

Meeting of the

OVERVIEW & SCRUTINY COMMITTEE

Thursday, 22 February 2018 at 6.30 p.m.

SUPPLEMENTAL AGENDA PACK B

	PAGE NUMBER	WARD(S) AFFECTED
9.1 Q3 Corporate Budget Monitoring Report		
The Committee is asked to note and comment on the contents of the attached report that is to be considered by the Cabinet at its meeting to be held on Tuesday 27 th February, 2018.	38 - 77	All Wards

(Time allocated – 20 minutes)


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Agenda Item 9.1

<p>Overview and Scrutiny</p> <p>22nd February 2018</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Zena Cooke – Corporate Director of Resources</p>	<p>Classification: Unrestricted</p>
<p>Corporate Budget Monitoring Report <i>Period 9 (December 2017) 2017-18</i></p>	

Lead Member	Cllr Edgar, Cabinet Member for Resources
Originating Officer(s)	Kevin Miles, Chief Accountant
Wards affected	All Wards
Key Decision?	No

Executive Summary

In February 2017 the Council agreed a General Fund (GF) revenue budget of £338.9m and a Capital programme of £216.2m (GF £103.1m, £113.1m Housing Revenue Account (HRA) for 2017-18). This report details the projected outturn position for 2017-18 based on information as at the end of Period 9 (December 2017). The report includes details of:-

- General Fund (GF) Revenue Budget Position
- Housing Revenue Account (HRA) Budget Position
- Progress delivering 2017-18 Savings
- Progress delivering Council Growth Priorities, including Mayoral Priority Growth
- Council Tax and Business Rates Income
- Treasury Management Activities
- Pension Fund Investments Position

The Medium Term Financial Plan (MTFP) assumed in 2017-18 there would be a small contribution of £0.5m to the Council's General Fund reserves.

Currently the General Fund forecast outturn is projecting an **underspend of £1.5m** after the application of reserves and corporate contingency. The HRA is projecting an **underspend of £24.8m**.

There are significant pressures in Children's Services which is currently projecting a large overspend, much of this is attributable to social care. Similar concerns in Health, Adults and Community have been largely mitigated with the application of the Improved Better Care Fund and new Adult Social Care grants. There is also an overspend in the

Resources Directorate which is largely due to the costs of the contact centre, administration of the Housing benefit function. .

The Place directorate is forecasting a overspend position. This is predominantly where budgeted savings are not being made. Other areas of potential overspend are the subject to the application of earmarked reserves.

Corporate costs and capital financing (including the corporate contingency) is currently showing a £13.7m underspend which will be used, alongside approved earmarked reserves, to offset unplanned pressures.

The MTFs outlined for 2017-18 approved savings of £20.4m in order to deliver a balanced budget. An additional £5.7m relating to slippage from previous years must also be achieved.

The following items are potential risks to the budget, and Corporate Directors and Business Partners are working to mitigate these reduce the risk of overspending.

- Social Care Costs
- Ofsted Outcomes
- Savings Delivery

Recommendations:

The Overview and Scrutiny committee is recommended to:

1. Note the Council's forecast outturn position against Revenue and HRA budgets agreed for 2017-18, based on information as at the end of December as detailed in the Appendices
2. Note the summary savings position.
3. Endorse Management action to achieve savings.
4. Note the position on the Mayoral Priority Budget

1. ALTERNATIVE OPTIONS

- 1.1. The regular reporting of Revenue and Capital Budget Monitoring information provides detailed financial information to members, senior officers and other interested parties on the financial performance of the Council. It sets out the key variances being reported by budget holders and the management action being implemented to address the identified issues.
- 1.2. Further information across the Council's key financial activities is also included to ensure that CLT and Members have a full picture to inform their consideration of any financial decisions set out in this report and also their broader understanding of the Council's financial context when considering reports at the various Council Committees.
- 1.3. Set alongside relevant performance information it also informs decision making to ensure that Members' priorities are delivered within the agreed budget provision.
- 1.4. It is important that issues are addressed to remain within the approved budget provision or where they cannot be contained by individual service management action, alternative proposals are developed and solutions proposed which address the financial impact; CLT and Members have a key role in approving such actions as they represent changes to the budget originally set and approved by them.

2. REASONS FOR THE DECISIONS

- 2.1. The Council could choose to monitor its budgetary performance against an alternative timeframe but it is considered that the reporting schedule provides the appropriate balance to allow strategic oversight of the budget by members and to manage the Council's exposure to financial risk. More frequent monitoring is undertaken by officers and considered by individual service Directors and the Council's Corporate Leadership Team (CLT) including approval of management action.
- 2.2. To the extent that there are options for managing the issues identified these are highlighted in the report in order to ensure that members have a full picture of the issues and proposed solutions as part of their decision making.

3. DETAILS OF REPORT

3.1. General Fund Revenue Budget Position

2016-17 Outturn position

- The final outturn position for 2016-17 was reported to Cabinet in July, this showed a net underspend of £0.7m. Although Children's Services and Health, Adults and Community Directorates showed significant overspends (mainly around social care), this was offset by corporate underspends due to growth and inflation not being required, the councils contingency and lower than expected capital financing costs.

- In total there was a net drawdown of £5.5m from the Council's reserves. A small number of earmarked reserves were also created to support Transformation and other Council priorities. Reserves were established to support the new Civic Centre and the Council's IT Strategy. At the 31 March 2017 the General Fund reserve was £31.7m which was in line with the MTFS.

2017-18 Budget Position

- The overall revised revenue budget is currently £345.9m, which is an increase of £7m from the £338.9m originally approved by the Council in February as part of the Medium Term Financial Strategy (MTFS) for the period 2017 – 2020. This increase was wholly due to funding from the Improved Better Care Fund.
- The General Fund forecast outturn for Period 8 is currently showing an underspend of £1.5m after the application of approved growth and reserves. The forecast position for the Housing Revenue Account (HRA) is a surplus of £24.8m.
- Full Directorate summaries can be found in the attached appendix. This incorporates the new proposed format for the budget monitoring which we think will improve the quality and readability of the information.

Year end 2017/18

We need to close the accounts in a shorter period of time than in previous years, this means that we will need to provide a final outturn position we can substantiate quicker than last year and improved budget monitoring will help us in this respect.

4. LEGAL COMMENTS

- 4.1. The report provides financial performance information. It is consistent with good administration for the Council to consider monitoring information in relation to plans and budgets that it has adopted.
- 4.2. Section 3 of the Local Government Act 1999 requires the Council as a best value authority to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. Monitoring of financial and other performance information is an important way in which that obligation can be fulfilled.
- 4.3. The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council’s chief finance officer has established financial procedures to ensure the Council’s proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for the Cabinet to receive information about the revenue and capital budgets as set out in the report.
- 4.4. When considering its performance, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). The Council’s budgets are formulated by reference to its public sector equality duty and monitoring performance should help to ensure they are delivered.

5. ONE TOWER HAMLETS CONSIDERATIONS

- 5.1. The budget monitoring report assists in reviewing the financial performance of the Council. It ensures that financial resources are applied to deliver services meeting the needs of the diverse communities living in Tower Hamlets and supporting delivery of One Tower Hamlets.

6. BEST VALUE (BV) IMPLICATIONS

- 6.1. The Council’s achievement of the principles of Best Value are assessed annually as part of the final audit of the Council’s financial statements by the Council’s external auditors KPMG.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1. There are no specific actions for a greener environment implications

8. RISK MANAGEMENT IMPLICATIONS

8.1. There is a risk to the integrity of the authority's finances if an imbalance occurs between resources and needs. This is mitigated by regular monitoring and, where appropriate, corrective action. This report provides a corporate overview to supplement more frequent monitoring that takes place at detailed level. The explanations provided by the Directorates for the budget variances also contain analyses of risk factors.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

9.1. There are no specific crime and disorder reduction implications.

Linked Reports, Appendices and Background Documents

Linked Report

None

Appendices

Appendix 1 – Control Budget

Appendix 2 – Directorate Summary and other indicators

Appendix 3 – Savings Tracker Summary and Detail

Appendix 4 – Mayoral Priorities

Appendix 5 - Capital Q3 2017-18

CONTROL BUDGET 2017-18

	Total General Fund	Health, Adults & Community	Children's Services	Place	Governance	Resources	Corporate Costs and Central Financing
Original Budget 2017-18	338,895,605	130,747,901	98,424,858	70,292,015	11,761,988	15,067,990	12,600,853
Reversal of Approved Public Health Savings	0	678,000					(678,000)
Transfer of Young People Contracts Budget HAC to CHI	0	(1,115,890)	1,115,890				
Transfer of Free School Meals Allocation from HAC to CHI	0	(2,000,000)	2,000,000				
Transfer of PMO and SPP Budgets from CHI to GOV & RES	0		(1,186,170)		916,053	270,117	
Transfer of Parking Control Account budgeted income from CEN to PLA	0			(9,104,000)			9,104,000
Transfer of Kemnal Park from GOV to PLA	0			100,000	(100,000)		
Smarter Together Transformation Programme budget	0					5,780,032	(5,780,032)
Drawdown of Specific Reserves - SEND Grant	0		113,696				(113,696)
Approved Growth 2017-18	0	1,369,292	946,000	480,000			(2,795,292)
ICT Transformation Reserve allocation	0					3,100,000	(3,100,000)
Savings Transferred - Finance & SPP	0				(600,000)	(700,000)	1,300,000
Inflation Awarded - Non Pay	0	1,923,000	371,000				(2,294,000)
Inflation Awarded - Pay plus LLW	0	202,736	399,557	376,274	108,036	287,745	(1,374,348)
Estimated increase in Pension Contribution - 3.4%	0	612,422	1,213,246	1,142,548	328,051	873,733	(4,170,000)
Improved Better Care Fund Grant Awarded	7,017,000	7,017,000					
Apprenticeship Levy	0	84,985	156,935	137,240	41,800	103,965	(524,925)
Centralisation of Annual Residents' Survey Budget	0		(12,000)	(6,000)	24,000	(6,000)	
Centralisation of Campaign Budget	0	(13,500)	(81,000)	(55,000)	191,500	(31,000)	(11,000)
MSG Transfer relating to Theme 5 Community Engagement Cohesion & Resilience	0			(80,000)	80,000		
MSG Transfer relating to Theme 4	0			(260,000)		260,000	
Inflation Awarded - Non Pay	0					88,000	(88,000)
Supporting Yotuh Services Projects	0		300,000				(300,000)
Technical Adjustment - Depreciation Charges	0		717,898	74,584		860	(793,342)
Growth Awarded - Waste Collection and Treatment	0			292,000			(292,000)
Inflation Awarded - Non Pay (Place)	0			798,000			(798,000)
Increase to Business Rates Across Rate Payers Costs	0			496,500			(496,500)
	0						
Total Adjustments	7,017,000	8,758,045	6,055,052	(5,607,854)	989,440	10,027,452	(13,205,135)
Revised Latest Budget 2017-18	345,912,605	139,505,946	104,479,910	64,684,161	12,751,428	25,095,442	(604,282)

