

Report To: EXECUTIVE CABINET

Date: 13 December 2017

**Executive Member/
Reporting Officer:** Cllr J M Fitzpatrick - First Deputy (Performance and Finance)
Tom Wilkinson – Assistant Director of Finance

Subject: REVENUE MONITORING – QUARTER 2 2017/18

Report Summary: This report shows that at Quarter 2 the overall forecast outturn position for the Council is currently a net position of £0.738m under budget, as set out in Table 1.

This overall position represents the fact that the Council is ahead of its savings target required to balance the 2018/19 budget, but also masks a number of pressures and savings challenges across the Directorates, including:

- The Director of Children forecast outturn is £7.374m 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 section 4 the report.
- The Director of Governance is forecasting expenditure will be within budget by £1.250m due to the effect of staff turnover, restrictions in spending and the bringing forward of savings in light of the service pressures being felt elsewhere within the Council. It should be noted that this underspend is the effect of achieving 3 year budget plan early.
- The budget for corporate costs is currently forecast to be £6.249m under budget for 2017/18. This is due to a combination of the release of operational contingencies, which will be used to partially offset pressures in Children’s Services, and receipt of one off additional grant income in excess of budget.

The pressures within Children’s Services in particular threaten the financial sustainability of future years budgets, and whilst these have been absorbed through prudent contingency planning and proactive restrictions on spending elsewhere, further funding cuts and inflationary pressures in 2018/19 and beyond erode the financial base and the Council’s ability to sustain pressures of this size.

Given these significant pressures, that have been mitigated by some one-off measures, 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 the required savings over the medium term.

Recommendations:

- 1) That the forecast revenue outturn position is noted (**Table 1**).
- 2) That the detail for each service area (**Section 3**) 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 1** are approved.
- 4) That the position on the Integrated Commissioning Fund (**Section 6**) is noted, and that temporary support of up to £5.0m through the risk share agreement be met from the earmarked reserve for Care Together.
- 5) That the Executive Cabinet authorise the payment of a non-recurrent sum, to a maximum value of £1.0 million, to the Tameside & Glossop NHS Integrated Care Foundation Trust (T&G NHS ICFT) as detailed within **section 6** of this report – any such amount to be agreed by the First Deputy.

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 Borough Treasurer)

This second monitoring report for the current financial year forecasts that service expenditure will continue to exceed the approved budget. Services areas need to take action to address the issues that are leading to these budget pressures.

The overall forecast outturn of £0.738m under budget is due to a combination of one-off budget savings in some service areas, the release of corporate contingencies and additional grant income, all of which may not be available in future years.

The Medium Term Financial Strategy (MTFS) for the period 2017-2020 identifies significant savings requirements for 2018/19 and 2019/20. Budget pressures in service areas 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)

It is a statutory requirement for the Council to set a balanced budget. It is important that the capital expenditure position is regularly monitored to ensure we are maintaining a balanced budget and to ensure that the priorities of the Council are being delivered.

Risk Management:

Failure to properly manage and monitor the Council's budgets will lead to service failure and a loss of public confidence. Expenditure in excess of budgeted resources is likely to result in a call on reserves, which will reduce the resources available for future investment.

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 second 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.
- 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. Association of Greater Manchester Authority (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 The Council made changes to its Senior Management Structure in October 2017, to better reflect the challenges the Council is facing in bringing about significant reform.

The table in **Appendix 1** maps the budget under the previous structure, to the revised Director responsibilities.

