Harrow COUNCIL
LONDON

REPORT FOR: CABINET

Date of Meeting:	8 December 2016
Subject:	2016/17 Revenue and Capital Monitoring for Quarter 2 as at 30 September 2016
Key Decision:	Yes
Responsible Officer:	Dawn Calvert, Director of Finance
Portfolio Holder:	Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation
Exempt:	No, except for Appendix 5, which is exempt on the grounds that it contains "exempt information" under paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) in that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1 - Revenue Summary (Directorates) as at 30 September 2016. Appendix 2 – MTFS 2016/17 to 2019/20 Savings Tracker. Appendix 3- Debt Management 2016/17.

Appendix 4- Capital Programme as at 30 September 2016.
Appendix 5 – Concilium Business Services Performance Report.(Part II – Exempt)

Section 1 – Summary and Recommendations

This report sets out the Council's revenue and capital monitoring position as at Quarter 2 2016/17 (30 September 2016).

Recommendations:

1. That Cabinet note the revenue and capital forecast positions detailed in this report as at Quarter 2 2016/17.

2. Note the latest quarter's performance report from Concilium Business Service as specified in Appendix 5 (Part II report).

3. Authorise the Corporate Director of Resources and Commercial, following consultation with the Portfolio Holder for Finance and Commercialisation, to approve the varying of Concilium Business Services shareholders agreement via an appropriate Deed of Variation in line with the details within this report.

4. That Cabinet note the proposed reduction to the 2016/17 Capital Programme as outlined in paragraph 3.10 to 3.13.

5. That Cabinet approve the addition to 2016/17 Capital Programme as outlined in Paragraph 3.20, 3.43 and 3.44.
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Reason: (For recommendation)
To report the 2016/17 forecast financial position as at 30 September 2016 and to seek approval for budget adjustments which require Cabinet approval in accordance with Financial Regulations.

Section 2 – Report

1 INTRODUCTION

1.1 The net forecast position at Quarter 2 on revenue is an estimated pressure of £8.539m on directorate budgets, after mitigating actions of £2.551m have been allowed for. This reduces to £3.849m after the assumed use of the central contingency budget (£1.329m), the use of the Welfare reform and Homelessness reserves (£2m), containment of regeneration related expenditure within the regeneration model (£595k) and an underspend against Corporate budgets of (£766k).

The £3.849m position is broadly in line with the Quarter 1 forecast position.

1.2 The capital programme is reporting a forecast spend of £112.693m against a budget of £171.739m. This represents a total forecast spend of 66%. In terms of general fund capital, there is a forecast of spend £95.294m against a budget of £141.916m. Of the variance of £46.623m underspends, £41.698m is requested for slippage into 2017/18 and £4.925m represents capital budget that is no longer required. For the HRA, an underspend of £12.423m is forecast which is requested for slippage in full to 2017/18.

(Please note, all numbers in brackets relates to income/underspends)

2. REVENUE MONITORING

2.1 It is crucial to balance the 2016/17 budget whilst doing everything possible to protect frontline services. To achieve this, a plan is in place to be as lean and efficient as possible. Specifically, this includes the implementation of spending controls, reviews of non-essential spend, the improved use of assets, and a range of other efficiency and effectiveness initiatives.

2.2 A summary of the quarter 2 monitoring is shown in 1 table below:

Table 1: Revenue Monitoring – Quarter 2 2016/17

Directorate	Revised Budget	Forecast Outturn Before Mitigations	Quarter 2 Variance	One off income/ earmarked reserves	Quarter 2 Variance After Mitigations	Quarter 1 Variance	Movement between Q1 and Q2
	£000	£000	£000	£000	£000	£000	£000
Resources and Commercial	20,207	19,620	(587)	(65)	(652)	(241)	(411)
Business Support	1,373	2,250	877		877	691	186
Community	40,967	44,661	3,694	(418)	3,276	3,805	(529)
People	98,264	104,803	6,539	(1,846)	4,693	3,079	1,614
Regeneration	2,193	2,760	567	(222)	345	-	345
Total Directorates	**163,004**	**174,094**	**11,090**	**(2,551)**	**8,539**	**7,334**	**1,205**
Corporate Items	(1,346)	(2,707)	(1,361)		(1,361)	(1,212)	(149)
Corporate Contingency	3,329	2,000	(1,329)		(1,329)	(1,329)	-
Homelessness Reserve				(1,000)	(1,000)	(1,000)	-
LEP Topsliced Reserve				(1,000)	(1,000)		(1,000)
Total Budget Requirement	**164,987**	**173,387**	**8,400**	**(4,551)**	**3,849**	**3,793**	**56**

Resources & Commercial

Table 2 Resources & Commercial Variance

	Q2 Variance £'000	Q1 Variance £'000	Movement between Q1 and Q2
Resources	(652)	(241)	(411)
Business Support	877	691	186
Total	225	450	(225)

2.3 At quarter 2, Resources is forecasting to underspend by (£652k) compare to a forecast underspend of (£241k) at Quarter 1, which is a favourable movement of (£411k).

2.4 The movement between quarter one and two is mainly due to a **(£250k)** estimated Government subsidy and increased recovery of overpayments in the Benefits budget, the receipt of **(£208k)** from Central Government for the costs of European elections incurred in 2015-16 by Legal and Governance, off-set by the Legal and Governance Shared Services budget, previously forecast as **(£60k)** under spent, now being in line with the budget.

2.5 The underlying underspend, along with the above movements, is due to savings on indexation, printing and consultancy costs in the Business Transformation budget of **(£249k)**, Harrow Help budget forecast to underspend by **(£102k)**, Cashiers Services one off cost savings of **(£59k)**, and a **(£153k)** underspend in HRD & Shared Services from one off savings following the transitional arrangements which went live on the 1st August 2016.

2.6 The underspends fully offset pressures in Strategic Commissioning due to a shortfall against MTFS targets 'Commissioning Capacity in the Council' **£87k**, 'Income from Communications through Gain Share Model' **£25k,** advertising savings target **£25k** and prior year costs being paid this year. Finance is forecasting a **£107k** overspend due to in year staffing pressures. Procurement and Commercialisation is forecasting to overspend as a Pan Organisation savings target will be underachieved by **£100k** and a **£41k** over spend as a result of West London Alliance fees.

