

Cabinet

13 September 2017

Forecast of Revenue and Capital Outturn 2017/18 – Period to 30 June 2017



Report of Corporate Management Team John Hewitt, Corporate Director of Resources Councillor Alan Napier, Portfolio Holder for Finance

Purpose of the Report

- 1 To provide Cabinet with information on the:
 - (a) forecast revenue and capital outturn for 2017/18;
 - (b) forecast for the Council's Council Tax and Business Rates Collection Fund position at 31 March 2018;
 - (c) use of earmarked, cash limit and general reserves.
- 2 To seek approval of the budget adjustments and proposed sums outside of the cash limit.

Background

- 3 In accordance with the Council's Constitution, Council agreed the Council's Medium Term Financial Plan, which incorporates the revenue and capital budgets for 2017/18, on 22 February 2017.
- 4 The Constitution also states that the Chief Finance Officer must report to Cabinet on the overall Council budget monitoring position on a quarterly basis.
- 5 This is the first quarter's report which provides the initial indication of the revenue and capital outturn for 2017/18 based upon expenditure and income up to 30 June 2017.

Revenue Outturn Forecast – Based on Position to 30 June 2017

- 6 The table overleaf compares the forecast with the revised budget with further detail to be found in Appendices 2 and 3.
- 7 The following adjustments have been made to the original budget agreed by Council on 22 February 2017:
 - (a) agreed budget transfers between Service Groupings;

- (b) additions to budget for items outside the cash limit (for Cabinet consideration and recommended approval);
- (c) planned use of or contribution to Earmarked Reserves (please refer to Appendix 4).

Forecast of Revenue Outturn 2017/18

	Original Budget 2017/18	Budget - incorporating adjustments	Service Groupings Forecast of Outturn	Forecasted Variance
	£'000	£'000	£'000	£'000
Adult and Health Services	151,581	144,834	142,235	-2,599
Children and Young People's Services	98,963	115,599	119,535	3,936
Regeneration and Local Services	126,024	129,383	128,454	-929
Resources	16,628	19,200	18,368	-832
Transformation and Partnerships	8,716	11,715	12,155	440
Cash Limit Position	401,912	420,731	420,747	16
Contingencies	5,422	4,694	4,694	0
Corporate Costs	3,990	4,095	3,885	-210
NET COST OF SERVICES	411,324	429,520	429,326	-194
Capital charges	-57,113	-57,113	-57,113	0
Interest and Investment income	-1,700	-1,700	-2,311	-611
Interest payable and similar charges	38,108	38,587	38,337	-250
Levies	15,979	15,979	15,979	0
Net Expenditure	406,598	425,273	424,218	-1,055
Funded By:				
Council tax	-195,706	-195,706	-195,706	0
Use of earmarked reserves	-18,185	-38,184	-38,184	0
Estimated net surplus on Collection Fund	-3,000	-3,000	-3,000	0
Start up Funding Assessment	-172,364	-172,364	-172,364	0
New Homes Bonus	-8,882	-8,882	-8,883	-1
New Homes Bonus - Re-imburement	-267	-267	-283	-16
Section 31 Grant	-5,875	-5,875	-5,934	-59
Education Services Grant	-1,500	-1,500	-1,516	-16
Forecast contribution to/from(-) Cash Limit Reserve	-819	505	489	-16
Forecast contribution to General Reserves	0	0	1,163	1,163
TOTAL	0	0	0	0

Note: Negative figures in the variance column represent an underspend or overachievement of income

- 8 The table on the previous page identifies that there is forecast to be a £16,000 overspend within service grouping cash limits with a forecast underspend on all other budgets of £1.163 million. This position is reflected in the movement in cash limit and general reserves. This net £1.147 million underspend is a 0.3% underspend against the revised net expenditure budget of £425.3 million.
- 9 Approval is being sought for the following sums to be funded from general contingencies. These sums are deemed to be outside of service grouping cash limits.

