01%	2,500	18/07/2013	17/07/2014
Bank of Scotland	0.98%	2,100	10/10/2013	09/10/2014
District Council	0.43%	6,200	10/12/2013	28/02/2014
Bank of Scotland	0.95%	5,000	28/02/2014	27/02/2015
County Council	0.60%	1,200	28/02/2014	27/02/2015
Bank of Scotland	0.95%	5,000	20/03/2014	19/03/2015
Total		27,000		

- 7.8 Total interest earned on investments in the financial year was £0.418 million compared to £0.589 million in 2012/13. This reflects the fact that investment returns were poor throughout the year.
- 7.9 The Bank Rate remained at it's historic low of 0.5% throughout the year; it has now remained unchanged for five years. Market expectations as to the timing of the start of monetary tightening ended up almost unchanged at around the end of 2014 / start of 2015. The Funding for Lending Scheme resulted in deposit rates remaining depressed during the whole of the year, although the part of the scheme supporting provision of credit for mortgages came to an end in the first quarter of 2014.



8.0 COMPLIANCE WITH TREASURY LIMITS

8.1 During the financial year the Council operated within the treasury limits and Prudential Indicators set out the Council's Treasury Policy Statement and annual Treasury Management Strategy Statement. The outturn for the Prudential Indicators is shown in Appendix 1.

9.0 EQUALITY AND DIVERSITY

9.1 There are no specific equality and diversity implications.

10.0 FUTURE ACTIONS

10.1 Treasury Management Updates and Prudential Indicators for 2014/15 will be presented on a quarterly basis to the Cabinet and the Overview & Scrutiny Committee.

11.0 CONCLUSION

11.1 It is recommended that Members note the treasury management activity that has taken place during the financial year 2013/14.

Councillor Mike Connolly Leader of the Council and Cabinet Member for Finance

Background documents:

Unaudited Final Accounts Bury MBC 2013/14 CIPFA Treasury Management Code of Practice in the Public Services CIPFA The Prudential Code for Capital Finance in Local Authorities Capita Asset Management Treasury Management Report 2013-14 Financial markets and economic briefing papers **For further information on the details of this report and copies of the detailed variation sheets, please contact:**

Mr S. Kenyon, Assistant Director of Resources (Finance and Efficiency), Tel. 0161 253 6922, E-mail: <u>S.kenyon@bury.gov.uk</u>, or

Agenda Item 9

REPORT FOR DECISION



MEETINGS:	AUDIT CO CABINET COUNCIL					
DATE:	15 JULY 2014 16 JULY 2014 10 SEPTEMBER 2014					
SUBJECT:	RISK MAI	NAGEMENT ANNUALREPORT 2013/14				
REPORT FROM:	LEADER O	OF THE COUNCIL				
CONTACT OFFICER:	David Hip	okiss, Risk & Governance Manager				
TYPE OF DECISION:		- KEY DECISION				
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain					
SUMMARY:	with detai place ove manageme	Management Annual Report provides Members ls of risk management activity that has taken er the past 12 months. It outlines risk ent policies and practices now in place and the s that will be addressed during the coming ear.				
OPTIONS & RECOMMENDED OPTION	Council's	are requested to re-affirm their support for the approach to Risk Management, and note nade throughout 2013/14 and actions planned .5.				
IMPLICATIONS:						
Corporate Aims/Policy Framework:		Do the proposals accord with the Policy Framework? Yes				
Financial Implications an Considerations:	d Risk	See Executive Director of Resources & Regulation comment below				
Statement by Executive I	Director	There are no direct resource implications				

~	
of Resources:	arising from this report.
	Risk management is an integral part of the
	Council's approach to Corporate Governance
	and service and financial planning and it is
	essential that robust risk management
	practices are put in place to safeguard the
	Council's assets and its reputation.
	Corporate, departmental and operational risk
	assessments have been undertaken and key
	elements of the resultant Management Action
	Plans are incorporated into Departmental
	Service Plans.
Equality/Diversity implications:	No
Considered by Monitoring Officer:	Yes (Governance Panel)
Are there any legal implications?	No
	There are no direct HR, IT or property
Staffing/ICT/Property:	implications arising from this report.
Wards Affected:	All
Scrutiny Interest:	Overview & Scrutiny

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
23 rd June 2014			
Overview & Scrutiny	Committee	Cabinet	Council
	Audit 15 th July 2014	16 th July 2014	10 th September 2014

1.0 BACKGROUND

- 1.1 The Cabinet approved the Council's Risk Management Policy and Strategy in March 2006 which is reviewed annually.
- 1.2 A number of challenges were presented to the Council during 2013/14 where risk management played a significant role in preventing disruption to service continuity.
- 1.3 The Council continued to experience cuts in resources, and responded to this through its "Plan for Change", achieving once again a slight underspend for the year.
- 1.4 Operationally, two of the four main administrative buildings were vacated to deliver savings in accommodation costs and further promote agile working. This was a major project involving staff from all disciplines.
- 1.5 2013/14 also saw the first year of operation of the Public Health function since its transfer from the NHS. This involved the transfer of staff and contracts, and has operated well for 2013/14.
- 1.6 In late 2013/14, the Council announced plans for an Authority restructure which saw the number of Departments to reduce from four to three with effect from April 2014. This will be a focus of risk management activity for the year ahead to ensure the operational transition runs smoothly.

2.0 IMPLEMENTING RISK MANAGEMENT

- 2.1 Risk management forms an integral part of strategic planning in the Council, ensuring early intervention and management of uncertainty in delivering key strategic priorities. The role of risk management in the Council's Financial and Forward Planning Cycle is at **Appendix A**.
- 2.2 Early intervention and assessment of risks ensures that departments are able to fully prepare for existing and emerging priorities, and manage their objectives effectively against financial, reputational and performance risks, whilst meeting the Council's Priorities.
- 2.3 This approach to risk management ensures a continuous and evolving process that runs throughout the council's core functional activities at all levels.

"Good risk management supports accountability, performance measurement and reward, thus promoting operational efficiency at all levels". A Risk Management Standard – Institute of Risk Management.

2.4 Risk Assessment Action Plan Registers (RAAP's) are used across departments to record identified risks and opportunities, and actions being taken. RAAP Registers as they are referred to throughout this report are used at all levels throughout the Council to record information and help manage Corporate, Departmental, and Operational risks.

- 2.5 RAAP's are an effective tool to identify, evaluate and manage areas of uncertainty and exploit opportunities at corporate, departmental and operational levels and to ensure achievement of the Council's aims and objectives.
- 2.6 The Council's risk management framework is outlined in summary below;
 - An approved Corporate Policy & Strategy for Risk Management that can be read online or downloaded
 - Corporate Risk Management Group (Member level)
 - Operational Risk Management Group (Officer level)
 - Establishment of a "Governance Panel" comprising the Executive Director of Resources & Regulation, Assistant Director for Legal & Democratic Services, Assistant Director of Resources & Head of Internal Audit.
 - Comprehensive Intranet Risk Management Website and Toolkit
 - Corporate Risk / Opportunity Assessment Action Plan Register
 - Departmental Strategic Risk Assessment Action Plan Registers
 - Operational Risk Assessment Action Plan Registers held by service managers and maintained as part of the day to day management of service provision
 - A Common Risk Register (General good practice guide)
 - Dedicated Risk Management Section Operating from Strategic Finance alongside but independent from Internal Audit
 - "Team Bury" risk management framework Partnership Risk Assessment Model (PRAM)
- 2.7 Also in place is an effective communication and risk reporting network, with regular reports to:
 - Full Council (annual report)
 - Audit Committee
 - Strategic Leadership Team
 - Corporate Risk Management Group (Members)
 - Operational Risk Management Group (Officers)
 - Business Continuity Management representatives
 - All departments and Service Heads
- 2.8 The diagram at **Appendix B** has been drawn up to help demonstrate Bury Council's risk management processes, illustrating strategic and operational planning across the authority, also the delivery of service and the movement and reporting of risks associated with these two key risk drivers within each of the departments.