Business Support

2.7 Business Support is forecasting to overspend by £877k at Quarter 2 compared to £691k in Quarter 1. The movement is due to increased demand in the Children's Services team requiring additional Business Support staff. The MTFS savings target of £650k for 'Business Support Review' is resulting in a pressure.

2.8 A review of the Business Support budgets has been taking place with an analysis of the support required to the Children's front line service, in response to significant demand led pressures. This has included reviewing Business Support activity within Children's Services. The cost pressure associated with this review is reflected in the children's forecast for 16/17 and will be transferred to Business support next financial year.

Community Directorate

2.9 At Quarter 2 the Community Directorate is forecasting an overspend of £3.276m an improvement from quarter 1 of £529k.

Table 3: Community Directorate's Variance

	Q2 Variance	Q1 Variance	Movement between Q1 and Q2
	£'000	£'000	£'000
Commissioning & Commercialisation	(410)	(500)	90
Environment & Culture	1,204	842	362
Directorate Management	(96)	(92)	(4)
Housing General Fund	2,996	3,555	(559)
One off in-year mitigations	(418)		(418)
Total	3,276	3,805	(529)

2.10 The favorable movements from Quarter 1 to Quarter 2 relate to an improvement in the homelessness pressures of (**£559k)**, which is partially offset by the net additional costs of arts & heritage services **£226k**, a reduction in waste services income forecast **£114k**, a reduction in the forecast income for Gayton Road car park **£70k** and a forecast shortfall on "Car wash" lettings income of **£20k** which are contained within the regeneration model. The Directorate has also identified one-off in year savings of **(£418k)** during Quarter 2.

2.11 A significant amount of the forecast pressure - **£2.8m** relates to homelessness. The combined impact of a shortage of affordable accommodation in London, rapidly increasing rents in the private rented sector and the Government's welfare reforms continue to place pressure on household incomes, which has driven extraordinary growth in the number of families becoming homeless across London. Homelessness prevention initiatives are, however, becoming increasingly successful, and as a result the forecast pressure has now started to reduce. Other pressures within Housing include the review of Watkins House to ensure compliance with applicable regulations.

2.12 Environment's overspend relates to an amber rated MTFS saving associated with the changes of garden and food waste collection system. There is a forecast pressure of **£1.3m** on this MTFS saving relating to an income shortfall of £0.5m against the original target for garden waste (which was set prior to the final agreed regime for garden waste service), additional operational costs of £0.8m due to more crews deployed than anticipated as a result of on-going IT issues, and additional staff required in Access Harrow. Management actions are being undertaken to address this pressure, including route optimisation, the review of administrative support and recycling campaigns.

2.13 A pressure of **£0.66m** for the Arts and Heritage service following a decision in September to explore other options for delivering the service. This consists of the non-achievement of MTFS saving and one-off unfunded transition costs. An over spend on Libraries & Leisure of **£101k** is also reported mainly relating to £73k additional costs of the libraries contract due to indexation not included in base budget.

2.14 The over spends have been partially offset by a one-off saving of (£0.77m) identified on waste disposal costs and forecast overachievement of income of (£0.618m), consisting of one off income of £0.5m from Parking as a result of a change in accounting policy and £188k additional income from the HRA.

2.15 Of the £4.974m 16/17 MTFS targets, there is one red rated saving at Quarter 2 relating to Arts and Heritage service (£173k in 16/17 and £282k in 17/18), which was an amber rated saving at Quarter 1. The decision not to progress with the transfer to Cultura is the reason for the movement from amber to red.

<u>Housing Revenue Account</u>

2.16 Quarter 2 forecasts a pressure of £630k, a deterioration against Quarter 1 of £473k due mainly to unforeseen repairs expenditure required to meet legislative requirements and discharge mandatory health & safety obligations.

2.17 The pressure also reflects the costs of the compulsory upgrade of IT systems, and unbudgeted Depot bin hire and bulk waste disposal recharges, for which offsetting savings will have to be found.

2.18 Welfare reform and the extension of rent reduction to sheltered housing will impact on the HRA in 2017-18, though other initiatives such as Pay to Stay and Forced Sale of high value Council properties, which were anticipated to take effect next year, have either been shelved or postponed. The challenges facing the HRA are addressed in the HRA draft budget report elsewhere on this agenda.

2.19 A summary of the HRA position is provided below which includes estimated balances.

Table 4: HRA Variance

HRA revenue balances	Outturn 2015-16	Revised Budget	YTD Actual	Forecast outturn	Variance
	£000	£000	£000	£000	£000
Balance b/fwd	(4,584)	(5,296)		(6,736)	(1,440)
Net (surplus) deficit	(2,152)	(144)	546	486	630
Balance c/fwd	(6,736)	(5,440)		(6,250)	(810)

People's Directorate

2.20 The People's Directorate is forecasting an over spend of **£4.693m** at Quarter 2. This is after one off planned management actions and use of Children's Social Care Reserve of £1.846m.

Table 5: People's Directorate's Variance

	Q2 Variance £'000	Q1 Variance £'000	Movement between Q1 and Q2 £000
Adult	2,400	1,831	569
Children	2,821	1,599	1,222
Public Health	(528)	(351)	(177)
Total	4,693	3,079	1,641

Adult Services

2.21 At Quarter 2, the Adults Division is forecast to overspend by £2.4m. This represents an increase of £569k on the position at quarter 1.

2.22 The movement of £569k between Q1 and Q2 represents the full year shortfall on the delivery of the Kenmore Community Model savings- £132k, increase in bad debt provision £196k and increased challenges around Adult placement budget and wider mitigation plans.

2.23 The overspend of £2.4m represents the following key variations:

- A pressure of **£3.180m** in Adult Social Care (including ongoing pressures in relation to DoLs and Mental Health). These pressures are largely as a result of:
    - Reductions in underlying funding – the Care Act funding of £1.271m in 2016/17 could not be allocated to fund Adult Social Care pressures on an ongoing basis given the wider financial

position and the precept funding was not sufficient to cover the total growth required.

  - Increases in the cost and complexity of placements (including demographic pressures), inflationary uplifts and reduced availability of placements within the weekly financial envelope, together with a financially challenged health economy which has a knock on effect on Adult social care ie; hospital discharges.

