

AGENDA FOR

CABINET

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

To: All Members of Cabinet

Councillors: R Shori (Leader and Cabinet Member for Economic Growth and Human Resources (Chair)), A Simpson (Deputy Leader and Cabinet for Member Health and Wellbeing), S Briggs (Cabinet Member for Children and Families), J Kelly (Cabinet Member for Corporate Affairs and Regulatory Services), E O'Brien (Cabinet Member for Finance and Housing), A Quinn (Cabinet Member for Environment) and T Tariq (Cabinet Member for Communities)

Dear Member

Cabinet

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

Date:	Wednesday, 28 June 2017
Place:	Meeting Rooms A & B - 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 - 6)*

To approve as a correct record the minutes of the meeting held on 12 April 2017.

5 LIBRARY REVIEW - OUTCOME OF THIRD PUBLIC SURVEY ON PROPOSED OPTIONS AND RECOMMENDATIONS *(Pages 7 - 124)*

6 PROPOSED CLOSURE OF RIBBLE DRIVE NURSERY *(Pages 125 - 136)*

7 REVENUE AND HOUSING REVENUE ACCOUNT OUTTURN 2016/2017 *(Pages 137 - 162)*

8 CAPITAL OUTTURN REPORT 2016/2017 *(Pages 163 - 178)*

9 TREASURY MANAGEMENT OUTTURN REPORT 2016/2017 *(Pages 179 - 190)*

10 FUTURE OF SECTION 48 AGMA GRANTS SCHEME *(Pages 191 - 196)*

11 CORPORATE PERFORMANCE 2016/2017 QUARTER 4 *(Pages 197 - 212)*

12 BURY WHOLE SYSTEM TRANSFORMATION: DEVELOPMENT OF ONE COMMISSIONING ORGANISATION *(Pages 213 - 220)*

13 URGENT BUSINESS

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

14 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.

- 15** **PARRENTHORN HIGH SCHOOL EXTENSION AND REMODELLING WORK TO SUPPORT AN INCREASE IN PUPIL NUMBERS AT THE SCHOOL - CAPITAL PROJECT STAGE 2 APPROVAL** *(Pages 221 - 226)*

- 16** **ELMS BANK SPECIALIST ARTS COLLEGE - PHASED SCHEME OF REBUILD AND REFURBISHMENT - CAPITAL PROJECT STAGE 2 APPROVAL** *(Pages 227 - 232)*

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Minutes of:	THE CABINET
Date of Meeting:	12 April 2017
Present:	Councillor R Shori (in the Chair) Councillors K S Briggs, J Daly, T Holt, A Quinn, T Pickstone, T Tariq and S Walmsley
Apologies:	-
Public attendance:	1 member of the public was in attendance.

CA.663 DECLARATIONS OF INTEREST

Councillor R Shori declared a personal interest that his partner is employed by the Council.

CA.664 PUBLIC QUESTION TIME

A period of thirty minutes was allocated for any 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.665 MINUTES**Delegated decision:**

That the minutes of the meeting held on 8 March 2017 be approved and signed by the Chair as a correct record.

CA.666 HIGHWAY MAINTENANCE STRATEGY

The Cabinet Member (Strategic Housing and Support Services) and Cabinet Member (Environment) submitted a report presenting the proposal to invest £10 million into the Highway Network within Bury over a three year period. The funding announcement was made at Council (Budget meeting) on 22 February 2017.

Delegated decision:

1. That approval be given to an additional capital allocation of £10m being made to the Council's Highways planned maintenance budget over the three financial years 2017/2018, 2018/2019 and 2019/2020.
2. That the funding be allocated on the basis of a programme of identified works drawn up in accordance with the principles and methodology as explained in the report submitted and that existing annual Department of Transport funding be used to undertake cost effective interventions to prevent lengths of the network condition from dropping into the red band* (*requiring interventions such as road resurfacing).

Cabinet 12 April 2017

Reasons for the decision:

The Council as a Highway Authority must meet its statutory duty under the Highways Act 1980 to maintain the highway in a fit state to accommodate the 'ordinary traffic which passes or maybe expected to pass' along them.

Other option considered and rejected:

That no increase be made to the Highways planned maintenance budget.

(Note: Councillor Daly voted against the recommendation and Councillor Pickstone abstained from voting on the recommendation.)

CA.667 DISESTABLISHMENT OF SIXTH FORM PROVISION AT ST MONICA'S RC HIGH SCHOOL

The Cabinet Member (Children and Families) submitted a report setting out the proposal for Cabinet to approve a decision for the disestablishment of the sixth form provision at St Monica's RC High School. The proposal resulted from the decision made by the Governing Body of St Monica's RC High School on 27 February 2017 to publish a notice of a proposal of its intention to close the sixth form provision. The notice set out arrangements for those affected by the proposal to submit their views and details of the responses received were appended to the report submitted.

The Governing Body had determined that the sixth form provision at St Monica's had failed to recruit strongly and was operating significantly below capacity. Based on current and projected student numbers the sixth form provision at the school was not financially sustainable.

The Governing Body met on 4 April 2017 to consider the fourteen responses received from the consultation process. Five of the responses were opposed to the closure with the remainder in favour of the proposal. The Governing Body had agreed to all reasonable measures to find alternative provision for those students that would be affected by the proposed closure. The Governing Body consulted with unions and efforts had been made to redeploy and support those staff affected. Salford Diocese was also consulted and had accepted that the Sixth Form provision at the school was no longer sustainable. The Governing Body decided to reaffirm its decision to close the sixth form with effect from 31 August 2017.

The report specified that in considering the school's Governing Body decision for closure of the sixth form provision, Cabinet would need to be satisfied that the consultation process was appropriate, fair and open. Consideration should also be given to the views of those affected by a proposal or who have an interest in it, giving weight to those most directly affected.

Delegated decision:

That the published proposal to disestablish the sixth form provision at St Monica's RC High School taken by the school's Governing Body, with effect from 31 August 2017, be approved.

Reasons for the decision:

Cabinet accepts that the case set out by the Governing Body in its proposal, satisfies the requirements as stated within the statutory guidance. In addition adequate arrangements have been made for displaced students affected by the proposal.

Other option considered and rejected:

To not make a decision and refer consideration to the Schools Adjudicator.

(Note: The report Appendix 1 was made exempt from the public domain for the reason that it identified individuals.)

CA.668 PROPOSAL TO INTRODUCE A NEW NEIGHBOURHOOD ENGAGEMENT FRAMEWORK IN BURY INCLUDING A NEW FRAMEWORK FOR INVESTING GRANT FUNDING IN NEIGHBOURHOODS

The Cabinet Member (Communities and Safer Neighbourhoods) submitted a report introducing a proposal for a new Neighbourhood Engagement framework for Bury including a new framework for investing grant funding in Neighbourhoods. The proposal was developed to support Neighbourhood Working which will mobilise the whole scale system wide transformation required as part of Greater Manchester Devolution between now and 2020 (and beyond).

Recommendations to Council:

1. That the proposed framework for Neighbourhood Engagement and new framework for investing grant funding in Neighbourhoods in Bury be adopted.
2. That it be noted that the governance of the new framework would sit within Team Bury Wider Leadership Group, although annual reporting to Full Council would continue.

Reason for the decision:

The decision will introduce a framework to make best use of assets in the community, work in partnership with local businesses and embrace social value.

Other options considered and rejected:

1. To keep the existing model of community Engagement model and existing community grant process in Bury.
2. To adopt the proposed framework of Neighbourhood Engagement and new framework for investing grant funding in Neighbourhoods in Bury. The governance of the new model would be kept within the Councils Constitution.

(Note: Councillors Daly and Pickstone voted against the recommendations.)

CA.669 SOCIAL VALUE POLICY 2017 - 2020

The Leader of the Council and Cabinet Member (Business Engagement and Regeneration) submitted a report presenting a draft Social Value Policy 2017-2020 for the Council.

Cabinet 12 April 2017

The Social Value Policy has been produced to communicate the Council's approach to social value both internally and externally. It will be used for external organisations and service providers to explain what the Council expects from them when they work with the Council. This policy is to be used across the council.

Delegated decision:

That approval be given to the Social Value Policy 2017-2020.

Reason for the decision:

To ensure the Council's approach to social value is communicated in a clear and consistent manner and that opportunities to deliver social value through commissioning, procurement and service redesign are maximised to benefit the people of Bury.

Other option considered and rejected:

To reject the recommendation.

CA.670 CORPORATE PERFORMANCE – 2016/17 QUARTER 3

The Leader of the Council and Cabinet member (Business Engagement and Regeneration) submitted a report providing an update on performance in line with the Single Outcomes Framework for Team Bury. The report detailed a series of indicators and performance measures under each outcome, with the most recent data provided for each.

Delegated decision:

That the report be noted.

Reason for the decision:

The use of a robust performance management framework enables the Council to measure the effectiveness and value for money of the services it delivers.

Other option considered and rejected:

To reject the recommendation.

CA.671 EXCLUSION OF PUBLIC

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 items of business as it involved the likely disclosure of exempt information, as detailed in the conditions of category 3.

CA.672 WHITEFIELD PRIMARY SCHOOL -REMODELLING WORK TO SUPPORT THE INCREASE IN PUPIL NUMBERS AT THE SCHOOL - CAPITAL PROJECT STAGE TWO APPROVAL

E

The Cabinet Member (Finance and Resource) and the Cabinet Member (Children and Families) submitted a report presenting, in financial terms, the details of a project at Whitefield Primary School.

The project is contained within the Council's agreed Capital Programme for 2017/18 and 2018/19 and the proposed funding arrangements are set out in the report submitted.

Delegated decisions:

1. That approval be given to the financial details set out in the report submitted.
2. That delegated authority be given to the Executive Director for Children and Young People and Culture, in consultation with the Cabinet Member (Children and Young People), to approve the tender report prior to the release of the contract.

Reason for the decision:

This decision will address an increase in demand for pupil places.

Other option considered and rejected:

To reject the recommendation.

CA.673 FORMER GM POLICE HEADQUARTERS, IRWELL STREET, BURY – DEMOLITION OF BUILDINGS

E

The Leader of the Council and Cabinet member (Business Engagement and Regeneration) submitted a report advising Cabinet of the progress made to demolish the former GM Police headquarters at Irwell Street, Bury and provided details of the tenders received to complete the demolition work.

Delegated decision:

That approval be given to capital expenditure required to complete the demolition of the remaining buildings of the former GM Police headquarters at Irwell Street, Bury.

Reason for the decision:

The decision will enable to completion of the demolition of the former GM Police Headquarters and for the site to be cleared.

Other option considered and rejected:

To reject the recommendation.

CA.674 LAND OFF BURY NEW ROAD, WHITEFIELD

E

The Leader of the Council and Cabinet member (Business Engagement and Regeneration) submitted a report on proposals to develop land off Bury New Road, Whitefield.

Cabinet 12 April 2017

Delegated decisions:

1. That approval be given to the main terms of the proposed agreement for sale as detailed in the report submitted.
2. That delegated authority be given to the Head of Property and Asset Management and the Council Solicitor for the agreement of the detailed terms of the sale.

Reason for the decision:

The decision will contribute to the regeneration of Whitefield.

Other option considered and rejected:

To reject the recommendations.

COUNCILLOR R SHORI
Chair

(Note: The meeting started at 6.00pm and ended at 6.50pm.)

REPORT FOR DECISION



DECISION OF:	CABINET
DATE:	28 JUNE 2017
SUBJECT:	LIBRARY REVIEW - OUTCOME OF THIRD PUBLIC SURVEY ON PROPOSED OPTIONS AND RECOMMENDATIONS
REPORT FROM:	COUNCILLOR SHARON BRIGGS CABINET MEMBER FOR CHILDREN AND FAMILIES
CONTACT OFFICER:	KLARE RUFO ASSISTANT DIRECTOR (LEARNING AND CULTURE)
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	PUBLIC DOMAIN
SUMMARY:	<p>This report will inform the Cabinet of:</p> <ul style="list-style-type: none"> • The summarised outcomes following Phase 2 of the public consultation on the 2 proposed options • An overview of additional work carried out since last report • A recommendation for option choice and next steps
OPTIONS & RECOMMENDED OPTION	Based on all available evidence we are recommending Option 2 – Four libraries is approved by the Council Cabinet.
IMPLICATIONS:	The closure of 10 Bury Libraries.
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes No
Statement by the S151 Officer: Financial Implications and Risk Considerations:	Rationalisation of all Council services is necessary given funding constraints. This review seeks to develop a sustainable library service, which meets the needs of current and future service users.

- 1.2** The Council remains fully committed to retaining a comprehensive and efficient Library Service in the borough but in reviewing this service, it anticipates that there will need to be changes, including the possibility of a reduction in the number of libraries. Despite this the Council will continue to provide a service that meets its legal duties and supports the aspirations of residents of all ages for development of reading skills for the youngest, lifelong learning and access to books and information.
- 1.3** The Council also recognises the importance of libraries as community spaces and wishes to explore ways of working together with local communities to strengthen the role their local library plays in meeting community needs.

2.0 LEGAL CONSIDERATIONS

In undertaking a review of the Council's Library Service, there are 3 matters that the Council needs to consider from a legal perspective:

1. The duty to provide a comprehensive and efficient library service pursuant to the Public Libraries and Museums Act 1964,
2. The requirement to have due regard to its public sector equality duty and other equality obligations under the Equality Act 2010
3. That the consultation process is fair and thorough.

The Public Libraries and Museums Act (1964) states that it is the duty of every Council to "provide a comprehensive and efficient library service". Case law and guidance on this indicates that this cannot mean that every resident lives close to a library but rather delivering a service that is accessible to all residents using reasonable means, including digital technologies, making the best use of the assets available in order to meet its core objectives and vision, recognising the constraints on Council resources.

The Equality Act 2010 sets out the Public Sector Equality Duty (PSED) and states that Councils must have 'due regard' to the matters set out in the Act when exercising its functions and when considering and making decisions about service provision. Guidance recommends that to evidence 'due regard', a library review process should demonstrate how proposed changes might impact vulnerable communities.

Recent case law relating to consultations, in particular related to library services, has shown that Councils should have a vision for the service and key principles which may then be used to develop options for change. The process for consulting upon these should then be undertaken in a reasonable time frame, be sufficiently thorough, so as to ensure all those wishing to contribute are able to do so and be fair both in terms of the process and in dealing with the results of the consultation itself.

3.0 CONSULTATION RESULTS

3.1 Public Consultation

The second phase of the public consultation took began on 2 February 2017 and involved a 12 week survey (both online and paper), presentations to Township Forums and community meetings held at libraries.

A number of petitions were also received and considered as part of the consultation.

The public survey was available for 12 weeks and asked people to select one of two options for the future of the Library Service.

2,693 surveys were submitted. In brief the results are as follows:

Options	Number of responses in favour	Overall percentage
Option 1 Retain Bury, Ramsbottom and Prestwich Libraries plus a service wide team	493	18.3%
Option 2 Retain Bury, Ramsbottom, Prestwich and Radcliffe Libraries plus a smaller service wide team	1,920	71.3%
No selection made	280	10.3%

3.2 Comments made

In addition respondents were able to make comments about the review. Over one thousand comments were received via the survey with an additional 30 comments received via email or letter. Comments were divided into subject categories. NB some comments covered more than one subject area.

Subject	Summary	Number received
Radcliffe	Retain Radcliffe Library. Consider closure in relation to loss of other Council facilities. Radcliffe disadvantaged compared to rest of the borough.	398 plus 3 petitions
Council	Comments on the approach of the Council to library closures and other issues	239
Uncategorised	Primarily pleas not to close libraries	202
Consultation	Options not acceptable. More options needed. More explanation regarding impact/staffing	147
Books/reading	Importance for Leisure and Education. Access to books and reading for disadvantaged groups.	141
Travel	Concern over accessibility. Travel times. Insufficient consideration given to difficulties.	124
Community/ies	Communities need libraries. Greater need than in town centres. Loss of facilities.	118
Whitefield	Retain library and adult learning provision. Gap in coverage. Loss of kiln and pottery studio.	118
Children	Libraries vital for children. Adverse impact on families.	106
Unsworth	Retain library. Community use increasing. Loss of needed resource.	90
Computers	Free access vital. Many people will lose access.	64
Sculpture Centre	Close and reinstate library space	54
Tottington	Retain library. Vital community resource. Important to the town.	53
Bury	More space needed. Close Sculpture centre. Re-instate as the Central Library.	38
Adult Education	Valued resource.	31
Moorside	Community activities of great value. Concern for future of service users especially the elderly.	21
Prestwich	Retain library	16
Topping Fold	Community activities particular for old and youth essential	16 plus petition and presentation
Ramsbottom	Retain library and adult learning provision	14
Ainsworth	Retain library. Only council resource in the village	7
Brandlesholme	Retain library. Community activities needed. Youth group threatened by closure.	7

The results of the survey in full are available at

<http://www.bury.gov.uk/index.aspx?articleid=13578>

4.0 COMMUNITY ENGAGEMENT

4.1 Township Forums

During March 2017 a presentation updating communities about the Library Review was given at all Township Forums ([Appendix 1](#)). Time was also allowed for questions and discussion. The presentation covered: The outcome of the first public consultation; impact of the council budget; phase two consultation and next steps.

4.2 Community Groups

The Library Service works with a wide range of community groups, some for many years. In addition to groups which existed previously a good number of more informal groups have developed due to projects begun by the Library Service.

All groups currently or recently using libraries have been given the opportunity to have an informal discussion with senior library staff in order to help them plan for the future of their group. A mapping exercise was also carried out ([Appendix 2](#)).

Several groups have expressed an interest in developing a model to run library buildings which are proposed to close at the end of the review either as libraries or as other community provision. Discussions with these groups will be ongoing over the coming months. It should be noted that any library service provided by these groups will be outside the Council's statutory library offer and must be cost neutral to the library service and the council.

4.3 Supporting vulnerable groups and individuals

Additional meetings have been held with groups who have members with additional needs including:

- Visual Impairment Group
- Macular Society
- Bury Society for Blind and Partially Sighted People (BSBPSP)
- Luncheon Clubs and Over 50s groups

As a result of these meetings a number of steps will be taken to enable these (and other) groups to be able to continue to use the library service:

- Additional training for staff in all library buildings with regard to assisting people with disabilities to ensure each building has the same level of expertise.
- Resources for people with sensory disabilities at all libraries e.g. specialist software to assist with IT use
- Assistance with relocation to other libraries e.g. working with BSBPSP to help people plan and try journeys to library locations new to them
- Continuation of the Home Library Service
- Expansion of online resources
- Continued support for job seekers and people requiring access to and advice on benefits system
- Online access and IT support and training.
- Continuation of social activities to help reduce isolation and encourage positive use of leisure time e.g. knit and knatter, creative writing and adult colouring group.
- Continuation and development of health related activities in partnership with council and other providers e.g. smoking cessation sessions, health trainers and weigh and go sessions

5.0 EXPLORING ALL THE OPTIONS

We have researched extensively the other options that may be available to us as part of the library service review. Below are some of the options explored. See also ([Appendix 3](#))

5.1 Greater Manchester (GM) options

Over the last decade there has been discussion across the Greater Manchester Library Authorities in regard to both joint working for parts of the service and, the possibility of a single library service. So far any possible benefits would not exceed the current financial and staffing efficiencies. However Bury is part of a number of joint projects which provide both savings and improved services: GM stock purchasing consortium; Zinio online magazine provision; e-books/e-audio purchasing as well as a number of one off activities

5.2 Other Local Authority solutions

All library authorities have already or are currently facing budget cuts and service re-organisations. We have considered a number of schemes taken up by other authorities similar to our own, including:

Scheme	Bury's response
Increase income	<p>Introduction of 'Inspirations' shop at Ramsbottom with mini-shops at other locations. Now making a profit and expanding into craft fairs.</p> <p>Ensuring services that are meant to generate income actually do e.g. DVD provision will be withdrawn as this is losing money.</p> <p>Introducing small charges for activities e.g. author visits now make a small profit and allow us to provide more visits.</p> <p>Exploring a wider range of letting and room hire opportunities.</p> <p>Using our resources e.g. local history and archives to develop unique items for resale via a newly developed website.</p>
Volunteers	<p>Bury libraries have worked with volunteers for many years but not in the larger libraries. We now intend to train volunteers to work alongside library staff in order to expand the resources and provision we can make to the public. It must be noted that our volunteers will be there to add variety and value to our library service not hold huge responsibilities for core service.</p>
Exploring sponsorship and funding opportunities	<p>Bury's Libraries have gained considerably from external funding and our approach to this now needs to be revised in order to add to resources likely to be very stretched with the proposed budget. Sponsorship by local businesses along the lines of Bury in Bloom can also be introduced.</p>

5.3 Other management options

There are a number of management/funding opportunities available to library authorities however Bury's size and current financial position limits its suitability for most of these.

- **TRUSTS** help reduce outgoings e.g. rate exemptions and provide freedom to revise services. However they can be stressful for staff and have frequently not received approval from unions. A number of library trusts have failed in recent years.
- **MUTUALS** have to be guaranteed/supported by councils for an initial period (approximately 5 years) and usually depend on significant income generation ability.
- **PRIVATISATION** several companies now provide library management services; however these have not always proved to be immune from ongoing cuts. No companies have come forward to explore working with Bury.

5.4 Community management

As has been previously stated (report to cabinet January 2017) the Council is amenable to former library buildings being managed by community groups. Asset transfer of buildings and/or services can be very beneficial, saving valuable community resources from closing completely and increasing community engagement. However it can also put a large amount of financial liability on community groups and remove potentially valuable assets from the council/public ownership.

6.0 PROPOSED TRANSITION ARRANGEMENTS

We are developing a Transition Plan which has two main functions: firstly to ensure all our current customers continue to use the library service and secondly to ensure all resources from buildings to books are used/disposed of efficiently.

6.1 Supporting Customers

As was outlined in section 4.0 we are actively looking at ways for all current library users to access libraries and continue to enjoy the resources and activities they value.

