

AGENDA FOR

OVERVIEW AND SCRUTINY COMMITTEE

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To: All Members of Overview and Scrutiny Committee

Councillors : D Bailey, S Briggs, D Cassidy, J Daly, I Gartside (Chair), M Hankey, T Holt, M James, O'Brien, N Parnell, Preston and T Tariq

Dear Member/Colleague

Overview and Scrutiny Committee

You are invited to attend a meeting of the Overview and Scrutiny Committee which will be held as follows:-

Date:	Wednesday, 2 December 2015
Place:	Peel Room - Elizabethan Suite - Town Hall
Time:	7.00 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

2 DECLARATIONS OF INTEREST

Members of the Overview and Scrutiny Committee are asked to consider whether they have an interest in any matters on the agenda and, if so, to formally declare that interest.

3 MINUTES *(Pages 1 - 4)*

To approve as a correct record the Minutes of the last meeting held on 13 October 2015.

4 PUBLIC QUESTION TIME

A period of 30 minutes has been set aside for members of the public to ask questions on matters considered at the last meeting and set out in the minutes or on the agenda for tonight's meeting.

5 IMPACT OF 3 WEEKLY REFUSE COLLECTION *(Pages 5 - 14)*

A report from the Cabinet Member for Environment is attached.

6 CORPORATE FINANCIAL MONITORING REPORT - APRIL TO SEPTEMBER 2015 *(Pages 15 - 44)*

A report from the Deputy Leader and Cabinet Member for Finance and Housing is attached

7 EXCLUSION OF PRESS AND PUBLIC

To consider passing the appropriate resolution under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, that the press and public be excluded from the meeting for the reason that the following business involves the disclosure of exempt information as detailed against the item.

8 REVIEW OF CIVIC VENUES - PROGRESS REPORT *(Pages 45 - 50)*

A report from the Deputy Leader and Cabinet Member for Finance and Housing is attached

9 URGENT BUSINESS

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

Minutes of: **OVERVIEW AND SCRUTINY COMMITTEE**

Date of Meeting: 13 October 2015

Present: Councillor I Gartside (in the Chair);
Councillors D Cassidy; J Daly; T Holt; M Hankey; M James;
N Parnell and C Preston.

Public in attendance: 2 members of the public were present at the meeting.

Also in attendance: Councillor Shori– Deputy Leader and Cabinet Member for Finance and Housing.

Councillor S Walmsley – Cabinet Member for Resources and Regulation

Apologies for absence: Councillors Briggs , O'Brien and Tariq.

OSC.367 DECLARATIONS OF INTEREST

There were no declarations of interest

OSC.368 MINUTES

It was agreed:

That the Minutes of the meeting, held on 29 July 2015, be agreed as a correct record.

OSC.369 PUBLIC QUESTION TIME

- Mr Rob Trueblood attended the meeting to request that the Committee look to evaluate the success of the Sculpture Centre and the criteria used to measure its performance to date.

During discussion of this issue Councillors Holt and James highlighted that a full evaluation was premature at this stage due to the relatively short time the Centre had been open. The Committee agreed that an initial update on the Sculpture Centre be provided to the January 2016 meeting of this Committee in advance of any potential review.

- Mrs Brenda Headley highlighted the concerns about welfare reform, particularly with regard to the effect on rent arrears of Universal Credit. Claire Jenkins, Head of Customer Support and Collections, acknowledged the issue and highlighted the ongoing work with Six Town Housing, the Department for Work and Pensions (DWP) and the Welfare Reform Board.

OSC.370 WELFARE REFORM UPDATE

Councillor Walmsley, Cabinet Member for Resources and Regulation, and Claire Jenkins, Head of Customer Support and Collections, provided the Committee with an update on the welfare reforms introduced since 2013, including:

- Universal Credit
- Under Occupation Charge
- Council Tax Support
- Bury Support Fund

The report included details of the benefits and initiatives above along with the effects on Six Town Housing and the actions undertaken to mitigate against the effects of the reforms. Appended to the report were details of the main changes arising from the 2015 Welfare to Work Bill along with a number of case studies highlighting scenarios and agreed actions.

Questions and comments were invited from Members of the Committee and the following issues were raised:

- In response to a question from Councillor Daly, the Head of Customer Support and Collections explained that despite the Discretionary Housing Payment (DHP) scheme the Authority still had rent arrears as the DHP's are not limited to Local Authority applications and can be applied to Housing Association and privately rented properties.
- Councillor Cassidy enquired about the steps being taken by Six Town Housing to identify those in receipt of Universal Credit. The Head of Customer Support and Collections reported that work was ongoing by Six Town Housing to contact and engage with tenants.
- In response to a question from Councillor Parnell concerning the private rented sector, the Cabinet Member for Resources and Regulation highlighted the virtues of the Landlord Accreditation Scheme but stressed that uptake is limited due to the voluntary nature of the scheme.
- With regard to the issue of high rents in the private sector, it was acknowledged that this was ultimately driven by supply and demand forces. The Cabinet Member highlighted the need for an affordable stock of houses for purchase to enable tenants to move out of the rental market.
- The Cabinet Member highlighted the potential impact of cuts to tax credits and stressed the importance of early intervention to assist in management of finances. The Cabinet Member referred to the pro active steps taken to mitigate against the effects of welfare reforms including the launch of a Debt Strategy.

It was agreed:

That the update be noted.

OSC.371 CORPORATE FINANCIAL MONITORING REPORT – APRIL 2015-JUNE 2015

The Deputy Leader and Cabinet Member for Finance and Housing submitted a report informing Members of the Council's financial position for the period April 2015 to June 2015 and provided a projection of the estimated outturn at the end of 2015/2016.

Questions and comments were invited from Members of the Committee and the following issues were raised:

- The Chair, Councillor Gartside, noted the plan to appoint a Marketing Officer in respect of Civic Venues and acknowledged that the projected £130k overspend was an improving figure.
- Councillor Daly suggested that the Council could achieve increased capital receipts for the sale of land, if that land was sold with planning permission. It was suggested that the Council should have a development arm to maximise potential revenue. The Deputy Leader explained that he had requested Officers to examine potential brown field sites which may offer the opportunity to invest and build with a view to increasing the level of housing stock in the borough.
- Councillor Daly referred to new high quality leisure facilities that had been built in Kirklees Council which had the effect of increasing participation and regenerating local sites.

It was agreed:

That the report be noted.

COUNCILLOR I B GARTSIDE
Chair

(Note: The meeting started at 7pm and ended at 8.25pm)

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OVERVIEW AND SCRUTINY COMMITTEE

MEETING: OVERVIEW AND SCRUTINY COMMITTEE

DATE: 2ND December 2015

SUBJECT: THE IMPACT OF INTRODUCING 3 WEEKLY REFUSE COLLECTION IN OCTOBER 2014

REPORT FROM: Councillor Tony Isherwood, Cabinet Member for Environment

CONTACT OFFICER: Glenn Stuart, Head of Waste Management

1.0 BACKGROUND

- 1.1 In July 2014 Bury made the decision that it was to become the first Council in England to introduce a 3 weekly residual waste collection service to households, in response to the need to improve recycling performance and make subsequent savings in avoided waste disposal costs of more than £800,000. This change was implemented in October 2014. At the same time the collection frequency of the blue and green dry recycling bins was increased from 4 weekly to 3 weekly. That meant that from October last year grey, blue and green bins were all emptied on a 3 weekly cycle, whilst the brown garden and food waste bins continued to be collected every 2 weeks.
- 1.2 The objective of the changes was to encourage a behavioural change amongst residents, which would result in an increase in household waste being diverted from the grey bin into the 3 recycling bins. Residents were still being provided with 360 litres of bin capacity per week, as before. There was simply a shift of emphasis from residual (grey bin) waste capacity to recycling, taking into account that 75% of household collected waste can be recycled if residents put the 'right stuff in the right bin.'
- 1.3 The Council published its 'Zero Waste Strategy' in July 2014, which was developed to provide a framework to increase recycling rates and manage waste to achieve a more resource efficient society. It also supports the aims and objectives of the GMWDA Municipal Waste Management Strategy jointly agreed by its 9 constituent Waste Collection Authorities. The strategy contains a number of aims:
- To recycle 60% of collected bin waste by March 2016
 - To reduce disposal costs by cutting the amount of waste going to landfill and
 - To support the GM strategy on reducing carbon emissions.