- The directorate is managing MTFS reductions of £3.592m, and a shortfall of approximately £**0.995m** (including the full year effect of Kenmore) is forecast from delays in implementing the approved savings.

- Unprecedented levels of mitigating action at **(£1.775m)**, including spending controls and review of staffing to seek to manage the overall position where possible.

2.24 Managing the outturn at this level is proving extremely challenging, with minimal capacity and the competing pressures around supporting mitigation draws staff away from core business. It is difficult striking a balance between delivering savings and managing the demand, whilst continuing to discharge the statutory duty to support the most vulnerable in our community.

Children's Services

2.25 As at Quarter 2 the headline pressures totals £4.667m. This reduces to a net reported overspend for the division of £2.821m after the use of one off management and reserve actions totalling £1.846m.

2.26 The net increase in pressure of £1.222m from the position reported at Quarter1 is as follows:

2.27 **Children's Placements Increased Pressure £828k –** There has been an additional two high cost residential placements and six additional external fostering placements including one high cost mother and baby placement.

2.28 **Families with No Recourse to Public Funds Increased Pressure of £85k –** There has been an increase in volumes and costs of families with no recourse to public funds.

2.29 **Special Needs Transport Increased Pressure £76k –** Resulting from changes in the new academic year.

2.30 **Children and Young People's Staffing £152k Increased Pressure** There is an increase in pressure of £152k due to two posts previously assumed to be funded by the Housing Revenue Account totalling £102k which have now been brought into the revenue forecast and £50k due to additional sickness and maternity cover.

2.31 Other increased pressures across the directorate of £81k**.**

2.32 The net overspend position of **£2.821m** is detailed as follows**:**

2.33 **Special Needs Transport £1.192m overspends –** Special Needs Transport underwent a significant review in 2014/15 with a view to achieving a £0.570m savings target. It was only possible to meet approximately half of this savings target due in main to contract prices being higher than anticipated. In addition savings of £257k in 2016-17 have also not been achieved which were largely due to a review of eligibility and a number of other actions which have been undertaken. However, it is not yet apparent that any significant savings can be achieved to drive down the existing pressure. These contribute to part of the overspends. There has also been an increase in demand, particularly for transport from home to school as the SEND reforms that extends special educational provision to age 25 years has led to an increased number of young adults with complex needs continuing in education**.**

2.26 **Children's Placements £1.501m overspend –** The overspend mainly results from an increase in the number of children in high cost residential placements. A number of these placements have been needed in response to significant risks relating to child sexual exploitation and gangs involvement.

2.27 **Children and Young People's staffing £1.314m overspend –** The volume of referrals from the police to the Multi Agency Safeguarding Hub have gone up by 37%, many of these referrals are about domestic abuse and risk. In addition the volume of referrals linked to homelessness has gone up significantly and means that children are particularly vulnerable in temporary housing. The number of children on child protection plans have gone up by 20% and this includes all forms of abuse especially neglect. A growth bid for additional social work posts in 2017/18 is to be submitted.

2.28 **Families with No Recourse to Public Funds £0.674m overspend** These families are being supported by the council because they have no recourse to public funds. 1.5 FTE bespoke workers have been recruited to focus specifically on these families to help reduce costs and mitigate the financial pressures on this budget. These workers are currently supporting a total of 17 cases. 9 cases have been successfully closed which has mitigated what would have been an even greater pressure.

2.29 **Business Support Staffing in Children's Services £323k overspend –** The model of practice within Children's Services is to integrate business support throughout the children's pathway. These are specialist posts supporting social work pods, and the specialist panels e.g. Adoption Panel which supports the multiple statutory functions throughout Children's Services. The rise in demand in Children's Services which has resulted in additional social workers as set out above has also increased the requirement for additional business support staff.

2.30 These pressures are partially offset by use of one off children's earmarked reserves and one off management actions totalling (£1.846m) together with on-going centrally held management actions totalling (£337k).

Dedicated School Grant

- The total notified DSG budget at Q2 is £130.757m. This is an increase from Q1 of £485k in respect of an increase for the number of participating children for Early Years from the census for January 2016. There is an anticipated pressure on the DSG in 2016-17 totalling £0.899m.
- **Early Years £32k overspend** – due to an increase in participating 2 year olds where the funding has lagged.
- **High Needs £1.088m overspend** – due to an increase in demand and complexity and the change in age range to 0-25 year olds in relation to the SEND reforms.
- **Central Fund £230k underspend** – due to a reduction in the number of bulge classes required in 2016-17.
- Any DSG overspend will be funded from an uncommitted brought forward schools contingency balance of £2.091m.

Public Health

2.32 Public Health's position at Quarter 2 is a (£528k) underspend, a favourable movement of £0.177m when compared to Quarter 1.

2.33 The 2016/17 budget process created capacity of **(£184k)** in the grant against which wider public health outcomes could be charged. Further capacity of **(£344k)** has been identified; largely from reducing spend on wider health improvement together with the funding allocated by members to fund specific projects in areas of cuts, to mitigate the wider Council financial position. The underspend shown represents this capacity and offsets wider outcomes for which expenditure has been incurred across the Council.

2.34 The demand led nature of sexual health services potentially reflects the greatest financial risk, however to date the activity is not indicating rising pressures which would lead to variations.

Regeneration, Enterprise and Planning Services

Table 6: Regeneration, Enterprise and Planning Variance

	Quarter2 Variance £000	Quarter1 Variance £000	Movement £000
Economic Development & Research	(6)	0	(6)
Planning	68	0	68
Regeneration	505	0	505
One-off in year mitigation	(222)	0	(222)

Total	345	0	345

2.35 At Quarter 2, Regeneration, Enterprise & Planning are reporting are reporting an over spend of £0.345m [33.2%] over the total net controllable budget.

2.36 The over spend relates in the main to the revenue costs of regeneration activity. A review of estimated expenditure against the Council's Capitalisation Guidance indicates revenue expenditure not qualifying as capital to be **£505k** based on estimates at quarter 2. The pressure is made up of £385k staffing costs, £116k community engagement & communications, £43k planning policy implementation and £89k consultant and other costs. In addition, an estimated £128k New Homes Bonus will be drawn to offset this expenditure. These forecasts are based on assumptions being discussed with Council's external auditors. The £0.505m pressure above is been contained within the regeneration model.

