

REPORT FOR DECISION



MEETING: CABINET
OVERVIEW & SCRUTINY COMMITTEE

DATE: 20 JULY 2016
31 AUGUST 2016

SUBJECT: REVENUE AND HRA OUTTURN 2015/16

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

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

ANDREW BALDWIN, HEAD OF FINANCIAL
MANAGEMENT

TYPE OF DECISION: CABINET (KEY DECISION)

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

SUMMARY:

PURPOSE/SUMMARY:

This report provides Members with details of:

- the revenue outturn figures in respect of the last financial year (2015/2016).
- major variances between the revised estimate and the outturn;
- the level of school balances;
- HRA outturn for the year;
- The minimum level of balances in the light of risk assessments

The figures in the report are consistent with the figures included within the Statement of Accounts which were approved by the Responsible Finance Officer on 27 May and will be presented to Audit Committee on 19 July 2016. The figures in this report are presented in a format consistent with the Revenue Budget approved by Council on 25 February 2015.

**OPTIONS &
RECOMMENDED OPTION**

Members are asked to:

- a) Note the final outturn for 2015/16, and explanations for major variances (Appendix A, B and C);
- b) Endorse the recommendations of the Interim Executive Director of Resources & Regulation for the minimum level of balances in light of the review of the corporate risk assessments and departmental risk assessments (Section 4).

Recommended Option:

It is recommended that;

- a) The final revenue outturn and HRA outturn for 2015/16 be noted along with explanations for major variances;
- b) The level of the General Fund balances be noted;
- c) The minimum level of the General Fund balance calculated at £4.250m for 2016/17 is subject to regular review as part of the budget monitoring process.

IMPLICATIONS:

Corporate Aims/Policy Framework:

Do the proposals accord with the Policy Framework? Yes

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

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

Statement by Interim Executive Director of Resources & Regulation:

There are no wider resource implications.

Equality/Diversity implications:

No (see paragraph 9.1, page 9).

Considered by Monitoring Officer:

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

Are there any legal implications?

No

Wards Affected:

All

Scrutiny Interest:

Overview & Scrutiny Committee

TRACKING/PROCESS**DIRECTOR: STEVE KENYON**

Chief Executive/ Strategic Leadership Team	Cabinet	Ward Members	Partners
20/06/16	20/07/16		
Overview & Scrutiny Committee		Committee	Council
31/08/16			

1.0 BACKGROUND

- 1.1 This report details the major variances between the Revised Estimate and the Outturn in respect of the Council's Revenue and HRA budgets for 2015/16.
- 1.2 Work on the closure of the 2015/16 Accounts is complete and the Responsible Finance Officer approved the draft Statement of Accounts for 2015/16 on 27 May 2016. The figures in this report are consistent with the Statement of Accounts, though they are presented differently due to different reporting requirements required as part of CIPFA's Accounting Code of Practice.

2.0 REVENUE OUTTURN 2015/16

- 2.1 As the table shows, there was a total underspend against the Revised Estimate of **£0.061m**.

	£000's
2015/2016 Revised Estimate	133,748
2015/2016 Outturn	133,687
Underspend	(61)

- 2.2 The revenue outturn and details of the major variations service by service are shown at Appendix A (pages 9 to 19) and are summarised below:

Department	Budget	Outturn	Variance
	£000s	£000s	£000s
Children, Young People & Culture	46,952	47,795	843
Communities & Wellbeing	73,472	74,119	647
Resources & Regulation	5,252	5,383	131
Non Service Specific	8,072	6,390	(1,682)
TOTAL	133,748	133,687	(61)

2.3 All other things being equal, the outturn reported above will leave available General Fund balances standing at **£6.321m** at 31st March 2016.

3.0 SCHOOLS POSITION

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

3.2 The level of school balances at 31st March 2016 is £0.758m. This includes a deficit of just over £6 million relating to Central Spend within the Schools Block and the DSG Control Account. In total, this represents a decrease of £2.238m from the opening balance of £2.993 m. Appendix B shows an analysis of movements on school balances to allow Members to consider the spread of school balances around the Borough.

3.3 Of the Primary, Secondary and Special schools, 1 Primary and 1 High school are in a deficit position, compared to the 2 High schools in the previous financial year, one of which closed during 2014/15.

3.4 Manchester Mesivta High School encountered significant financial problems in September 2011, which led to financial delegation being withdrawn from the Governing Body. A proposed debt recovery plan agreed with the Governors should see the school back in surplus during the second part of 2018/19.