3 SUMMARY OF THE FINANCIAL POSITION

- 3.1 This report shows that at Quarter 2 the overall projected net revenue expenditure for services for the 2017/18 financial year is expected to be £5.511m 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 Children is net expenditure of £7.374m 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 Director of Governance is forecasting expenditure will be within budget by £1.250m due to the effect of staff turnover and restrictions in spending in light of the service pressures being felt elsewhere within the Council.
- 3.4 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 £6.249m under budget. This is primarily due to the release of corporate contingencies, which had been held to offset unforeseen expenditure or other risks, and receipt of additional grant income in excess of budget.
- 3.5 The overall forecast outturn position for the Council is currently a net position of £0.738m under 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
Children	Children's Social Care	35,192	42,387	7,195
Children	Education	3,385	3,565	180
Director of Children's Services		38,577	45,952	7,375
Adults	Adult and Early Intervention Services ¹	44,184	44,002	(182)
Director of Adults Services		44,184	44,002	(182)
Population Health	Population Health	16,707	16,523	(184)
Director of Population Health		16,707	16,523	(184)
Place	Development Growth & Investment	2,231	2,166	(65)
Place	Asset & Investment Partnership Management	6,184	6,754	570
Director of Place		8,415	8,920	505
Neighbourhood & Operations	Environmental Services	40,663	40,502	(161)
Neighbourhood & Operations	Stronger Communities	7,730	7,724	(6)
Director of Neighbourhoods and Operations		48,393	48,226	(167)
Governance	Governance	7,186	5,936	(1,250)
Director of Governance		7,186	5,936	(1,250)
Finance & IT	Finance	2,466	1,879	(587)
Finance & IT	Digital Tameside	1,909	1,910	1
Director of Finance and IT		4,375	3,789	(586)
Total Service Position		167,837	173,347	5,511
Corporate Costs, Capital and Financing and Other Cost Pressures		9,559	3,310	(6,249)
Total		177,396	176,657	(738)

¹ The budget is shown netNet of the £5.365m Adult Social Care Grant announced in the spring budget on 8 March 2017.

- 3.6 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 service 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 The level of unprecedented demand within Children's services continues to be a high risk budget issue for the Council. This has led to an increase of more than £1 million to the projected spend in excess of available budget since the quarter one revenue monitoring report was presented to the Executive Cabinet on 30 August 2017. This report also provided details of the supporting analysis of the additional independent sector placements at that reporting period when compared to the 2017/18 approved budget allocation.
- 4.2 The number of Looked after Children has gradually increased from 513 at April 2017 to 579 in November 2017. The current budget allocation will finance approximately 450 placements, assuming average weekly unit costs for placements.
- 4.3 The Council has recently appointed a new Director of Children's Services. The Director has a number of key priorities to address to ensure the required improvements are delivered following Ofsted's 2016 judgement of the service.
- 4.4 These priorities include the provision of a new improvement plan, approved by the Improvement Board on 30 November 2017 which will support the foundations for service provision over the next year thus leading to further improvements on an on-going basis thereafter.
- 4.5 Alongside the improvement plan there are other key area's that will be addressed which include:
- A direct focus on Ofsted's recommendations
 - The basics of practice standards
 - The recruitment and retention of the workforce
 - Reductions to caseload allocations
 - The effectiveness of leadership and management disciplines
 - Management of service demand and the associated financial implications
 - Clearer measurements of performance and quality of practice at team level

- Working with partners to ensure the Local Safeguarding Children's Board improvement plan is delivered – there will be a particular focus on the roles of Police and Health in frontline safeguarding operations, and upon a wider range of partners in order to support the delivery of early help
- 4.6 Of these the immediate priorities for the Director are the strengthening of service leadership, the stabilisation of the workforce, the implementation of strategies to reduce service demand and the implementation of a new framework to support performance and quality.
- 4.7 In addition the Director and service leadership team will be addressing the related implications on the service budget alongside the Finance directorate to ensure services are delivered within annual resource allocations over the medium term.

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 2 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 2.

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 (CCG) 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 the 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 resource 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. A cap is placed on the shared financial exposure for each organisation (after the use of £5m) in 2017/18.
- 6.3 The governance arrangements are that the Strategic Commissioning Management Team and the Strategic 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.

- 6.4 A single consolidated finance report for the whole health and social care economy will continue to be produced. The report is based on the latest available information and therefore shows updated forecasts to those that were reported to the Strategic Commissioning Board on 31 October 2017.
- 6.5 The Month 7 revenue position will be reported to the Strategic Commissioning Board on 12 December 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 health and social care economy of £11.1m in 2017/18. Table 5 also provides supporting analysis on the resourcing of this projected deficit. The non-recurrent Council contribution of up to £ 5m will be financed from the Care Together Reserve.
- 6.6 It should be noted that the forecast risk share financing arrangements are not currently reflected in the forecast outturn position for Adult Services, Children's Services or Population Health within this report. However this will be reflected in the next monitoring report for the Council, as the final forecast outturn becomes more certain. 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
Strategic Commission	484,816	495,988	(11,172)
ICFT	(23,344)	(23,344)	0
Total Whole Economy	460,472	471,644	(11,172)