Service Grouping	Proposal	Amount
		£ million
Adult and Health Services (AHS)	Care Inflation pressures	0.045
Children and Young People's Services (CYPS)	Premises related costs for former school buildings	0.022
Regeneration and Local Services (REAL)	Business Durham Institute – University Decant and Return	0.130
Regeneration and Local Services (REAL)	Strategic Employment Sites	0.359
Regeneration and Local Services (REAL)	Concessionary fares	0.046
Transformation and Partnerships (T&P)	Local Insight Digital Tool Survey	0.008
Total		0.610

- 10 After adjusting the budgets as detailed above, the forecast outturn for Cash Limit Reserves and the General Reserve are summarised in the table below:

Type of Reserve	Opening Balance as at 1 April 2017	Budgeted use at 1 April 2017	Movement during 2017/18		2017/18 Forecast of Outturn
			Planned contribution to (-) or use of reserve	Contribution to (-) or use of reserve	
	£ million	£ million	£ million	£ million	£ million
Service Grouping Cash Limit					
Adult and Health Services	-5.512	0.000	0.038	-2.599	-8.073
Children and Young People's Services	-3.309	0.819	-1.819	3.936	-0.373
Regeneration and Local Services Resources	-6.231	0.000	0.632	-0.929	-6.528
Transformation and Partnerships	-1.023	0.000	0.145	-0.832	-1.710
	-0.179	0.000	-0.320	0.440	-0.059
Total Cash Limit Reserve	-16.254	0.819	-1.324	0.016	-16.743
General Reserve	-23.004	0.000	0.000	-1.163	-24.167

- 11 The forecasted Cash Limit and General Reserves position is a prudent one given the forecasted levels of savings the Council needs to make of £40.9 million over the period 2018/19 to 2021/22 with the delivery of further savings becoming ever more challenging to achieve.
- 12 The reasons for the major variances against the revised budgets are detailed by each Service Grouping overleaf.

Adult and Health Services (AHS)

- 13 The 2017/18 projected outturn for AHS at 30 June 2017 is a cash limit under spend of £2.599 million, representing circa 1.8% of the total budget for AHS.
- 14 The projected outturn takes into account adjustments for sums outside the cash limit including redundancy costs which are met from the corporate reserve, capital accounting entries and use of / contributions to earmarked reserves.
- 15 The outturn is a managed position, reflecting the proactive management of activity by Heads of Service across AHS to remain within the cash limit and to prepare for 2018/19 MTFP savings requirements. The outturn position is accounted for as follows:
 - (a) early achievement of a number of future years' MTFP savings from management and support service proposals across the Adult Care and related areas, together with the careful management and control of vacant posts and supplies and services budgets across the service, particularly in County Durham Care and Support Services, has created a net underspend for the year of £2.211 million.
 - (b) net spend on adult care packages is £0.119 million under budget. This area of spend is being closely monitored to assess the impact of demographic and procedural/operational changes, where significant MTFP savings have been taken over recent years. Within the adult care budgets there are overspends of £1.346 million on Learning Disability / Mental Health Services, offset by underspend on Older People Services of £1.465 million. A review of Learning Disabilities commissioning processes is currently underway to help to identify any further opportunities to maximise value for money in this area.
 - (c) net expenditure in respect of Environment, Health and Consumer Protection (EHCP) services, is £0.269 million under budget, resulting mainly from early achievement of future years' MTFP savings.
 - (d) net expenditure on Public Health-related activity is in line with grant allocations.
- 16 In arriving at the forecast outturn position, £0.776 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major items being use of the social care reserve (£0.245 million) and use of the Public Health Reserve (£0.385 million).
- 17 Taking the projected outturn position into account, including the transfer to/from Reserves in year, the estimated cash limit reserve to be carried forward for AHS is forecast to be £8.073 million.

Children and Young People's Services (CYPS)