3.5 As at 31st March 2016, schools have accumulated a surplus balance of £7.011m across schools in Bury. This is an increase of approx £0.25m when compared to 31st March 2015, of which £0.275 million was due to 6 Secondary schools increasing their surplus balances.

3.6 76 out of 78 schools with delegated budgets had surplus balances at the end of the financial year.

3.7 11 schools are reporting balances which are deemed "excessive" as defined by the "Scheme for Financing Schools" and as such will be subject to a balance control review by the Executive Director of Children, Young People & Culture who will take into account the views of the Schools Forum. This is an increase from the 10 that had reportable balances in the previous financial year with 4 of these still being above the agreed threshold for 2 or more years. 2 Primary schools have had "excessive" balances for 4 years albeit less than £15,000 above the threshold.

3.8 Any balances within the Central Spend are also carried forward into the following financial year and subsequently allocated to services and schools funded by the DSG.

The main variations are:

	Revised Estimate	Out-turn	2015/16 Variation
	£000's	£000's	£000's
Behaviour Support	149	201	52
Home/Hospital Tuition	166	105	(61)
LLDD Post-16 Provision	650	1,323	673
Independent Special Schools	3,842	5,594	1,752
Paediatric Disability Service/ANTS	885	927	42
Provision for Pupils with SEN	3,118	2,654	(464)
Early Years funding	6,879	6,428	(451)
School Contingencies	317	239	(78)
DTC/TCSC	137	81	(56)
Termination of Employment	0	99	99
Other	3,202	3,184	(18)
Total Central Spend	19,345	20,835	1,490

- 3.9 The Education Funding Agency (EFA) of the Department for Education provides funds for 16-19 year old pupils in Bury schools through a funding formula mechanism. These funds supported pupils at Elms Bank and St Monica's High schools as well as pupils in independent special schools. The amount of funds provided by the EFA is insufficient to meet the needs and demand pressures of pupils as well as LLDD students up to the age of 25.
- 3.10 Higher numbers of pupils attending other Local Authority and Independent Special Schools coupled with increased fees charged by these schools have meant that the budget has overspent by over £1.75 million or 46%.
- 3.11 Provision for Pupils with SEN includes services whose funding arrangements have been re-aligned to the General Fund.
- 3.12 The level of take-up by parents of 2 year olds is lower than the funding provided by the DfE. It is anticipated that in the future it is unlikely that the disparity between funds and take-up will continue.

4.0 GENERAL FUND BALANCES

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

	£m
General Fund Balance 31 March 2016	10.821
Less : Minimum balances to be retained in 2016/17	-4.250
Less : Council contribution to Bellwin Scheme (Boxing Day Floods)	-0.250
Available balances at 1 April 2016	6.321

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

5.0 RISK MANAGEMENT

- 5.1 In determining the minimum level of balances, a key aspect of the assessment made by the Interim Executive Director of Resources and Regulation is the level of risk faced by the authority that may impact on the financial situation.
- 5.2 For 2016/17 the Council accepted the Interim Executive Director's recommendation that the minimum level of balances should be calculated at **£4.250**; a reduction of £0.250 million to reflect the Council's costs under the Bellwin scheme; following the Boxing Day floods.
- 5.3 It was also indicated that the minimum level of balances would be kept under regular review and this will happen quarterly as part of the budget and risk monitoring process. However it is felt appropriate to also consider the balances position at this stage.
- 5.4 Departmental strategic risk assessments have also been completed and at this stage there are no issues that are anticipated to impact directly on balances over and above provision that has already been made around systems, demand levels, workforce development and changing structures as a result of the corporate risk assessments. Departments will be setting out risk mitigation measures within their individual Medium Term Financial Strategies.
- 5.5 A further assessment of minimum balances will be incorporated into the Month 3 Budget Monitoring report that will be presented to Cabinet in September 2016.
- 5.6 Effective budget monitoring is vital and various risk management techniques have been applied to budget monitoring throughout the year. These include cost bridges and the traffic light process which is used to assess budgets in terms of forecast over and underspending and secondly the identification of 'hot spots' based on risk factors that are inherent in individual budget areas. Reports containing this information were provided on a regular basis to the Strategic Leadership Team, the Overview & Scrutiny Committee, the Cabinet, Audit Committee and Star Chambers.
- 5.7 The use of this methodology will continue in 2016/17 and reports will be presented to the Cabinet meetings.