Strategic Commission - Risk Share	£'000
TMBC - Non Recurrent Contribution	(4,324)
TMBC	(6,348)
CCG	(500)
Total	(11,172)

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

<http://tameside.moderngov.co.uk/documents/s24632/ITEM%204a%20-%20Health%20Economy%20Finance%20Presentation%20-%20Finance%20Committee%20FINAL.pdf>

- 6.8 During 2017/18 there has been significant investment in Adult Social Care services, including a number of transformational schemes which are intended to reduce pressures on the NHS due to Delayed Transfers of Care (DTOCs) from the ICFT into Adult social care services. These schemes are now beginning to take effect, but the ICFT continues to face pressures from DTOCs in respect of social care.
- 6.9 Recommendation five of this report requests that the Executive Cabinet agree the payment of a non-recurrent sum, to a maximum value of £1.0 million, to the Tameside

& Glossop NHS Integrated Care Foundation Trust (T&G NHS ICFT), to fund the DTOC pressures faced by the Trust. It will be funded from the Better Care Fund phase 2 grant, which is non-recurrent three year funding announced in Spring 2017 budget, £5.365m of which has been received during 2017/18 financial year.

7 RECOMMENDATIONS

7.1 As stated on the report cover.

**APPENDIX 1:
Council structure and budget changes Quarter 2 for approval**

Previous Directorate at Quarter 1	Service	2017/18 Budget £000	New Directorate at Quarter 2
People	Children's Social Care & Strategy and Early Intervention	35,192	Children's
	Education	3,385	
	Adults Social Care & Adults Early Intervention	44,184	Adults
Public Health	Population Health	16,707	Population Health
Place	Development, Growth & Investment	2,231	Place
	Asset and Investment Partnership Management	6,184	
	Environmental Services	40,663	Neighbourhood & Operations
	Stronger Communities	7,730	
	Digital Tameside	1,909	Finance & IT
Governance & Resources	Resources	2,466	Governance
	Governance	7,186	
Corporate	Corporate Costs	3,838	Corporate
	Capital Financing	9,760	
	Other Cost Pressures and Funding	(4,039)	
Total		177,396	

The only budget transfer between Quarter 1 and 2 was the transfer of the Routes to Work service (£0.123m) which transferred from Adult Social Care to the Development, Growth & Investment service. This transfer is included in the above table.

DIRECTOR OF CHILDREN

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
A. Children's Social Care	35,192	42,387	7,195
B. Education	3,385	3,565	180
TOTAL	38,577	45,952	7,375

A. CHILDREN'S SOCIAL CARE

Children's Social Care	£000
Employee Costs	
The service continues to recruit to vacant posts (mainly Social Workers) within the original budgeted establishment and to support the additional caseload demands since the 2017/18 budget was approved. The recruitment includes permanent positions within the structure alongside agency workers. The on-going strategy is to transition agency employees onto permanent contracts within the service as this is a lower cost alternative and also improves the quality and stability of service delivery.	874
Alongside the recruitment of agency Social Workers, there is also additional estimated expenditure to the approved budget on a number of additional senior positions as the Council and its partner's takes action to make the required improvements to the service, including the appointment of a new Director of Children's Services. The annual cost of these additional posts is likely to lead to a cost pressure in 2018/19 of £600k.	
Independent Sector and Internal Carer Placements	
The quarter one revenue monitoring report provided supporting analysis of the additional independent sector placements to the 2017/18 approved budget, including details of any associated placement price increases (£5.9m). This projected demand on the service budget remains at quarter two.	6,635
The number of Looked After Children has gradually increased from 513 at April 2017 to 579 in November 2017. The current budget allocation will finance approximately 450 placements, assuming average weekly unit costs for placements.	
The annual cost of these additional placements including Special Guardianship Order, Residence Order payments is likely to lead to a cost pressure of approximately £7.7 million in 2018/19.	
Other Minor Variances across the service	(314)
CHILDREN'S SOCIAL CARE TOTAL	<u>7,195</u>