3.0 DEPARTMENTAL PROGRESS 2013/14

3.2 Childrens Services

2013/14 managed high risks focused upon;

- Budget constraints following large scale reductions
- Loss of experience
- Capacity to deliver services
- Impact of Academies
- Children & Young People in care

• Safeguarding mechanisms

Despite some success during 2013/14, the department is still highlighting a number concerns reflected by the final quarters result. Individual Departmental Risk Registers are available on request.

3.3 Adult Care Services

2013/14 managed high risks focused upon;

- Competition with other service providers
- Business Continuity Management
- Sickness absence levels
- High cost packages relating to Children's transition cases
- Budgets not meeting demands
- Self Directed Support costs
- Data Protection
- Increase in judicial reviews
- Growing demands from increasing population
- Increasing safeguarding cases
- Market failure/capacity and ability to facilitate new types of social enterprise

Despite some success during 2013/14 with managing these risks, the department is still highlighting a number of concerns reflected by the final quarters risk review. Individual Departmental Risk Registers are available on request.

3.4 Department for Communities & Neighbourhoods

2013/14 focussed on a number of high risks, these include:

- Securing, managing and monitoring town centre, regeneration and other development opportunities or developments
- Approval, publication and adoption of Core Strategy
- Continued need to improve recycling
- Workforce and Succession Planning
- Overspending on the revenue budget
- Ongoing budget pressures
- Successful implementation of the Corporate Asset Strategy
- Successful implementation of the Plan for Change saving options
- Investment in buildings, land, highways infrastructure and street lighting
- Robust health & safety procedures in place
- Partnership working
- Business growth for traded services
- Performance & Income Targets

Despite some success during 2013/14, the department is still highlighting a number concerns reflected by the final quarters result. Individual Departmental Risk Registers are available on request.

3.5 Chief Executive's

2013/14 focussed on a number of high risks, these include:

- Equal Pay and potential liability
- Responding effectively to significant funding reductions
- Effective financial planning to take account of national policy
- Asset management
- Localism Bill and its impact
- NHS Funding to manage Public Health Services
- Resident expectations
- Changes to Council Tax benefit
- Changes resulting from the wider welfare reform agenda and its impact

Owing to the nature and wider impact of these risks on public service they are also reflected within the Corporate Risk Register.

4.0 CORPORATE RISKS

- 4.1 The Corporate Risk Assessment Action Plan records all risks posing the most serious threat to the Council, risks that would impact upon a wider range of services and that are not able to be managed effectively within a directorate. These risks are reviewed continually by the Strategic Leadership Team both through quarterly reviews, and as agenda items in their own right. The Corporate Risk Register takes account of risk management activity taking place across departments allowing for the transfer of high risk and also of known future risk.
- 4.2 Member input is sought throughout the year via the Corporate Risk Management Group, and quarterly reports to the Audit Committee.
- 4.3 The table overleaf tracks the status of corporate risks throughout 2013/14.
- 4.4 The table at **Appendix C** aligns the Council's most significant risks as at 31st March 14 against the Councils' Priorities and Team Bury Ambitions.

Ref	Risk that	Risk Owner	Impact (New)	Likelihood (New)	Quarter 1 Status	Quarter 2 Status	Quarter 3 Status	Quarter 4 Status	Measures
01	The <u>potential</u> liability facing the Council in respect of Equal Pay significantly weakens the Council's financial position	Mike Owen / Guy Berry	1	1	2	2	2	1	Risk further reduced as most cases have now been settled. To remain on register till exercise complete.
02	There is no robust financial strategy or change management strategy to address effectively the significant funding reductions that the Council faces over the next 3 years and beyond in order to ensure there is a sustainable and balanced budget	Steve Kenyon	3	3	6	6	8	9	2014/15 settlement data now confirmed; indicative allocations for 2015/16. Balanced budget is in place for 2014/15. Significant challenge remains for 2015/16 and beyond.
03	The budget strategy fails to address the Council's priorities and emerging issues, e.g. demographic and legislative changes	Mike Owen/Steve Kenyon	3	2	6	6	8	6	Income pressures were largely addressed in 2013/14 budget. Demand pressures remain a risk and will continue to be monitored / managed through Star Chamber process. Month 9 monitor showing £85k overspend

Corporate Risk Register – Year April 2013 – March 2014.

Ref	Risk that	Risk Owner	Impact (New)	Likelihood (New)	Quarter 1 Status	Quarter 2 Status	Quarter 3 Status	Quarter 4 Status	Measures	Document
04	The budget strategy does not reflect, or respond to, national policy developments, e.g. Council Tax Support scheme and changes to the Business Rates regime	Mike Owen/Steve Kenyon	4	2	12	12	12	8	Risk reduced as new arrangements have been in place now for 12 months. However, risk remains high given volatility, and influence from factors which are beyond the control of the Council (e.g. appeals).	t Pack Page
05	The Council's asset base is not operated to its maximum effect to deliver efficiency savings and ensure priorities are fulfilled. Ineffective use of assets presents both a financial and a performance risk.	Mike Owen	2	1	6	6	4	2	Asset Management Plan now in place; office accommodation moves took place Summer 2013; risk reduced further as new arrangements are working well in practice.	
06	The Council needs to be prepared for the impact of the Localism Act; this presents both opportunities, e.g. power of competency & community right to challenge	Jayne Hammond			2	2	Risk Removed	Risk Removed	A process for dealing with applications has been approved by Cabinet; none received to date.	
07	The amount of money received from the NHS to manage public health is insufficient to meet the performance outcomes expected by Government	Pat Jones- Greenhalgh	2	1	6	6	4	2	Settlement now received giving greater financial certainty; concerns around contractual performance now lessened as they have been under Council control for 12 months.	

Ref	Risk that	Risk Owner	Impact (New)	Likelihood (New)	Quarter 1 Status	Quarter 2 Status	Quarter 3 Status	Quarter 4 Status	Measures
08	The Council fails to manage the expectations of residents, service users & other stakeholders in light of funding reductions	Mike Owen	3	2	3	3	6	6	Widespread consultation took place re: Budget / Plan for Change. This will need to continue for the 2015/16 Budget process (and beyond)
09	The Government's changes to Council Tax Benefit impact adversely upon the Public / Vulnerable People. Also budgetary risk to the Council in the event of claimant numbers rise	Mike Owen	3	3	9	9	9	9	Impact on residents being managed through Welfare Reform Board. Budgetary impact continues to be assessed through monthly monitoring / Star Chamber process.
10	Changes resulting from the wider Welfare reform agenda impact adversly upon the public / vulnerable people.	Mike Owen	3	3	9	9	9	9	Welfare Reform Board coordinating action plan with partner organizations (e.g. Six Town, CAB). Whilst impact on individuals can have significant implications, this is being mitigated where possible.

Ref	Risk that	Risk Owner	Impact (New)	Likelihood (New)	Quarter 1 Status	Quarter 2 Status	Quarter 3 Status	Quarter 4 Status	Measures	Document P
11	That the scale and pace of Public Sector reform impacts adversely upon key Council Services, compounded by the loss of capacity following staff leaving the Council (420+ since 2010)	Mike Kelly	4	2	8	8	8	8	Workforce Development Plan now in place to ensure continuity / succession planning. Risk will be closely monitored as the Council-wide restructure takes effect.	ack Page 102

5.0 **CHALLENGES FOR 2014/15**

- 5.1 The challenge for the coming year will be to ensure risk and business continuity management form an integral part of the council's response to continued spending reductions, ensuring threats and opportunities to service provision is managed effectively and service resilience is maintained throughout.
- 5.2 The following areas will be our main priority for 2014/15:
 - Ensuring risk and business continuity management forms an integral part of service planning, performance and the delivery of objectives in light of increased agile working and public service reforms.
 - Ensuring a smooth and managed transition to the new Authority structure (3 departments)
 - Building upon the work started by Strategic Leadership Team where key corporate risks are considered in depth alongside the quarterly review process.
 - Continuing to raise Member involvement in risk management and business continuity.
 - Maintaining the Business Continuity Planning Database to ensure it maintains good quality information relating to service priorities and their continuity arrangements.
 - Continuing to strengthen risk management arrangements in key strategies such as the Medium Term Financial Strategy, the Workforce Development Strategy, the Asset Management Strategy, and the Plan for Change.
 - Continuing the development of risk reporting and monitoring processes.
 - Strengthening risk management arrangements at operational level and with partnership arrangements.
 - Ensure risk management focus is widened to better understand, manage and take advantage of opportunity risk as well as managing potential risk threats
 - Benchmarking with other public and private sector organisations
 - Strengthen service resilience against disruption through effective risk and business continuity management.
 - Establishing a framework for Business Continuity Management across partnership activity
 - Aligning the quarterly reporting of risk, performance and the Council's financial position.