2.0 RESULTS

- 2.1 Appendix A shows the tonnages collected for each bin type, month by month from October to September, comparing 2013/14 with 2014/15 i.e. the 12 month period pre and post the introduction of 3 weekly collections in October 2014. It can be seen from the figures that the tonnages of recycling collected have increased and the tonnages of residual waste have decreased significantly since 3 weekly collections were introduced in October 2014.
- 2.2 A total of 5252 tonnes less residual waste has been collected over the 12 month period following implementation of the new service. This reduction is greater than the increases in recycling tonnages collected in the blue, green and brown bins. This is not untypical when such a change is implemented. The same happened when 2 weekly refuse collections were introduced in 2011. This could be accounted for by residents generally thinking more about what they buy especially in the case of food. There has been a genuine reduction in overall waste collected.
- 2.3 Appendix B shows fly tipping tonnages over the same period as at 2.1 above. There is very little variance in the fly tipping tonnages. There will be seasonal variations in fly tipping and the majority of fly tipping relates to waste such as builders rubble, furniture, commercial waste, house renovation waste and some white goods.
- 2.4 Appendix C shows the collected bin waste recycling rate month to month, from October – September, comparing 2013/14 with 2014/15 i.e. the 12 month period pre and post the introduction of 3 weekly collections in October 2014.
- 2.5 Information relating to tonnages of waste delivered to Viridor operated HWRCs (Household Waste Recycling Centres) in the borough for the 12 months pre and post the introduction of 3 weekly collections has been requested from the GMWDA but at the time of writing is not available. This is due to a major and ongoing ICT issue which has prevented access to the data. This information will be tabled at the meeting if it becomes available in the meantime.
- 2.6 When the 3 weekly collection service went live last October a new initiative was launched whereby residents could sign up to receive bin alert e-mails to remind them of their collection days and by the end of September 2015 approximately 11,500 had subscribed.
- 2.7 A decision was taken in July 2014 that any household of any size should be given the opportunity to apply for additional grey bin capacity if they thought they had a genuine need. Every application would be subject to a home visit and a waste audit. 464 applications have been received and processed since October 2014 and 285 have been approved.
- 2.8 The table below shows the number of recycling bins that have been requested by residents via the Customer Contact Centre and Councils Web Site since 01 July 2014, when the proposal to move to 3 weekly collections first became public. If these figures are accepted at face value then one has to assume that the vast majority are from residents making a conscious effort to begin recycling who didn't do so previously. This is precisely the behavioural change in residents which was hoped for.

BLUE	3567
BROWN (INCLUDING 23L CADDY)	6121
KITCHEN CADDY	5724
GREEN	3068

3.0 CONCLUSION

The move to 3 weekly residual waste collections has been successful, in that recycling performance has improved and the hoped for savings in avoided waste disposal costs have been achieved.

However, the Council is not resting on its laurels and is determined to forge ahead and push recycling even higher by introducing enforcement and more effective targeted communication activity. It is recognised however that, following the step change in performance associated with the reduction in residual bin capacity, any further improvement will be incremental and much more difficult to achieve.

Due to this success there is a huge amount of interest being shown by other Councils across the country in what Bury has achieved. The Head of Waste Management has spoken at a number of events in recent weeks including the LARAC (Local Authority Recycling Advisory Committee) National Conference in Nottingham, the APSE (Association in Public Service Excellence) Environmental Services National Seminar in Warwickshire and the Recycling and Waste Management Exhibition at Birmingham NEC.

A number of other Councils have visited or are due to visit Bury in the near future to learn about our experiences and there have been a considerable number of telephone and e-mail enquiries and requests for information.

Rochdale has followed Bury's lead in recent weeks and Salford has just announced that it is considering a similar move to 3 weekly collections in 2016. Other GM authorities may follow suit too and within a matter of a couple of years or so 3 weekly residual waste collections could well be quite common.

List of Background Papers:-

Contact Details:-

Mr Glenn Stuart, Head of Waste Management
Tel: 0161 253 6621
Email: G.Stuart@bury.gov.uk

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Appendix A

The table below shows the tonnages collected for each waste stream, month by month from Oct – September (3 weekly collections were introduced in Oct 2014), comparing 2013/14 with 2014/15. It can be seen from the figures that the tonnages of recycling materials have increased and the tonnages of residual waste have decreased significantly.

	Green Bin	Blue Bin	Brown Bin	Grey Bin
October 2013	661	686	1189	2900
October 2014	775	776	1384	2300
	Increase of 114t	Increase of 90t	Increase of 195t	Reduction of 600t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
November 2013	616	674	998	2660
November 2014	656	593	1114	2173
	Increase of 40t	Reduction of 81t	Increase of 116t	Reduction of 487t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
December 2013	684	637	778	2629
December 2014	759	717	917	2138
	Increase of 75t	Increase of 80t	Increase of 139t	Reduction of 491t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
January 2014	808	751	834	2975
January 2015	844	815	891	2519
	Increase of 36t	Increase of 64t	Increase of 57t	Reduction of 456t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
February 2014	591	588	564	2477
February 2015	660	655	717	2059
	Increase of 69t	Increase of 67t	Increase of 153t	Reduction of 418t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
March 2014	600	601	921	2527
March 2015	653	712	962	2157
	Increase of 53t	Increase of 111t	Increase of 41t	Reduction of 370t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
April 2014	662	671	1382	2885
April 2015	763	752	1549	2538
	Increase of 101t	Increase of 81t	Increase of 167t	Reduction of 317t

Document Pack Page 10

	Green Bin	Blue Bin	Brown Bin	Grey Bin
May 2014	663	701	1743	2900
May 2015	629	752	1519	2146
	Reduction of 34t	Increase of 51t	Reduction of 224t	Reduction of 754t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
June 2014	581	626	1659	2535
June 2015	659	684	1824	2335
	Increase of 78t	Increase of 58t	Increase of 165t	Reduction of 200t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
July 2014	674	735	1710	2901
July 2015	739	832	1957	2384
	Increase of 65t	Increase of 97t	Increase of 247t	Reduction of 517t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
August 2014	608	629	1255	2530
August 2015	593	628	1473	2173
	Reduction of 15t	Reduction of 1t	Increase of 218t	Reduction of 357t

	Green Bin	Blue Bin	Brown Bin	Grey Bin
September 2014	632	643	1444	2518
September 2015	723	752	1519	2263
	Increase of 91t	Increase of 109t	Increase of 75t	Reduction of 5252t

Cumulative Total	Increase of 673t	Increase of 726t	Increase of 1349t	Reduction of 5252t
Percentage	+9.20%	+9.16%	+9.14%	-16.20%

5252 tonnes less residual waste has been collected over the same 12 month period (Oct – September), making the required saving in avoided residual waste disposal costs.



Appendix B

Fly Tipping Tonnages collected
 October 2013 – September 2015

	Fly Tipping
October 2013	40.74
October 2014	22.26
	Reduction of 18.48t

	Fly Tipping
November 2013	28.54
November 2014	21.68
	Reduction of 6.86t

	Fly Tipping
December 2013	29.16
December 2014	19.32
	Reduction of 9.98

	Fly Tipping
January 2014	53.04
January 2015	32.02
	Reduction of 21.02t

	Fly Tipping
February 2014	32.96
February 2015	32.74
	Reduction of 0.22t

	Fly Tipping
March 2014	36.20
March 2015	35.26
	Reduction of 0.94t

	Fly Tipping
April 2014	33.62
April 2015	45.76
	Increase of 12.14t

	Fly Tipping
May 2014	38.62
May 2015	40.24
	Increase of 1.62t

	Fly Tipping
June 2014	40.30
June 2015	43.24
	Increase of 2.94t

	Fly Tipping
July 2014	29.46
July 2015	44.22
	Increase of 14.76t

	Fly Tipping
August 2014	38.38
August 2015	51.00
	Increase of 12.62t

	Fly Tipping
September 2014	34.44
September 2015	47.24
	Increase of 12.80t

Cumulative Total	Reduction of 0.48t
Percentage	-0.11%

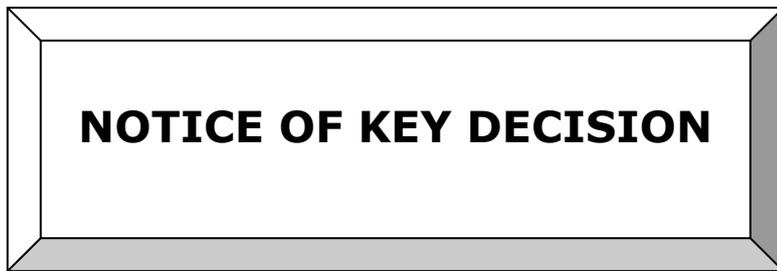
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Appendix C

The table below shows the collected bin waste recycling rate month to month, from October – September, comparing 2013/14 with 2014/15 i.e. the 12 month period pre and post the introduction of 3 weekly collections in October 2014.