- 18 The 2017/18 projected outturn position for CYPS, based on the position to 30 June 2017, is a cash limit overspend of £3.936 million. This represents a 3.4% overspend against the total budget for CYPS.
- 19 In arriving at the cash limit outturn position, premises related costs of £22,000 being incurred in respect of the former school sites have been treated as outside the cash limit.
- 20 The projected outturn takes into account adjustments for sums outside the cash limit including redundancy costs which are met from the corporate reserve, capital accounting entries and use of / contributions to earmarked reserves. The outturn position is accounted for as follows:
- (a) Children's Services are forecasting a net overspend of £4.049 million. This is primarily related to costs associated with placements, both those who have a legal status of looked after and those young people in permanent placements that are financially supported by the Council, details as follows:
 - (i) young people looked after is a volatile and high cost area of activity within CYPS and current external demographic demands are creating a strain on the service in terms of financial resource allocation. Work is actively being taken to try to address the placement mix, focusing on increasing the proportion of placements in higher quality low cost in house foster care. The current numbers and mix of placements is leading to an overspend when combined with non-Looked After Children (LAC) permanent placements of circa £3.498 million;
 - (ii) Children's Services are also forecasting an overachievement of income of £0.1 million relating to the Secure Centre, offset by an overspend on staffing and other budgets totalling £0.423 million, which includes the non-achievement of MTFP savings linked to a delayed restructure.
 - (b) Education Services are forecasting a net underspend of £0.113 million. This includes a forecast overspend on Home to School Transport, primarily relating to SEN pupils, of £0.465 million, offset by underspends across the rest of the service from early achievement of MTFP savings, staff vacancies and reduced pension liabilities in year.
- 21 On 12 July 2017 Cabinet considered a report providing an update on the development of the 2018/19 budget, the Medium Term Financial Plan (MTFP(8)) and Council Plan / Service Plans 2018/19 to 2021/22. The MTFP forecasts had been updated at that time to reflect the significant pressures being experienced in children's social care due to the additional number of children entering the care system.

- 22 It was anticipated that numbers would have stabilised in the current year and that the budget would meet demand, having built c£2.735 million growth into the 2017/18 base, but in the short term further additional financial support will be required. Additional budget support of £1.8 million in 2018/19 has been included in the MTFP(8) forecasts to allow numbers to stabilise and to enable the policy of adjusting the placement mix to reduce future years' costs. The additional £1.8 million provided in 2018/19 being gradually withdrawn over the 2019/20 to 2021/22 period as the forecast placement mix shift takes place. These forecasts will need to be reviewed regularly to reflect the progress of the placement policy.
- 23 Taking the projected outturn position into account, including the transfer to/from Reserves in year, the estimated cash limit reserve to be carried forward for CYPS is forecast to be £0.373 million at the year end.

Regeneration and Local Services (REAL)

- 24 The forecast revenue outturn for 2017/18 is a cash limit underspend of £0.929 million, after taking account of the forecast use of reserves and items outside the cash limit.
- 25 The forecast underspend is a managed position, reflecting the proactive management of activity by Heads of Service across Regeneration and Local Services to remain within the cash limit. The main reasons accounting for the outturn position are as follows:
- (a) Direct Services is forecast to be £0.505 million underspent, which is mainly due to increased income relating to Trade and Bulky Waste (£0.389 million), and savings in Waste Strategy (£94,000). Both these areas have been earmarked as 2018/19 MTFP savings.
 - (b) Culture & Sport is forecast to underspend by £0.458 million, due to savings on third party leisure contracts (£98,000), savings in Leisure Centres (£58,000), underspending in Libraries (£0.116 million), additional income in the Gala Theatre (£45,000), and managed savings in Service Development (£0.120 million).
 - (c) Technical Services is predicted to be £0.105 million overspent. This is the net position and takes into account a forecast overspend of £1.207 million within Highway Services, due to additional policy led expenditure on highways maintenance, mainly in relation to Category 1 and 2 defects and footway maintenance. This overspend is however offset by additional surpluses generated within Design Services (£0.266 million), additional surpluses within Trading activities (£0.683 million) and managed savings on employees in Strategic Highways (£0.206 million).
 - (d) Business Support is forecast to be £92,000 underspent due to managed savings on vacant posts and reductions in hours.
 - (e) Transport is forecast to be £0.399 million overspent, mainly due to increased costs within Care Connect (£0.274 million), and also additional costs on bus and rail contracts (£0.106 million).