We intend that revised library opening hours will provide adequate time for both existing and new community activities and also encourage wider involvement in libraries including volunteering and assisting in such things as stock selection.

Frontline staff will be able to provide practical assistance e.g. timetables, routes and contacts. We will also look to provide welcome sessions for groups and individuals in their 'new' library.

6.2 Buildings

Property Services will work with the Library Service to ensure that the closure and disposal of buildings is done as efficiently as possible. In the January report to Cabinet Appendix 5 dealt with the potential use of redundant library buildings. The future of buildings will be under regular evaluation for the remainder of the review and the possible transfer of buildings to community will be considered at each stage. Initial proposals include:

Building	Updated information
Ainsworth	Little contact from community. Size of building limits potential. Return to leaseholder.
Brandlesholme	Consider retaining building and seeking Good or Outstanding child care providers as tenants. Provide space for community use.
Bury	Meet the need for extended IT and community space.
Castle Leisure	Return space to Leisure Centre, remove fixtures and fittings.
Coronation Road	Local groups feel community management is not an option.
Dumers Lane	Organising a community groups day to test local interest in retaining building.
Moorside	Talks between church and other community groups ongoing to try and continue community activities. Rent expected for any community use.
Prestwich	Space being reviewed for extended use by community groups. Adult Learning provision increased.
Radcliffe	Potential for creating adult learning classroom/community space under consideration. Several community groups from libraries under threat of closure would like to use Radcliffe.
Ramsbottom	Potential for increasing adult learning and community use.
Topping Fold	Local community feel unable to take responsibility for the building but support from other organisations could provide potential for local use. Ongoing solutions being explored.
Tottington	Local group's business plan being explored.
Unsworth	Discussion with community groups to re-house them at Radcliffe. Future use/disposal linked to the fact that the NHS building next door is interconnected.
Whitefield	Demolition and redevelopment still likely.

6.3 Resources

Resources, including books, audio visual items, IT equipment, furniture and other items will be dealt with as follows:

1	2	3
<ul style="list-style-type: none"> •Resources that can be used by the Library Service will be retained for either immediate or future use •Resources will be relocated to improve the overall appearance and efficiency of retained libraries 	<ul style="list-style-type: none"> •Resources no longer needed will be offered to other council departments • Some resources e.g. small collections of books will be offered to community groups. Once accepted these collections will not be part of the Library Service. 	<ul style="list-style-type: none"> • Remaining items will be offered for sale or, if appropriate given to charity. • Unwanted book stock will be offered to the public through booksales or to commercial outlets. •Books with significant valued will be sold separately

7.0 RECOMMENDATION

Based on the outcomes of all public surveys, extensive research carried out by Mott Macdonald, internal research of all available alternative options combined with listening and exploring all suggestions heard as part of the community consultation events we are recommending **Option 2 – 4 Libraries (Bury, Prestwich, Ramsbottom and Radcliffe)** is approved by the Council Cabinet.

It is important to note that Option 2 will involve an increase in staffing and resources from the statutory minimum the budget is based upon.

8.0 PROPOSED TIMELINE

Final Report to Cabinet on decisions to be taken	28 June 2017
Staff consultation	July/August/September
Implementation	From 1 October 2017

8.0 CONCLUSION

Option 2 provides the Council with a good geographical spread of library buildings in the north, south and centre of Bury whilst providing a service in our most deprived township (Radcliffe) ensuring our commitment to our vulnerable residents. The proposed remaining libraries have the four largest registered library population and cover 77% the current offer Bury (34%), Prestwich (20%) Radcliffe (14%) and Ramsbottom (9%). Option 2, when looking at the overall population, identifies that 95% are located within 20 minutes travel time and 100% the population can access a library within 30 minutes.

APPENDICES

Appendix 1 – Township Forum Presentation



06-28-17 Appendix 1
Lib.ppt

Appendix 2 – Community Groups



06-28-17 Appendix 2
Lib.xls

Appendix 3 – Background Reading



06-28-17 Appendix 3
Lib.doc

List of Background Papers:-

<http://www.bury.gov.uk>

Home>Libraries & Archives>Library Service Review

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

Klare Rufo, Assistant Director (Learning and Culture)

Email: K.Rufo@Bury.gov.uk Tel: 0161 253 5477

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Saved by the Book
 Help raise money for Bury Hospice by reading!

Pick up your Bury Hospice collection box from Ramsbottom Library to have at home, at your reading group or at school. Choose on an amount to donate for each book you borrow and read from Bury Libraries - it could be 10p, 20p, £1, or more, it's up to you!

Every time you finish a library book, put your donation in your collection box.

On 30th November 2017 all boxes need to be handed into Ramsbottom Library where monies raised will be collected and sent to Bury Hospice.

If you are interested in taking part pop into Ramsbottom Library or email Louise at L.Guilfoyle@bury.gov.uk.

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 SEARCH "BURY LIBRARIES"
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THE LIBRARY REVIEW

Department for Children, Young People and Culture



6 Principles

1. Library services across the borough
2. Protecting the vulnerable
3. Cost effective
4. Technology
5. Volunteers
6. Communities



2 consultations showed...

- Books & Reading
- Community
- Staff
- Volunteers
- Children
- Access
- Technology
- Learning

Meet the Author
of *Sunshine Over Wildflower Cottage*
and *Afternoon Tea at the Sunflower Café*
Milly Johnson
Tuesday's (term time)
10.30am - 11.00am
Rhyme Time
at Radcliffe Library
Bury Libraries

DID YOU KNOW...
THAT YOU CAN BORROW EBOOKS FOR
FREE WITH YOUR LIBRARY CARD?
BURY.LIB.OVERDRIVE.COM
Bury Libraries

The Western Front Remembered in Poetry
Local historian David Galloway will be looking at the events of the First World War. This will include a presentation, accompanied by images of cemeteries and memorials on the Western Front, interspersed with readings of poetry from the Great War.
Friday 10 March - Starts 12pm
Moorside Library - open to residents of Moorside £2 per person. Booking is essential.
This is the first of a series of weekly lunch clubs with invited speakers during March. These clubs have been made possible via funding obtained by Seedfields Tenants and Residents Association from Comic Relief.
For more information about other lunch clubs during March, call Moorside Library on 0161 253 6471.
Bury Libraries

WWW.FACEBOOK.COM/BURLIBRARIES [@BURLIBRARIES](https://twitter.com/BURLIBRARIES)
WWW.BURY.GOV.UK/LIBRARIES



The Core Offer

Reading & Literacy



Digital Inclusion



Bury Libraries

Digital Buddy Volunteer Sessions

Whether you've never used a computer, tablet or smartphone before, or just want to enhance your existing skills, we're here to help with weekly, free of charge, one-to-one sessions.

Call into one of the libraries or phone to book a slot with one of our friendly Digital Buddy Volunteers.

Bury Library Computer Centre - 0161 253 7089 Tuesday/Thursday/Friday at 10.30am. Saturday 10am-12pm	Tottington Library 0161 253 7214 Thursday 10am-12pm
Prestwich Library 0161 253 7214 Tuesday/Thursday 10am-12pm	Whitefield Library 0161 253 7510 Tuesday 10am-12pm

Thinking outside the books

[/BURYLIBRARIES](#) [@BURYLIBRARIES](#) [SEARCH 'BURY LIBRARIES'](#) [WWW.BURY.GOV.UK/LIBRARIES](#) **Bury COUNCIL**

Information & Learning

Community Support & Development

Baby Basics Donation Bin at Ramsbottom Library

Our Baby Basics bin welcomes second hand newborn and 0-3 month clothing (or new if you wish), first size nappies, baby wipes, lotion, soap, shampoo, towels, Moses baskets and blankets.

Baby Basics also need items that Mums require such as maternity pads, breast pads, body wash, shampoo and conditioner, toothbrush and toothpaste (for labour bag).

Baby Basics accepts knitted and crocheted items, or if you can sew you could donate quilted blankets for Moses baskets.

Bury Libraries

Department for Children, Young People and Culture



The thing we cannot escape...

COUNCIL BUDGET

65M cuts to date

32M further cuts
2017/20

By 2020 –

no more Central
Govt Grant

Council to be self
sufficient

LIBRARIES BUDGET

Reduced in 2013/14
by £870K

Currently £2.4*
million

Reducing in 2017/18
by £500K

Reducing in 2018/19
by £500K

OPTION 1

Retain Bury,
Ramsbottom
and Prestwich
Libraries plus a
service wide
team



OPTION 2

Retain Bury,
Ramsbottom,
Prestwich and
Radcliffe
Libraries plus a
smaller service
wide team

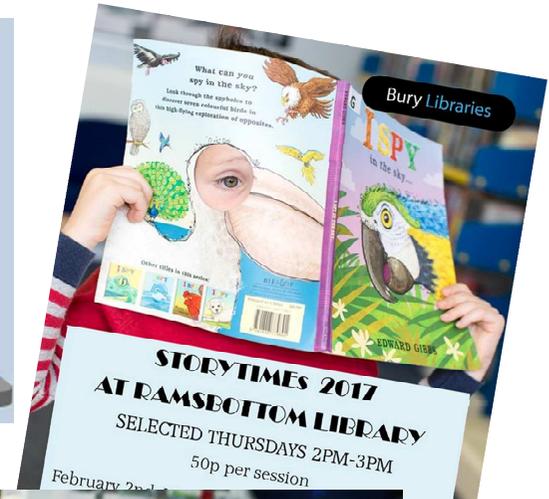
Children's Services Department

Have your say about your Library Service



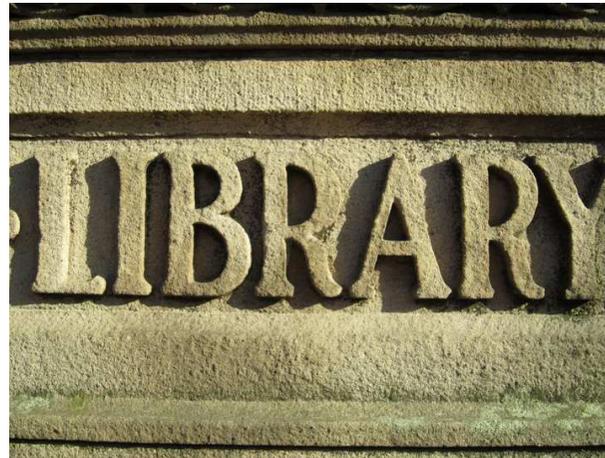
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 Digitised local trade directories
<http://bit.ly/2e1g00v>
 Bury Times stories (1855 to 1909)
<http://bit.ly/2eFPPrTw>
 Thinking outside the books

Facebook: /BURLIBRARIES, Twitter: @BURLIBRARIES, Search: "BURY LIBRARIES", Website: WWW.BURY.GOV.UK/LIBRARIES



Rammy Snappers Photography Exhibition
 An exhibition of photography by Ramsbottom Photography Group.
 Ramsbottom Library
 Mon 20 February - Fri 3 March
 Free entry
 Some photos may be for sale (at the exhibitors discretion)

Facebook: /BURLIBRARIES, Twitter: @BURLIBRARIES, Search: "BURY LIBRARIES", Website: WWW.BURY.GOV.UK/LIBRARIES



Department for Children, Young People and Culture

Next Steps

Public Consultation on proposed models / options for change	Ends 26th April 2017
Final Report to Cabinet on decisions to be taken	May 18 th 2017
Staff consultation	Begins July 2017
Implementation	From August 1 st 2017

library.suggestions@bury.gov.uk



Department for Children, Young People and Culture



SPACE USED	FACILITIES PROVIDED	CHARGE
library		
library		

GROUP	CONTACT DETAILS
Community Group	
Youth Club	
Readers Group	
Craft group	
PCSOs	

FUTURE PLAN

Explore potential for retaining building/renting out space to nursery

GROUP	CONTACT DETAILS
National Careers Service	
Card Making	
Story time	
Rhyme time	
Reading Group	
LEGO Club	

REVIEW SPACE & CONTINUE

GROUP	CONTACT DETAILS
No regular activities	

GROUP	CONTACT DETAILS	DAY
Knitting Group		Mondays
Creative Writing Group		Tuesdays
Knitting Group		Tuesdays
Work Club		Tuesdays
Jewellery Making		Wednesdays
Gardening Club		Wednesdays
Computer Help		Friday
Craft Group		Friday
Councillors Surgery		Saturday
Abbey Close TRA		Various

FREQUENCY	TIME	NUMBER ATTENDING	SPACE USED
weekly	10am-12pm	6	community room
weekly	2pm-4pm	6	community room
weekly	10am-12pm	7	community room
weekly	2pm-4pm	4	main library area
weekly	10.30am-12.30pm	7	community room
weekly	1.30pm-4.30pm	9	courtyard/community room
weekly	10am-12.30pm	1	community room
weekly	2.30pm-4.30pm	6	community room
monthly (1st sat.)	10am-11pm	various	community room
Monthly (frequency can vary)	Various	15-20	community room /Library

FACILITIES PROVIDED	CHARGE	FUTURE PLANS
Tables and Chairs, Cups and Hot Water	none	ROC/Radcliffe
Tables and Chairs, Cups and Hot Water	none	ROC/Radcliffe
Tables and Chairs, Cups and Hot Water	none	ROC/Radcliffe
	none	ROC/Radcliffe
Tables and Chairs, Cups and Hot Water	none	ROC/Radcliffe
Tables and Chairs, Cups and Hot Water + Storage	none	ROC/Radcliffe
kitchen	none	ROC/Radcliffe
Tables and Chairs, Cups and Hot Water	none	ROC/Radcliffe
	none	
Tables and Chairs, Cups and Hot Water + Storage	none	Discuss with 6 Town Housing

CHARGE	FUTURE PLAN
paid to church	Continue £church
none	Continue £church

TIME	NUMBER ATTENDING
10am-12pm	20
10am-12pm	10
10.30am-11.45am	10
10.30am-11.30am	5
10am-11am	14
various	various
7pm-9.30pm	40
7.30pm-8.30pm	10
7.30pm-8.30pm	8
10.45-11.30am	20-30
various	30+
4pm-5pm 10am 12	15-20

GROUP	GROUP
Adult Colouring Group	Adult Colouring Group
Rhyme Time	Rhyme Time
Card Making	Card Making
Knit & Natter	Knit & Natter
Family History	Family History
Lego	Lego
Drama	Drama
Heritage Society	Heritage Society
Literary Society	Literary Society
Health Trainers	Health Trainers
Readers Group	Readers Group
Councillors Surgery	Councillors Surgery

NUMBER ATTENDING	SPACE USED
12	Main Library
45	Main Library
15	Main Library
15	Main Library
5	Main Library
25	Main Library
?	Main Library
10	Heritage aroom
15	Main Library
Various	Small Room
13	Main Library
Various	Heritage Room

UNAFECT

FACILITIES PROVIDED	CHARGE
pens & colouring sheets Refreshments	50p
musical Instruments & books	Nil
Nil	Nil
wool patterns knitting needles Refreshments	50p
Computers Refreshments	50p
Lego Refreshments	50p
Nil	Room Hire
Nil	Nil
Nil	Nil
Nil	Nil
Books and Refreshments	Donations refreshments
Refreshments	Nil

TESTED IF LIBRARY OPEN

GROUP	CONTACT DETAILS	DAY
Maria Yoga		Saturday
Wool Whisperers		Saturday
Readers Group (2nd Monday)		Monday
Readers Group (Last Monday)		Monday
Readers Group		Thursday
Readers Group		Friday
Busy Hands, Busy Tongues		Friday
Stained Glass Class (Private Hire)		Thursday
Health Trainers		Tuesday
Spanish Class (Private Hire)		Monday
Art Class (Private Hire)		Monday
Holcombe Heritage Society		
R.N.L.I.		Tuesday
Lego Club		Thursday
Storytime (Sarah Howell)		Tuesday
Storytime (Jean Swanson)		Thursday
Calligraphy		Thursday
Ramsbottom Heritage Society		Sunday

GROUP	CONTACT DETAILS	DAY
Adult Care		every
Beasties		Friday
Craft ladies		Wed
Over 50s		Wed
No Barriers		Tuesdays
No Barriers		Wed
BAEC		ad hoc
Six Town		ad hoc
Luncheon club		Wed
One Recovery		Tuesdays
Kids activities		Sat
Streetdance		Tuesdays
Knit and natter		Wed
TRA		Monthly
TRA events		adhoc
PCSOs		adhoc

FACILITIES PROVIDED	FUTURE PLAN
Room, kitchen	Dependent on plans of Persona
none	Relocate to East Ward School
none	Bury
none	Likely to fold
none	Bury
none	Bury
Whiteboard	Bury
none	Relocate to town centre?
none	Likely to fold
none	
none	
none	East Ward?
none	Bury?
none	Assist to find local meeting place
none	Assist to find local meeting place
none	

CHARGE	FUTURE PLAN
£0	Dependent on future/FOTL
£15 per session	
£0	
£10 per hour	
£8 per hour	
£7 per hour	
refreshment charge	
£12.25 per session	
£0	
refreshment charge	
£0	
refreshment charge	
£0	
50p each	
refreshment charge	
£0	
£20 per session	
£0	
£0	
£20 per session	
£0	
£0	
£10	

FREQUENCY	TIME	NUMBER ATTENDING
monthly	1pm-3pm	12+
Weekly (term time)	9.30-11.30	12+
Weekly (term time)	10.30-12.30	10
Weekly (term time)	10-11.00 am	10
Fortnightly (term time)	1-3pm	10+
Monthly	7.30-8.30pm	8+
Monthly	2pm - 3pm	7+
Monthly	4-5pm	10+
Weekly	10am - 1pm	7+

FUTURE PLANS

Assist to relocate to Prestwich

Prestwich

Dependent on kiln relocation

Prestwich or Radcliffe

contacted 21/03/17

contacted 21/03/17

Prestwich or Radcliffe

Prestwich or Radcliffe

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BACKGROUND READING & RESEARCH

GM Authorities

<http://www.bolton.gov.uk/website/Pages/Librariesandleisure.aspx>

<https://www.oldham.gov.uk/libraries>

<http://www.rochdale.gov.uk/libraries>

<http://www.tameside.gov.uk/libraries/>

<http://www.trafford.gov.uk/residents/leisure-and-lifestyle/libraries/libraries.aspx>

Other Library Authorities

<https://www.birmingham.gov.uk/libraries>

<http://www.brighton-hove.gov.uk/content/leisure-and-libraries/libraries>

<http://www.cheshireeast.gov.uk/libraries/libraries.aspx>

<https://www.hants.gov.uk/library>

<https://www.sheffield.gov.uk/libraries>

Reports and publications

Annual reports to parliament on public library activities 2012-15. DCMS. 2016

Income generation for public libraries. Arts Council England. 2014

Independent library report. DCMS. 2015

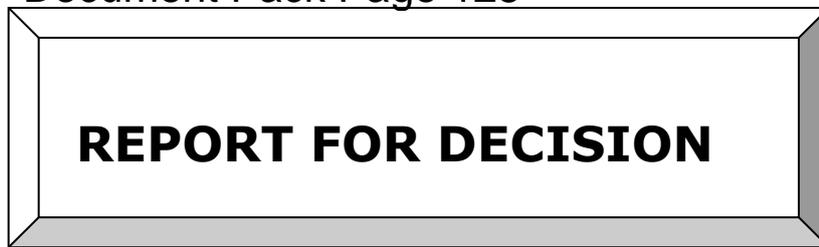
Other sources

<https://www.cilip.org.uk/>

<https://www.gov.uk/government/policies/library-services>

<http://www.publiclibrariesnews.com/>

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DECISION OF:	CABINET
DATE:	WEDNESDAY 28 JUNE 2017
SUBJECT:	PROPOSED CLOSURE OF NURSERY PROVISION AT RIBBLE DRIVE PRIMARY SCHOOL
REPORT FROM:	COUNCILLOR SHARON BRIGGS CABINET MEMBER FOR CHILDREN AND FAMILIES
CONTACT OFFICER:	PAUL COOKE STRATEGIC LEAD (SCHOOLS, ACADEMIES AND COLLEGES)
TYPE OF DECISION:	EXECUTIVE (KEY DECISION)
FREEDOM OF INFORMATION/STATUS:	OPEN
SUMMARY:	<p>The Governing Body of Ribble Drive Community Primary School has requested that the LA publish and consult on a statutory proposal to remove its nursery provision, thus changing the age range of the school from 3-11 to 4-11.</p> <p>Prior to publication of the proposal, the school carried out informal consultation with those affected.</p> <p>The proposal was published on 18 April 2017, setting out arrangements for those affected by the proposal to make their views known. The closing date for receipt of comments was 16 May 2017.</p> <p>If approved, the proposal will be implemented with effect from 1 September 2017.</p> <p>In accordance with the Education and Inspections Act 2006 (as amended by the Education Act 2011), and associated Prescribed Alterations Regulations, the Local Authority has responsibility for determining the proposal.</p>

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Scrutiny Committee	Cabinet/Committee	Council	

1.0 Background

- 1.1 The school’s nursery provision was originally established to offer 52 places (26 places in the mornings and 26 in the afternoons, with the possibility of parents paying for extra sessions to create full time provision). However, over recent years the demand for nursery places has declined, to the extent that the school now only offers places in the mornings.
- 1.2 The school therefore currently offers Nursery provision for five mornings a week during term time. There is a high adult to pupil ratio in the Early Years Foundation Stage unit, with two teachers and two support staff full time equivalent (FTE), and one other member of support staff who works five mornings (0.5 FTE). This ratio enables the school to have a maximum of 56 children in the mornings and 30 children in the afternoons; the Published Admission Number for the Reception year group is 30 pupils. Reception pupils attend full time, therefore Nursery provision could be a maximum of 26 children in any one session.
- 1.3 Since 2014-15 the numbers of children attending the nursery have declined, from 46 in 2014-15, to 24 in 2015-16. In January 2017, the school admitted 9 children into the nursery in an attempt to increase numbers. There are a further 6 children whose parents have expressed interest in a nursery place from September 2017. Therefore, there would potentially be 15 children requiring nursery places in September 2017.
- 1.4 The costs of running the nursery, including meeting statutory staffing ratios, are significantly higher than the funding received using the approved Early Years Single Funding Formula (EYSFF), which is set to reduce further according to known nursery intake numbers.
- 1.5 Based upon current numbers, funding and income generation there is a significant shortfall to meet the costs of running the Nursery, and low numbers of pupils in Nursery over a period of time are unsustainable.
- 1.6 The Governing Body therefore requested that the LA publish and consult upon a proposal to remove its nursery provision, thus changing the age range of the school from 3-11 to 4-11.