Collected Bin Waste Recycling Rate	
October 2013	46.58%
October 2014	55.90%
November 2013	46.15%
November 2014	52.39%
December 2013	44.38%
December 2014	51.10%
January 2014	44.60%
January 2015	50.32%
February 2014	41.31%
February 2015	49.68%
March 2014	45.65%
March 2015	51.89%
April 2014	48.48%
April 2015	54.69%
May 2014	51.72%
May 2015	57.47%
June 2014	53.02%
June 2015	57.55%
July 2014	51.81%
July 2015	59.69%
August 2014	49.62%
August 2015	55.35%
September 2014	51.90%
September 2015	56.95%

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Agenda Item	
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MEETING: CABINET
OVERVIEW & SCRUTINY COMMITTEE

DATE: 25 NOVEMBER 2015
2 DECEMBER 2015

SUBJECT: CORPORATE FINANCIAL MONITORING REPORT –
APRIL TO SEPTEMBER 2015

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

CONTACT OFFICER: STEVE KENYON, INTERIM EXECUTIVE DIRECTOR
OF RESOURCES & REGULATION

TYPE OF DECISION: CABINET (KEY DECISION)

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

SUMMARY: The report informs Members of the Council's financial position for the period April to September 2015 and projects the estimated outturn at the end of 2015/16.

The report also includes Prudential Indicators in accordance with CIPFA's Prudential Code.

OPTIONS & RECOMMENDED OPTION Members are asked to note the financial position of the Council as at 30 September 2015 and to approve the s151 officer's assessment of the minimum level of balances.

IMPLICATIONS:

Corporate Aims/Policy Framework:

Do the proposals accord with Policy Framework? Yes.

Statement by the s151 Officer:

The report has been prepared in accordance with all relevant Codes of Practice. There may be risks arising from remedial action taken to address the budget position;

these will be identified by Directors at the quarterly Star Chamber meetings.

Statement by Interim Executive Director of Resources & Regulation:

Successful budget monitoring provides early warning of potential major overspends or underspends against budgets which Members need to be aware of.

This report draws attention to the fact that, based on the most prudent of forecasts, several budget hotspots exist which will need remedial action.

Members and officers will be examining these areas in more detail at the Star Chambers.

This report is particularly significant as it informs Members of the baseline financial position from which the Council sets its 2016/17 budget.

Equality/Diversity implications:

No

Considered by Monitoring Officer:

Budget monitoring falls within the appropriate statutory duties and powers and is a requirement of the Council's Financial Regulations to which Financial Regulation B: Financial Planning 4.3. (Budget Monitoring and Control) relates. The report has been prepared in accordance with all relevant Codes of Practice.

Are there any legal implications?

Yes

Wards Affected:

All

Scrutiny Interest:

Overview & Scrutiny Committee

TRACKING/PROCESS

EXECUTIVE DIRECTOR: Steve Kenyon

Chief Executive/ Strategic Leadership Team	Cabinet	Overview & Scrutiny Committee	Council	Ward Members	Partners
09/11/15	25/11/15	02/12/15			

1.0 INTRODUCTION

- 1.1 This report informs Members of the forecast outturn for 2015/16 based upon current spend for the period 1 April 2015 to 30 September 2015 in respect of the revenue budget, capital budget and the Housing Revenue Account.
- 1.2 Projections are based on current trends, information, and professional judgement from service managers and finance staff.
- 1.3 The revenue budget projections highlight the fact that budget pressures do still exist in some key areas and it will be necessary to continue to examine options for improving the situation further.

2.0 BUDGET MONITORING PROCESSES

- 2.1 Reports will be presented quarterly to facilitate close monitoring of spend and implementation of action plans during the year.
- 2.2 Reports are also presented to the Strategic Leadership Team on a monthly basis and detailed monitoring information will also be discussed at Star Chamber meetings during the year.
- 2.3 It is intended that improvements will continue to be made to the budget monitoring process, building on the significant developments implemented over the past few years.

3.0 SUMMARY OF REVENUE BUDGET POSITION

- 3.1 The table below outlines the annual budget and forecast outturn based upon known factors and the professional views of service managers as at month 6:

Department	Budget £000	Forecast £000	Variance £000
Communities & Wellbeing	65,850	65,951	+101
Resources & Regulation	2,319	3,006	+687
Children, Young People & Culture	34,954	35,599	+645
Non Service Specific	30,588	30,088	(500)
TOTAL	133,711	134,644	+933

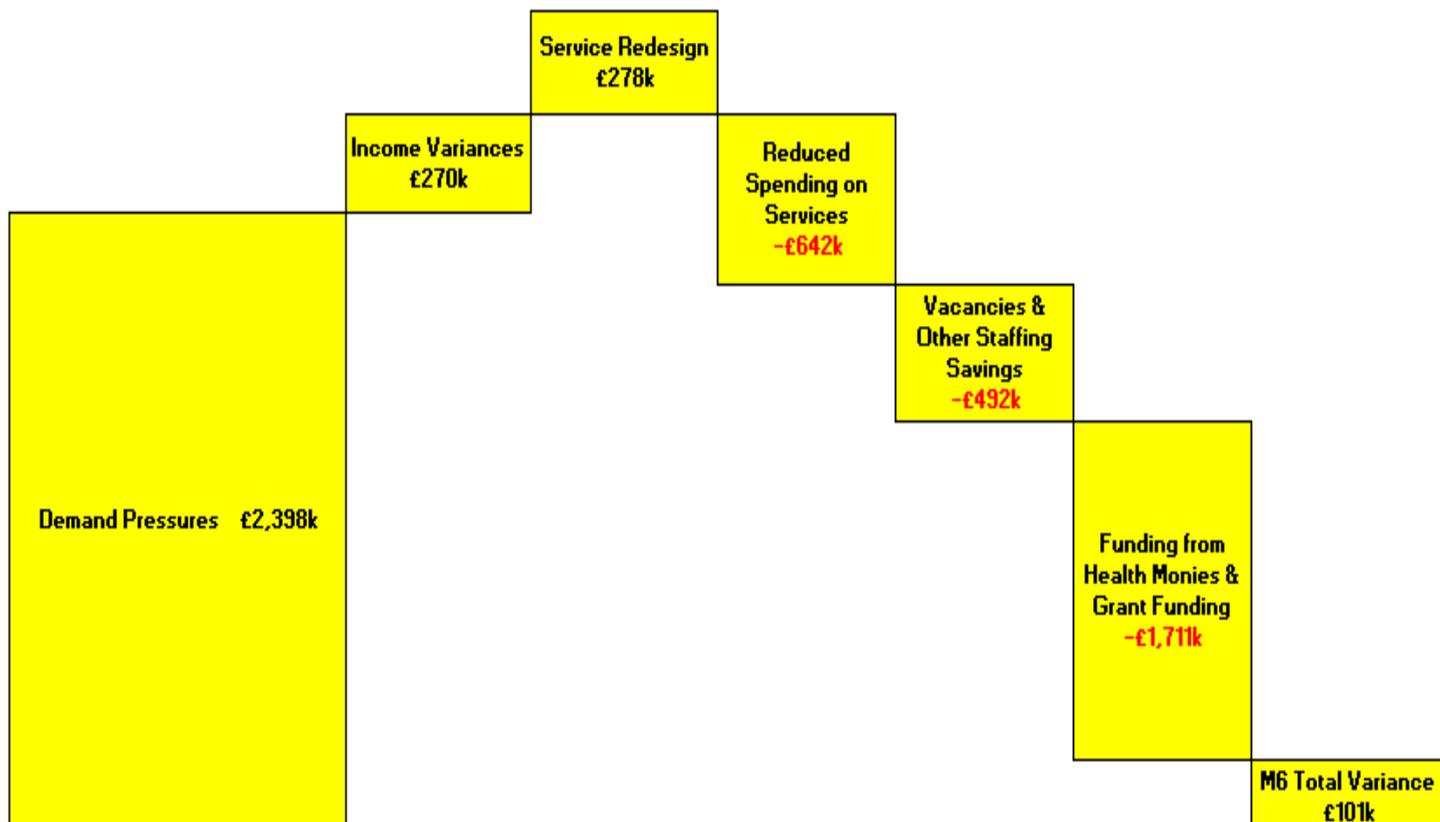
- 3.2 The projected overspend of **£0.933m** represents approximately **0.70%** of the total net budget of £133.711m.
- 3.3 Members need to be aware that financial reporting involves an element of judgement, and this particularly applies to the treatment of budget pressures. Often an area of overspending identified at this point in the year will resolve itself before the end of the year following appropriate remedial action.
- 3.4 However it is felt appropriate to alert Members to potential problems at this stage so that they can monitor the situation and take ownership of the necessary remedial action and this is the basis on which the report is written.