2.37 Planning are reporting an over spend of **£68k** at quarter 2, The increase relates to £26k forecast public inquiry costs in relation to a John Lyon's s106 application coupled with a forecast under recovery of building control income of £43k mainly as a result of the delayed introduction of increased building control fees.

2.38 (**£222k**) one off in year savings has been identified as part of the spending protocol. The directorate is currently on track of delivering these cost reductions / additional income.

CORPORATE BUDGETS

2.39 Corporate budgets are forecast to underspend by £1.361m. This has increased by £1.157m since quarter 2. The increase in the underspend is mainly as a result of:

- Reduction in the interest payable that is now been forecast due to slippage and underspend in the Capital Programme (£573k).
- Unallocated Pay and utility inflation budget (£565k).

Contingencies and Reserves

Central Contingency

2.40 The Central Contingency for unforeseen items in 2016/17 is £1.329m. This will be used in full to mitigate directorate pressures.

Contingencies and Reserves

2.41 The contingencies are there to cover unavoidable spending pressures together with other unforeseen items, areas of risk and uncertainty and unmitigated equalities implications. There are also a number of specific reserves for a variety of purposes as identified in table 2 below.

2.42 The main changes to these reserves are the assumed drawdowns listed in the table below:

Table 7: Contingencies and Earmarked Reserves

	Unforeseen Contingency	Budget Planning	Rapid Response	Standing up for those in need	IT impl/ Transf	Welfare Reform / Homelessness	Children Social Care Reserve	Public health	Commercialisation	TPIF	Carry Fwd	Business Risk	MTFS Implementation cost
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at Start of Year	1,329	2,000	75	800	1,454	0	218	898	520	3,189	0	2,109	582
Addition at year end					400	1,000					-£1,794		2,954
To be added Quarter 2						1,000							
Earmarked Reserves balance at Qrt 2	1,329	2,000	75	800	1,854	2,000	218	898	520	3,189	-1,794	2,109	3,536
Potential draw Down as at Quarter 2	(1,329)	0	0	0	(1,190)	(2,000)	(218)	0	(90)	(665)	1,794	(80)	(1,275)
Available after commitment	**0**	**2,000**	**75**	**800**	**664**	**0**	**0**	**898**	**430**	**2,524**	**0**	**2,029**	**2,261**

MTFS SAVINGS TRACKER

2.44 The 2016/17 budget includes approved MTFS savings of **£17.553m**. The progress on implementation of these savings is summarised below in table 8 and shown in more detail in Appendix 2. As at the end of September, Quarter 2, 36% of savings have already been banked (blue savings), 56% of savings (green and amber) are on track or partially achieved, with 8% of savings being declared as red.

Table 8 MTFS Tracker

	Resources	Community	People	Regen	Pan Organisation	Total at Q2	Total at Q1	Movement
	£000	£000	£000	£000	£000	£000	£000	£000
Red	0	515	885	0	0	1,400	885	515
Amber	1,748	2,071	2,573	30	220	6,642	7,752	-1,110
Green	258	1,612	1,324	50	0	3,244	2,649	595
Blue	2,558	776	2,923	10	0	6,267	6,267	0
Purple	0	0	0	0	0	0	0	0
Total	**4,564**	**4,974**	**7,705**	**90**	**220**	**17,553**	**17,553**	**0**

The movement between Q1 and Q2 is detailed below:

2.45 The Red savings has increased by **£515k**, as a result of the decision to explore other options for delivering the arts & heritage service.

2.46 Amber savings have reduced by **£1.110m**. £515k of this relates to the Cultura savings explained above which is now rated as red.

2.47 Savings of £595k listed below have now moved to Green:

- Transport (£200k) – delivered through wider mitigation.
- Southdown (£139k) – delivered but slight delay in transitioning to new settings to be mitigated through ASC budget.
- Welldon (£106k) – delivered but slight delay in transitioning to new settings to be mitigated through ASC budget.

2.48 Bedford House (£150k) now green but delays in building redesign may require mitigation through ASC budget.

2.49 Green Savings has increased by £595k as explained above.

<u>Concilium Business Services</u>

2.49 A report titled "Trading Company Structures" was taken to Cabinet in July 2015.

2.50 Two trading companies and a Limited Liability Partnership have been set up.

2.51 Of the recommendations in that report, recommendation 16 was stated and approved as follows:
“Authorise the Corporate Director of Resources, following consultation with the Portfolio Holder for Business, Planning and Regeneration and the Portfolio Holder for Finance and Major Contracts to agree the Remuneration and Redundancy policies that will be followed by the Holding Company, the LLP and any other subsidiary companies.”

2.52 Following further legal advice, it was decided that it would not be in the council's interest for decisions on these policies to have influence from the council as shareholder and as a result this resolved matter was not taken forward.

2.53 The council continues to retain control as shareholder through the reserved matters in both companies' shareholder agreements including the ability to add or remove directors from the Boards of either company should it so choose.

2.54 Concilium Group as a holding company was created to support the council's wider commercialisation opportunities. To date, the letting agency is actively trading through its subsidiary, Concilium Business Services. To ensure efficient use of time and resources, it is recommended that the Holding Company's operational and management oversight is reduced and the matters it would need to decide upon been passed directly to the council. This would be effected by Deed of Variation to the Concilium Business Services shareholders agreement.

2.55 If future business activities materialise, this variation can be revoked through another variation to reinstate the Holding Company’s full rights and obligations as the shareholder of its subsidiary company.

2.56 Any profits generated from trading companies can be used to support the general fund, subject to agreement with the respective Board of Directors. Any retained losses must be held against Council reserves in light of potential realisation.

Quarter 2 2016 Report

2.56 The last quarter of 2015/16 was spent establishing the commercial aspects of the business, such as creating the web site, bank account and professional registrations. The first quarter of 2016/17 saw a consolidation of these activities with a revised business plan reflecting the more competitive environment within which the company now operates. Please see Appendix 5 for the latest quarter 2 performance report.

3. CAPITAL PROGRAMME

Capital Programme Forecast at Quarter 2

3.1 The 2016/17 capital programme agreed by Council in February 2016 totalled £127.033m. After allowing for agreed slippage from 2015/16 outturn and other approved amendments, the programme now totals £171.739m at Quarter 2.