6.0 HOUSING REVENUE ACCOUNT OUTTURN 2015/16

- 6.1 The Housing Revenue Account (HRA) for 2015/16 is attached at Appendix C. The HRA is a ring-fenced account funded principally through Housing Rents. Any surplus or deficit is required to be carried forward between financial years. Councils cannot budget for a cumulative deficit on the HRA. In 2015/16 a contribution of £1.197m was required from the Business Plan Headroom Reserve to cover the in-year deficit and maintain the working balance at £1.000m; this contribution was £0.331m less than expected.
- 6.2 There are a number of variations that have contributed to this overall result however the variances only exceed 10% / £50,000 in the following areas:
 - Provision for bad debts – the budget contained two provisions, £0.183m for uncollectable debts and £0.306m to reflect the potential impact that welfare benefit changes could have on the level of rent arrears; the contribution for the year, calculated with reference to the type of arrear, the amount outstanding on each individual case and the balance

remaining in the provision following write off of debts, was £0.172m less than the budget. The reduced requirement has resulted from delays in the implementation of some welfare benefit changes whilst the effects of others have been mitigated through the actions of the Welfare Reform Group and close working with Partners in implementing the Corporate Debt Policy.

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

6.3 There are a number of factors that can impact on the HRA year-end balance but the main ones are normally void levels, the level of rent arrears and the levels of Right to Buy sales.

- The rent loss due to voids for 2015/16 was on average 1.64%. The original dwelling rents budget allowed for a void level target of 1.8%. This reduction in void losses equates to an increase in rental income of £0.047m.
- The total rent arrears at the end of 2015/16 were £1.156m, an increase of 22.2% from the start of the year when arrears totalled £0.946m. It is likely that an element of this is due to the impact of Welfare Reform / Universal Credit.
- The original HRA budgets assumed 50 Right to Buy sales during 2015/16. The actual number of sales in 2015/16 was 47.

6.4 A major element of the HRA's costs is the Management Fee paid to the authority's ALMO, Six Town Housing. As the ALMO is a wholly owned Council company it is appropriate for Cabinet to take a view on the company's financial position.

6.5 Six Town Housing's draft accounts for the 2015/16 financial year show that the ALMO made a deficit of £0.531m on a turnover of £17.045m, a rate of -3.1% (for 2014/15 the rate was 3.7%); the surplus for 2015/16 excludes pension adjustments made in line with FRS102 requirements.

6.6 Six Town Housing have developed a Reserves Policy (with input from the Council's section 151 Officer) which determines the minimum level of balances that the company should hold and thus identify any 'free' reserves over and above this level. The use of these reserves is subject to joint decisions by Six Town Housing and the Council. The minimum level of reserves for 2015/16 was assessed to be £0.530m and the draft accounts indicate net assets (before pension liabilities) to be £2.477m.

7.0 OTHER ISSUES

7.1 The Accounts and Audit Regulations 2015 require that Councils have their Accounts approved by 30th June each year by the Council's Section 151 Officer. The unaudited accounts were approved by the Council's Section 151 Officer on 27 May in readiness for the earlier statutory deadline of 31 May to be introduced for the 2017/18 accounts. They will be presented to Audit Committee members on 19 July 2016 for approval.

7.2 Members are also asked to note that the Accounts for 2015/16 were available for public inspection at the Town Hall for 30 working days effective from 3 June 2016.

This matter was advertised in the local press and placed on the Council's website and the Accounts can be viewed by contacting the Interim Executive Director of Resources & Regulation or the Head of Financial Management (details below).

8.0 EQUALITY AND DIVERSITY

8.1 There are no specific equality and diversity implications.

9.0 FUTURE ACTIONS

9.1 Budget monitoring reports for 2016/17 will continue to be presented to the Strategic Leadership Team on a monthly basis and on a quarterly basis to the Cabinet, Star Chambers, Overview and Scrutiny Committee and Audit Committee.

