



OVERVIEW AND SCRUTINY COMMITTEE

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To: All Members of Overview and Scrutiny Committee

Councillors: R Caserta (Chair), T Cummings, E Fitzgerald, M Hankey, J Harris, M James, K Leach, J Lewis, R Skillen, S Smith, J Walker and S Wright

Dear Member/Colleague

Overview and Scrutiny Committee

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

Date:	Thursday, 7 September 2017				
Place: Meeting Rooms A & B - Town Hall					
Time:	7.00 pm				
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.				
Notes:					

AGENDA

1 APOLOGIES

2 DECLARATIONS OF INTEREST

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

3 MINUTES OF THE LAST MEETING (Pages 1 - 16)

The Minutes of the Meeting held on 4 July 2017 are attached.

The Minutes of the Meeting held on 18 July 2017 are attached.

4 PUBLIC QUESTION TIME

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

5 CORPORATE FINANCIAL MONITORING REPORT - APRIL 2017 TO JUNE 2017 (Pages 17 - 42)

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

Appendix A attached

Appendix B attached

Appendix C attached

6 CORPORATE PERFORMANCE UPDATE REPORT (*Pages 43 - 62*)

A report from the Leader of the Council is attached

- The report from the Leader of the Council presented to Cabinet on 27 June 2017 is attached
- · Appendix 1a attached
- Appendix 1b attached
- Appendix 2 attached

7 IMPLEMENTATION OF NEIGHBOURHOOD ENGAGEMENT FRAMEWORK (Pages 63 - 66)

A report from the Neighbourhood Engagement Manager is attached.

8 SCHOOL FINANCES/SEN COSTS

A briefing note is attached.

9 WORK PROGRAMME/FORWARD PLAN (Pages 67 - 68)

The Overview & Scrutiny Forward Plan is attached

10 URGENT BUSINESS

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



Agenda Item 3

Minutes of: OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting: 4 July 2017

Present: Councillor R Caserta (in the Chair)

Councillors T Cummings, M Hankey, J Harris, M James,

Leach, J Lewis, R Skillen, S Smith and S Wright

Also inCouncillor Susan Southworth

attendance:

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence: Councillor E Fitzgerald and Councillor J Walker

OSC.45 DECLARATIONS OF INTEREST

Councillor Wright declared a personal interest in any items relating to schools as his wife is employed at a Bury School.

OSC.46 PUBLIC QUESTION TIME

There were no members of the public in attendance to ask questions under this item.

OSC.47 MINUTES

It was agreed:

That, subject to the inclusion of Councillor Harris being in attendance at the last meeting of the Committee, the Minutes of the Last Meeting held on 29 March 2017 be approved as a correct record.

OSC.48 CHILDREN'S SAFEGUARDING OVERVIEW PROJECT GROUP - UPDATE

Councillor Susan Southworth, Chair of the Children's Safeguarding Overview Project Group attended the meeting to update the Committee on the work of the project group.

It was explained that the group had been established to review services available to Bury residents to ensure that those services were meeting the needs and requirements of their users and future users.

The group was made up of a number of Councillors who each had their own knowledge in relation to safeguarding from being ex police, teacher or school governors and working first had in children's services.

During the 2016/2017 Municipal Year the group had undertaken the following work;

They had;

Overview and Scrutiny Committee, 4 July 2017

- Received the Ofsted report
- Met with social workers, both newly qualified and experienced.
- Considered work being carried out in relation to child sexual exploitation in particular the work undertaken by the Phoenix Team in relation to this.
- Reviewed the monitoring and examining of performance data.
- Reviewed elective home education across the borough and potential safeguarding issues around this.
- Looked at education achievement at KS2 and KS4, and
- Visited the Victoria Family Centre in Radcliffe

It was explained that should the group continue to meet it would require 2 new members. The group usually meets at 5 or 5.30pm so availability at these times would be essential.

Those present were given the opportunity to ask questions and the following points were raised:-

 Councillor James referred to elective home education and asked that confirmation be given that this area would be looked at again in the next Municipal Year. In particular what are the requirements for parents to notify the LA that their children are being home educated and what are the rights for the LA to inspect the level of education being provided.

Councillor Southworth explained that the local authority had very few powers in relation to elective home education but the group had met with the home education officer and had invited them to attend the first meeting of the group for 2017/2018. Most parents of those being home educated were very cooperative and more than happy for the local authority to visit and offer advice.

• Councillor Smith referred to the figures for home schooling rising nationally and children at risk of exclusion being home schooled to avoid this and asked whether this was adding to the numbers.

Councillor Southworth explained that a small number of children at risk of permanent exclusion had been taken out of school to be home schooled but there was also an issue with parents not being allocated their preferred schools and opting to home educate until a place became available. This could be seen by a spike in the numbers of home educated children in September and October.

Councillor Caserta referred to the Ofsted inspection that had taken place and the project groups' involvement in relation to any follow up work required and asked whether this would continue.

Councillor Southworth explained that if the Overview and Scrutiny Committee agreed the recommendations set out in the report then the group would continue to meet and would set out a plan for the work required for 2017/2018.

It was agreed:

1. That the work of the Overview Project Group be carried over into the new Municipal Year 2017/2018.

- 2. That, in order to retain the expertise and knowledge developed throughout the review, where possible the existing membership be retained and meeting dates be held quarterly and scheduled in advance.
- 3. That regular updates be submitted to the Overview and Scrutiny Committee on the work of the Group.
- 4. That the group in consultation with Klare Rufo Assistant Director Learning and Culture examine the feasibility of establishing a borough wide "Closing the Gap" group in respect of Educational Achievement.

OSC.49 REVENUE AND HOUSING REVENUE ACCOUNT OUTTURN 2016/2017

Steve Kenyon, Interim Executive Director of Resources and Regulation submitted a report from the Cabinet Member for Finance and Housing.

The report provided Members with the details of:

- 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

Those present were given the opportunity to make comments and ask questions and the following points were raised:-

 Councillor James referred to schools' overspending and the requirement for them to repay the deficit to the DSG Control Account. Councillor James asked how schools' would be able to repay this if they didn't have the funds available?

Steve explained that it had been noted that the pressure on schools was now greater than their surpluses but the plan is to recover the deficit after 2 years. Steve suggested that there would have to be discussions into how this would be achieved.

 Councillor Harris referred to the number of children that were sent to out of borough placements at special schools and the cost implications that this had on the Council. Councillor Harris asked what could be done to rectify this situation.

Steve explained that the Council were working with clients earlier in order to prevent the need to send them out of borough.

 Councillor Smith referred to the capacity within the Council's SEN service with regards to places for 6th form students and asked whether the Council was any closer to agreeing a joint provision option with neighbouring local authorities.

Steve stated that he would pass on the issues raised to the Assistant Director (Learning & Culture).

Overview and Scrutiny Committee, 4 July 2017

• A member of the Committee referred to the one-off spend relating to ACS set out in Appendix 1 to the report. The spend was just short of £1.4m and it was asked what this related to.

Steve explained that this was in relation to the preparation work for the bid for the GM Transformation fund which was set up to enable integrating health and social care services across Greater Manchester.

• Councillor Wright referred to the academisation of schools and whether more schools becoming academies would affect schools' funding. What impact this would have in relation to Council finances.

Steve explained that the Council currently trades with schools in areas such as cleaning services, catering and grounds maintenance. The Council was working to retain these contracts to provide services.

 Councillor Harris asked about the disposal of assets and asked what happened when an asset was sold.

Steve explained that when an asset was sold the money realised from the sale had to be reinvested.

 Councillor Hankey asked why the figures in relation to fixed assets had fallen.

Steve explained that this was the valuation of stock which was a 5 yr rolling exercise where 20% of the Council stock was valued each year. The decrease in value that Councillor Hankey was referring to was in relation to the Council's housing stock.

• Councillor Caserta referred to the Council diversifying into property and asked for more information.

Steve reported that the Cabinet had given its approval for the Council to invest in property. It had been agreed that £10m could be invested and £8.5m had been invested to date. The Council had set out strict guidelines in relation to this and were currently receiving an annual yield of 6% on the properties that it had invested in. These included a car park and two city centre offices. It was also explained that the investments could be liquidated at any time.

It was agreed:

- 1.That the final outturn for 2016/17, and explanations for major variances (Appendix A, B and C) be noted;
- 2. That 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) be endorsed

OSC.50 TREASURY MANAGEMENT OUTTURN REPORT 2016/2017

Steve Kenyon, Interim Executive Director of Resources and Regulation submitted a report from the Cabinet Member for Finance and Housing.

The report provided information on the 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.

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.

Debt decreased slightly during the year, £195,682 million at $31^{\rm st}$ March 2017 compared to £196,011 million at $31^{\rm st}$ 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.

Those present were given the opportunity to ask questions and make comments and the following points were raised:-

• Councillor Wright referred to the rates for borrowing that were set out in the report and asked whether this was APR.

Steve stated that this was not the case.

 Councillor Hankey asked that thanks to the Treasury Management Team from the Overview and Scrutiny Committee be recorded for their hard work over the 2016/2017 financial year.

It was agreed:

That, in accordance with CIPFA's Code of Practice on Treasury Management, the report be noted.

OSC.51 CAPITAL OUTTURN REPORT 2016/2017

Steve Kenyon, Interim Executive Director of Resources and Regulation submitted a report from the Cabinet Member for Finance and Housing.

The report provided Members with details of:

- The capital outturn figures in respect of the last financial year 2016/17;
- Major variances between the Revised Estimate and the Outturn;

Overview and Scrutiny Committee, 4 July 2017

- 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.

It was agreed:

- 1. That the final capital outturn for 2016/2017, and explanations for major variances be noted.
- 2. That the financing of the Capital Programme in 2016/17 be noted.
- 3. That the Committee consider and recommend for approval the reprofiled/slippage requests and associated funding into 2017/2018.
- 4. That the level of Capital Receipts realised in year and proposed use of the sites disposed of during the year be noted.

OSC.52 DEVELOPMENT OF A WORK PROGRAMME 2017/18

Councillor Caserta asked those present to discuss what work the Overview and Scrutiny Committee should undertake for the 2017/2018 Municipal Year.

The Committee was scheduled to meet on the following dates:

7 September 2017 22 November 2017 9 January 2018 14 February 2018 10 April 2018

It was also explained that the committee could Call-in decisions if they felt it necessary and establish working/sub groups to carry out detailed pieces of work.

During the discussion the following topics were suggested:-

- Council owned parks and other leisure facilities being operated/looked after by other organisations and community groups such as the Forestry Commission or Friends' groups.
- Monitoring of air pollution/air quality across the borough
- Devolution
- Fly tipping
- Highways maintenance programme/cost of insurance claims re potholes

It had been agreed that the Safeguarding group would continue to meet.

It was agreed that:

The work programme of the Overview and Scrutiny Committee would include:-

- Air pollution/quality monitoring
- Management of the Borough's parks and green spaces
- Highways maintenance programme
- LEA budgets
- Devolution

Overview and Scrutiny Committee, 4 July 2017

There will also be reports received in relation to financial matters of the Council, neighbourhood working and updates from the Sub Groups.

A forward plan will be produced in consultation with the Members which will set out the work of the Overview and Scrutiny Committee for the 2017/2018 Municipal Year.

COUNCILLOR R CASERTA Chair

(Note: The meeting started at 7.00 pm and ended at 8.10 pm)



Minutes of: OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting: 18 July 2017

Present: Councillor R Caserta (in the Chair)

Councillors E Fitzgerald, M Hankey, J Harris, M James,

Leach, S Smith, J Walker and S Wright

Also in

attendance: Councillor S Briggs – Cabinet Member – Children & Families

Councillor R Cathcart - Deputy Cabinet Member - Children &

Families

K Rufo - Assistant Director - Learning & Culture

E Binns - Head of Libraries

Public Attendance: 24 members of the public were present at the meeting.

Apologies for Absence: Councillor T Cummings and Councillor R Skillen

OSC.64 DECLARATIONS OF INTEREST

Councillor S Wright declared a personal interest in any item relating to staffing issues in schools as his wife is employed in a Bury School.

OSC.65 PUBLIC QUESTION TIME

 Nicole Haydock, asked when the library users would be notified of what would happen?

It was explained that library users had been consulted in relation to the service provision and the proposals that had been put forward had come from the outcome of the consultations. The legal process would have to be signed off in relation to the library offer before the future of the library buildings could be considered.

- Gary Hardman referred to the consultation that had taken place and stated that those library users that had taken part had thought that the options would not affect the smaller community libraries and were only looking at the larger library provision across the borough.
- Councillor Walker asked whether the Overview and Scrutiny Committee would consider looking at the use and attendance of the sculpture centre since it had been opened in what used to be part of Bury Central Library.
- A representative from Friends of Tottington Library explained that at the last Cabinet meeting the group had been told that they could take over the running of Tottington Library and asked whether the Council would support them with this.

Councillor Briggs explained that the Council would support a group wanting to take over a library building but work would have to be done to provide a business case that was viable and at no cost to the Council.

Overview and Scrutiny Committee, 18 July 2017

 Mr Hardman referred to the library facilities being retained at central locations and stated that he thought that the Council was supporting neighbourhood working. Mr Hardman stated that a lot of neighbourhood services were provided in the libraries and these would be lost.

Councillor Briggs explained that the Council was committed to neighbourhood working but also needed to look at what was financially achievable. The Council do not have the finances to keep the smaller libraries open as it isn't cost effective.

 Rauf Saad, a pupil from Whitefield explained that he was due to start at Philips High School in September and was concerned that as a member and user of Whitefield Library he would not be able to go to the library to do his homework. Rauf explained that he and his sister use Whitefield Library regularly as it is close to home and easily accessible. They feel privileged to be able to go there. If this facility were to close it would be taking away the privilege from a lot of other users aswell.