3.2 The forecast spend at Quarter 2 is £112.693m, 66% of the total capital programme.

3.3 The forecast variance on the General Fund at Qtr 2 is an underspend of £46.623m (49%) of which £41.698m is requested for slippage into 17/18 and £4.925m represents the capital budget no longer required.

3.4 The forecast variance on the HRA at Quarter 2 is £12.423m, which will all be slipped in full to 17/18.

3.5 Tables 9 and 10 below summarise the capital forecast position and Appendix 4 shows the capital programme in more detail:

Table 9 Summary of forecast by directorate

Directorate	Original Programme	CFWD's	Virement	Other Adjustment (Additional)	External	LBH	TOTAL BUDGET	Forecast Spend	Forecast Variance	Slippage	Underspend after slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
PEOPLE	**17,920**	**19,287**	**0**	**1,737**	**33,510**	**5,433**	**38,944**	**19,374**	**-19,570**	**19,170**	**-400**
Adult	*1,750*	*3,340*	*0*	*-1,878*	*619*	*2,592*	*3,211*	*2,811*	*-400*	*0*	*-400*
Schools and Children	*16,170*	*15,948*	*0*	*3,615*	*32,891*	*2,841*	*35,733*	*16,563*	*-19,170*	*19,170*	*0*
COMMUNITY	**38,980**	**8,439**	**5,000**	**-2,636**	**8,238**	**41,544**	**49,783**	**43,116**	**-6,667**	**5,508**	**-1,159**
Enviroment and Commision	*15,520*	*401*	*5,000*	*-1,682*	*2,768*	*16,471*	*19,239*	*19,239*	*0*	*0*	*0*
Housing	*16,970*	*6,814*	*0*	*0*	*800*	*22,984*	*23,784*	*18,117*	*-5,667*	*5,508*	*-159*
Culture	*4,670*	*0*	*0*	*-954*	*4,670*	*2,090*	*6,760*	*5,760*	*-1,000*	*0*	*-1,000*
RESOURCES	**20,525**	**10,343**	**0**	**0**	**2,159**	**28,709**	**30,868**	**21,933**	**-8,935**	**8,029**	**-906**
REGENERATION	**19,058**	**3,264**	**0**	**0**	**37**	**22,285**	**22,322**	**10,871**	**-11,452**	**8,992**	**-2,460**
CROSS CUTTING	**5,000**	**0**	**-5,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL GENERAL FUND	**101,483**	**41,333**	**0**	**-899**	**43,944**	**97,972**	**141,916**	**95,294**	**-46,623**	**41,698**	**-4,925**
TOTAL HRA	**25,550**	**16,684**	**0**	**-12,412**	**0**	**29,822**	**29,822**	**17,399**	**-12,423**	**12,423**	**0**
TOTAL GENERAL FUND & HRA	**127,033**	**58,017**	**0**	**-13,311**	**43,944**	**127,795**	**171,739**	**112,693**	**-59,046**	**54,122**	**-4,925**

Table 10 Analysis of Forecast Outturn variance

Directorate	Outturn variance	Split of outturn variance by funding		Slippage	Slippage by funding		Underspend after slippage	Split of Underspend after slippage	
		Grant/sec 106	LBH		Grant /Sec 106	LBH		Grant	LBH
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
PEOPLE	**-19,569**	**-18,117**	**-1,452**	**-19,169**	**-18,117**	**-1,052**	**-400**	**0**	**-400**
Adult	*-400*	*0*	*-400*	**0**	*0*	*0*	*-400*	*0*	*-400*
Schools and children	*-19,169*	*-18,117*	*-1,052*	**-19,169**	*-18,117*	*-1,052*	*0*	*0*	*0*
COMMUNITY	**-6,667**	**0**	**-6,667**	**-5,508**	**0**	**-5,508**	**-1,159**	**0**	**-1,159**
Culture	*-1,000*	*0*	*0*	**0**	*0*	*0*	*-1,000*	*0*	*-1,000*
Housing	*-5,667*	*0*	*-5,667*	**-5,508**	*0*	*-5,508*	*-159*	*0*	*-159*
RESOURCES	**-8935**	**0**	**-8935**	**-8,029**	**0**	**-8029**	**-906**	**0**	**-906**
REGENERATION	**-11452**	**0**	**-11452**	**-8,992**	**0**	**-8992**	**-2460**	**0**	**-2460**
CROSS CUTTING	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL GENERAL FUND	**-46,623**	**-18,117**	**-28,506**	**-41,698**	**-18,117**	**-23,581**	**-4,925**	**0**	**-4,925**
TOTAL HRA	**-12,423**	**0**	**-12,423**	**-12,423**	**0**	**-12,423**	**0**	**0**	**0**
TOTAL	**-59,046**	**-18,117**	**-40,929**	**-54,121**	**-18,117**	**-36,004**	**-4,925**	**0**	**-4,925**

RESOURCES DIRECTORATE

3.6 As at Quarter 2 the forecast spend is £21.933m, 71% of the 2016/17 Resource's directorate capital budget. The forecast under spend is £8.935m, of which £8.029m is requested to be slipped to 2017/18 and £0.906m can be removed from the Capital Programme.

3.7 The main items of slippage are detailed below:

3.8 The Human Resources ICT system, to enable the shared service arrangement between Harrow and Buckinghamshire Council including HR case work, employees relations, payroll and HR administration will underspend by an estimated £30k and will be slipped into 2017/18 this is based on the estimated level of work that is required to be carried out this year in relation to the transition. There is no financial or social implication for the £30k budget that will be slipped.

3.9 Property Investment Portfolio – It is been estimated that £7m of the £15m budget will be spent this year and the remaining £8m will be slipped to 2017/18. The implication of this slippage is the potential for not achieving £0.700m MTFS savings in 17/18 and 18/19 and this will be monitored closely.

REDUCTION TO CAPITAL PROGRAMME

3.10 The Resources directorate has carried out a review of all their capital schemes and as a result will reduce the capital programme by **£0.906m** as detailed below:

3.11 As part of Sopro Steria transition budget that was set back in 2015, **£322k** was set aside as a contingency budget to be used to upgrade the systems and **£210k** for general transition cost, these budgets will now not be required as the transition to Sorpro Steria has now been finalised and there is sufficient budget within the capital programmed to cover the system upgrade.

