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| Report To: | EXECUTIVE CABINET |
| Date: | 30 August 2017 |
| Executive Member/ Reporting Officer: | Cllr J M Fitzpatrick - First Deputy (Performance and Finance) Ian Duncan – Assistant Executive Director (Finance) |
| Subject: | REVENUE MONITORING – QUARTER 1 2017/18 |
| Report Summary: | <p>This report shows that at Quarter 1 the overall net service projected outturn revenue position for 2017/18 is £5.830m in excess of budgeted resources.</p> <p>The Director of People forecast outturn is £5.987m in excess of budget due to demand on service provision in Children’s Social Care. Specific mention of the management of this budget is included in the report.</p> <p>The Director of Place forecast outturn is £1.410m in excess of budget due to cost pressures and lower than anticipated income in Environmental Services and Asset and Investment Management Partnership.</p> <p>The Director of Governance and Resources will generate additional income during the year, coupled with the effect of staff turnover and restrictions in spending, which leads to a forecast of expenditure to be within budget by £1.566m.</p> <p>The budget for corporate costs is currently forecast to be £3.753m under budget for 2017/18 largely due to the release of operational contingencies.</p> <p>The overall forecast outturn position for the Council is currently a net position of £2.077m in excess of budget, as set out in Table 1.</p> <p>Given this difficult start to the financial year, strong budget management is required across the Council to ensure that its financial plans are achieved, and to ensure that the Council is able to control budgetary pressures and deliver required savings in the medium term.</p> |
| Recommendations: | <ol style="list-style-type: none"> 1) That the forecast revenue outturn position is noted. 2) That the detail for each service area is noted and that Directors be required to identify measures to ensure expenditure is maintained with the approved budget for the year. 3) That the changes to revenue budgets as set out in Appendix A are approved. 4) That the position on the s75 Integrated Commissioning Fund be noted and that the temporary support of £5m be met from the earmarked reserve for Care Together. |
| Links to Community Strategy: | Budget is allocated in accordance with the Community Strategy. |
| Policy Implications: | Budget is allocated in accordance with Council Policy. |

**Financial Implications:
(Authorised by the Section
151 Officer)**

This first monitoring report for the current financial year forecasts that expenditure will exceed the approved budget. Services areas need to take action to address many of the issues that are leading to these budget pressures. If these pressures cannot be contained, or savings identified elsewhere, the forecast outturn position for 2017/18 is likely to result in a call on reserves which will reduce the resources available to the Council for future investment.

The Medium Term Financial Strategy (MTFS) for the period 2017-2020 identifies significant savings requirements for 2018/19 and 2019/20. Budget pressures and overspends in 2017/18 will inevitably lead to an increase in the level of savings required in future years.

**Legal Implications:
(Authorised by the Borough
Solicitor)**


There is a statutory duty to ensure the Council sets a balanced budget and that it is monitored to ensure statutory commitments are met.

Risk Management:

Failure to properly manage and monitor the Council's budgets will lead to service failure and a loss of public confidence.

Access to Information

The background papers relating to this report can be inspected by contacting the report writer, Heather Green, Finance Business Partner by:

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1 INTRODUCTION

- 1.1 This is the first revenue monitoring report of the 2017/18 financial year. The report summarises the projected revenue outturn position for service areas of the Council by 31 March 2018.
- 1.2 Details of the various sections and Appendices within the report are shown below:
- **Section 2:** Changes to the budget since February 2017.
 - **Section 3:** A summary of the budget and revenue financial position for Service areas.
 - **Section 4:** A summary of the budget pressures facing Children's Social Care.
 - **Section 5:** Council Tax, Business Rates collection performance and write offs.
 - **Section 6:** Commentary about the financial challenges in the local health and social care economy.
 - **Section 7:** Recommendations.
 - **Appendix 1:** Details the changes to the Council's in-year revenue budget since February 2017.
 - **Appendix 2:** Details for each Directorate showing the revenue outturn position and explanations for significant budget variances.
 - **Appendix 3:** Analysis of the Council Tax and Business Rates collection performance.
 - **Appendix 4:** Business Rates, Council Tax and Sundry Debtor Accounts written off.
 - **Appendix 5:** Summary of the Month 3 revenue position and forecast 2017/18 outturn for the local health and social care economy.
- 1.3 This report details the Council's projected revenue outturn position for 2017/18 against the approved budget for the year and shows the net of income and expenditure as a variation to budget.
- 1.4 Also included within the report are details for those budgets that are held corporately and the projected outturn position. These budgets include the cost of capital financing, democracy and where service areas are unable to affect spend against budget e.g. AGMA costs.
- 1.5 Separate tables, which break down the budget variations into elements of expenditure and income, are included in **Appendix 2**, to show how Directorates are utilising their allocated funding.

2 SUMMARY OF CHANGES TO THE BUDGET

- 2.1 There has been a transfer of budget between services since the budget report in February 2017. This change is detailed in **Appendix 1**.