Klare Rufo, Assistant Director – Learning and Culture explained that the Council would work to ensure that library facilities available in high schools were fit for purpose and places that students want to go.

Klare also explained that the smaller libraries provide services to only 6% of the registered library users. The 4 library option allows over 90% (98% actually) can access a library within 30 mins.

• Ms Harvey stated that she was registered at Prestwich Library but used other libraries. If this was the case for a number of residents it may have flawed the figures.

Klare explained that the data used looked both at where people were registered and where they lived.

 A member of the public referred to the consultation and asked how thorough the consultation exercises had been and what publicity had been undertaken to promote them.

It was explained that there had been 10,000 paper surveys distributed to libraries, public buildings, community organisations, local businesses, schools and colleges; there had been an online survey available on the Council website; telephone survey to 500 households; publicity campaign including posters, social media and press reports and, informal meetings with community groups and other users as requested.

• Nicole Haydock asked what would happen to the buildings if the proposals go ahead as it would be a shame to lose vital community assets.

Councillor Briggs explained that each building would have to be looked at individually depending on what proposals were put forward.

 A member of Friends of Tottington Library asked whether the Council would strip the buildings of shelving, desks etc if the buildings were taken over by community groups. It was explained that all of the books etc across the libraries would be split between the 4 remaining libraries to ensure that the remaining statutory service was the best service possible

OSC.66 CALL IN OF CABINET DECISION - LIBRARY REVIEW - OUTCOME OF THIRD PUBLIC SURVEY ON PROPOSED OPTIONS AND RECOMMENDATIONS

The Scrutiny Committee considered a called-in decision of the Cabinet meeting held on 28 June 2017 in accordance with the Council Constitution.

The Cabinet had made the following decision:

That approval be given to Option 2, as presented in the report submitted, to retain Bury, Ramsbottom, Prestwich and Radcliffe Libraries and a smaller Service Wide Team.

A Call – In Notice had been submitted by Councillor Caserta, Chair of the Overview and Scrutiny Committee, setting out the reasons for the Call In of the decision. The reasons are set out below:

Insufficient consideration given to:

- The discrimination against young people many from disadvantaged backgrounds who rely on the libraries as a place to do their homework after school. This especially applies to Tottington Library.
- It will discriminate against people with mobility problems who are unable to travel long distances.
- Insufficient notice of closure for applicant community groups to take-over operation of the buildings.

Councillor Caserta invited Councillor Briggs, Cabinet Member – Children and Families to respond to the reasons highlighted:

In response to the first reason Councillor Briggs explained that a 2011 survey by the National Literacy Trust found that children who use a library are twice as likely to be above average readers and organisations such as the Reading Agency and the Society of Chief Librarians confirm this is still the case. However use of libraries for school homework has markedly declined in the last 5-10 years; the formal homework clubs that many libraries established in the 90's have largely disappeared. There is evidence that children who continue to use libraries for homework would have been coming to the library in any case. The pattern seen in Bury's libraries is typical of that experienced by most library authorities.

Our libraries continue to provide children and older students with good resources including: study space; reference books; online reference materials; free access to the internet; free and/or low cost print-outs plus staff assistance. However all Bury's libraries, including Tottington, report a similar pattern of use:

- · Formal homework clubs withdrawn due to lack of use and dedicated staff
- Typically no more than 3 or 4 children coming in each day in larger libraries, less or none in smaller libraries to do homework

Overview and Scrutiny Committee, 18 July 2017

- The internet is the primary source of information
- Books are seldom used other than for mainly history related projects e.g.
 The Romans

Some 10 plus years ago a partnership with Tottington High School established a Homework Centre at Tottington Library; this was well used for a couple of years but was closed 6 years ago due to lack of use. Similarly an attempt at creating a 'teen room' was short lived.

In response to the second reason stated for the Call in Councillor Briggs explained that the Mott McDonald report was discussed at some length in the report to cabinet of January 2017 and the full report included as an appendix. The report showed that for option 7 (which equates to option 2 of the Library Review i.e. Bury, Prestwich, Radcliffe and Ramsbottom libraries) 26% of the population of the borough live within 10 minutes travel time and 95% of the population are within 20 minutes of at least one library.

The report considered the impact of library closures and accessibility for the following groups:

- Older people (aged 65 and over)
- Younger people
- People with disabilities
- People from Black, Asian and Minority Ethnic (BAME) groups
- People from deprived communities
- People without access to a car

Access by these modes of transport was looked at: car; public transport (bus) and foot. The walking speed used in all models was 3.5kmph; considerably less than an average walking speed of 4.8kmp to allow for older or disabled people.

The conclusion of the Mott McDonald report indicates that the level of provision given by the Library Review's option 2 is consistent with the council's statutory duty under the Public Libraries and Museum Act (1964): It shall be the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof...

Furthermore the Council remains confident that the level of provision and access does not disproportionately affect any vulnerable group (whether or not they are covered by equality legislation).

Plans are being put into place to assist individuals and groups to access libraries in ways which may be new to them including:

- Guided tours for visually impaired service users in partnership with Bury Society for Blind and Partially Sighted People including transport and walking routes
- Resources and support for library and IT use for people with disabilities and/or special needs at all libraries
- Additional staff training e.g. use of specialist equipment
- Introductory/trial sessions for groups at different locations

- Identification of other meeting places for groups who wish to stay in their own locality
- Continuation of the Home Library Service

In response to the third reason stated for the Call-In it was explained that the first public consultation of the Library Review focused on 6 principles for the service and ran from June to September 2016. During this time the following actions were taken to ensure public awareness of the review:

- 10,000 paper surveys distributed to libraries, council departments, community organisations, local businesses, schools and colleges
- Online survey available via council website
- Telephone survey to 500 households
- Publicity campaign including posters, social media and press reports
- Informal meetings with community groups and other users as requested

The second part of the consultation engaged with library users, including community groups, on their priorities for the service provision. Workshop meetings were held in all libraries aimed at helping service users (and some non-users) develop realistic service provision in terms of need and budget.

Two separate sessions were held for staff.

As with all public consultations in the review, the result of the first and second survey plus overviews of the consultation meetings were included on the library web pages.

In January 2017 the second report to cabinet was made public, section 6.5 covered future use of library buildings and included the following information:

In both options we are suggesting a reduced number of buildings to be maintained as public libraries. The review of library buildings gave us some initial options for uses of the potentially redundant buildings. These are starter options and do not factor in all potential uses for the buildings. In line with the Councils commitment to neighbourhood, locality working we would be very keen to see appropriate community use of the buildings and encourage residents to explore this option with us. At this stage of the consultation it is not possible to give a definitive answer but some options may include:

- community management of some buildings to include a library service and community activities/meeting place. Community groups would be expected to provide a business plan including full financial details of how the building would be opened, maintained and developed. This is really important as no financial support for this is likely to be available from the Council.
- management by other agencies e.g. nurseries and playgroups. Again would require business and financial information
- establishment of a charitable trust to which some libraries are transferred.
- sale of buildings likely to be of market value or desirable.

Following on from this report a second survey was held between February and April 2017, the publicity and promotional methods for this were the same as listed

Overview and Scrutiny Committee, 18 July 2017

above for the first consultation. In this second survey the public was asked to decide between option 1 (retain 3 libraries) and option 2 (retain 4 libraries).

Presentations followed by question and answer sessions were held at all Township Forums during March 2017. Community use of buildings was discussed at several sessions.

From February 2017 Community Library Supervisors began to make contact with all community and other groups using libraries, whether that use was library related e.g. book and craft groups or a separate use e.g. community meetings. Leaders or nominated representative from these groups were then contacted and offered the opportunity to meet with the Head of Libraries to discuss their future use of the library service. Community groups connected e.g. Tenants and Residents Associations were also offered meetings to discuss the possibility of community management of buildings. 20 community meetings have been held since the end of February 2017 and more are booked.

Discussions regarding community management of library buildings have taken place at 4 libraries:

- Coronation Road meeting with Abbey Close Tenants and Residents Association and (separately) with ROC (Redeeming our Communities) who manage the linked building (formerly the Y-Zone)
- Dumers Lane informal discussion with TRA and over 50s followed by later meeting organised by the Green Party
- Moorside 3 meetings with Seedfield TRA and (separately) the church
- Tottington meetings with Friends of Tottington Library (FOTL) and local councillors

At these meetings the current budget for each building was gone through, liabilities (including repairs and maintenance) and responsibilities were discussed.

To date only FOTL has proceeded; finance and ongoing commitments are the limiting factor for the other groups.

The Members of the Overview and Scrutiny Committee were given the opportunity to make comments and ask questions; the following points were raised:

• Councillor FitzGerald referred to the possibility of transferring the assets to community groups and asked what work needed to be done around this.

It was explained that each building would be looked at individually and a structured framework would need to be developed to ascertain how the assets would be transferred. Work had been carried out to map the community use of each building. It was explained that if a community group take over a building, the library and other council services would still be closed.

It was explained that the future plans of the buildings could not be worked on until the decision had been made in relation to the library provision.

• Councillor Hankey asked what rents the community groups would have to pay to keep the buildings open.

It was explained that each building would have to go through a costing analysis and all figures would need to be worked through with the interested groups to enable business plans to be produced. Each building would be different due to the individual upkeep requirements and needs. The plans would have to be cost neutral to the Council.

• Councillor James asked why downsizing of the existing library offer was not an option.

It was explained that keeping the buildings themselves would not be cost effective; they would still require services such as electricity and water and this wouldn't reduce the costs.

• Councillor Leach asked what work was planned to support families in the future.

It was explained that there were 2 assistant librarians that worked with families, children and schools to support literacy. Schools were supported in setting up homework clubs and the library offer within schools was extremely important.

- Councillor Smith stated that the Council had worked hard to maintain the provision up to now and the decisions being made were a last resort. Many local authorities had already made the decisions years ago that Bury Council was now facing.
- Councillor Smith asked what outreach work would be undertaken?

It was reported that there was a service wide team that promoted reader development and worked with community groups. The library buildings would be used as much as possible to engage and provide support. There is an online library which is available 24 hours a day. The library service would also be looking to secure as much external funding as possible by applying for grants and other funding streams.

• Councillor FitzGerald asked about transport and vulnerable and smaller groups that may not find it as easy to access public transport as others.

It was explained that the Library service worked with over 100 dedicated volunteers to help provide support. The library would be looking at how it worked with different groups and what it can provide on an individual basis. One of the main issues will be to make sure that all resources are used as proactively as possible.

Councillor Caserta asked how much the Mott McDonald survey had cost.

It was reported that the surveys had been done in 3 parts at a cost of £21 thousand pounds overall.

 Councillor Caserta asked for assurances that no obstacles had been put in place regarding Tottington Library.

Overview and Scrutiny Committee, 18 July 2017

It was explained that Tottington Library had been dealt with in the same way as any other library facility during the consultation periods.

Delegated decision:

That, having considered the points raised in the Notice of Call-in, this Committee does not offer any comments to the Cabinet in respect of Minute CA.34 Library Review – Outcome of Third Public Survey on Proposed Options and Recommendations.

(5 Members voting in favour and 4 against)

COUNCILLOR R CASERTA Chair

(Note: The meeting started at 7.00 pm and ended at 8.35 pm)







Agenda Item

MEETING: CABINET

OVERVIEW & SCRUTINY COMMITTEE

DATE: 26 JULY 2017

7 SEPTEMBER 2017

SUBJECT: CORPORATE FINANCIAL MONITORING REPORT -

APRIL 2017 TO JUNE 2017

REPORT FROM: CABINET MEMBER FOR FINANCE AND HOUSING

CONTACT OFFICER: STEVE KENYON, INTERIM EXECUTIVE DIRECTOR

OF RESOURCES & REGULATION

TYPE OF DECISION: FOR INFORMATION

FREEDOM OF

INFORMATION/STATUS:

This paper is within the public domain

SUMMARY: The report informs Members of the Council's financial

position for the period April 2017 to June 2017 and projects the estimated outturn at the end of 2017/18.

The report also includes Prudential Indicators in

accordance with CIPFA's Prudential Code.

OPTIONS &

RECOMMENDED OPTION

Members are asked to note the financial position of the

Council as at 30 June 2017.

IMPLICATIONS:

Corporate Aims/Policy

Framework:

Do the proposals accord with Policy

Framework? Yes.

Statement by the s151 Officer: The report has been prepared in accordance

with all relevant Codes of Practice.

There may be risks arising from remedial action taken to address the budget position; these will be identified by Directors at joint SLT / Cabinet meetings. Additionally, a series of measures was drawn up in 2016/17 to address the extremely difficult financial

situation facing the Council. These will continue into 2017/18 and are detailed in par. 3.6 on page 4 of this report.

Statement by Interim Executive Director of Resources & Regulation:

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

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

Members and officers will be examining these areas in more detail at the council wide Star Chamber meeting.

Equality/Diversity implications: No

Considered by Monitoring Officer: Budget monitoring falls within the

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

Codes of Practice.

Are there any legal implications? Yes

Wards Affected: All

Scrutiny Interest: Overview & Scrutiny Committee

TRACKING/PROCESS EXECUTIVE DIRECTOR: Steve Kenyon

Chief Executive/ Strategic Leadership Team	Cabinet	Overview & Scrutiny Committee	Council	Ward Members	Partners
17/07/17	26/07/17	07/09/17			

1.0 INTRODUCTION

- 1.1 This report informs Members of the forecast outturn for 2017/18 based upon current spend for the period 1 April 2017 to 30 June 2017 in respect of the revenue budget, capital budget and the Housing Revenue Account.
- 1.2 Projections are based on current trends, information, and professional judgement from service managers and finance staff.
- 1.3 The revenue budget projections highlight the fact that budget pressures exist in some key areas and it will be necessary to continue to examine options for improving the situation further.