2.0 Process

- 2.1 The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013, and associated statutory guidance, sets out the process to be followed in relation to changes to school organisation, and the factors that must be considered by decision makers.
- 2.2 In respect of changes involving a Community school, such as alteration of the age range, the LA it is both the proposer and the decision maker of the proposal. Whilst the Governing Body have requested that this proposal be developed, the LA must publish and consult on the proposal. Thereafter, it is for the LA to consider the proposal and to determine if it should be approved. If it is unable to do so, the LA must refer the proposal to the Schools Adjudicator for decision.
- 2.3 Upon publication of a statutory notice setting out the proposal, representations can be made to the LA by any person within a four week period.
- 2.4 The statutory guidance states that the LA as decision-maker will need to be satisfied that the appropriate, fair and open consultation has been carried out, and that the proposer has given full consideration to all the responses received.
- 2.5 The decision-maker must consider the views of those affected by a proposal or who have an interest in it and should not simply take account of the numbers of people expressing a particular view. Instead, they should give the greatest weight to responses from those stakeholders likely to be most directly affected by a proposal – especially parents of children at the affected school.

3.0 Consultation

- 3.1 Prior to the publication of a proposal, there is a strong expectation that interested parties will be consulted in developing the proposal prior to publication, taking into account all relevant considerations.
- 3.2 The school has carried out informal consultation with the staff and families that would be affected by this proposal. Following this, the LA was requested to publish a statutory proposal to remove nursery provision at the school.
- 3.3 The proposal was published on 18 April 2017, setting out arrangements for those affected by the proposal to make their views known. The closing date for receipt of comments was 16 May 2017.
- 3.4 The LA received five objections to the proposal from prospective parents, or families whose children currently attend the nursery. A petition to show support for the nursery and the staff was also received which contained 146 signatures from parents and members of the community.
- 3.5 A summary of the representations received in response to the consultation, and responses to the issues raised, is set out at Appendix 1.
- 3.6 Cabinet members will also have sight of all responses received.
- 3.7 Departmental HR officers have been involved in the consultation with the staff affected by this proposal, and their respective union representatives.

4.0 Implications

- 4.1 If approved, the proposal will be implemented with effect from 1 September 2017.
- 4.2 Those children currently attending Nursery who are eligible to start in Reception in September 2017 have applied to the LA for a school place in the normal way.
- 4.3 There are currently 15 children whose parents have expressed interest in a nursery place from September 2017, 9 of whom were admitted in January 2017.
- 4.4 There is private provision adjacent to the school, and there are other private providers and schools in the local area to ensure the sufficiency of early years provision in the area. The school has confirmed that, if the proposal is approved, it will support parents to identify the most suitable provision for their child.
- 4.5 Despite the decline in demand for nursery places at the school, demand for school places remains high, and the Reception intake for September 2017 is oversubscribed, with forecasts set to sustain this level of demand.
- 4.6 Governors have indicated that removal of the nursery provision will enable the school to continue the development of a rich curriculum that supports all children throughout Reception, consolidating and further developing the successes and benefits they have already seen from effective leadership in Foundation 2.

5.0 Conclusion

- 5.1 In considering proposals, the Local Authority as decision maker must now decide to either reject the proposal; approve the proposal without modification; approve the proposal with modifications; or approve the proposal – with or without modification – subject to certain conditions being met.
- 5.2 Based upon current and projected numbers, the Governing Body is of the opinion that the nursery provision is not financially sustainable.
- 5.3 A number of families will be affected by this proposal, and the school has committed to working with those families in order to support them in finding suitable alternative provision.
- 5.4 The statutory process in making a prescribed alteration to a school has been followed.
- 5.5 In that respect there appears to be no reason for the Local Authority to reject the proposal.
- 5.6 Cabinet is therefore requested to approve the proposal as published.

List of Background Papers:-

Prescribed Alteration Statutory Proposal

Consultation document

Consultation responses

Petition of signatories

Making 'prescribed alterations' to maintained schools - Statutory guidance for proposers and decision-makers, DfE April 2016

Guidance for Decision Makers, DfE April 2016

Contact Details:-

Paul Cooke – Strategic Lead (Schools, Academies and Colleges)

0161 253 5674

p.cooke@bury.gov.uk

APPENDIX ONE

**PROPOSED CLOSURE OF NURSERY PROVISION AT RIBBLE DRIVE
PRIMARY SCHOOL
CONSULTATION FEEDBACK & RESPONSES**

RESPONDENTS	COMMENT	RESPONSE
Parents/Grandparents of nursery children	Although there is a consultation period in place, we feel that the outcome has already been decided.	<p>The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013, and associated statutory guidance, set out the process to be followed in relation to making prescribed alterations to schools, such as a change in age range to remove nursery provision.</p> <p>The process involves publication of a statutory notice setting out the proposal; a statutory representation period, during which those affected can make their views known. Following the representation period, the LA has responsibility for determining the proposal. Decisions must be made within two months of the end of the representation period, or they must be referred to the Schools Adjudicator.</p> <p>Once determined, the proposer must implement a proposal in the form that it was approved, taking into account any modifications made by the decision-maker.</p> <p>This proposal was published on 18 April 2017, setting out arrangements for those affected by the proposal to make their views known. The closing date for receipt of comments was 16 May 2017.</p> <p>The Council's Cabinet is requested to determine the proposal at its meeting on 28 June 2017.</p>

RESPONDENTS	COMMENT	RESPONSE
	<p>When did informal consultation take place and with whom?</p>	<p>Prior to the publication of a proposal, there is a strong expectation that interested parties will be consulted, in developing the proposal prior to publication, taking into account all relevant considerations.</p> <p>The school has carried out informal consultation with the staff and families that would be affected by this proposal.</p> <p>Discussions with parents of "rising 2s" and younger children have also indicated that few were considering Nursery provision. Most preferred to use full time private settings or keep their child/ren at home and use Children's Centre sessions.</p>
	<p>Children have settled well into nursery and have formed strong emotional attachments</p> <p>Routine is important and the changes planned will have a detrimental impact on our children. Has the impact been considered at any time during this process?</p> <p>If we are forced to seek alternative provision we may not be able to use local childminding services. Have you considered the wider impact of this decision on families and those who support families?</p> <p>Has consideration been given to families of children in Foundation stage 1 who have siblings at the school?</p>	<p>Governors accept and appreciate the parental concerns around changes in routine, and the friends and attachments that the children have made.</p> <p>Although there will be changes if the proposal is approved, young children are extremely resilient and there will be similar routines in other settings, especially school settings, to develop school readiness.</p> <p>Whilst these may not be equidistant from local childminders that some families are currently using, there is capacity in other local settings.</p> <p>One family with a sibling has approached the Head and discussed this issue; they accept that a financially unviable nursery will divert funds from other areas, and do not want their older child's education compromised.</p>

RESPONDENTS	COMMENT	RESPONSE
		Should the proposal be approved, the school will work with all families affected to support enhanced transition to new settings, if this is the option which they choose to make.
	<p>We cannot express enough our happiness at the level of education, care and guidance (our daughter) receives from Mrs Lowe and her staff.</p> <p>My son attended the nursery, and progressed so well, I would really like my daughter to go there too.</p>	Governors welcome the positive comments regarding the nursery provision that were received throughout the consultation.
	We find the decision to seek closure of the foundation stage surprising considering that 9 children were given places in January. Was this considered when a decision to seek closure was made?	As the data indicated a significant decrease in F1 entry numbers in September 2017, in the Autumn of 2016 school contacted local families with children classed as "Rising 3s." Of the 23 contacted, 10 expressed an interest in a January intake and 9 children were placed. This was a genuine attempt to see if the school could increase the numbers, but has caused disruption and upset for which governors apologise; the last thing they wish to do is cause distress to these children.
	<p>The numbers quoted in the consultation document were inaccurate.</p> <p>There are 9 children currently attending and a further 9 or 10 have expressed interest for September.</p>	<p>There are currently 15*, children whose parents have expressed interest in a place from September- this number is greater than the number quoted in the original documentation as since initial consultation more parents have come forward.</p> <p>*This includes the 9 children who formed the January intake.</p>
	Why have staff redundancy notices been issued when the final decision has not yet been made?	In order to comply with statutory notice periods, redundancy notices have to be issued in a timely manner to effect a change from 1st September. If the

RESPONDENTS	COMMENT	RESPONSE
		<p>notices hadn't been issued at this stage and the closure went ahead from September, the school would have been left with an overstaffing situation.</p> <p>As is the case with any redundancy, the notices can be withdrawn at any point prior to the proposed date of redundancy, in this case 31st August.</p> <p>Should the proposed closure not go ahead, the redundancy notices will be withdrawn.</p>
	<p>Has consideration been given to the detrimental impact this decision could have on pupil numbers?</p>	<p>Despite the declining position in the Nursery for the last 3 years, the school has been consistently oversubscribed at Reception, with appeals occurring for each of these years. This trend is currently on-going for September (2017-18) as there have been over 60 applicants for 30 places. From September 2017, existing data shows that school currently expects to have 30 children in each class from F2 (Reception) to Y6. Pupil forecasts are set to sustain this level of demand.</p> <p>Whilst Governors are not aware where all children attend pre-school, they have ascertained that some of these children's parents work full time, and therefore require more than the 15 hours for 39 weeks per year that school is able to offer. It is also possible that some parents choose to keep their child/ren at home until they reach statutory school age</p>
<p>Parent of Y2 child and prospective nursery child.</p>	<p>Recent discussions in the media regarding school funding and the squeeze on school budgets is highlighted perfectly I believe by</p>	<p>Lower pupil numbers in the Nursery class has a negative impact on funding as Nursery classes are</p>

RESPONDENTS	COMMENT	RESPONSE
	<p>the situation at our school. I was made aware that 3 members of staff have already been put on notice for redundancy, and the school has already had to close its After School Club.</p> <p>I have spoken personally to the Headteacher and fully appreciate that low numbers in the nursery class over a long period of time may have a negative impact on funding and the school budget. As a parent of a child currently in Y2..., I absolutely understand the need to focus funding where it is most useful and beneficial.</p>	<p>funded on a 'per pupil' basis rather than according to how many places they offer. Younger children require a higher staff: pupil ratio and the current data shows Nursery numbers are expected to be very low. Governors are convinced by this data that there will be insufficient funding to maintain the Nursery class. The Governing Body must set a balanced budget, and the school budget does not include any formula funding that will allow it to subsidise the nursery provision. Governors therefore believe that the Nursery class is no longer financially viable.</p>
	<p>I strongly urge the Council's Cabinet to ensure all possible alternatives be fully investigated and discussed, before a decision is made.</p>	<p>Governors understand the importance of Early Years education, and the vital role that the whole of EYFS plays in school readiness; to this end they consulted with other local schools and private providers to ascertain what capacity they would have to offer places to those parents who did express an interest in staying at Ribble Drive. At the time of this consultation, there was sufficient capacity to take in the 9 children who formed the January intake.</p>
	<p>Private provision on the same site has a negative impact on the attractiveness of the school nursery.</p>	<p>Governors are well aware that a school Nursery, staffed by a teacher, can provide more than many private Nurseries in terms of school readiness, however Ribble Drive can only operate for 39 weeks per year. Whilst the school has had some children who have attended the school Nursery in the morning and then moved into "Toddlers", this has been the exception rather than the rule.</p>

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REPORT FOR DECISION



MEETING:	CABINET OVERVIEW & SCRUTINY COMMITTEE
DATE:	28 JUNE 2017 4 JULY 2017
SUBJECT:	REVENUE AND HRA OUTTURN 2016/2017
REPORT FROM:	CABINET MEMBER FOR FINANCE AND HOUSING
CONTACT OFFICER:	STEVE KENYON, INTERIM EXECUTIVE DIRECTOR OF RESOURCES & REGULATION ANDREW BALDWIN, HEAD OF FINANCIAL MANAGEMENT
TYPE OF DECISION:	CABINET (KEY DECISION)
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	<p>PURPOSE/SUMMARY:</p> <p>This report provides Members with details of:</p> <ul style="list-style-type: none"> • the revenue outturn figures in respect of the last financial year (2016/2017). • 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 <p>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 20 July 2017. The figures in this report are presented in a format consistent with the Revenue Budget approved by Council on 24 February 2016.</p>

<p>OPTIONS & RECOMMENDED OPTION</p>	<p>Members are asked to:</p> <p>a) Note the final outturn for 2016/17, and explanations for major variances (Appendix A, B and C);</p> <p>b) Endorse the recommendations of the Interim Executive Director of Resources & Regulation for the minimum level of balances in light of the review of the corporate risk assessments and departmental risk assessments (Section 4).</p> <p>Recommended Option:</p> <p>It is recommended that;</p> <p>a) The final revenue outturn and HRA outturn for 2016/17 be noted along with explanations for major variances;</p> <p>b) The level of the General Fund balances be noted;</p> <p>c) The minimum level of the General Fund balance calculated at £4.250m for 2017/18 is subject to regular review as part of the budget monitoring process.</p>
<p>IMPLICATIONS:</p>	
<p>Corporate Aims/Policy Framework:</p>	<p>Do the proposals accord with the Policy Framework? Yes</p>
<p>Financial Implications and Risk Considerations (statement by s151 officer):</p>	<p>Revenue expenditure has been incurred in accordance with the agreed Revenue Budget.</p>
<p>Statement by Interim Executive Director of Resources & Regulation:</p>	<p>There are no wider resource implications.</p>
<p>Equality/Diversity implications:</p>	<p>No (see paragraph 8.1, page 10).</p>
<p>Considered by Monitoring Officer:</p>	<p>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.</p>
<p>Are there any legal implications?</p>	<p>No</p>
<p>Wards Affected:</p>	<p>All</p>

Scrutiny Interest:	Overview & Scrutiny Committee
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TRACKING/PROCESS**DIRECTOR: STEVE KENYON**

Chief Executive/ Strategic Leadership Team	Cabinet	Ward Members	Partners
05/06/17	28/06/17		
Overview & Scrutiny Committee		Committee	Council
04/07/17			

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 2016/17.
- 1.2 Work on the closure of the 2016/17 Accounts is complete and the Responsible Finance Officer approved the draft Statement of Accounts for 2016/17 on 5 June 2017. 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.

2.0 REVENUE OUTTURN 2016/17

- 2.1 As the table shows, there was a total overspend against the Revised Estimate of **£1.670m**.

	£000's
2016/2017 Revised Estimate	125,536
2016/2017 Outturn	127,206
Overspend	1,670

- 2.2 The revenue outturn and details of the major variations service by service are shown at Appendix A (pages 10 to 21) and are summarised below:

Department	Budget	Outturn	Variance
	£000s	£000s	£000s
Children, Young People & Culture	42,891	44,922	2,031
Communities & Wellbeing	70,624	72,374	1,750
Resources & Regulation	2,268	2,530	262
Non Service Specific	9,753	7,380	(2,373)
TOTAL	125,536	127,206	1,670

2.3 However, an overview of the reasons for this variance is outlined in the table overleaf below:

Final Outturn	Children Young People & Culture	Communities & Wellbeing	Resources & Regulation	Non Service Specific	TOTAL
Reason	£'000	£'000	£'000	£'000	£'000
Demand Pressures	2,575	5,910	370	312	9,167
Delayed Achievement of Cuts Options	0	3,070	0	0	3,070
Non-Achievement of Cuts Options	333	0	52	0	385
Income Shortfall	0	344	971	0	1,315
Planned use of one-off funding	255	(5,727)	0	0	(5,472)
Continued Impact of 10 Control Measures	(1,033)	(1,847)	(1,131)	0	(4,011)
Other	(99)	0	0	(2,685)	(2,784)
TOTAL	2,031	1,750	262	-2,373	1,670

2.4 All other things being equal, the outturn reported above will leave available General Fund balances standing at **£4.143m** at 31st March 2017.

3.0 SCHOOLS POSITION

3.1 The Dedicated Schools Grant is ring fenced and these externally provided monies can only be spent on schools and associated areas, which are specified by the Department for Education (DfE) in various Statutory Instruments. In accordance with these statutory requirements, the balances of each school are carried forward into the next financial year for the benefit of the relevant school.

3.2 The overall level of school balances at 31st March 2017 is a deficit £1.862m. This represents a decrease of £2.620m from the opening balance of £0.758m surplus. This is summarised in the table below with details of previous years for comparison where it can be seen that the level of schools' balances was greater than the level of overspending within the Central Spend part of the DSG Control Account.

Year	DSG Control A/c Central Spend	School Balances – net surplus	Overall Level of Balances
	£000's	£000's	£000's
2011/12	237	(8,042)	(7,805)
2012/13	664	(6,852)	(6,188)
2013/14	2,554	(6,662)	(4,108)
2014/15	3,731	(6,724)	(2,993)
2015/16	6,028	(6,786)	(758)
2016/17	6,818	(4,956)	1,862

- 3.3 The level of school balances at 31st March 2017 is a surplus of £4.956m. In total, this represents a decrease of £1.830m from the opening surplus balance of £6.786m. Appendix B shows an analysis of movements on school balances to allow Members to consider the spread of school balances around the Borough. However, there is a deficit of just over £6.818m relating to Central Spend within the Schools Block and the DSG Control Account.
- 3.4 2016/17 is the first year where the deficit within the DSG Control Account is greater than the level of school balances. Significant action will need to be taken to reduce the amount of deficit. It is difficult to implement an in-year change as school budgets have already been determined and cannot be changed during the current financial year. Consequently plans will be put in place to recover the amount of the deficit over the next two financial years which will coincide with the introduction of the National Funding Formula that is due to begin in 2018/19.
- 3.5 The large increases in Central Spend since 2013/14 are as a consequence of the transfer of responsibilities for post-16 students with Learning Difficulties and Disabilities attending Sixth Form and FE colleges. The level of funding made available by the Education Funding Agency's predecessor was insufficient to meet the demand pressures of these students and coupled with the in-house provision in Bury is not able to meet the significant increase in demand, which means that there are more pupils with SEN attending much more expensive independent special schools.
- 3.6 The net variations within the Central Spend are included within the Control Account of the Dedicated Schools Grant. Any surplus within this umbrella account can in the future be distributed to schools.

3.7 The main variations are:

	Revised Estimate	Out-turn	2016/17 Variation	2015/16 Variation
	£000's	£000's	£000's	£000's
LLDD Post-16 Provision (par. 3.8)	1,132	1,498	366	673
Independent Special Schools (par. 3.9)	5,590	5,685	95	1,752
Provision for Pupils with SEN (par. 3.10)	2,694	2,271	(423)	(464)
Early Years funding (par. 3.11)	6,489	6,307	(182)	(451)
Pupil Growth (par. 3.12)	150	0	(150)	(150)
Looked After Children	251	276	25	5
CLAS	928	982	54	(5)
Termination of Employment	0	29	29	99
Other	2,694	2,720	26	31
Total Central Spend	19,928	19,768	(160)	1,490
School Delegated Budgets	134,270	129,315	(4,955)	(6,786)
External Funding Control Account	0	6,978	6,978	4,538
Total School Spending	154,198	156,061	1,863	(758)

- 3.8 The Education Funding Agency (EFA) of the Department for Education provides funds for 16-19 year old pupils in Bury schools through a funding formula mechanism. These funds supported pupils at Elms Bank and St Monica's High schools as well as pupils in independent special schools. In addition, the funding is supposed to cover Learners with Learning Difficulties or Disabilities (LLDD) students attending FE colleges and despite numerous requests additional funding is not forthcoming.
- 3.9 Higher numbers of pupils attending other Local Authority and Independent Special Schools coupled with increased fees charged by these schools means that the budget continues to overspend, despite a budget increase to match the previous years' spending levels. N.B. this additional budget allocation has been funded by increasing the deficit within the DSG Control Account, which continues to increase to very high and unsustainable levels.
- 3.10 Provision for Pupils with SEN includes services that have carried a number of vacancies, some in anticipation of the Service Reviews that have been undertaken in preparation for the savings requirements for 2017/18 to 2019/20.
- 3.11 The level of take-up by parents was lower than the funding provided by the DfE. There is further uncertainty about the level of take-up as the Government's policy

of extending 'free-entitlement' to 30 hours per week for 3 and 4 year olds is planned to begin in September 2017.

- 3.12 A provision is retained for any in-year growth in pupil numbers above the thresholds sanctioned by the Schools Forum. These monies have not been used for more than 2 years and are used to offset overspendings elsewhere in the Central Spend.
- 3.13 With regards to surplus and deficit balances, the DSG Control Account includes deficit balances from previous years, which continues to escalate. With regards to surplus balances, as at 31st March 2017, schools have accumulated a surplus balance of £5.116m across schools in Bury. This is a decrease of approx £2m when compared to 31st March 2016.
- 3.14 69 out of 78 schools with delegated budgets had surplus balances at the end of the 2016/17 financial, which are 7 fewer than at the end of the 2015/16 financial year.
- 3.15 7 schools are reporting balances, which are deemed "excessive" as defined by the "Scheme for Financing Schools" and as such will be subject to a balance control review by the Executive Director of Children, Young People & Culture, who will take into account the views of the Schools Forum. This is a decrease from the 10 different schools that had reportable balances in the previous financial year, with 1 school being above the reportable threshold for 2 successive years.
- 3.16 Manchester Mesivta High School became a significant financial problem in September 2011, which led to financial delegation being withdrawn from the Governing Body. Subsequently Financial Services, on behalf of the Executive Director, manage the finances of this school, which has also been endorsed by the DfE during their purchase of the land from the Trustees of the Manchester Jewish Grammar School.
- 3.17 As at 31st March 2017, Mesivta's carry forward deficit is £108,737, which is £75,000 lower than the deficit in 2015/16 and is almost £300,000 lower than the £384,655 deficit at the end of the 2013/14 financial year. This latter amount was 72.6% of the school's total revenue budget, while the current deficit is 17% of the school's revenue budget.
- 3.18 The proposed debt recovery plan agreed with the Governors should see the school back in surplus during the second part of 2018/19, which is 7 years from when the school first identified there was a financial problem that the Governors were unable to manage.