Councillor Jane Lewis

Deputy Leader of the Council and Cabinet Member for Finance and Human Resources

Background documents:

Revenue Cost Information and Finance Working Papers, 2015/16

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

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

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

FINAL OUTTURN 2015/16 AND EXPLANATIONS FOR VARIANCES

Appendix A

	2015/16 Current Budget £000's	2015/16 Outturn £000's	Variance £000's	Reason For Variance	One - Off / Ongoing
Department of Children, Young People and Culture					
Learning – Schools	(60)	(60)	0	Any underspend or overspend funded via the DSG are rolled forward into the next financial year.	
Learning – Non Schools	19,704	20,021	317	<p>SEN Team (-£0.029m) - Underspend due to a staff vacancy.</p> <p>Quality & Advisory Service (-£0.025m) Underspend due to a staff vacancy.</p> <p>Asset Management (-£0.027m) - lower recharges.</p> <p>SEN Home to School Transport (+£0.189m) - the level of demand has reduced from previous years; however it still exceeds the budget.</p> <p>SEN Home to College Transport (+£0.063m) again due to increased demand from the number of students attending local colleges.</p> <p>Under spends on Non-SEN transport (-£0.032m) as there was lower than anticipated uptake of bus passes and Bus Escorts (-£0.071m).</p> <p>Education Psychologists (-£0.025m) – Underspend due to a staff vacancy.</p> <p>Youth Service (+£0.417m) – The service was previously supported by the DSG, however due to increased demands on the High Needs Block this was not able to support the service this year.</p> <p>Childcare & Extended Services (-£0.155m) - vacancies were not filled and secondments were not covered in preparation for the service being restructured, plus efficiency savings.</p> <p>Other minor underspends (+£0.012m).</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>

Social Care & Safeguarding	14,762	15,559	797	<p>Children's Disabilities Team (+£0.109m) -additional pressure put on the budget due to a number of children with complex needs.</p> <p>Family Placement (-£0.267m) - payments to carers reduced. Adoption Service received £86,000 from the Government for 'Hard to Place' children and placed a number of children with Bury adopters and therefore did not incur a placement fee.</p> <p>There were also savings on Home from Home Carers.</p> <p>Safeguarding Unit (+£0.145m) - agency staff were brought in to cover vacancies and to reduce social worker caseload numbers in line with Ofsted requirements.</p> <p>Leaving Care (+£0.387m) - the impact of supporting young people until the age of 21 continues to cause the service to overspend.</p> <p>Safeguarding – External Legal Fees (-£0.106m) - fewer court cases and a reduction in the court costs.</p> <p>CAMHS (+£0.208m) Due to increased demands on the High Needs Block of the Dedicated Schools Grant in 2015-16 the grant was unable to support the costs of the service.</p> <p>Victoria Family Centre – (+£0.447m) Due to increased demands on the High Needs Block of the Dedicated Schools Grant in 2015-16 the grant was unable to support the costs of the service.</p> <p>Youth Offending Service – savings achieved to the non-replacement of staff, the service is jointly run with Rochdale (-£0.053m).</p> <p>Other minor underspends (-£0.073m).</p>	<p>One-off</p> <p>One-off</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>
Other Management Costs	3,818	3,116	(702)	<p>Strategic Management – (-£0.164m) savings on internally traded services.</p> <p>Teachers Pensions – (-£0.092m) reduced demand on the service.</p> <p>Grant Funding (-£0.056m) - prior year grant underspends and projects that ceased 'in-year'.</p> <p>Other Management costs – (+£0.073m) – costs of funding Peopletoo Ltd brought</p>	<p>One-off</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p>

				<p>in to explore joining services with other local authorities and additional internal recharges.</p> <p>Catering (-£0.292m) underspend due to over recovery of income and meal numbers.</p> <p>Cleaning (-£0.141m) savings on vacant posts and materials and equipment.</p> <p>Other underspends (-£0.030m).</p>	<p>One-off</p> <p>One-off</p>
Strategy / Commissioning	989	996	7	Savings on Social Care Admin and Training offset by the expenditure on the Change Manager post.	One-off
Departmental Wide	627	803	176	Payments made to individuals taking VER and the Mutual Settlement Scheme.	One-off
Children's Agency	4,123	4,330	207	Existing placements are constantly reviewed and challenged over cost and additional contributions from Health has led to the overall reduction in expenditure of £1.159m from 2014-15. There are still a number of complex cases funded from this budget.	Ongoing
Libraries, Arts & Museums	2,989	3,030	41	Income targets within Arts & Museums were not met, offset by savings on books, equipment and not covering vacancies.	Ongoing
TOTAL CHILDREN, YOUNG PEOPLE & CULTURE	46,952	47,795	843		
Department of Communities & Wellbeing					
Operations	4,323	4,658	335	<p>Killelea EPH (+£0.156m) – Overspend on employee budgets.</p> <p>Reablement Service (+£0.925m) – Overspend is the result of Service demand pressures; however this overspend is largely offset by the Care Act Implementation grant located within the Finance service area.</p> <p>Older People Fieldwork (-£0.122m) – the underspend is largely the net result of underspending employee, rent and other supplies and services budgets following service redesign.</p> <p>Employment Support (-£0.074m) – The variance is largely the result of income generation from Bury Employment</p>	<p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>