- (f) Planning and Assets is forecast to be £0.111 million underspent, resulting from managed savings from vacant posts in Assets and Environment & Design.
 - (g) Economic Development and Housing is predicted to be underspent by £54,000. Managed employee savings of approximately £0.300 million in Housing Solutions, Physical Development and Visit County Durham are partially offset by forecast overspends in Economic Development associated with the Apprenticeship Programme, and the Employability and Skills team (£0.230 million).
- 26 In arriving at the forecast outturn position, £4.688 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major items being:
- (a) £0.418 million drawn down from the MTFP redundancy reserve;
 - (b) a net contribution to earmarked reserves and cash limit reserve to support specific projects in 2017/18, including a £0.758 million use of earmarked reserves in respect of Culture & Sport; and a £0.232 million use of earmarked reserves in respect of Depots, Clean & Green and Neighbourhood Protection;
 - (c) £2.117 million use of reserves relating to Economic Development;
 - (d) £0.213 million use of reserves relating to Planning;
 - (e) £0.157 million use of reserves relating to Transport, and £0.257 million relating to Highways.
 - (f) £0.535 million has been treated as outside the cash limit and this relates to Business Durham Institute (£0.130 million), Strategic Employment Sites (£0.359 million) and Concessionary fares (£46,000).
- 27 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the forecasted cash limit reserve to be carried forward for Regeneration and Local Services is £6.528 million.

Resources

- 28 The 2017/18 forecast revenue outturn for Resources is a cash limit underspend of £0.832 million. This takes into account adjustments for sums outside the cash limit such as redundancy costs which are met from corporate reserves and use of / contributions to earmarked reserves.
- 29 The Heads of Service across Resources continue to proactively manage activity to remain within the cash limit. The projected underbudget position is the net effect of the following items:
- (a) Corporate Finance and Commercial Services is forecast to be underbudget by £0.185 million, relating mainly to managed underspending against employees in Procurement (£29,000), Health and Safety (£37,000) and Human Resources (£0.104 million).

- (b) Finance and Transactional Services is forecast to be underbudget by £0.473 million, consisting of a managed position on vacancies in relation to the early achievement on 2018/19 MTFP savings (£0.420 million) and additional Financial Management SLA income (£88,000), offset in part by other minor variances.
- (c) Digital and Customer Services is forecasting an overbudget position of £0.118 million, consisting of an underspend on supplies and services (£0.212 million) in ICT Services and employees (£0.101 million) in Customer Services. This has been offset by funding two ICT capital schemes from revenue in 2017/18 (£0.335 million) and a net reduction in income (£98,000) due to withdrawal from Service Level Agreements by a number of schools and also County Durham Housing Group. Additional (one-off) income from NEWCO in respect of telecoms has covered a large part of the shortfall in the current year and plans are being prepared to deal with this shortfall in future years.
- (d) Internal Audit, Risk and Corporate Fraud is forecast to be underbudget by £20,000, comprising a managed underspend of £18,000 on employees in Corporate Fraud, and an overachievement of income of £2,000.
- (e) Legal and Democratic Services is forecast to be underbudget by £0.276 million, which includes a £71,000 managed underspend on employees and £0.126 million on supplies and services. There is an over recovery of income (£35,000) after taking into account a loss in respect of Land Charges (£0.107 million). This has been possible due to the receipt of (one-off) income from County Durham Housing Group (£51,000) and additional Government Grants (£91,000). There are also a number of other minor variances.
- (f) Service Management is forecasting a minor £3,000 overbudget position, which is a minor variance against supplies and services.

30 The forecast cash limit outturn shows the position after some £2.153 million of net contributions from reserves and cash limits have been applied to finance the following items:

- (a) £1.181 million from the Corporate MTFP reserve to fund the cost of early retirements/voluntary redundancies;
- (b) £76,000 from the Equal Pay Reserve to fund costs associated with equal pay claims;
- (c) £0.172 million from the Oracle Development Reserve to fund the development of the Oracle Financial System;
- (d) £0.523 million from the Elections reserve to fund County Council and Parliamentary elections;
- (e) £0.145 million from the Cash Limit Reserve to finance various ICT related issues;
- (f) £0.256 million from the ICT Trading Reserve to fund additional posts to support trading activity and additional costs of Microsoft licences;
- (g) £0.200 million contribution to the Revenues and Benefits Reserve to fund new software.

- (h) Taking the outturn position into account, including items outside the cash limit and transfers to and from earmarked reserves, the cash limit reserve to be carried forward for Resources is forecast to be £1.710 million.