2.0 BUDGET MONITORING PROCESSES

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

3.0 SUMMARY OF REVENUE BUDGET POSITION

3.1 The table below outlines the annual budget and forecast outturn based upon known factors and the professional views of service managers as at month 3:

Department	Budget	Forecast	Variance
	£000	£000	£000
Communities & Wellbeing	78,059	79,863	+1,804
Resources & Regulation	(1,252)	(133)	+1,119
Children, Young People & Culture	30,203	33,346	+3,143
Non Service Specific	28,320	25,905	(2,415)
TOTAL	135,330	138,981	+3,651

- 3.2 The projected overspend of £3.651m represents approximately 2.70% of the total net budget of £135.330m.
- 3.3 An overview of the reasons for this variance is outlined in the table overleaf; more detailed analysis is provided in section 4 of the report.

Month 3 Variance	Children Young People & Culture	Communities & Wellbeing	Resources & Regulation	Non Service Specific	TOTAL
Reason	£′000	£′000	£′000	£′000	£′000
Demand Pressures	2,116	4,304	0	713	7,133
Delayed Achievement of Cuts Options	743	1,586	0	0	2,329
Non- Achievement of Cuts Options	409	0	52	0	461
Income Shortfall	0	89	1,252	0	1,341
Planned use of one-off funding	0	(3,847)	0	0	(3,847)
Continued Impact of 10 Control Measures	(100)	0	(185)	0	(285)
Other	(25)	(328)	0	(3,128)	(3,481)
TOTAL	3,143	1,804	1,119	(2,415)	3,651

- 3.4 Members need to be aware that financial reporting involves an element of judgement, and this particularly applies to the treatment of budget pressures. Often an area of overspending identified at this point in the year will be resolved before the end of the year following appropriate remedial action.
- 3.5 However it is felt appropriate to alert Members to potential problems at this stage so that they can monitor the situation and take ownership of the necessary remedial action and this is the basis on which the report is written.
- 3.6 Due to the extremely difficult financial situation that the Council faced in 2016/17 the Senior Leadership Team agreed and drew up an action plan with some immediate additional spending controls over & above usual controls. These will continue in 2017/18.

These include:

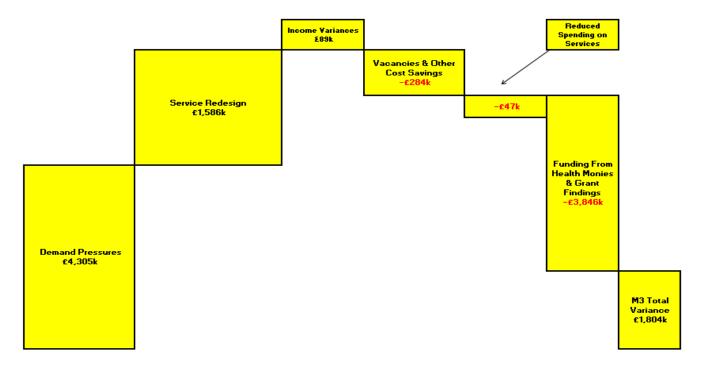
- 1. Recruitment freeze on staff and new agency placements (exceptions to be signed off by SLT);
- 2. Release of all existing casual / agency staff (exceptions to be signed off by SLT);
- 3. Cease overtime / additional hours (exceptions to be signed off by SLT);
- 4. Enter into no new training commitments, and review existing arrangements (exceptions to be signed off by SLT);
- 5. Re-launch Work Life Balance options around reduced hours / purchase of leave;

- 6. Cease spend on discretionary budgets; stationery, office equipment etc;
- 7. Cease spend on IT / Communications (exceptions to be signed off by SLT);
- 8. Any spend greater than £250 to be signed off by Executive Director;
- 9. Any new contractual commitments greater than £5,000 (lifetime value of contract) to be signed off by SLT;
- 10. Consider "in year" budget options e.g. previously unidentified efficiencies, review of non-key services.
- 3.7 These were communicated to staff in 2016/17 and compliance with these will continue to be monitored throughout the year. It is expected that these actions will not only help to reduce the financial burden facing the Council within the current year but also for the coming years.
- 3.8 In addition to these measures, Executive Directors have been tasked with preparing "turnaround" plans as a matter of urgency for their Departments, to ensure that levels of expenditure are controlled and sustainable going forward.

4.0 SERVICE SPECIFIC FINANCIAL MONITORING

4.1 COMMUNITIES AND WELLBEING

- 4.1.1 The current projected overspend for Communities and Wellbeing is £1.804m.
- 4.1.2 Reasons for major variations are illustrated in the chart below;



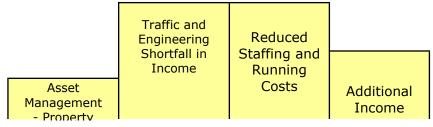
4.1.3 Further details by service area are outlined below, along with remedial action being taken.

Theme	Variance	Reason	Action Being Taken
Theme Demand Pressures	Variance £'000 +4,305	Reason Care in the Community budgets - £3,924k. (Reason: Pressure largely around Domiciliary Care, Residential Care and Self Directed Support Budgets). Falcon & Griffin Care Home - £46k (Reason: Staffing Budget Pressure). Persona Contract - £235k (Reason: Actual activity is greater than contract value).	Pressure is largely offset by £3,846m of Improved Better Care Funding. In addition, all existing high & medium cost care packages are kept under regular review. This pressure is currently unavoidable but any opportunity to use offsetting underspends will be employed if possible. The expectation is that this pressure will be managed downwards during 2017/18.
		Assessment & Care Management - £100k (Reason: Staffing Cost Pressures).	Underspends within the wider Adult Social Care Operations Service will be used to partly offset this pressure.
Service redesign (Note: A number of Budgets have yet to achieve cuts target against specific	+1,586	Reablement - £212k (Reason: Savings that remain unachieved).	The deficit position largely relates to an unachieved element of the adult social care operations service savings target. An action plan is being developed to allocate and achieve the remaining 2017/18 saving target.
schemes, as a consequence this is partly/wholly the reason for		Civics - £100k (Reason: Income Shortfall).	Ongoing service review as well as new initiatives to support income generation.
the overspends)		Beverage and Cafe Service - £65k (Reason:Income Shortfall).	The Beverage service is being reviewed in line with the Civic review.
		Environment - £200k (Reason: Savings target still to be identified).	Action plan being developed to allocate and achieve the 2017/18 saving target.
		Leisure - £434k (Reason: Delay in achieving savings).	The service is currently under review. Action plans are being developed to identify options to achieve saving target.
		Domestic refuse collection- £575k (Reason: Delay with achieving savings).	The service is currently under review. Action plans are being developed to identify options to achieve saving target.
Income variances	+89	Housing Choices - £11k (Reason: Income Shortfall).	Reviewing options to reduce expenditure activity.
		Grounds Maintenance - £10k (Reason: Income shortfall due	Reviewing options to reduce

Theme	Variance	Reason	Action Being Taken	
	£'000		7.66.6 20119 1416.1	
		to direct schools/brokerage schools leaving the service).		
		Trade Waste - £68k (Reason: Income Shortfall.	Options under review to increase councils share of the trade waste market. The service is profitable but has a challenging income target.	
Vacancies and Other Staff Cost Savings	-284	Older People Fieldwork (-£48k) (Reason: Staffing Vacancies).	Underspend being used to offset pressures within other areas of ASC Operations.	
		Quality Assurance & Service Development (-£26k) (Reason: Staffing Vacancies).	Underspend may be used to offset pressure within other areas of CWB budgets.	
		Assessment & Care Management (-£190k).	Underspend being used to offset pressures within other areas of ASC Operations.	
		ACS Transport - (-£20k) (Reason: Staffing Vacancies).	Underspend may be used to offset pressure within other areas of CWB budgets.	
Reduced -47 Spending on Services		ASC Care Link - (-£11k) (Reason: Reduced expenditure on Bury Employment Support Team).	Underspend may be used to offset pressure within other areas of CWB budgets.	
		Carers Grant – (-£36k) (Reason: (Reduction in grants paid out).	Underspend may be used to offset pressure within other areas of CWB budgets.	
Funding from Health Monies & Grant Funding to Support the demandant pressures of the Care in the Community budgets – (-£3,846k).		This funding is being used to support the pressures within the Care in the Community budget and consists of a £3.576m one-off Enhanced Better Care Fund grant and a £0.270m recurrent Improved Better Care Fund grant.		

4.2 RESOURCES AND REGULATION

- 4.2.1 The Resources & Regulation Department is forecasting an overall overspend of £1.119m.
- 4.2.2 Reasons for major variations are illustrated in the chart overleaf;





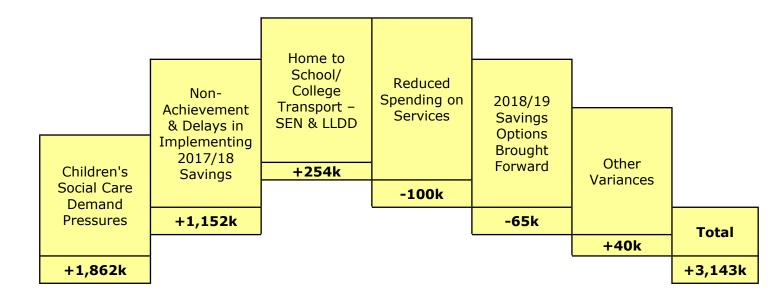
4.2.3 Reasons for major variations are illustrated in the table below;

Activity	Variance £'000	Reason	Action Being Taken
Property Services	+867	Shortfall in income due to low level of rents that can be charged in the current economic climate.	important strategies which will
			of. Initial tranche of properties identified. The Investment Acquisition Strategy will see the Council utilise existing capital currently invested in low return investments and receipts received from disposals. Four properties already acquired – expected to produce £415,000 p.a. in new income.

Traffic & Engineering	+385	Estimated shortfalls in income relating to on- and off-street parking and parking fines (+£145k), Greater Manchester Road Activities Permit Scheme (GMRAPS) (+£80k), coring (+89k), bus lane enforcement (+£99) less savings on discretionary spend (-£28k).	adjust expenditure where possible. GMRAPS scheme to be examined further.
Reduced Staffing and Running Costs	-95	Vacant posts not filled and tightening of controllable expenditure across the department. Salaries savings in Finance & Efficiency, HR and Stores.	
Additional Income	-38	Achieved from additional work within Trading Standards.	To be used to assist in reducing the estimated overspend within the department.

4.3 CHILDREN'S, YOUNG PEOPLE AND CULTURE

- 4.3.1 The overall Children's, Young People & Culture budget is currently projecting an overspend of £3.143m.
- 4.3.2 Reasons for major variations are illustrated in the chart below;



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

Activity	Variance £'000	Reason	Action Being Taken			
Children's Social Ca	Children's Social Care Demand Pressures - £1,862,000 (on-going)					
Leaving Care	+505	Spending on housing and further education of 19+ year old students who have left our care.	This budget is forecast to overspend significantly on housing as the service continues to support a number of young people in high cost placements who were previously accommodated within the Children's Agency Budget.			
Safeguarding	+340	Increased costs.	The forecast overspend is due to the requirements of the Ofsted Action Plan, coupled with a significant increase in external legal fees, mainly due to an increase in cases.			

ack Page	20	
+1,017	Continuing increased demand.	Fieldwork placements remain volatile, including a high cost fieldwork residential placement of approx £8,000 per week.
		The forecast has increased in the month due to 2 new IFA's and 1 new residential placement.
and delays	in Implement	ing Savings - £1,152,000
+143	On-going savings shortfall.	An income budget was added to this budget in 2013 prior to the transfer to CYP&C. This large income budget has not been achieved since its introduction and no alternative saving is feasible.
+143	Savings shortfall.	Delays in agreeing the plans for the future of the Library service will lead to the savings target not being met in 2017/18.
+600	Savings shortfall.	Delays in the Adolescent Support Unit becoming fully operational had a consequential knock-on effect on the Children's Agency budget as more expensive residential provision is still necessary to meet the needs of a number of young people in high cost placements. Alternative arrangements for the housing of the unit are actively being explored.
+266	Savings shortfall.	At the beginning of 2016, it became apparent that the financial problems within the Dedicated Schools Grant meant that the 2016/17 savings option "External Funding Optimization" amounting to £900,000 would not be completely achieved. The shortfall in the required budget savings was treated as a generic budget saving and distributed amongst the Department. Although almost ¾ of the 2016/17 savings target has been met, it has not been feasible to identify alternative provision for the remainder mainly due to the demand pressures as shown above that
	+1,017 +143 +143 +600	+1,017 Continuing increased demand. +143 On-going savings shortfall. +143 Savings shortfall. +600 Savings shortfall.

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Home to School Transport – SEND (Special Educational	+204	Continuing increased demand.	The overspending is due to increases in demand for Transport for SEND pupils that have continually occurred during recent years.		
Needs &					
Disabilities)					
Home to College Transport – LLDD	+50	Continuing increased demand.	The forecast overspending is in line with previous years' levels.		
(Post-16 Learners					
with Learning					
Difficulties &					
Disabilities)					
Disabilities)					
Reduced Spending	Reduced Spending on Services - (£100,000)				
Family Support	-100		This forecast reflects the current level of support for children with disabilities, the underspending occurring through elements of Direct Payments being funded through the High Needs Block of the Dedicated Schools Grant.		