3 SUMMARY OF THE FINANCIAL POSITION

- 3.1 This report shows that at Quarter 1 the overall projected net revenue expenditure for services for the 2017/18 financial year is expected to be £5.830m in excess of budgeted resources. The projected outturn revenue position by service area is summarised in Table 1.
- 3.2 The overall forecast position for the Director of People is net expenditure of £5.896m in excess of budget, primarily due to the forecast outturn for Children's Social Care. Further details are set out in section 4 of this report.
- 3.3 The overall forecast position for the Director of Place is net expenditure of £1.410m in excess of budget, primarily within Environmental Services and Asset and Investment Partnership Management. Budget pressures have arisen due to lower than anticipated income across a number of services and additional cost pressures in respect of building repairs and maintenance, and highways risk management works.
- 3.4 The Director of Governance, Resources and Pensions is reducing the overall forecast service position due to anticipated savings and additional income of £1.566m.
- 3.5 In addition to service budgets, there are corporate budgets which are held to pay for corporate costs such as levies, loan debt etc. as well as the means to cope with in-year volatility. It is currently forecast that this will be £3.753m under budget. This is primarily due to the release of corporate contingencies which had been held to offset unforeseen expenditure or other risks.
- 3.6 The overall forecast outturn position for the Council is currently a net position of £2.077m in excess of budget, as set out in Table 1.

Table 1 – Projected outturn revenue position for 2017/18

| Directorate | Service | 2017/18 Budget £000 | Forecast Outturn £000 | Variation to Budget £000 |
|-------------|--|---------------------|-----------------------|--------------------------|
| People | Children's Social Care | 35,192 | 41,088 | 5,896 |
| People | Education | 3,385 | 3,583 | 198 |
| People | Adult and Early Intervention Services ¹ | 44,307 | 44,200 | (107) |
| | Total Director of People | 82,884 | 88,871 | 5,987 |
| Place | Asset and Investment Partnership Management | 5,977 | 6,783 | 805 |
| Place | Environmental Services | 40,869 | 41,438 | 569 |

¹ Net of the £5.365m Adult Social Care Grant announced in the spring budget on 8 March 2017.

| | | | | |
|--------------------------|---|----------------|----------------|----------------|
| Place | Development Growth and Investment | 2,109 | 2,094 | (15) |
| Place | Digital Tameside | 1,909 | 1,901 | (8) |
| Place | Stronger Communities | 7,730 | 7,788 | 58 |
| | Total Director of Place | 58,594 | 60,004 | 1,410 |
| Public Health | Director of Public Health | 16,708 | 16,708 | 0 |
| Governance and Resources | Director of Governance, Resources and Pensions | 9,652 | 8,086 | (1,566) |
| | TOTAL SERVICE POSITION | 167,838 | 173,669 | 5,830 |
| Governance and Resources | Corporate Costs, Capital and Financing and Other Cost Pressures | 9,558 | 5,805 | (3,753) |
| | Total Corporate Position | 9,558 | 5,805 | (3,753) |
| | TOTAL | 177,396 | 179,474 | 2,077 |

3.7 The revenue position now reported needs to be considered in the context of the Council's Medium Term Financial Strategy (MTFS). An updated MTFS was presented to Full Council on the 28 February 2017 and detailed the remaining gap to be addressed by 2019/20 as summarised in Table 2. Unless effective mitigating strategies can be put in place during this year then the forecast net expenditure for 2017/18 will lead to an increase in the level of savings required in 2018/19 and 2019/20.

Table 2 - Medium Term Financial Strategy 2017- 20 (extract)

| | 2017/18 £000 | 2018/19 £000 | 2019/20 £000 |
|--------------------------------------|-------------------------|-------------------------|-------------------------|
| Total Resources | (169,269) | (163,485) | (157,592) |
| Total Spending Plans | 177,396 | 182,718 | 185,043 |
| Additional Council Tax Income | (8,127) | (10,983) | (13,019) |
| Remaining Gap to be addressed | 0 | 8,250 | 14,432 |

4 CHILDREN'S SOCIAL CARE

4.1 Children's services have been subject to an unprecedented demand on service provision since the 2017/18 Council budget was approved in February 2017. Despite the inclusion of £9.3m of additional funding in 2017/18, there is currently a £5.9m projection of expenditure in excess of budget by 31 March 2018.

4.2 Children's Services remains a high risk area to the Council and therefore the latest information is reported here. The majority of the projected additional net expenditure relates to placements within independent sector provision, of £5.0m. Table 3 illustrates the external placements by type and average weekly cost based on the forecast as at the end of the quarter. It is currently estimated that on average there will be an additional 68 children in need placements over and above the number of placements estimated when the 2017/18 budget was approved in February.

Table 3 – External Placements cost as at June 2017

| External Placements | Estimated Annual Additional Placements | Average Rate Per Week | Projected Additional Cost at M3 |
|--|--|-----------------------|---------------------------------|
| | | £ | £ m |
| Fostering | 35 | 773 | 1.4 |
| Residential | 16 | 3,310 | 2.8 |
| 16 + | 11 | 975 | 0.6 |
| Unaccompanied Asylum Seeking Children | 6 | 773 | 0.2 |
| Total | 68 | | 5.0 |

4.3 However, since the end of the quarter further analysis has been done and whilst the projection of numbers of children in these placements has remained the same, analysis has shown that the average cost of placements have increased. In addition, the weekly cost of 4 independent sector placements have also increased since the budget was approved. This equates to a projected increase of £0.6m in the current financial year. Table 4 analyses this movement.