4.0 SERVICE SPECIFIC FINANCIAL MONITORING

4.1 COMMUNITIES AND WELLBEING

4.1.1 The current projected overspend for Communities and Wellbeing is **£0.101m**, which is 0.15% of the Department’s net budget of £65.850m

4.1.2 Reasons for major variations are illustrated in the chart overleaf;



4.1.3 Further details by service area are outlined below, along with remedial action being taken.

Theme	Variance £'000	Reason	Action Being Taken
Demand Pressures	+2,398	<p>Care in the Community budgets particularly around Domiciliary Care, Residential Care and Self Directed Support Budgets -£1,996k.</p> <p>Killelea House Residential care Home - £163k (Reason- Staffing Cost Pressures).</p> <p>Assessment and Care Management staff - £106k (Reason - Staffing Cost Pressures).</p> <p>Grounds Maintenance - £80k (Reason - savings not achievable as grass cutting is still required as specified by members.</p> <p>Parks - £18k (Reason - spending pressures on Health & Safety Work, rates and metered water supply).</p> <p>Refuse Collection - £35k (Reason - Continued demand for bins and increased costs on agency staff due to sickness and additional work re bin delivery.</p>	<p>A range of preventative strategies continue to be introduced to manage this demand, such as reablement, triage, improved screening, 'signposting', and crisis response as well as a programme of training for front line staff around efficient support package planning. In addition, all existing high & medium cost care packages are kept under regular review.</p> <p>This service is currently undergoing a review /restructure and as a consequence a report is expected to go through the normal sign off processes with the CCG.</p> <p>The £106k overspend is only c.3% of the Net £3.6m ACM staffing budget, however, Senior management will continue to review staffing pressures and act accordingly.</p> <p>Prudent spending is to be exercised on all discretionary budgets.</p> <p>Prudent spending is to be exercised on all discretionary budgets.</p> <p>The waste overspend of £35k will be addressed by reviewing the resource required in terms of vehicles and staff that will naturally reduce during the winter period as garden waste tonnages reduce and less bins are put out for collection. Residents will see no difference to the level of service provided throughout winter with a continued fortnightly collection of the brown bins.</p> <p>As far as sickness absence is concerned, in April the Council introduced new criteria for dealing with sickness absence,</p>

Theme	Variance £'000	Reason	Action Being Taken
			<p>we shall be applying these, which along with other savings from discretionary budgets will hopefully address this budget pressure.</p> <p>Extra money that has been spent on delivering bins actually shows how successful our recycling initiatives have been, with more and more people recycling across the Borough.</p>
Service redesign	+278	<p>Note: A number of Budgets have yet to achieve savings target against specific schemes, as a consequence this is partly/wholly the reason for the overspends below:</p> <p>Sheltered Housing General - £106k (Reason - Savings not Identified).</p> <p>Falcon & Griffin Care Home - £35k (Reason - Savings not identified).</p> <p>Carelink - £23k (Reason - Savings not identified).</p> <p>Urban Renewal Holding Account - £74k (Reason - Savings not identified).</p> <p>Beverage, Cafes & Vending - £40k (Reason - Difficulty in meeting beverage service /café income target).</p>	<p>An action plan is being developed by senior management for each of the service areas, ensuring the savings targets are achieved.</p> <p>An action plan is being developed by senior management for each of the service areas, ensuring the savings targets are achieved.</p> <p>An action plan is being developed by senior management for each of the service areas, ensuring the savings targets are achieved.</p> <p>An action plan is being developed by senior management for each of the service areas, ensuring the savings targets are achieved.</p> <p>Service review has been undertaken and a restructure /actions identified to reduce costs.</p>

		<p>Integrated Community Equipment Service (ICES) – (£71k) (Reason – New contract with Pennine care has generated additional income).</p> <p>Bury Employment Support & Training (BEST) – (£22k).</p> <p>Civic Halls - £130k (Reason - Difficulties in achieving income targets).</p> <p>Leisure - £160k (Reason - income not meeting targets, delay in the opening of the temporary pool at Radcliffe and budget cuts).</p> <p>Transport Services - (£150k) (Reason - income forecast to exceed budget).</p> <p>Trade Waste - £120k (Reason - Shortfall on trade waste income due to reduced pricing, increased recycling requires additional bins).</p>	<p>Historically this service experienced financial pressure on areas such as equipment, adaptations and mattresses, however a new contract with Pennine care has relieved the demand pressures longstanding that the ICES service previously experienced.</p> <p>The expectation is that further income can be generated from increased activity.</p> <p>Approval has been given to appoint a Marketing Events Officer to promote the service.</p> <p>Further development of the growth & implementation plan is required.</p> <p>Use to offset other overspends.</p> <p>Offset by underspends elsewhere in the service, This budget is to be reviewed.</p>
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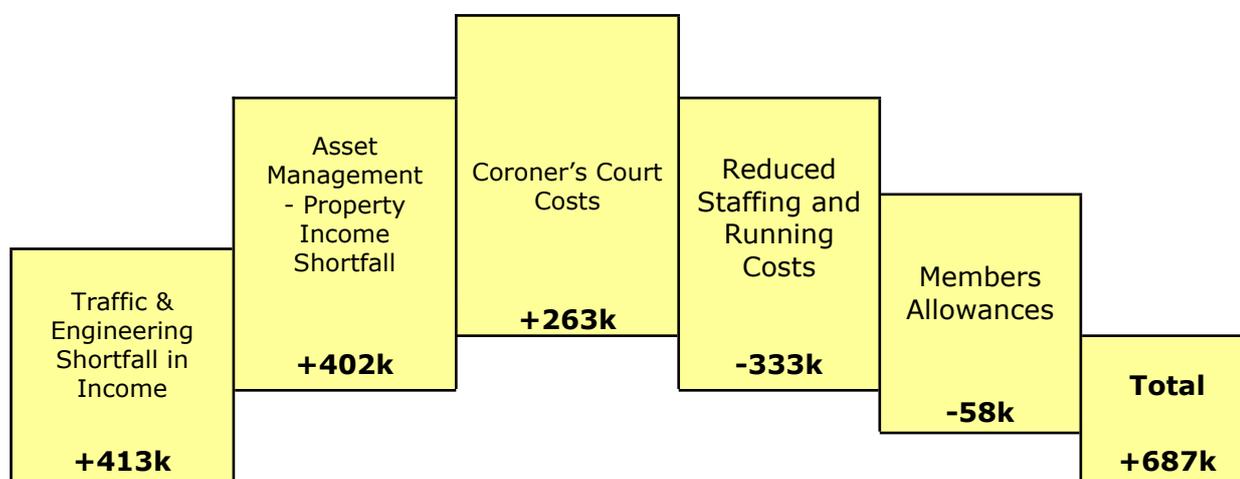
Income variances	+270	<p>Housing Choices – £148k (Reason - Shortfall in income expectations).</p> <p>Workforce Development – (£45k) (Reason - Largely the result of Homes for Older People income budget forecast to exceed budget provision).</p>	<p>Income recovery action plan is being developed by senior management team.</p> <p>The possibility is that further income can be generated from increased activity, but these services have now become part of the LATCo.</p>
Reduced Spend on Services	-642	<p>Carers services budget – (£143k) (Reason - Underspending on Carers personal budgets).</p> <p>Finance – (£189k) (Reason - Carers and Care act implementation grant not expected to be spent).</p> <p>Older People Fieldwork Team – (£82k) (Reason - result of action to meet savings target).</p> <p>Mental Health service –</p>	<p>Forecast underspends may be used to offset pressure within other areas of adult care service budgets.</p>

		<p>(£173k) (Reason - result of action to meet savings target).</p> <p>Day Centres for under 65s – (£42k) (Reason - Transport costs within service reduced / small salary savings)</p> <p>Training Budget – (£10k) (Reason - Training budget not expected to be spent in full).</p> <p>Public Convenience - (£3k) (Reason – Reduced spend on Repairs and Maintenance.</p>	
Vacancies and Other Staff Cost Savings	-492	<p>Commissioning & Procurement – (£59k) (Reason – Head of Service Vacant Post).</p> <p>Sheltered Housing Support, Policy and Improvement & Customer Engagement – (£75k) (Reason – Current staffing activity levels suggest actual expenditure to be below budget provision).</p> <p>Reablement Service – (£202k) (Reason – Staffing Vacancies).</p> <p>Older Peoples Day Care – (£16k) (Reason – Staffing Vacancies).</p> <p>Shared Lives – (5k).</p> <p>Park Rangers – (£25k) (Reason – Staffing Vacancies).</p>	<p>Forecast underspends may be used to offset pressure within other areas of adult care service budgets.</p> <p>Forecast underspends may be used to offset pressure within other areas of adult care service budgets.</p> <p>Forecast Underspend will be used to offset overspends within Parks & Countryside.</p>
Funding from Health Monies & Grant Funding	-1,711	Funding to support the demand pressures of the Care in the Community budgets (£1,711k).	This relates to the utilisation of historic underspends from Adult Care Specific Grants and a contribution of the Health monies towards the demand pressures within Community Care.
	+101		

4.2 RESOURCES AND REGULATION

4.2.1 The Resources & Regulation Department is forecasting an overall overspend of **£0.687m**, or 29.6% of a net budget of £2.319m.

4.2.2 Reasons for major variations are illustrated in the chart below;



4.2.3 Reasons for major variations are illustrated in the table below;

Activity	Variance £'000	Reason	Action Being Taken
Traffic & Engineering	+413	Estimated shortfalls in income relating to on and off-street parking and parking fines (£287k), Greater Manchester Road Activities Permit Scheme (GMRAPS) (£98k), bus lane enforcement (£47k) offset by increased income from Council parking permits (£18k).	Monitor income levels, adjust expenditure and targets where possible and review staff resources allocated to GMRAPS. Severance pay and management restructure delayed savings are one-offs to achieve planned savings longer term.