B. EDUCATION

	£000
Employee Costs	
Expenditure is below budget on employee costs due to a number of vacant posts and other minor variations under £50k.	(465)
Special Education Transport	
The budget was set based on 2016-17 demand levels. Expenditure is projected to be above budget due to an increase in the number of children eligible to receive home to school transport for the academic year. A review of the transport position has been undertaken and tenders have been awarded. The expected savings have not materialised. This is due to an increase in demand and routes needed and some price increases, despite a competitive tender. The service will continue to monitor spend in this area.	392
Other Expenditure	
Other Expenditure is above budget due to external provision being required to deliver the statutory service for Education Psychology (£80k) as there is a vacancy in the service. The traded service for Education Psychology has seen a significant reduction in buy in from schools in this financial year. As a result of this spend will be below budget (£119k) due to a reduction in the use of associates and overheads which is offset against the reduction in income as stated below. There are one off costs associated with dilapidations that will be incurred in year (£59k) in relation to the exiting of a property lease. This rental saving will accrue in 2018/19. There are other minor variations under £50k.	48
Grants & Other Contributions	
There are a number of small increases in grant funding, individually under £50k.	(66)
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 (£106k); Behaviour for Learning & Inclusion Service (£53k); Equality, Multicultural and Access Team (£43k) and the Governor Clerking Service (£32k). There are other minor variations under £50k.	262
Academy Schools Income	
Income is less than budgeted for Academy Schools due to a reduction in the buy in from schools to the Education Psychology Traded Service (£35k). There are other minor variations under £50k.	46
Other Income	
Minor Variations Under £50k	(37)
EDUCATION TOTAL	<u>180</u>

DIRECTOR OF ADULTS

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
C. Adult and Early Intervention Services	44,184	44,002	(182)
TOTAL	44,184	44,002	(182)

C. ADULT AND EARLY INTERVENTION SERVICES

	£000
Employee Expenditure forecast to be less than budget due to vacant posts. The number of hours required for the Council provided Learning Disabilities Homemaker Service are less than budgeted due to services being delivered by the independent sector.	(417)
The numbers of Nursing care home bed placements have increased from 201 at April 2017 to 220 at the end of September (the average net cost of a nursing placement excluding Funded Nursing Care (FNC) is £29k per year). There is a corresponding reduction in the delayed transfer of care (DTC) at the hospital with current daily average at approximately 13 compared to 30+ in April 2017. The age of admission is also reducing which is leading to an increase in length of stay (average age of admission last year was 82 compared to 80 currently) which could have a future financial impact.	656
There has been £160k of Direct Payment (DP) claw backs in year following client finance audits. These occur when clients no longer require the level of care originally stipulated in their DP agreement or where the allowance has not been used by the client in the agreed way. This reduction in spend is partially offset by a small increase in clients receiving DP's (increase from 284 to 290 since April 2017)	(147)
There has been an increase in Fairer Charging income received for community based services, this is income based on the individual client financial assessments of approximately 1000 clients (this number varies slightly throughout the year).	(84)
Actual homecare hours purchased are lower than budgeted provision by an average of 200 hours per week (Budgeted provision of 9,500 hours per week, actual hours purchased averaging approximately 9,300 p/w)	(74)
Transport related expenditure has reduced due to increased mobile working leading to lower staff mileage claims	(42)
Other minor variations across the service, including an underspend in a legacy ICT maintenance budget held within the Adults service.	(153)
Reduction in contributions and other income sources compared to previous year	79
Adults and Early Intervention Total	<u>(182)</u>

DIRECTOR OF POPULATION HEALTH

D. DIRECTOR OF POPULATION HEALTH

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
D. Population Health	16,707	16,523	(184)
TOTAL	16,707	16,523	(184)

	£000
Cost reductions resulting from an in year service redesign which includes a part year saving from the deletion of a management post. The full year effect of £74k will be realised in 2018/19.	(40)
Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts.	(135)
Other Minor Variations	(9)
PUBLIC HEALTH TOTAL	<u>(184)</u>

DIRECTOR OF PLACE

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
E. Development Growth and Investment	2,231	2,166	(65)
F. Asset and Investment Partnership Management	6,184	6,754	570
TOTAL	8,415	8,920	505

E. DEVELOPMENT GROWTH AND INVESTMENT

	£000
Expenditure	
Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts.	(269)
Temporary agency support within the Planning service due to vacant posts	50
Other minor variations	26
Income	
Income less than budget for Building Control service as a result vacant posts.	160
Realisation of additional grant related income	(60)
Other minor variations across the service	28
DEVELOPMENT GROWTH AND INVESTMENT	<u>(65)</u>