Capital Control Budget 2017-18	Total	Health, Adults & Community	Children's Services	Place	Resources	Corporate	Housing Revenue Account
	£	£	£	£	£	£	£
Original Budget (Council, February 2017)	216,269,172	3,729,500	36,347,294	50,438,176	1,259,202	14,600,000	109,895,000
Slippage from 2016-17	17,377,769	1,580,169	2,648,516	1,179,524	103,702	4,158,922	7,706,936
Quarter 1 Total Adjustments	(1,901,978)	(1,820,456)	(802,096)	2,715,366	4,457	(2,289,858)	290,609
Quarter 2 Total Adjustments	(47,092,887)	-	(7,266,110)	(4,212,832)	-	(1,644,233)	(33,969,712)
Cabinet / Full Council / Mayor's Executive Decisions							
Basic Need/Expansion - George Green's - 6th form Expansion (Cabinet, 31 October 2017)	100,000		100,000				
Basic Need/Expansion - Langdon Park - 6th Form Expansion (Cabinet, 31 October 2017)	90,000		90,000				
Basic Need/Expansion - Raines Foundation School (Cabinet, 31 October 2017)	1,260,000		1,260,000				
Purchase of properties for use as temporary / affordable accommodation (Full Council, 22 November 2017)	41,430,000			41,430,000			
Investment works to LBTH Assets - Bancroft Library Boiler replacement (Mayor's Executive Decision Making, 23 August 2017)	50,000			50,000			
Investment works to LBTH Assets - Bethnal Green Library - Investment works (Mayor's Executive Decision Making, 23 August 2017)	200,000			200,000			
Whitechapel Civic Centre (Cabinet, 27 June 2017)	673,000					673,000	
Housing Capital Pipeline Programme (Cabinet, 25 July 2017)	2,170,000						2,170,000
Decisions Delegated to Corporate Directors							
Culture - Mile End Stadium Astro-turf Development (October 2017)	109,730		109,730				
TfL Schemes - Sustainable Drainage Scheme (July 2017)	10,000			10,000			
Transport S106 Funded Schemes - Sale Street (July 2017)	80,000			80,000			
Transport S106 Funded Schemes - Spindrift Avenue (July 2017)	80,000			80,000			
Transport S106 Funded Schemes - Millwall Docks - Open space improvements (December 2017)	56,953			56,953			
Budgets Re-profiled							
Public Health - Sutton Wharf - Improvements to Health Infrastructure	(167,000)	(167,000)					
Basic Need/Expansion - Olga Primary School Expansion	(108,000)		(108,000)				
Basic Need/Expansion - London Dock - Expansion	(350,000)		(350,000)				
Basic Need/Expansion - Wood Wharf Primary School	90,000		90,000				
Basic Need/Expansion - Westferry Secondary School	(1,000,000)		(1,000,000)				
Bishop Challoner - Community Facilities	(590,112)		(590,112)				
Parks - Christ Church Gardens	(534,092)		(534,092)				
Parks - Warner Green	(24,000)		(24,000)				
Parks - Bartlett Park - Playground activity	(245,000)		(245,000)				
Parks - Cavell Street Gardens	(100,000)		(100,000)				
Parks - King Edward Memorial Park	(556,000)		(556,000)				
Parks - Four Outdoor / Urban Gyms	(183,000)		(183,000)				
Culture - Pocket Parks Project Marner Family	(17,000)		(17,000)				
Culture - Leisure Centre Improvements	(1,500,000)		(1,500,000)				
Community Hubs/Buildings - Raine House Wapping Community Centre	(250,000)			(250,000)			
Community Hubs/Buildings - Granby Hall Community Hub	(880,000)			(880,000)			
S106 Schemes - Whitechapel Delivery: Creating Open Spaces - Phase 1	(70,000)			(70,000)			
S106 Schemes - Commercial Road	(60,000)			(60,000)			
S106 Schemes - Carbon offsetting	(305,000)			(305,000)			
Section 106 Passported Funding - Wellington Way Health Centre	(852,158)			(852,158)			
Section 106 Passported Funding - Silvocea Way	(25,000)			(25,000)			
Registered Provider Grant Scheme (from 1-4-1) - ARHAG Housing Association	200,000			200,000			
Registered Provider Grant Scheme (from 1-4-1) - East End Homes	257,000			257,000			
Public Realm Improvements - Petticoat Lane Market Improvements	(38,000)			(38,000)			
Public Realm Improvements - Streetlighting Replacement	(1,200,000)			(1,200,000)			
Transport S106 Funded Schemes - 101-109 Fairfield Road	(9,000)			(9,000)			
Transport S106 Funded Schemes - Marsh Wall Environmental Improvement	(14,000)			(14,000)			
Transport S106 Funded Schemes - Ocean Estate FS2	(48,000)			(48,000)			
Transport S106 Funded Schemes - Construction of a pedestrian crossing on East Ferry Road, located near school entrance	(17,000)			(17,000)			
Transport S106 Funded Schemes - 86 Brick Lane - Towards traffic management and calming measures on Fournier Street	(58,000)			(58,000)			
Transport S106 Funded Schemes - One-Way to Two-Way Cycle Streets - Alie Street Area	(304,078)			(304,078)			
Transport S106 Funded Schemes - 397-411 Westferry Road	(5,000)			(5,000)			
Transport S106 Funded Schemes - North West Corner of Crisp Street and Carmen Street	(10,000)			(10,000)			
Transport S106 Funded Schemes - Aldgate Place	(292,000)			(292,000)			
Transport S106 Funded Schemes - Fulneck 150 Mile End Road	(45,000)			(45,000)			
Transport S106 Funded Schemes - Gem House	(75,000)			(75,000)			
Transport S106 Funded Schemes - 15 - 17 Leman Street - Cycle and Pedestrian Improvement Project 2017	(6,000)			(6,000)			
Mayor's Priority - Providing free Wi-Fi in Tower Hamlets for all	(1,000,000)				(1,000,000)		
Whitechapel Civic Centre - Pre-procurement detailed design phase	(500,000)					(500,000)	
Underground Refuse Service - to replace two vehicles at the end of their useful life	(500,000)					(500,000)	
Other Approvals/Adjustments							
Basic Need/Expansion - Various - Scheme Development (No longer required)	(147,000)		(147,000)				
Basic Need/Expansion - Bow School - Expansion (No longer progressing)	(1,108,000)		(1,108,000)				
Conditions and Improvement - PFI schools - Various - Urgent Works	(82,000)		(82,000)				
- Bromley Hall - Brickworks	55,000		55,000				
- St Luke's Hygiene Room	15,000		15,000				
- Halley Primary School - Gate works	12,000		12,000				
Conversion of council buildings to temporary accommodation (Removed from capital programme - any future requirement to be funded from general provision in 2018-19 budget)	(1,625,000)			(1,625,000)			
Registered Provider Grant Scheme (from 1-4-1) - Peabody (Revised estimate)	(195,000)			(195,000)			
Public Realm Improvements - Brick Lane toilet scheme (No longer progressing)	(100,000)			(100,000)			
Infrastructure Delivery Budgetary Provision (Allocations made by IDSG and IDB)	(4,138,950)					(4,138,950)	
Housing Capital Pipeline Programme - Schemes identified	(1,245,000)						(1,245,000)
- Ashington House	45,000						45,000
- Bancroft and Wickford	180,000						180,000
- Brunton Wharf	30,000						30,000
- Clichy Estate	20,000						20,000
- Heylyn & Shetland	170,000						170,000
- Lahana Place	40,000						40,000
- Landon Walk	40,000						40,000
- Lister & Treves	90,000						90,000
- Lowder House	125,000						125,000
- Rogers & Digby Estate	190,000						190,000
- 111-113 Mellish Street	80,000						80,000
- Norman Grove	100,000						100,000
- Southern Grove	50,000						50,000
- Strahan Road	45,000						45,000
- Hanbury Street	40,000						40,000
Community Benefit Society - 1-4-1 receipts (Revised estimate)	(4,500,000)						(4,500,000)
Buybacks 1-4-1 Receipts (No longer progressing)	(26,270,096)						(26,270,096)
Quarter 3 Total Adjustments	(3,164,802)	(167,000)	(4,812,474)	35,880,717	(1,000,000)	(4,465,950)	(28,600,096)
Revised 2017-18 Budget	181,487,273	3,322,213	26,115,130	86,000,951	367,360	10,358,881	55,322,737

Corporate Budget Monitoring Report

Period 9 (December 2017) 2017-18

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Circulated to	Corporate Leadership Team (CLT)
Date	14 th February 2018
Classification	Unrestricted
Report of	Zena Cooke – Corporate Director of Resources
Lead Member	CLr Edgar, Cabinet Member for Resources
Originating Officer(s)	Kevin Miles, Chief Accountant
Wards affected	All Wards
Key Decision?	No

Outturn variances

Directorate	£m Outturn Variance	Cause of Outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Direct- orate	Ear- marked Reserves	Impact on General Reserves
Children's Services	10.5	104.5	115.0	78.4	99.8	0.7	-	-	-
Resources	1.2	25.1	26.2	18.8	27.1	0.8	-	-	-
HAC	(0.0)	139.5	139.5	104.6	92.8	1.5	-	-	-
Place	(0.2)	64.7	64.5	37.4	47.5	1.2	-	-	-
Governance	0.7	12.8	13.5	9.6	10.8	0.6	-	-	-
Corporate Costs	(13.7)	(0.6)	(14.3)	(0.4)	8.6		(1.9)	8.2	(1.5)
General Fund	(1.5)	345.9	344.5	248.4	286.6	4.8	(1.9)	(8.2)	(1.5)
HRA	(24.8)	12.0	(12.8)	(31.4)	(29.9)	-	-	-	(24.8)
Total	(26.3)	357.9	348.6	217.0	256.7	4.8	1.9	(8.2)	(26.3)

We project an overall underspend of £26.3m, being £1.5m under in the General Fund on a revised budget of £346m, plus a £24.8m surplus in the Housing Revenue Account (HRA). The Medium Term Financial Plan (MTFP) assumed in 2017-18 there would be a contribution of £0.5m to the Council's General Fund reserves. The three main variances in the General Fund are:

1. £13.7m underspend in Corporate Costs;
2. £10.5m overspend in Children's Services, mainly due to social care. Similar concerns in Health, Adults and Community have been largely mitigated with the application of the Improved Better Care Fund and new Adult Social Care grants; £7.7m relates to the General fund and £2.8m on the DSG.
3. £1.2m overspend in Resources, largely due to the costs of the contact centre.

The MTFs outlined for 2017-18 approved savings of £20.4m in order to deliver a balanced budget. An additional £5.7m relating to slippage from previous years must also be achieved. The main risks to the budget are Social Care costs, Ofsted Outcomes and Savings Delivery.

This Month: two sentences, five numbers

Position looks stable, no significant movements from the last reported monthly position. We are continuing to support directorates as they manage their budget pressures and savings targets.

£1.5m Underspend on General Fund: largely unchanged from quarter 2 position (£1.4m underspend)

£23.2m Savings: our anticipated savings against our requirement for projected savings

£24.8m Surplus: HRA, this has increased significantly since the last quarter which was projected to be broadly on budget.

£468m Investments.

£132m Projected capital spend.

Appendix 2.1 - Children's Services 2.1

Outturn variance £10.5m overspend

£m	Outturn Variance	Cause of outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Directorate	Ear-marked Reserves	Impact on General Reserves
Children's	10.5	104.5	115.0	78.4	99.8	0.7	-		-

The overspend is mainly in Children's Social Care and reflects the national picture – 75% of Councils are reporting overspends in children's services, according to the LGA. After the Ofsted report in April 2017, Children's Services has finalised its Improvement Plan. The plan includes a one-off £4.2m cost over two years, to be funded from Reserves and conditional on hitting certain targets. The service will monitor the impact of the plan on levels of demand and its longer term service costs.