4.0 GENERAL FUND BALANCES

4.1 The closing position in respect of General Fund balances is as follows:

	£m
General Fund Balance 31 March 2016	10.063
Less : 2016/17 Year End Overspend	-1.670
General Fund Balance 31 March 2017	8.393
Less : Minimum balances to be retained in 2017/18	-4.250
Available balances at 1 April 2017	4.143

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

5.0 RISK MANAGEMENT

- 5.1 In determining the minimum level of balances, a key aspect of the assessment made by the Interim Executive Director of Resources and Regulation is the level of risk faced by the authority that may impact on the financial situation.
- 5.2 For 2017/18 the Council accepted the Interim Executive Director's recommendation that the minimum level of balances should be kept at **£4.250m**.
- 5.3 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.
- 5.4 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.
- 5.5 A further assessment of minimum balances will be incorporated into the Month 3 Budget Monitoring report that will be presented to Cabinet in September 2017.
- 5.6 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 Joint SLT / Cabinet meetings.
- 5.7 The use of this methodology will continue in 2017/18 and reports will continue to be presented to the Cabinet meetings and those others listed above.

6.0 HOUSING REVENUE ACCOUNT OUTTURN 2016/17

- 6.1 The Housing Revenue Account (HRA) for 2016/17 is attached at Appendix C. The HRA is a ring-fenced account funded principally through Housing Rents. Any surplus or deficit is required to be carried forward between financial years. Councils cannot budget for a cumulative deficit on the HRA. In 2016/17 a contribution of £2.402m was required from the Business Plan Headroom Reserve to cover the in-year deficit and maintain the working balance at £1.010m; this contribution was £0.229m more than expected.
- 6.2 There are a number of variations that have contributed to this overall result; however, the variances only exceed 10% and £50k in the following areas:
 - Increase in provision for bad debts – the budget contained two provisions, £0.181m for uncollectable debts and £0.302m 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 £0.278m less than the budget. The reduced requirement has resulted in part from delays in the implementation of some welfare benefit changes; however, the actions of the Welfare Reform Group, close working with Partners in implementing the Corporate Debt Policy and continued high rent collection performance by Six Town Housing have all contributed to the result.

- 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.
- Revenue contributions to capital - £0.450m was required to fund additional costs within the HRA Capital Programme with the balance being the HRA contribution to the acquisition/refurbishment cost of four properties on Albion Street which became part of the HRA dwelling stock just before the end of 2016/17.

- 6.3 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.
- 6.4 The rent loss due to voids for 2016/17 was on average 1.74%. The original dwelling rents budget allowed for a void level target of 1.6%. This increase in void losses equates to a reduction in rental income of £0.042m.
- 6.5 The total rent arrears at the end of 2016/17 were £1.235m, an increase of 6.8% from the start of the year when arrears totalled £1.156m.
- 6.6 The original HRA budgets assumed 50 Right to Buy sales during 2016/17. The actual number of sales in 2016/17 was 55.
- 6.7 A major element of the HRA's costs is the Management Fee paid to the authority's ALMO, Six Town Housing. As the ALMO is a wholly owned Council company it is appropriate for Cabinet to take a view on the company's financial position.
- 6.8 Six Town Housing's draft accounts for the 2016/17 financial year show that the ALMO made a surplus of **£0.273m** on a turnover of **£19.115m**, a rate of 1.4% (for 2015/16 the rate was -3.1%); the surplus for 2016/17 excludes pension adjustments made in line with FRS102 requirements.
- 6.9 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; the minimum level for 2016/17 was assessed to be £0.852m and the draft accounts indicate cash and short term deposits totalling £2.220m at the end of 2016/17. The use of reserves is subject to joint decisions by Six Town Housing and the Council.

7.0 OTHER ISSUES

- 7.1 The Accounts and Audit Regulations 2015 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. They will be presented to Audit Committee members on 20 July 2017 for approval.

- 7.2 Members are also asked to note that the Accounts for 2016/17 were available for public inspection at the Town Hall for 30 working days effective from 5 June 2017. This matter was advertised in the local press and placed on the Council's website and the Accounts can be viewed by contacting the Interim Executive Director of Resources & Regulation or the Head of Financial Management (details below).

8.0 EQUALITY AND DIVERSITY

- 8.1 There are no specific equality and diversity implications.

9.0 FUTURE ACTIONS

- 9.1 Budget monitoring reports for 2017/18 will continue to be presented to the Strategic Leadership Team on a monthly basis and on a quarterly basis to the Cabinet, Joint SLT / Cabinet, Overview and Scrutiny Committee and Audit Committee.

Councillor Eamonn O'Brien
Cabinet Member for Finance and Housing

Background documents:

Revenue Cost Information and Finance Working Papers, 2016/17

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

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

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

FINAL OUTTURN 2016/17 AND EXPLANATIONS FOR VARIANCES

Appendix A

	2016/17 Current Budget £000's	2016/17 Outturn £000's	Variance £000's	Reason For Variance	One – Off / Ongoing
Department of Children, Young People and Culture					
Learning – Schools	0	0	0	Any underspend or overspend funded via the DSG are rolled forward into the next financial year.	
Learning – Non Schools	16,958	17,139	181	Quality & Advisory Service (-£0.057m) - underspend due to a staff vacancy.	Ongoing
				Asset Management (-£0.016m) - lower recharges than expected.	One-off
				SEN Home to School Transport (+£0.225m) - the level of demand has increased from previous years; the budget is consistently under pressure.	Ongoing
				SEN Home to College Transport (+£0.054m) - again due to increased demand from the number of students attending local colleges.	One-off
				Under spends on Non-SEN transport (-£0.024m) - as there was lower than anticipated uptake of bus passes.	One-off
				16-19 Team (+£0.031m) - there was a reduction in the level of funding in 2016-17.	One-off
				Education Psychologists (-£0.033m) - additional income was generated in the year.	One-off
				Other minor underspends (+£0.001m).	One-off
Social Care & Safeguarding	17,647	18,147	500	Childcare and Early Years (-£0.178m) - recruitment to a number of posts were put on hold and were covered by existing staff, as well as staff members seconded to other services that were not backfilled. There was also additional income received from the NHS.	One-off
				Children's Disabilities Team (-£0.045m)	One-off

			<p>-the budget continues to support a number children with highly complex needs. Savings on the commissioned services were offset by overspends on staffing due to agency cover and an additional member of staff employed as part of the Ofsted Action Plan.</p> <p>Family Placement (-£0.567m) - the foster care payments and adoption allowances now include deductions for Child Tax Credits where appropriate and spending restrictions on requests for additional support for carers have resulted in savings. The adoption placement fees received are far higher than those being paid in the current financial year. A number of placements for children with families from other authorities did not take place before the end of March, resulting in further savings. Also, there were savings on salaries due to delays in the establishment of the Through Care Team. There were also savings on Home from Home Carers.</p> <p>Safeguarding Unit (+£0.222m) - agency staff were brought in to cover vacancies and to reduce social worker caseload numbers in line with Ofsted requirements.</p> <p>Advice & Assessment (+£0.050m) - The service was unable to achieve the 2016-17 budget cut due to agency staff covering vacancies and sickness. The overspend was offset by savings on the Child Sexual Exploitation Team which sits within the Advice and Assessment Team.</p> <p>Leaving Care (+£0.736m) - the impact of supporting young people until the age of 21 continues to cause the service to overspend.</p> <p>The Reach Out Adolescent Support Unit (+£0.198m) - this is a new invest to save project aimed at reducing the number of children entering the care system. The budget for 2017-18 is to be found from savings achieved in the Children's Agency budget.</p> <p>Safeguarding – External Legal Fees (+£0.080m) - the trend nationally has been for increased use of proceedings and Bury Council appears to be following that same trajectory.</p>	<p>One-off</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p>
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				Children & Young People in Care (+£0.059m) - the service was unable to achieve the 2016-17 budget cut due to agency staff covering staff acting up into management posts and staff employed as part of the Ofsted Action Plan. Other minor underspends (-£0.055m).	Ongoing
Other Management Costs	2,817	3,036	219	Strategic Management (+£0.260m) - the overspend is due to the remainder of the 2016-17 budget savings that have yet to be achieved. Teachers Pensions (-£0.155m) - reduced demand on the service. Other Management costs (+£0.104m) - costs of contributing to the Adopt NW and NW Children's Sector Led Improvement projects of £19,000 and additional internal recharges. Other underspends (+£0.010m).	Ongoing Ongoing Ongoing One-off
Strategy / Commissioning	1,470	1,498	28	Savings on Social Care Admin and Training offset by the agency expenditure on the Strategic Lead post for part of the year.	One-off
Departmental Wide	(2,591)	(2,591)	0	IAS19 pension costs.	
Children's Agency	3,673	4,644	971	The service struggled to achieve the budget cut of £450,000 due to the number and complexity of the support packages in place. Remand costs have also added additional pressure, as the costs exceed the funding that we receive.	Ongoing
Libraries, Arts & Museums	2,917	3,049	132	Income targets within Arts & Museums were not met, with additional overspending due to repairs to stonework and roof repairs to the building.	Ongoing
TOTAL CHILDREN, YOUNG PEOPLE & CULTURE	42,891	44,922	2,031		
Department of Communities & Wellbeing					

Operations	5,245	5,062	(183)	<p>Killelea EPH (+£0.041m) – overspend on staffing budgets.</p> <p>Reablement Service (+£0.038m) - a combination of Public Health support, resilience money and staffing underspends has resulted in the Reablement budget producing a modest overspend. However, the challenge of this service achieving further savings remains for 2017/18.</p> <p>Older People Fieldwork (-£0.057m) – underspend on staffing budgets.</p> <p>Employment Support Team (-£0.043m) – this team is self funding. The underspend is the result of income targets exceeding 2016/17 budget provision.</p> <p>Mental Health South (-£0.026m) – underspend on staffing budgets.</p> <p>Quality Assurance & Service Development (-£0.029m) - underspend on staffing budgets.</p> <p>Assessment & Care Management (-£0.101m) - underspend on staffing budgets.</p> <p>The Welly Cafe (-£0.006m) – sales from cafe exceeded budget expectations.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>
Workforce Modernisation	806	716	(90)	<p>Workforce Staffing (-£0.080m) - underspend on staffing budgets.</p> <p>Internal Recruitment (Includes Persona Recruitment) (-£0.017m) - underspend on staffing budgets.</p> <p>Training – (+£0.007m) - overspend on rental budget regarding Bury Adult learning Centre.</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p>
Business Redesign	5,147	4,318	(829)	<p>Community Education (-£0.016m) – underspend on staffing and equipment.</p> <p>Communities (-£0.052m) – underspend on staffing budgets.</p> <p>Gateway Project (+£0.002m) - this budget is largely balanced.</p> <p>Accommodation Team (-£0.210m) - underspend due to one off income received for accommodating asylum seekers.</p> <p>Sheltered Housing (General, Support,</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>

				<p>Amenity and Non Rechargeable) (-£0.169m) - largely the result of underspends on staffing, utilities and boilers/communal area budgets.</p> <p>Falcon & Griffin/Redbank (+£0.076m) - overspend on staffing budgets.</p> <p>Carelink (-£0.006m) - small income overachievement.</p> <p>Housing Choices, Preventing Homelessness, Housing Strategy & Neighbourhood Working (-£0.150m) - underspend is largely the result of staffing budget underspends.</p> <p>Policy & Improvement (-£0.098m) - underspend on staffing budgets employee and subscriptions.</p> <p>Seedfield Resource Centre (+£0.002m) - largely a balanced budget.</p> <p>Community Equipment Stores (-£0.030m) - Bury CCG income received was greater than budget provision.</p> <p>Urban Renewal and Home Improvement (-£0.033m) - underspend on staffing.</p> <p>Adult Care Customer Services/Customer Engagement (-£0.057m) - underspend on staffing budgets.</p> <p>Asset Management & Non Operational Assets (-£0.088m) - underspend on staffing budgets.</p>	
Finance	(1,597)	(198)	1,399	<p>ACS Senior Management (+£1.461m) - departmental service redesign pressures and costs associated with the departments bid into the transformation funding from NHS England.</p> <p>Finance Staffing (-£0.062m) - underspend on staffing budgets.</p>	<p>One-off</p>
Commissioning & Procurement - Care in the Community	26,753	27,948	1,195	<p>Care in the Community (+£1.195m) - structural budget deficit and demand pressures within the Care in the Community budget particularly around Domiciliary Care, Residential Care and Self Directed Support Budgets.</p>	<p>Ongoing</p>
Commissioning & Procurement - Other	15,829	15,855	26	<p>Strategic Development Unit Teams (Head of Service, Commissioning, Procurement, Strategy and Performance) (-£0.291m) - underspend</p>	<p>One-off</p>

				on staffing budgets.	
				Drug and Alcohol Team (+0.059m) – largely the result of expenditure relating to the previous financial year.	One-off
				Carers Services (-£0.244m) - largely due to recovery of monies regarding account closures and budget underspends.	One-off
				Tenancy Support Services (Supporting People) (-£0.175m) – underspend on contracts where actual client activity was lower than budgeted activity (Non Block Contracts).	One-off
				Persona Contract (+£0.420m) – actual activity was greater than contracted budget value. This pressure will be managed downwards during 2017/18.	One-off
				Safeguarding, Local Reform & Community Voices (+£0.258m) – Deprivation of Liberty Safeguarding (DOLS) Assessment cost pressures.	Ongoing
Public Health	(602)	(702)	(100)	Public Health (-£0.100m) – the underspend on Public Health is being used to support Lifestyle Services, Beats and Sport and Physical Activity Services (SAPASS).	One-off
Neighbourhood and Leisure	19,043	19,375	332	Beverage & Vending (+£0.096m) - difficulties in meeting budget target due to reduced footfall/sales. The service will be reviewed.	Ongoing
				Civic Halls (+£0.178m) - Civic Halls continue to face difficulties in achieving income targets, unforeseen/necessary repairs resulted in some overspends on expenditure budgets.	Ongoing
				Environmental Service (-£0.022m) - additional income from Pest Control, and small variances across the service.	One-off
				Grounds Maintenance / Parks & Countryside (+£0.051m) including: Grounds/Parks (+£0.041m) - less external income than anticipated, some cuts required in 16/17 were unachieved; plus Cemeteries (+£0.010m) - shortfall in income.	One-off
				Highways (-£0.007m) - largely a balanced budget.	One-off

				<p>Sports & leisure (+£0.169m) including: Leisure Services (+£0.288m) - savings from previous years not achieved due to longer term growth and investment plan. Medium term recovery plan in place; plus Sports Development (-£0.119m) - this includes contribution from Public Health to offset overspends within Healthy Lifestyle Services (-£0,100m) and a small under-spend on management fees (-£0.019m).</p> <p>Transport Services (-£0.331m) including: Transport (-£0.170m) - additional cost for racking for Six Town Housing vehicles has been funded via prudential borrowing, also there is additional savings from reduced leasing cost; plus Transport With Driver: Under-spends on vehicle hire and fuel, additional income at yearend (-£0.053m); plus Vehicle workshop (-£0.028mm) - underspend on staffing budget; plus ACS Transport - transport costs specified to Persona were less than anticipated (-£0.080m).</p> <p>Waste Services (+£0.299m) including: Savings on the publicity budget within the Education and Awareness team (- £0.041m); plus Trade waste (+£0.043m): The service is profitable but has a challenging income target. A deficit reduction plan is in place to try and reduce the deficit. Reduced prices for recycling is having an impact on the reduction of income; plus Recycling/Refuse collection (+£0.258m) - 2016/2017 savings have not been achieved due to ongoing service review; plus Winter maintenance (+£0.039m) - increased in gritting.</p> <p>Public Conveniences/Street Cleaning (-£0.102m) including: Street Cleaning (-£0.078m) - savings from lower fuel cost; and no recharges for vehicle damages; plus Public Conveniences (-£0.024m) - savings from repairs and maintenance and additional income.</p>	<p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p>
TOTAL COMMUNITIES	70,624	72,374	1,750		

& WELLBEING					
Resources and Regulation Department					
Executive Director of Resources & Regulation					
Finance & Efficiency	1,165	1,184	19	Staffing underspend due to holding of vacancies and maximising funding (-£0.223m).	Ongoing
				Tightening of running costs expenditure (-£0.066m).	One-off
				Contribution to the bad debt provision (+£0.131m).	One-off
				Coroners Court costs due to increased demands placed on the service (+£0.370m).	Ongoing
				Contingency budget transferred from ex-DCN (-£0.202m).	Ongoing
				Reduced superannuation recharges from Tameside MBC (-£0.016m).	One-off
				Credit card charges and various minor overspends (+£0.025m).	Ongoing
Human Resources	291	163	(128)	Reduced staffing costs due to restructure offset by severance costs (-£0.133m).	One-off
				Overspends on software licences, AGMA subscription (+£0.059m).	Ongoing
				Tightening of running costs expenditure and overachieved income to offset the above (-£0.054m).	One-off
Legal & Democratic Services	1,422	1,422	0	Member Allowances and running costs underspends (-£0.129m).	Ongoing
				Underspends within Civic and Mayoral Expenses (-£0.018m).	Ongoing
				Democratic Services staffing underspend (-£0.028m)	One-off
				Municipal Elections overspend (+£0.202m); smoothed over 4 years to reflect fallow year.	Ongoing
				Use of locums and reduced income for Land & Development Fees within Legal services (+£0.025m).	One-off
				Press & Media vacancy (-£0.037m).	One-off
				Tightening of controllable expenditure	One-off

Customer Support & Collections	1,330	1,291	(39)	and minor variances (-£0.015m). Council Tax and NNDR summons costs income under-recovery (+£0.063m) offset by over-recovery of Council Tax subsidy administration grant (-£0.014m) and NNDR cost of collection (-£0.009m).	Ongoing One-off
ICT	(149)	(149)	0	Net staffing/agency cover underspend (-£0.079). Under-recovery of printing income (+£0.078m). Under-recovery of telephony income (+£0.025m). Reduced leasing costs (-£0.089m). Over-recovery of external income (-£0.014m).	Ongoing One-off One-off One-off
Property & Asset Management	(2,085)	(1,503)	582	Shortfall in rent income due to increased voids (+£0.402m). Shortfall on Millgate / Longfield income due to increased voids and permitted deductions (+£0.253m). Staffing underspend due to holding of vacancies and training costs freeze (-£0.082m). Other minor variances (+£0.009m).	Ongoing Ongoing One-off One-off
Total Executive Director Resources & Regulation	1,974	2,408	434		
Localities					
Engineering Services	223	377	154	GMRAAPS - under recovered permit fee income (+£0.050m). Coring - under recovered due to better compliance by the utility companies (+£0.074m). Car parking - under recovered shortfall in Pay & Display income & contract income off set by underspends on capital expenditure, salaries and NSL contract (+£0.139m). Bus Lane Enforcement reduced fines (+£0.080m). Underspends on Traffic management	Ongoing Ongoing Ongoing Ongoing One-off

				<p>special projects and Public Rights of Way as resources dealing with other priorities (-£0.133m).</p> <p>Net underspends on decriminalised parking fines net underspend (-£0.010m) and council parking permits (-£0.026m).</p> <p>Savings on salaries plus underspends on bridges (-£0.015m)</p> <p>Minor variations (-£0.005m).</p>	<p>One-off</p> <p>One-off</p>
Planning & Development Control	381	277	(104)	<p>Development Management have had minor underspends due to vacancies offset by minor overspends/reduced income (-£0.001m).</p> <p>Underspends within Building Control due to staff vacancies (-£0.076m) offset by minor variation in costs / income (+£0.011m).</p> <p>Underspends within Strategic Planning due to worklife balance initiatives and additional income (-£0.038m).</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p>
Trading Standards & Licensing	481	424	(57)	<p>Over recovery of income for Licensing, Alcohol & Entertainment off set by shortfall in income for Gambling & Miscellaneous licensing (-£0.047m).</p> <p>Underspend for Trading Standards due to additional income from traded work (-£0.010m).</p>	<p>Ongoing</p> <p>One-off</p>
Assistant Director of Localities	90	142	52	Unachieved savings target (£+0.50m; various minor overspends (+0.002m).	On-going
Total Localities	1,175	1,220	45		
Environment & Operational Services					
Administrative Buildings	(186)	(184)	2	Minor variances.	
Architectural Services	(421)	(520)	(99)	Increased income from STH capital programmes, offset by agency / subcontractor costs (-£0.099m).	One-off
Energy Conservation	124	68	(56)	Reduced CRC Allowances.	One-off
Bradley Fold Depot	43	28	(15)	Underspend on electricity and minor variances (-£0.015m).	One-off
Supply Chain Services	(51)	(74)	(23)	Higher volume of trading activity and careful management of discretionary	One-off

Emergency Planning / Response	(390)	(416)	(26)	costs (-£0.023m).	Ongoing
Total Environment & Operational Services	(881)	(1,098)	(217)	Additional income on Security & Alarms, vacancy management and discretionary budget.	
TOTAL RESOURCES & REGULATION	2,268	2,530	262		
Grants to Voluntary Organisations	683	683	0	n/a	
Non Service Specific Items					
Housing	(193)	(181)	12	Increased net Housing Benefit subsidy (-£0.11m). Reduced Housing Benefit administration grant received (+£0.41m). Reduced Housing Loan account income (+£0.022m). Services for the Wider Community underspend (-£0.040m).	One-off Ongoing Ongoing One-Off
Cost of Borrowing	5,350	4,748	(602)	Reduced return on investments (+£0.0052m) offset by reduced loan repayments (-£0.550m).	One-off
Passenger Transport levy	13,385	13,385	0	n/a	
Environment Agency	92	96	4	Increased levy (+£0.0004m).	One-off
Investments	(2,900)	(4,034)	(1,134)	Increased dividend receipts.	One-off
Chief Executive	325	318	(7)	Reduced staffing costs (-£0.0007m).	One-off
Corporate Management	696	1,008	312	Increased subscriptions (+£0.312m).	One-off
Waste Disposal Levy	12,402	12,402	0	n/a	
Provisions	1,860	660	(1,200)	Reduced contributions to provisions and reserves (-£1.200m).	One-off
Disaster Expenses	11	253	242	Flood Expenses (+£0.242m).	One-off
IAS19 Retirement Benefits	7,023	7,023	0	n/a	