2018/19 Savings Options brought forward – (£65,000)					
Pension payments to former teachers and lecturers	-65	Declining numbers of former employees eligible to be members of the Teachers Pension Scheme. These enhanced lifetime pension benefits above the standard scheme were mainly awarded prior to April 1993 as a means of reducing the number of staff employed in schools and FE colleges. NB. This underspending is in addition to the 2017/18 savings requirement of £100,000.			
Other	+39				

4.4 NON-SERVICE SPECIFIC

4.4.1 There is a forecast net underspend of £2.415m. This relates primarily to the Council's Treasury Management activity (see Section 8.0, page 16 for further details), an increase in investment income, and reduced need in provisions of £2.5m.

5.0 CAPITAL BUDGET

5.1 Capital Programme

5.1.1 The revised estimated budget for the Capital Programme 2017/18 at the end of June is shown in the table below:

2017/18	£m
Original Capital Programme	20.281
Approved Slippage from 2016/17	28.253
In year adjustments and contributions	2.111
Revised Capital Allocation at Quarter 1	50.645
Estimated re-profiled projects into 2018/19	(10.834)
Revised working budget for Year at Qtr 1	39.811

- 5.1.2 The expenditure and funding profile for the Capital Programme together with a detailed breakdown of the Original Approved Programme, the Revised Estimate, Forecast Outturn, Actual Spend up to end of Month 3, and the estimated under/overspend of the capital programme for 2017/18 is shown in Appendix A.
- 5.1.3 Members should note that given the complexity and size of some of the larger schemes currently in the Council's Capital Programme the information received from budget holders can vary significantly from one quarterly report to the next and should be read in this context.
- 5.1.4 At the end of Quarter 1, a total of £10.834m of the 2017/18 budget has been identified for re-profiling into 2018/19. Most of this amount is attributed to Children Services Projects where the schemes are funded mainly by grants from Department of Education to a total of £7.257m. The remainder is attributable to Housing Development Schemes namely Haworth Close Extra Care scheme to a total of £3.496m and an amount of £0.080m for Environmental Crime projects.

5.2 Expenditure

- 5.2.1 The Forecast Outturn as at Month 3 is indicated to be £39.640m and Budget Managers have reported, after consideration being given to very early stages of development for a number of schemes in the programme, that they expect to spend up to this amount by 31 March 2018.
- 5.2.2 The actual expenditure after accruals, realised by the end of Month 3 totals £3.364m.
- 5.2.3 The main areas to record expenditure for the first quarter are:

•	Housing Development schemes	£0.534m
•	Children's, Young People and Culture	£0.549m
•	Older People	£0.620m
•	Highways Schemes	£0.312m
•	Housing Public Sector	£0.963m

5.3. Variances

- 5.3.1 Appendix A provides details of variances for each scheme based on latest available information received from budget managers and at Month 3 it shows a projected underspend for the Programme of £0.172m. This amount is not material in relation to the size of the programme and it is expected to reduce as schemes progress details are finalised. The schemes that are forecasted to overspend are monitored and analysed by budget managers. Remedial action if required will be taken as soon as the risk is assessed and deemed to negatively affect the programme and its outcomes.
- 5.3.2 Brief reasons for all variances are provided in Appendix A attached with this report.

5.4 Funding

- 5.4.1 The funding profile included in Appendix A shows the resources available to cover the capital programme during 2017/18.
- 5.4.2 The principal source of funding for Capital schemes approved for the 2017/18 programme is made of external resources together with resources unspent and carried forward from previous years. The Council and Cabinet have also approved new allocations for the year towards Highways Improvement works (as part of a three year programme) and tackling Environmental Crime projects to a value of £3.6m, funded by Council's own resources through capital receipts and borrowing.
- 5.4.3 The position of the capital receipts and borrowing as at the end of Month 3 is reported below. The figures in the table show the total funding requirement for the revised estimated capital programme inclusive of potential slippage into 2018/19 and the expected resources to be supported by the Council as at the end of Quarter 1 of the year.

2017/18 Use of Council Resources for Capital	
Investment	£m
Revised Capital Programme allocation for the year	39.811
Use of external funding and contributions	(27.830)
Balance of programme relying on Council	
resources	11.981
Use of Capital receipts and earmarked reserves	2.442
Use of Prudential Borrowing (2017/18 approved schemes)	4.386
	4.300
Use of Prudential Borrowing (2016/17 schemes brought forward)	5.153
Total Council Resources used to support the Capital Budget for Year	11.981

5.5 **Capital Programme Monitoring**

5.5.1 The programme will be monitored closely during the year by CPMG and Management Accountancy with an aim to deliver schemes on cost and time with minimum slippage into 2018/19.

6.0 HOUSING REVENUE ACCOUNT

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

- 6.2 The latest estimates show a projected surplus (working balance carried forward) of £1.020m at the end of 2017/18. The projected outturn shows a working balance carried forward of £1.409m. See Appendix B.
- 6.3 There are a number of variations that contribute to the projected outturn position however there is only one area where the variance exceeds 10% and £50k.
 - Revenue contributions to capital the reduction reflects additional contributions made to fund works in 2016/17.
- 6.4 The main impacts on the HRA year-end balance are normally **void levels**, the **level of rent arrears** and the **level of Right to Buy sales**.

Voids:

The rent loss due to voids for April to June was on average 1.36% which is better than the 1.6% void target level set in the original budget. If this performance was to continue for the rest of the year there would be an increase in rental income of £71k over the original budget; the projections of rental income in Appendix B have been calculated on this basis.

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

Arrears:

The rent arrears at the end of June totalled £1.348m, an increase of 9% since the end of March. Of the total arrears £0.541m relates to former tenants and £0.807m relates to current tenants. Approximately £0.228m of current tenant arrears are in cases where either the under occupancy charge applies or the tenants are in receipt of Universal Credit rather than Housing Benefit.

The Council is required to make a provision for potential bad debts. The contribution for the year is calculated with reference to the type of arrear, the amount outstanding on each individual case and the balance remaining in the provision following write off of debts.

Based on the performance to the end of June, projected for the full year, this provision would require an additional contribution of £0.315m to be made.

The 2017/18 HRA estimates allow for additional contributions to the provision totalling £0.477m, £0.179m for uncollectable debts and £0.298m to reflect the potential impact that welfare benefit changes could have on the level of rent arrears. Therefore there is a potential underspend of £0.162m. The projected outturn has not been amended to reflect this as rent arrears are volatile and the impact of increased numbers of Universal Credit cases coupled with further benefit changes is ongoing.

Right to Buy Sales:

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

This has resulted in an increase in the number of applications and ultimately sales. There were 47 sales in 2015/16 and this increased to 55 sales last year.

The forecast for 2017/18 was set at 70, this being an increase of 16 on the level of sales assumed for Bury in the Government's self–financing valuation.

From July 2014 the maximum Right to Buy discount increased to £77,000 and the maximum percentage discount on houses increased from 60% to 70% (in line with the discounts allowed on flats). The maximum discount now stands at £78,600.

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

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

There have been 14 sales in the period April to June. This is a reduction of 2 compared to the same period last year however the number of applications currently proceeding is higher therefore the forecast has not been revised at this stage.

6.5 The Welfare Reform and Work Act requires a 1% reduction in social housing rents for 4 years from 2016/17 which has a significant impact on future HRA resources; the impact of this and other changes contained in the Housing and Planning Act are being assessed as information becomes available.

7.0 PRUDENTIAL INDICATOR MONITORING

- 7.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The authority's approved Prudential Indicators (affordability limits) for 2017/18 is outlined in the approved Treasury Management Strategy Statement.
- 7.2 The authority continues to monitor the Prudential Indicators on a quarterly basis and Appendix C shows the original estimates for 2017/18 (approved by Council on 22 February 2017) with the revised projections as at 30 June 2017. The variances can be seen in the Appendix together with explanatory notes. The Prudential Indicators were not breached during the first three months of 2017/18.

8.0 TREASURY MANAGEMENT

8.1 Investments:

8.1.1 At the 30th June 2017 the Council's investments totalled £26.1m and comprised:-

Type of Investment	£M
Call Investments (Cash equivalents)	24.2
Fixed Investments (Short term investments)	2.0
Total	26.2

- 8.1.2 All investments were made in line with Capita's suggested credit worthiness matrices and the approved limits within the Annual Investment Strategy were not breached during the first guarter of 2017/18.
- 8.1.3 The Council has earned the following return on investments: Quarter 1 0.24%
- 8.1.4 This figure is higher than Sector's suggested budgeted investment earnings rate for returns on investments, placed for periods up to three months in 2017/18, of 0.20%.

8.2 Borrowing:

- 8.2.1 External borrowing of £2m was undertaken in the quarter to 30th June 2017.

 A short term temporary loan was taken over 364 days to take advantage of low interest rates. The loan was required to replace 3 loans, which matured in the quarter.
- 8.2.2 At 30th June 2017 the Council's debts totalled £191.511 m and comprised:-

	30 June 2016		
	Principal		Avg.
	£000	£000	Rate
Fixed rate funding			
PWLB Bury	131,453		
PWLB Airport	1,614		
Market Bury	50,500	183,567	
Variable rate funding			
PWLB Bury	0		
Market Bury	0	0	
Temporary Loans / Bonds 5 5			
Total Debt		183,572	3.96%

- 8.2.3 The overall strategy for 2017/18 is to finance capital expenditure by running down cash/investment balances and taking shorter term borrowing rather than more expensive longer term loans. With the reduction of cash balances the level of short term investments will fall. Given that investment returns are likely to remain low for the financial year 2017/18, then savings will be made by running down investments and taking shorter term loans rather than more expensive long term borrowing.
- 8.2.4 It is anticipated that further borrowing will be undertaken during this financial year.

9.0 MINIMUM LEVEL OF BALANCES

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

	£m
General Fund Balance 31 March 2017 per Accounts	8.393
Less: Minimum balances to be retained in 2017/18 Less: Forecast overspend at Month 3	-4.250 -3.651
Forecast Available Balances at 31 March 2018	+0.492

9.2 Based on the information contained in this report, on the risk assessments that have been made at both corporate and strategic level, on the outturn position for 2017/18

and using information currently to hand on the likely achievement of cuts options, there is no reason at present to take the minimum level of balances above the existing level of £4.250m.

- 9.3 In light of the above assessment it is recommended that the minimum level of balances be retained at **£4.250m**.
- 9.4 Members are advised that using available balances to fund ongoing expenditure would be a breach of the Council's Golden Rules. Likewise, Members are advised that the Authority faces significant funding reductions in the future, and balances are likely to be required to fund one-off costs of service transformation.

10.0 EQUALITY AND DIVERSITY

10.1 There are no specific equality and diversity implications.

11.0 FUTURE ACTIONS

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

Councillor Eamonn O'Brien, Cabinet Member for Finance and Housing

List of Background Papers:-

Finance Working Papers, 2017/18 held by the Interim Executive Director of Resources & Regulation.