A list of significant variances with explanations is shown below

(in numerical descending order)	£m	Variance commentary
Staffing We're dealing with increased demand via agency staff. We need instead to recruit permanent staff	2.6	Demand for services is up (since April, 15% more children on the caseload, 41% more monthly contacts, 66% more referrals). Result: agency staff now make up over a third of our social work posts. Also when budgeting we assumed staff costs would average out at the mid-point salary scales, but the reality has seen costs closer to the top of the scale. Action: plans to recruit and retain more permanent staff have been developed and budgets have been reassessed accordingly with additional provision being included in the proposed 2018-19 budget.
Looked After Children (LAC) Increased demand and the age profile of our LAC population is leading to higher costs.	1.8	Ofsted commented on delays in care proceedings and high thresholds. Result: we have more children in care (and we expect even more in future), and there is a high proportion of older children too which cost more to look after. Action: we plan to intervene earlier in a child's life. The experience of other councils is that the sooner help is provided the more cost effective it is in overall terms. It will increase costs us in the short term (more young children in the system now), but saves us in the long term (the length of time in care would reduce and fewer children remain as more costly older children in the system).
Leaving Care Services LAC have an entitlement to leaving care services after they become adults	1.5	The overall growth in LAC numbers and the higher numbers of older children are putting pressure on this area of the budget; the strategy of intervening earlier will also help to manage this pressure.
Contract services The costs of school meals are not covered fully by income.	0.8	The service has been focussing on reducing costs as far as possible together with a proposed increase in the meal prices for secondary schools (from £2.35 to £2.75)
School redundancies These continue to be an issue as school budgets come under funding pressures.	0.7	These costs cannot be met from DSG and follow from approved school reorganisations.

Family Support	0.5 We've increased our support for children in need pre-legal care proceedings. Also, there's been an increase in independent assessments that are being commissioned hence, we're looking at our legal processes to see where we can make savings.
School Improvement Secondary Is now being undertaken by the Tower Hamlets Education Partnership (THEP)	0.1 Only Home Services and NQTs will operate as a traded service.
Tower Hamlets Youth Sports Foundation Continue to develop their business plan for 2018-19.	0.1 The Council is continuing to support the Foundation in moving to an independent organisation. Staff consultation on changes to the service took place at the end of the summer and redundancy notices have been issued and took effect at the end of autumn term (December 2017). Expressions of interest from schools to a revised service offer for 2018-19 have informed staffing levels and the Foundation's business planning.

Other comments

Sports, Leisure & Culture Service been allocated £300k in 2017-18	£170k is for total cost of A Team Arts, and the rest is for two pilot projects which will be procured.
--	--

Outturn variance £1.2m

£m	Outturn Variance	Cause of outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Directorate	Ear-marked Reserves	Impact on General Reserves
Resources	1.2	25.1	26.2	18.8	27.1	0.8	-	-	-

After adjusting for expenditure to be funded from specific reserves, the overspend is likely to be around £1.170m. Explanations for the key variances are provided below.

(in numerical descending order)	£m	Variance commentary
Customer Access Tower Hamlets Homes now provide their own customer contact centre	0.60	Tower Hamlets Homes no longer buys this service from us and the shortfall is due to this lost business. The costs are mainly staffing and restructures will be needed to reduce staffing spend. Restructures have been delayed to take account of the wider local presence review.
Housing Benefit Admin Reductions in Government Grant support	0.38	The service is delivering savings of £0.5m agreed last year and facing new grant reductions. Costs are mainly staffing and it cannot achieve the level of staff reductions needed this year to cover savings and grant reduction without affecting service levels. A longer planning period is required to redesign the service in the context of welfare reform changes and growth is being requested as part of the 2018-19 budget process to manage this over a longer timeframe.
Council Tax Admin	0.16	Additional income needed to be generated through court costs to meet spend requirement and deliver previously agreed savings. This is no longer possible due to restrictions and what we can charge for court costs and the service will need to reduce costs to be within budget.

Other comments

Use of Reserves	Approximately £6m will be used from the General Transformation reserve to pay for costs associated with the smarter together savings programme. A further £3-4m will be needed from the ICT Transformation reserve to fund ICT Transformation projects totalling £16m agreed by cabinet earlier in the year.
Directorate Savings	There are specific savings in Finance, HR, Audit and Housing Benefits – the detailed performance on these are within the savings tracker. All projects are progressing and where there is slippage, these have been mitigated by bringing forward treasury savings.

Appendix 2.3 - Health, Adults & Community

2.3

No Overall Variance

£m	Outturn Variance	Cause of outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Directorate	Ear-marked Reserves	Impact on General Reserves
HA&C	(0.0)	139.5	139.5	104.6	92.8	-	-		-

The Health, Adults and Community department is forecasting a breakeven position for 2017-18. We have summarised the main variances below.

The 2017-18 budgets include £7m of savings including £3.3m of savings from prior years. The department is forecasting to achieve £5.5m (79%) of savings in 2017-18. Historic unachievable savings targets totalling £0.7m are proposed to be cancelled as part of 2018-19 budget setting. The remaining savings slippage of £0.8m will be achieved in full in 2018-19.

(in numerical descending order)

£m

Variance commentary

Adult Social Care

Demand for residential and community-based care services for disabled and older people.

1.8 The month 9 position is a forecast overspend of £1.8m against a net budget of £90.2m. The forecast overspend is demonstrated by pressures in the demand led residential and community based care services for adults with disabilities and older people. There is also a risk in relation to previous year Clinical Commissioning Group (CCG) income, for which £3m was accrued at the end of 2016-17. Work is underway to review all outstanding debt and to engage with health partners to resolve historical queries.

Commissioning & Health

A 7% underspend against budget

(1.4) The month 9 position is a forecast underspend of £1.4m against a net budget of £12.6m, following efficiencies achieved through the procurement programme.

Community Safety

Substance misuse services are demand-led

(0.4) The month 9 position is a forecast underspend of £0.4m against a net budget of £3.2m, attributable to a number of temporarily vacant posts being held due to delays in recruitment. There is a minor risk in substance misuse services from demand-led detox and rehabilitation placements, however activity levels are being monitored closely.

Public Health

Primary Care and Sexual Health services are demand-led

0.0 The month 9 position is a breakeven forecast against the budget of £33.5m. There is however risk associated with the contracts for Primary Care and Sexual Health services as these are demand-led; robust monitoring processes are in place.

Ottturn variance £0.2m underspend

£m	Ottturn Variance	Cause of ottturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Ottturn Position	Budget to Date	Actual	Not achieved	Cross Direct-orate	Ear-marked Reserves	Impact on General Reserves
Place	(0.2)	64.7	64.5	37.4	47.5	1.6	-	-	0

An overall underspend of £0.2m is estimated at period 9. Historical savings of £1.6m will not be achieved however, mitigations are in place to cover the shortfall in the current year. A total of £0.2m from the savings target for income generation is being requested to be cancelled as part of the 2018-19 budget setting process.

(in numerical descending order)	£m	Variance commentary
Resources Overspend from unbudgeted Management costs	0.20	There are unbudgeted costs due to senior management brought in to support the directorate. These costs are expected to be contained within the overall Place budget at year end.
Growth & Economic Development Unbudgeted historical service charges.	0.18	Unbudgeted service charges from previous years of £175k have been incurred. These costs are expected to be contained within the overall Place budget. Mayor's Priority Growth of £400k are forecasted for the year to be drawn down from reserves.
Property & Major Programme Unbudgeted costs for Whitechapel Civic Centre and Vacant premises awaiting disposal.	0.02	This year costs attributable to securing the new Civic Centre site will be met from the corporate provision set aside to finance this project. Any costs relating to vacant properties awaiting disposal will also be met corporately.
Planning & Building Control Local Plan Place Team.	0	The unbudgeted Local Plan Place Team previously funded from reserves can be contained within the existing resources as a result of underspends following a review of the Team's outcomes.
Housing & Regeneration Increased income from RSLs.	(0.20)	The development of the recharge model supports the additional income now being generated from RSLs for lettings via the common housing register.
Public Realm Savings slippage offset by increased streetworks income	(0.41)	<p>There are a number of budget pressures that are being contained for the current year. This includes advertising income, historical savings, unbudgeted management and waste contract retender project costs from increased income sources.</p> <p>The pressures are mitigated in the current year through increased income from streetworks and parking bays suspensions and from increased utilities work in the borough, together with vacancies held pending reviews and restructures.</p> <p>A shortfall in the budget for Kemnal Park is being met from reserves. Adjustments will need to be made for licensing income impacts, and the Landlord Licensing scheme unbudgeted income estimated at £0.5m for this year</p>

that supports future years costs.

The street trading account operates in accordance with the London Local Authorities Act 1990 which stipulates what charges can be made to the account. There are a number of pressures in this area that will result in a deficit of £0.2m which will be funded from retained reserves.

Appendix 2.5 - Governance

2.5

Outturn variance £0.7m overspend

£m	Outturn Variance	Cause of outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Directorate	Ear-marked Reserves	Impact on General Reserves
Governance	0.7	12.8	13.5	9.6	10.8	0.6	-	-	-

The Governance directorate is forecasting a potential overspend of up to £700k

Strategy, Policy and Performance (SPP)

Savings slippage

0.53 The budget included a saving proposal of £0.6m to be achieved through centralisation of SPP teams. The preliminary work to develop a future model for the new centralised service took longer than expected to define. The restructure is now underway but has been delayed. Full savings will not be achieved this year and an overspend of at least £0.530m is expected.

Registrars Service

Not generating as much income as we had hoped

0.15 A new registrar's service model, with additional chargeable services, was introduced in 2016-17 to generate additional income and help meet the Councils budget gap. We are not generating as much income as we had hoped and overspends of around £0.150m are likely this year. We are looking at ways to reduce costs and increase charges for some of our more popular services in line with competitors to manage this pressure from 2018-19.

Other comments

Other Services

All other services within the Governance Directorate are currently forecasting a balanced position.

Outturn variance £13.7m underspend

£m	Outturn Variance	Cause of outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Directorate	Ear-marked Reserves	Impact on General Reserves
Corporate	(13.7)	(0.6)	(14.3)	0.4	8.6		(1.9)	8.2	(1.5)

Corporate and Central budgets These are provisions for unforeseen events (contingencies) and Council-wide budgets for savings, growth and inflation. If during the year, a Directorate proves that there has been service growth in its area, we move some money from this central pot into their budget to help cover the cost of the growth when this has been evidenced. This 'Contingency' is currently £3.1m.

Corporate / Central Financing In addition to the amount available in Contingency, underspends exist within Treasury management and capital financing due to delays in delivering the councils planned capital programme during the year
Approved growth that may be transferred to services upon receipt of evidence could have an impact on the respective service areas or remain within corporate cost if not required.