Table 4 – Changes to forecast since end of June 2017

| Revision to forecast since the end of Quarter 1 | £m | Residential | Fostering | 16 + | UASC |
|--|------------|-------------|-----------|----------|----------|
| Existing Placements Cost Increases | 0.6 | 3 | -1 | 1 | |
| Existing Placements Ending | (0.3) | 1 | 3 | 1 | |
| Existing Placement - TBC if TMBC Children's Services Liability | (0.1) | | | 1 | |
| Placements Not Reported at Month 3 | 0.1 | | 3 | 2 | 2 |
| New Placements Since Period 3 | 0.3 | 2 | 3 | 2 | |
| Revised Assumption to Forecast Placements | 0.1 | | | | |
| Total | 0.7 | 6 | 8 | 7 | 2 |

4.4 Tameside MBC is a member of the Placements North West commissioning arrangement, which seeks to minimise the market spend, however framework prices are sometimes being exceeded across all LA areas. Providers increasingly charge additional fees (eg. for complex cases or additional input) and the lack of available placements is driving market prices up.

4.5 The weekly placement cost for children placed in external residential care is expensive and can exceed £3,000 per week. A continual review of external placements is facilitated to ensure children are receiving the appropriate care and support which has been commissioned together with the opportunity to reduce the fees levied for the care and support provided. This is co-ordinated by the Placement Panel which is chaired by AED Children and includes finance and commissioning in the membership. There are now more

than 30 children in external placements costing more than £3,000 per week at a total annualised cost of more than £7m.

- 4.6 The £9.3 million of additional funding in the 2017/18 budget included investment to support the recruitment of additional Social Workers to support the increased demand in caseloads. The initial 2017/18 budget assumed whole service caseloads of 2,050. The number of caseloads had increased to 2,632 by 30 June 2017. It should also be noted that the number of children looked after within these caseload totals has increased from 485 at December 2016 to 530 by June 2017, an increase of 45. Average caseloads are now around 22 per social worker, although the number of cases held by individual social workers can vary significantly and is dependent on experience and qualifications. Manageable caseloads is a key factor in the recruitment and retention of social workers and as caseloads reduce overall, it is expected that the permanent workforce will stabilise and allow quality to improve as required by the Ofsted recovery plan.
- 4.7 The projected net expenditure for 2017/18 includes provision for 54 whole time equivalent temporary Social Workers recruited via independent agencies. The Council has a strategy to reduce the number of Social Workers on independent agency contracts onto permanent contracts to improve the quality and stability of the establishment. There is also an average annual cost saving of approximately £6,500 per employee when comparing permanently employed Social Workers to those employed via an independent agency.
- 4.8 A group to review the Borough wide Early Help offer is being led by the Director of Population Health and seeks to reduce demand for service in the medium term. The service has and will be implementing initiatives to intervene early with families, and reduce service demand together with associated ongoing expenditure. These initiatives include:
- Edge of care service to work with families beyond standard working hours and offer direct intervention earlier in the life of the problem to avoid admission to care;
 - Recruitment of in-borough foster carers. Currently the service is predicting a net gain of nine fostering households in 2017-18. As part of the regional You Can Foster collaboration which will see a major advertising campaign in the autumn along with additional capacity in the fostering team which is in place in preparation, it is anticipated this figure should grow further;
 - Family group conferencing service has been running since quarter 3 of 2016-17, after additional investment in this service was agreed by the Executive Cabinet and is demonstrating clear success and efficacy. The service has a clear expansion plan to ensure maximum usage to reduce and divert the number of children entering the care of the Local Authority; and
 - From care to success. The transitions team to support our care leavers is in place and working to ensure that care leavers are well prepared for adulthood and minimise the risk of future involvement. The team is working well with housing providers and partner agencies.
- 4.9 Monitoring arrangements and procedures are in place relating to the performance and the associated budget of the service. A further update on the projected 2017/18 budget position will be reported to the Executive Cabinet during the autumn of 2017.

5 COUNCIL TAX AND BUSINESS RATES

- 5.1 The Business Rates Retention Scheme means that variations in the level of Business Rates income collected has a direct impact on Council resources. The level of Council Tax income collected remains an important area for the Council as any shortfall in the level of Council Tax income also has a direct impact on Council resources.

5.2 At Quarter 1 the level of Council Tax income is marginally under target collection rates and Business Rates are exceeding the target. Both areas will be closely monitored during the financial year and we continue to target income collection. **Appendix 3** includes two tables that show how the Council is performing against target collection rates in both Business Rates and Council Tax. **Appendix 4** provides a summary of irrecoverable debts written off in quarter 1.

6 CARE TOGETHER

6.1 Under Care Together a single body commissions health and social care services. The single commissioning function is made up from Tameside & Glossop Clinical Commissioning Group and Tameside Council. The Care Together vision is to significantly raise healthy life expectancy by focussing on health and care needs of communities with a view to achieving better prosperity, health and wellbeing and to deliver a clinically and financially sustainable health and social care service with the next five years.