				<p>Support Team (BEST) being higher than 15/16 budget provision. This team is self funding.</p> <p>Mental Health South (-£0.268m) – Underspend on employee budgets, following service redesign.</p> <p>Quality Assurance & Service Development – (-£0.016m) – Underspend on employee budgets.</p> <p>Assessment & Care Management (incl Resilience Fund and Healthier Radcliffe) (-£0.266m) – Underspend on employee budgets as a result of holding vacancies which will be difficult to sustain due to demands on the service.</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p>
Workforce Modernisation	1,020	942	(78)	Workforce (HR/Internal Recruitment/ Training) (-£0.078m) – underspending on Employee Budgets.	One-off
Business Redesign	6,885	6,412	(473)	<p>Community Education (-£0.028m) – Underspend on Premises costs at Bury Adult Learning Centre.</p> <p>Communities (+£0.015m) – Overspend due to staff severance payments.</p> <p>Gateway Project (+£0.008m) – This budget is largely balanced.</p> <p>Accommodation Team (-£0.180m) – Underspend due to one off income received for accommodating asylum seekers and additional income generated from housing benefit and service charges.</p> <p>Sheltered Housing (General, Support, Amenity, Non Rechargeable and Falcon & Griffin) (-£0.055m) – Underspend is largely the result of Utility budget underspends.</p> <p>Carelink (+£0.013m) – service demand pressures, to be self financing in 16/17</p> <p>Housing Choices and Preventing Homelessness (-£0.099m) – The underspend is largely the result of employee budget underspends and the 2015/16 IDVA (Independent Domestic Violence Advisors) scheme not starting.</p> <p>Policy & Improvement (-£0.157m) – underspend on employee and subscriptions budgets</p> <p>Seedfield Resource Centre (+£0.063m)</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p>

				- overspend largely the result of income underachievement and additional caretaking costs.	
				ICES Store (Seedfield) (+£0.018m) - overspend is largely the result of additional lift servicing costs.	One-off
				Urban Renewal Holding Account (+£0.039m) - service demand pressures.	One-off
				Adult Care Customer Services/Customer Engagement (-£0.063m) - Underspend on employee budgets.	One-off
				Asset Management (-£0.047m) - Underspend on employee budgets.	One-off
Finance	2,335	1,338	(997)	ACS Senior Management (-£0.044m) - Underspend on employee budgets.	One-off
				Finance (-£0.072m) - Underspend on employee budgets.	One-off
				Advocacy Contract (+£0.061m) - Service Demand Pressures.	One-off
				Care Act Implementation Grant - (-£0.942m) This underspend is being used to offset the pressure within the Reablement budget located within the Operations service area.	One-off
Commissioning & Procurement - Care in the Community	25,085	26,264	1,179	Care in the Community (+£1.179m) - Demand pressures on the care in the community budgets particularly around Domiciliary Care, Residential Care and Self Directed Support Budgets.	Ongoing
Commissioning & Procurement - Other	16,055	16,287	232	Teams within the Strategic Development Unit (-£0.106m) - Underspend on employee budgets.	One-off
				Carers Services (-£0.209m) - 2015/16 actual call on carers personal budgets was lower than expectations.	Ongoing
				Persona Contract (+£0.547m). This overspend is largely offset by client contribution income within the Care in the Community budgets (ie income specific to Persona provided services).	One-off
Public Health	(100)	(100)	0	Public Health - The 2015/16 Public Health outturn is a balanced budget.	Ongoing
Neighbourhood	17,869	18,318	449	Beverage & vending (+£0.053m) -	Ongoing