Transformation and Partnerships (T&P)

- 31 The forecast revenue outturn for 2017/18 is a cash limit overspend of £0.440 million for the year after taking account of the forecast use of reserves and items outside the cash limit.
- 32 The main reasons for the projected net overspend are as follows:
 - (a) The previously planned restructure of the former Assistant Chief Executives service grouping has been delayed following the unitisation of services into T&P. A larger restructure, incorporating both the 2017/18 and 2018/19 savings targets is now planned across the new T&P service grouping. This has resulted in a delay in achieving £0.565 million of the 2017/18 MTFP savings. The net overspend as a result of the savings delay is fully covered by the use of managed underspends and the T&P cash limit reserve.
 - (b) Partnerships and Community Engagement are forecast to be £57,000 underbudget, primarily due to a managed underspend on employee costs;
 - (c) Strategy is forecast to be £49,000 underbudget, primarily due to a managed underspend on employee costs;
 - (d) Communications and Information Management are forecast to be £15,000 overbudget, due to a managed overspend on employee related costs;
 - (e) Transformation is forecast to be £34,000 underbudget as a result of a managed underspend on employee related costs.
- 33 In arriving at the forecast cash limit outturn position £0.977 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major elements include:
 - (a) a £0.538 million contribution from reserves relating to delivering projects in the community;
 - (b) a £0.365 million contribution from reserves relating to the delivery of the corporate transformation programme;
 - (c) a £66,000 contribution from reserves in respect of website development;
 - (d) a £8,000 contribution from the Corporate Contingencies in respect of the Local Insight Digital Tool Survey.
- 34 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit, the total cash limit reserve forecasted to be carried forward for T&P at 31 March 2018 is £59,000.

Corporate Costs / Contingencies

- 35 The forecast revenue outturn for 2017/18 for Resources – Centrally Administered Costs is a cash limit underspend of £0.210 million. This takes into account adjustments for sums outside the cash limit such as the use of / contribution to earmarked reserves.
- 36 The forecast outturn position is accounted for by a net underbudget position on corporate subscriptions (£0.140 million), expenses associated with raising loans (£26,000), and an overachievement of legal fees income (£50,000).
- 37 In arriving at the forecast outturn position some £0.105 million relating to net contributions from earmarked reserves have been excluded from the outturn, and include the following items:
- (a) £0.110 million from the Welfare Assistance Funding Reserve relating to the welfare reform agenda;
 - (b) £0.230 million from the Equal Pay Reserve to fund the cost of equal pay claims;
 - (c) £0.235 million contribution to the Welfare Reforms New Burdens Grant Reserve in respect of the welfare reform agenda.

Central Budgets

Interest Payable and Similar Charges - Capital Financing

- 38 Following a review of capital financing costs, linked to re-profiling within the capital programme earlier in the year, there is a forecast underspend of £0.250 million. This saving is mainly due to lower than forecast interest rates on loans.

Interest and Investment Income

- 39 The forecast at this stage is an overachievement of income of £0.611 million which is mainly due to higher than forecast level of returns on short term investments and council commercial activities.

Council Earmarked Reserves Forecast

- 40 The table at Appendix 4 sets out the Council's earmarked reserves and school earmarked reserves, where funding has been set aside in anticipation of future expenditure and shows the forecasted balance on these reserves by 31 March 2018.
- 41 A summary of the latest forecast of Council reserves excluding school earmarked reserves is shown below. The summary highlights that Earmarked Reserves are forecast to reduce by £27.317 million in 2017/18 from £202.549 million to £175.232 million. Examples of the utilisation of £27.806 million of earmarked reserves are detailed in the service grouping commentaries. This level of utilisation is to be expected as these sums are expended upon the area they were earmarked for.

	Earmarked £ million	Cash Limit £ million	TOTAL £ million
Opening Earmarked Balances as at 1 April 2017	-186.295	-16.254	-202.549
Adjusted for forecasted increase (-) / use of Earmarked Reserves	27.806	-0.489	27.317
Forecasted Earmarked Reserve Balances as at 31 March 2018	-158.489	-16.743	-175.232

Schools

42 Original budgets for maintained schools are summarised below:

	Surplus / Deficit at 31 March 2017 £ million	Budget share £ million	Pupil Premium £ million	Other Income £ million	Total Resources Available £ million	Total Budgeted Gross Expenditure £ million	Surplus / Deficit at 31 March 2018 £ million
Nursery	-0.411	-1.056	-0.007	-3.736	-5.210	4.958	-0.252
AP ¹	-	-3.695	-0.062	-0.017	-3.774	3.774	-
Primary	-16.216	-149.617	-14.783	-25.463	-206.079	196.018	-10.061
Secondary	-0.305	-57.513	-3.852	-11.666	-73.336	76.079	2.743
Special	-2.500	-21.823	-0.707	-2.503	-27.533	25.332	-2.201
TOTAL	-19.432	-233.704	-19.411	-43.385	-315.932	306.161	-9.771

¹ Alternative Provision, provided through The Woodlands pupil referral unit, for pupils who have been permanently excluded from their school.