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



Bury MBC: Capital Budget Monitoring Statement Month 3 - 2017/18

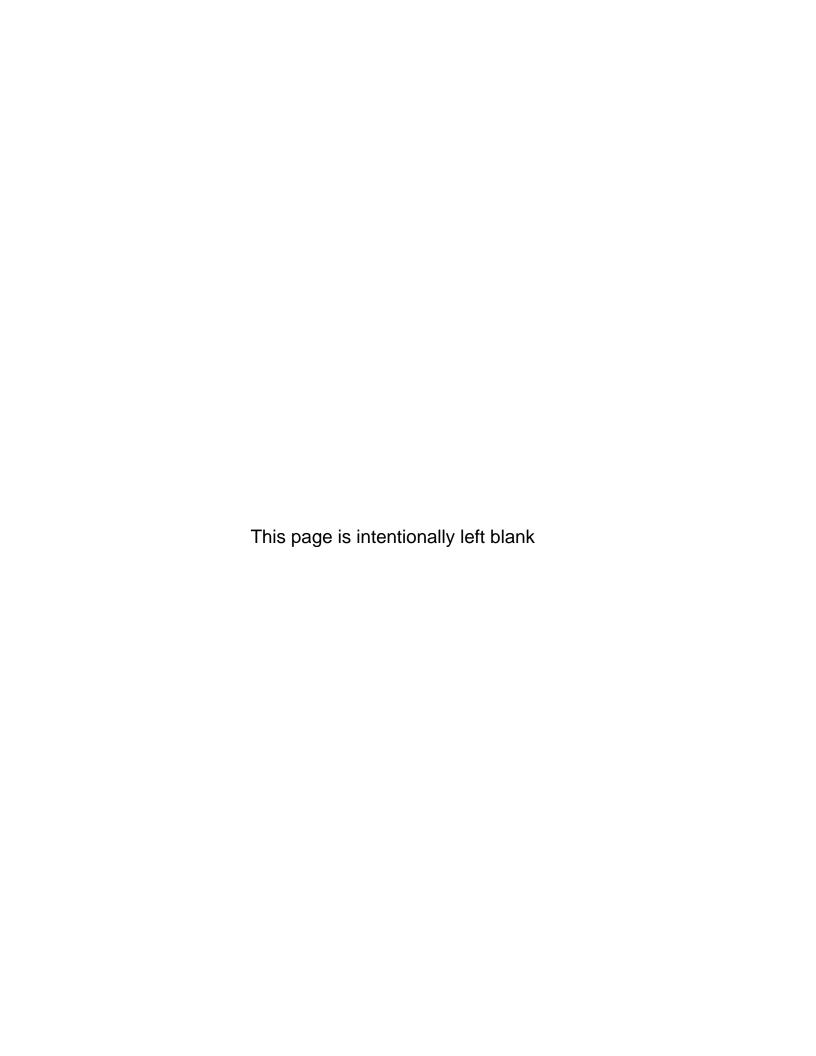
APP	ENDIX	A

		(1)	(2)	(3)	(4)	(5)	(6) Revised	(7)	(8)	(9) Month 3
		2017/18 Original Approved	Slippage	Adjust- ments	Revised Estimate Before Reprofile	Reprofiled to Future Years	Estimate After Reprofile Col.4- Col.5	Outturn 2017/18	- 2017/18 Month 03 Actual	Variance / (Undersp end) or Overspen
	Support Services -Council Capital	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Children, Young People & Culture	Programme		51		51	-	51	61	74	9
Children, Young People & Culture	DFES - Devolved Formula	500	764	(39)	1,225	(1,061)	164	164	42	-
Children, Young People & Culture	NDS Modernisation	1,637	8,919	1,884	12,440	(5,943)	6,497	6,492	432	(6)
Children, Young People & Culture	Access Initiative		8		8	-	8	8	-	-
Children, Young People & Culture	Targetted Capital Funds		76		76	(73)	3	-	-	(3)
Children, Young People & Culture	Upgrade and remodel Radcliffe Hall		-		-	-	-	-	-	-
Children, Young People & Culture	Children Centres		7		7	(7)	-	-	-	-
Children, Young People & Culture	Free School Meal Capital Grant		22		22		22	22	-	-
Children, Young People & Culture	Early Education Fund		215		215	(161)	54	54	_	_
Children, Young People & Culture	Protecting Play Fields		13		13	(13)	-	-	-	_
Communities & Wellbeing	Contaminated Land	-	21	0	22	-	22	21	-	(0)
Communities & Wellbeing	Air Quality	-	9	_	9	-	9	9	-	-
Communities & Wellbeing	Heat Network In Bury TC		54		54		54	54	_	_
Communities & Wellbeing	Environmental Crime	100			100	(80)	20	20	_	_
Communities & Wellbeing	Parks			102	102	(1.1)	102	102	5	_
Communities & Wellbeing	Play Areas	_	21	102	21		21	21	_	_
Communities & Wellbeing	Demolition of Radcliffe Pool		44		44		44	44	12	_
Communities & Wellbeing	Learning Disabilities	_	3	_	3	_	3		2	(3)
Communities & Wellbeing	Improving Info.Management		7		7	_	7	86	5	
	Older People		483		483	-	483	703	620	220
Communities & Wellbeing Communities & Wellbeing	Social Care Single Capital Pot	455	26	177		-	657	357	020	
		455		1//	657	_			-	(300)
Communities & Wellbeing	Empty Property Strategy		610	-	610		610	610	F24	
Communities & Wellbeing	Housing development - Urban Renewa		8,800		8,800	(3,496)		5,373	534	70
Communities & Wellbeing	Disabled Facilities Grant	968	172	(40)			1,100	1,096	67	(4)
Communities & Wellbeing	Waste Management	-	53		53	-	53	-	-	(53)
Resources & Regulation	Street Lighting LED Invest to Save	1,046	1,079		2,125		2,125	2,125	48	-
Resources & Regulation	Traffic Management Schemes	-	318		318		318	318	141	-
Resources & Regulation	Prestwich Town Centre	-	1,761		1,761		1,761	1,761	89	-
Resources & Regulation	Planned Maintenance	5,322	3,170		8,492		8,492	8,492	22	-
Resources & Regulation	Bridges	-	320		320		320	320	12	-
Resources & Regulation	Traffic Calming and Improvement	188	590		778		778	737		(41)
Resources & Regulation	Planning Environmental Projects	4	411		415		415	-	2	(415)
Resources & Regulation	Development Group Projects	-	83		83		83		17	(83)
Resources & Regulation	Corporate ICT Projects	71	-		71		71	71	-	-
Resources & Regulation	Corporate Property Initiatives		191		191		191	191	65	(0)
Resources & Regulation	Radcliffe Market Redevelopment		(100)		(100)		(100)	-		100
Resources & Regulation	Tile Street Refuse Removal		10		10		10	10		-
Resources & Regulation	Seedfield				-		-	5	5	5
Resources & Regulation	Radcliffe TC Redevelopment				-		-	15	15	15
Resources & Regulation	12 Tithebarn Street		43		43		43	42		(1)
Resources & Regulation	Haworth Close LD Centre Demolition				_		-	16	16	16
Resources & Regulation	Q Park Airspace Development			27	27		27	27	25	-
Resources & Regulation	East Lancs Paper Mill master planning				_		-	31	31	31
Resources & Regulation	Chamberhall Development Property Management / Sale of				-		-		25	-
Resources & Regulation	Assets				-		-		95	-
Housing Public Sector	Housing programme Major works (HR	9,991			9,991		9,991	10,182	963	192
Total Bury Council controlled pr	rogramme	20,281	28,253	2,111	50,645	(10,834)	39,811	39,640	3,364	(172)
Funding position:										
Capital Receipts		100	337	102	539	(80)		527		
Reserve / Earmarked Capital Reco General Fund Revenue	eipts	71	1,885 44	27	1,983 44	-	1,983 44	1,983		
Housing Revenue Account		9,991	-	0	9,991	,	9,991	9,799		
Capital Grants/Contributions		5,733	17,337	1,982	25,052	(7,257)	17,795	17,747		
HRA/MRA Schemes										
HRA/MRA Schemes Supported Borrowing Unsupported Borrowing		4,386	8,650	-	13,036	(3,496)	9,540			



more than 10% and above £50,000 more than 10% but less than £50,000

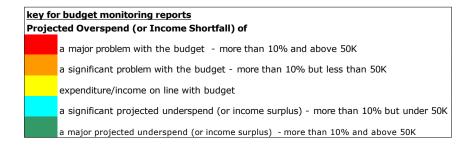
more than 10% but less than £50,000 more than 10% and above £50,000



HOUSING REVENUE ACCOUNT

April 2017 - June 2017

Non-dwelling rents		2017/18 Original Estimate	2017/18 Latest Estimate	2017/18 Projected Outturn	2017/18 Variation Over/(Under)
Dwelling rents 29,342,200 29,342,200 29,389,600 (47,40 Non-dwelling rents 204,800 204,800 204,800 204,800 204,800 204,800 204,800 204,800 204,800 48,700 48,700 48,700 48,700 48,700 20,00		£	£	£	£
Non-dwelling rents	INCOME				
Heating charges 48,700 48,700 48,700 Chter charges for services and facilities 896,100 896,100 916,100 (20,00 Contributions towards expenditure 40,600 40,600 42,700 (2,10 Contributions towards expenditure 30,532,400 30,532,400 30,601,900 (69,50 Contributions towards expenditure 30,532,400 30,532,400 30,601,900 (69,50 Contributions towards expenditure 0 0 0 0 0 0 0 0 0					(47,400)
Other charges for services and facilities		•		the state of the s	0
Total Income 30,532,400 30,532,400 30,601,900 69,50		•	48,700		0
Total Income 30,532,400 30,532,400 30,601,900 (69,50) EXPENDITURE Repairs and Maintenance 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	- Carlotte and the Carlotte	· · · · · · · · · · · · · · · · · · ·	896,100		(20,000)
Repairs and Maintenance	Contributions towards expenditure	•		•	(2,100)
Repairs and Maintenance	Total Income	30,532,400	30,532,400	30,601,900	(69,500)
Secrial Management Se22,700 Se22,700 Se22,675 C2	EXPENDITURE				
Special Services 833,800 833,800 833,100 (3,70 Rents, rates, taxes and other charges 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 178,700 (10 Increase in provision for bad debts - uncollectable debt 178,800 178,800 178,700 (10 Increase in provision for bad debts - impact of Benefit I 298,200 298,200 298,000 298,000 (20 Cost of Capital Charge 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 40,	Repairs and Maintenance	0			0
Special Services 833,800 833,800 833,100 (3,70 Rents, rates, taxes and other charges 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 98,000 178,700 (10 Increase in provision for bad debts - uncollectable debt 178,800 178,800 178,700 (10 Increase in provision for bad debts - impact of Benefit I 298,200 298,200 298,000 298,000 (20 Cost of Capital Charge 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 4,432,600 40,	and the contract of the contra		822,700		(25)
Increase in provision for bad debts - uncollectable debt 178,800 178,800 128,700 (10 Increase in provision for bad debts - impact of Benefit I 298,200 298,200 298,000 (20 Cost of Capital Charge 4,432,600 4,432,600 4,432,600 4,432,600 Depreciation/Impairment of fixed assets - council dwel 7,926,900 7,926,900 7,926,900 7,926,900 Depreciation of fixed assets - other assets 42,400 42,400 42,391 (20 Cost of Capital Charges 40,600 40,600 40,600 40,600 Contribution to/(from) Business Plan Headroom Reserv 470,400 470,400 470,400 470,400 Total Expenditure 15,144,400 15,144,400 15,140,366 (4,03 Net cost of services (15,388,000) (15,388,000) (15,461,534) (73,53 Amortised premia / discounts (11,400) (11,400) (11,400) Interest receivable - on balances (52,300) (52,300) (52,300) (52,300) (52,300) (1455) Appropriations Appropriations Appropriations Appropriation relevant to Impairment 0 0 0 (15,452,200) (15,525,690) (73,49 Appropriations (20,000) (20,000	•		833,800		(3,700)
Increase in provision for bad debts - impact of Benefit 298,200 298,200 298,000 (20				•	0
Cost of Capital Charge				•	(100)
Depreciation / Impairment of fixed assets - council dwel				the state of the s	(200)
Depreciation of fixed assets - other assets 42,400 42,400 42,391 40,600 470,400 4					0
Debt Management Expenses			7,926,900		0
Total Expenditure 15,144,400 15,144,400 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (4,03 15,140,366 (15,388,000) (15,388,000) (15,461,534) (73,53 (11,400)	· · ·		42,400	the state of the s	(9)
Total Expenditure 15,144,400 15,144,400 15,140,366 (4,03) Net cost of services (15,388,000) (15,388,000) (15,461,534) (73,53) Amortised premia / discounts (11,400) (11,400) (11,400) (11,400) Interest receivable - on balances (52,300) (52,300) (52,300) (52,300) Interest receivable - on loans (mortgages) (500) (500) (455) (455) Net operating expenditure (15,452,200) (15,452,200) (15,525,690) (73,49) Appropriations Appropriation relevant to Impairment 0 0 0 Revenue contributions to capital 2,063,600 2,063,600 1,747,600 (316,00) (Surplus) / Deficit before ALMO/SHU payments (13,388,600) (13,388,600) (13,778,090) (389,49) Payments to Six Town Housing / Transfers re Strategic Housing Unit excluded from above Six Town Housing Management Fee 13,058,600 13,058,600 320,000 320,000 Six Town Housing Management Fee (13,378,600) 13,378,600 13,378,600 Total 13,378,600 13,378,600 13,378,600 (Surplus) / Deficit after ALMO/SHU payments (10,000) (10,000) (399,490) (389,49) Working balance brought forward (1,010,000) (1,010,000) (1,010,000)		•	40,600		0
Net cost of services	Contribution to/(from) Business Plan Headroom Reser-	v 470,400	470,400	470,400	0
Net cost of services	Total Expenditure				
Interest receivable - on balances (52,300) (52,300) (52,300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (15,2300) (14,25) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200) (15,25) (10,200)	Net cost of services				
Interest receivable - on loans (mortgages) (500) (500) (455)					0
Net operating expenditure (15,452,200) (15,452,200) (15,525,690) (73,49) Appropriations Appropriation relevant to Impairment 0					0
Net operating expenditure (15,452,200) (15,452,200) (15,525,690) (73,49) Appropriations Appropriation relevant to Impairment 0	Interest receivable - on loans (mortgages)	(500)	(500)	• • •	45
Appropriation relevant to Impairment 0 0 0 Revenue contributions to capital 2,063,600 2,063,600 1,747,600 (316,00 (Surplus) / Deficit before ALMO/SHU payments (13,388,600) (13,388,600) (13,778,090) (389,49 (13,778,090) (389,49 (13,778,090) (389,49 (13,778,090) (389,49 (13,058,600) (13,058,600) (13,058,600 (13,058,600) (13,058,600) (13,058,600 (13,058,600) (13,058,600	Net operating expenditure	(15,452,200)	(15,452,200)		
Revenue contributions to capital 2,063,600 2,063,600 1,747,600 (316,00 (Surplus) / Deficit before ALMO/SHU payments (13,388,600) (13,388,600) (13,778,090) (389,49) Payments to Six Town Housing / Transfers re Strategic Housing Unit excluded from above 13,058,600 13,058,600 13,058,600 13,058,600 20,000 20,000 320,000	Appropriations				
(Surplus) / Deficit before ALMO/SHU payments (13,388,600) (13,388,600) (13,778,090) (389,49) Payments to Six Town Housing / Transfers re Strategic Housing Unit excluded from above 13,058,600 13,058,600 13,058,600 13,058,600 20,000 20,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000 320,000	Appropriation relevant to Impairment	0	0		0
Payments to Six Town Housing / Transfers re Strategic Housing Unit excluded from above Six Town Housing Management Fee	Revenue contributions to capital	2,063,600	2,063,600	1,747,600	(316,000)
Housing Unit excluded from above Six Town Housing Management Fee 13,058,600 13,058,600 13,058,600 20,000 320,000 320,000 Total 13,378,600 13,378,600 13,378,600 (Surplus) / Deficit after ALMO/SHU payments (10,000) (10,000) (399,490) (389,490) Working balance brought forward (1,010,000) (1,010,000)	(Surplus) / Deficit before ALMO/SHU payments	(13,388,600)	(13,388,600)	(13,778,090)	(389,490)
Contribution to SHU Costs 320,000 320,000 320,000 Total 13,378,600 13,378,600 13,378,600 (Surplus) / Deficit after ALMO/SHU payments (10,000) (10,000) (399,490) (389,49) Working balance brought forward (1,010,000) (1,010,000) (1,010,000) (1,010,000)		ic			
(Surplus) / Deficit after ALMO/SHU payments (10,000) (10,000) (399,490) (389,490) Working balance brought forward (1,010,000) (1,010,000) (1,010,000)					0
Working balance brought forward (1,010,000) (1,010,000) (1,010,000)	Total	13,378,600	13,378,600	13,378,600	0
Working balance brought forward (1,010,000) (1,010,000) (1,010,000)	(Surplus) / Deficit after ALMO/SHU payments	(10,000)	(10,000)	(399,490)	(389,490)
				. , ,	0
**Volking Dalance Carried for Ward (1,020,000) (1,020,000) (1,409,490) (389,49					
	WOLKING DAIGNICE CAFFIEU TOFWAFU	(1,020,000)	(1,020,000)	(1,409,490)	(305,450)





The table below shows the prudential indicators as derived from the Treasury Management Strategy Report for 2017/18 and the Original Budget for 2017/18 as approved at Council in February 2017. The Original Budget for 2017/18 is compared with the Forecast Outturn for 2017/18 as at 30th June 2017.