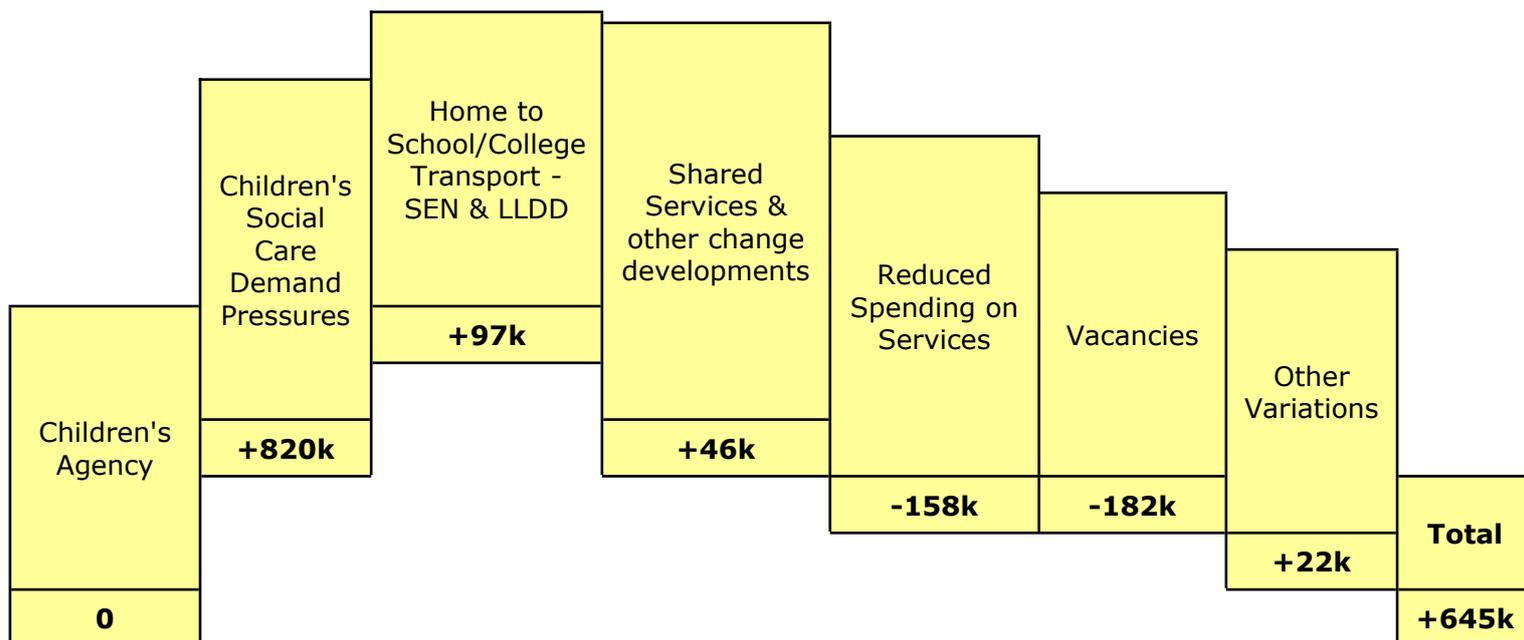
Activity	Variance £'000	Reason	Action Being Taken
Property Services and Markets Income	+402	<p>Shortfall in income due to reduced occupancy levels.</p> <p>Should all of the properties within the non-operational property portfolio be let, the level of current market rents is such that the income budgets would still not be achieved.</p>	<p>The Council has introduced two important Strategies which will address the instability in the property income and reduce (ultimately remove) the shortfall in income.</p> <p>Through implementing the Estates Strategy the Council will identify high risk and underperforming investment assets and these will be disposed of. Initial tranche of properties identified.</p> <p>The Investment Acquisition Strategy will see the Council utilise existing capital currently invested in low return investments and receipts received from disposals. Two properties already acquired – expected to produce £179,000 p.a. In new income.</p> <p>The Council is looking to appoint agents to widen marketing activity on the hard to let properties.</p>
Coroners Court Costs	+263	<p>There are legislative changes around deaths occurring under Deprivation of Liberty Orders (DoL's) that are driving a significant increase in the volume of cases and thus costs.</p>	<p>Meetings being held between Coroner's Court and with DoL's Coordinators from Rochdale, Oldham and Bury Councils to assess the issue in more detail.</p>

Reduced Staffing and Running Costs	-333	Vacant posts not filled and tightening of controllable expenditure across the department. Salaries savings in Finance & Efficiency (£120k) from Internal Audit, Accountancy and Procurement, Customer Support & Collections (£82k), HR (£24k), Press & Media (£25k), Licensing (£34k), Trading Standards (£41k), and minor underspends (£7k).	To be used to assist in reducing the estimated overspend within the department in 2015/16 and part included within the 2016/17 savings.
Members Allowances	-58	Reductions in the level of Special Responsibility Allowances paid to Members continue to result in this forecasted underspend.	To be used to assist in reducing the estimated overspend within the department.

4.3 CHILDREN’S, YOUNG PEOPLE AND CULTURE

4.3.1 The overall Children’s, Young People & Culture budget is currently projecting an overspend of **£0.645m**, or 1.84% based on net budget of £34.954m.

4.3.2 Reasons for major variations are illustrated in the chart below;



4.3.3 Further details of the major variations are provided in the table below:

Activity	Variance £'000	Reason	Action Being Taken
Children's Agency Placements	0	Continuing increased demand.	A number of young people with complex needs have turned 18 and have transferred to CWB, plus efforts have been made to reduce the number of children being placed in residential care through offering support at home. Prompt and regular reviews via the Complex Care Panel has led to securing better funding splits across Education, Health and Social Care, reducing the burden on this budget.
Children's Social Care Demand Pressures Leaving Care	+820 Made up of: +431	Spending on housing and further education of 19+ students who have now left our care.	This budget is likely to overspend significantly on housing as the service continues to support a number of young people in high cost placements who were previously accommodated within the Children's Agency Budget. The forecast has reduced significantly in Month 6 as a direct result of initiatives put in place and the new placements are a significant saving to the authority.
Safeguarding	+96	The budget will overspend due to agency staff cover for vacancies and additional hours offered to staff to cover the current workload.	It is intended that the vacancies will be recruited to by January 2016.

<p>Emergency Duty Team</p>	<p>+22</p>	<p>This budget will overspend due to staff cover arrangements for two social workers with long term health issues.</p>	<p>Sickness management in line with Authority procedures.</p>
<p>Children and Young People in Care (CYPIC)</p>	<p>+30</p>	<p>The service will overspend as two agency social workers are covering vacancies.</p>	<p>Both posts have been recruited to with start dates in September. However one person will not qualify as a SW until later in the year, which means that an Agency SW will need to be retained to support the person until she qualifies.</p>
<p>Family Placements</p>	<p>+21</p>	<p>The overall forecast has reduced largely on the payments to Foster Carers, even allowing for the increase in the rates paid, based on the number of carers and the payments they currently receive. Adoption will overspend largely due to adoption allowances.</p>	<p>Adoption placement fees should be closer to break even, with the Government funding hard to place children's adoption fees, plus there are a number of children adopted with families recruited by Bury therefore do not incur a cost. These overspends are offset by underspendings on the Invest to Save due to salary savings and Home from Home Carers.</p>
<p>Children's Disability</p>	<p>+148</p>	<p>At the beginning of the financial year the service had 135 active placements, which has increased to 161 at month 6.</p>	<p>The service is scrutinising and aligning processes in conjunction with the Performance, Planning & Commissioning Team. Currently covering staff sickness with agency workers. Two high cost support packages are "end of life care".</p>

Strategic Lead	+72		The budget is under pressure as the interim Strategic Lead post is being covered by agency staff, the increase in costs will be partially offset by a vacant post.
Home to School/College Transport – SEN & LLDD	+97	Continuing increased demand	<p>All known schedules are on the system and show a forecast overspending of approx £194,000. It should be noted that schedules do change during the year in line with the needs of children.</p> <p>This is partially offset by the Bus Escorts underspending their budget, which is based on current contracts and spending levels over the last 3 years.</p>
Shared Services	+46	Payments to an outside organisation to review existing levels of provision.	Spending on developing shared services with other nearby local authorities, which will provide efficiencies and budget management savings in the future.

Activity	Variance £'000	Reason	Action Being Taken
Reduced Spending on Services	-158		
	Made Up of:		
Youth Offending Service	-56	The forecast has been adjusted to allow for the new agreement with Rochdale effective from 01/10/2015.	The forecast takes into account the expected reduction in grant funding.
Legal Fees	-102		All indications are that External Legal costs will be lower than budget.
Vacancies	-182		
	Made Up Of:		
Front-line Services	-58	Education Psychology Service and Childcare & Extended Services.	
Support Services	-15	SEN team	
Management & Administration	-109	Vacancies in the Finance, HR and Administration sections.	Restructures in place and commencing.