6.2 On the financial front a first step last year was to enter into a section 75 agreement with Tameside and Glossop CCG to pool resources. For the current financial year a risk sharing arrangement has been included in the agreement. Under this arrangement the Council has agreed to put up to £5m in each of the next two years (2017/18 and 2018/19) in support of the CCG's QIPP savings target; this is conditional upon the CCG agreeing to a reciprocal arrangement in 2019/20 and 2020/21. Thereafter any variation from budget for both CCG and Council will be shared in the ratio 80:20 for CCG:Council. Financial risks for each organisation are capped (after the use of £5m) in 2017/18. The governance arrangements are that the Single Commissioning Management Team and the Single Commissioning Board receive regular budget monitoring reports and will agree mitigating actions as appropriate. The financial information in respect of council services provided to the single commissioning bodies is consistent with information included in the Council's budget monitoring reports albeit there can be timing differences between the two.

6.3 We will continue to produce a single consolidated finance report for the whole health and social care economy. The month 3 revenue position and forecast 2017/18 outturn is summarised in **Appendix 5**. The report is based on the latest available information and therefore shows updated forecasts to those that were reported to the Single Commissioning Board on 22 August 2017. The full year forecast and risk share position is also summarised in table 5 below. This is showing a projected year end deficit across the economy of £6.8m in 2017/18, after the application of the £5m non recurrent contribution from Tameside Council. Short and medium term options are being worked upon to minimise this position.

Table 5 – 2017/18 Whole Economy Forecast Outturn and Risk Share

| | 2017/18 | | |
|----------------------------|----------------|----------------|-----------------|
| | Budget | Forecast | Variance |
| | £'000 | £'000 | £'000 |
| Single Commission | 486,227 | 497,983 | (11,756) |
| ICFT | (24,506) | (24,506) | 0 |
| Total Whole Economy | 461,721 | 473,477 | (11,756) |

| Single Commission - Risk Share | £'000 |
|-----------------------------------|---------|
| TMBC - Non Recurrent Contribution | (5,000) |

| | |
|--------------|-----------------|
| TMBC | (5,568) |
| CCG | (1,188) |
| Total | (11,756) |

- 6.4 The full consolidated finance reports are considered by the Single Commissioning Board and can be found at:

<http://tameside.moderngov.co.uk/ieListMeetings.aspx?Committeeld=303>

7 RECOMMENDATIONS

- 7.1 As stated on the report cover.

APPENDIX 1:

Budget changes Quarter 1 – for approval

| | Director of People £000 | Director of Place £000 | Public Health £000 | Governance and Resources £000 | Corporate Budgets, Capital Financing and Corporate Pressures £000 | Total £000 |
|---|-------------------------------|------------------------------|-----------------------|--|--|----------------|
| Budget agreed at Feb 2017/18 Budget Report | 83,116 | 58,362 | 16,708 | 9,652 | 9,558 | 177,396 |
| <i>Virements of Budget</i> | | | | | | |
| CCTV | (232) | 232 | | | | 0 |
| Revised Budget – Q1 2017/18 | 82,884 | 58,594 | 16,708 | 9,652 | 9,558 | 177,396 |

Responsibility for CCTV transferred to the Director of Place on 1st April 2017. The budget of £232k is less than the current cost of providing the service. A decision regarding the future viability of the services needs to be considered.

The Chancellor's March 2017 budget awarded the Council £5.365m of Adult Social Care Grant for the 2017/18 financial year. It is expected that this grant will be spent in full during the 2017/18 financial year and therefore there is no overall impact on the net budget position.

APPENDIX 2

DIRECTOR OF PEOPLE

| | 2017/18 Budget £000 | Outturn £000 | Variation to Budget £000 |
|---|---------------------------|-----------------|--------------------------------|
| A. Children's Social Care | 35,192 | 41,088 | 5,896 |
| B. Education | 3,385 | 3,583 | 198 |
| C. Adult and Early Intervention Services | 44,307 | 44,200 | (107) |
| TOTAL | 82,884 | 88,871 | 5,987 |

A. CHILDREN'S SOCIAL CARE

| | |
|--|---------------------|
| Children's Social Care | £000 |
| External Agency Placements - Residential/Fostering/16 + Placements and Internal Carer Payments | 5,904 |
| Further detail is set out in section 4 of the main report. The projected additional net expenditure relates primarily to placements within independent sector provision. It is currently estimated that there will be an additional 68 children in need of placements over and above the number of placements estimated when the 2017/18 budget was approved in February. In addition the weekly placement rate of 4 independent sector placements have increased since the budget was approved. | |
| Other minor variances | (8) |
| CHILDREN'S SOCIAL CARE TOTAL | <u>5,896</u> |