CAPITAL EXPENDITURE	Original Budget 2017/18	Forecast Outturn at 30 June 2017	Variance	Notes
	£'000	£'000		
Estimate of Capital Expenditure				
Non-HRA	6,691	29,457	340.29%	
HRA existing expenditure	9,991	10,182	_	
TOTAL	16,681	39,640	_	1
Estimate of Capital Financing Requirement (CFR)				
Non-HRA	116,218	137,942	18.69%	
HRA existing expenditure	40,530	40,531		
HRA reform settlement	78,253	78,253	_	2
	235,001	256,725		3

AFFORDABILITY	Original Budget 2017/18	Forecast Outturn at 30 June 2017	Variance	Notes
	£'000	£'000		
Estimate of incremental impact of capital investment decisions				
Increase in council tax (band D, per annum)	-£1.10	£3.68		4
Increase in housing rent per week	£0.00	£0.00		5
Ratio of Financing Costs to net revenue stream				
Non-HRA	3.03%	3.12%	2.66%	6
HRA	14.14%	14.47%	2.32%	6
Net External Borrowing only to support the				
CFR in Medium Term	£'000	£'000		
Net External borrowing over medium term	192,509	192,509		7
Total CFR over Medium Term	235,001	256,726	_	7
Net External Borrowing < Total CFR	TRUE	TRUE	_	

EXTERNAL DEBT	Original Budget 2017/18	Forecast Outturn at 30 June 2017	Variance	Notes
	£'000	£'000		
Authorised limit of external debt				
Borrowing	190,700	212,400		
Other long term liabilities	5,000	5,000		
HRA reform settlement	79,300	79,300		
TOTAL	275,000	296,700	7.89%	8
Operational boundary				
Borrowing	155,700	177,400		
Other long term liabilities	5,000	5,000		
HRA reform settlement	79,300	79,300		
TOTAL	240,000	261,700	9.04%	8

TREASURY MANAGEMENT	Original Budget 2017/18	Forecast Outturn at 30 June 2017	Variance	Notes
Upper limit for fixed interest rate exposure Net principal re fixed rate borrowing / investments	115%	116%	0.72%	9
Upper limit for variable rate exposure Net principal re variable rate borrowing / investments	-15%	-16%	5.55%	9
Upper limit for total principal sums invested for > 364 days	£10 m	£10 m		10
Maturity structure of fixed rate borrowing at 30 September 2016	Upper/lower limit	Actual		
Under 12 months	40% - 0%	2.39%		
12 months and within 24 months	35% - 0%	8.36%		
24 months and within 5 years	40% - 0%	8.11%		
5 years and within 10 years	50% - 0%	14.97%		
10 years and above	90% - 30%	66.18%		

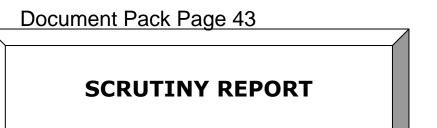
Notes to the Prudential Indicators:

- 1. The original budget shows the approved Capital Programme expenditure of £16,681,000. The forecast outturn of £39,640,000 is higher than budget because of slippage from 2016/17.
- 2. Following the Government announcement to reform the system of financing Council housing, the Authority had to pay the Department for Communities and Local Government £78.253m on the 28th March 2012. The Council financed this expenditure by PWLB loans.
- 3. Capital Financing Requirement relates to all capital expenditure i.e. it includes relevant capital expenditure incurred in previous years. The Capital financing requirement reflects the authority's underlying need to borrow.
- 4. The finance costs related to the increases in capital expenditure impact upon Council tax. The increase in Council Tax reflects the level of borrowing to be taken in 2017/18 to finance current and previous years' capital expenditure.
- 5. There is no direct impact of capital expenditure on housing rents as the housing rent is set according to Government formula.
- 6. The ratios for financing costs to net revenue stream for both General Fund and HRA have remained relatively stable.
- 7. To ensure that borrowing is only for a capital purpose and therefore show that the authority is being prudent this indicator compares the level of borrowing and capital financing requirement (CFR) over the medium term. The level of borrowing will always be below the CFR.
- 8. The authorised limit and operational boundary are consistent with the authority's plans for capital expenditure and financing. The authorised limit is the maximum amount that the authority can borrow.

9. The variable and fixed limits together look at the whole portfolio and will therefore together always show 100% exposure. Variable interest rate limit can be positive or negative as investments under 364 days are classed as variable and are credit balances which are offset against debit variable loans. The smaller the balance of investments, the more likely the variable limit will be positive as the variable loan debit balance will be higher than the credit investment balance offset against

10.Principal sums invested for periods longer than 364 days have been set at £10 million. The investment balance is estimated to be cash flow driven, however if the opportunity arises that surplus investment balances are available then advantage will be taken of favourable rates.





Agenda Item 6



MEETING: Overview and Scrutiny

DATE: Thursday 7th September 2017

SUBJECT: Corporate Performance update

REPORT FROM: The Leader of the Council

CONTACT OFFICER: Chris Woodhouse, Corporate Policy

1.0 BACKGROUND

1.1 Corporate Performance is routinely reported to Cabinet, with the latest Cabinet report on this subject the focus of this item.

2.0 NATURE OF THE REPORT

- 2.1 As outlined in the Cabinet report, performance is based on the Single Outcomes Framework which outlines the high level outcomes that we are seeking to achieve for the Borough, indicators that quantify progress towards these, and success measures for programmes and services that we deliver or commission.
- 2.2 The Cabinet report outlines recent performance, including examples of good and improved performance, as well as areas where performance had declined or could be improved.
- 2.3 The one page 'snapshots' allow for consideration of some of most noticeable performance metrics and details updates over recent quarters.

3.0 CONCLUSION

3.1 This report to Scrutiny is a routine element of the performance management regime in Bury. Scrutiny Members are asked to note the report and raise any questions as appropriate.

List of Background Papers:-

Corporate Performance -2016/17 Quarter 4 (including corporate performance scorecard)

Contact Details:-

Chris Woodhouse, Corporate Policy c.wooddhouse@bury.gov.uk 0161 253 6592



REPORT FOR DECISION



DECICION OF	CADINET				
DECISION OF:	28 June	2017			
DATE:					
SUBJECT:	Corporate	e Performance – 2016/17 Quarter 4			
REPORT FROM:	The Lead	er of the Council			
CONTACT OFFICER:	Chris Woo Improver	odhouse ment 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 ar	e asked to note the report			
IMPLICATIONS:					
Corporate Aims/Policy Framework:	fficar-	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			

Statement by Executive Director of Resources:	performance should consider health and safety in accordance with Council policy. 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.
- 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:-

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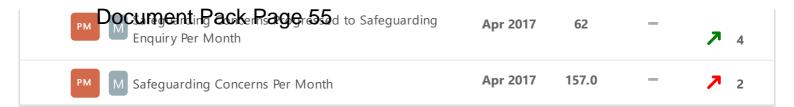
Bury Council Corporate Performance Management

All people of Bury live healthier, resilient lives and have ownership of their own health and wellbeing (SOF 1a)	Tim e Perio d	Actual Value	Target Value	Current Trend	t
PHOF 0.1ii - Life Expectancy at birth (Male)	2015	77.97 yrs	77.97 yrs	7	1
PHOF 0.1ii - Life Expectancy at birth (Female)	2015	81.57 yrs	81.58 yrs	7 ∶	3
PHOF 0.1i - Healthy life expectancy at birth (Male)	3YC 2015	60.55 yrs	60.43 yrs	\	2
PHOF 0.1i - Healthy life expectancy at birth (Female)	3YC 2015	62.06 yrs	60.84 yrs	7	1
ASCOF 2C(1) - Delayed transfers of care from hospital (per 100,000 population)	FY 2016	12.50	12.10	7 2	2
BCF - Non-elective admissions FFCE (First Finished Consultant Episodes)	FYQ4 2017	4,868	4,518	7	1
Number of Deprivation of Liberty safeguarding applications (DoLs)	Q3 2017	271	-	7	1
A PHOF 2.13i Percentage of physically active adults	2015	57.6%	53.7%	7	1
A PHOF 2.23iii - Self-reported well-being - low happiness score	FY 2016	10.4%	8.8%	7	1
Rate of Children's Social Care referrals (per 10,000 children)	Feb 2017	475.5	532.2	7	1
Rate of children in need - not including CP or Looked After Children (per 10,000 children)	Feb 2017	234.0	270.6	٠ لا	1
Rate of Education, Health and Care Plans (per 10,000 children)	Jan 2017	152.6	-	→ (0
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%	7 2	2
All people of Bury live healthier, resilient lives and have ownership of their own health and wellbeing (SOF 1b)	Tim e Perio d	Actual Value	Target Value	Current Trend	t
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]		1,008.60	775.10	7 :	3
Permanent admissions of older people (aged 65+) to residential and nursing care homes - number of people	Mar 2017	40	_	7	1
Number of adults in contact with secondary mental health services living independently, with or without support - (subset of ASCOF 1H)	Feb 2017	353	-	7	1
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))	^t FYQ4 2017	86.7%	-	7	1

PM Pocument Pack Rager 52 hieving 150 mins of physical activity per week	FYQ4 2017	67.0%	30.0%	1 لا
Proportion of BEATS customers who have achieved a behaviour change (inactive to active) in 12 weeks	FYQ4 2017	55.0%	40.0%	7 3
M I Will If You Will- Attendances per month	Aug 2016	2,794	1,928	1 لأ
Quality of Life Wheel score improvements for those completing the Help Yourself to Wellbeing programme	FYQ2 2017	3.2	-	→ 0
M Number of hits to The Bury Directory	Dec 2016	9,133	-) 1
Bury people live in a clean and sustainable environment (SOF 2a)	Tim e Period	Actual Value	Target Value	Current Trend
PHOF 3.01 - Fraction of mortality attributable to particulate air pollution	2015	4.0%	4.7%) 2
Annual Greenhouse Gas Report (% change in Bury Council's Carbon emissions)	FY 2016	23,265GHG	-	3 3
Bury people live in a clean and sustainable environment (SOF 2b)	Tim e Period	Actual Value	Target Value	Current Trend
A (Tonnes) Per Capita Emissions of Carbon Dioxide	2014	5.2	6.3	2 2
Carbon emissions from electricity use in council buildings (excl. schools)	2015	4,291tonnes	-	1 لا
A Carbon emissions from electricity use in schools	2015	4,956tonnes	-	1 لا
A Carbon emissions from council vehicles	2015	1,631tonnes	_	7 2
PM Q Household collected bin waste recycling rate	FYQ4 2017	54.95%	60.00%	2 2
M Number of missed bins reported	Dec 2016	857	-	7 1
Number of fly tipping service requests	FYQ4 2017	352	-	7 1
A Green Flag Awards for local public spaces	2016	12	12	→ 1
People of Bury at all ages have high level and appropriate skills (SOF 3a)	Tim e Period	Actual Value	Target Value	Current Trend
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
Good level of development at end of reception- Foundation Stage Profile	2016	68.9	69.3	7 2
Percentage of pupils making expected/ sufficient progress (from KS1 to KS2) in reading, writing and maths	2016	55%	-	→ 0
% pupils achieving 5 GCSEs at grades A*-C including English and maths	2016	57.3 %	54.9 %	7 1