<p>and Leisure</p>				<p>difficulties in meeting budget target due to reduced footfall/sales, the service will be rationalised along with Civic halls</p> <p>Civic halls (+£0.198m) - Civic Halls continue to face difficulties in achieving income from larger commercial events, the closure of Radcliffe has given an opportunity to rationalise the service to help reduce the deficit</p> <p>Environmental Services (-£0.044m): Lower levels of activity on the Dog Warden services has resulted in an overall underspend (-£0.016m); Savings from a renegotiated Greater Manchester Air Quality Unit contract in the Air Monitoring units (-£0.007m); Savings around staffing cost (-0.014m) Miscellaneous (-£0.007m).</p> <p>Grounds Maintenance / Parks & Countryside (+£0.096m):</p> <p>Grounds Voluntary severance (+0.034m); long term sickness cover, no reduction in grass cutting regimes, full budget savings not achieved (+0.081m); overspend on Highways grounds work (+0.006m); Parks (+£0.006m) - miscellaneous; Cemeteries (+0.015m) overspend on vaults due to inclement weather; Park Rangers (0.046m) vacant posts not filled to help offset the overspend on grounds.</p> <p>Highways Network Services (Highways/Street Lighting Maintenance) (-£0.014m) - Reduced costs on Transport.</p> <p>Sports & leisure (+£0.360m): (+0.155m) savings from previous years not achieved due to longer term growth and investment plan; Approximately (+0.125m) additional expenditure at Radcliffe, old site costs, and additional new site costs e.g. higher business/water rates. Continued shortfall in income (+0.080m).</p> <p>Transport Services (-£0.100m): Transport Reduction in Repairs and Maintenance resulted in an underspend (-£0.031m); (-0.009m) saving against leasing costs and (+0.003m) various miscellaneous costs; Transport With Driver: Shortfall in income, was offset by</p>	<p>Ongoing</p> <p>One-off</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>One-off</p> <p>Ongoing</p> <p>One-off</p>
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				underspends on staffing costs (-0.013m); reduction in fuel costs has resulted in savings (-0.020m); Vehicle workshop - (-£0.030m) - savings against salaries due to mid year start of three new recruits. Waste Management - (-£0.026m): Savings on the publicity budget within the Education and Awareness team - (£0.026M); Trade waste (+0.101m): The service is profitable but has a challenging income target. A deficit action plan is in place to try and reduce the deficit. Some reduced prices are having an impact on the reduction of income, as well as an increase in cost for additional recycling bins; Recycling (-0.114m) Underspend on caddy liners and various underspends across the service; Refuse Collection (+0.013m) various overspends across the service. Public Conveniences/street Cleaning (-£0.074m): Street Cleaning (-£0.050m) - Savings from vacancies and lower fuel cost; Public Conveniences (-£0.024m) - savings from repairs and maintenance and additional income.	One-off Ongoing One-off One-off One-off
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TOTAL COMMUNITIES & WELLBEING	73,472	74,119	647		
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Resources and Regulation Department

Executive Director of Resources & Regulation

Finance & Efficiency	3,220	2,914	(306)	Reduction in the external audit fee identified as savings in 2015/16 (-£0.039m). Staffing underspend due to holding of vacancies and maximising funding (-£0.158m). Coroners Court costs due to increased demands placed on the service (+£0.303m). Corporate Procurement tightening controllable expenditure / overachieved income (-£0.053m). Contingency budget transferred from ex-DCN (-£0.160m).	One-off Ongoing Ongoing Ongoing Ongoing
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				Superannuation recharges to Tameside (-£0.089m).	Ongoing
				Additional income Accounts Payable achieved (-£0.124m).	One-off
				Various minor overspends (+£0.014m).	Ongoing
Human Resources	305	282	(23)	Management of vacancies in preparation for savings in 2016/17.	One-off
Legal & Democratic Services	1,508	1,510	2	Members Allowances and running costs underspends (-£0.091m).	Ongoing
				Underspends within Civic and Mayoral Expenses (-£0.010m).	Ongoing
				Democratic Services staffing underspend (-£0.048m).	One-off
				Municipal Elections overspend (+£0.073m).	Ongoing
				Use of locums and reduced income for Land & Development within Legal services (+£0.088m).	Ongoing
				Registrars severance costs (+£0.030m)	One-off
				Press & Media vacancy (-£0.035m).	Ongoing
				Tightening of controllable expenditure and minor variances (-£0.005m).	One-Off
Customer Support & Collections	1,292	1,203	(89)	Council Tax and NNDR summons costs income under-recovery (+£0.011m).	Ongoing
				Net staffing/agency cover underspend and utilisation of one-off grant funding (-£0.100m).	One-off
ICT	(2)	0	2	Under-recovery of printing income (+£0.027m).	Ongoing
				Reduced leasing costs (-£0.133m).	One-off
				Contribution to Transformation Reserve to fund agreed future development costs (+£0.106m).	One-off
Property & Asset Management	(1,866)	(1,290)	576	Shortfall in rent income due to increased voids / rent reductions offset in part by rents from investment properties (+£0.117m).	Ongoing
				Shortfall on Millgate / Longfield income due to increased voids and permitted deductions (+£0.448m).	Ongoing