3.12 The cost of purchasing IT assets was less than anticipated by **£0.374m**.

3.13 The above underspends have no financial or social implication on the council or community as a whole.

COMMUNITY DIRECTORATE

3.14 As at Quarter 2 the forecast is £43.116m, 87% of the total budget.

3.15 The forecast under spend is £6.667m of which £5.508m will be slipped to 2017/18. The main items of slippage and underspend are detailed below:

Environment & Commissioning

3.16 At Quarter 2 the whole capital programme of £19.239m is the expected to be spent this year.

3.17 At the end of Quarter 2, Environment & Commissioning spent and/or committed £11m (58%) of total budget of £19m. This has exceeded the profiled budget at this time of the year, indicating that effective project delivery planning allows capital projects to be commenced and implemented at the front end of the financial year. The investment will improve the borough's infrastructure and make significant contributions towards the delivery of the administration's priorities in coming years. Following the completion of various tendering exercises, a number of building improvement projects will also commence in coming months to convert them into cafes in order to improve facilities within parks and to provide a new revenue stream for the Council.

3.18 The Services forecast to spend all the budgets allocated in this year's programme.

3.19 Some budget adjustments are required to bring the programme up to date, and these are detailed below.

ADDITION TO CAPITAL PROGRAMME

15/16 LIP

3.20 All 15/16 projects under Local Implementation Plan (LIP) have been completed and financial claims have been made to recover the full costs from Transport for London. The total costs incurred in this financial year are £242,195. For the purpose of housekeeping, it is recommended that the budget on SAP is re-aligned to reflect the actual funding received. This will require an increase in capital budget of £50,977 (all externally funded).

Culture

3.21 At Quarter 2 the forecast is £5.76m.

3.22 At this stage, the capital grant of £1m to Cultura London is forecast to underspend following a recent decision to explore different options for the arts & heritage services. If the transfer does go ahead on 1st January 2017(or other specified date) as per "Future Delivery of Arts and Heritage Service update and approval of lease length" report elsewhere in the agenda, the capital budget will be required, in which case it may be slipped to 2017/18 subject to the progress of delivering the capital work by Cultura London.

3.23 Some budget adjustments are required to bring the programme up to date, and these are detailed below.

REALINGMENT

Central Library Re-fit and Refurbishment

3.24 In the current capital programme, there is a budget of £1.5m profiled in 17/18 for the fit out of the new town centre library. The procurement of a design specification for the fit out of the new library will need to be undertaken early in order to meet the planned timescale for the fit out work. The estimated costs for this are £50k. It is recommended that £50k of Harrow capital funding is brought forward to 16/17.

<u>Housing General Fund</u>

As at Quarter 2 the forecast spend is £18.117m, 76% of the 2016/17 Housing general fund capital budget. The forecast under spend is £5.508m is requested to be slipped to 2017-18 and £0.159m can be removed from the Capital Programme.

The spent and committed at Quarter 2 is £979k (40%) of total budget of £2.477m. Disabled Facilities Grants of £1.531m are expected to be spent in full. Spend on Empty Property Grants are expected to be £0.275m below budget, of which £0.125m is expected to be carried over to financial year 2017-18 leaving an underspend of £0.150m and this is set out in the capital programme reported elsewhere in the agenda.

<u>Housing Property Purchase Initiative</u>

3.25 At Quarter 2, the Housing Property Purchase Initiative spent & committed £4.223m (20%) of total budget of £21.307m. The expected spend is £15.924m with the remaining £5.383m carried over into the next financial year and this assumes that 57 properties will be purchased in this financial year bringing the total to 60 properties by 31 March 2017.

<u>PEOPLE</u>

3.26 At Quarter 2 the forecast spend is £19,374m, 50% of the 2016/17 People's directorate capital budget.

3.27 The forecast under spend is £19.570m of which £19.170m will be slipped to 2017-18 and £400k is no longer needed. The main items of slippage are detailed below:

<u>Adults</u>

3.28 At Quarter 1 the forecast spent is £2.811m, 55% of the approved capital programme.

3.29 The directorate variance of £400k that is no longer required.

3.30 At the end of quarter 1 an underspend of £2.278m was reported and included a variation of £508k on projects associated with strategic capital reviews. To expedite alterations to premises at Bedford House a virement of £400k from Strategic Capital Reviews budget is being sought. As the 2016-17 capital MTFS approved funding in this respect, the Project Infinity capital budget of £1.650m can be reduced, enabling the overall underspend reported to remain unchanged.

3.31 The above underspend will not impact front line service delivery to the vulnerable residents of Harrow.

Schools

3.32 As at Quarter 2 the forecast spend is £16.563m 46% of the approved budget.

3.33 The budget for the school expansion programme through to 2019-20 is £142.577m.

SEP1 and SEP2

3.34 The Council employs cost consultants to provide valuations of the works carried out by the contractors. Cabinet in June 2016 approved merger of the uncommitted SEP4 programme budgets, anticipated to be delivered by the Free School Programme, and the SEP2 programme budgets and, based on the current work being undertaken to close the final accounts, there will be sufficient funding to meeting this pressure. However, the account valuations provided by the contractor vary significantly to those provided by the council's cost consultants and this could be a further pressure, and may require council borrowing to fund.

3.35 The forecasts continue to be monitored and updated as projects are completed and the accounts clarified and agreed with the contractors. Work is being undertaken with Legal Services to support the process of closing the programme with Keepmoat. The purposes of the Q2 budget monitoring report, these are forecast to spend to budget.

SEP3

3.36 In September 2016 Cabinet approved a virement to move funds from funding identified for secondary school expansion programme to SEP 3 to address the projected shortfall of £1.6m. The position with the school projections reported to Cabinet in July 2016, indicate that the demand for secondary school places is lower than previously expected and there will be a shortfall at a later stage than anticipated, from 2022. The borrowing requirement for the secondary expansion programme will need to be increased by the amount of the virement and this will increase the value of the Schools Capital Programme but this is likely to be beyond 2019-20.

3.37 The forecasts provided by the council's cost consultants include the three schemes which have been approved by planning, as well as the two schemes at Welldon Park Junior site and the Stag Lane schools which are still subject to planning approval.