Accumulated Absences	(1,614)	(1,614)	0	n/a	
Capital Charges / Asset Rentals	(22,867)	(22,867)	0	n/a	
Non Service Specific Grants	(4,501)	(4,501)	0	n/a	
TOTAL NON SERVICE SPECIFIC	9,070	6,697	(2,373)		
Total Revenue Expenditure (exc. Schools)	125,536	127,206	1,670		

LEVEL AND MOVEMENT OF SCHOOL RESERVES

Appendix B

Number of Schools – Surpluses/Deficits in Percentage Terms

Table	2012/13	2013/14	2014/15	2015/16	2016/17
	Number of Schools	Number of Schools	Number of Schools	Number of Schools	Number of Schools
Nursery & Primary					
Greater than +9%	4	7	9 ²	8	6
+8% to 9%	9	3	6	4	2
+5% to 8%	27	26	25	25	17
0% to 5%	23	26	20	22	28
Deficits	0	1	1	1	7
Total	63	63¹	61	60	60
Secondary					
Greater than +6%	4	4	1	2	1
+5% to 6%	2	1	2	3	-
0% to 5%	6	7	9	7	10
Deficits	2	2	2 ³	1	2
Total	14	14	14	13	13
Special & PRU's ⁴					
Greater than +9%	-	-	-	1	-
+8% to 9%	-	1	-	-	-
+5% to 8%	2	1	2	2	1
0% to 5%	1	1	3	2	4
Deficits	-	1	-	-	-
Total	3	4	5	5	5
Number above the original "Excessive	19	16	18	18	9

Surplus" thresholds (Prim/Spec 8% & High 5%)					
Number above the new "Excessive Surplus" thresholds (Prim/Spec 9% & High 6%)	8	11	10	11	7

Notes

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

Number of Schools – Surpluses/Deficits in Monetary Terms

Table	2012/13 Number of Schools	2013/14 Number of Schools	2014/15 Number of Schools	2015/16 Number of Schools	2016/17 Number of Schools
Nursery & Primary					
Deficits					
£0 to £10,000	-	-	1	1	2
£10,000 to £20,000	-	1	-	-	2
£20,000 to £50,000	-	-	-	1	3
Surpluses					
£0 to £50,000	25	24	25	19	28
£50,000 to £100,000	29	26	19	27	18
£100,000 to £150,000	7	11	15	10	6
£150,000 to £200,000	2	1 ²	1 ²	3	1
Total	63	63¹	61	60	60
Secondary					
Deficits					
£0 to £100,000	1	-	-	-	1
£100,000 to £200,000	-	-	-	1	1
£200,000 to £300,000	-	1 ³	1	-	-
Greater than £300,000	1	1	1 ³	-	-
Surpluses					
£0 to £50,000	-	-	-	1	2
£50,000 to £100,000	2	2	2	3	1
£100,000 to £150,000	1	-	3	-	1
£150,000 to £200,000	1	1	2	3	5
£200,000 to £250,000	2	4	4	-	1
£250,000 to £500,000	6	5	1	5	1
Total	14	14	14	13	13
Special & PRU's ⁴					
Surpluses					
£0 to £50,000	1	2	2	1	3
£50,000 to £100,000	-	-	-	2	1
£100,000 to £150,000	-	-	-	-	-
£150,000 to £200,000	1	1	1	-	-
Greater than £200,000	1	1	2	2	1
Total	3	4	5	5	5

Notes

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

HOUSING REVENUE ACCOUNT**APPENDIX C**

	2016/17 REVISED ESTIMATE	2016/17 OUTTURN	VARIATION FROM BUDGET
	£	£	£
INCOME			
Dwelling rents	29,625,400	29,669,446	(44,046)
Non-dwelling rents	203,000	187,904	15,096
Heating charges	66,000	66,382	(382)
Other charges for services and facilities	897,800	904,911	(7,111)
Contributions towards expenditure	42,700	17,550	25,150
Total Income	30,834,900	30,846,193	(11,293)
EXPENDITURE			
Repairs and Maintenance	6,865,100	6,702,336	(162,764)
General Management	7,055,500	7,017,291	(38,209)
Special Services	1,162,500	1,160,301	(2,199)
Rents, rates, taxes and other charges	94,400	103,353	8,953
Increase in provision for bad debts	482,900	205,075	(277,825)
Cost of Capital Charge	4,432,600	4,463,662	31,062
Depreciation/Impairment of fixed assets			
- council dwellings	7,771,500	24,061,895	16,290,395
Depreciation of fixed assets - other assets	42,400	51,149	8,749
Debt Management Expenses	40,600	34,821	(5,779)
Contrib. from Business Plan Headroom Reserve	(2,173,100)	(2,401,997)	(228,897)
Total Expenditure	25,774,400	41,397,886	15,623,486
Net cost of services	(5,060,500)	10,551,693	15,612,193
Amortised premia / discounts	(13,300)	(13,278)	22
Interest receivable - on balances	(55,800)	(47,099)	8,701
Interest receivable - on loans (mortgages)	(500)	(43)	457
Net operating expenditure	(5,130,100)	10,491,273	15,621,373
Appropriations			
Appropriation relevant to impairment		(16,176,195)	(16,176,195)
Revenue contributions to capital	5,120,100	5,674,922	554,822
(Surplus) / Deficit	(10,000)	(10,000)	0
Working balance brought forward	(1,000,000)	(1,000,000)	0
Working balance carried forward	(1,010,000)	(1,010,000)	0

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REPORT FOR DECISION



MEETING:	CABINET OVERVIEW & SCRUTINY COMMITTEE
DATE:	28 June 2017 4 July 2017
SUBJECT:	CAPITAL OUTTURN 2016/2017
REPORT FROM:	CABINET MEMBER FOR FINANCE AND HOUSING
CONTACT OFFICER:	STEVE KENYON, INTERIM EXECUTIVE DIRECTOR OF RESOURCES AND REGULATION
TYPE OF DECISION:	CABINET (KEY DECISION)
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	<p>PURPOSE/SUMMARY:</p> <p>This report provides Members with details of:</p> <ul style="list-style-type: none"> • The capital outturn figures in respect of the last financial year 2016/17; • Major variances between the Revised Estimate and the Outturn; • The financing of the Capital Programme in 2016/17; • Re-profile of budgets/allocations and slippage of funding into 2017/18; • Details of the capital receipts realised during the year.
OPTIONS & RECOMMENDED OPTION	<p>Members are asked to:</p> <ol style="list-style-type: none"> a) Note the final capital outturn for 2016/2017, and explanations for major variances (Appendix A and report) b) Note the financing of the Capital Programme in 2016/17 (Paragraph 3.5) c) Consider and recommend for approval the re-profiled/slippage requests and associated funding into 2017/2018 (Appendix B) d) Note the level of Capital Receipts realised in year

	<p>and proposed use of the sites disposed of during the year (Appendix C).</p> <p>Recommended Option:</p> <p>To approve the recommendations set out above.</p>
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 Risk Considerations (Statement by 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 implications:	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 INTERIM EXECUTIVE DIRECTOR: STEVE KENYON

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
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Yes	28/6/17		
Overview & Scrutiny Committee		Committee	Council
4/7/17			

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, reserves 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 at year end, including any outstanding capital creditors and debtors that are accounted for within final figures. These are subsequently reconciled with the actual amounts that are paid out or received in the following financial year.
- 1.4 Accruals are also shown at the end of the financial year for grant funding to be claimed that support schemes started during the year and are dependant on externally provided funds.
- 1.5 The indications for supported capital allocations from the government are now made on a two to three year basis with firm indications for amounts allocated for each Authority being supplied for the following year. This means that the certainty of finances for schemes extending over one year is now greater and managers can plan, although risk aware, for longer term schemes. There is still only a limited number of capital grants that can be carried forward to fund schemes that have slipped between financial years.
- 1.6 The report also provides details of the major variances between the revised budget 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 realised in the year against the Revised Estimate for each Department and project.

- **Appendix B** lists capital projects that have not completed by end of the financial year and are re-profiled or slipped into 2017/18 and future years, analysed by Department and category of funding source.
- **Appendix C** shows a summary of asset disposals that occurred in the year and the realised usable part of the receipt that was either expended in the year to support the funding of the programme, set aside for future capital investment or set aside for repayment of borrowing.

2.0 CAPITAL OUTTURN 2016/2017

2.1 Approved Capital Budget and Outturn

2.2 The total Capital Budget approved by **Council on 24 February 2016** with subsequent movements during the financial year 2016/17 and the final expenditure at outturn are shown in the table below:

Capital Budget 2016/17	£m	£m
Original approved budget		25.192
Value of schemes re-profiled from 2015/16 programme	17.015	
Amendments to budget in year	18.539	35.554
		60.746
Revised programme for 2016/17		
Value of schemes re-profiled to 2017/18		(28.252)
Final Capital Programme 2016/17		32.494
Capital Outturn for 2016/17		32.497
Variance		(0.003)

2.3 Members are reminded, for completeness and not included in the figures above, that 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 2016/17 this grant totalled **£1.331million**.

2.4 Capital expenditure that was achieved from schemes carried out during the year totalled **£32.497million** against the final approved Programme funding (excluding the amounts for the VA schools and the re-profiled amounts) of **£32.494million**. There was an overall negative variance at the end of the year of **£0.003million** mainly from costs associated to retentions and defects to completed projects.

- 2.5 These costs will be offset against capital receipts realised from the sale of identified surplus assets in the year and are monitored to ensure minimal impact on the available resources for capital schemes.

3.0 CAPITAL PROGRAMME FUNDING

- 3.1 The Capital Programme is funded from a 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 arrive at the best possible financial position for the Council at the end of the financial year and one that will have minimal effect on the Council's future financial position.
- 3.3 This is achieved through maximising the use of government funded allocations, capital grants and external contributions. The Capital Programme also relies on and uses contributions from capital receipts, reserves 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 2016/17 the amount financed after accruing for all payments made or to be made for contract work, goods and services supplied by 31st March 2017 was **£32.497million**.
- 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	32.206	
Intangible assets	0.142	
Vehicle, Plant and Equipment	0.149	
Total		32.497
Financed by:		
Loan	5.400	
Capital Receipts/earmarked reserve	1.608	
External Grants and Contributions	7.893	
General Fund Revenue and Reserves	1.420	
Housing Revenue Account	8.290	
Major Repair Allowance	7.886	
Total		32.497

- 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 asset register. 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 2016/17 the Council financed schemes to a total value of **£1.608million** from total available capital receipts including those brought forward from previous year.
- 3.9 The Council has realised capital receipts from the sale of assets in 2016/17 of **£4.052million** in total, of which **£2.809million** can be used towards future capital investment or repayment of debt. The balance represents the payment of the share from the Right to Buys sales of **£1.243million** to Government.
- 3.9 The balance of general usable capital receipts at year end will be carried forward into 2017/2018 to ensure an amount for earmarked capital receipts that have been approved and required for committed and 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 2016/17 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 sound 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 necessarily 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 towards 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 **£28.252million**, 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 2016 for the 2016/17 financial year that was not spent in the year. These amounts were part of the three year rolling capital programme, from 2015/16 to 2017/18 compiled and presented to Council by Operational services of the Authority.

2016/17 Capital schemes re-profiled into 2017/18	£m	£m
Total re-profiled		28.252
Financed by:		
Capital grants and contributions held in reserves	14.584	
HRA Reserve	0	
Capital receipts / Earmarked reserves	2.222	
Loan	8.650	
Capital grants and contributions receivable 2017/18	2.752	
General Fund Revenue / reserves	0.044	
Total		28.252

- 4.6 The value of the schemes re-profiled into 2017/18 will be financed in the next and future years from balances carried forward as usable reserves on the Balance Sheet. As at 31st March **£2.752m** of the total shown above was still to be received from external resources due to timing differences and **£14.584m** was held in general usable reserves.
- 4.7 A small amount of the grants and contributions carried forward, of **£0.338m**, was conditionally received to schemes being completed by a certain date or scope. The Council will ensure that all conditions to finance the agreed capital projects are complied with.
- 4.8 The amount shown as loan of **£8.650m** represents previous years' together with new approvals made by the Council for Invest to Save projects and affordable housing schemes that are long term and will require several years to complete, listed as:
- Housing care schemes and empty properties
 - Street Lighting LED Invest to Save commitment
 - Prestwich Village remodelling

- 4.9 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.
- 4.10 The unused allocation from the Housing Revenue Account Reserve for council house repairs is transferred at year end to a reserve account and available to finance re-profiling of schemes into the 2016/17 capital expenditure.
- 4.9 The **Cabinet Member for Finance and Housing** will be requested to note and recommend for approval the carry forward of schemes and associated funding into 2017/18.
- 4.10 The Capital Programme approved by Council in February 2016 for the 2016/17 financial year will be updated with the slippage of funding as recommended and approved by Cabinet.

5.0 MONITORING ARRANGEMENTS

- 5.1 The Council's 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 & Housing, Cabinet and subsequently scrutinised by the Overview and Scrutiny Committee.
- 5.5 The Capital investment requirement for the Council is considered and approved over a three year rolling programme, with a longer term view for projects that go beyond this period of time.

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. There is a tendency for scheme estimates to change and sometimes significantly from one report to the next, as planning and works on the projects progresses. 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, Overview and Scrutiny Committee, 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. This has, to an extent, had a negative effect on the mix and size of the capital projects that have been approved by Council.
- 6.8 The Council has taken steps to mitigate this 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.
- 6.9 Capital expenditure reliant on capital receipts is only approved and takes 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, aims 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 Eamon O'Brien
Cabinet Member for Finance and Housing

Background documents:

Capital Cost Tab and Financing Working Papers, 2016/2017
Council Approved Capital Programme 2016/17, Report and Appendix1

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

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

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Corporate Monitoring Statement 2016-17		formulas						
		(4)	(2)	(3)	(4)	(5)	(6)	(7)
		Original Budget £000's	Revised Budget £000's	Reprofiled to Future Years (funding not yet received or held £000's)	Slippage to Future Years (funding received and £000's)	Revised Estimate After Reprofile Col(2)-Col(3,4) £000's	Outturn £000's	Month 12 variance (Under) or Over Col(6)-Col(5) £000's
Children, Young People & Culture	Support Services	0	57	0	(51)	6	6	0
	Devolved Formula Capital	500	1,292	0	(764)	528	528	(0)
	New Deal for Schools Modernisation	4,887	11,887	0	(8,918)	2,969	2,968	(1)
	Access Initiative	0	10	0	(8)	2	2	0
	Targetted Capital Funds	0	85	0	(76)	8	8	0
	Upgrade and remodel Radcliffe Hall - Receipt	800	896	0	0	896	896	0
	New Adolescent Support Unit	500	508	0	0	508	508	0
	Children Centres	0	18	0	(7)	12	12	0
	Free School Meal Capital Grant	0	32	0	(22)	10	10	0
	Early Education Fund	-	324	0	(215)	109	109	0
Protecting Play Fields	-	30	(13)	0	17	17	0	
Totals	6,687	15,140	(13)	(10,062)	5,065	5,064	(1)	
Communities & Wellbeing	Contaminated Land	0	21	0	(21)	0	0	0
	Air Quality	0	9	0	(9)	0	0	0
	Heat Network in Bury Town Centre	0	72	0	(54)	17	17	0
	Leisure Services - Play Areas	0	171	0	(21)	150	150	0
	Leisure Services - Demolition of Radcliffe Pool	0	747	(44)	0	703	703	0
	Adult Care - Learning Disabilities	0	138	0	(3)	136	136	(0)
	Adult Care - Improving Information Management	0	32	0	(7)	25	25	0
	Adult Care - Older People	455	705	0	(508)	197	197	0
	Urban Renewal - Empty Property Strategy	205	823	0	(610)	213	213	0
	Urban Renewal - Housing development	0	9,508	(8,482)	(317)	708	708	0
	Urban Renewal - Disabled Facilities Grant	781	1,082	0	(172)	910	910	0
	Waste Management	0	53	0	(53)	0	0	0
CWB Transport	0	149	0	0	149	149	0	
Totals	1,441	13,510	(8,526)	(1,776)	3,208	3,208	0	
Resources & Regulation	Street Lighting LED Invest to Save	1,046	2,187	0	(1,079)	1,107	1,107	0
	Traffic Management Schemes	0	350	0	(318)	32	32	0
	Definitive rights of Way	0	19	0	(19)	0	0	0
	Highways Planned Network Maintenance	1,233	4,624	0	(3,170)	1,454	1,454	0
	Walking Strategy	0	18	0	(13)	5	5	0
	Bridges	475	529	0	(320)	209	209	0
	Prestwich Town Centre	0	2,012	(450)	(1,311)	251	251	0
	Traffic Calming and Improvement	450	696	(531)	(28)	138	138	(0)
	Planning - Development Schemes	0	111	0	(83)	28	28	0
	Planning - Environmental Schemes	214	721	(188)	(223)	310	310	(0)
	Corporate ICT Projects	71	133	0	0	133	133	0
	Corporate Property Initiatives	0	284	(104)	(97)	83	83	0
	Radcliffe Market Redevelopment	0	(100)	100	0	0	4	4
	Radcliffe TC Bus Station Relocation	0	1,006	0	0	1,006	1,006	0
	12 Tithebam Street	0	45	0	(43)	2	2	0
	The Met Theatre Refurbishment	1,000	750	0	0	750	750	0
Concerto Asset Management Software	0	9	0	0	9	9	0	
Property - Sales	0	11	0	0	11	11	0	
Property Investment - 43 to 45 Lever street, Manchester	0	2,515	0	0	2,515	2,515	(0)	
Totals	4,488	15,920	(1,173)	(6,703)	8,045	8,049	4	
Housing Public Sector	New Energy Development Organisation (NEDO) Works	0	208	0	0	208	208	0
	Fernhill Site	0	16	0	0	16	16	0
	Play Areas / Street Lighting	0	57	0	0	57	57	0
	Disabled Facilities Adaptations	572	638	0	0	638	638	0
	Major Repairs Allowance Schemes	7,886	7,886	0	0	7,886	7,886	0
	HRA component modernisation	4,119	7,373	0	0	7,373	7,373	0
Totals	12,576	16,176	0	0	16,176	16,176	0	
Total Bury Council controlled programme	25,192	60,746	(9,712)	(18,540)	32,494	32,497	3	

Funding position:

Capital Receipts	800	1,945	0	(337)	1,608	1,608
Capital Reserves / Earmarked Capital Receipts	276	3,130		(1,885)	1,245	1,245
General Fund Revenue/Reserves	137	219	(45)	1	175	175
Housing Revenue Account	4,119	8,290	0		8,290	8,290
Capital Grants/Contributions	9,726	25,229	(2,752)	(14,584)	7,893	7,893
HRA/MRA Schemes	7,886	7,886			7,886	7,886
Supported Borrowing	0	0			0	0
Unsupported Borrowing	2,248	14,048	(6,915)	-1,735	5,398	5,400
	25,192	60,746	(9,712)	(18,540)	32,494	32,497

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 2016/17 TO 2017/18

SERVICE	SCHEME	£000's	FUNDING SOURCE	COMMENTS
Department for Children, Young People and Culture	Support Services	51	Revenue	New Invest 2 Save Project. Majority of spend will be in 2017-18
	Devolved Formula	764	Grant	Three year rolling programme.
	New Deal for Schools Modernisation	8,918	Grant	Required for 2017/18
	Schools Access Initiative	8	Supported Borrowing	Required for 2017/18
	Targeted Capital Funding New Millwood	76	Grant	Retentions
	Children Centre	7	Grant	Required for 2017/18
	Free School Meal Grant	22	Grant	Required for 2017/18
	Early Education Fund	215	Grant	Includes new scheme / Spend to commence 2017/18
	Play Field Improvement - Lowercroft	13	External Funding	Required in 17/18 - Scheme on hold.
TOTAL	Children, Young People & Culture	10,074		
Department for Communities & Wellbeing	Environmental Works	85	Grant	1) Contaminated land x ring fenced grant. 2) Heat Network in Bury Town Centre continuing into 2017-18
	Play Areas	21	Reserves	Projects to complete in 2017-18
	Demolition of Radcliffe Pool	44	Reserves / RCCO	Balance of 2016/17 allocation required for continuing works.
	Learning Disabilities	3	Grant	Required for future schemes
	Improving Information Management	7	Grant	Required for future schemes
	Older People	508	Grant	Funding required for continuing refurbishment works at Killelea.
	Empty Homes Strategy	6 604	LA Funding S106	1) Purchase & Improvement budget to be split over two years. 2) Affordable housing project not due to complete until March 2018.
	Urban Renewal - Housing Development	7,557 1,242	LA Funding Grant	Allocation for Extra Care Scheme only agreed towards end of 2016/17
	Disabled Facilities Grant	168 4	Grant Revenue	Request to slip remaining budget due to commitment already in the system.
	Waste Management	53	Grant	
TOTAL	Communities & Wellbeing	10,302		