6.0 **CONCLUSIONS**

Considerable progress continues to be made in the area of risk management and in embedding the approach to risk management into the authority's processes and culture. However there is no room for complacency and this subject will continue to be given significant attention over the coming twelve months.

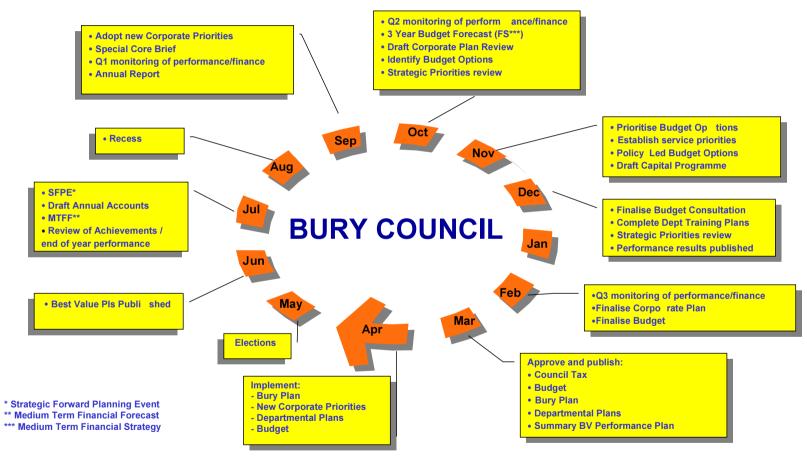
Background documents:

Risk Management Policy, toolkit & risk registers - maintained on Intranet.

For further information on the contents of this report, please contact:

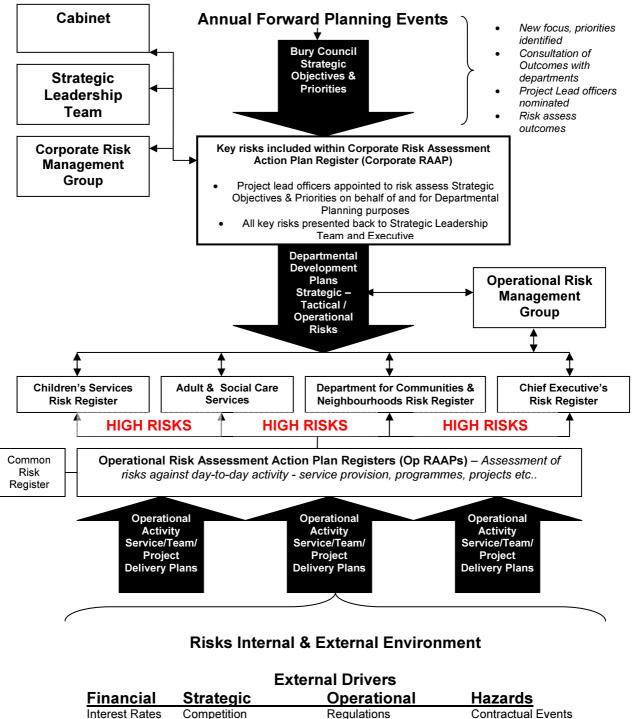
David Hipkiss, Risk and Governance Manager Tel: 0161 253 6677 e-mail: <u>D.Hipkiss@bury.gov.uk</u>

FINANCIAL AND CORPORATE PLANNING CYCLE



APPENDIX B

Products/Services



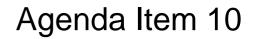
	Sualeyic		Tiazarus
Interest Rates	Competition	Regulations	Contractual Event
Credit	Customer Change	Culture	Natural events
	Industry change		Supply Chains
	Customer Demand		Environmental
	Political Change		
	Inte	rnal Drivers	
Liquidity	Research	Accounting	Employees
Cash Flow	Development	Information	Public Access
	-	Systems	Properties

APPENDIX C

			C	ound	il Pri	ioritie	s				Теа	m Bu	ıry A	mbiti	ons		
Corporate Risks	Risk Score	Cleaner, Safer, Greener	Choice of Quality Housing	Improved Cultural & Sporting Opportunities	Strengthened Communities	Fit for the Future	Improved Town Centres & Neighbourhoods	Promoting Healthier Living	The Place to Live in Greater Manchester	Area where People feel Safe & Secure	Healthiest Borough in the North West	Popular Visitor Destination	Premier Retail Town	Centre of Excellence for Education & Training	Each Township Thriving	Area with First Class Services	Quality Jobs for Bury People
The <u>potential</u> liability facing the Council in respect of Equal Pay significantly weakens the Council's financial position	1																
There is no robust financial strategy or change management strategy to address effectively the significant funding reductions that the Council faces over the next 3 years and beyond in order to ensure there is a sustainable and balanced budget	9																
The budget strategy fails to address the Council's priorities and emerging issues, e.g. demographic and legislative changes	6																

The budget strategy does not reflect, or respond to, national policy developments, e.g. Council Tax Support scheme and changes to the Business Rates regime	8								Dc
The Council's asset base is not operated to its maximum effect to deliver efficiency savings and ensure priorities are fulfilled. Ineffective use of assets presents both a financial and a performance risk.	2								ocume
The amount of money received from the NHS to manage public health is insufficient to meet the performance outcomes expected by Government	2								nt Pa
The Council fails to manage the expectations of residents, service users & other stakeholders in light of funding reductions	6								ck Pa
The Government's changes to Council Tax Benefit impact adversely upon the Public / Vulnerable People. Also budgetary risk to the Council in the event of claimant numbers rise	9								age 1
Changes resulting from the wider Welfare reform agenda impact adversly upon the public / vulnerable people.	9								80
That the scale and pace of Public Sector reform impacts adversely upon key Council Services, compounded by the loss of capacity following staff leaving the Council (420+ since 2010)	8								

REPORT FOR DECISION





DECISION OF:	CABINET OVERVIE	W AND SCRUTINY COMMITTEE					
DATE:	_	DAY 16 JULY 2014 DAY 30 JULY 2014					
SUBJECT:		ATE PLAN PROGRESS REPORT - 4 2013-14					
REPORT FROM:	LEADER (OF THE COUNCIL					
CONTACT OFFICER:	Sarah Ma Planning	rshall, Performance Officer – Adults					
TYPE OF DECISION:	Non key decision						
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain						
SUMMARY:	progress of performan Council C from the I	porate Plan Progress Report outlines the during quarter four 2013-14 for the corporate nce indicators and projects within the Bury Corporate Plan. The information is extracted Performance Information Management System nd provided by the responsible services.					
OPTIONS & RECOMMENDED OPTION		et and Committee are asked to note the of the report.					
IMPLICATIONS:							
Corporate Aims/Policy Framework:		Do the proposals accord with the Policy Framework? Yes					
Statement by the S151 Of Financial Implications an Considerations:	d Risk						
Statement by Executive D of Resources:	Pirector						
Equality/Diversity implication	ations:	Yes					

	An Equality Analysis was undertaken for the Bury Council Corporate Plan 2012-15 and it was concluded that the Plan has a positive impact by aiming to reduce poverty and inequality. This report provides a summary of the progress made.
Considered by Monitoring Officer:	
Wards Affected:	All
Scrutiny Interest:	Overview and Scrutiny Committee

TRACKING/PROCESS

DIRECTOR: Executive Director, ACS

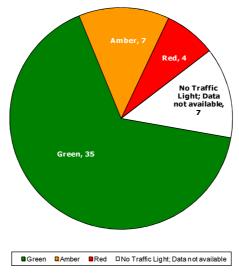
Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
23/06/2014			
Scrutiny Committee	Cabinet/Committee	Council	
30/07/2014	16/07/14		

1.0 BACKGROUND

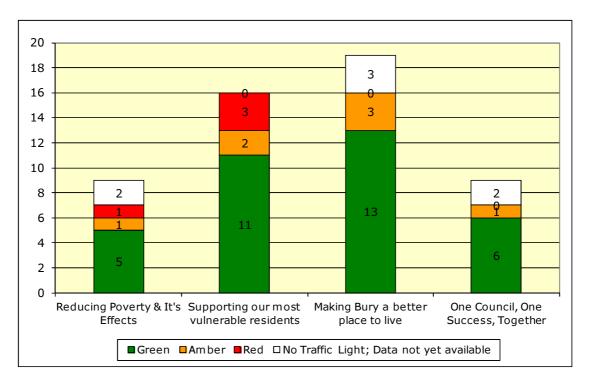
1.1 The council publishes a Corporate Plan each year with progress updates reported to Cabinet bi-annually. This report outlines performance against the plan for quarter 4 2013-14 and represents an end of year summary of the council's position.