3.38 The Welldon Park Junior and Stag Lane schools schemes are still going through the value engineering process and where possible costs will be driven down. However, as these two schemes are subject to planning approval there could be further works or redesigns required to meet any additional planning conditions could put further financial pressure on this programme. Any pressure on this programme will result in an overspend which would have to be funded from Council borrowing.

3.39 Weald Rise Primary School, also part of SEP3, is being rebuilt as part of the Priority School Building Programme. However the expansion of the school is in addition to the works being provided by the EFA.

Therefore the council has committed to a top up fee in order to deliver the expansion element of this programme, totalling £2.28m. This is included in the overall budget for the programme.

Slippages and Implication

3.40 The reported slippage as at Q2 is £19.170m. The majority of slippage of £10.455m relates to Stag Lane and Welldon Park Junior Schools which are part of phase 3 of the expansion programme. Both schemes are still subject to planning approval in in autumn 2016 and spring 2017 respectively and therefore the majority of the work will be undertaken in 2017-18. There is minimal impact to the schools as a result of these delays since the expanded year group at Welldon Park is still working its way through the infants (which is on a separate site and whose building works were completed for September 2016). There will be sufficient capacity in the junior school until building works are completed for September 2017. In relation to Stag Lane the school expanded its pupil numbers from September 2016 and there will also be sufficient capacity within the school to accommodate the increased numbers until the building works are completed for September 2017.

3.41 The position with the school projections reported to Cabinet in July 2016, indicate that the demand for secondary school places is lower than previously expected and there will be a shortfall at a later stage than anticipated, from 2022. It is therefore proposed to slip £945k of Secondary provision funding into 2017-18. In addition £4.620m of SEN funding will also be slipped into 2017-18 as this programme is still at the scoping stage.

3.42 The majority of the remainder of the slippage relates to rolling programmes for amalgamations, bulge classes and capital maintenance.

ADDITION TO CAPITAL PROGRAMME

3.43 Marlborough School - a request to increase the capital programme for Marlborough School by £214k. Marlborough School was rebuilt in 2016 as part of the EFA funded Priority Schools Building Programme (PSBP). The school requested that the EFA include capacity for nursery provision which would be funded by the school. As the EFA do not have a financial funding relationship with maintained schools the LA signed a letter on behalf of the school to guarantee the funding for the nursery. Marlborough school in turn have provided the funding to the LA. The capital programme needs to increase by £214k to reflect the increased cost which is externally funded by the school and cost neutral to the council.

3.44 Weald Rise School (SEP3) - a requested to increase the capital programme for Weald Rise School by £99k. Weald Rise Primary School is also being rebuilt as part of the Priority School Building Programme. The school has asked for increased specification in relation to changing rooms at the cost of the school. As the EFA do not have a financial funding relationship with maintained schools the LA signed a letter on behalf of the school to guarantee the funding for the changing rooms. Weald Rise School in turn have provided the funding to the LA. The capital programme needs to increase by £99k to reflect the increased cost which is externally funded by the school and cost neutral to the council.

REGENERATION

3.45 The Division forecast to spend £10.708m against budget of £22.160m on this year's budget allocation. Slippage of £8.992m relates to unavoidable delays, relating to land assembly, planning outcomes and unpredictable approval delays to procurement processes. Underspend of £2.460m relates to Stanmore Innovation – opportunity to purchase the property no longer exists.

HOUSING REVENUE ACCOUNT

3.46 As at Quarter 2 the forecast spend is £17.399m, 58% of the 2016/17 HRA's latest capital Budget

3.47 The forecast under spend is £12.423m which will all be slipped to 2017/18. The main HRA programme and Homes-4-Harrow are expected to be £1.978m and £10.445m below budget respectively, and both expected to be carried over into next year. HRA Capital expenditure is funded entirely from HRA resources.

3.48 These adjustments to capital programme will not have any wider impact on delivery of the approved programme of works, which already has sufficient budget provision.

4. Legal Implication

4.1 Section 151 of the Local Government Act 1972 states that without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 28 of the Local Government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.

4.2 Under Allocation of Responsibilities in the Constitution, Council is responsible for all decisions, which are expected to result in variations to agreed revenue or capital budgets. Cabinet must agree, or delegate agreement for all virements between budgets as set by the Financial Regulations.

4.3 Under the Council's Financial Regulations B48, additions of up to £500k to the capital programme can be made by Cabinet in respect of specific projects where

a. the expenditure is wholly covered by additional external sources;

b. the expenditure is in accordance with at least one of the priorities listed in the capital programme; and

c. there are no significant full year revenue budget effects

This provision is subject to an overall limit of £2.5m in any one financial year.

5. Equalities

5.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

5.2 A public authority must, in the exercise of its functions, have due regard to the need to:

(a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

(b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

5.4 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

5.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

a) Tackle prejudice, and

b) Promote understanding.

5.6 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

a) Age

b) Disability

c) Gender reassignment

d) Pregnancy and maternity

e) Race,

f) Religion or belief

g) Sex

h) Sexual orientation

i) Marriage and Civil partnership

5.7 A full equalities impact assessment was completed on the 2015/16 budget when the budget was set by Full Council. Equalities implications are taken into account by individual directorates whilst running services and making decisions to vire money. A full equality impact assessment will be completed on the budget for 2016/17

6. Financial Implications

Financial matters are integral to the report.

7. Performance Issues

Good financial performance is essential to achieving a balanced budget. The financial performance is integrated with the strategic performance of the Council through quarterly Directorate Improvement Boards which consider the financial position alongside performance including key projects, service KPIs (including customer data and complaints) and workforce. Monitoring of finance and performance is reported regularly to the Corporate Strategic Board and Cabinet and is also considered by the Council's Performance and Finance Scrutiny Sub- Committee.

The overall net projected variance of £3.849m from the revenue budget of £164.9m is currently forecast to be an overspend of 2.3%.

For the 2016/17 savings built into the MTFS, the overall position is that 36% of the savings are RAG rated as blue (achieved and banked), 18% green (achievement of saving on track), 38% amber (saving only partially achieved or risks remaining) and 8% red (agreed saving not achievable).

Council Tax Collection: The collection rate for Quarter 2 is 56.77% against
a profile target of 57%

Business Rates Collection: The collection rate for Quarter 2 is a collection rate of 56.48% against a profile target of 58.5%.