B. EDUCATION

| | £000 |
|---|-------------------|
| Employee Costs | |
| Expenditure is below budget on employee costs due to the vacant Head of Schools Performance & Standards position (£0.087m), the vacant Senior Education Psychologist post (£0.075m), some part year vacancies (£0.142m) and other minor variations under £0.050m. | (350) |
| Special Education Transport | |
| Expenditure is projected to be above budget due to an increase in the number of children receiving transport for the academic year 2016-17. The 2017-18 expected spend is based on the actual spend for the financial year 2016-17. A full review of this spend is currently being undertaken. There will be a tender review process for this service which will be completed by September 2017. The review of spend and tender review is expected to assist in reducing these costs, although this is not currently reflected in the forecast outturn. | 222 |
| Other Expenditure | |
| Other Expenditure is above budget due to external provision being required to deliver the statutory service for Education Psychology (£0.050m) as there is a vacancy in the service. There are cost pressures in services which are no longer being recharged to Academy Schools - this will be offset in year with staff savings and will be addressed longer term through service review. | 81 |
| The traded service for Education Psychology has seen a significant reduction in buy in this financial year. As a result of this spend will be below budget (£0.119m) due to a reduction in the use of associates and overheads which is offset against the reduction in income as stated below. There are other minor variations under £0.050m. | |
| Grants & Other Contributions | (15) |
| Minor Variations Under £0.050m | |
| Non-Academy Schools Income | |
| Income is less than budgeted for Non Academy Schools due to a reduction in the buy in from schools to the Education Psychology Traded Service (£0.106m), Behaviour for Learning & Inclusion Service (£0.048m) and to the Equality, Multicultural and Access Team (£0.043m). There are other minor variations under £0.050m. | 210 |
| Academy Schools Income | 41 |
| Minor Variations Under £0.050m | |
| Sales, Fees & Charges | 8 |
| Minor Variations Under £0.050m | |
| Other Income | 1 |
| Minor Variations Under £0.050m | |
| EDUCATION TOTAL | <u>198</u> |

C. ADULT AND EARLY INTERVENTION SERVICES

| | £000 |
|---|---------------------|
| There have been delays in recruiting vacant posts; costs are projected to be incurred effective September 2017. | (374) |
| There is currently a forecast net overspend on Residential and Nursing budget. This is as a result of an increased placement profile. Care Home placements are only considered once all other care options have been exhausted This position tends to fluctuate throughout the financial year depending on individual client circumstances. | 188 |
| Direct Payment take-up has declined over the past 12 months, additional support is being commissioned using the Adult Social Care transformation monies in order to promote the use of Direct Payments locally in line with national expectations | (161) |
| Transport related expenditure including staff mileage and transport to day centres is forecast to be lower than expected. | (52) |
| Costs associated with externally provided out of borough specialist day care services is forecast to be higher than budget due to unexpected demand growth. | 366 |
| Other Minor Variations under £0.050m | (74) |
| Adults and Early Intervention Total | <u>(107)</u> |

DIRECTOR OF PLACE

| | 2017/18 Budget £000 | Outturn £000 | Variation to Budget £000 |
|---|---------------------------|-----------------|--------------------------------|
| D. Asset and Investment Partnership Management | 5,978 | 6,783 | 805 |
| E. Environmental Services | 40,869 | 41,438 | 569 |
| F. Development Growth and Investment | 2,109 | 2,094 | (15) |
| G. Digital Tameside | 1,909 | 1,901 | (8) |
| H. Stronger Communities | 7,730 | 7,788 | 58 |
| TOTAL | 58,594 | 60,004 | 1,410 |

D. ASSET AND INVESTMENT PARTNERSHIP MANAGEMENT

| | |
|--|-------------------|
| Corporate Landlord | £000 |
| The variation is due to essential structural building maintenance and repairs across the estate. This is as a result of the outcome of statutory assessments. A review of works needs will be carried out to prioritise essential spend only to address this £381k. This spend includes Heggibottom Mill flood damage which is estimated to be approximate £59k. | 440 |
| Income anticipated to be less than budget across the following areas: <ul style="list-style-type: none"> • Loss of Industrial estate income where units are vacant £147k • Estates income expected to be less than budgeted due to reduction of work in chargeable buildings £59k | 206 |
| Unbudgeted security costs for Cromwell School. | 43 |
| Other individual minor variations of under £0.050m. | 87 |
| Catering | |
| Minor variations. | 29 |
| ASSET AND INVESTMENT PARTNERSHIP MANAGEMENT TOTAL | <u>805</u> |

E. ENVIRONMENTAL SERVICES

| Environmental Services | £000 |
|--|-------------------|
| Expenditure anticipated to be less than budget as a result of delayed recruitment following various service re-designs across Environmental Services. It is anticipated that all posts will be filled as soon as possible. | (302) |
| Expenditure anticipated to be in excess of budget in Waste Services for transport related costs to cover additional Blue and Brown Bin collections £126K. Savings are anticipated from the Levy to offset this increase. Other minor expenditure variations across Environmental Services £45k | 171 |
| Expenditure anticipated being in excess of budget in Highways on Risk Management works that are required to reduce risk of third party claims. A review of this needs to be undertaken to address the issue. | 550 |
| Income anticipated to be less than budget in the following areas across Environmental Services: | |
| <ul style="list-style-type: none"> • Highways - Utility Control Fee Income £71k. This is due to a reduction in requests from the Utility Companies. • Traffic Operations Fee Income £55K. There has been a reduction in this type of work. • Ashton Market Ground £185k – The reduction in income is due to the redevelopment of the market. This is a transitional reduction in income budgets will be reviewed to look for savings to offset this. • Other minor variations across Environmental Services £12k | 323 |
| Income anticipated being in excess of budget in Civil Engineering Service, for works carried out on construction related projects. | (152) |
| Savings being planned | (21) |
| ENVIRONMENTAL SERVICES TOTAL | <u>569</u> |