Document Pack Page 53 Average progress 8 score perpupil (at KS4)	2016	-0.1	-0.1	\rightarrow	0
Percentage of students achieving 3 A*-A grades or better at A Level (females)	2016	5.7%	12.4%	→	1
Percentage of students achieving 3 A*-A grades or better at A Level (males)	2016	5.6%	14.3%	7	2
PHOF 1.05 - % of 16-18 year olds not in education, employment or training (NEET)	2015	3.7%	4.2%	7	3
% of working age residents aged 16-64, who have obtained qualifications equivalent to NVQ3 and above	2015	57.1%	57.4%	7	1
A % of residents 18-64 with no qualifications	2016	7.8 %	8.0 %	7	1
People of Bury at all ages have high level and appropriate skills (SOF 3b)	Tim e Period	Actual Value	Target Value	Curren Trend	
M PM A % primary schools rated as 'good' or 'outstanding' by Ofsted	FY 2016	92%	-	7	1
M of secondary schools rated as 'good' or 'outstanding' by Ofsted	FY 2016	77%	-	\rightarrow	1
SEN/non SEN gap achieving 5A*-C GCSEs including English and Maths	2015	-41.8	-44.6	7	1
FSM/non FSM gap achieving 5A*-C GCSEs including English and Maths	2016	-30.2	-27.8	\rightarrow	0
All Bury people achieve a decent standard of living (and are provided with opportunities through growth) (SOF 4a)	Tim e Period	Actual Value	Target Value	Curren Trend	
Employment rate 16-64	FYQ3 2017	72.3%	71.6%	7	3
A Average wage level in the Borough (hourly rate)	2016	£11.94	£12.74	7	1
Proportion of working-age people on out-of-work benefits	FYQ3 2017	9.3%	8.4%	7	3
BE ASCOF 1D - Carer-reported quality of life	FY 2017	7.3	7.7	7	2
A Children moving out of care into permanence - adoption	2016	20.0%	-	\rightarrow	1
The number of residential units that can be built on sites that have detailed planning permissions	2016	1,567	-	\rightarrow	0
The number of affordable housing units proposed to be built on sites that have detailed planning permissions	2016	327	-	\rightarrow	0
Average house price in the Borough	FYQ4 2017	£172,463	£188,563	7	2
A PHOF 1.17 - Fuel Poverty	2014	10.40%	10.60%	7	1
A Number of businesses in the Borough	2016	6,715	-	7	4

Document Pack Page 54 Net business growth rate (start-ups minus dissolutions)	2016	2,329	-	7 1
A Inward investment into the Borough	2016	£3.22Mil	-	7 1
All Bury people achieve a decent standard of living (and are provided with opportunities through growth) (SOF 4b)	Tim e Period	Actual Value	Target Value	Current Trend
M Number on Housing Waiting List	Mar 2017	1,534	-	7 3
M Number of homeless acceptances	Mar 2017	29	-	7 3
M Number of homeless preventions	Mar 2017	103	-) 2
Average number of weeks spent in temporary accommodation	FYQ2 2017	7.62 weeks	-	→ 0
M % Non-decent Council homes	Dec 2016	0	0	→ 6
Residents moved into employment through Working Well (expansion and GP pilot)	FYQ2 2017	36	-	→ 0
Transfer of existing statements to Education Health and Care (EHC) plans	FYQ1 2017	85	-	7 1
A Number of visitors to Council cultural attractions	FY 2016	399,774	-	→ 0
Bury is a safe place to live with all people protected, and feel protected, from harm (SOF 5a)	Tim e Perio d	Actual Value	Target Value	Current Trend
A PHOF 1.13iii- First Time Offenders per 100,000 population	2015	210.7	262.6	1 لا
PHOF 1.13i- Reoffending levels (% of offenders who re-offend)	2014	25.7	25.4	7 1
PHOF 1.11 Rate of domestic abuse incidents recorded by the police per 1,000 population	2015	22.5	20.4	\ 1
Rate of Looked After Children (per 10,000 children)	Feb 2017	80.2	60.0	7 1
Rate of children subject to a child protection plan (per 10,000 children)	Feb 2017	41.7	43.1	7 1
Rate of Section 47 enquiries commenced (per 10,000 children)	Feb 2017	81.6	147.5) 1
Number of children at risk of Child Sexual Exploitation (Number of CSE episodes ongoing at the end of the month)	Feb 2017	38	-) 1
Bury is a safe place to live with all people protected, and feel protected, from harm (SOF 5b)	Tim e Period	Actual Value	Target Value	Current Trend
Programmes from a refreshed Community Safety Plan [Placeholder]	-	-	-	-
Number of safeguarding concerns proceeded to section 42 enquiry on Protocol	FYQ4 2017	106	-	7 1



5 / 5



Bury Council Corporate Performance Management - Organisational Resilience Appendix 1b

O Organisation Resilience (SOF-Enabler a)	Tim e Perio d	Actual Value	Target Value	Forecast Value	Current Trend
Council Tax Yield	FYQ4 2017	82.637£ (million)	78.748£ (million)	_	7 3
M Number of calls answered (Council Tax)	Apr 2017	5,813	-	-) 1
Business Rates Yield	FYQ4 2017	50.681£ (million)	49.260£ (million)	_	7 3
M Number of calls answered (Business Rates)	Apr 2017	441	_	-) 1
M Staff numbers (FTE)	Feb 2017	4,990	-	_) 2
A Average age of workforce	HY2 2016	44.4yrs	-	-) 4
Percentage of employees over the age of 50	2016	35.7%	-	-	→ 0
M Number of FTE days lost due to sickness absence	Feb 2017	5,003	4,494	_	7 1
M Number of long term absences (over 20 days)	Feb 2017	173	153	-	7 1
P Organisation Resilience (SOF-Enabler b)	Tim e Perio d	Actual Value	Target Value	Forecast Value	Current Trend
PM Q Percentage of Council Tax Collected	FYQ4 2017	96.84%	96.50%	-	7 3
PM Percentage of calls answered (Business Rates)	Apr 2017	95	80	_	→ 1
PM Q Percentage of Business Rates Collected	FYQ4 2017	94.87%	94.34%	-	7 3
PM Percentage of calls answered (Council Tax)	Apr 2017	74	80	-	7 1
M Percentage of Rents collected	Apr 2017	101.76 %	99.00 %	-	7 2
M Rent loss from voids (STH)	Apr 2017	1.53 %	1.60 %	-) 2
Number of corporate complaints	FYQ4 2017	44	-	-	7 1
Number of corporate compliments	FYQ4 2017	33	-	-	3 3
Number of adverse finding as rate of total ombudsman complaints	HY1 2016	1	-	-	→ 0
Overall gym membership	FYQ4 2017	4,294	4,100	-	7 1

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РМ	Cument Pack Rage 58 within Bury Council	2016	28	-	-	7 1
PM	Average contact centre call waiting time	FYQ4 2017	118 seconds	-	-	7 1
PM	Average time for processing new housing benefit/ Council tax support claims	FYQ4 2017	24.67 working days	26.00 working days	-	7 1
PM	Average time for processing change events for housing benefit and Council tax support claims	FYQ4 2017	5.24 days	9.50 days	-	' 1
PM	Percentage of Freedom of Information requests responded to within 20 working days	Dec 2016	85%	-	_	1
PM	Percentage of minor planning applications determined within 8 weeks	FYQ3 2017	100%	77%	_	→ 1
PM	Percentage of major planning applications determined within 13 weeks	FYQ3 2017	100%	82%	_	→ 6

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have a positive impact on this.

Corporate Performance 2016/17 Quarter 4 – update on highlights from Quarters 2 and 3

Borough.

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

Bury Council's Carbon Emissions Physical Activity (SOF-1) **Gym membership** (SOF-E) (SOF-2) Proportion of BEATs customers Gym membership increased achieving a behaviour change The Council has achieved a 22% markedly during quarter 4, (inactive to active) in 12 weeks has reduction in carbon emissions since exceeding the seasonal variation continued to increase sharply, to our base year of 2008/09. Some that would be expected to a level over half of all customers. increased in travel emissions. higher than the equivalent period last year. Household collected bin waste Carer Reported Quality of Life Average wage level in the Borough (SOF-4) recycling has improved yet again (SOF-1) to hit the 60% target Proposal for a New Deal for Carers (SOF-2) The Bury average rate is £11.94 per has been included as part of work hour whilst the north west rate has within the Bury Locality Plan with been over £12 since 2012/13 and is Quarter-by-quarter seasonal funding sought through the variation. Overall percentage for the now at £12.74 2016/17 over 3% higher than Transformation Fund to support this. previous years. Sickness Absence (SOF-E) **Healthy life expectancy males Delayed Transfers of Care** (SOF-1) (SOF-1) The figures for long term absence have remained relatively high The Bury Locality Plan acknowledges Work has been ongoing across compared with previous years, with inequalities in healthy life Greater Manchester to mitigate mental health and musclo-skeletal expectancy and will work towards winter pressures. Increases in local issues being most prevalent. improving health outcomes for the reablement effectiveness likely to

Corporate Performance 2016/17 Quarter 3 – Additional Highlights for Quarter 3

(Note the RAG colours used below may represent performance against target, comparators, or based on current trend)

Physical Activity	y (SOF-1)
Proportion of BEA	

Proportion of BEATs customers achieving 150 minutes of physical activity per week has increased three quarters in a row and is 30% higher than this time last year. Behaviour Change achievement has exceeded the 40% target for the first time.

Bury Council's Carbon Emissions (SOF-2)

In the last year gas and electricity consumption has decreased, as has business car travel.

Gym membership (SOF-E)

Gym membership has declined through the year and is now approximately 10% behind target. Seasonal variation is a factor in this performance.

NEET (SOF-3)

The percentage of 16-18 year olds not in education, employment of training has reduced for three years in a row and has is now lower than the national average.

Average wage level in the Borough (SOF-4)

There has been a slight reduction in average hourly rate with the figure remaining fairly steady since 2014, in which time the NW average has continued to increase further above the level for Bury.

Healthy life expectancy males (SOF-1)

This figure has continued to decrease whilst the general figure for life expectancy in males has increased, meaning men are likely to be living longer periods of their life in state or poor/ill health.

Carer Reported Quality of Life (SOF-1)

This measure is calculated using a combination of responses to the Survey of Adult Carers in England. Performance has continued to fall and is now below the national average.

Delayed Transfers of Care (SOF-1)

This figure has increased in the last two quarters, which is not unusual going into the winter period. Increase in non-elective admissions the most likely contributing factor, increasing the volume of patients in the system. Of note, the figure is 22% down on this time last year.

Sickness Absence (SOF-E)

In quarter 3 there was a sharper rise in sickness absence reported in the authority that the expected seasonal variation. This was particularly the case for long term sickness. It should be noted that figures have fallen in January/February.

Corporate Performance 2016/17 Quarter 3 – update on highlights from Quarter 2

(Note the RAG colours used below may represent performance against target, comparators, or based on current trend)

Percentage of Minor and Major planning applications determined within 8 and 13 weeks respectively at 99% and 100% (SOF-E) Both figures now at 100%. This is an area the Council performs consistently well at.	The number of homeless preventions is at a record high (SOF-4) Pro-active work continues resulting in figure being higher than this time last year.	Deprivation of Liberty Safeguards have continued to show a large increase following 2014 Supreme Court Judgement on thresholds (SOF-1) Numbers have reached a plateau and slightly declined to a level of approximately 270 per quarter.
Household collected bin waste recycling has improved yet again to hit the 60% target (SOF-2) This figure has declined in quarter 3 to be slightly below target. The trend follows expected seasonal variation due to reductions in garden waste during October-December compared to the summer month.s	The percentage of pupils achieving 5 GCSE's at grades A*-C has declined, though Bury still performs better than the national average (SOF-3) This figure has increased for 2016, the first increase for 4 years. Bury remains above the national average.	Average contact centre call waiting times have increased for three quarters in a row (SOF-E) Large decrease in waiting time, due to a lower volume of calls as self-serve and digital options promoted. In quarter 3 the average wait time was less than one minute.
The number of apprenticeships created within Bury Council has fallen in 2016 compared to previous years (SOF-E) There are now 28 apprentices in place (excluding schools), with a further 10 at Six Town Housing.	The number of missed bins reported has increased for two successive quarters (SOF-2) The approach to reporting on this measure has changed to allow a greater analysis of any incidents.	Healthy life expectancy at birth for females has declined for a third year (SOF-1) This has now shown an increase to a level above our statistical neighbours (similar local authorities) though remains below the national average.

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SCRUTINY REPORT

Agenda Item 7



MEETING: Overview & Scrutiny Committee

DATE: 7th September

SUBJECT:

'Implementation of Neighbourhood Engagement Framework, including new Grant Investment Framework'

REPORT FROM: David Thomas – Neighbourhood Engagement Manager

CONTACT OFFICER: As Above

Background

As part of the process of whole systems transformation, phase two of the Community Engagement work stream has a specific focus on the communication and engagement required to realise the outcomes of whole scale system transformation. A new Neighbourhood Engagement Framework has been developed to enable behaviour change and build independence, shared decision making, democratic accountability and voice, genuine co-production and joint delivery of services.

The new framework offers a '3,2,1' approach to working with and investing in neighbourhoods at various levels across Bury through the following structures:

3-Borough Wide Engagement:

Borough wide engagement will be available in the form of a digital engagement platform that will be aligned to Team Bury's existing digital offer.

2-Township Level Engagement:

At Township level, the framework will build upon the borough wide digital engagement offer through an Annual Neighbourhood Network meeting and Neighbourhood Celebration Awards ceremony in each of the six Township areas.

1-Ward Level Engagement:

At Ward level, the framework will build upon the borough wide digital engagement offer, Annual Neighbourhood Network meeting and Neighbourhood Celebration Awards ceremony in each of the six Township areas. It offers an annual or bi-annual Ward-level Neighbourhood Engagement Forum meeting which is linked to two ward level Participatory Budgeting events. Priorities for each ward will be decided and actioned via a series of Project/Action groups led and determined by people living in the local area but supported where required by the Neighbourhood Engagement Coordinator.