F. ASSET AND INVESTMENT PARTNERSHIP MANAGEMENT

	£000
Corporate Landlord	
Estates income in respect of rechargeable works is lower than estimated due to reduced activity.	128
Advance payment discount to Carillion no longer being received	102
The Facilities Management Contract is being reviewed which should produce savings in future years. The cost of this review has not been provided for within the current budget.	75
Dilapidation costs for the Learn at St Anne's accommodation for the post 19 service following the vacation of the building which were not provided for within the current budget. Savings will be realised from the termination of the lease on this property and have been factored into the current service budget.	75

Loss of Industrial estate income where units are vacant or used for Council purposes.	116
Other minor variations.	5
Catering	
Anticipated discount of £55k in respect of the advanced payment that was made will now no longer be received	55
Other minor variations.	14
<u>ASSET AND INVESTMENT PARTNERSHIP MANAGEMENT</u>	<u>570</u>

DIRECTOR OF NEIGHBOURHOOD & OPERATIONS

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
G. Environmental Services	40,663	40,502	(161)
H. Stronger Communities	7,730	7,724	(6)
TOTAL	48,393	48,226	(167)

G. ENVIRONMENTAL SERVICES

	£000
Expenditure	(539)
Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts.	
Agency staffing and transport costs anticipated to be in excess of budget in respect of waste services to enable the implementation of new collection rounds. No budget provision was made at the time as it was expected that corresponding savings to the waste levy would be achieved through reduced tonnages.	346
Other minor variations	(35)
Income	
Income from sales, fees and charges anticipated to be less than budget in the following areas across Environmental Services:	319
Highways - Utility Control Fee Income £71k - This is due to a reduction in defective works by Utility companies.	
Ashton Market Ground £185k - The reduction in income is due to the redevelopment of the market. This is a transitional reduction in income; budgets are being reviewed to look for savings to offset this.	
Income anticipated being in excess of budget for Trade Waste service - as a result of increased activity (£87k).	
Other minor variations across Environmental Services below £0.050m (including reduction in income from car parks for contract passes £47k and reduction income from skips and scaffolding permits £35k due reduced demand) £169k.	
Other income anticipated to be in excess of budget in Civil Engineering Service, for works carried out on construction related projects.	(252)
ENVIRONMENTAL SERVICES TOTAL	(161)

H. STRONGER COMMUNITIES

	£000
In 2017/18 the Council's CCTV budget has transferred from the People Directorate to the Place Directorate. Based on current contract values and expected spend, there is a £56k funding gap. In addition to this the staffing costs are higher than budgeted and the income targets are not currently expected to be achieved leading to total gap of £106k	106
Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts in the Neighbourhoods service.	(44)
Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts in the Customer Contact service.	(34)
One-off efficiencies in year materialising from delays in progressing projects within the Homelessness Service	(50)
Other minor variations	16
STRONGER COMMUNITIES TOTAL	<u>(6)</u>

DIRECTOR OF GOVERNANCE

I. DIRECTOR OF GOVERNANCE

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
I. Director of Governance	7,186	5,936	(1,250)
TOTAL	7,186	5,936	(1,250)

	£000
On-going restrictions in recruitment, and delays in the implementation of Service redesigns, have resulted in a projected expenditure level under budget in relation to employee costs across the service.	(443)
Continuing restrictions in expenditure, and efficiencies across the service, have resulted in a projected expenditure level of £730k under budget relative to supplies and services expenditure.	(730)
Increased income generation as a result of an increase in summons fee costs	(129)
Other minor income variations under £50k	52
Director of Governance and Resources Total	<u>(1,250)</u>

DIRECTOR OF FINANCE & IT

J. DIRECTOR OF FINANCE & IT

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
J. Finance	2,466	1,879	(587)
K. Digital Tameside	1,909	1,910	1
TOTAL	4,375	3,789	(586)

J. FINANCE

	£000
On-going restrictions in recruitment, and delays in the implementation of Service redesigns, have resulted in a projected expenditure level of £588k under budget in relation to employee costs across the service.	(588)
Other minor variations under £50k	1
Finance Total	(587)