Other	+22		
	Made Up Of:		
Arts & Museums	+42	Deficit on the income as shown in the 'Invest to Save - International Touring Event', which is in line with year 1 of the proposal.	By year 2 there should be a small surplus.
Various	-20		Several services have restrained their spending to contribute to offsetting overspendings elsewhere within the Department.

4.5 NON-SERVICE SPECIFIC

4.5.1 There is a forecast net underspend of **£0.500m**, or 1.63% based on net budget of £30.588m. This relates primarily to the Council's Treasury Management activity (see Section 8.0, page 20 for further details).

5.0 CAPITAL BUDGET

5.1 Capital Programme

5.1.1 The revised estimated budget for the Capital Programme 2015/16 at the end of September is shown in the table below:

2015/16	£m
Original Capital Programme	25.690
Approved Slippage from 2014/15	16.546
In year adjustments and contributions	(0.476)
Revised Capital Allocation at Quarter 2	41.760
Estimated re-profiled projects into 2016/17	(9.165)
Revised working budget for Year at Qtr 2	32.595

5.1.2 The expenditure and funding profile for the Capital Programme together with a detailed breakdown of the Original Approved Programme, the Revised Estimate,

Forecast Outturn, Actual Spend up to end of Month 6, and the estimated under/over-spend of the capital programme for 2015/16 is shown in Appendix A.

5.1.3 Members should note that given the complexity and size of some of the larger schemes currently in the Council's Capital Programme the information received from budget holders can vary significantly from one quarterly report to the next and should be read in this context.

5.1.4 At the end of Quarter 2, a total of **£9.165m** of the 2015/16 budget has been identified for re-profiling to 2016/17. Most of this amount is attributed to Children Services Projects where the schemes are funded mainly by grants from Department of Education to a total of £6.306m. The remainder is attributable to Disabled Facilities Grant of £0.412m, Highways Traffic Calming schemes with a total of £0.200m and a further £1.990m on the A56 Prestwich Village Corridor Improvements.

5.2 Expenditure

5.2.1 The Forecast Outturn as at Month 6 is **£32.578m** and Budget Managers have reported that they expect to spend up to this amount by 31 March 2016.

5.2.2 The actual expenditure after accruals realised by the end of Month 6 totals **£8.769m**.

5.2.3 The main areas to record expenditure in the first quarter are:

• Property Redevelopment Schemes	£0.328m
• Children's, Young People and Culture	£4.423m
• Highway schemes	£1.061m
• Adult Social care /Urban Renewal	£0.414m
• Leisure Schemes	£0.878m
• Housing Public Sector	£1.146m

5.3 Variances

5.3.1 Appendix A provides details of variances for each scheme based on latest available information received from budget managers and at Month 6 it shows a projected underspend for the Programme of £0.018m. This amount is negligible in terms of overall capital programme and should be addressed by the end of quarter 3 of the year.

5.3.2 Brief reasons for all individual variances are provided in Appendix A that is attached with this report.

5.4 Funding

5.4.1 The funding profile included in Appendix A shows the resources available to cover the capital programme during 2015/16.

5.4.2 The principal source of funding for Capital schemes approved for the 2015/16 programme is made of external resources together with resources unspent and carried forward from previous years. The Council and Cabinet have also approved allocations towards the Prestwich Village schemes supported by the Council's own resources of **£2.000m** for the year.

5.4.3 The position of the capital receipts and borrowing as at the end of Month 6 is reported below. The figures in the table show the total funding requirement for the revised

estimated capital programme inclusive of potential slippage into 2016/17 and the expected resources to be supported by the Council as at the end of Quarter 2 of the year.

2015/16 Use of Council Resources for Capital Investment	£m
Revised Capital Programme allocation for the year	32.595
Use of external funding and contributions	30.854
Balance of programme relying on Council resources	1.741
Use of Capital receipts and earmarked reserves	0.460
Use of Prudential Borrowing (2015/16 approved schemes)	0
Use of Prudential Borrowing (2014/15 schemes brought forward)	1.281
Total Council Resources used to support the Capital Budget for Year	1.741

5.5 Capital Programme Monitoring

5.5.1 The programme will be monitored closely during the year by CPMG and Management Accountancy with an aim to deliver schemes on cost and time with minimum potential slippage into 2016/17.

6.0 HOUSING REVENUE ACCOUNT

6.1 The Housing Revenue Account (HRA) relates to the operation of the Council's housing stock and can be viewed as a landlord account. It is required by statute to be accounted for separately within the General Fund and is therefore effectively ring-fenced.

6.2 The latest estimates show a projected surplus (working balance carried forward) of £1.000m at the end of 2015/16. The projected outturn shows a working balance carried forward of £1.051m. See Appendix B.

6.3 There are a number of variations that contribute to the projected outturn position however there are no areas where the variance exceeds 10% and £50k.

6.4 The two main impacts on the HRA year end balance are normally **void levels** and the **level of rent arrears**, but levels of **Right to Buy sales** can also be a major influence on the resources available.

Voids:

The rent loss due to voids for April to September was on average 1.8% which is in line with the void target level set in the original budget. If this performance continues for the rest of the year there will be no impact from void loss on the projection of rental income in Appendix B.

Six Town Housing continue to review the voids processes and the various factors affecting demand.

Arrears:

The rent arrears at the end of September totalled £1.208m, an increase of 27.8% since the end of March. Of this total £0.485m relates to former tenants and £0.723m relates to current tenants. The increase in the number of Universal Credit cases will account for a large part of the increase in arrears.

The Council is required to make a provision for potential bad debts. The contribution for the year is 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.

Based on the performance to the end of September, projected for the full year, this provision would require an additional contribution of £0.339m to be made.

The 2015/16 HRA estimates allow for additional contributions to the provision totalling £0.488m, £0.183m for uncollectable debts and £0.305m to reflect the potential impact that welfare benefit changes could have on the level of rent arrears. Therefore there is a potential underspend of £0.149m. The projected outturn has not been amended to reflect this as the impact of increased numbers of Universal Credit cases coupled with further benefit changes is ongoing; the method of calculating the contribution required is being reviewed to ensure it reflects changing patterns of arrears.

Right to Buy Sales:

From April 2012 the maximum Right to Buy discount increased from £26,000 to £75,000.

This has resulted in an increase in the number of applications and ultimately sales. There were 40 sales in 2013/14 and this increased to 41 sales in 2014/15.

The forecast for 2015/16 was set at 50, this being an increase of 7 on the level of sales assumed for Bury in the Government's self-financing valuation.

From July 2014 the maximum Right to Buy discount increased from £75,000 to £77,000 and the maximum percentage discount on houses increased from 60% to 70% (in line with the discounts allowed on flats). The maximum discount increased in April 2015 to £77,900.

From 26th May 2015 the qualifying period for Right to Buy has been reduced from 5 years to 3 years.

These changes may increase the number of applications and sales but it is too early after the changes to quantify this.

The number of sales has a direct effect on the resources available to the HRA – the average full year rent loss for each dwelling sold is around £3,800.

- 6.5 There have been 20 sales in the period April to September 2015. At this stage the total number of sales is not expected to differ significantly from the forecast therefore rental income projections have not been adjusted.
- 6.6 The Welfare Reform and Work Bill contains provision for a 1% reduction in social housing rents for 4 years from 2016/17 which will have a significant impact on future

HRA resources; the impact of this and of other changes in the recently published Housing and Planning Bill will be assessed as information becomes available.

7.0 PRUDENTIAL INDICATOR MONITORING

- 7.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The authority's approved Prudential Indicators (affordability limits) for 2015/16 is outlined in the approved Treasury Management Strategy Statement.
- 7.2 The authority continues to monitor the Prudential Indicators on a quarterly basis and Appendix C shows the original estimates for 2015/16 (approved by Council on 25 February 2015) with the revised projections as at 30 September 2015. The variances can be seen in the Appendix together with explanatory notes. The Prudential Indicators were not breached during the first 6 months of 2015/16.

8.0 TREASURY MANAGEMENT

8.1 Investments:

- 8.1.1 At the 30th September 2015 the Council's investments totalled £36.5 million and comprised:-

Type of Investment	£ Million
Call Investments (Cash equivalents)	13.5
Fixed Investments (Short term investments)	23.0
Total	36.5

- 8.1.2 All investments were made in line with Sector's suggested credit worthiness matrices and the approved limits within the Annual Investment Strategy were not breached during the first quarter of 2015/16.
- 8.1.3 The Council has earned the following return on investments:
 Quarter 1 0.64%
 Quarter 2 0.67%
- 8.1.4 This figure is higher than Sector's suggested budgeted investment earnings rate for returns on investments, placed for periods up to three months in 2015/16, of 0.50%

8.2 Borrowing:

- 8.2.1 No external borrowing was undertaken in the quarter to 30th September 2015.
- 8.2.2 At 30th September 2015 the Council's debts totalled £191,511 million and comprised:-

		30th September 2015		
		Principal		Avg. Rate
		£000	£000	
Fixed rate funding				
	PWLB Bury	131,453		
	PWLB Airport	2,555		
	Market Bury	57,500	191,508	
Variable rate funding				
	PWLB Bury	0		
	Market Bury	0	0	
Temporary Loans / Bonds		3	3	
Total Debt			191,511	3.92%

8.2.3 The overall strategy for 2015/16 is to finance capital expenditure by running down cash/investment balances and taking shorter term borrowing rather than more expensive longer term loans. With the reduction of cash balances the level of short term investments will fall. Given that investment returns are likely to remain low for the financial year 2015/16, then savings will be made by running down investments and taking shorter term loans rather than more expensive long term borrowing.