:

Outturn variance for HRA £24.8m underspend

£m	Outturn Variance	Cause of outturn variance							
		Yearly figs		Figs to date		Savings: directorate		Reserves	
		Revised Budget	Forecast Outturn Position	Budget to Date	Actual	Not achieved	Cross Directorate	Ear-marked Reserves	Impact on HRA Reserves
HRA	(24.8)	12.0	(12.8)	(31.4)	(29.9)	-	-	-	(24.8)

A £24.8m underspend is projected in the Housing Revenue Account (HRA), with the major variances being:

Area	£m	Variance
Dwelling and Non-Dwelling Rents / Tenant and Leaseholder Service Charges:	(0.4)	Overall the rent and service charge budgets are estimated to generate more income. Housing rents are lower than forecast, partly due to the loss of rent resulting from a fire in June 2017 at one of the Council's housing blocks. However a rent review of the Council's commercial properties has resulted in extra non-dwelling rent being recovered.
Special Services, Rents, Rates & Taxes/ Supervision & Management/ Repairs & Maintenance	(0.8)	The main variance relates to the Repairs and Maintenance budget which is projected to be underspent, however historically demand for repairs often increases during the winter months which may result in additional future demands on the budget.
Revenue Contribution to Capital Outlay (RCCO)	(23.6)	<p>The Council originally budgeted to finance the purchase of former social housing units within the borough from a combination of capital resources within the HRA.</p> <p>On 30th January 2018 the Mayor in Cabinet approved the use of the acquired properties as temporary accommodation within the General Fund rather than the HRA, meaning that the remaining uncommitted budget of £26.2m within the HRA capital programme is no longer required for this purpose. This will enable HRA resources of £18.3m (representing the 70% Council contribution required to support the use of retained receipts towards funding of the scheme) to be used to finance other HRA initiatives; either the development of new housing supply or capital works to the Council's existing dwelling stock, including fire safety works. Although funding decisions for the capital programme will not be made until the end of the financial year, when considered in conjunction with the significant slippage that is projected on the Better Neighbourhoods element of the HRA capital programme, it is anticipated that the Council will not need to use any HRA revenue resources to finance the capital programme in 2017-18.</p>

Earlier this year, we set aside £21m for specific mayoral projects to improve outcomes for residents and businesses. They include projects to improve employment opportunities for residents, in particular targeting vulnerable groups such as young people, care leavers, residents over 50 and women and improve the local environment and tackle poverty within the borough through the Mayors Tackling Poverty fund.

See Appendix 4 for projects and progress.

Some schemes are already underway, and our budgets reflect this. Others are being developed and will be included in future budgets.

Savings

6

Target for year £26.1m

Savings needed in future

£m	Total 'red'	Slippage to future years	At risk of non-delivery	Savings	Total target	Delivered/ cashed already
	A = B + C	B	C	E	F = A + D + E	
	x	x	x	✓		
HAC	1.5	0.8	0.7	5.5	7.0	3.6
Place	1.2	0.8	0.4	1.5	2.6	0.1
All	(1.8)	1.7	(3.5)	12.0	10.2	4.6
Resources	0.8	0.8	-	1.5	2.3	1.3
Children's Services	0.7	0.3	0.3	2.5	3.2	0.1
Governance	0.6	0.6	-	0.1	0.8	0.1
Total	3.0	5.0	(2.0)	23.1	26.1	9.7

Green tick: a higher level of confidence that savings are on track to be delivered.

Red cross: either timing issues, i.e. slippage into future years, or at risk of non-delivery.

Total target for 2017-18 is £26.1m (£20.4m relates to approved savings as part of the 2017-18 budget setting process, and £5.7m as a result of previous year savings not delivered)

- £23.1m is identified as being on track to deliver savings of this £9.7m has already been achieved
- A net position of 3.0m is forecast to slip into 2018-19

This section shows the amount of money we have collected from Tax payers of the borough, and the split between the amount that is retained and the amounts paid over to central and government and the GLA.

NNDR

We are expected to collect £434m for 2017/18.

NNDR is split between

GLA 37%,
 Government 33%,
 LBTH 30%

We are expected to collect £434m in Business Rates. To the end of December we have collected £376m (86%) and are on target to achieve full collection.

At the end of the previous year there was also an outstanding debt of £21m relating to historic periods. Of this £11m (46%) has been collected.

Council Tax

We are expected to collect £117m for 2017/18.

CT is split between

Government 27%,
 LBTH 77%

We are expected to collect £117m in Council Tax. We are on target to achieve a full collection with £88m (75%) having been collected by the end of December.

We also have historic Council tax debt of £17m at the end of last year. Of this we have collected £4m or 14%. This is a little lower than we would expect, but we have had to make a large refund during the year for some properties that have changed status.

We have £478m on the Balance Sheet The balance of reserves is broken down as follows

Reserve	£m
General Fund	31.7
HRA	39.1
Earmarked Reserves	134.6
Capital	248.3
Schools	24.7
Total	478.4

We projected £0.5m contribution to the General Fund reserve in the MTFF, and the current outturn could mean this is nearer £1.5m.

We are planning to use £22.7m of Earmarked Reserves Directorates are planning to spend £22.7m of Earmarked Reserves. £16m has been approved by Cabinet for the IT upgrade work, £6m from the transformation reserve (for staffing and 'Smarter Together' programme), and 0.3m from reserves held within Public Realm (Street Trading, £0.2m and Kemnal Park £0.1m).

Overall Position

For this period our investment portfolio totals £468m and we are current receiving an average return of 0.61%.

We have £468m of investments

We currently have 8.0% of the total portfolio investments, held in Money Market Funds to provide liquidity and to diversify risk. Almost 52% of the outstanding investments have less than 3 months to mature. Only £40m of investments are held for periods longer than 12 months.

We are working with our advisors to develop a strategy which improves returns without being too risky; this is reflected in our Treasury Management Strategy document and will be the subject of discussions with the Audit Committee.

Benchmarking

We compare favourably for the return we get from our internally managed funds, but at present we do not hold external investments

According to the information we receive from our advisors Arlingclose, we are out performing both a group of London councils, and a group of national local authorities (both averaging 0.48% on internally invested funds). We are looking at alternative approaches to retain and protect the capital value of the investment, with our Treasury Management advisors investigating options which will balance the risks and rewards.

Inflation

Inflation is eroding the value of our investments.

At the moment the Consumer Prices Index (CPI) inflation is running at 3.1%, and therefore the average return of 0.61% is significantly lower. This means that the future value of the funds invested today will be less.

Pension fund

10

Overall Position to 30th September

The overall fund value has increase by £99m to £1.489bn, which is estimated to be 82.8% of the fully funded level.

Fund increased by £99m

This represents a deficit of £222.9m, down from the previous estimate of £235m.

The pension committee receive quarterly updates on the level and administration of the pension fund. The December position will be reported to the March committee.

Debtors		31 Dec 2017	30 Sept 2017	31 Mar 2017
		£'000	£'000	£'000
Individuals, Companies and Organisations who own us money	Central government bodies	37,294	13,193	21,669
	Other local authorities	-2,081	-2,080	3,320
Overall an increase of £84m on debtors, with the largest increase in other entities (£63m)	Other entities and individuals	184,567	121,530	52,661
	Payments in advance	-	3,606	2,837
		<u>219,780</u>	<u>136,249</u>	<u>80,487</u>

Significant Movements

The movement on Government Bodies relates mainly to Housing benefit (£21m)

The 'Other Entities and Individuals' is made up as follows

	31 Dec 2017	30 Sept 2017	
	£'000	£'000	
Trade and Sundry Debtors	48,985	-3,384	
Council Tax Debtors	-4,597	-5,203	Net position, including receipts, which are eliminated at year end
Payroll Debtors	104,377	61,569	Recovered from schools at year end
Parking	15,781	15,781	
Rents and Service Charges	56,034	45,597	Invoices are raised at the beginning of the year
Housing Benefit Overpayments	7,170	7,170	
	<u>219,780</u>	<u>121,530</u>	

Creditors		31 Dec 2017	30 Sept 2017	31 Mar 2017
		£'000	£'000	£'000
Individuals, Companies and Organisations who we owe money to.	Central government bodies	283,400	215,254	29,330
	Other local authorities	4,561	8,115	8,871
Overall our creditors have increased by £30m, mainly within the Central Government category.	Other entities and individuals	49,155	85,205	61,174
	Accruals	72	69	40,292
	Receipts in advance	13,680	11,823	14,487
		<u>350,867</u>	<u>320,466</u>	<u>154,154</u>

Significant movements

Central Government shows the biggest movement of £68m, this relates to government grants including the DSG which are finalised as part of the year end process. Other entities are showing a reduced position.

Capital expenditure: Table 13.1

	Forecast (under)/ over spend for year	Spent to date vs Budget		This year's fig (£m)		
		This year	Last year	Projection for year	Annual budget	Spent to date
A = D - E	B = F/E	C	D	E	F	
Housing Revenue Account	(22.7)	24%	51%	32.7	55.3	13.3
Corporate	(6.4)	13%	0%	3.9	10.4	1.4
Children's Services	(2.4)	56%	64%	23.7	26.1	14.7
Place	(15.4)	64%	37%	70.6	86.0	55.3
Health, Adult, Communities	(1.9)	30%	3%	1.4	3.3	1.0
Resources	(0.4)	24%	n/a	-	0.4	0.1
Total	(49.2)	47%	47%	132.3	181.5	85.7

We've spent 47% of budget, compared to 47% at the same stage last year we generally spend more later on in the financial year. We still however project a slippage of £49m, which will be spent in future years rather than the current year. Below is detail of projected variances.

	(Under)/ overspend £m	
Housing Capital Programme	(16.7)	The forecast slippage of £16.7m is explained by: <ul style="list-style-type: none"> • £12.1m reduction in estimated spend on Decent Homes backlog and 38 of the Better Neighbourhood blocks due to changes in scope • £3.2m delays in Mechanical & Electrical works caused by issues with planning and DES options. • £1.6m slippage on other projects over programmed. • This is offset by urgent Fire Safety works where there is a £0.24m overspend against the originally proposed budget.
Corporate Budget Provision for Infrastructure Delivery	(6.4)	This relates to budget provision for allocations made under the Infrastructure Delivery Framework (IDF) Process. Amounts will be moved to Directorates as allocations are approved, and spend projections will be added accordingly. Any unallocated amounts in the current year will be rolled forward to future years.
Establish a Housing Wholly-Owned Company	(6.0)	This represents the Council's equity investment in the housing company. It is likely to be advanced in 2018/19 rather than the current year.
Purchase of properties for use as temporary accommodation	2.6	This scheme has been accelerated with the purchase of temporary accommodation occurred earlier than is reflected in the profiled budget

Establish a Housing Community Benefit Society	(2.5)	This represents the S106 resources allocated for use by the Community Benefit Society as funding for the purchase and development of affordable accommodation. It is likely to be advanced in 2018/19 rather than this year.
Parks	(2.5)	Slippage relates to Bartlett Park Landscape Improvement Project, which has been delayed due to procurement issues.
Blackwall Reach	(2.2)	Funds will be used in 2018-19, as there are no buybacks taking place this year.
TfL Schemes	(2.2)	Schemes have been reduced in line with the resources available. TfL have recently written explaining the issues that have impacted on their budget and their ability to fund the 2018-19 LIP funded projects and its effect on the 2017-18 LIP allocations. TfL have offered to agree to formally transferring some of the 2017-18 LIP allocations into 2018-19. This is still under discussion. In addition, the Quietways schemes have had funding withdrawn and some of these will not now proceed. The scope of works and the programme has been reviewed in light of this and other issues regarding staff/contractor resource availability.



Capital receipts from sale of Housing and General Fund assets**Capital receipts: Table 13.2**

	This year
	£m
Dwellings sold under Right to Buy (RTB)	
Receipts from RTB sales (107 properties)	20.6
Less: poolable amount paid to DCLG	(1.3)
Sale of other HRA assets	
Preserved Right to Buy receipts	2.5
43 Saltwell Street	0.02
Sale of General Fund assets	
255-279 Cambridge Heath Rd (LEB building)	30.2
Total	52.0

Receipts shown gross before costs of sale are deducted

Retained Right to Buy receipts must be set aside to meet targets on housing provision as set out in regulations governing the pooling of housing capital receipts, so they must be ring-fenced for this purpose and are not available for general allocation.