8. Risk Management Implications

The risks to the Council and how they are being managed are set out in the report.

Risks are included on the Directorate risk registers

9. Equalities implications / Public Sector Equality Duty

A full equalities impact assessment was completed on the 2016/17 budget when the budget was set by Full Council. Equalities implications are taken into account by individual directorates whilst running services and making decisions to vire money. A full equality impact assessment will be completed on the budget for 2017/18.

10. Council Priorities

The Council's vision is:

Working Together to Make a Difference for Harrow

The Council's priorities are:

Making a difference for the vulnerable
Making a difference for communities
Making a difference for local businesses
Making a difference for families

This report deals with Revenue and Capital monitoring which is key to delivering the infrastructure to deliver the Council's priorities.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert Date: 28 November 2016	x	Chief Financial Officer
Name: Jessica Farmer Date: 29 November 2016	x	on behalf of the Monitoring Officer

Ward Councillors notified:	**NO, as it impacts on all Wards** .
EqIA carried out: **EqIA cleared by:**	**NO** N/A

Section 4 - Contact Details and Background Papers

Contact: Sharon Daniels (sharon.daniels@harrow.gov.uk), Deputy sec151 officer Tel: 020 8424 1332

Background Papers: Cabinet February 18 2016:Capital Programme 2016/17 to 2019/20

Call-In Waived by the Chairman of Overview and Scrutiny Committee	**NOT APPLICABLE** [Call-in applies]

Appendix 1

Revenue Summary	Revised Budget	Forecast Outturn	Q2 Variance	Mitigation	Variance at Q2 after Mitigation	Variance	Q1 Variance	Movement between Q1 and Q2
	£000	£000	£000	£000	£000	%		
Resources								
Controllable Budget								
Customer Services	24,250	23,595	(655)		(655)	(2.7%)	(455)	(200)
Director of Resources	538	490	(48)		(48)	(8.9%)	(27)	(21)
HRD & Shared Services	1,808	1,655	(153)		(153)	(8.5%)	(153)	0
Legal & Governance	2,782	2,625	(157)		(157)	(5.6%)	0	(157)
Procurement & Commercial	611	752	141		141	23.1%	141	0
Strategic Commissioning	2,167	2,347	180		180	8.3%	151	29
Assurance	562	560	(2)		(2)	(0.4%)	3	(5)
Finance	3,214	3,321	107		107	3.3%	99	8
Total Controllable Budget	**35,932**	**35,345**	**(587)**	**0**	**(587)**	**0**	**(241)**	**(346)**
Uncontrollable Budget	(15,725)	(15,725)	0		**0**	0.0%	0	0
One off Mittigation				(65)	**(65)**		0	(65)
Total Directorate Budget	**20,207**	**19,620**	**(587)**	**(65)**	**(652)**	**0**	**(241)**	**(411)**
					0			
Business Support					**0**			
Business Support	2,381	3,258	877		**877**	36.8%	691	186
Uncontrollable Budget	(1,008)	(1,008)	0		**0**	0.0%	0	0
Total Business Support	**1,373**	**2,250**	**877**	**0**	**877**	**0**	**691**	**186**
					0			
Community					**0**			
Controllable Budget					**0**			
Commissioning & Corporate Estate	(1,861)	(2,271)	(410)	0	**(410)**	22.0%	-500	90
Enviroment &Culture	19,655	20,859	1,204	0	**1,204**	6.1%	842	362
Directorate Management	282	186	(96)	0	**(96)**	(34.0%)	-92	(4)
Housing General Fund	3,637	6,633	2,996		**2,996**	82.4%	3555	(559)
Total Controllable Budget	**21,713**	**25,407**	3,694	**0**	**3,694**	**1**	**3,805**	**(111)**
One off Mittigation	418	418	0	(418)	**(418)**	**0.0%**	0	(418)
Uncontrollable Budget	18,836	18,836	0		**0**	0.0%	0	0
Total Directorate Budget	**40,967**	**44,661**	**3,694**	**(418)**	**3,276**	**1**	**3,805**	**(529)**
People								
Controllable Budget								
Adult Services	55,290	57,690	2,400	0	**2,400**	4.3%	1831	569
Public Health	790	262	(528)		**(528)**	(66.8%)	-351	(177)
Children & Families	26,529	30,873	4,344		**4,344**	16.4%	3118	1,226
Total Controllable Budget	**82,609**	**88,825**	**6,216**	**0**	**6,216**	**(0)**	**4,598**	**1,618**
Additional Business Support in Children's Services		**323**	323		**323**		0	323
One off Children's Social Care Reserve	0	0	0	(1,790)	**(1,790)**	**0.0%**	-1519	(271)
Planned Management Action				(56)	**(56)**		0	(56)
Uncontrollable Budget	15,655	15,655	0		**0**	0.0%		0
Total Directorate Budget	**98,264**	**104,803**	**6,539**	**(1,846)**	**4,693**	**(0)**	**3,079**	**1,614**
Regeneration								
Economic Development & Research	668	662	(6)		**(6)**	(0.9%)	0	(6)
Planning	148	216	68		**68**	45.9%	0	68
Regeneration Programme	0	505	505		**505**	0.0%	**0**	505
One off Mittigation	222	222	0	(222)	**(222)**	**0.0%**	0	(222)
Total Controllable Budget	**1,038**	**1,605**	**567**	**(222)**	**345**	**0**	**0**	**345**
Uncontrollable Budget	1,155	1,155	0		**0**	0.0%	0	0
Total Directorate Budget	**2,193**	**2,760**	**567**	**(222)**	**345**	**0**	**0**	**345**
Total Directorate Budgets	**163,004**	**174,094**	**11,090**	**(2,551)**	**8,539**	**1**	**7,334**	**1,205**
Corporate Items	(1,346)	(2,707)	(1,361)		**(1,361)**	101.1%	-1212	(149)
Corporate contingency	3,329	2,000	(1,329)		**(1,329)**	(39.9%)	-1329	0
Homelessnes Reserve				**(1,000)**	**(1,000)**		-1000	**0**
LEP Top Sliced				**(1,000)**	**(1,000)**			**(1,000)**
Total Budget Requirement	**164,987**	**173,387**	**8,400**	**(4,551)**	**3,849**	**2**	**3,793**	**56**