New framework for investing Neighbourhood Grant Funding

The new approach offers an alternative model which replaces the old Community Grants budget of £56k and previous allocation process with a combination of:

- Participatory Budgets (PB) to be invested at either Township or Ward level events
- Elected Member Discretionary Budgets
- Strengthened by an additional £450k of Transformation monies over three years (£50k year one, £200k year two, £200k year three)

Implementation of Neighbourhood Engagement Framework

The new Neighbourhood Engagement Framework and Grant Investment Model were approved at CWB Wider Management Board, SLT, Labour Group, Cabinet, Scrutiny and Full Council in April. As such the mechanism for engaging our communities is now removed from the Council Constitution, as we want all those who live, work and have an interest in our Neighbourhoods to feel they are an equal partner in the new framework that will ultimately help them to help themselves and others to live a good life

The draft operating principles for the new framework, which provide governance for the new structures and funding framework, have been developed by the Neighbourhood Engagement Team and co-produced by our newly appointed Elected Member Engagement Leads. The new digital engagement platform that will provide 24hr engagement at borough level, involving more people in conversations with their neighbours and empowering communities to work together to develop solutions to local issues, will be in place in October 2017.

The Neighbourhood Engagement Coordinators (NEC's) have worked closely with their respective System Leader in each locality to ensure that the direction of the new Neighbourhood Engagement Framework is aligned with the focus of the System Leader and the Service Re-design work stream.

The newly appointed Elected Member Engagement Leads for each locality have undertaken a series of development workshops with the NEC's to begin co-production of the Operating Principles and are now working with their respective System Leaders and Neighbourhood Engagement Coordinators to plan the next stages of implementation of the new framework.

Dates have been set for the first Annual Neighbourhood Engagement Events in November 2017; meetings will be facilitated with the System Leaders and Elected Member Engagement Leads in the coming weeks to plan the format and content of the events. The events will engage our communities in the development of the new engagement structures within their areas ready for full implementation. The dates for these meetings are as follows:

Whitefield & Unsworth: Wednesday 1st November
 Bury East: Thursday 2nd November
 Radcliffe: Thursday 9th November
 Bury West: Monday 13th November
 Prestwich: Thursday 16th November
 RTNM: Monday 20th November

Planning for Ward Level Engagement meetings in each of our 17 wards will take place at the November events, where Elected Members, residents, businesses and key stakeholders will come together to identify what assets exist in their areas and identify priorities, in terms of key issues, which they will work to address through a set of clearly identified outcomes for the year ahead.

Neighbourhood Engagement Coordinators have been engaging members of their communities and local stakeholders in the development of the new framework and communicating the important role our communities will play in its implementation and success. In some localities 'Sub Action Groups' have already been established to focus on cross cutting transformation themes such as recycling, behaviour change, community assets etc. Priorities and outcomes for the groups will be developed as part of the Annual Neighbourhood Engagement Events and Ward level meetings.

Implementing New Grant Funding Processes

The new framework is putting communities at the heart of the decision making process when investing grant funding. Through an innovative new Participatory Budgeting model, we are ensuring that local people decide which projects will make the biggest difference in their local area.

As part of the implementation of the new model, £30k under spend from 2016/17 community grants has been invested via two Participatory Budgeting events in July 2017. 'The Pitch' events and resulted in the following outcomes:

- 17 groups received investment at the Bury North event
- 16 groups received investment at the Bury South

Following the events the Neighbourhood Engagement Team received a number of compliments about 'the Pitch' events, where both constituted and non constituted groups had the opportunity to complete a 3 minute 'pitch' to detail how their projects will contribute to improving the health and wellbeing of people within their communities. Those in attendance then voted for their top five projects via an allocated ballot slip. The votes were then counted and winners announced on the evening.

The next phase of implementing the new PB process will involve launching either 2 x Ward level PB events per year for wards with their own identity or 2x Township level PB events per year in areas that identify with the Township as a whole. Each Ward will receive £2,500 per year on an ongoing basis which can be pooled together to create an annual pot of £7,500.

Elected Members have access to a grant of £13,000 which will be invested as an Elected Member Discretionary Budget (EMDB) of £250 per Councillor.

Transformation monies have contributed to an additional one-off funding of £450k for three years in addition to the £56k annual funding. It is proposed that this is spent to 'top up' both PB events and EMDB for the next three years.

	Existing	Additional	Total	Additional	Total	Additional	Total
	Grant	Monies	Year one	Monies	Year two	Monies	Year
		Year 1		Year 2		Year 3	Three
PB	£43,000	£37,000	£80,000	£162,000	£205,000	£162,000	£205,000
EMDB	£13,000	£13,000	£26,000	£38,000	£51,000	£38,000	£51,000
Total	£56,000	£50,000	£106,000	£200,000	£256,000	£200,000	£256,000

This would equate to the following allocation per Ward and per Elected Member:

	Total Year	Allocation	Total Year	Allocation	Total Year	Allocation
	one	Year 1	two	Year 2	Three	Year 3
PB	£80,000	£4,700 per	£205,000	£12,000 per	£205,000	£12,000
		Ward		Ward		per Ward
EMDB	£26,000	£500 per EM	£51,000	£1,000 per EM	£51,000	£1,000 per
	-	·	-		-	EM
Total	£106,000		£256,000		£256,000	

Pre-paid cards will be utilized for both PB and Elected Member discretionary budgets, with governance outlined within the Operating Principles.

Monitoring & Evaluating Outcomes

The Neighbourhood Engagement Framework will now sit outside of the Council's Constitution but we will ensure that the monitoring of the outcomes achieved by the new framework is both robust and transparent.

The framework will be monitored via a set of clearly defined key performance indicators and outcomes that align with the Team Bury Single Framework. An annual performance review will be undertaken at the end of each municipal year and a report produced at Annual Council and to Team Bury.

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Agenda Item 8

TITLE: SCHOOLS AND THE DEDICATED SCHOOLS GRANT 2016/17

To: OVERVIEW & SCRUTINY COMMITTEE

BY: HEAD OF STRATEGIC BUSINESS & FINANCE

DATE: 7TH SEPTEMBER 2017

At the 4th July meeting when considering the 2016/17 Revenue Out-turn, there were a couple of questions raised regarding school funding.

- 1. Councillor Wright referred to the academisation of schools and whether more schools becoming academies would affect schools' funding. What impact this would have in relation to Council finances.
- 1.1 The local schools funding formula is determined each year by Financial Services in consultation with the Schools Forum and approved by the Council at the annual Budget Setting meeting. The local formula is the basis on how each school and each academy within the local authority area is funded.
- 1.2 These funds are provided by the national taxpayer through the ring-fenced Dedicated Schools Grant which is currently determined for each local authority by the Department for Education (DfE).
- 1.3 Those schools that convert to an academy, the DfE will provide additional resources from their coffers to compensate the converters for what the local authority used to provide for schools generally 'free-of-charge', for example VAT compliance and returns, closure of accounts and audit fees.
- 1.4 Also the local authority achieves efficiencies through economies of scale, for example insurance premiums, which individual academies are not able to benefit from. The DfE provide additional funding and are developing schemes to assist academies with these additional costs.
- 1.5 Although local authorities are seeing reductions in their external funding for some education services, these are subject to change in the national funding arrangements being proposed by the DfE. Although there are indications what these proposals might mean for local authorities like Bury, the details won't be known for a few weeks.
- 1.6 Local authorities are able to trade with academies and a number of services, e.g. payroll, are already working with academies within Bury and also to a number of academies outside of the Bury area.

- 2. Councillor James referred to schools' overspending and the requirement for them to repay the deficit to the DSG Control Account. Councillor James asked how schools would be able to repay this if they didn't have the funds available?
- 2.1 Almost 90% of Bury schools have surplus funds and the others have action plans to bring them into a balance budget position by 2018/19. This could fluctuate depending upon the impact of the proposed national funding formula that the DfE have indicated should begin in 2018/19 with full implementation by 2019/20, especially when compared to the projected cost increases schools are facing.
- 2.2 High Needs should be implemented by the end of the current Parliament in 2022, but the complexities of each pupil and student may require further transitional arrangements. Bury is one of only three local authorities in England to be working with the DfE to develop the detailed aspects of High Needs funding.
- 2.3 The DSG Control Account is the mechanism whereby the local authority receives the external funding from the DfE to distribute to its schools, early years providers (private, voluntary and independents as well as schools with nursery provision) and those SEND pupils and LLDD students aged up to 25.
- 2.4 DSG Funding for each academy, based on the local schools funding formula, is deducted from the LA's schools' DSG and distributed to each academy by the Education and Skills Funding Agency (ESFA).
- 2.5 NB all DSG funding for early years and high needs is distributed to each LA, again formula based, for the LA to distribute these monies to each school and academy as well as each early years provider.
- 2.6 Out of the total funding from the High Needs block of the DSG, the local authority commissions provision for SEND pupils and LLDD students.
- 2.7 In previous years the level of schools' balances was greater than the level of overspending within the DSG Control Account as the table below shows:

Year	DSG Control A/c Central Spend	School Balances – net surplus	Overall Level of Balances
	£000's	£000's	£000's
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	(4,955)	1,863

Figures in brackets indicate surplus balances.

- 2.8 The large increases since 2013/14 were as a consequence of the transfer of responsibilities for post-16 students with Learning Difficulties and Disabilities attending FE colleges.
- 2.9 The level of funding made available by the Education and Skills Funding Agency's predecessors 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 means that there are more pupils with SEN attending much more expensive independent special schools.
- 2.10 This situation is exacerbated by the number of pupil exclusions and these pupils having to be educated in much more expensive provision than in Bury schools.
- 2.11 Consequently the impact of the financial deficit within the DSG Control Account is almost wholly within the High Needs block of the DSG.
- 2.12 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. Another complication is that from 2018/19 the DfE will ring-fence the schools block of the DSG and will limit the amount that can be transferred out of the schools block to other areas of the DSG. This will be a maximum of ½% of the schools block and will require the approval of the Schools Forum.
- 2.13 As part of the requirements of the proposed national funding formula for each aspect of the DSG, each local authority had to undertake a 'baseline exercise' of its spending within the DSG split between the main blocks.
- 2.14 Although fully compliant with the DfE's specified criteria, we in Financial Services managed to show that spending by Bury schools was lower than in previous years, while spending on High Needs provision was much higher.
- 2.15 This strategy will benefit Bury schools as the DfE's main intention is to raise the amount of funding to schools and academies through the national funding formula for schools, especially in those areas that are below the national averages.
- 2.16 The DfE are providing additional funding by 2019/20 for schools amounting to £1.3 billion throughout England. The main areas to be increased are –
- > an additional ½% per pupil in every school and academy in 2018/19
- at least £4,800 per Secondary pupil by 2019/20
- > increases to the Deprivation factor within the schools formula
- > increases to the Low Prior Attainment factor within the schools formula
- > increases to the English as an Additional Language factor within the schools formula

- 2.17 The High Needs block will also be distributed through a formula mechanism based on proxy indicators and a funding floor that protects the amount of spending on these vulnerable pupils and students so that no local authority will lose funding following the introduction of the national funding formula. By demonstrating that Bury spends at a high level we have managed to potentially gain additional funding for schools and high needs.
- 2.18 Although this should address future funding levels, it is unlikely that this approach will pay off the accumulated deficit within the DSG Control Account.
- 2.19 As part of the national funding arrangements, the DfE expect schools and academies to contribute the first £6,000 of the additional cost of their High Needs pre-16 pupils. The local authority provides the remaining "SEN top-up" cost of the Statement/EHC plan from the High Needs budget.
- 2.20 Currently Bury takes into account how much a school receives through the Low Prior Attainment factor of the local schools funding formula to determine how much a school or academy will receive in "top-up" funding.
- 2.21 When the National Funding Formula begins in 2018/19, there will be additional amounts provided through the Low Prior Attainment factor which will impact on the amount of "SEN top-up" currently received by each school and academy.
- 2.22 The level of "SEN top-up" will be re-determined otherwise some schools will receive double funding for their SEND pupils. This will mean that the contribution from the High Needs block will be lower and these monies will be used to reduce the deficit within the DSG Control Account.
- 2.23 Schools and academies will not need to contribute towards the deficit within the control account, but will have to appreciate that some of the growth in the funding from the schools block of the DSG will be limited.
- 2.24 During the National Funding Formula consultation in March 2017, we explained at the seminars that all Bury schools were invited that this was the approach we are proposing to take.
- 2.25 The DfE are indicating that they will publish during the next few weeks each school and academy's indicative 2018/19 budget as determined through their proposed component factors of the schools NFF.
- 2.26 Once these are available we will arrange a number of seminars to take schools in Bury through the DfE's proposals and we will also re-iterate the problems of the DSG Control Account and the proposed solution to the deficit.

Overview and Scrutiny Committee - Forward Plan 2017/2018

Date of meeting	Date of agenda issue	Item	Officer/Member attending
4 July 2017	26 June 2017	Work of the Safeguarding Overview Project Group	Councillor Susan
			Southworth
		Revenue & Housing Revenue Account Outturn 2016/2017	Steve Kenyon
		Treasury Management Outturn 2016/2017	Steve Kenyon
		Capital Outturn 2016/2017	Steve Kenyon
		Work Programme 2017/2018	Andrea Tomlinson
18 July 2017	10 July 2017	Call – in of Libraries Decision	Councillor Briggs
			Klare Rufo
			Elizabeth Binns
7 September 2017	30 August 2017	Neighbourhood Engagement	David Thomas
		Corporate Performance reports	Chris Woodhouse
		School Finances/SEN costs	Klare Rufo/Peter Lowe
22 November 2017	14 November 2017	Highways Maintenance	Neil Long
		Street Cleaning & Fly Tipping	Glenn Stuart/Lorraine
			Chamberlin
9 January 2018	22 December 2017	Managing Parks and Open Spaces	Neil Long
		Children's Safeguarding OPG update	Councillor Susan
			Southworth/Julie Gallagher

14 February 2018	6 February 2018	Budget reports	Steve Kenyon
		Review of Council's Car Parks (Request from Audit Committee)	David Fowler
10 April 2018	2 April 2018	Air Pollution	Lorraine Chamberlin