8.2.4 It is anticipated that replacement borrowing will be undertaken during the next quarter.

9.0 MINIMUM LEVEL OF BALANCES

9.1 The actual position on the General Fund balance is shown in the following table:

	£m
General Fund Balance 31 March 2015 per Accounts	10.487
Less : Minimum balances to be retained in 2015/16	-4.500
Less : Contribution towards cost of Equal Pay	-1.500
Less : Forecast overspend	-0.933
Available balances at 1 April 2015	3.554

9.2 Based on the information contained in this report, on the risk assessments that have been made at both corporate and strategic level, on the outturn position for 2015/16 and using information currently to hand on the likely achievement of savings options, it is clear that there is no reason to take the minimum level of balances above the existing level of £4.500m.

9.3 In light of the above assessment it is recommended that the minimum level of balances be retained at **£4.500m**.

9.4 Members are advised that using available balances to fund ongoing expenditure would be a breach of the Council's Golden Rules. Likewise, Members are advised that the Authority faces significant funding reductions in the future, and balances are likely to be required to fund one-off costs of service transformation.

10.0 EQUALITY AND DIVERSITY

10.1 There are no specific equality and diversity implications.

11.0 FUTURE ACTIONS

11.1 Budget monitoring reports will continue to be presented to the Strategic Leadership Team on a monthly basis and on a quarterly basis to the Cabinet, Overview & Scrutiny Committee, and Audit Committee.

11.2 Star Chambers have already been held for Quarter 1 and Q2 meetings are scheduled to take place in November 2015.

Councillor Rishi Shori, Deputy Leader of the Council and Cabinet Member for Finance and Housing

List of Background Papers:-

Finance Working Papers, 2015/16 held by the Interim Executive Director of Resources & Regulation.

Contact Details:-

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Month 6 - 2015/16		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Notes
		2015/16 Original Estimate	Revised Estimate Before Reprofile	Reprofiled to Future Years	Revised Estimate After Reprofile Col.2-Col.3	Forecast Outturn 2015/16	2015/16 Month 06 Actual	Year End Variance / (Underspend) or Overspend Col.5-Col.4	Month 6 Variance / (Underspend) or Overspend Col.6-Col.5	
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Children, Young People & Culture	Support Services	-	7	-	7	7	8	-	1	
Children, Young People & Culture	DFES - Devolved Formula	500	1,507	(956)	551	546	302	(5)	(244)	Spend takes place over a 3yr rolling programme
Children, Young People & Culture	NDS Modernisation	4,778	11,641	(5,094)	6,547	6,578	4,010	31	(2,568)	
Children, Young People & Culture	Access Initiative	-	43	(11)	31	31	0	-	(31)	
Children, Young People & Culture	Targetted Capital Funds	-	101	-	101	101	3	-	(97)	
Children, Young People & Culture	Upgrade and remodel Radcliffe Hall	700	700	-	700	700	-	-	(700)	
Children, Young People & Culture	Children Centres	-	44	(17)	27	27	1	-	(26)	
Children, Young People & Culture	Free School Meal Capital Grant	-	131	(37)	94	94	64	-	(30)	
Children, Young People & Culture	Early Education Fund	-	291	(191)	100	100	35	-	(65)	
Children, Young People & Culture	Protecting Play Fields	-	-	-	-	1	1	-	-	
Children, Young People & Culture	Libraries/Adult Education	-	62	-	62	-	-	(62)	-	Final account confirmation awaited
Communities & Wellbeing	Contaminated Land	-	25	(20)	5	5	3	-	(2)	
Communities & Wellbeing	Air Quality	-	9	(9)	-	-	-	-	-	
Communities & Wellbeing	Heat Network In Bury TC	-	76	-	76	76	-	-	(76)	
Communities & Wellbeing	Improving Info.Management	-	32	-	32	-	-	(32)	-	
Communities & Wellbeing	Play Areas	250	250	-	250	250	17	-	(233)	
Communities & Wellbeing	Radcliffe Temporary Pool	-	825	-	825	861	861	36	-	
Communities & Wellbeing	Learning Disabilities	-	454	-	454	469	174	15	(294)	
Communities & Wellbeing	Mental Health	-	-	-	-	-	-	-	-	
Communities & Wellbeing	Older People	455	455	-	455	102	(33)	(353)	(135)	details of schemes being finalised
Communities & Wellbeing	Empty Property Strategy	199	726	(412)	314	-	2	(314)	2	3year programme
Communities & Wellbeing	Capital Improvement Projects	-	108	-	108	-	8	(108)	8	expected to spend budget
Communities & Wellbeing	GM Green Deal and ECO Deliver Partnership	-	55	-	55	-	-	(55)	-	contingency for possible reavowment of grant to GM
Communities & Wellbeing	Disabled Facilities Grant	781	934	-	934	934	213	-	(720)	
Communities & Wellbeing	Waste Management	-	102	-	102	102	50	-	(52)	
Resources & Regulation	Street Lighting LED Invest to Save	203	1,064	-	1,064	1,064	151	-	(913)	
Resources & Regulation	Traffic Management Schemes	-	442	(200)	242	242	48	-	(194)	
Resources & Regulation	Public Rights of Way	-	19	-	19	19	-	-	(19)	
Resources & Regulation	Planned Maintenance	1,484	1,956	-	1,956	1,956	424	-	(1,532)	
Resources & Regulation	Walking Strategy	-	20	-	20	20	2	-	(18)	
Resources & Regulation	Bridges	394	468	-	468	468	108	-	(360)	
Resources & Regulation	Traffic Management Schemes	275	416	(28)	388	388	3	-	(384)	
Resources & Regulation	Prestwich Town Centre	2,000	2,000	(1,990)	10	10	0	-	(10)	
Resources & Regulation	Development Group Projects	-	299	-	299	299	102	-	(197)	
Resources & Regulation	ELR Trust	-	-	-	-	-	4	-	4	
Resources & Regulation	Environmental Projects	60	724	(137)	587	588	219	1	(369)	
Resources & Regulation	Corporate ICT Projects	71	243	-	243	71	-	(173)	(71)	in progress
Resources & Regulation	Townside Fields - Joint Venture	-	-	-	-	-	269	-	269	
Resources & Regulation	Opportunity Land Purchase	-	109	-	109	109	0	-	(109)	
Resources & Regulation	Demolition of the Rock Fire Station	-	-	-	-	0	0	0	0	
Resources & Regulation	Inwell Street Redevelopment	-	-	-	-	53	54	53	0	
Resources & Regulation	Demolition of Former Police HQ, Inwell Street	-	370	-	370	370	10	-	(360)	
Resources & Regulation	Bury Market - New Toilets	-	-	-	-	5	(5)	5	(11)	
Resources & Regulation	Radcliffe Market Redevelopment	-	(63)	-	(63)	12	12	75	(1)	
Resources & Regulation	The Rock Fire Station Redevelopment	-	94	-	94	94	0	-	(93)	
Resources & Regulation	Radcliffe TC Bus Station Relocation	1,000	902	-	902	902	23	-	(879)	
Resources & Regulation	New Leisure Centre at Knowsley Street	-	-	-	-	79	79	79	-	
Resources & Regulation	Former Petrol Filling Station near Murray Road	-	7	-	7	32	32	25	-	
Resources & Regulation	18 Haymarket Street	-	86	-	86	86	51	-	(35)	
Resources & Regulation	Tile Street Refuse Removal	-	282	-	282	282	-	-	(282)	
Resources & Regulation	Seedfield	-	-	-	-	-	-	-	-	
Resources & Regulation	Radcliffe TC Redevelopment	-	-	-	-	4	4	4	-	
Resources & Regulation	Property Management / Sale of Assets	-	-	-	-	315	313	315	(1)	Offset at year end against realised sales.
Housing Public Sector	Disabled Facilities Adaptations	552	615	-	615	615	138	(0)	(477)	
Housing Public Sector	Play Areas/St Lighting	250	250	-	250	250	-	-	(250)	
Housing Public Sector	New Energy Development Organisation (NEDO) works	-	503	(62)	441	503	204	62	(299)	
Housing Public Sector	Major Repairs Allowance Schemes	7,619	7,619	-	7,619	7,619	804	(0)	(6,815)	
Housing Public Sector	HRA Component Modernisation Council Approval	4,119	4,754	-	4,754	5,139	-	385	(5,139)	
Total Bury Council controlled programme		25,690	41,760	(9,165)	32,595	32,578	8,769	(18)	(23,809)	