F. DEVELOPMENT GROWTH AND INVESTMENT

| Development Growth and Investment | £000 |
|--|--------------------|
| Expenditure | |
| Expenditure less than budget as a result of delayed recruitment following various service re-designs across Development Growth and Investment. It is anticipated that vacant posts will be filled as soon as possible. | (111) |
| Other individually minor expenditure variations across the service | 155 |
| Income | |
| Unbudgeted one off grant funding from Salford City Council - to deliver GM Commitments in relation to Employment & Skills. | (69) |
| | 136 |
| Income less than budget for Building Control service Higher than anticipated income - planning fees | (67) |
| Other minor variations (income below budget) across the service | 43 |
| Higher than anticipated income from the Agency Service provided to deliver the Disabled Facilities Grant funded capital scheme 2017/18 | (60) |
| Other minor variations (income in excess of budget) across the service | (42) |
| DEVELOPMENT GROWTH AND INVESTMENT TOTAL | <u>(15)</u> |

G. DIGITAL TAMESIDE

| Digital Tameside | £000 |
|-------------------------------|-------------------|
| Minor variations | (8) |
| DIGITAL TAMESIDE TOTAL | <u>(8)</u> |

H. STRONGER COMMUNITIES

| Stronger Communities | £000 |
|---|------------------|
| <p>There has been a 2017/18 revenue budget transfer from the People Directorate to the Place Directorate in respect of the Council's CCTV Operations. Based on current contract values and expenditure levels there is approximately a £56k funding gap. There may be further costs associated with the potential movement of cameras which is yet to be determined and will be more apparent at Q2. A decision regarding the future viability of the service needs to be considered.</p> | 56 |
| <p>The Tameside Resettlement Scheme supports the Council's overall aim to promote independence, by supporting homelessness prevention, hospital discharge processes, re-ablement, the prevention and reduction of harm and Troubled Families. It provides access to essential household items, assistance with rent in advance or removal costs. The Scheme had a 23% increase in demand in 2016/17 resulting in a forecast increase in expenditure for 2017/18. Further to this, the provider of the furniture and fittings element of the Scheme has increased its prices by 11% with effect from 1st June 2017 resulting in a further increase in expenditure for 10 months of the financial year.</p> | 80 |
| <p>One-off savings due to delays in filling vacant posts across the service.</p> | (74) |
| <p>Other non-pay efficiencies across Stronger Communities.</p> | (4) |
| STRONGER COMMUNITIES TOTAL | <u>58</u> |

DIRECTOR OF PUBLIC HEALTH

I. DIRECTOR OF PUBLIC HEALTH

| | 2017/18 Budget £000 | Outturn £000 | Variation to Budget £000 |
|---------------------------|------------------------------------|-------------------------|---|
| Director of Public Health | 16,708 | 16,708 | 0 |
| TOTAL | 16,708 | 16,708 | 0 |

| | |
|--|-----------------|
| Public Health | £000 |
| Employee vacancies (April – August 2017) | (144) |
| Early Intervention Initiatives (in partnership with Children’s Services) | 144 |
| PUBLIC HEALTH TOTAL | <u>0</u> |

DIRECTOR OF GOVERNANCE AND RESOURCES

J. DIRECTOR OF GOVERNANCE AND RESOURCES

| | 2017/18 Budget £000 | Outturn £000 | Variation to Budget £000 |
|--------------------------------------|------------------------------------|-------------------------|---|
| Director of Governance and Resources | 9,652 | 8,086 | (1,566) |
| TOTAL | 9,652 | 8,086 | (1,556) |

| | |
|--|-----------------------|
| Director of Governance and Resources | £000 |
| On-going restrictions in recruitment and delays in the implementation of Service redesign have resulted in an expenditure level of £ 658k under budget in relation to employee costs across the service. | (658) |
| Continuing restrictions in expenditure and efficiencies across the service have resulted in an expenditure level of £785k under budget in respect of supplies and services. | (785) |
| Increased income generation as a result of an increase in summons fee costs to offset cost of recovery action | (129) |
| Prediction of a minor under recovery in respect of Fee income | 6 |
| Director of Governance and Resources Total | <u>(1,566)</u> |

CORPORATE BUDGETS

| | 2017/18 Budget £000 | Outturn £000 | Variation to Budget £000 |
|---|------------------------------------|-------------------------|---|
| Corporate Costs, Capital and Financing and Other Cost Pressures | 9,558 | 5,805 | (3,753) |
| TOTAL | 9,558 | 5,805 | (3,753) |

| | |
|--|-------------|
| Corporate Budgets | £000 |
| Corporate Costs include a range of central functions including Insurance, AGMA and Coroners costs and the cost of Democracy. Also included are budgets to cover the cost of the capital programme. | |
| The 2017/18 budget assumed additional borrowing of £30m from 1 April 2017. No additional borrowing has yet been undertaken during 2017/18. The forecast | (330) |

outturn assumes this additional borrowing will be required from 1 October 2017.