SERVICE	SCHEME	£000's	FUNDING SOURCE	COMMENTS
Department for Resources & Regulation	Street Lighting	160 118	Grant LA Funding	
	Highways Flood Grants	801 2,393	Grants	To Tackle flood affected areas
	Traffic Management Schemes	318	Capital Receipt	
	Confirm system	22	Reserves	On going development
	Highways Planned Network Maintenance	755	Grant	Numerous schemes to complete works 2017/18
	Bridges	320	Grant	To complete works in 2017/18
	A56 Prestwich Village Corridor Improvements	1,000 311 450	LA Funding Reserves Grant)
	Other Traffic Improvement Schemes	562 28	Grant / External Fdg	
	Planning / Development Group	77 6	LA Funding External Fdg	
	Planning / Environmental Projects	201 14 196	LA Funding Capital Rec. Grant	Required for several projects. Largest amount is required for the Woodland Grant Scheme
	Opportunity Land Purchases	87	LA Funding	Required towards purchase of new assets as opportunity arises.
	Demolition of the former Police HQ, Irwell Street	104	Capital Rec.	Work continuing into 2017/18
	Radcliffe Market Redevelopment	(100)	LA Funding	Negative slippage. Budget/funding to be confirmed in 2017/18.
	Tile Street Refuse Removal	10	Reserve	Remaining allocation to be used towards Phase 3
	12 Tithebarn Street	43	Property Fund	Refurbishment specification taking longer than anticipated
TOTAL	Resources & Regulation	7,876		
TOTAL	TOTAL SLIPPAGE / RE-PROFILED VALUE	28,252		

CAPITAL RECEIPTS 2016/2017

	GROSS RECEIPT		USABLE RECEIPT	
	£		£	
<i>Housing Receipts</i>				
Balance Brought Forward from 2015/16	0		0	
Council House Sales (Right to Buy) 2016/17	2,309,052		1,066,341	
Other Housing Receipts	2,992		2,992	
Total Housing Receipts		2,312,044		1,069,333
<i>General Asset Receipts</i>				
Balance Brought Forward from 2015/16	3,003,627		3,003,627	
General asset sales 2016/17	1,740,005		1,740,005	
Total General Receipts		4,743,632		4,743,632
Total Capital Receipts for 2016/17		7,055,676		5,812,965

General Receipts detail:	Ward	Area (m2)	Proposed Use
Land at Croft Lane, Bury	Unsworth	66	Residential
Greymont Road Garage Colony	Moorside	1228	Residential
Land at Melrose Close Garage Colony	Unsworth	1466	Residential
Woodbury Hostel, Wesley Street, Tottington	Tottington	2184	Residential
10 Tenterden Street, Bury	East	198	Offices
Land at Peel Brow	Ramsbottom	806	Car parking
Land at Shaw Street / Gladstone Street	East	327	Residential
Land adjacent to 32 Nuttall Street, Bury	East	81	Residential
Land adjacent to 27 Shaw Street, Bury	East	88	Residential
Land to East side of Eton Hill Road, Radcliffe	Radcliffe East	10388	Commercial
Land at Rainsough Brow	St. Mary's	46	Residential
Land adj 3 Fir Street, Bury	East	217	Not known
Roach Bank Mill, Pimhole Road, Bury	East	3493	Commercial
Part x 13/15 Parsons Lane, Bury	East	149	Offices
Land at Stopes Road, Little Lever	Radcliffe West	391	Commercial

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REPORT FOR DECISION



MEETING:	CABINET OVERVIEW & SCRUTINY COMMITTEE
DATE:	28 JUNE 2017 4 JULY 2017
SUBJECT:	TREASURY MANAGEMENT ANNUAL REPORT 2016/2017
REPORT FROM:	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:	<p>PURPOSE/SUMMARY:</p> <p>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 2016/17.</p>
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 Interim Executive Director of Resources and Regulation below.
Statement by Assistant Director of	This report provides information on the

<p>Resources (Finance and Efficiency):</p>	<p>Council’s debt, borrowing, and investment activity for the financial year ending on 31st March 2017 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.</p> <p>The overall strategy for 2016/17 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.</p> <p>Debt decreased slightly during the year, £195,682 million at 31st March 2017 compared to £196,011 million at 31st March 2016. The average borrowing rate rose slightly from 3.95% to 3.96%. Investments at 31 March 2017 stood at £18,550 million, compared to £22,600 million the previous year, the decrease being due to the use of cash/investment balances to repay maturing debt. The average rate of return on investments was 0.58% in 2016/17 compared to 0.71% in 2015/16.</p>
<p>Equality/Diversity implications:</p>	<p>No - (see paragraph 8.1, page 9)</p>
<p>Considered by Monitoring Officer:</p>	<p>Yes. The presentation of an annual report on Treasury Management by 30th 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.</p>
<p>Are there any legal implications?</p>	<p>No</p>
<p>Staffing/ICT/Property:</p>	<p>There are no direct staffing, ICT or property implications arising from this report.</p>
<p>Wards Affected:</p>	<p>All</p>
<p>Scrutiny Interest:</p>	<p>Overview & Scrutiny Committee</p>

TRACKING/PROCESS

INTERIM EXECUTIVE DIRECTOR: STEVE KENYON

Chief Executive/ Strategic Leadership Team	Cabinet	Ward Members	Partners
	28/6/17		
Overview & Scrutiny Committee		Committee	Council
4/7/17			

1.0 INTRODUCTION

1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2016/17. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

During 2016/17 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 24/02/2016)
- a mid-year (minimum) treasury update report (Council 01/02/2017)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

1.2 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council’s policies previously approved by members.

1.3 This Council confirms that it has complied with the requirement under the Code to give scrutiny to all of the above treasury management reports by the Overview & Scrutiny Committee.

2.0 THE ECONOMY AND INTEREST RATES

2.1 The two major events that had a significant influence on financial markets in the 2016-17 financial year were the UK EU referendum on 23 June and the election of President Trump in the USA on 9 November. The first event had an immediate impact in terms of market expectations of when the first increase in Bank Rate would happen, pushing it back from quarter 3 2018 to quarter 4 2019. At its 4 August meeting, the Monetary Policy Committee (MPC) cut Bank Rate from 0.5% to 0.25% and the Bank of England’s Inflation Report produced forecasts warning that economic growth could fall in the second half of 2016. The MPC also warned that it would be considering cutting Bank Rate again towards the end of 2016 in order to support growth. In addition, it restarted quantitative easing with purchases of £60bn of gilts and £10bn of corporate

bonds, and also introduced the Term Funding Scheme whereby potentially £100bn of cheap financing was made available to banks.

- 2.2 In the second half of 2016, after quarter 1 GDP growth of only +0.2%, the three subsequent quarters of 2016 came in at +0.6%, +0.5% and +0.7% to produce an annual growth for 2016 overall of 1.8%. This meant that the MPC did not cut Bank Rate again after August but, since then, inflation has risen.

3.0 THE COUNCIL'S OVERALL TREASURY POSITION AS AT 31 MARCH 2017

- 3.1 At the beginning and the end of 2016/17 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

	Balance at 31/03/16			Balance at 31/03/17		
	General Fund £'000	HRA £'000	Total £'000	General Fund £'000	HRA £'000	Total £'000
Total Debt	77,227	118,784	196,011	76,898	118,784	195,682
CFR	125,237	118,784	244,021	126,936	118,784	245,720
Over / (under) borrowing	(48,010)	0	(48,010)	(50,038)	0	(50,038)
Total Investments			22,600			18,550
Net Debt			173,411			177,132

	Balance at 31/03/16		Balance at 31/03/17	
	Average Rate / Return	Average Life of Debt (years)	Average Rate / Return	Average Life of Debt (years)
Debt	3.95%	27	3.96%	26
Investments	0.71%		0.58%	

4.0 THE STRATEGY FOR 2016/17

- 4.1 The expectation for interest rates within the treasury management strategy for 2016/17 anticipated low but rising Bank Rate, (starting in quarter 4 of 2016) and gradual rises in medium and longer term fixed borrowing rates during 2016/17. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
- 4.2 In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.
- 4.3 During 2016/17 there was major volatility in PWLB rates with rates falling during quarters 1 and 2 to reach historically very low levels in July and August, before rising significantly during quarter 3, and then partially easing back towards the end of the year.

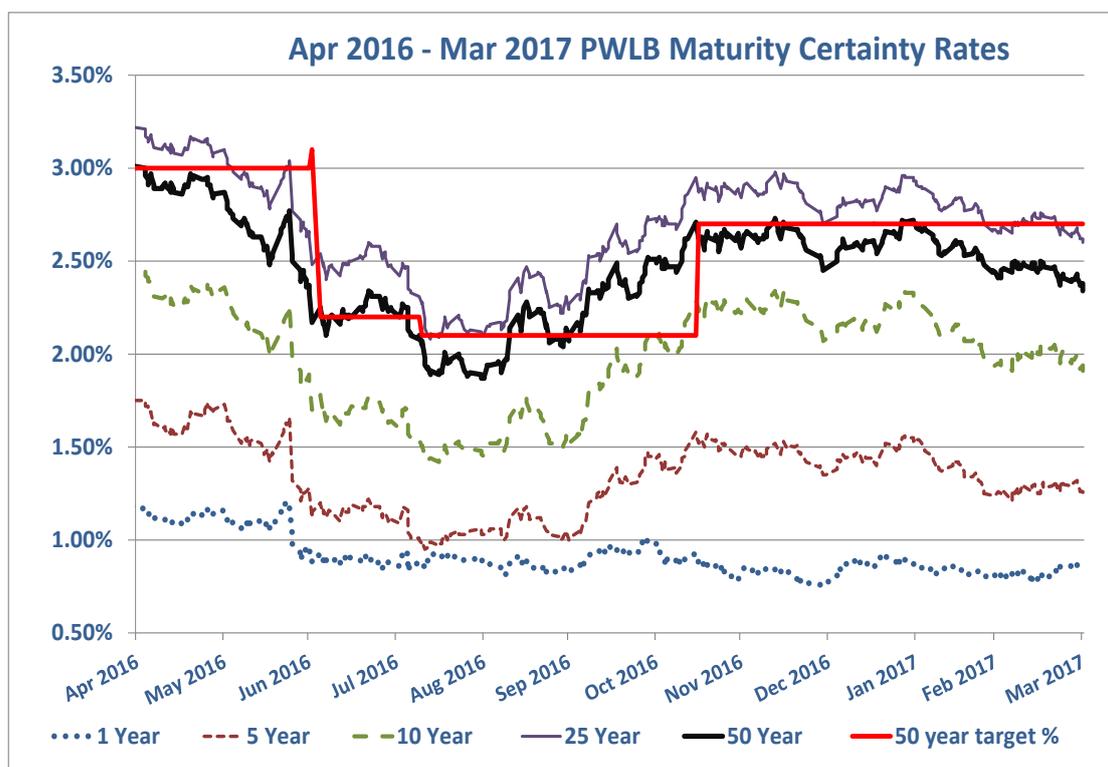
5.0 THE BORROWING REQUIREMENT AND DEBT

5.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

Capital Financing Requirement	2015/16 Actual £'000	2016/17 Estimate £'000	2016/17 Actual £'000
CFR – non HRA	125,237	112,009	126,936
CFR – HRA existing	40,531	40,531	40,531
Housing Reform Settlement	78,253	78,253	78,253
Total CFR	244,021	230,793	245,720

6.0 BORROWING RATES IN 2016/17

6.1 **PWLB certainty maturity borrowing rates** - the graph below shows how PWLB certainty rates have fallen to historically very low levels during the year.



7.0 BORROWING OUTTURN FOR 2016/17

7.1 An analysis of movements at nominal values on loans during the year is shown below:

	Balance at 31/03/16 £000's	Loans raised £000's	Loans repaid £000's	Balance at 31/03/17 £000's
PWLB	131,453	0	0	131,453
Market	62,000	17,000	(16,500)	62,500
Temporary Loans	0	0	0	0
Other loans	3	0	0	3
Bury MBC Debt	193,456	17,000	(16,500)	193,956
Airport PWLB Debt	2,555	0	(829)	1,726
Total Debt	196,011	17,000	(17,329)	195,682

7.2 A number of shorter term loans were raised during the year from other UK Local Authorities, to partly replace the loans maturing.

Lender	Rate	Amount £000's	Start Date	End Date
County Council	1.04%	2,000	21/04/2016	23/04/2018
Police & Crime Commissioner	1.04%	2,000	21/04/2016	23/04/2018
Borough Council	1.00%	3,000	21/04/2016	23/04/2018
London Borough	0.90%	5,000	05/07/2016	05/07/2018
District Council	1.50%	5,000	18/07/2016	19/07/2021
Total		17,000		

7.3 No debt rescheduling was undertaken during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

7.4 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:

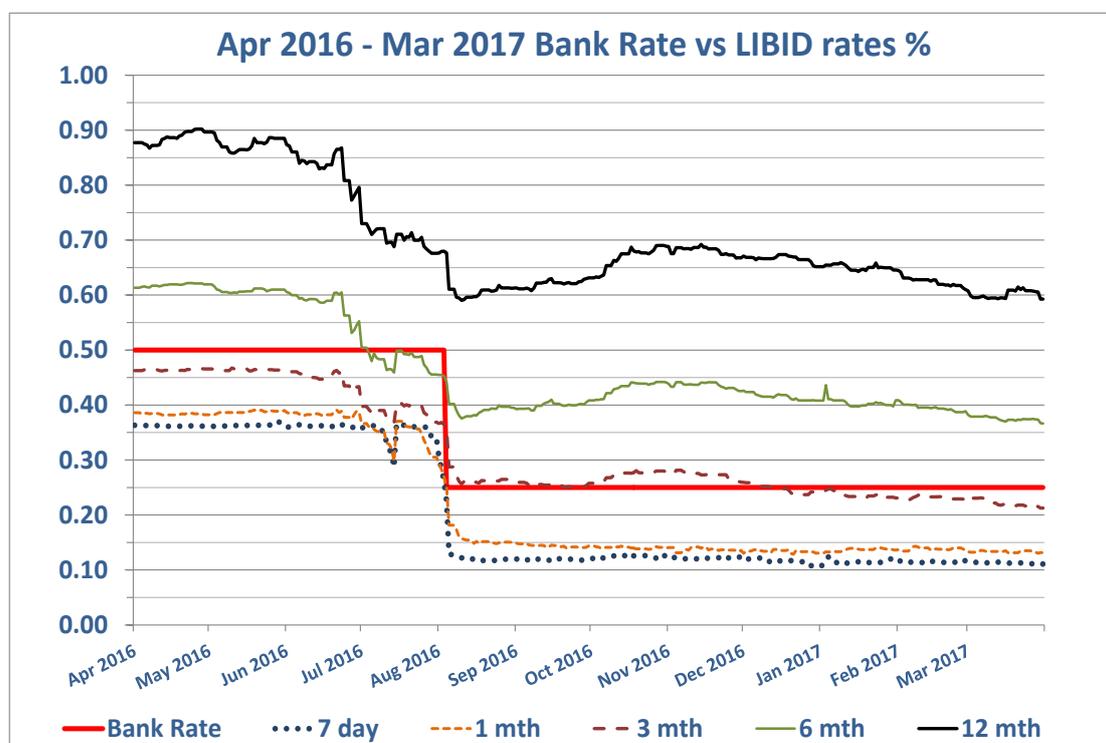
Year	2012/13	2013/14	2014/15	2015/16	2016/17
Average Interest Rate on Debt	4.43%	3.96%	3.96%	3.95%	3.96%

7.5 From 2012/13 the average interest rate has fallen due to rescheduling of loans to lower interest rates and the borrowing of new loans at historically low levels.

8.0 INVESTMENT RATES IN 2016/17

8.1 After the EU referendum, the Bank Rate was cut from 0.5% to 0.25% on 4th August and remained at that level for the rest of the year. Market expectations

as to the timing of the start of monetary tightening started the year at quarter 3 2018, but then moved back to around the end of 2019 in early August before finishing the year back at quarter 3 2018. Deposit rates continued into the start of 2016/17 at previous depressed levels but then fell during the first two quarters and fell even further after the 4 August MPC meeting resulted in a large tranche of cheap financing being made available to the banking sector by the Bank of England. Rates made a weak recovery towards the end of 2016 but then fell to fresh lows in March 2017.



9.0 INVESTMENT OUTTURN FOR 2016/17

- 9.1 The Council’s investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council on 24 February 2017. 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.).
- 9.2 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.
- 9.3 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 9.4 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.
- 9.5 Detailed below is the result of the investment strategy undertaken by the Council.

	Average Investment	Rate of Return	Benchmark Return *
Internally Managed	£33,460,303	0.55%	0.20%

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

- 9.6 Investments at 31 March 2017 stood at £18,550 (£22.600m at 31 March 2016).

	Investment at 31/03/16 £000's	Amount Invested in year £000's	Investments realised in year £000's	Balance at 31/03/17 £000's
Fixed Rate Investments				
Nationwide Building Society	3,000	0	(3,000)	0
Bank of Scotland	17,000	18,000	(32,000)	3,000
Coventry Building Society	0	0	0	0
Barclays Bank	0	0	0	0
Total - Fixed rate	20,000	18,000	(35,000)	3,000
Call Accounts				
Barclays Bank - Flexible Interest Bearing Current Account	2,600	126,850	(114,450)	15,000
Bank of Scotland - Call Account	0	123,700	(123,150)	550
NATWEST bank - Call Account	0	43,550	(43,550)	0
Total Investments	22,600	312,100	(316,150)	18,550

- 9.7 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	1.00%	5,000	09/04/2015	08/04/2016
BANK OF SCOTLAND	1.05%	5,000	14/09/2015	12/09/2016
BANK OF SCOTLAND	1.05%	5,000	30/09/2017	29/09/2016
BANK OF SCOTLAND	1.05%	2,000	17/11/2015	17/11/2016
Nationwide	0.50%	3,000	28/01/2016	28/04/2016
BANK OF SCOTLAND	0.65%	3,000	15/08/2016	15/02/2017
BANK OF SCOTLAND	0.65%	5,000	12/09/2016	13/03/2017
BANK OF SCOTLAND	0.45%	2,000	17/11/2016	17/02/2017
BANK OF SCOTLAND	0.45%	5,000	12/12/2016	13/03/2017
BANK OF SCOTLAND	0.60%	2,000	17/02/2017	17/08/2017
BANK OF SCOTLAND	0.60%	1,000	10/03/2017	11/09/2017
Total		38,000		

10.0 COMPLIANCE WITH TREASURY LIMITS

- 10.1 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.

11.0 EQUALITY AND DIVERSITY

11.1 There are no specific equality and diversity implications.

12.0 FUTURE ACTIONS

12.1 Treasury Management Updates and Prudential Indicators for 2017/18 will be presented on a quarterly basis to the Cabinet and the Overview & Scrutiny Committee.

13.0 CONCLUSION

13.1 It is recommended that Members note the treasury management activity that has taken place during the financial year 2016/17.

Councillor Eamon O'Brien
Cabinet Member for Finance and Housing

Background documents:

Unaudited Final Accounts Bury MBC 2016/17

CIPFA Treasury Management Code of Practice in the Public Services

CIPFA The Prudential Code for Capital Finance in Local Authorities

Treasury Management Report 2016-17

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

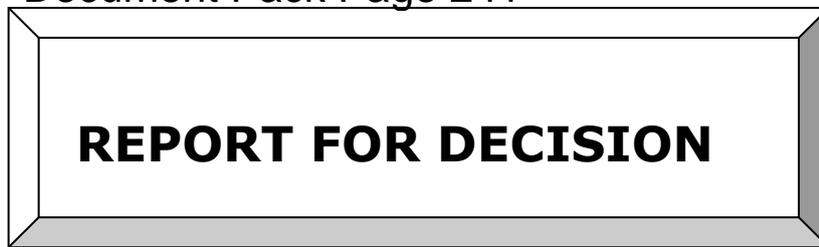
Appendix 1: Prudential and Treasury Indicators

1. PRUDENTIAL INDICATORS	2015/16 Actual £'000	2016/17 Estimate £'000	2016/17 Actual £'000
Capital Expenditure			
Non - HRA	22,700	16,359	16,321
HRA	10,704	15,610	16,176
TOTAL	33,404	31,969	32,497
Ratio of financing costs to net revenue stream			
Non - HRA	3.22%	3.13%	3.10%
HRA	14.14%	14.14%	14.47%
Gross borrowing requirement			
Alternative financing	0	0	1,699
Replacement Borrowing	5,353	16,806	329
in year borrowing requirement	5,353	16,806	-1,370
Gross debt	196,011		195,682
CFR			
Non - HRA	125,237	112,009	126,936
HRA	118,784	118,784	118,784
TOTAL	244,021	230,793	245,720
Annual change in Cap. Financing Requirement			
Non - HRA	3,208		1,699
HRA	0		0
TOTAL	3,208		1,699
Incremental impact of capital investment decisions			
Increase in council tax (band D) per annum	-£4.44	-£0.77	-£5.15
Increase in average housing rent per week	£0	£0	£0

2. TREASURY MANAGEMENT INDICATORS	2015/16 Actual £'000	2016/17 Estimate £'000	2016/17 Actual £'000
Authorised Limit for external debt -			
borrowing	279,021	279,021	280,720
other long term liabilities	5,000	5,000	5,000
TOTAL	284,021	284,021	285,720
Operational Boundary for external debt -			
borrowing	244,021	244,916	245,720
other long term liabilities	5,000	5,000	5,000
TOTAL	249,021	249,916	250,720
Actual external debt	196,011		195,682
Upper limit for fixed interest rate exposure			
Net principal re fixed rate borrowing / investments	113%	116%	110%
Upper limit for variable rate exposure			
Net principal re variable rate borrowing / investments	-13%	-16%	-10%
Upper limit for total principal sums invested for over 364 days			
(per maturity date)	£10 m	£10 m	£10 m

Maturity structure of fixed rate borrowing during 2016/17	upper limit	lower limit
under 12 months	40%	0%
12 months and within 24 months	35%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	50%	0%
10 years and within 20 years	90%	0%
20 years and within 30 years	90%	0%
30 years and within 40 years	90%	0%
40 years and within 50 years	90%	0%

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DECISION OF:	Cabinet
DATE:	28 June 2017
SUBJECT:	Future of the Section 48 AGMA Grants Scheme
REPORT FROM:	Leader of the Council
CONTACT OFFICER:	Interim Chief Executive
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	For Publication
SUMMARY:	This report asks for formal consideration to be given to the closure of the current section 48 AGMA Grants Scheme, with a view to its replacement by a new scheme under the Greater Manchester Combined Authority (GMCA).
OPTIONS & RECOMMENDED OPTION	<p>Cabinet is recommended to:</p> <ol style="list-style-type: none"> 1. Give initial consideration to the case for closure of the Section 48 AGMA Grants programme and authorise a consultation on closure of the scheme to be undertaken by AGMA to inform a final decision on closure to be taken at a later date. 2. Support the development of a new funding programme for culture, under the GMCA, as a potential replacement for the Section 48 Scheme. 3. Note that it is intended to run the consultation for a new CA programme for culture at the same time as the consultation on closure of the Section 48 scheme.
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes No
Statement by the S151 Officer: Financial Implications and Risk	The recommendations of the report are <input type="text"/>

- 1.2 AGMA Leaders have previously suggested that they would like to review options for the development of a new programme for culture under the GMCA, with a view to aligning the start of the new programme with the closure of the Section 48 scheme.