Funding position:					
Capital Receipts	-	660	(200)	460	460
Reserve / Earmarked Capital Receipts	1,013	4,404	(1,000)	3,404	3,404
General Fund Revenue	-	923	(700)	223	223
Housing Revenue Account	250	1,395	-	1,395	1,394
Capital Grants/Contributions	10,137	20,517	(6,975)	13,542	13,529
HRA/MIRA Schemes	12,290	12,290	-	12,290	12,290
Unsupported Borrowing	2,000	1,571	(290)	1,281	1,278
	25,690	41,760	(9,165)	32,595	32,578

Key for budget monitoring reports

Projected Overspend (or Income Shortfall)

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

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April 2015 - September 2015

	2015/16 Original Estimate £	2015/16 Latest Estimate £	2015/16 Projected Outturn £	2015/16 Variation Over/(Under) £
INCOME				
Dwelling rents	29,981,900	29,981,900	29,981,900	0
Non-dwelling rents	219,000	219,000	215,200	3,800
Heating charges	70,700	70,700	73,600	(2,900)
Other charges for services and facilities	950,800	950,800	914,000	36,800
Contributions towards expenditure	53,900	53,900	53,900	0
Total Income	31,276,300	31,276,300	31,238,600	37,700
EXPENDITURE				
Repairs and Maintenance	0	0	0	0
General Management	773,000	773,000	810,000	37,000
Special Services	786,400	786,400	803,000	16,600
Rents, rates, taxes and other charges	93,200	93,200	107,000	13,800
Increase in provision for bad debts - uncollectable debts	183,200	183,200	183,200	0
Increase in provision for bad debts - impact of Benefit Reforms	305,300	305,300	305,300	0
Cost of Capital Charge	4,531,900	4,531,900	4,531,900	0
Depreciation/Impairment of fixed assets - council dwellings	7,619,100	7,619,100	7,619,100	0
Depreciation of fixed assets - other assets	41,900	41,900	41,900	0
Debt Management Expenses	40,600	40,600	40,600	0
Contribution to/(from) Business Plan Headroom Reserve	(1,919,900)	(1,919,900)	(1,919,900)	0
Total Expenditure	12,454,700	12,454,700	12,522,100	67,400
Net cost of services	(18,821,600)	(18,821,600)	(18,716,500)	105,100
Amortised premia / discounts	(14,600)	(14,600)	(14,600)	0
Interest receivable - on balances	(65,400)	(65,400)	(59,900)	5,500
Interest receivable - on loans (mortgages)	(1,000)	(1,000)	(1,000)	0
Net operating expenditure	(18,902,600)	(18,902,600)	(18,792,000)	110,600
Appropriations				
Appropriation relevant to Impairment	0	0	0	0
Revenue contributions to capital	5,424,200	5,424,200	5,362,400	(61,800)
(Surplus) / Deficit before ALMO/SHU payments	(13,478,400)	(13,478,400)	(13,429,600)	48,800
Payments to Six Town Housing / Transfers re Strategic Housing Unit excluded from above				
Six Town Housing Management Fee	13,158,400	13,158,400	13,058,600	(99,800)
Contribution to SHU Costs	320,000	320,000	320,000	0
Total	13,478,400	13,478,400	13,378,600	(99,800)
(Surplus) / Deficit after ALMO/SHU payments	0	0	(51,000)	(51,000)
Working balance brought forward	(1,000,000)	(1,000,000)	(1,000,000)	0
Working balance carried forward	(1,000,000)	(1,000,000)	(1,051,000)	(51,000)

key for budget monitoring reports

Projected Overspend (or Income Shortfall) of

	a major problem with the budget - more than 10% and above 50K
	a significant problem with the budget - more than 10% but less than 50K
	expenditure/income on line with budget
	a significant projected underspend (or income surplus) - more than 10% but under 50K
	a major projected underspend (or income surplus) - more than 10% and above 50K

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The table below shows the prudential indicators as derived from the Treasury Management Strategy Report for 2015/16 and the Original Budget for 2015/16 as approved at Council in February 2015. The Original Budget for 2015/16 is compared with the Forecast Outturn for 2015/16 as at 30th September 2015.

CAPITAL EXPENDITURE	Original	Forecast	Variance	Notes
	Budget 2015/16	Outturn at 30 Sept 15		
	£'000	£'000		
Estimate of Capital Expenditure				
Non-HRA	13,150	18,452	40.32%	1
HRA existing expenditure	12,540	14,126		
TOTAL	25,690	32,578		
Estimate of Capital Financing Requirement (CFR)				
Non-HRA	119,584	117,146	(2.04%)	2
HRA existing expenditure	40,531	40,531		
HRA reform settlement	78,253	78,253		
	238,368	235,930		3

AFFORDABILITY	Original	Forecast	Variance	Notes
	Budget 2015/16	Outturn at 30 Sept 15		
	£'000	£'000		
Estimate of incremental impact of capital investment decisions				
Increase in council tax (band D, per annum)	-£1.99	-£0.46		4
Increase in housing rent per week	£0.00	£0.00		5
Ratio of Financing Costs to net revenue stream				
Non-HRA	3.02%	3.10%	2.80%	6
HRA	13.61%	14.44%	6.09%	6
Net External Borrowing only to support the CFR in Medium Term	£'000	£'000		
Net External borrowing over medium term	196,011	196,011		7
Total CFR over Medium Term	236,865	235,930		7
Net External Borrowing < Total CFR	TRUE	TRUE		
EXTERNAL DEBT	Original	Forecast	Variance	Notes
	Budget 2015/16	Outturn at 30 Sept 15		
	£'000	£'000		
Authorised limit of external debt				
Borrowing	194,100	191,600		8
Other long term liabilities	6,700	6,700		
HRA reform settlement	79,300	79,300		
TOTAL	280,100	277,600	(0.89%)	
Operational boundary				
Borrowing	159,100	156,600		
Other long term liabilities	6,700	6,700		
HRA reform settlement	79,300	79,300		

TREASURY MANAGEMENT	Original Budget 2015/16	Forecast Outturn at 30 Sept 15	Variance	Notes
Upper limit for fixed interest rate exposure Net principal re fixed rate borrowing / investments	140%	124%	(11.77%)	9
Upper limit for variable rate exposure Net principal re variable rate borrowing / investments	-40%	-24%	(41.14%)	9
Upper limit for total principal sums invested for > 364 days	£10 m	£10 m		10
Maturity structure of fixed rate borrowing at 30 Sept 2013	Upper/lower limit	Actual		
Under 12 months	40% - 0%	6.54%		
12 months and within 24 months	35% - 0%	8.28%		
24 months and within 5 years	40% - 0%	5.76%		
5 years and within 10 years	50% - 0%	2.24%		
10 years and above	90% - 30%	77.18%		

Notes to the Prudential Indicators:

1. The original budget shows the approved Capital Programme expenditure of £25,690,000. The forecast outturn of £32,578,000 is higher than budget because of slippage from 2014/15.
2. Following the Government announcement to reform the system of financing Council housing, the Authority had to pay the Department for Communities and Local Government £78.253m on the 28th March 2012. The Council financed this expenditure by PWLB loans.
3. Capital Financing Requirement relates to all capital expenditure – i.e. it includes relevant capital expenditure incurred in previous years. The Capital financing requirement reflects the authority's underlying need to borrow.
4. The finance costs related to the increases in capital expenditure impact upon Council tax. The increase in Council Tax reflects the level of borrowing to be taken in 2015/16 to finance current and previous years' capital expenditure.
5. There is no direct impact of capital expenditure on housing rents as the housing rent is set according to Government formula.
6. The ratios for financing costs to net revenue stream for both General Fund and HRA have remained relatively stable.
7. To ensure that borrowing is only for a capital purpose and therefore show that the authority is being prudent this indicator compares the level of borrowing and capital financing requirement (CFR) over the medium term. The level of borrowing will always be below the CFR.

Document Pack Page 43

8. The authorised limit and operational boundary are consistent with the authority's plans for capital expenditure and financing. The authorised limit is the maximum amount that the authority can borrow.
9. The variable and fixed limits together look at the whole portfolio and will therefore together always show 100% exposure. Variable interest rate limit can be positive or negative as investments under 364 days are classed as variable and are credit balances which are offset against debit variable loans. The smaller the balance of investments, the more likely the variable limit will be positive as the variable loan debit balance will be higher than the credit investment balance offset against it.
10. Principal sums invested for periods longer than 364 days have been set at £10 million. The investment balance is estimated to be cash flow driven, however if the opportunity arises that surplus investment balances are available then advantage will be taken of favourable rates.

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