The 2017/18 budget included operational contingencies to cover unforeseen expenditure. It is proposed that this contingency is released to partially offset the forecast overspend in Children's services. (3,423)

CORPORATE BUDGETS TOTAL **(3,753)**

APPENDIX 3

The tables below detail how the Council is performing against target collection rates in both Business Rates and Council Tax for the first three months of 2017/18. Arrears are pursued and recovery of current year arrears will continue in future years.

| <u>Council Tax In-year Collection Performance 2017/18</u> | | | | |
|--|------------------------------|-----------------------------|--------------------------|------------------------|
| | Cash Collected £m | Cash Collected % | Cash Target % | Variation % |
| April 2017 | 10.077 | 10.36 | 10.45 | -0.09 |
| May 2017 | 18.884 | 19.39 | 19.30 | +0.09 |
| June 2017 | 27.470 | 28.16 | 28.30 | -0.14 |

| <u>Business Rates In-year Collection Performance 2017/18</u> | | | | |
|---|------------------------------|-----------------------------|--------------------------|------------------------|
| | Cash Collected £m | Cash Collected % | Cash Target % | Variation % |
| April 2017 | 10.134 | 16.95 | 11.00 | +5.95 |
| May 2017 | 15.601 | 26.29 | 20.00 | +6.29 |
| June 2017 | 21.226 | 35.71 | 30.00 | +5.71 |

APPENDIX 4

Business Rates, Council Tax and Sundry Debtor write offs

IRRECOVERABLE DEBTS OVER £3000

1 April 2017 to 30 June 2017

Note individuals are anonymised

| REF: | DEBT: | FINANCIAL YEAR(S) | BALANCE | REASON |
|---|---|---|--|---|
| 16678650 | Council Tax | 2008 - 2009 £521.45 2009 - 2010 £1629.28 2010 - 2011 £669.23 2011 - 2012 £1669.23 2012 - 2013 £649.40 | £6138.59 | Bankruptcy order granted 30/06/2014 |
| COUNCIL TAX | | SUB TOTAL - Bankruptcy | £6138.59 | |
| 16435351 | Council Tax | 2013 - 2014 £238.88 2014 - 2015 £784.80 2015 - 2016 £1011.72 2016 - 2017 £920.12 | £2955.52 | Individual Voluntary Arrangement 03/11/2016 |
| COUNCIL TAX | | SUB TOTAL - Individual Voluntary Arrangement | £2955.52 | |
| 16196925 | Council Tax | CH Wrightcare Supported Lodgings Ltd Flat 7 209/211 Mossley Road Ashton under Lyne OL6 6LX | 2012 - 2013 £894.44 2013 - 2014 £1019.42 2014 - 2015 £946.40 2015 - 2016 £961.72 2016 - 2017 £615.58 | £4437.56 Company Dissolved 12/11/2016 |
| COUNCIL TAX | | SUB TOTAL - Company Dissolved | £4437.56 | |
| COUNCIL TAX IRRECOVERABLE BY LAW | | | £13,531.67 | |
| 65429622 | Business Rates | Wha Wha Ltd 40 Staveleigh Mall Ladysmith Centre Ashton under Lyne OL6 7JJ | 2011 - 2012 £6564.70 2012 - 2013 £11841.70 | £18,406.40 Company Dissolved 26/07/2016 |
| BUSINESS RATES | | SUB TOTAL - Company Dissolved | £18,406.40 | |
| 65064735 | Business Rates Anonymised as an individual | 2014-2015 £2321.21 2015 - 2016 £26255.61 2016 - 2017 £11319.44 | £39,896.26 | Bankruptcy order granted 15/02/2017 |

| | | | | |
|--|--|--|---|--|
| BUSINESS RATES | | SUB TOTAL – Personal Bankruptcy | £39,896.26 | |
| 65525346 | Business Rates | Vale Trading Estate LLP Tameside Projects Furnace Street Dukinfield SK16 4JA | 2010 – 2011 £21,830.87 2011 – 2012 £21,333.36 2012 – 2013 £22,213.00 2013 – 2014 £22,843.50 2014 – 2015 £23,377.00 | £111,597.73 Personal Bankruptcy, unable to pursue by law |
| 65535633 | Business Rates Anonymised as an individual | 2013 – 2014 £2617.94 2014 – 2015 £4008.91 2015 – 2016 £4085.51 | £10,712.36 | Personal Bankruptcy, unable to pursue by law |
| BUSINESS RATES | | SUB TOTAL – Personal Bankruptcy, unable to pursue by law | £122,310.09 | |
| BUSINESS RATES IRRECOVERABLE BY LAW | | | £180,612.75 | |
| 7037681 | Overpaid Housing Benefit | 2011 – 2012 £8803.62 2012 – 2013 £1369.61 | £10,173.23 | Individual Voluntary Arrangement 30/04/2014 |
| 7083017 | Overpaid Housing Benefit | 2014 – 2015 £8542.46 | £8542.46 | Individual Voluntary Arrangement 22/02/2017 |
| 7152919 | Overpaid Housing Benefit | 2014 – 2015 £5259.49 | £5259.49 | Individual Voluntary Arrangement 09/09/2014 |
| 7147966 | Overpaid Housing Benefit | 2014 – 2015 £4498.91 | £4498.91 | Individual Voluntary Arrangement 27/05/2015 |
| 7106143 | Overpaid Housing Benefit | 2015 – 2016 £7817.17 | £7817.17 | Individual Voluntary Arrangement 26/10/2016 |
| Overpaid Housing Benefit | | SUB TOTAL - Individual Voluntary Arrangement | £36,291.26 | |
| 7104873 | Overpaid Housing Benefit | 2014 – 2015 £3359.65 | £3359.65 | Bankruptcy order 21/04/2016 |