2.0 Future of the Section 48 Scheme

- 2.1 In early 2016, Leaders indicated that they wished to review options to move the Section 48 scheme to the GMCA, such a move being consistent with wider reviews and changes arising since the establishment of the GMCA and subsequent devolution deals. The option favoured was closure of the Section 48 scheme in conjunction with the establishment of a new programme for culture under the GMCA in 2018/19 after year 3 of the current funding cycle of the AGMA scheme closes in 2017/18.

- 2.2 At its meeting on 16 December 2016 the AGMA/GMCA Executive Board decided to recommend to constituent councils that consideration be given to the closure of the AGMA Section 48 Grants scheme and that approval be sought for AGMA to undertake a consultation on the formal closure of the scheme.

- 2.3 It should be noted that if closure is agreed by all (or in the absence of agreement a majority of) the constituent Councils then, due to the legislative requirements relating to the closure of a scheme established under Section 48 of the 1985 Act, the closure of the scheme would not occur until the end of the financial year after that in which the decision to close the scheme was made. An indicative timetable for closure of the Section 48 scheme is set out below:

- Feb/March 17 - Constituent councils agree that closure option should be considered and approve the undertaking of a consultation on closure by AGMA during 2017;
- March 2017 – formal notice given to funded organisations that closure of the scheme is being considered and that a consultation will be undertaken. To also note that the GMCA intends to consult on a new programme during 2017 and run the consultation for this alongside the Section 48 closure consultation.
- Late 2017 – subject to consideration of the outcome of the consultation AGMA Executive makes recommendation to constituent councils to agree closure of S48 scheme;
- Before end March 2018 – Constituent councils agree to closure of the Section 48 scheme
- 31st March 2019 – AGMA Section 48 scheme closes

- 2.4 The indicative timetable for closure referred to at paragraph 2.3 above would mean that there would be a need for a further year beyond the current 2015/18 funding cycle in which the AGMA Section 48 scheme would remain in existence, in line with the legislative requirements concerning closure of the scheme. However, assuming that the replacement GMCA scheme would be in place from April 2018, it would be possible to zero fund the final year of the Section 48 scheme so as to avoid any overlap in provision. It is to be noted that a precedent has already been set for possible zero funding of particular years of the Section 48 scheme, as the second and third years of the current cycle of funding were not guaranteed and potentially could have been left unfunded (although this did not ultimately occur).

- 2.5 Once the ten constituent Councils have agreed that the closure option should be considered a consultation will be undertaken with currently funded groups

and other interested parties in 2017, whilst the new programme is consulted on. Please note that it is intended to run the consultation for a new CA programme for culture at the same time as the consultation on closure on the Section 48 scheme. A final decision on the closure of the AGMA Section 48 scheme will only be made following consultation and a report will be brought back to the ten constituent Councils regarding the outcome and ask them to confirm /reject closure of the scheme.

3.0 Development of a new scheme

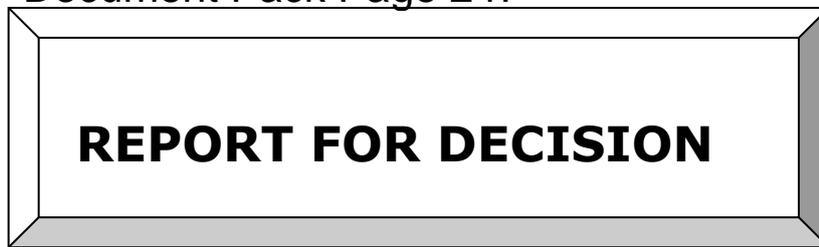
- 3.1 The current Section 48 Fund Criteria were reviewed by AGMA in 2012 with a view to strengthening economic outcomes of the fund and its contribution to the Greater Manchester Strategy (GMS).
- 3.2 Given the changing context in which Greater Manchester is now operating, and the extent to which the GM agenda has moved on, a refresh of the Greater Manchester Strategy is now underway. It is intended to revisit GM's strategic approach to reassess the issues and opportunities that the strategy needs to address, and re-examine the interventions required to drive growth and reform across the conurbation. Allocations of funding through the GMCA will need to be aligned to emerging priorities. Interim feedback from the current consultation are indicating that one of the main reasons why people like working, living, learning, doing business or visiting Greater Manchester is because of its rich cultural and arts offer.
- 3.3 The GMCA has been asked to consider the opportunity to align a new GMCA culture programme with emerging priorities for culture, in addition to possibly aligning with other funding programmes for example the Life Chances Investment Fund and also work in relation to Children's Services. From April 2017 the Life Chances Investment Fund will allow Greater Manchester to use public money to deliver better services and improve the lives of GM residents. There is the potential to link any investment through the new GMCA scheme more robustly to an evidence base of who it will impact on for best results.
- 3.4 The criteria for the current Section 48 scheme are shaped around funding the activities of local not for profit organisations which meet three main objectives:
 - Contribute to the recognition of Greater Manchester locally, nationally and internationally – helping create the conditions to attract new investment, new visitors and new talent;
 - Contribute to improving the skills and employability of greater Manchester residents, encouraging people to fulfil their full potential; and
 - Play a role in developing strong and inclusive communities, contributing to an improved quality of life and wellbeing for all residents.
- 3.5 There would be a need to review the criteria for a new GMCA cultural programme. This could mean that eligibility of organisations seeking grants need not necessarily be restricted to those organisations meeting the 'eligible voluntary organisation' definition found in section 48. There could, instead, be a broader, or narrower, set of qualifying criteria. The criteria for the new scheme would need to be agreed by the GMCA, and the constituent Councils will be kept informed about this programme as it develops.
- 3.6 The GMCA would also need to consider the appropriate level of funding for a new GMCA cultural programme and a new governance structure would also need to be designed and put into place to manage the new programme. A

further report setting out proposals for the development of a new cultural programme is to be brought to the joint AGMA/GMCA Executive Board in 2017.

4.0 Recommendations

4.1 Recommendations are set out at the beginning of this report.

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DECISION OF:	CABINET
DATE:	28 June 2017
SUBJECT:	Corporate Performance – 2016/17 Quarter 4
REPORT FROM:	The Leader of the Council
CONTACT OFFICER:	Chris Woodhouse Improvement Advisor, Corporate Policy
TYPE OF DECISION:	CABINET KEY DECISION
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	This report provides an update on performance in line with the Single Outcomes Framework for Team Bury. The report details a series of indicators and performance measures under each outcome, with the most recent data provided for each of these.
OPTIONS & RECOMMENDED OPTION	Cabinet are asked to note the report
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	A robust performance management framework is essential if the Council is to measure the effectiveness and value for money of the services it delivers. This report compliments the regular finance and risk monitoring reports that Members receive.
Health and Safety	There are no implications directly arising from this report. Any actions to manage performance should consider health and

	safety in accordance with Council policy.	
Statement by Executive Director of Resources:	There are no wider resource implications	SK
Equality/Diversity implications:	No This report does not impact upon the EA completed for the Vision, Purpose and Values document. The Single Outcomes Framework is a mechanism to manage the performance of the VPV.	
Considered by Monitoring Officer:	Yes Measuring and monitoring corporate performance is an important tool in ensuring legal and administrative requirements are regularly reviewed and that areas of risk are identified and improvements are sought where necessary. This report demonstrates the importance of having a robust framework in place and is in line with the other regular monitoring reports.	JW
Wards Affected:	All	
Scrutiny Interest:	Overview and Scrutiny	

TRACKING/PROCESS

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
12/06/17	14/06/17		
Scrutiny Committee	Committee	Council	
04/07/2017			

1.0 BACKGROUND

- 1.1 Bury Council, along with our partners in Team Bury, has adopted an Outcome Based Accountability approach to performance management. This focuses on the difference actions can have, rather than looking initially at activities carried out.
- 1.2 As part of this, work has taken place to develop a suite of high level outcomes - these being the 'conditions of wellbeing' the Council, and partners, are seeking to achieve for the people of the Borough.
- 1.3 A Single Outcomes Framework (SOF) has been agreed by Team Bury Wider Leadership Group with the high level outcomes being:
 - *All people of Bury live healthier, resilient lives and have ownership of their wellbeing (SOF-1)*

- *Bury people live in a clean and sustainable environment (SOF-2)*
- *People of Bury at all ages have high level and appropriate skills (SOF-3)*
- *All Bury people achieve a decent standard of living, and are provided with opportunities through growth (SOF-4)*
- *Bury is a safe place to live, with all people protected (and feel protected) from harm (SOF-5)*

1.4 These five outcomes align with the Council's six corporate priorities, illustrated in the Vision, Purpose and Values document, and the five priorities outlined by the Leader of the Council in May 2016.

1.5 In addition to these outcomes, an 'enabler' has been added called 'organisational resilience' (SOF-E), in order to allow assessment of the state of the organisation, as well as that of the Borough.

2.0 MEASURING CORPORATE PERFORMANCE

2.1 Under each of the five SOF outcomes and the enabler, a series of indicators and performance measures has been identified:

- Indicators are ways of quantifying performance at a whole population level, so more reflect the state of the Borough. The Council will have a role to play in contributing towards these but no one organisation is solely responsible for the achievement of an indicator.
- Performance measures focus on a particular programme of work or initiative, usually aimed at a particular strand of the population and how successful this has been, so more reflect how well the Council is doing in terms of contributing towards an outcome.

2.2 This report provides a progress update on these indicators and success measures, with the key trends outlined below, and the wider set of performance information available in *Appendix 1A and 1B*.

3.0 LATEST PERFORMANCE

3.1 Each quarter a number of indicators and measures will be picked out if they show particular trends of note or if important new data has become available since the previous report. Appendix 2 provides an update on those that were included as highlights in the previous quarter.

3.2 Areas of good and improved performance include:

- Household recycling rates for the last municipal year were at a record high of 58.04%, an increase of 3.52% on the previous year.
- Carbon emissions from electricity usage in council buildings, including schools, have continued to be reduced.
- There has been a sharp rise in the percentage of adult social care users who have as much social contact as they would like, soaring past the national average.

- The proportion of people 65 and over who are still at home 91 days after discharge from hospital into reablement services is at its highest level for over two years, indicating an increased effectiveness of service.
- Gym membership at council venues has increased markedly, above the expected seasonal variation, to a level above the equivalent quarter for last year.

3.3 Areas of declining performance include:

- Delayed transfers of care have increased and whilst overall the figure for Bury is average for Greater Manchester, the proportion of cases where the delay is attributable to social care is high. Non-elective admissions have also increased given as part of the nationwide pressures on the urgent care system.
- Carbon emissions from council vehicles have shown a slight increase. This is due to expansion in fleet size to enable the delivery of additional Six Town Housing contract work. Measures to mitigate this going forward include the use of electric vehicles within the fleet (two vans, a sweeper and small caged tipper).
- Whilst school readiness and GCSE rates are positive as a whole across the Borough, the percentage of students achieving 3A*-A grades is significantly lower than the national average, particularly for males (5.6% compared to an average of 14.3%). This has been highlighted as part of the Bury Life Chances Commission.

3.4 Areas of note:

- Calls to Council Tax spiked during March. Whilst there could be an expected increase in demand with the distribution of Council Tax letters for the new financial year, this was significantly more pronounced than had been in previous years. Work is underway to understand how much of this demand could have been predicted and what changes could take place to mitigate this in the future.
- The proportion of working-age people on out-of-work benefits has decreased for a third quarter in a row. Bury performs consistently better than the north-west average on this, but for the last 18 months has been consistently 10% worse than the national average. During this time the employment rate for the Borough has increased slightly but the average wage level in Bury is not keeping pace with the regional average.
- The number of safeguarding concerns that have proceeded to a Section 42 enquiry has increased slightly in the quarter, but of note the figure is now steadily 20% above that of two years ago.

4.0 CONCLUSION

- 4.1 The development of indicators and performance measures will continue as the Single Outcomes Framework becomes increasingly embedded in the organisation.

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- 4.2 Departmental plans and Cabinet work plans will continue to be aligned to this during the next quarter so that performance at all levels of the organisation can be discussed in an increasingly consistent fashion.
- 4.3 Areas of declining performance will be looked at with an outcome based approach, to consider what steps can be taken to improve performance so that a positive contribution can be made to the delivery of the desired outcomes.

List of Background Papers:-

Contact Details:-
Chris Woodhouse
Improvement Advisor, Corporate Policy
c.woodhouse@bury.gov.uk
0161 253 6592

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O All people of Bury live healthier, resilient lives and have ownership of their own health and wellbeing (SOF 1a)		Time Period	Actual Value	Target Value	Current Trend
I	A PHOF 0.1ii - Life Expectancy at birth (Male)	2015	77.97 yrs	77.97 yrs	↗ 1
I	A PHOF 0.1ii - Life Expectancy at birth (Female)	2015	81.57 yrs	81.58 yrs	↗ 3
I	A PHOF 0.1i - Healthy life expectancy at birth (Male)	3YC 2015	60.55 yrs	60.43 yrs	↘ 2
I	A PHOF 0.1i - Healthy life expectancy at birth (Female)	3YC 2015	62.06 yrs	60.84 yrs	↗ 1
I	A ASCOF 2C(1) - Delayed transfers of care from hospital (per 100,000 population)	FY 2016	12.50	12.10	↗ 2
I	Q BCF - Non-elective admissions FFCE (First Finished Consultant Episodes)	FYQ4 2017	4,868	4,518	↘ 1
I	Q Number of Deprivation of Liberty safeguarding applications (DoLs)	Q3 2017	271	—	↗ 1
I	A PHOF 2.13i Percentage of physically active adults	2015	57.6%	53.7%	↗ 1
I	A PHOF 2.23iii - Self-reported well-being - low happiness score	FY 2016	10.4%	8.8%	↗ 1
I	M Rate of Children's Social Care referrals (per 10,000 children)	Feb 2017	475.5	532.2	↗ 1
I	M Rate of children in need - not including CP or Looked After Children (per 10,000 children)	Feb 2017	234.0	270.6	↘ 1
I	M Rate of Education, Health and Care Plans (per 10,000 children)	Jan 2017	152.6	—	→ 0
I	A PHOF 1.18i - Social isolation: percentage of adult social care users who have much social contact as they would like	2016	51.9%	45.4%	↗ 2
P All people of Bury live healthier, resilient lives and have ownership of their own health and wellbeing (SOF 1b)		Time Period	Actual Value	Target Value	Current Trend
PM	Q Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000 population - (subset of ASCOF 2a (2)) [Grey = all customers, Orange = council pays a contribution for these clients]	FYQ4 2017	1,008.60	775.10	↗ 3
PM	M Permanent admissions of older people (aged 65+) to residential and nursing care homes - number of people	Mar 2017	40	—	↘ 1
PM	M Number of adults in contact with secondary mental health services living independently, with or without support - (subset of ASCOF 1H)	Feb 2017	353	—	↘ 1
PM	Q Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services (effectiveness of the service) - (subset of ASCOF 2B (1))	FYQ4 2017	86.7%	—	↗ 1

PM	Q	Proportion of BEATS managers achieving 150mins of physical activity per week	FYQ4 2017	67.0%	30.0%		1
PM	Q	Proportion of BEATS customers who have achieved a behaviour change (inactive to active) in 12 weeks	FYQ4 2017	55.0%	40.0%		3
PM	M	I Will If You Will- Attendances per month	Aug 2016	2,794	1,928		1
PM	Q	Quality of Life Wheel score improvements for those completing the Help Yourself to Wellbeing programme	FYQ2 2017	3.2	—		0
PM	M	Number of hits to The Bury Directory	Dec 2016	9,133	—		1
O	Bury people live in a clean and sustainable environment (SOF 2a)		Time Period	Actual Value	Target Value	Current Trend	
I	A	PHOF 3.01 - Fraction of mortality attributable to particulate air pollution	2015	4.0%	4.7%		2
I	A	Annual Greenhouse Gas Report (% change in Bury Council's Carbon emissions)	FY 2016	23,265GHG	—		3
P	Bury people live in a clean and sustainable environment (SOF 2b)		Time Period	Actual Value	Target Value	Current Trend	
PM	A	(Tonnes) Per Capita Emissions of Carbon Dioxide	2014	5.2	6.3		2
PM	A	Carbon emissions from electricity use in council buildings (excl. schools)	2015	4,291tonnes	—		1
PM	A	Carbon emissions from electricity use in schools	2015	4,956tonnes	—		1
PM	A	Carbon emissions from council vehicles	2015	1,631tonnes	—		2
PM	Q	Household collected bin waste recycling rate	FYQ4 2017	54.95%	60.00%		2
PM	M	Number of missed bins reported	Dec 2016	857	—		1
PM	Q	Number of fly tipping service requests	FYQ4 2017	352	—		1
PM	A	Green Flag Awards for local public spaces	2016	12	12		1
O	People of Bury at all ages have high level and appropriate skills (SOF 3a)		Time Period	Actual Value	Target Value	Current Trend	
I	A	PHOF 1.02i - School Readiness: The percentage of children achieving a good level of development at the end of reception (Persons)	FY 2016	68.9%	69.3%		3
I	A	Good level of development at end of reception- Foundation Stage Profile	2016	68.9	69.3		2
I	A	Percentage of pupils making expected/ sufficient progress (from KS1 to KS2) in reading, writing and maths	2016	55%	—		0
I	A	% pupils achieving 5 GCSEs at grades A*-C including English and maths	2016	57.3 %	54.9 %		1

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I	A	Average progress 8* score per pupil (at KS4)	2016	-0.1	-0.1	→	0
I	A	Percentage of students achieving 3 A*-A grades or better at A Level (females)	2016	5.7%	12.4%	→	1
I	A	Percentage of students achieving 3 A*-A grades or better at A Level (males)	2016	5.6%	14.3%	↘	2
I	A	PHOF 1.05 - % of 16-18 year olds not in education, employment or training (NEET)	2015	3.7%	4.2%	↘	3
I	A	% of working age residents aged 16-64, who have obtained qualifications equivalent to NVQ3 and above	2015	57.1%	57.4%	↗	1
I	A	% of residents 18-64 with no qualifications	2016	7.8 %	8.0 %	↘	1
P	People of Bury at all ages have high level and appropriate skills (SOF 3b)		Time Period	Actual Value	Target Value	Current Trend	
PM	A	% primary schools rated as 'good' or 'outstanding' by Ofsted	FY 2016	92%	—	↗	1
PM	A	% of secondary schools rated as 'good' or 'outstanding' by Ofsted	FY 2016	77%	—	→	1
PM	A	SEN/non SEN gap achieving 5A*-C GCSEs including English and Maths	2015	-41.8	-44.6	↗	1
PM	A	FSM/non FSM gap achieving 5A*-C GCSEs including English and Maths	2016	-30.2	-27.8	→	0
O	All Bury people achieve a decent standard of living (and are provided with opportunities through growth) (SOF 4a)		Time Period	Actual Value	Target Value	Current Trend	
I	Q	Employment rate 16-64	FYQ3 2017	72.3%	71.6%	↗	3
I	A	Average wage level in the Borough (hourly rate)	2016	£11.94	£12.74	↘	1
I	Q	Proportion of working-age people on out-of-work benefits	FYQ3 2017	9.3%	8.4%	↘	3
I	BE	ASCOF 1D - Carer-reported quality of life	FY 2017	7.3	7.7	↘	2
I	A	Children moving out of care into permanence - adoption	2016	20.0%	—	→	1
I	A	The number of residential units that can be built on sites that have detailed planning permissions	2016	1,567	—	→	0
I	A	The number of affordable housing units proposed to be built on sites that have detailed planning permissions	2016	327	—	→	0
I	Q	Average house price in the Borough	FYQ4 2017	£172,463	£188,563	↗	2
I	A	PHOF 1.17 - Fuel Poverty	2014	10.40%	10.60%	↗	1
I	A	Number of businesses in the Borough	2016	6,715	—	↗	4

I	A	Document Pack Page 256 Net business growth rate (start-ups minus dissolutions)	2016	2,329	—		1
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I	A	Inward investment into the Borough	2016	£3.22Mil	—		1
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P	All Bury people achieve a decent standard of living (and are provided with opportunities through growth) (SOF 4b)		Time Period	Actual Value	Target Value	Current Trend
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PM	M	Number on Housing Waiting List	Mar 2017	1,534	—		3
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PM	M	Number of homeless acceptances	Mar 2017	29	—		3
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PM	M	Number of homeless preventions	Mar 2017	103	—		2
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PM	Q	Average number of weeks spent in temporary accommodation	FYQ2 2017	7.62 weeks	—		0
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PM	M	% Non-decent Council homes	Dec 2016	0	0		6
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PM	Q	Residents moved into employment through Working Well (expansion and GP pilot)	FYQ2 2017	36	—		0
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PM	Q	Transfer of existing statements to Education Health and Care (EHC) plans	FYQ1 2017	85	—		1
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PM	A	Number of visitors to Council cultural attractions	FY 2016	399,774	—		0
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O	Bury is a safe place to live with all people protected, and feel protected, from harm (SOF 5a)		Time Period	Actual Value	Target Value	Current Trend
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I	A	PHOF 1.13iii- First Time Offenders per 100,000 population	2015	210.7	262.6		1
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I	A	PHOF 1.13i- Reoffending levels (% of offenders who re-offend)	2014	25.7	25.4		1
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I	A	PHOF 1.11 Rate of domestic abuse incidents recorded by the police per 1,000 population	2015	22.5	20.4		1
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I	M	Rate of Looked After Children (per 10,000 children)	Feb 2017	80.2	60.0		1
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I	M	Rate of children subject to a child protection plan (per 10,000 children)	Feb 2017	41.7	43.1		1
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I	M	Rate of Section 47 enquiries commenced (per 10,000 children)	Feb 2017	81.6	147.5		1
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I	M	Number of children at risk of Child Sexual Exploitation (Number of CSE episodes ongoing at the end of the month)	Feb 2017	38	—		1
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P	Bury is a safe place to live with all people protected, and feel protected, from harm (SOF 5b)		Time Period	Actual Value	Target Value	Current Trend
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PM	Q	Programmes from a refreshed Community Safety Plan [Placeholder]	—	—	—	—
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PM	Q	Number of safeguarding concerns proceeded to section 42 enquiry on Protocol	FYQ4 2017	106	—		1
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Safeguarding Concerns Reported to Safeguarding Enquiry Per Month