K. DIGITAL TAMESIDE

	£000
Employees	
Expenditure forecast to be less than budget as a result of delayed recruitment to vacant posts. Agency costs are also expected to be less than budgeted for.	(47)
Supplies and Services	
Additional costs have been incurred as a result of an increased demand for the backup of data.	80
Additional security software was required to all for IT patches and upgrades to desktop systems.	34
Other minor variations under £50k	(23)
Recharge Income	
Income from recharges of MFD to services is greater than anticipated.	(41)
Other minor variations under £50k	(2)
Digital Tameside Total	1

CORPORATE BUDGETS

	2017/18 Budget £000	Outturn £000	Variation to Budget £000
Corporate Costs, Capital and Financing and Other Cost Pressures	9,559	3,310	6,249
TOTAL	9,558	3,310	(6,249)

Corporate Budgets	£000
Capital Financing	
The 2017/18 budget assumed additional borrowing of £30m from 1 April 2017. No additional borrowing has yet been undertaken during 2017/18. Forecast outturn assumes this additional borrowing will be required from 1 January 2018.	(624)
Contingency	
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)
The council has received additional grant funding, some of which is one-off (Business Rates Section 31 grant and Education Services Grant).	(1,996)
Corporate Costs	
On-going restrictions in expenditure and other minor variations in employee costs and income have resulted in a projected outturn less than budget.	(206)
CORPORATE BUDGETS TOTAL	<u>(6,249)</u>

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
July 2017	36.010	36.87	37.00	-0.13
August 2017	44.642	45.66	46.00	-0.34
September 2017	53.240	54.41	54.90	-0.49

<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
July 2017	26.225	44.31	38.00	+6.31
August 2017	30.677	51.76	47.00	+4.76
September 2017	33.156	56.10	55.50	+0.60

APPENDIX 4
Business Rates, Council Tax and Sundry Debtor write offs

IRRECOVERABLE DEBTS OVER £3000

1 July 2017 to 30 September 2017

Note individuals are anonymised

REF:	DEBT:	FINANCIAL YEAR(S)	BALANCE	REASON
65064735	Business Rates Anonymised as an individual	2015 – 2016 £2321.21 2015 – 2016 £26255.61 2016 – 2017 £11319.44	£39896.26	Bankruptcy Order granted 15/02/2017
BUSINESS RATES		SUB TOTAL – Personal Bankruptcy	£39,896.26	
65500569	Business Rates	Go Taverns Ltd The Q Inn 3-5 Market Street Stalybridge SK15 2AL	2014 – 2015 £94.00 2015 - 2016 £2432.45 2016 – 2017 £820.27	£3346.72 Company Dissolved 10/01/2017
65495797	Business Rates	Temptations Bakery Ltd 25-29 Market Street Ashton under Lyne OL6 6AL	2015 – 2016 £4000.00 2016 – 2017 £1692.86	£5692.86 Company Dissolved 17/01/2017
65535688	Business Rates	D M Raceway Ltd Unit E201 P1 Warmco Industrial Estate Manchester Road Mossley OL5 9XA	2013 – 2014 £1153.42 2015 – 2015 £1766.25 2015 – 2016 £900.00	£3819.67 Company Dissolved 03/11/2015
65540673	Business Rates	Alfa Traders UK Ltd Unit 11 Nelson Business Centre Nelson Street Denton M34 3ET	2014 – 2015 £2404.29 2015 – 2016 £2987.54	£5391.83 Company Dissolved 15/11/2016
65525162	Business Rates	Battlezone Splatball Ltd Unit 4A Ground Floor 2 Hertford Street Ashton under Lyne OL7 0TB	2016 – 2017 £5069.45	£5069.45 Company Dissolved 02/05/2017
65275016	Business Rates	PSL Scaffolding Ltd Furnace Street Dukinfield SK16 4JA	2015 – 2015 £313.00 2015 – 2016 £2326.00 2016 – 2017 £1456.69	£4095.69 Company Dissolved 08/11/2016