				Minor Variances (+£0.011m).	One-off
Executive Director Resources & Regulation	4,457	4,619	162		
Localities					
Engineering Services	113	669	556	<p>GMRAPS (+£0.096m) under recovered ambitious targets set on outdated data.</p> <p>Coring (+£0.067m) under recovered better compliance by the utility companies.</p> <p>Car parking under recovered (+£0.200m) - shortfall in Pay & Display income & contract income off set by underspends on DPE contract & Repairs & Maintenance.</p> <p>Bus Lane Enforcement reduced fines (+£0.050m).</p> <p>Salaries & Severance (+£0.143m) Senior staff retired late into the year therefore not achieving saving target.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>One-off</p>
Planning & Development Control	647	534	(113)	<p>Underspends within Development Management due to vacancies & additional Planning Application Fees (-£0.029m).</p> <p>Underspends within Building Control due to staff vacancies / staff not being in superannuation scheme (-£0.035m).</p> <p>Underspends within Strategic Planning due to VERs & reduced AGMA contributions (-£0.049m).</p>	<p>One-off</p> <p>One-off</p> <p>One-off</p>
Trading Standards & Licensing	593	476	(117)	<p>Over recovery of income for Licensing, Alcohol & Entertainment off set by shortfall in income for Gambling & Miscellaneous licensing. Salary savings due to VER within Licensing (-£0.041m).</p> <p>Underspend for Trading Standards due to savings on salaries & general underspends off set by shortfall in income targets & allowance for severance payments (-£0.076m).</p>	<p>Ongoing</p> <p>One-off</p>
Assistant Director of Localities	132	134	2		
Total Localities	1,485	1,813	328		
Environment & Operational					

Services					
Administrative Buildings	(139)	(137)	2	Minor overspends.	
Architectural Services	(276)	(606)	(330)	Increased income from Children's Services & STH capital programmes.	One-off
Energy Conservation	89	91	2	Minor overspends.	
Bradley Fold Depot	20	16	(4)	Minor underspends.	
Supply Chain Services	2	(85)	(87)	Surplus from stock takes & fuel oncosts.	One-off
Total Environment & Operational Services	(690)	(1,049)	(359)		
TOTAL RESOURCES & REGULATION	5,252	5,383	131		
Grants to Voluntary Organisations	833	833	0	n/a	
Non Service Specific Items					
Housing	(469)	(764)	(295)	Increased net Housing Benefit subsidy (-£0.559m). Reduced Housing Benefit administration grant received (+£0.285m). Reduced Housing Loan account income (+£0.019m). Services for the Wider Community underspend (-£0.040m).	One-Off One-Off One-Off One-Off
Cost of Borrowing	8,575	7,044	(1,531)	Savings on Loan interest payable (-£1.531m).	One-off
Passenger Transport levy	13,406	13,406	0	n/a	
Environment Agency	92	92	0	n/a	
Investments	(1,900)	(2,150)	(250)	Increased dividend receipts.	One-off
Chief Executive	315	315	0	n/a	
Corporate Management	716	856	140	Increased subscriptions (+£0.140m).	One-off
Waste Disposal	11,470	11,724	254	Increase in waste levy	One-off

Levy					
Provisions	2,005	2,005	0	n/a	
IAS19 Retirement Benefits	(2,870)	(2,870)	0	n/a	
Accumulated Absences	1,165	1,165	0	n/a	
Capital Charges / Asset Rentals	(25,266)	(25,266)	0	n/a	
TOTAL NON SERVICE SPECIFIC	7,239	5,557	(1,682)		
Total Revenue Expenditure (exc. Schools)	133,748	133,687	(61)		

LEVEL AND MOVEMENT OF SCHOOL RESERVES

Appendix B

Overall Levels of Balances	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Balances at 31st March	(7,805)	(6,188)	(4,108)	(2,993)	(758)

Number of Schools – Surpluses/Deficits in Percentage Terms

Table	2011/12 Number of Schools	2012/13 Number of Schools	2013/14 Number of Schools	2014/15 Number of Schools	2015/16 Number of Schools
Nursery & Primary					
Greater than +9%	10	4	7	9 ²	8
+8% to 9%	11	9	3	6	4
+5% to 8%	27	27	26	25	25
0% to 5%	14	23	26	20	22
Deficits	1	0	1	1	1
Total	63	63	63¹	61	60
Secondary					
Greater than +6%	5	4	4	1	2
+5% to 6%	3	2	1	2	3
0% to 5%	6	6	7	9	7
Deficits	-	2	2	2 ³	1
Total	14	14	14	14	13
Special & PRU's ⁴					
Greater than +9%	-	-	-	-	1
+8% to 9%	-	-	1	-	-
+5% to 8%	2	2	1	2	2
0% to 5%	1	1	1	3	2
Deficits	-	-	1	-	-
Total	3	3	4	5	5
Number above the original "Excessive Surplus" thresholds (Prim/Spec 8% & High 5%)	29	19	16	18	18
Number above the new "Excessive Surplus" thresholds (Prim/Spec 9% & High 6%)	15	8	11	10	11