MTFS Savings Tracker 2017-20 as at 31 December 2017 - Summary

2017-18				
Savings target *	Delivered / cashed	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery
£'000	£'000	£'000	£'000	£'000

Directorate
Health, Adults & Community
Children's Services
Place
Governance
Resources
All other
Total

7,030	3,594	5,500	813	717
3,201	110	2,536	326	339
2,648	68	1,498	750	400
759	79	129	630	-
2,293	1,253	1,458	835	-
10,169	4,575	12,036	1,650	(3,517)
26,100	9,679	23,157	5,004	(2,061)

26,100	9,679	23,157	5,004	(2,061)
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Savings Achievement Status
Savings Delivered / On Target
Savings Slipping but Achievable
Not Deliverable / Not Achievable
Total

15,437	8,924	18,850	104	(3,517)
9,407	755	4,307	4,900	200
1,256	-	-	-	1,256
26,100	9,679	23,157	5,004	(2,061)

26,100	9,679	23,157	5,004	(2,061)
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2018-19				
Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	
£'000	£'000	£'000	£'000	

3,546	3,567	-	-
2,630	2,380	250	-
1,530	1,179	351	-
630	530	-	100
2,910	2,620	-	290
9,219	9,190	-	29
20,465	19,466	601	398

20,465	19,466	601	398
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8,674	8,445	250	(21)
11,791	11,021	351	419
-	-	-	-
20,465	19,466	601	398

20,465	19,466	601	398
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2019-20				
Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	
£'000	£'000	£'000	£'000	

2,652	2,652	-	-
3,252	3,002	250	-
2,827	2,827	-	-
-	-	-	-
525	525	-	-
7,119	7,119	-	-
16,375	16,125	250	-

16,375	16,125	250	-
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10,146	9,896	250	-
6,229	6,229	-	-
-	-	-	-
16,375	16,125	250	-

16,375	16,125	250	-
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* Total savings £26.1m; Approved 2017-18 savings £20.396m & Historic savings carried forward £5.704m

Reference	Description	Directorate	Savings Achievement Status	2017-18				2017-19				2018-19				2019-20			
				Savings target / cashed	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Forecast savings	Revised Savings target	Slippage from previous year	Variance - Under / (over) delivery	Forecast savings	Revised Savings target	Slippage from previous year	Variance - Under / (over) delivery	Forecast savings	Revised Savings target	Slippage from previous year	Variance - Under / (over) delivery
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
ADU001/17-18	Social Care Services for Older People	Health, Adults & Community	Savings Delivered / On Target	200	165	200	-	Green	1. Efficiencies have been achieved through reprocurements.	200	300	-	Green	300	500	-	Green	500	
ADU002/17-18	Community Equipment Service	Health, Adults & Community	Savings Delivered / On Target	179	23	91	88	Green	1. Catalogue has been reviewed to reduce high cost special orders.	179	88	-	Green	88	308	-	Green	308	
ADU004/17-18	Reshaping Reablement Services	Health, Adults & Community	Savings Delivered / On Target	64	-	64	-	Green	1. On track to be delivered.	64	467	-	Green	467	319	-	Green	319	
ADU005/17-18	Workforce Efficiencies in Adults Social Care	Health, Adults & Community	Savings Delivered / On Target	220	220	220	-	Green	1. Substitute funding was secured through the Improved Better Care Fund.	220	220	-	Green	220	-	Green	-		
ADU006/17-18	Substance Misuse	Health, Adults & Community	Savings Delivered / On Target	950	950	950	-	Green	1. Savings have been achieved.	950	50	-	Green	50	-	Green	-		
ADU008/17-18	Day Opportunities Provision	Health, Adults & Community	Savings Delivered / On Target	50	-	50	-	Green	1. Savings will be achieved through reprocurements as part of the Ageing Well Strategy.	50	310	-	Green	310	140	-	Green	140	
ADU009/17-18	Public Health - 0-19 Public Health Programme Savings	Health, Adults & Community	Savings Delivered / On Target	-	-	-	-	Green	1. Future year savings. 2. School health will be the main saving in 2018-19 and health visitors the main saving in 2019-20.	409	409	-	Green	409	311	-	Green	311	
ADU010/17-18	Public Health- Adult Weight Management	Health, Adults & Community	Savings Delivered / On Target	48	48	8	40	Green	1. Fit4Life Groups contract ends 28/2/18. 2. £96k full year saving in 2018-19. £8k over-achievement in savings.	48	88	-	Green	88	-	Green	-		
ADU011/17-18	Public Health- Community Development Programme	Health, Adults & Community	Savings Delivered / On Target	205	205	205	-	Green	1. £490k one off saving in 2017-18 due to gap in service provision between contracts. New reprocurements will achieve £255k ongoing saving from 2018-19.	205	50	-	Green	50	-	Green	-		
ADU012/17-18	Public Health - Primary Care Prevention Programme	Health, Adults & Community	Savings Delivered / On Target	62	70	100	(38)	Green	1. Smoking cessation services will achieve £140k one-off saving in 2017-18, after new procurement ongoing saving will be £100k from 2018-19. 2. 2017-18 target has been over-achieved by £38k due to savings being achieved quicker than originally planned. Total over-achievement for the 2017-19 period will be £8k.	62	(38)	-	Green	(8)	-	Green	-		
ADU013/17-18	Public Health - Sexual Health Services	Health, Adults & Community	Savings Delivered / On Target	267	82	246	21	Green	1. Service confirmed that savings have been realised.	267	179	-	Green	179	100	-	Green	100	
ADU014/17-18	Public Health - Specialist Smoking Programme	Health, Adults & Community	Savings Delivered / On Target	96	64	103	(7)	Green	1. Reproachment has achieved 8 months savings in 2017-18. The full year effect saving in 2018-19 will be £155k. 2. 2017-18 target has been over-achieved by £7k due to savings being achieved quicker than originally planned. Total over-achievement for the 2017-19 period will be £5k.	96	47	-	Green	52	-	Green	-		
ADU006/16-17	Charging for community Social Care services	Health, Adults & Community	Savings Delivered / On Target	540	350	540	-	Green	1. Charging took effect from 2/10/17. Charges of £614k raised to end of November. Net savings in 2017-18 are reduced by cost of project initiation.	540	-	-	Green	-	-	-	Green	-	
ADU008/16-17	Improving focus on reablement for social care users	Health, Adults & Community	Savings Delivered / On Target	322	262	322	-	Green	Risk from continuing discussions with TH CCG.	322	-	-	Green	-	-	-	Green	-	
ADU012/16-17	Working with the NHS to deliver jointly funded care packages	Health, Adults & Community	Savings Delivered / On Target	1,000	1,000	1,000	-	Amber	1. Savings have been achieved.	1,000	-	-	Amber	-	-	-	Amber	-	
CLC003a/17-18	Service Redesign - Safer Communities	Health, Adults & Community	Savings Delivered / On Target	448	448	448	-	Green	1. 2019/20 project, further work to be done - no significant risk at this stage.	448	-	-	Green	-	-	-	Green	-	
CHI002/17-18	Better support for families through early help, and reduction in social care demand	Children's Services	Savings Delivered / On Target	-	-	-	-	Green	1. 2019/20 project, further work to be done - no significant risk at this stage.	-	-	-	Green	-	-	-	Green	-	
CHI004/17-18	Integrating Employment Services for Young People	Children's Services	Savings Delivered / On Target	-	-	-	-	Green	1. 2019/20 project, further work to be done - no significant risk at this stage.	-	-	-	Green	-	-	-	Green	-	
CHI006/17-18	Regional Adoption Agency	Children's Services	Savings Delivered / On Target	-	-	-	-	Green	1. 2019/20 project, further work to be done - no significant risk at this stage.	-	-	-	Green	-	-	-	Green	-	
CHI005/16-17	Directorate support services- more efficient working	Children's Services	Savings Delivered / On Target	160	-	160	-	Amber	1. This is incorporated into the corporate business support review.	160	-	-	Amber	-	-	-	Amber	-	
CHI006/16-17	Review of Child and Adolescent Mental Health services (CAMHS)	Children's Services	Savings Delivered / On Target	50	-	50	-	Green	Savings achieved. Service is reporting an underspend on 17/18 budget	50	-	-	Green	-	-	-	Green	-	
CLC035/15-16	Review of Arts Parks & Events Team	Children's Services	Savings Delivered / On Target	110	110	110	-	Green	1. Saving Achieved	110	-	-	Green	-	-	-	Green	-	
ESCW034/16-17	Directorate administration review	Children's Services	Savings Delivered / On Target	317	-	317	-	Amber	1. This is incorporated into the corporate business support review.	317	-	-	Amber	-	-	-	Amber	-	
CLC001/17-18	Waste Management Contract Efficiencies	Place	Savings Delivered / On Target	1,030	-	1,030	-	Green	1. Savings target for 2017/18 delivered through the extension of the Recycling and Collection contracts.	1,030	208	-	Green	208	1,800	-	Green	1,800	
CLC003b/17-18	Service Redesign - Safer Communities	Place	Savings Delivered / On Target	400	-	400	-	Green	1. Target for 2017/18 will be delivered through vacancy management. 2. This is a one-off saving for 2017/18 only with budget returned in 2018/19 onwards.	400	-	-	Green	-	-	-	Green	-	
CLC004/17-18	Smarter Working - Parking, Mobility & Transport Services Efficiencies	Place	Savings Delivered / On Target	-	-	-	-	Green	1. The target is for 2018/19 - no risks to delivering this at this stage.	300	300	-	Green	300	-	-	Green	-	
D&R001/17-18	Responding to Competition in Planning	Place	Savings Delivered / On Target	68	68	68	-	Green	1. Achieved	68	72	-	Green	72	76	-	Green	76	
D&R002/17-18	Maximising use of technology in Housing Options Service	Place	Savings Delivered / On Target	-	-	-	-	Green	1. This is a 2019/20 saving - no risks flagged at this stage.	-	-	-	Green	-	-	-	Green	-	
D&R003/17-18	Purchase of Private Sector Units within the General Fund for use as Temporary Accommodation	Place	Savings Delivered / On Target	-	-	-	-	Green	1. The target is for 2018/19 - no risks to delivering this at this stage.	200	200	-	Green	200	300	-	Green	300	

Reference	Description	Directorate	Savings Achievement Status	2017-18				2018-19				2019-20				
				Savings target	Delivered / cashed	Forecast savings	Variance - Slippage	Savings target	Revised Savings target	Forecast savings	Variance - Slippage	Savings target	Revised Savings target	Forecast savings	Variance - Slippage	
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
LP0010/15-16	Staffing and associated efficiencies	Governance	Savings Delivered / On Target	79	79	79	-	-	-	-	-	-	-	-	-	-
RES002/17-18	Benefits Service Admin Savings	Resources	Savings Delivered / On Target	450	450	450	-	-	-	525	525	525	-	-	-	-
RES004/17-18	Fund DHP through the Tackling Poverty Fund	Resources	Savings Delivered / On Target	725	725	725	-	-	-	-	-	-	-	-	-	-
RES028/15-16	More efficient working across Central Service (HR) and Payroll	Resources	Savings Delivered / On Target	78	78	78	-	-	-	-	-	-	-	-	-	-
ALL002/17-18	Fees & Charges	All	Savings Delivered / On Target	919	815	919	-	-	-	419	419	419	-	-	-	-
ALL003/17-18	Debt Management & Income Optimisation	All	Savings Delivered / On Target	3,000	-	4,650	(1,650)	-	-	3,000	3,000	3,000	-	-	-	-
ALL007/17-18	Corporate Management Review	All	Savings Delivered / On Target	500	500	500	-	-	-	-	-	-	-	-	-	-
ALL008/17-18	Treasury Management Efficiencies	All	Savings Delivered / On Target	1,500	2,060	3,367	(1,867)	-	-	500	500	500	-	-	-	-
ALL009/17-18	Consolidation of Business Support and Administration Functions	All	Savings Delivered / On Target	-	-	-	-	-	-	1,000	1,000	1,000	-	-	-	-
ALL010/17-18	ICT Centralisation	All	Savings Delivered / On Target	-	-	-	-	-	-	-	-	-	-	-	-	-
RES003/17-18	Revise Local Council Tax Reduction Scheme	All	Savings Delivered / On Target	1,400	1,200	1,400	-	-	-	-	-	-	-	-	-	-
Savings Delivered / On Target				15,437	8,924	18,850	104	(3,517)	104	8,674	8,445	250	(21)	250	250	250