2.0 SUMMARY

2.1 There is evidence of good progress in 2013-14:



- 2.2 35 indicators (66% of the total) showed improvement on the previous year's outturn and/or exceeded target whilst a further 13% (the 7 indicators shown amber on the chart) were just off the pace. Given the financial situation and other challenges facing services, this level of performance is positive and demonstrates a strong commitment to service delivery in the Borough.
- 2.3 Areas of good performance include:
 - Our crime rates, which have reduced for; serious violent crimes, acquisitive crimes and crimes with injury. As well as the number of repeat incidents of domestic violence and first time entrants to the youth justice system.
 - We continue to support over 80% of older people to achieve independence through rehabilitation or intermediate care.
 - The number of homeless preventions has more than doubled (61% increase) due to improved ways of working and service monitoring.
 - Educational attainment has improved as the proportion of children and young people in care achieving 5 A*-C GCSEs has increased from 13.6% to 19.2%. Additionally, the percentage gap between pupils with Special Educational Needs and their peers achieving 5 A*-C GCSEs has narrowed from 49.2% to 34%.
 - Bury remains a popular place to visit with 252,200 visits to our museums and galleries over the past year. That's an increase from last year by 17,190 (7.3%). And;
 - Council expenditure has come in under budget by £406,000.
- 2.4 4 areas under achieved:
 - The achievement gap between pupils eligible for free school meals and their peers at Key Stage 2 has increased from 16% last year to 20%. This increase has been seen nationally and our figure is different by just 2%. Due to changes in assessments direct comparisons cannot be made.
 - Proportion of carers receiving needs assessments or reviews and a specific carer's service, or advice and information has dropped by 8% this year. This is due to system and process changes resulting in a reduced capacity to achieve target. This is being investigated to ensure this area of performance improves.
 - During 2013-14 12 out of the 21 children and young people placed for adoption were placed within 12 months of the decision being made and remained in that placement. There has been an increase of the number of adoption placements since last year which impacts this indicator as it is calculated at the time of placement.
 - The Key Stage 2 attainment gap for Mixed White and Black Caribbean groups has increased since last year and not met target. This is due to more challenging assessments being introduced. These changes also mean that direct comparisons cannot be made for this indicator.
- 2.5 There are 7 indicators where progress cannot be analysed. 1 of these does not have a target set as it is a contextual indicator and is not used to measure improvement. Data was unavailable from external sources for the other 6. The data set for our future Corporate Plan has been reviewed so that non-reporting is minimised and the results selected provide a fair and meaningful reflection of the Council's position.
- 2.6 Analysing the results by the Council's priority outcomes, progress has been made across the four outcomes:



3.0 CONCLUSION AND RECOMMENDATIONS

- 3.1 The report provides details of the progress made at quarter four 2013-14 and concludes our position at year end.
- 3.2 Overall, performance against the corporate plan is good with 35 out of 53 (66%) indicators achieving target and/or performing better than last year. This is an increase from last year by 4%.
- 3.3 In the context of current pressures and resource limitations, efforts made to maintain performance are to be welcomed.

List of Background Papers:-

Bury Council Corporate Plan 2013-15

Contact Details:- Sarah Marshall, Performance Officer – Adults Planning Tel: 0161 253 7658 Email: <u>s.marshall@bury.gov.uk</u>

One Council. One Plan.

Quarter Four 2013-14:

Progress Report

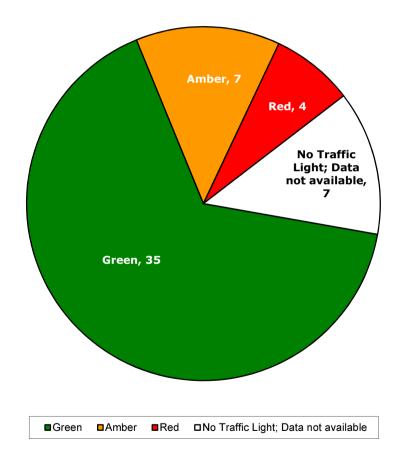


INTRODUCTION

- 1.1 This report outlines progress during quarter four of 2013-14 for the corporate performance indicators and projects within the Bury Council Corporate Plan. The information provided is extracted from the Performance Information Management System (PIMS) and the responsible services.
- 1.2 There are currently 53 performance indicators from PIMS and 25 projects within the Corporate Plan. This report provides a summary of the overall performance of all indicators and projects.
- 1.3 Where data are unavailable for Quarter 4 2013-14, the report provides the latest inputted data from previous quarters.
- 1.4 Throughout this report the definitions of the colour-coding are:
 - Green On target and/or better than 2012-13 performance
 - Amber Within 15% of achieving target or within 15% of 2012-13 performance
 - Red Below target or worse than we achieved in 2012-13.
 - No Traffic Light Information not available due to various reasons.
- 1.5 The detail of this corporate performance report can be viewed or downloaded on the corporate performance information monitoring system (PIMS). If you require copies of the reports or need training on the operation of the monitoring system; please contact Benjamin Imafidon on Ext 6592.

SUMMARY

2.1 Overall the council currently reports performance against a total of 53 corporate performance indicators. The chart below shows the percentage of these performance indicators that are categorised as Red, Amber and Green using the criteria set out in paragraph 1.4.



Reducing Poverty and Its Effects Current Performance

Performance Indicators

Measure	Higher/ lower is better	2012/13 Baseline	2013/14 Q4	Target	Commentary
Overall employment rate for Bury (working age)	Higher	75.2%	73.9% (Green)	70%	2013/14 full year end target achieved and exceeded.
Working age people on out of work benefits (percentage difference between Bury and Greater Manchester)	Higher	2%	2.2% (Green)	1.6%	The gap between Greater Manchester (9.2%) and Bury (7%) for the percentage of out of work benefit claims has widened. Data not reported at Q4, outcome is from Q3.
Percentage of working age people claiming out of work benefits in the worst performing neighbourhoods	Lower	Not available	Not available	32%	This data is no longer available at a super output area (neighbourhood) level.
Proportion of population aged 19- 64 for males and 19-59 for females qualified to at least Level 2 or higher.	Higher	Not available	Not available	70%	Unable to provide data, statistics do not get recorded by the Skills Funding Agency and are not readily available. This is to be reviewed.
Proportion of children in poverty	Lower	18.31	17.90 (Green)	21.09	Our outcome is down from the previous figure and in line with the trend for England. Significantly lower than the England average (20.6). Figure calculated on data from 2011.
Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stage 2	Lower	16%	20% (Red)	15%	The Key Stage 2 validated free school meals gap is showing as 5% above our target (where lower is better) and have performed worse than last year. However, this is only 2% different from the national outcome.
Inequality gap in the achievement of a Level 3 qualification by the age of 19	Lower	18%	20% (Green)	28%	66% of pupils who were not eligible for Free School Meals (FSM) achieved a Level 3 qualification, whilst 46% of those eligible for

					FSM achieved Level 3. Therefore 20% gap reported.
Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stage 4	Lower	23.2%	26% (Amber)	22%	We have now received validated results that report we are 4% below our target (where lower is better) and have performed worse than last year. However, this is only 1% different from the national outcome.
Percentage of 16-18 year olds by academic age who are not in education, employment or training (NEET)	Lower	5.5%	5.9% (Green)	6.4%	At the end of March 2014 5.9% NEET was recorded for the 16-18 year old academic age cohort, the first month in 2013/2014 with a negative year on year factor (5.5% in March 2013). This was largely due to the record low level of 'not knowns' at 2.7% which was considerably below national, regional and GM averages Please note that teenage mother EET (52%) and LDD EET (84%) were also considerably better than national, regional and GM comparators in March 2014.
		Р	roject Updat	tes	

Poverty Strategy

The strategy has been refreshed for 2014-15 to realign the objectives and update the key areas of work. The strategy will continue to be monitored by the Welfare Reform Board who update regularly to the Overview and Scrutiny committee. Since the last reporting guarter we have seen the launch of our credit union to provide residents with affordable money lending options and preparations for the implementation of universal credit have begun including the launch of our Digital Inclusion strategy.