Apr 2017

62

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4



Safeguarding Concerns Per Month

Apr 2017

157.0

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O Organisation Resilience (SOF-Enabler a)		Time Period	Actual Value	Target Value	Forecast Value	Current Trend
I	Q Council Tax Yield	FYQ4 2017	82.637£ (million)	78.748£ (million)	—	↗ 3
I	M Number of calls answered (Council Tax)	Apr 2017	5,813	—	—	↘ 1
I	Q Business Rates Yield	FYQ4 2017	50.681£ (million)	49.260£ (million)	—	↗ 3
I	M Number of calls answered (Business Rates)	Apr 2017	441	—	—	↘ 1
I	M Staff numbers (FTE)	Feb 2017	4,990	—	—	↘ 2
I	A Average age of workforce	HY2 2016	44.4yrs	—	—	↘ 4
I	A Percentage of employees over the age of 50	2016	35.7%	—	—	→ 0
I	M Number of FTE days lost due to sickness absence	Feb 2017	5,003	4,494	—	↗ 1
I	M Number of long term absences (over 20 days)	Feb 2017	173	153	—	↗ 1
P Organisation Resilience (SOF-Enabler b)		Time Period	Actual Value	Target Value	Forecast Value	Current Trend
PM	Q Percentage of Council Tax Collected	FYQ4 2017	96.84%	96.50%	—	↗ 3
PM	M Percentage of calls answered (Business Rates)	Apr 2017	95	80	—	→ 1
PM	Q Percentage of Business Rates Collected	FYQ4 2017	94.87%	94.34%	—	↗ 3
PM	M Percentage of calls answered (Council Tax)	Apr 2017	74	80	—	↗ 1
PM	M Percentage of Rents collected	Apr 2017	101.76 %	99.00 %	—	↗ 2
PM	M Rent loss from voids (STH)	Apr 2017	1.53 %	1.60 %	—	↘ 2
PM	Q Number of corporate complaints	FYQ4 2017	44	—	—	↗ 1
PM	Q Number of corporate compliments	FYQ4 2017	33	—	—	↘ 3
PM	A Number of adverse finding as rate of total ombudsman complaints	HY1 2016	1	—	—	→ 0
PM	Q Overall gym membership	FYQ4 2017	4,294	4,100	—	↗ 1

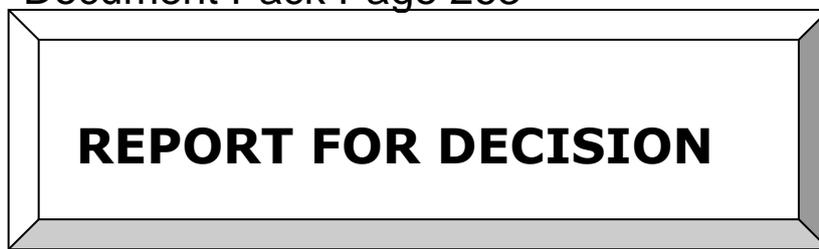
PM	A	Percentage of applications processed within Bury Council	2016	28	—	—	↗	1
PM	Q	Average contact centre call waiting time	FYQ4 2017	118 seconds	—	—	↗	1
PM	Q	Average time for processing new housing benefit/ Council tax support claims	FYQ4 2017	24.67 working days	26.00 working days	—	↗	1
PM	Q	Average time for processing change events for housing benefit and Council tax support claims	FYQ4 2017	5.24 days	9.50 days	—	↘	1
PM	M	Percentage of Freedom of Information requests responded to within 20 working days	Dec 2016	85%	—	—	↘	1
PM	Q	Percentage of minor planning applications determined within 8 weeks	FYQ3 2017	100%	77%	—	→	1
PM	Q	Percentage of major planning applications determined within 13 weeks	FYQ3 2017	100%	82%	—	→	6

Corporate Performance 2016/17 Quarter 4 – update on highlights from Quarter 3

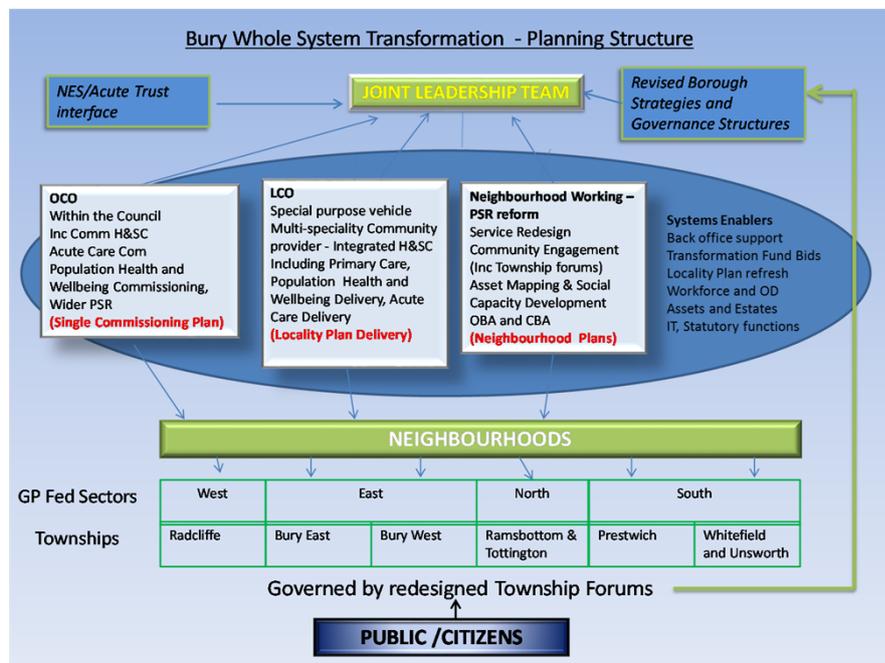
(Note the RAG colours below may represent performance against target, comparators, or based on current trend and relate to their position in quarter 3)

<p>Physical Activity (SOF-1)</p> <p><i>Proportion of BEATs customers achieving a behaviour change (inactive to active) in 12 weeks has continued to increase sharply, to over half of all customers.</i></p>	<p>Bury Council's Carbon Emissions (SOF-2)</p> <p><i>The Council has achieved a 22% reduction in carbon emissions since our base year of 2008/09. In the last year gas and electricity consumption has decreased.</i></p>	<p>Gym membership (SOF-E)</p> <p><i>Gym membership increased markedly during quarter 4, exceeding the seasonal variation that would be expected to a level higher than the equivalent period last year.</i></p>
<p>NEET (SOF-3)</p> <p><i>The percentage of 16-18 year olds not in education, employment or training has reduced for three years in a row and is now lower than the national average. (Annual indicator so no change since Q3).</i></p>	<p>Average wage level in the Borough (SOF-4)</p> <p><i>The Bury average rate is £11.94 per hour whilst the north west rate has been over £12 since 2012/13 and is now at £12.74.</i></p>	<p>Carer Reported Quality of Life (SOF-1)</p> <p><i>Proposal for a New Deal for Carers has been included as part of work within the Bury Locality Plan with funding sought through the Transformation Fund to support this.</i></p>
<p>Sickness Absence (SOF-E)</p> <p><i>In quarter 3 there was a sharper rise in sickness absence reported in the authority than expected seasonal variation, particularly for long term sickness. The figures have remained high, though not worsened, with mental health and musculo-skeletal issues being most prevalent.</i></p>	<p>Healthy life expectancy males (SOF-1)</p> <p><i>The Bury Locality Plan acknowledges inequalities in healthy life expectancy and will work towards improving health outcomes for the Borough.</i></p>	<p>Delayed Transfers of Care (SOF-1)</p> <p><i>Work has been ongoing across Greater Manchester to mitigate winter pressures. Increases in local reablement effectiveness likely to have a positive impact on this.</i></p>

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DECISION OF:	CABINET
DATE:	28 June 2017
SUBJECT:	BURY WHOLE SYSTEM TRANSFORMATION: DEVELOPMENT OF ONE COMMISSIONING ORGANISATION
REPORT FROM:	Pat Jones- Greenhalgh Interim Chief Executive
CONTACT OFFICER:	Bev Worthington Programme Director
TYPE OF DECISION:	EXECUTIVE (KEY DECISION)
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	This report outlines the programme structure for the development One Commissioning Organisation in Bury by April 2018 in line with the Bury Locality Plan and the GM Transformation fund bid.
OPTIONS & RECOMMENDED OPTION	Cabinet are asked to note the contents of this report and endorse the planning framework for whole system transformation and the planned approach to the development of One Commissioning Organisation in Bury.
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes No
Statement by the S151 Officer: Financial Implications and Risk Considerations:	The report sets out the transition from alignment to full scale integration of the CCG and Council. All costs will be within available resources, and recognise where required the discrete funding / reporting regimes of the two organisations. Failure to move the integration agenda forward represents a major organisational risk and jeopardises provision of services to residents.



1.3 Key features of the plans for redesigning and improving public services, relates specifically to the creation of one commissioning organisation across Bury CCG and Bury Council (OCO) and a Locality Care Organisation (LCO) alongside the established Neighbourhood Working Programme.

1.4 Work is now progressing at pace across all these programmes and seeks to provides assurance that Bury can deliver on the scale and pace of change described in the GM Transformation Fund Bid.

1.5 This paper sets out the work programme, governance structure and timeline for the development of an OCO in Bury.

2.0 ISSUES

2.1 This programme of work seeks to ensure the successful integration of the commissioning functions of Bury Council and Bury CCG. The Programme will take the two respective organisations from their current forms by transitioning the CCGs functions into the Council and progressing through a stage of aligned functions, to the final full integrated entity.

2.2 It is planned to review and integrate commissioning functions and associated operational management arrangements. This will include the disaggregation and redesign of existing resources in line with the wider developments of the LCO and Neighbourhood Working arrangements.

2.3 The CCG will initially remain as a separate legal entity, with the COO as the Accountable Officer for the CCG, and continue to receive resources to meet the health needs of the registered population. However, these resources will be pooled, where legally possible and aligned where this is not legally possible and commissioning decisions will be governed by a single set of financial and business priorities.

2.4 The OCO will develop systems structures and processes to deploy available resources to meet needs at a strategic level for whole groups of service users or populations, including developing policy directions, strategic priorities and service models. This will include procurement and shaping the market to meet

needs in the most appropriate and cost effective way. The programme plan makes provision for due diligence processes, the development of shared risk and rewards strategies and for consultation and communication as the work is progressed

- 2.5 The proposals do not lead to any loss of accountability for the commissioning organisations. Bury Council and Bury CCG must both remain responsible and accountable for their statutory responsibility – whilst these may be delegated to the joint pool, they cannot be transferred.

3.0 CONCLUSION

- 3.1 Cabinet are asked to note the contents of this report and endorse the programme framework and timescale for the development of OCO in Bury in line with the Bury Locality Plan and the GM Transformation fund bid.

List of Background Papers:-

One Commissioning Organisation Programme Document

Contact Details:-

Bev Worthington

Appendix A



One Commissioning Organisation

1. Introduction

- 1.1 This paper sets out proposals for the OCO Programme Structure aligned to the Bury Whole System Transformation Governance structure.
- 1.2 The proposals seek to ensure a 12 month programme of review and redesign that will inform the arrangements for shadow form from October 2017 leading to the establishing of a fully integrated OCO by April 2018.

2. Background

- 2.1 The Chief Operating Officer (COO) is now a member of the Council's Chief Executive Officer's (CEO) is now a member of the CEO's Senior Leadership Team and reports to the CEO whilst retaining the COO status. It was intended that from April 2017 work would commence through the OCO Work Programme to establish integrated meeting and governance structures and to pool resources, where legally possible and align them where this is not legally possible (pooling in Shadow form) in order to ensure commissioning decisions are made jointly.
- 2.2 Appendix 1 details the context for this work, taking account of the Bury Whole System Transformation Governance structure. This paper sets out a proposed structure and timescale for the development of a fully integrated OCO by April 2018.

3. OCO Programme Structure

- 3.1 Appendix 2 sets out a proposed structure for the governance of OCO Work Programme aligned to the Bury Whole System Transformation Governance structure.
- 3.2 It is proposed that Senior Officers of the Council and CCG (formally the JLT) will continue as the Programme Directors for the development of the OCO and will provide the leadership and direction for the Joint Operational Management Team, whilst reporting into respective organisational management structures and sitting as members of the Health and Social Care Transformation Programme Board.
- 3.3 The Joint Operational Management Team will be established by the OCO Programme Directors in order to progress the detailed work necessary to fully review and integrate commissioning functions and associated operational management and governance arrangements.
- 3.4 This team will comprise the members of the Senior Leadership Teams from the Council and the CCG. Each member will lead a task and finish group that will produce the single commissioning plan and decision making framework, progress the pooling and aligning of budgets and the development of an integrated governance and

management structure for the OCO. This team will also lead or link into relevant enabling sub groups with the Transformation Governance Framework to ensure HR/OD, Information Sharing and IT and Estates matters relevant to the development of the OCO are addressed as part of the wider system transformation programme.

4. OCO Work Programme and Timescales.

4.1 It is proposed that by the end of July 2017, the following work is completed:

- A proposed timetable for the production of a single commissioning strategy aligned to the outcomes of the Bury Locality Plan and the GM Transformation Bid
- A timetable for pooling budgets and restructuring of associated meeting and governance arrangements.
- A plan for co-location of services
- Proposals for integrating all governance and decision making processes

4.2 Based on approval of the above, it is proposed that between July and October work is undertaken to review all CCG and Council resources and realign them with the OCO, LCO and Integrated Neighbourhood Approaches in order to establish the future structure for the OCO and the Council's residual services. This will inform the development of shadow arrangements for the OCO from October 2017

4.3 From October 2017 plans will be established to fully integrate services into the OCO and to progress any formal staff/organisational consultation requirements.

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Interim Chief Executive

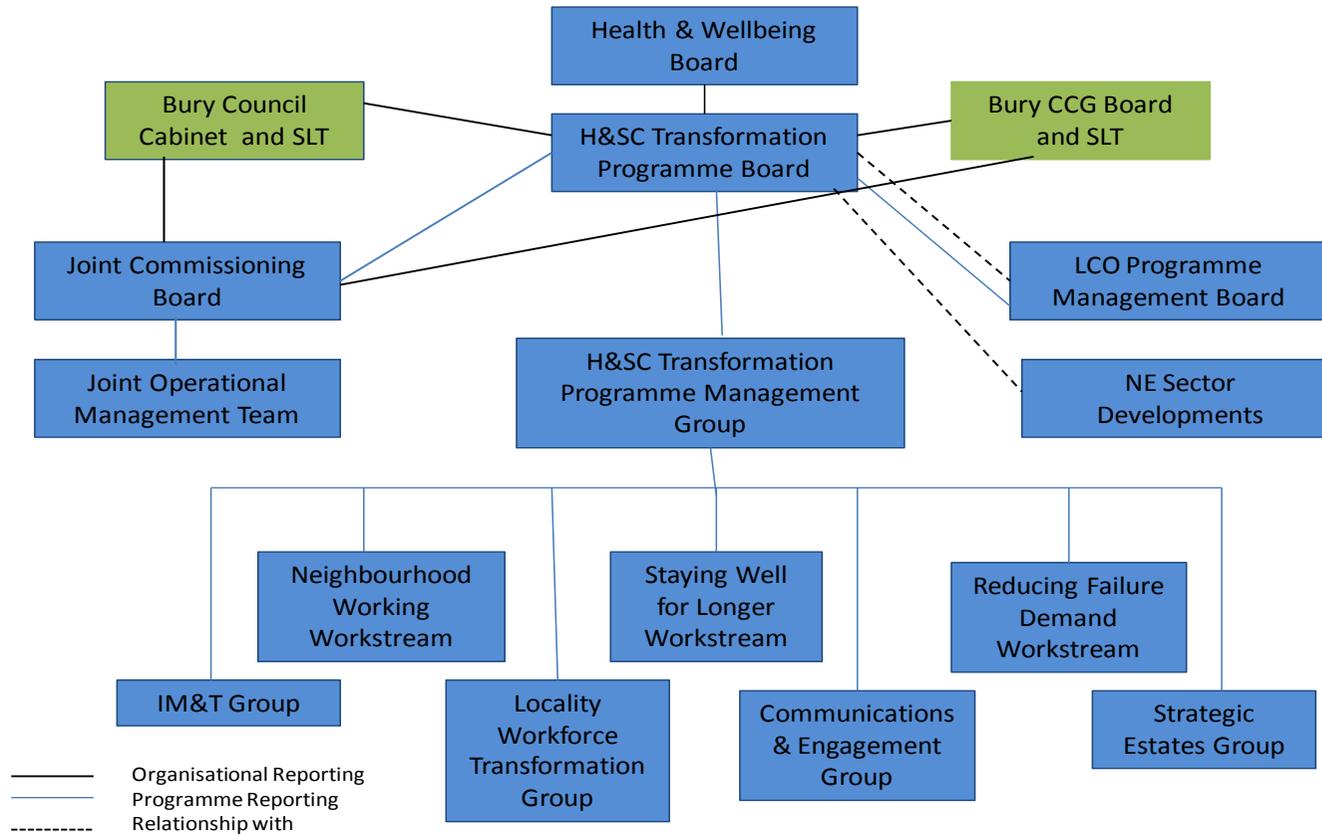
Bury Council

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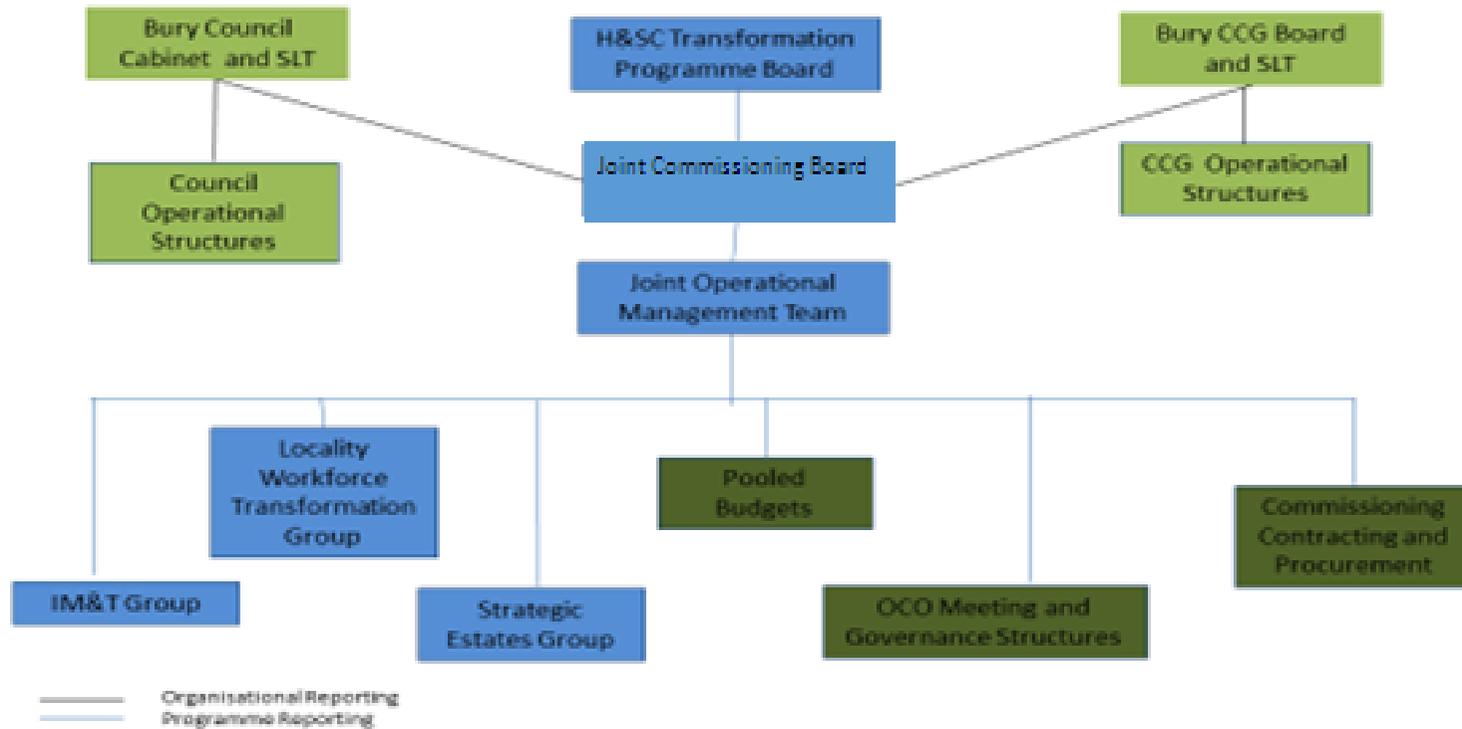
Chief Operating Officer

Bury CCG

Bury H&SC Transformation Governance Structure



Interim OCO Implementation Structure



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