Reference	Description	Directorate	Savings Achievement Status	2017-18				2018-19				2019-20					
				Savings target	Delivered / cashed	Forecast savings	Variance - Slippage	Savings target	Revised Savings target	Forecast savings	Variance - Slippage	Savings target	Revised Savings target	Forecast savings	Variance - Slippage		
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
ADU003/17-18	Helping People with Learning Disability live Independently	Health, Adults & Community	Savings Slipping but Achievable	736	414	552	184	-	-	184	766	766	-	-	-	-	-
ADU007/17-18	Improving Employment Support for Adults with Disabilities	Health, Adults & Community	Savings Slipping but Achievable	164	-	-	164	-	-	164	219	219	-	-	-	-	-
ADU001/16-17	Review of Day Services for Older People	Health, Adults & Community	Savings Slipping but Achievable	241	20	80	161	-	-	161	161	161	-	-	-	-	-
ADU007/16-17	Sharing Services with NHS Partners	Health, Adults & Community	Savings Slipping but Achievable	521	321	321	200	-	-	200	200	200	-	-	-	-	-
CHI001/17-18	Youth Service Transformation	Children's Services	Savings Slipping but Achievable	1,800	-	1,760	40	-	-	40	40	40	-	-	-	-	-
CHI003/17-18	Increasing the involvement of partners in Early Years services	Children's Services	Savings Slipping but Achievable	125	-	-	125	-	-	125	1,329	1,329	-	-	-	-	-
CHI005/17-18	Better targeting of services for children with special educational need and disabilities (SEND)	Children's Services	Savings Slipping but Achievable	100	-	100	-	-	-	100	400	400	-	-	-	-	-
CLC002/17-18	Income Optimisation Opportunities	Children's Services	Savings Slipping but Achievable	40	-	-	40	-	-	40	340	340	-	-	-	-	-
CLC005/17-18	Culture, Learning & Leisure Service Efficiencies	Children's Services	Savings Slipping but Achievable	160	-	139	21	-	-	21	271	271	-	-	-	-	-
CLC005/16-17	Alternative Service Delivery Model for Animal Warden Service	Place	Savings Slipping but Achievable	160	-	-	160	-	-	160	160	160	-	-	-	-	-
CLC006/16-17	Income Generation Opportunity from CCTV Network	Place	Savings Slipping but Achievable	200	-	-	200	-	-	-	-	-	-	-	-	-	-

Reference	Description	Directorate	Savings Achievement Status	2017-18				2018-19				2019-20							
				Savings target / cashed	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Status update	Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CLC007/16-17	Review of Enforcement Function- More Generic Working	Place	Savings Slipping but Achievable	451		451	-	Amber	1. Savings being reviewed as part of a wider review of Enforcement, including the development of the Neighbourhood Model pilot. The pilot will be introduced through a phased implementation in 2018/19 and 2019/20. This will provide a menu of costed levels of service and outcomes for consideration. 2. The re-phased savings sums are £100k in 2018/19 and £351k in 2019/20 but will require further validation following the review in 2018/19.										
CLC008/16-17	School Crossing Patrols to be delivered by Schools	Place	Savings Slipping but Achievable	89		89	-	Amber	1. This savings opportunity is not considered achievable as set out in the MIFS. Sending notification to schools that currently have the service to establish service level agreement to fund the cost of the School Crossing Patrol service is not considered tenable given the pressure schools budgets are under. This savings will be covered off from one off funding streams available in 2017/18. 2. Alternative options are being considered for Schools to fund the service from 2019/20.										
D&R008/16-17	Generating more income from council assets	Place	Savings Slipping but Achievable	50		50	-	Amber	1. The council is currently looking into ways of generating income from its assets such as the borough Wifi initiative. This savings is subject to the wider council legal challenge on Wifi, therefore the savings will not be realised in 2017-18.										
ALL005/17-18	Consolidation of Strategy, Policy & Performance Functions	Governance	Savings Slipping but Achievable	600		550	50	Amber	1. Restructure underway but delayed and unlikely to be in place until March, possibly April. Slippage will need to be covered corporately. 2. Full savings expected from 2018/19.										
LPG002/15-16	Implementation of Registration Service new business model	Governance	Savings Slipping but Achievable	80		80	-	Amber	1. The new registrars service model was implemented towards the end of 2015/16. However additional income that needed to be generated through some increases in existing fees and new charges introduced as part of the new model has not materialised and the service is currently reviewing options to mitigate. 2. Mitigation - additional increases and new charges being put forward as part of fees and charges report - potential additional income expected from 2018/19 to help cover slippage. 3. Also - service efficiencies are being considered that will reduce costs next year.										
RES001a/17-18	Human Resources	Resources	Savings Slipping but Achievable	250		90	160	Amber	1. Slippage to be covered corporately, through early delivery of treasury savings										
RES005/17-18	Review and Revise Risk Management Service	Resources	Savings Slipping but Achievable	90		45	45	Amber	1. Savings achievable but changes to structure implemented part way through the year - thus savings will slip into 2018/19										
ALL004/17-18	Centralisation of Finance	Resources	Savings Slipping but Achievable	700		700	-	Amber	1. Restructure delayed, unlikely to be implemented until April 2018. Slippage to be covered through early delivery of treasury savings										
RES001b/17-18	Human Resources	All	Savings Slipping but Achievable	1,500		500	1,000	Amber	1. Savings expected through reduced agency use 2. Savings realised being reviewed										
RES006/17-18	Functional Consolidation of Procurement	All	Savings Slipping but Achievable	250		250	-	Amber	1. Part of the business support review which is progressing but unlikely to be implemented until 2018/19 - Slippage to be covered corporately										
RES001/17-18	Review of Printing/ Scanning/ Use of Multi-Functional Devices (MFDs)	All	Savings Slipping but Achievable	500		300	200	Amber	1. Work is progressing on the first phases of both the Local Presence (LP) and the Contact Centre Review (CCR) programmes and it is anticipated that (a) reconfiguration building work on the first LP location (ISWM) will commence in March (b) first phase of THCC integration (Revenues & Benefits) will be completed during Q4. These first phase projects should enable limited savings in Q4 with the bulk of the associated savings following in Q1/2 of 2018/19. Work is also underway to plan the full rollout of both LP and CCR review projects through 2018/19 with associated savings.										
ALL006/17-18	Local Presence / Contact Centre Review	All	Savings Slipping but Achievable	600		600	-	Amber											
Savings Slipping but Achievable				9,407	755	4,307	4,900	200											

Reference	Description	Directorate	Savings Achievement Status	2017-18				2018-19				2019-20							
				Savings target / cashed	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Status update	Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage
				£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ESCW	One-offs to carry forward	Health, Adults & Community	Not Deliverable / Not Achievable	593				Red	1. Not deliverable. Request as part of 2018-19 budget setting to cancel this saving.										
ESCW063/15-16	Additional restructure Adults OOH. To be linked to 3 other service challenges - ESCW17, 65 & 66	Health, Adults & Community	Not Deliverable / Not Achievable	62				Red	1. Not deliverable. Request as part of 2018-19 budget setting to cancel this saving.										
ESCW065/15-16	Additional restructure Adults OOH. To be linked to 3 other service challenges - ESCW17, 65 & 66	Health, Adults & Community	Not Deliverable / Not Achievable	62				Red	1. Not deliverable. Request as part of 2018-19 budget setting to cancel this saving.										
CHI003/16-17	Undergraduate & PGCE bursaries	Children's Services	Not Deliverable / Not Achievable	33				Red	1. Not deliverable. Request as part of 2018-19 budget setting to cancel this saving.										
CSF 4 (2012)	Consolidation of information systems- Single View of a Child	Children's Services	Not Deliverable / Not Achievable	255				Red	1. Not deliverable. Request as part of 2018-19 budget setting to cancel this saving.										
ESCW066/15-16	Extension of day service to incorporate out of hours work. To be linked to 3 other service challenges - ESCW17, 63 & 65	Children's Services	Not Deliverable / Not Achievable	51				Red	1. Not deliverable. Request as part of 2018-19 budget setting to cancel this saving.										
Not Deliverable / Not Achievable				593	62	62	33	255	51										

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Ref No.	Growth Bids Description	Directorate	Strategic Priority Area	Revenue						Capital				TOTAL £000		
				Ongoing			One Off			Capital						
				2017-18 £000	2018-19 £000	2019-20 £000	TOTAL £000	2017-18 £000	2018-19 £000	2019-20 £000	TOTAL £000	2017-18 £000	2018-19 £000		2019-20 £000	TOTAL £000
MGR0 ADU 1-17	Implementation of the Ethical Care Charter	Health, Adults and Community	1.4 More people living healthily and independently for longer	1,413	-	-	1,413	-	-	-	-	-	-	-	-	-
Health, Adults and Communities				1,413	-	-	1,413	-	-	-	-	-	-	-	-	-
MGR0 ADU 2-17	Continuing to provide universal free school meals	Health, Adults and Community	1.4 More people living healthily and independently for longer	-	-	2,000	2,000	6,000	-	-	-	-	-	-	-	-
MGR0 CHI 1-17	Supporting our Care Leavers to find work opportunities through employment initiatives	Children's Services	1.3 Young people realising their potential	472	-	-	-	-	-	-	-	-	-	-	-	-
MGR0 CHI 2-17	Children's Centre commissioning of voluntary and community sector (VCS) organisations	Children's Services	1.3 Young people realising their potential	-	-	120	120	360	-	-	-	-	-	-	-	-
MGR0 CLC 5-17	Provision of four new outdoor gyms to improve health outcomes to all parts of the community	Children's Services	1.4 More people living healthily and independently for longer	90	-	-	-	90	17	173	10	200	-	-	-	-
Children's Services				562	-	-	2,120	6,360	17	173	10	200	-	-	-	-
MGR0 D&R 1-17	Creating community hubs and regularising the usage of community buildings to provide high quality, low cost space for community groups	Place	1.5 Reducing inequality and embracing diversity	-	-	60	60	1,20	855	1,180	950	2,985	-	-	-	-
MGR0 D&R 2-17	Enhancing services to support people in overcoming the barriers to accessing skills and toward employment	Place	1.5 Reducing inequality and embracing diversity	-	-	185	185	555	-	-	-	-	-	-	-	-
MGR0 D&R 3-17	Introducing new off-street parking arrangements in our housing estates due to changes in national legislation	Place	2.1 An improved local environment	-	-	90	10	611	200	500	1,300	2,000	(350)	(300)	(250)	(900)
MGR0 D&R 4-17	Supporting young people realise their potential through the Mayor's Apprenticeship Fund	Place	1.3 Young people realising their potential	-	-	228	214	611	-	-	-	-	-	-	-	-
MGR0 D&R 5-17	Supporting residents aged 50 and above through training and support to help them access employment opportunities	Place	1.2 More residents in good-quality, well-paid jobs	-	-	112	112	336	-	-	-	-	-	-	-	-
MGR0 D&R 6-17	Helping women to progress from unemployment into health care careers.	Place	1.2 More residents in good-quality, well-paid jobs	-	-	692	692	2,076	-	-	-	-	-	-	-	-
MGR0 D&R 7-17	Planning Enforcement	Place	2.1 An improved local environment	151	-	-	-	-	-	-	-	-	-	-	-	-
HRA Budget report	HRA funding set aside for ASB Initiatives	Place	2.3 Less crime and anti-social behaviour	-	-	-	-	-	886	836	736	2,458	-	-	-	-
MGR0 CLC 1-17	Investing in public realm to improve the local environment for residents	Place	2.1 An improved local environment	-	-	-	-	-	1,000	1,000	1,000	3,000	-	-	-	-
MGR0 CLC 2-17	Improving the quality of living environment for our residents through re-deployment of enforcement officers	Place	2.3 Less crime and anti-social behaviour	150	-	-	-	-	-	-	-	-	-	-	-	-

Progress/Update as at December 2017

Implemented in Sept/Oct 2016 - Full year impact in 2017/18.