Homelessness Strategy

The refresh of the Homelessness Strategy is nearing completion. Consultation on the draft documents is expected later this year. The draft Housing Strategy 2014/24 was approved by Cabinet on 9th April 2014. This document now becomes a key influence over all other housing strategies in the borough. The Housing Education and New Opportunities (HEN) Project continues to be a success and is showing an increased number of customers entering into employment. We were one of the first Greater Manchester Authorities to discharge our homeless duty into private sector accommodation and this work continues. The number of homeless preventions has more than doubled from 280 in 2012/13 to 727 in 2013/14, a 61% increase due to improved ways of working and service monitorina.

Affordable Warmth

The action plan is currently under review awaiting the development of the UK Fuel Poverty Strategy which is due to be published later this year. However there is continued delivery of the strategy's key aims with internal and external partners including:

Bury Healthy Homes Scheme 2012/13 - 4 training sessions were completed in November on energy related topics for frontline staff, to equip them with recognising fuel poverty with vulnerable Bury residents who may need assistance keeping warm and well this winter. Unfortunately it has been announced by the Department of Health that there will not be any funding provided via this route going forward. This scheme has now closed.

Collective GM Energy Switching Scheme - Urban Renewal promoted a third auction via various routes e.g. leaflets inserted into the Bury Times, banners and posters displayed in Council buildings and information provided in a mail out. The auction took place on the 4th of March.

GM ECO Toasty Scheme 2013/14 - Bury worked with Carillion, one of the AGMA partners procured for delivering this scheme in 2013/14. The scheme has now been promoted in 4 priority target areas; Bury East, Moorside, Radcliffe East and West and Redvales. A mailout was also undertaken to the remaining Carbon Saving Community Obligation (CSCO) eligible areas in February to promote the scheme. To the end of the financial year there have been 233 referrals, 205 assessments undertaken, 51 boiler replacements, 6 cavity wall and 8 loft insulation installations carried out by Carillion.

Whilst these figures look low we are ranked second across GM based on the percentage of the total households in the borough for the number of referrals made for assessment, fourth for enquiries and fifth for number of installs both again based on the percentage number of total households in the borough (this excludes Oldham whom have their own scheme). Urban Renewal promoted this scheme both at Bury Light Night in October alongside a Ramsbottom full day blitz campaign.

In general Urban Renewal continues to work closely with the GM Energy Advice Service by way of attendance at meetings and their involvement in the above schemes.

Solar Photovoltaic Scheme - Ramsbottom Area Based Initiative - This initiative was developed under the GM ECO Toasty scheme in partnership with Forrest (the installer partner) for free solar panels for households across Greater Manchester. These panels will help residents to save money off their electricity bills as they provide free daytime electricity at no cost. The solar panels are installed and maintained for the next 20 years for free. This provides a solution to reduce resident's high electricity bills and carbon emissions. Cash from the government's Feed in Tariff scheme – which is provided to those generating their own green energy – will be used to repay the capital. Alternatively there is also the option for residents to purchase the solar panels themselves, at a maximum cost of

approximately £4,500, so they would benefit from the government's Feed in Tariff scheme, as well as the free electricity.

Ramsbottom has been chosen for a pilot as currently this area is not eligible for free insulation works under the CSCO funding element to the Toasty scheme and has a high incidence of hard to treat properties where insulation would not be an appropriate solution therefore other approaches are required. Urban Renewal wanted to ensure that Ramsbottom residents are still able to benefit from reduced energy bills from installing energy efficiency measures at no cost to themselves. This scheme provides them with that opportunity.

This pilot will gauge the level of interest in the scheme and allow for direct household marketing. A letter was sent in March to private sector households in Ramsbottom to promote the scheme.

Backing Young Bury

Since September 2012, 4 cohort intakes, 38 young people have engaged with the Backing Young Bury Connecting Provision Traineeship Programme. Over 85% of these young people progressed onto the 6 month paid Jobs with Training placement, with over 65% progressing onto an apprenticeship, contract extension or new employment thereafter. The sustainability of the programme is partially achieved through identifying and sourcing external funding. It is anticipated that by October 2014, over £105,000 will have been sourced from external funding streams, complimenting the in-kind match funding through positive and proactive partnership working.

Council Tax Support Scheme

Council Tax Support was introduced in Bury on 1st April 2013, replacing the old Council Tax Benefit scheme. Councils were free to design their own Council Tax Support scheme, with some restrictions but reductions in the amount of Government funding meant that most councils had to reduce the amount of help they can provide. The main feature of Bury's scheme was a restriction on the maximum amount of support a household can receive to the Council Tax amount charged for a Band B property. This measure affected 800 residents. Bury has not seen a reduction in Council Tax collection rates because of the new scheme. In December 2013 the Council decided that the same scheme should be carried forward for 2014/15.

Local Social Fund Replacement (Bury Support Fund)

We have come to the end of the first of 2 years funding. Funding will continue for 2014/2015, however, this will not be paid in a lump sum up-front payment. Funding will be paid on a quarterly basis and at this stage we are unsure how this will affect funding later in the year. Bury Support Fund has and continues to be an essential safety net for vulnerable, often desperate residents of Bury. The demand for help has become more and more evident as we enter the final year of funding. Moving forward we continue to ensure we prioritise those who have a genuine need for help and to prioritise those with the greatest need. The overarching approach for 14/15

needs to be more than alleviating short term immediate need as our customers are at a higher risk due to multiple barriers. The impact Welfare Reform has had, and continues to have on our most vulnerable customers is steadily increasing. The team continue to deal with the problems and consequences on a daily basis.

Supporting our most vulnerable residents Current Performance

Performance Indicators

Measure	Higher/ lower is better	2012/13 Baseline	2013/14 Q4	Target	Commentary
Percentage achieving independence: older people through rehabilitation/ intermediate care	Higher	93.5%	81.4% (Green)	80%	This is due to a drop in the number of customers accessing the service. This outcome is still higher than the target set.
Adults with learning disabilities in settled accommodation	Higher	85.7%	85.9% (Green)	80%	The proportion of adults with learning disabilities in settled accommodation has maintained over the past year.
Adults with learning disabilities in employment	Higher	40%	37% (Green)	35%	Continued Strong Performance by Bury EST in 2013-2014, with target for the year exceeded.
Number of households living in temporary accommodation	Lower	12	13 (Amber)	10	50% of properties available through choice based lettings each week are awarded to households that are downsizing due to welfare reform. This has impacted on people's ability to move on to suitable accommodation. All properties are now advertised on Bury Home Options for general let.
Percentage of social care assessments completed within 28 days	Higher	83.6%	91.8% (Green)	78%	Figure reported is from quarter 2. Data unavailable at quarter 4 due to the implementation of PROTOCOL.
Percentage of social care	Higher	77.5%	84.6%	60%	Figure reported is from quarter 2. Data