Notes

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

Number of Schools – Surpluses/Deficits in Monetary Terms

Table	2011/12 Number of Schools	2012/13 Number of Schools	2013/14 Number of Schools	2014/15 Number of Schools	2015/16 Number of Schools
Nursery & Primary					
Deficits					
£0 to £50,000	1	-	1	1	1
Surpluses					
£0 to £50,000	20	25	24	25	19
£50,000 to £100,000	31	29	26	19	27
£100,000 to £150,000	10	7	11	15	10
£150,000 to £200,000	1	2	1 ²	1 ²	3
Total	63	63	63¹	61	60
Secondary					
Deficits					
£0 to £200,000	-	1	-	-	1
£200,000 to £300,000	-	-	1 ³	1	-
Greater than £300,000	-	1	1	1 ³	-
Surpluses					
£0 to £50,000	1	-	-	-	1
£50,000 to £100,000	2	2	2	2	3
£100,000 to £150,000	1	1	-	3	-
£150,000 to £200,000	2	1	1	2	3
£200,000 to £250,000	3	2	4	4	-
£250,000 to £500,000	4	5	5	1	5
Greater than £500,000	1	1	-	-	-
Total	14	14	14	14	13
Special & PRU's ⁴					
Deficits					
£0 to £50,000	-	-	1	-	-
Surpluses					
£0 to £50,000	1	1	1	2	1
£50,000 to £100,000	-	-	-	-	2
£100,000 to £150,000	-	-	-	-	-
£150,000 to £200,000	2	1	1	1	-
£200,000 to £250,000	-	-	-	1	2
Greater than £250,000	-	1	1	1	-
Total	3	3	4	5	5

Notes

- 1 - Two Primary schools were converted to academies during 2013/14
- 2 - Gorsefield Primary School was converted to an academy on 1st April 2015
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HOUSING REVENUE ACCOUNT**APPENDIX C**

	2015/16 REVISED ESTIMATE	2015/16 OUTTURN	VARIATION FROM BUDGET
	£	£	£
INCOME			
Dwelling rents	30,042,200	30,092,328	(50,128)
Non-dwelling rents	214,400	212,938	1,462
Heating charges	73,700	73,432	268
Other charges for services and facilities	916,600	919,140	(2,540)
Contributions towards expenditure	53,900	43,740	10,160
Total Income	31,300,800	31,341,579	(40,779)
EXPENDITURE			
Repairs and Maintenance	6,865,100	6,768,851	(96,249)
General Management	7,027,100	7,087,067	59,967
Special Services	1,102,100	1,092,808	(9,292)
Rents, rates, taxes and other charges	100,000	90,925	(9,075)
Increase in provision for bad debts	488,700	316,320	(172,380)
Cost of Capital Charge	4,468,000	4,432,632	(35,368)
Depreciation/Impairment of fixed assets - council dwellings	7,619,100	18,359,389	10,740,289
Depreciation of fixed assets - other assets	42,300	42,391	91
Debt Management Expenses	35,000	34,630	(370)
Contrib. from Business Plan Headroom Reserve	(1,527,600)	(1,196,903)	330,697
Total Expenditure	26,219,800	37,028,112	10,808,312
Net cost of services	(5,081,000)	5,686,533	10,767,533
Amortised premia / discounts	(14,600)	(14,646)	(46)
Interest receivable - on balances	(67,500)	(75,572)	(8,072)
Interest receivable - on loans (mortgages)	(700)	(455)	245
Net operating expenditure	(5,163,800)	5,595,860	10,759,660
Appropriations			
Appropriation relevant to impairment	0	(10,740,289)	(10,740,289)
Revenue contributions to capital	5,163,800	5,144,429	(19,371)
(Surplus) / Deficit	0	0	0
Working balance brought forward	(1,000,000)	(1,000,000)	0
Working balance carried forward	(1,000,000)	(1,000,000)	0