Budget Transferred to CHI to deliver the FSM programme. There is a pressure of £0.5m for FSM programme. Forecast is £3.5m of which £2m is funded by the Mayor and £1m from the Public Health grant.

This project has slipped to 2018-19. Service have requested budget to be retained and expenditure will be incurred in 2018-19.

PIF signed for commissioning to commence in January 2018. Expected costs are £27.5k: 2017-18, £110k for 2018-19 and 2019-20.

The sites have been identified for the Gym investment programme. This is currently being reviewed and works will commence following consultation in the 3rd Quarter 2017-18. The forecast for capital is £17k in 2017-18, £173k in 2018-19 and £10k in 2019-20.

The revenue funding of £90k will not be required until 2018-19.

A programme is underway to deliver community hubs investment programme. These works are supported by the asset management and facilities management teams. The capital budget approved as part of the 2017-18 budget process for this programme was £3m, but £15k spend was incurred in 2016-17 therefore £2.985m available budget.

ESOL Hub Coordinator appointed October 2017 to maximise update band completion of ESOL course across all providers - based on successful Hackney model. Related work aims to enhance the level of ESOL provision in the community and provide a clear pathway to specific sectors through vocational training in partnership with local employers. The training is delivered flexibly over 12 weeks including a range of interventions including workshops, 1-2-1 sessions, conversational groups and telephone, email conversations. The training is aimed at Entry 3 and Level 1, as these learners are most likely to benefit from the training and be ready to access further training or work after the course. Applicants who are assessed at a lower level will be referred to alternative programmes with a view to progress to the vocational training.

ESOL training will initially focus on three main sectors: Construction, Health & Social Care and Hospitality, with a view to open up to other sectors depending on the community requirements. courses underway.

The Vocational ESOL programme will train 140 Learners over 2 years with a view to deliver to a further 108 in 2019/20.

Report to be considered at Cabinet in October 2017; this recommends the introduction of Traffic management orders to be implemented on all HRA land as a means of enforcing parking control.

The capital budget approved as part of the 2017-18 budget process for this programme was £3.3m. This has been revised as part of the 2018-19 budget process and £1.3m has been re-profiled to 2020-21.

Successful launch of the Mayor's apprenticeship grant in November 2017; 101 employers approached, 97 apprenticeships created, 6 apprenticeship starts achieved. Website development continues. WorkPath attendance at events (job fairs, International Women's Day). Planned first WorkPath candidate session to increase referrals.

Further recruitment is underway and it is hoped will be resolved by the end of the year. Suitable placement providers are being identified and existing clients who are aged 50+ are being identified from the WorkPath case load. Presentations are planned across the borough (Link Age, Age UK) at which information about the programme will be given to prospective clients and officers from WorkPath will attend and do the registration of these new clients. We will do the full registration at this time as participants may not be able to afford to travel to Work Path on multiple occasions.

Positive conversations are being had with: Carers Centre, JCP (Rapid Response: a range of 50+ advisers and Age UK around joint work and referrals. Ageing Well Strategy Officer from LBTH is providing the Community Catalogue listing all 50+ PVI sector providers. W/C 2/10: Link Age Plus are promoting the 50+ programme. The Ageing Well partnership will be a way to identify both supply and demand needs. Promotional event to be arranged to promote to other 50+ providers (work with LBTH strategy officer) and find out what type of roles the providers are looking for. Outputs to-date:

- 1 x 50+ apprentice started September 2017
- 45 registrations
- 14 secured job outcomes

Full staff complement is predicted shortly and moving forward into 2018, which will be reflected in the number of clients going through the programme. Staff also deliver related programmes: 50+ programme, support ITRES programme and general working start initiatives. Bart's is the main Women in Health placement provider. Approximately 15 apprenticeships will be created.

Action Plan

Cohort 4 - Recruitment open day - 16/01/17 - assessment and interviews ongoing to recruit 30 trainees

Recruitment and selection process, DBS, NHS OH and TH OH timetables and Xmas period, mean that successful applicants will start ideally 15/01/18.

Cohort 5 - Recruitment open day - 22/01/18 - Aiming to recruit 30 trainees and recruitment & selection processes from TH and the NHS means that they are not likely to start until approx. 12/03/18.

Moving forward for 18/19 & 19/20 there will be a recruitment each quarter for 20 trainees starting the recruitment & selection process at the beginning of each quarter so that they are in place before the next quarter when recruitment starts again and so forth. This also allows for any 'drop offs' due to the lengthy wait in starting placements.

Two new posts have been created and recruited to within the Planning Enforcement team. Officers expected to start in post this quarter. In the meantime two agency members of staff are covering the posts.

Consideration is being given to the use of the remaining element of the growth bid in a way that complements the existing functions and resources in the team. The preferred option is to create a new type of enforcement/compliance post focusing on investigative work and evidence collection. This has proved effective in other central London boroughs where there is a busy enforcement caseload, allowing compliance officers to achieve a better balance between investigating new cases and progressing action/resolution of existing. A new job description is being developed and subject to evaluation and necessary HR approvals, we will be in a position to recruit during quarter 2.

A need has been identified to expand services to address a rising number of Anti-Social Behaviour cases on estates. A range of options is being explored, including security, front line staff, a partnership with the police and enhanced legal support and advice. Detailed service arrangements will be agreed with the Mayor and Deputy Mayor and put in place during the next few months. As part of the evaluation process the opportunity for possibly match-funding schemes with the council's partners will be investigated.

In terms of the resources, these are currently earmarked within the HRA Client budget pending the decision on the specific options to be implemented (see the Overview and Scrutiny response). They will be moved to the Delegated budget or THH management fee as necessary when the use is agreed.

This is being incorporated into the Highways programme for investment in the environment. 8 areas have been identified for the capital investment in conjunction with Mayors office, consultation will be carried out in quarter 2 and 3, with implementation commencing in quarter 3 onwards.

The proposal for the Noise element of this ASB funding is being moved towards an Environmental Protection Team with an effective out of hours function. With the piloting of a Neighbourhood model in Weavers, it is proposed that a wider review of Enforcement, including the developing Neighbourhood model, be undertaken in 2018/19 with a phased implementation in 2018/19 and 2019/20. This will allow the pilot to be evaluated and, if agreed, rolled out across the remainder of the borough and also allow the disaggregation of other enforcement activities within the Council to progressed. This will provide a menu of costed levels of service and outcomes for consideration. Running concurrent to this the re-organisation of the Clean and Green team within Public Realm, and the introduction of PSI, will allow more effective contract management of Veolia and the greater use of intelligence on local environmental issues such as littering, fly tipping and graffiti.

APPENDIX 5 - CAPITAL Q3 2017/18

Directorate	Latest Budget 2017/18 (£m)	Spend to Q3 2017/18 (£m)	Spend to date as % of annual budget	Projected Spend to 31/3/2018 (£m)	Projected Variance for 2017/18 (£m)	Projected Variance for 2017/18 (%)	2018/19 Budget (£m)	2019/20 and Future Years Budget (£m)	Total Future Years Budget (£m)	Spend in previous years for current projects (£m)	Total Budget - All Years (£m)	Total Projection - All Years (£m)
Health, Adults and Communities	3.322	0.987	30%	1.374	-1.948	-59%	2.550	6.749	9.299	2.453	15.074	15.074
Children's Services	26.115	14.684	56%	23.727	-2.388	-9%	7.824	40.112	47.936	51.747	125.798	126.627
Place	86.001	55.264	64%	70.574	-15.427	-18%	27.392	103.990	131.382	22.709	240.093	240.635
Housing Revenue Account (HRA)	55.323	13.311	24%	32.666	-22.657	-41%	47.162	198.662	245.824	182.072	483.219	483.219
Resources	0.367	0.087	24%	0.000	-0.367	-100%	0.500	1.000	1.500	0.776	2.643	2.643
Corporate	10.359	1.369	13%	3.943	-6.416	-62%	9.763	95.564	105.327	1.377	117.063	117.063
Grand Total	181.487	85.702	47%	132.284	-49.203	-27%	95.192	446.077	541.269	261.134	983.890	985.261