65542747	Business Rates	Tecc Haulage Ltd Unit E201 I Warmco Industrial Estate Manchester Road Mossley OL5 9XA	2010 – 2011 £800.28 2011 – 2012 £3420.70 2012 – 2013 £3555.00 2013 – 2014 £1219.93	£8995.91 Company Dissolved 02/06/2015
65474035	Business Rates	Steve Thomasson Mini Buses Ltd Unit 1 Park Mill Manchester Road Mossley OL5 9BQ	2010 – 2011 £4483.09 2011 – 2012 £4490.38 2012 – 2013 £4743.35	£13716.82 Company Dissolved 21/03/2017
65525001	Business Rates	O & J Inns Ltd Shepherds Call 216 Market Street Hyde SK14 1HB	2016 – 2017 £7797.28 2017 – 2018 £687.63	£8484.91 Company Dissolved 13/06/2017
65428735	Business Rates	Viva Leisure Ltd 58 Melbourne Street Stalybridge SK15 2JJ	2011 – 2012 £3296.45	£3296.45 Company Dissolved 08/12/2015
65431403	Business Rates	DNA Hub Ltd 198 – 200 Stamford Street Ashton under Lyne OL6 7LR	2013 – 2014 £2384.51 2014 – 2015 £691.27	£3075.78 Company Dissolved 14/07/2015
65518287	Business Rates	The Funky Pub Company Ltd Toll Point 49 Stockport Road Denton M34 6DB	2015 – 2016 £812.00 2016 – 2017 £3793.21	£4605.21 Company Dissolved 04/07/2017
65469460	Business Rates	Look Fabulous 2 Ltd Unit 6 Globe Lane Industrial Park Platt Street Dukinfield SK16 4QZ	2014 – 2015 £4989.12 2015 – 2016 £19966.50 2016 – 2017 £6877.03	£31832.65 Company Dissolved 02/08/2016
BUSINESS RATES		SUB TOTAL – Company Dissolved	£101,423.95	
65534814	Business Rates	TCT Totalled Controlled Demolition Ashton & Manchester Waste Executive Texas Street Ashton under Lyne OL6 6UJ	2015 – 2016 £2271.88 2016 – 2017 £2398.78	£4670.66 Company in Liquidation 18/07/2016
65512661	Business Rates	Indian Ocean Cuisine GB Ltd 83 Stamford Street Ashton under Lyne OL6 6QQ	2016 - 2017 £10147.43	£10147.43 Company in Liquidation 09/01/2017
65013690	Business Rates	Trace Deals Ltd Stamford Road Audenshaw M34 5AY	2016 – 2017 £11994.00	£11994.00 Company in Liquidation 23/02/2017

BUSINESS RATES		SUB TOTAL - Company in Liquidation	£26,812.09	
65443758	Business Rates Anonymised as an individual	2012 – 2013 £4278.97	£4278.97	Debt Relief Order granted 25/01/2017
BUSINESS RATES		SUB TOTAL – Debt Relief Order	£4278.97	
65013409	Business Rates	Weston Castle Ltd Gardeners Arms 98 Lumn Road Hyde SK14 1PR	2016 – 2017 £556.00 2017 – 2018 £2475.19	£3031.19 Company Voluntary Arrangement 08/03/2017
BUSINESS RATES		SUB TOTAL – Company Voluntary Arrangement	£3031.19	
65482029	Business Rates Anonymised as an individual	2014 - 2015 £3993.29	£3993.29	£3993.29 Individual Voluntary Arrangement 27/11/2015
65442335	Business Rates Anonymised as an individual	2015 – 2016 £1062.30 2016 – 2017 £3920.40 2017 – 2018 £382.53	£5665.23	£5665.23 Individual Voluntary Arrangement 22/03/2017
65525285	Business Rates Anonymised as an individual	2016 – 2017 £4714.54	£4714.54	Individual Voluntary Arrangement 22/03/2017
BUSINESS RATES		SUB TOTAL – Individual Voluntary Arrangement	£14,373.06	
BUSINESS RATES IRRECOVERABLE BY LAW			£189,815.52	

SUMMARY OF UNRECOVERABLE DEBT OVER £3000		
IRRECOVERABLE by law	Council Tax	Nil
	Business Rates	£189,815.52
	Overpaid Housing Benefit	Nil
	Sundry	Nil
	TOTAL	£189,815.52
DISCRETIONARY write off – meaning no further resources will be used to actively pursue	Council Tax	Nil
	Business Rates	Nil
	Overpaid Housing Benefit	Nil
	Sundry	Nil
	TOTAL	Nil