packages in place 28 days after assessment			(Green)		unavailable at quarter 4 due to the implementation of PROTOCOL.
Social Care clients receiving Self Directed Support (Direct payments and individual budgets)	Higher	30.7%	79.7% (Green)	55%	As part of the migration of adult social care records to a new system, existing clients were reassessed as their previous assessment document was not supported by the new system. Each new assessment now produces an indicative budget (SDS).
Carers receiving needs assessment or review and a specific carer's service, or advice and information	Higher	16.6%	8.6% (Red)	25%	Reduced capacity due to the change in systems and processes has resulted in a decline of carers being assessed or reviewed and receiving a service or advice and information. This is being investigated to ensure performance improves.
The percentage of children and young people in care adopted during the year who were placed for adoption within 12 months of the decision that they should be placed for adoption, and who remained in that placement on adoption.	Higher	77.3%	57.1% (Red)	80%	Five children were adopted in Quarter 4. Three of the five (60.0%) were placed within 12 months of decision. 2013-2014: 12 out of 21 (57.1%).
Percentage of children becoming the subject of Child Protection Plan for a second or subsequent time	Lower	12.3%	19.5% (Amber)	17%	Of the 60 Bury plans that commenced during Q4 - between January and March inclusive, 11 (18.3%) were repeats. 2013- 2014: 298 new plans, of which 58 (19.5%) were repeats. Quarter 4 performance kept Bury in one of the "Acceptable" PAF A3 bands. The monthly average of new plans (25) remains higher than previous years (2012-2013 had a monthly average of 16). Only in July and March did the number of ended plans exceed the number of new

					plans.
The percentage of children and young people in care achieving 5 A*-C GCSEs (or equivalent) at key stage 4 (including English & Maths)	Higher	13.6%	19.2% (Green)	N/A	This is an annual indicator reported at quarter 2. Of the qualifying 26 children, 5 (19.2%) achieved 5 A*-C GCSEs including English and Maths. The cohort had a high SEN characteristic: 26% with Statements and a total of 57% on the SEN Code of Practice, receiving additional support and resources.
Percentage gap between pupils with Special Educational Needs and their peers achieving 5 A*-C GCSEs including English and Maths	Lower	49.2%	34% (Green)	44%	We have performed a lot better than last year and have achieved better than our target by 10%. We also achieved better than the national average by 3.2%.
Key Stage 2 attainment for Black and minority ethnic groups: Pakistani Heritage	Lower	4.7%	4% (Green)	3%	Validated results have caused a slight increase to the gap but this means that we are 1% higher than our target where lower is better. We are better than last year by 0.7% but a direct comparison cannot be made due to the change in assessment.
Key Stage 2 attainment for Black and minority ethnic groups: Mixed White and Black Caribbean	Lower	-10.9%	8% (Red)	5%	Results have now been validated and the gap has decreased slightly and brings us nearer to our target of 5%. Due to more challenging assessments the gap has increased from the previous year. No direct comparison can be made to the previous year because of the change in assessment.
Key Stage 2 attainment for Black and minority ethnic groups: White Other	Lower	9.4%	8% (Green)	9%	Validated results now show that we have beaten our target by 1% and our achievement gap is now lower than last year by 1.4% (where lower is better). However direct comparisons cannot be made to previous years due to the change in assessments.

Percentage of pupils permanently Lower 0.17% 0.11% 0.22% Schools have continued to work hard excluded from school in the year break of the last academic year to reduce the number of permanent exclusions. The improved again from the previous ac

Supporting Communities, Improving Lives

Progress has been good over the past nine months. The Council met its target of 385 families set by the Government and work is underway to identify further qualifying households. The proportion of families turned around at March 2014 was 26%. The SCIL Team is now fully operational and making a difference through achieving positive outcomes for the families. The national evaluation has been completed and DCLG has recently audited one of the claims, complimenting the Council on its data collection arrangements.

Extra Care Housing

Two bids were submitted to the Homes & Communities Agency (HCA) for the Care & Support Specialised Housing Fund. The results of these bids were announced in July 2013. The bid by St Vincent's Housing Association to develop a scheme on Danesmoor Road has been successful and work is ongoing to deliver this scheme. The Six Town Housing bid to develop a larger scheme, similar to Red Bank in Radcliffe was unsuccessful at this stage , however a new bid will be resubmitted as part of the 2015/18 Affordable Housing Programme bid round. Red Bank in Radcliffe continues to operate successfully and Falcon and Griffin flats remain popular after the improvement work carried out there.

Housing Allocation Policy

The new allocations policy has been implemented and in operation since the beginning of May 2013. The numbers on the waiting list have reduced to 1,052 at 2013/14 year end and we are now able to meet housing needs more effectively by direct letting properties.

Day Opportunities

Work has now commenced on site at Clarence Park and will be underway during Q1 2014-15. Work will now also proceed on the identification of a café provider to operate within the site.

Work is well underway at the site of the old Hazelhurst/Whittle Pike centres and footings are now visible. Work will continue throughout the remainder of the year and during this time the group who would use that core base are operating out of Ramsbottom leisure centre and this is working extremely well in encouraging engagement in physical activity and integration.

The physical disability day service operating out of Seedfield have now moved into their new base at Castle Leisure centre and have

been renamed Restart. The service is now open to new referrals and is focussed on helping people to 'restart' in specific areas of their life which have been lost or reduced due to a physical disability or sensory impairment. This could be about confidence building, developing basic living skills, socialising or many other areas. Again the new site is very successful in terms of integration and encouraging people who use the service to access physical activities and to be more independent in accessing facilities in Bury which they would previously not have been able to benefit from due to the relative isolation at the Seedfield site.

Work is progressing to identify areas for potential new core bases and potential plans for sites in Hoyles Park and Bolton Rd Park are currently being developed in partnership with Parks and Countryside colleagues. A further base in the Whitefield/Prestwich area is still required in addition to these.

Early Intervention Strategy (now Early Help Strategy)

A draft Early Help Strategy has been established, which now requires further input from partners. The Children and Young Peoples Trust Board will support the development of this and the Bury Safeguarding Children's Board will monitor its effectiveness.

An Early Help forum have begun work on developing a broad integrated Early Help offer across Bury for those children and families who require additional support, and to prevent problems escalating. This initially focuses on identifying the main problems and issues that children and young people face, the programmes and interventions being offered, the effectiveness of these and any gaps in service provision.

The Early Help Team is now established and based at Redvales Children Centre. Their role is to co-ordinate programmes of support for those families identified through the Early Help Panel. Information about this work will be circulated to partners.

New Horizons Programme

The New Horizons programme at Bury College took its first cohort of learners with complex needs in September 2011. These young people on leaving a specialist school at 19 would previously have gone outside of the borough to take up an educational place at a specialist college. The pilot was for five young people with learning difficulties and disabilities and they completed their programme of learning in July 2013 with many positive outcomes.

Learners improved their communication and independent living skills, their numeracy and literacy skills as well as increasing their confidence levels through the programme. Without exception, positive feedback was given by all parents and carers of learners on the programme. The New Horizons programme is also linked to other service providers in the borough to provide continued support to learners, including local leisure and transport facilities.

Making Bury a better place to live Current Performance

Performance Indicators

Measure	Higher/ lower is better	2012/13 Baseline	2013/14 Q4	Target	Commentary
Visits in person to Galleries/Museum per 1,000 population	Higher	235.01	252.2 (Green)	241	The primary reason is that staff resources were directed toward delivery of the income generating touring exhibition project; in this connection, the reach of Bury's Arts Service grew to audience figures near 2 million. It is an indication that contrary to perceived wisdom, although locally focused exhibitions support the cultural offer for local practitioners and visitors, our visitor numbers are greater when the Programme has a higher regional/national profile. Target for the year has been exceeded.
Percentage of household waste sent for re use, recycling and composting	Higher	44.85%	43.3% (Amber)	46%	Collection of an additional 800 tonnes of street cleansing waste has undoubtedly prevented a better outcome.
Residual household waste - kgs per household	Lower	450.5kg	447.85kg (Green)	445kg	Actual is very close to target. It represents a slight improvement on last year. Nationally, residual waste risings have fallen due in part to the economic downturn and light weighting of packaging which appears in the residual waste stream.
The percentage of urban and	Higher	85.71%	85.71%	85.71%	Green Flag parks were mystery shopped in