| | | | | |
|--|--------------------------|--|-------------------|---|
| 7024322 | Overpaid Housing Benefit | 2011 – 2012 £3325.98 | £3325.98 | Bankruptcy order 19/08/2011 |
| 7029071 | Overpaid Housing Benefit | 2013 – 2014 £14,749.08 | £14,749.08 | Bankruptcy Order 22/09/2016 |
| Overpaid Housing Benefit | | SUB TOTAL – Personal Bankruptcy | £21,434.71 | |
| 7189791 | Overpaid Housing Benefit | 2015 – 2016 £12,343.67 | £12,343.67 | Debt Relief Order granted 09/11/2015 |
| 7163254 | Overpaid Housing Benefit | 2014 – 2015 £3042.89 | £3042.89 | Debt Relief Order granted 12/12/2014 |
| Overpaid Housing Benefit | | SUB TOTAL – Debt Relief Order | £15,386.56 | |
| OVERPAID HOUSING BENEFIT IRRECOVERABLE BY LAW | | | £73,112.53 | |

DISCRETION TO WRITE OFF OVER £3000

1 April 2017 to 30 June 2017

Note individuals are anonymised

| REF: | DEBT: | FINANCIAL YEAR(S) | BALANCE | REASON |
|---|-----------------------------------|---|-------------------|----------------------|
| 7139602 | Overpaid Housing Benefit | 2015 - 2016 £3157.43 | £3157.43 | Absconded, no trace. |
| 7031056 | Overpaid Housing Benefit | 2011 – 2012 £7107.91 | £7107.91 | Absconded, no trace |
| Overpaid Housing Benefit | | SUB TOTAL – Absconded, No Trace | £10,265.34 | |
| OVERPAID HOUSING BENEFIT DISCRETIONARY WRITE OFF | | | £10,265.34 | |
| 507396 | Sundry Debts Property Accounts | SS70954539 14/08/2008 £4241.44 SS70968619 03/10/2008 £3582.22 SS70988084 06/01/2009 £3037.10 | £10,860.76 | Recovery Exhausted |
| 451293 | Sundry Debts Property Accounts | SS71027698 26/03/2009 £1447.50 SS75301132 08/04/2009 £734.70 SS75304867 12/05/2009 £741.54 SS71044383 03/06/2009 £598.11 SS71045162 10/06/2009 £1266.78 SS71097521 11/11/2009 £1816.49 | £6605.12 | Recovery Exhausted |
| Sundry Debts | | SUB TOTAL – Recovery Exhausted | £17,465.88 | |

| | | | | |
|---|--|--|-------------------|---------------------|
| 4002911 | Sundry Debts Residential Care Charges | 60814003 03/11/2015 £2311.47 60930754 07/03/2016 £5595.44 61004773 05/04/2016 £1327.26 | £9234.17 | Deceased, no estate |
| Sundry Debts | | SUB TOTAL – Deceased, no trace | £9234.17 | |
| SUNDRY DEBTS DISCRETIONARY WRITE OFF | | | £26,700.05 | |

| SUMMARY OF UNRECOVERABLE DEBT OVER £3000 | | |
|--|--------------------------|--------------------|
| IRRECOVERABLE by law | Council Tax | £ 13,531.67 |
| | Business Rates | £180,612.75 |
| | Overpaid Housing Benefit | £ 73,112.53 |
| | Sundry | Nil |
| | TOTAL | £267,256.95 |
| DISCRETIONARY write off – meaning no further resources will be used to actively pursue | Council Tax | Nil |
| | Business Rates | Nil |
| | Overpaid Housing Benefit | £10,265.34 |
| | Sundry | £ 26,700.05 |
| | TOTAL | £36,965.39 |

APPENDIX 5:

Care Together – Month 3 Revenue position and forecast 2017/18 outturn

| | Year to Date (Month 3) | | | Year End | | | Movement | |
|----------------------------|------------------------|----------------|--------------|----------------|----------------|-----------------|----------------|-------------------|
| | Budget | Actual | Variance | Budget | Forecast | Variance | Previous Month | Movement in Month |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Single Commission | 125,057 | 125,039 | 18 | 486,227 | 497,983 | (11,796) | (6,783) | (4,973) |
| ICFT | (6,781) | (6,993) | (212) | (24,506) | (24,506) | 0 | 0 | 0 |
| Total Whole Economy | 118,276 | 118,046 | (194) | 461,721 | 473,477 | (11,796) | (6,783) | (4,973) |

| Single Commission - Risk Share | £'000 | £'000 | £'000 |
|-----------------------------------|-----------------|----------------|----------------|
| TMBC - Non Recurrent Contribution | (5,000) | (5,000) | 0 |
| TMBC | (4,739) | (309) | (4,430) |
| CCG | (1,210) | (1,474) | 264 |
| Total | (11,796) | (6,783) | (4,973) |