Directorate	Programme	Current Year						Future Years			All Years (inc Future and Past)			
		Latest Budget 2017/18 (£m)	Spend to Q3 2017/18 (£m)	Spend to date as % of annual budget	Projected Spend to 31/3/2018 (£m)	Projected Variance for 2017/18 (£m)	Projected Variance for 2017/18 (%)	Explanations for Projected Variance and for % Spend to Date	2018/19 Budget (£m)	2019/20 and Future Years Budget (£m)	Total Future Years Budget (£m)	Spend in previous years for current projects (£m)	Total Budget - All Years (£m)	Total Projection - All Years (£m)
Children's	Mayor's Priority - Parks and Open Spaces	0.017	0.000	0%	0.017	0.000	0%	This project has only just got underway, hence a small amount of budget for 17-18 and no spend to date.	0.173	0.010	0.183	0.000	0.200	0.200
Children's	Parks	3.593	0.318	9%	1.109	-2.484	-69%	Slippage relates to Bartlett Park Landscape Improvement Project, which has been delayed due to procurement issues. The unspent budget should be re-profiled to future years.	1.259	3.698	4.957	2.628	11.177	11.177
Children's	Conditions and Improvement	8.608	5.530	64%	8.397	-0.211	-2%	Major costs on overspending Stephen Hawking project to be submitted for payment in Q4, to achieve projected end of year spend.	1.500	1.500	3.000	4.599	16.207	17.036
Children's	Bishop Challoner	0.000	0.000	0%	0.000	0.000	0%		0.000	0.590	0.590	0.010	0.600	0.600
Children's	Basic Need/Expansion	11.762	8.349	71%	12.181	0.420	4%	Additional costs on Stepney Green to be paid within Q4 in addition to spend originally profiled.	3.567	33.813	37.381	42.513	91.655	91.655
Children's	Provision for 2 year olds	1.428	0.220	15%	1.428	0.000	0%		0.000	0.000	0.000	1.319	2.747	2.747
Children's	Culture	0.708	0.267	38%	0.595	-0.113	-16%	The underspend here is associated with the Middlesex Street Project which is awaiting clarification of details.	1.325	0.500	1.825	0.678	3.212	3.212
Children's Total		26.115	14.684	56%	23.727	-2.388			7.824	40.112	47.936	51.747	125.798	126.627
Corporate	CORP - Indicative Schemes - Underground Refuse Service	0.000	0.000	0%	0.000	0.000	0%		0.500	0.000	0.500	0.000	0.500	0.500
Corporate	Whitechapel Civic Centre	3.943	1.369	35%	3.943	-0.000	0%		9.263	95.564	104.827	1.377	110.147	110.147
Corporate	Infrastructure Delivery Budgetary Provision	6.415	0.000	0%	0.000	-6.415	-100%	This relates to budget provision for allocations made under the Infrastructure Delivery Framework (IDF) Process. Amounts will be moved to Directorates as allocations are approved, and spend projections will be added accordingly. Any unallocated amounts in the current year will be rolled forward to future years.	0.000	0.000	0.000	0.000	6.415	6.415
Corporate Total		10.359	1.369	13%	3.943	-6.416			9.763	95.564	105.327	1.377	117.063	117.063
HAC	Tele Care/Telehealth Equipment	0.097	0.000	0%	0.097	0.000	0%	Adult Social Care teams are reviewing in-year requirements.	0.000	0.000	0.000	0.275	0.372	0.372
HAC	Public Health	3.220	0.983	31%	1.278	-1.943	-60%	Fit out of William Cotton Place has been completed, to enable re-provision of St Paul's Way practice, providing 13 clinical rooms serving over 11,000 patients. Maximising Health Infrastructure - Three schemes are underway. PID is going to Infrastructure Delivery Board in February to refresh the plans for other schemes which will slip to 2018-19. Review of the Green Grid Strategy has occurred. Projects to improve landscaping and access are being scoped for delivery in future years. Improvements to Health Infrastructure - PIDs have been agreed for Goodman's Fields and Sutton Wharf.	2.550	6.749	9.299	1.948	14.467	14.467
HAC	Occupational Therapy Suite	0.001	0.000	0%	0.000	-0.001	-100%	Project has been completed.	0.000	0.000	0.000	0.139	0.140	0.140
HAC	Condition	0.004	0.004	97%	0.000	-0.004	-100%	Redcoat Youth Centre - Vibrance Relocation project complete. Final account is being finalised by Asset Management and Legal Services.	0.000	0.000	0.000	0.091	0.095	0.095
HAC Total		3.322	0.987	30%	1.374	-1.948			2.550	6.749	9.299	2.453	15.074	15.074
HRA	Housing Capital Programme	41.724	10.361	25%	25.023	-16.701	-40%	The forecast slippage of £16.7m is explained by - £12.1m reduction in estimated spend on Decent Homes backlog and 38 of the Better Neighbourhood blocks due to changes in scope; £3.2m delays in Mechanical & Electrical works caused by issues with planning and DES options. £1.6m slippage on other projects over programmed. This is offset by urgent Fire Safety works giving rise to £0.24m overspend.	25.480	94.570	120.050	134.246	296.020	296.020
HRA	Ocean Estate Regeneration	0.866	0.676	78%	1.110	0.244	28%	Increased compensation costs awarded through tribunals, funds brought forward from 18/19	0.000	0.000	0.000	2.550	3.416	3.416
HRA	Blackwall Reach	2.748	0.225	8%	0.500	-2.248	-82%	Funds will slip into 18/19, as there are no buybacks taking place this year.	1.152	0.000	1.152	2.516	6.416	6.416
HRA	Fuel Poverty Works	0.040	-0.034	-86%	0.001	-0.039	-97%	No further spend is expected for Fuel Poverty Works.	0.400	0.000	0.400	3.867	4.307	4.307
HRA	Short Life Properties	0.176	0.026	15%	0.176	0.000	0%		0.000	0.000	0.000	1.525	1.700	1.700
HRA	Pipeline Schemes (1-4-1)	2.170	0.057	3%	1.245	-0.925	-43%	New Pipelines are currently being identified and are under review	1.130	0.000	1.130	0.000	3.300	3.300
HRA	New Supply - Budget Provision	0.000	0.000	0%	0.000	0.000	0%		0.000	23.092	23.092	0.000	23.092	23.092
HRA	Buybacks 1-4-1 Receipts	0.000	0.080	0%	0.080	0.080	0%		0.000	0.000	0.000	0.981	0.981	0.981
HRA	New Supply - On site	4.239	1.165	27%	3.033	-1.206	-28%	Start on Sites expected in Feb 2018	0.000	0.000	0.000	29.039	33.278	33.278
HRA	New Supply - Pre construction	3.161	0.755	24%	1.298	-1.863	-59%	Start on Sites expected in Feb 2018	14.000	78.400	92.400	7.348	102.909	102.909
HRA	HRA - Mayoral Priority Growth 2017-18 to 2019-20	0.200	0.000	0%	0.200	0.000	0%		0.500	2.600	3.100	0.000	3.300	3.300
HRA	Community Benefit Society - 1-4-1 receipts	0.000	0.000	0%	0.000	0.000	0%		4.500	0.000	4.500	0.000	4.500	4.500
HRA Total		55.323	13.311	24%	32.666	-22.657			47.162	198.662	245.824	182.072	483.219	483.219
Place	Contaminated Land Works	0.148	0.016	11%	0.098	-0.050	-34%	Remedial works not required following completed surveys.	0.000	0.212	0.212	0.144	0.504	0.504

Directorate	Programme	Current Year						Future Years			All Years (inc Future and Past)			
		Latest Budget 2017/18 (£m)	Spend to Q3 2017/18 (£m)	Spend to date as % of annual budget	Projected Spend to 31/3/2018 (£m)	Projected Variance for 2017/18 (£m)	Projected Variance for 2017/18 (%)	Explanations for Projected Variance and for % Spend to Date	2018/19 Budget (£m)	2019/20 and Future Years Budget (£m)	Total Future Years Budget (£m)	Spend in previous years for current projects (£m)	Total Budget - All Years (£m)	Total Projection - All Years (£m)
Place	ICT Solution - Handheld Devices	0.424	0.037	9%	0.100	-0.324	-76%	Programme slippage.	0.000	0.000	0.000	0.126	0.550	0.550
Place	TfL Schemes	5.625	1.736	31%	3.398	-2.227	-40%	Schemes reduced in line with the resources available. TfL have recently written explaining the issues that have impacted on their budget and their ability to fund the 2018/19 LIP funded projects and its effect on the 2017/18 LIP allocations. TfL have offered to agree to formally transferring some of the 2017/18 LIP allocations into 2018/19. This is still under discussion. In addition, the Quietways schemes have had funding withdrawn and some of these will not now proceed. The scope of works and the programme has been reviewed in light of this issue and in light of other issues regarding staff/contractor resource availability.	2.100	3.450	5.550	8.879	20.054	20.596
Place	Public Realm Improvements	0.906	0.631	70%	0.748	-0.158	-17%	Jetty works dependent on the tide timetable. Other works in abeyance pending depot review.	3.038	11.700	14.738	2.657	18.300	18.300
Place	Transport S106 Funded Schemes	2.322	0.229	10%	0.695	-1.626	-70%	The scope of works and the programme has been reviewed in light of the impact on TfL schemes in the programme and whether there is sufficient staff/contractor resources available to deliver the whole programme in the last quarter of 2017/18.	1.006	0.856	1.862	1.838	6.021	6.021
Place	OPTEMS	0.091	0.060	66%	0.049	-0.042	-46%	OPTEMS schemes are all being managed concurrently with other funded projects such as TfL & S106. Any review of the work programme and scope of works has impact on all projects in the programme irrespective of funding streams.	0.030	0.000	0.030	0.428	0.548	0.548
Place	PLACE - Mayoral Priority Growth 2017-18 to 2019-20	1.050	0.000	0%	0.253	-0.797	-76%	Scope of works to be identified and approved.	1.050	1.000	2.050	0.000	3.100	3.100
Place	Private Sector Improvement Grants	0.030	0.014	46%	0.030	0.000	1%		0.100	0.820	0.920	0.001	0.951	0.951
Place	Disabled Facilities Grants	1.417	0.676	48%	1.200	-0.217	-15%	Distribution of grant is demand and need led, unused resources will be carried forward into future years	1.257	1.257	2.514	0.156	4.087	4.087
Place	Facilities Management - DDA works	0.052	0.000	0%	0.052	0.000	0%		0.000	0.000	0.000	0.000	0.052	0.052
Place	Section 106 Passported Funding	2.182	1.000	46%	1.284	-0.898	-41%	Some slippage on larger schemes due to a re-profiling of budget in conjunction with NHS partners	3.365	0.125	3.490	1.667	7.339	7.339
Place	S106 Schemes	1.977	0.269	14%	0.576	-1.401	-71%	Budgetary provision for Infrastructure Delivery Board to allocate funding for schemes in year, resources will carry forward.	0.522	0.000	0.522	0.296	2.794	2.794
Place	Conversion of council buildings to temporary accommodation	0.563	0.014	2%	0.263	-0.300	-53%	Buildings have been identified and works are under way	0.063	0.000	0.063	0.000	0.625	0.625
Place	Community Hubs/Buildings	0.855	0.920	108%	1.006	0.151	18%	More extensive works required in year funds brought forward from 18/19	1.180	0.950	2.130	0.015	3.000	3.000
Place	Registered Provider Grant Scheme (from 1-4-1)	2.692	1.967	73%	2.215	-0.477	-18%	External Schemes has met with delays, new end dates have been agreed with external partners	3.088	0.350	3.438	0.935	7.066	7.066
Place	Purchase of Properties for use as temporary accommodation	53.935	46.013	85%	56.487	2.552	5%	This scheme has been highly successful and as such the purchases of temporary accommodation occurred earlier than is reflected in the profiled budget	9.300	83.270	92.570	2.495	149.000	149.000
Place	Thriving High Streets Pilot Programme	0.200	0.014	7%	0.200	0.000	0%		0.800	0.000	0.800	0.000	1.000	1.000
Place	Establish a Wholly Owned Company	6.000	0.000	0%	0.000	-6.000	-100%	This represents the Council's equity investment in the housing company. It is likely to be advanced in 2018/19	0.000	0.000	0.000	0.000	6.000	6.000
Place	Establish a Community Benefit Society	2.500	0.000	0%	0.000	-2.500	-100%	This represents the S106 resources and is allocated for use by the CBS. It is likely to be advanced in 2018/19	0.000	0.000	0.000	0.000	2.500	2.500
Place	PDC 229 Bethnal Green Road	1.670	1.670	100%	1.670	0.000	0%		0.000	0.000	0.000	0.000	1.670	1.670
Place	CCTV	0.135	0.000	0%	0.000	-0.135	-100%		0.000	0.000	0.000	0.175	0.310	0.310
Place	BSF ICT Infrastructure	0.978	0.000	0%	0.000	-0.978	-100%	The BSF programme is finished and final accounts are being concluded. Once this is resolved a proposal will be brought forward to utilise any remaining resources. It is anticipated this will happen in 18-19	0.000	0.000	0.000	2.900	3.878	3.878
Place	Investment works to LBTH Assets	0.250	0.000	0%	0.250	0.000	0%		0.495	0.000	0.495	0.000	0.745	0.745
Place Total		86.001	55.264	64%	70.574	-15.427			27.392	103.990	131.382	22.709	240.093	240.635
Resources	Idea Store	0.367	0.087	24%	0.000	-0.367	-100%		0.000	0.000	0.000	0.776	1.143	1.143
Resources	RESOURCES - Mayoral Priority Growth 2017-18 to 2019-20	0.000	0.000	0%	0.000	0.000	0%		0.500	1.000	1.500	0.000	1.500	1.500
Resources Total		0.367	0.087	24%	0.000	-0.367			0.500	1.000	1.500	0.776	2.643	2.643
Grand Total		181.487	85.702	47%	132.285	-49.202			95.192	446.077	541.269	261.134	983.890	985.261

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