countryside parks, based on the ISPAL definition, that have achieved "green flag" status			(Green)		2013. All Green Flag parks retained their Green Flag status.
Percentage of adults participating in at least 30 minutes moderate intensity sport and active recreation on three or more days a week	Higher	23.6%	Not available	25.5%	Active People Survey full year data not yet available from Sport England.
Number of serious violent crimes per 1,000 population	Lower	0.52	0.45 (Green)	0.88	21 incidents were recorded during Jan - March 2014. For the period April 2013 - March 2014 85 incidents were recorded which equates to 0.45 incidents per 1,000 population.
Number of serious acquisitive crimes per 1,000 population	Lower	11.43	11.1 (Green)	12.95	554 incidents recorded for the period Jan- March 2014. This equates to 2.99 per 1,000 population. For the period April 2013 - March 2014 2058 incidents were recorded equal to 11.11 per 1,000 population.
Assault with injury crime rate per 1,000 of the population	Lower	5.78	4.27 (Green)	6.25	200 incidents were recorded for the period Jan - March 2014 which equates to 1.08 per 1,000 population. For the period April 2013 - March 2014 791 incidents were recorded which equates to 4.27 incidents per 1,000 population.
Reduction in the number of incidents of anti-social behaviour as measured by the National Codes for Incidences (NICL)	Lower	44.52	46.12 (Green)	46.2	1772 incidents of ASB were recorded during the period Jan - March 2014 which equates to 9.57 per 1,000 population. For the period April 2013 - March 2014 8538 incidents were reported which equates to 46.12 per 1000 population.
Percentage rate of repeat incidents of domestic violence	Lower	29.26%	27.94% (Green)	40%	11 repeat cases were discussed at Marac during the period Jan -March 2014. For the period April 2013 - March 2014, 57 repeat cases were discussed.
Number of first-time entrants	Lower	637	361.86	536.95	This is an annual indicator and was

(FTEs) to the Youth Justice system aged 10-17 (Rate per 100,000)			(Green)		reported at quarter 1. The number of FTEs in Bury has reduced significantly over the last 3 years (from 1297 per 100,000 in March 2009).
Prevalence of breastfeeding at 6 to 8 weeks	Higher	40.95%	37.6% (Amber)	42.8%	This is an annual indicator and was reported at quarter 1. Data Taken from Pennine Care Q1 Breastfeeding Return.
Rate of alcohol-related hospital admissions per 100,000 population (DSR)	Lower	2067	Not available	1879	Data currently unavailable to Public Health Team due to development of a new data warehouse at Greater Manchester Commissioning Support Unit.
Percentage of the local authority principal road networks ('A' roads) where structural maintenance should be considered	Lower	3%	3% (Green)	10%	Results are anomalous with a visually deteriorating network and decreasing investment profile.
Percentage of the local authority non principal classified road networks ('B' and 'C' roads) where structural maintenance should be considered	Lower	3%	4% (Green)	10%	Results are anomalous with a visually deteriorating network and decreasing investment profile.
Increased number of tourist visitors (STEAM)	Higher	5,404,130	Not available	5,315,516	Tourism data is generated using Scarborough Tourism Economic Activity Monitor (STEAM). Although a GM wide report will still be available, which includes the Bury visitor data, Bury Council will no longer be funding the Bury specific STEAM Report (2012 info onwards)
Supply of ready to develop housing sites	Higher	100%	128% (Green)	100%	The Strategic Housing Land Availability Assessment identifies a housing supply of 3195 dwellings in the next 5 years. The 5 year housing requirement is 2502 dwellings. Total supply of 3195 dwellings equates to 128% of the requirement.
CO2 reduction from local authority operations	Higher	9%	9% (Green)	16%	The results are for 2012/13, 2013/14 data will be available by end of July 2014.

Visits in person to libraries per Higher thousand population	5,384	4,834 (Amber)	5,300	Increased accessibility to online services is likely to have reduced physical visits, as virtual access becomes an alternative to services with the libraries. The library's web page is one of the most visited on Bury's website with a total of 380,000 hits.
				page is one of the most visited on Bury's

Health Reform

The Health & Wellbeing Board have continued to fulfil its leadership role and has focused on the integration of health and social care. The Board have overseen and provided oversight to the Council's bid to the Better Care Fund. This funding will be used to support adult social services in each Local Authority. The Better Care Fund provides an opportunity to improve the lives of some of the most vulnerable people in society. The funding application, signed by the Chair of the Health and Wellbeing Board, was submitted to NHS England on the 4th April 2014. The Health & Wellbeing Board remain committed to implementing the Health & Wellbeing Strategy.

A consultation on the Joint Strategic Needs Assessment which provided an update of the assessment of local health and social care needs, concluded on the 31st March 2014. The Health & Wellbeing Board will consider findings and implications for the Health and Wellbeing Strategy and relevant commissioning plans. The Board will receive regular updates on the Winterbourne and the Francis Report and the ongoing Healthier Together Consultation process.

Health and Wellbeing Strategy

The Health and Wellbeing Board have developed a delivery plan to support implementation of the Health and Wellbeing Strategy. A series of workshops focused on each of the key priorities have been held with a range of stakeholders to identify actions, lead officers/partnerships and performance measures to ensure delivery against the commitments and outcomes within the Health and Wellbeing Strategy. The lead officers/partnerships will form a 'Virtual Network' through which delivery will be achieved. Performance reports will be provided to the Health & Wellbeing Board from June focused on the outcomes in the strategy, progress against delivery plan milestones and in-depth reports based on one of the five strategic themes.

Increase recycling, reuse and composting

Food waste recycling from school kitchens and Council buildings continues to be rolled out, as do on-street recycling bins. Recycling performance is largely stabilised at the moment, in the absence of significant new initiatives. Garden waste tonnages began to fall in September. Quarter 4 has seen an increase in the number of school kitchens recycling their food and dry waste by 7, bringing the total to 67. Recycling in schools itself has also increased and we now have 46 schools recycling food waste to various degrees (outside of the kitchen) and 55 recycling dry waste.

Empty properties

Homes and Communities Agency (HCA) funding for empty properties - Together with our partners; Six Town Housing and St Vincent's Housing Association, as part of Rounds 1 and 2 HCA funding, 22 residential properties will be brought back into use for affordable rent. In addition, 1 commercial premise will be converted to 10 residential units for affordable rent. To date 15 long term empty homes have been brought back into use for affordable housing through this scheme.

In addition following the success to date of the partnership approach between Urban Renewal and Six Town Housing the HCA have increased the funding in Bury to allow for a total of a further 20 properties to be purchased and brought back into use in a borough wide approach.

Radcliffe Empty Property Pilot - Due to the success of the Radcliffe Project the HCA are funding the first 20 properties to be acquired in 14/15. This is not to replace the s.106 monies for this pilot, which should bring about at least 30 properties, but in addition to. Options are being considered to extend the targeted area for this funding beyond Radcliffe, in order to minimise risks of not meeting challenging targets and to maximise HCA funding.

1 property has been acquired. 5 other business cases were submitted but the owners of the 5 properties were not willing to negotiation to a reasonable offer. Therefore this has resulted in Urban Renewal issuing instruction to Compulsory Purchase all 5 properties as a last resort. Continuous property identification and engagement will continue for the acquisition of these properties over the coming years.

Empty property grants - There are now 6 grants at various stages of completion and when complete will bring back into use 6 properties which have not only been empty long term but in the case 2 of the properties, would address houses which have caused serious issues to the surrounding community.

Registry Office Annual Performance Report

The annual performance report has been completed for 2013/14 and demonstrates good performance (98%-100%) for the proportion of births (98%), deaths (100%) and notice of civil partnerships and marriages (100%) being registered within the timescales set. Bury Registry Office received 98% customer satisfaction through their survey responses.

StreetSafe Strategy

Works on a total of 21 schemes (five "20mph zones" and sixteen "20mph speed limit schemes") have been substantially completed and Speed Limit Orders for the first eleven of these are now operative. A further 20+ schemes have been programmed for implementation in 2014/15 and informal consultations have been carried out in relation to the first eight of these. Further details on all "StreetSafe" projects have been published on the Council's StreetSafe website at www.bury.gov.uk/streetsafe

Remodelling of the library service

The Library Service has now implemented revised staffing and management structures. RFID (Radio Frequency Identification) self

issue machines are now in place in 8 libraries. Alongside the introduction of this service a small amount of refurbishment was done at 6 locations. Larger scale work was carried at Prestwich Library and Adult Learning Centre including relocating public access computers to the ground floor. Bury Library has reduced its footprint due to the co-location of the Sculpture Centre. However the library has retained all its services despite the reduced size. The development of community hubs/shared locations is still being actively worked on. The work so far has enabled the Library Service to achieve savings of £810K.

Developing visitor attractions and economic development opportunities

Plans to develop a railway halt at Burrs Country Park have taken a step forward as work to divert an existing footpath, which crossed the track, has been carried out. The Council is now looking to progress the delivery of the Burrs Halt - detailed plans for the Halt's design are being drawn up and funding sources are being explored. The changes to the footpath will also allow an extension to the existing Burrs Caravan Club site which will add 20 additional pitches. The development of a station halt at Burrs will see a direct link established between the attractions at Burrs, The East Lancashire Railway, Bury town centre and the Irwell Valley and result in an enhanced visitor offer.

Visit Bury website - Work is underway on a visitor website for the borough. This will increase Bury's online presence and support the area's visitor economy. The website will provide visitors with online information about places to visit, things to do, accommodation, eating out and shopping. The website design has now been signed off and development work is in progress.

Phase 2 of the Radcliffe Tower Heritage project is underway. This is the research phase which will provide the basis for the development work to be undertaken in the next stage of the project. More information about the project can be found at www.radcliffeheritage.co.uk/

Adoption of the Local Plan Core Strategy

The Council submitted its Core Strategy to the Secretary of State in December 2013, together with the supporting evidence base and representations received. An Examination in Public to consider the representations made to the Plan is scheduled to commence on 17th June 2014 and adoption is anticipated in December 2014, subject to the outcome of the Examination.

One Council, One Success, Together Current Performance

Finance Summary

Department	Budget	Outturn	Variance
	£000	£000	£000
Communities & Neighbourhood Services	39,541	39,410	(131)
Children's Services	47,444	47,841	397
Adult Care Services	56,236	56,376	140
Chief Executive's	4,926	5,286	360
Non Service Specific	493	(679)	(1,172)
TOTAL	148,640	148,234	(406)

The year end under spend of **£406,000** represents **-0.27%** of the total net budget of £148.607m.

Performance Indicators

Measure	Higher/ lower is better	2012/13 Baseline	2013/14 Q4	Target	Commentary
Percentage Council Tax collected	Higher	97.33%	96.97% (Green)	96.5%	The last quarter saw an improvement in the comparison for last year, as more instalments are now being paid up to March which affects cash flow.
Percentage of business rates collected	Higher	93.93%	94.23% (Green)	96%	Collection during Quarter 4 was good, with % collection being up by 1.49% on Quarter 4 for 2012/13. The target of 96% has not been reached but % collection is up by 0.3% and the amount of cash collected is up by £0.9m compared to 2012/13.
Average time taken in calendar days to process Housing Benefit/Council Tax new claims	Lower	23.67	22.6 (Green)	26	Excellent performance for quarter 4 ensuring target for the year was exceeded.

and change events					
Forecast outturn (Revenue) (council –wide) (£million)	Lower	-£0.093	-£0.406 (Green)	£O	Revenue is a £406,000 under spend
Forecast outturn (Capital) (council -wide) (£million)	Lower	£0	-£0.005 (Green)	£0	Capital is a £5,000 under spend
Governance issues reported (council – wide)	Lower	0	0 (Green)	0	No governance issues have been reported.
Number of FTE days lost due to sickness absence	Lower	9.42	9.82 (Amber)	9.2	This figure has dropped slightly since Q3 (9.89) but has increased since Q4 last year.
Percentage of employees satisfied with Bury Council as an employer	Higher	Not available	Not available	75%	There has been no full survey this year to measure this. Although we have run 6 engagers surveys this specific question is only asked on the three yearly survey.
Percentage staff turnover (council – wide)	N/A	2.80%	12.26%	No target	This is a contextual indicator; a target is not required to measure improvement levels. Employee turnover refers to the proportion of employees who leave an organisation over the monitoring period expressed as a percentage of total workforce numbers. All leavers are included, both voluntary and involuntary. Average employees in period is 9111 Leavers in period is 1117 Turnover is 1117/9111 = 12.26% This figure has risen since Q3 when it was 9.37%.It has also risen since last Q4 when it was 2.8%
		Pi	roject Updat	tes	

Plan for Change

This project is now complete. The documentation was produced to support the consultation process and was provided to departments to inform the decision making process. An additional \pounds 2.2 million savings for 2014/15 were identified (on top of the \pounds 7.4 million already identified for 2014/15).

Accommodation Review

Athenaeum House and Castle Buildings have now been vacated and staff successfully relocated to 3 Knowsley Place and the Town

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Hall respectively. A post project review has been undertaken, learning lessons from the recent moves, and this has demonstrated that there is still scope to significantly rationalise the Council's office accommodation. The Accommodation Team is shortly to meet to agree how the next phase is to be taken forward.

People Strategy

The People Strategy – Two Years On! report illustrates the progress that has been made against the strategy and its vision for 2015. Organisational Development have set out what actions have been taken to achieve this in 2013/2014. The team want to ensure that our workforce continues to develop in line with the Council's Plan for Change and know that our employees are central to everything that we do, and that it is only with a highly engaged, multi-skilled workforce that we will be able to effectively achieve the Council's vision and outcomes. Some key areas of progress include:

- Our employer brand has been supported by recognition in the Stonewall Workplace Equality Index 2014. The Council came 54th, we were also the top Local Authority in the North West and our LGBT Employee Group was awarded Star Performer Status. The Group was also awarded North West Network Group of the year. The Council was also invited to present at the 2014 Stonewall Conference in London.
- A new competency framework ('Bury Behaviours') has been implemented and is now integrated within our Employee Review process.
- All Departments have now completed the full employee survey. We have undertaken detailed analysis of the results and action plans have been developed based on what our employees have told us.
- An employee engagement sub group has been established to specifically tackle digital inclusion amongst the Council employees.
- The Joint Learning Forum goes from strength to strength with the union learner representatives developing their role. The Joint Learning Forum has been nominated for the STAR Partnership Award 2014.
- Our Work/Life Balance Toolkit is being reviewed in line with changing legislation and continues to offer a variety of options for employees. We know from our employee survey that over 70% of respondents feel able to strike the right balance between work and home life.
- The full employee engagement survey has been carried out across the Council's 4 Departments. We now have the results for all 4 Departments, based on an above average response rate of 44% (compared to 34% in 2010).

Risk Risk management is a systematic approach to assessing risks and opportunities surrounding achievement of core strategic, departmental and operational objectives. The council has a well established approach to risk management which assesses the likelihood and potential impact of a wide range of risks & opportunities. Risk Registers are compiled for all activities and projects, and are subject to review on a quarterly basis. Risk Registers are reported to all levels of management, and to elected members.

The following risks / opportunities have been identified that the council faces in meeting its own priorities and in contributing towards the council's corporate priorities and community ambitions:

Ref	Risk that	Risk Owner	Impact (New)	Likelihood (New)	Quarter 1 Status	Quarter 2 Status	Quarter 3 Status	Quarter 4 Status	Measures
01	The <u>potential</u> liability facing the Council in respect of Equal Pay significantly weakens the Council's financial position	Mike Owen / Guy Berry	1	1	2	2	2	1	Risk further reduced as most cases have now been settled. To remain on register till exercise complete.
02	There is no robust financial strategy or change management strategy to address effectively the significant funding reductions that the Council faces over the next 3 years and beyond in order to ensure there is a sustainable and balanced budget	Steve Kenyon	3	3	6	6	8	9	2014/15 settlement data now confirmed; indicative allocations for 2015/16. Balanced budget is in place for 2014/15. Significant challenge remains for 2015/16 and beyond.
03	The budget strategy fails to address the Council's priorities and emerging issues, e.g. demographic and legislative changes	Mike Owen/Steve Kenyon	3	2	6	6	8	6	Income pressures were largely addressed in 2013/14 budget. Demand pressures remain a risk and will continue to be monitored / managed through Star Chamber process. Month 9 monitor showing £85k overspend

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