43 A negative balance in the surplus / deficit columns represents a surplus.

44 The budget share consists of formula funding for mainstream nursery, primary and secondary schools, plus pupil-led funding for special schools and funding for places in Enhanced Mainstream Provision in mainstream primary and secondary schools.

45 Pupil Premium is an original estimate; actuals are determined by the DfE and will not be confirmed until later in the year.

46 Other income includes:

	Other income £ million
Grant income	-33.648
Contributions	-0.157
Sales	-6.086
Lettings	-1.084
Income from local authority	-1.305
Other income	-1.106
TOTAL	-43.386

47 Grant income includes funding for Universal Infant Free School Meals and PE & Sport. Sales income is mainly from school meals and out-of-hours care (e.g. breakfast clubs). Income from the local authority is mainly funding for early years and special educational needs.

- 48 All schools have delegated budgets and carry forward under or over spends to the following financial year as either a surplus or deficit. At 31 March 2017 16 schools had a deficit balance, where their spending had exceeded their accumulated balances, totalling £4.161 million:

	Schools with deficits at 31 March 2017	
		£ million
Nursery	1	0.024
AP	-	-
Primary	11	0.233
Secondary	4	3.904
Special	-	-
TOTAL	16	4.161

- 49 In most cases, the schools concerned will be able to clear their deficit in 2017/18 and carry forward a surplus at 31 March 2018.
- 50 As noted above, schools' original budget plans were to carry forward net surplus balances totalling £9.771 million at 31 March 2018. Based on the latest forecasts, schools will carry forward net surplus balances of £10.558 million. A breakdown of these forecasts is shown below. The significance of balances above or below 2.5% of funding is that the Council views a balance of at least 2.5% as being appropriate in terms of the ability of schools to cope with unforeseen expenditure during the year.

	Nursery	AP	Primary	Secondary	Special	Total
Schools forecasting a surplus balance above 2.5% of annual funding						
Number	9	-	136	6	8	159
Forecast Balances	-£0.376m	-	-£9.966m	-£1.633m	-£2.382m	-£14.357m
Schools forecasting a surplus balance of less than 2.5% of annual funding						
Number	1	1	63	5	1	71
Forecast Balances	-£0.002m	-	-£0.531m	-£0.822m	-	-£1.355m
Schools forecasting a deficit balance						
Number	1	-	2	4	-	7
Forecast Balances	£0.011m	-	£0.084m	£5.059m	-	£5.154m
Total						
Number	11	1	201	15	9	237
Forecast Net Balances	-£0.367m	-	-£10.413m	£2.604m	-£2.382m	-£10.558m

- 51 Of the schools where the forecast is a deficit balance at 31 March 2018, six have been given permission to set deficit budgets from the Corporate Director Resources:

- (a) one is due to convert to an academy in September;
- (b) one will be undertaking a re-structuring in the autumn to allow it to balance its budget;

- (c) one is expected to join a Multi-Academy Trust;
- (d) the Council is taking steps to address longer-term issues with the remaining three schools.

52 The other school will be able to balance its budget once it has completed some staffing changes.

53 The School Funding Team continues to work with schools to support and provide advice about budget issues, and will be reviewing budgets in the autumn in preparation for budget-setting in spring 2018. Where there are concerns about a school's financial viability this is shared with the Education Service so that we can take a joined-up approach to resolving these issues.

Capital

Background

54 On 12 July 2017 Cabinet received a report which provided details of the final outturn position of the 2016/17 Capital Programme. This included details of budgets of £15.375 million that were reprofiled from 2016/17 to 2017/18. Adding these to the new 2017/18 capital allocations approved by Council on 22 February 2017 and the existing 2017/18 budget gives the original budget for 2017/18 that is shown in the table below.

55 The Council's Member Officer Working Group (MOWG) that closely monitors the capital programme has since considered further revisions to the capital programme, taking into account additional resources received by the authority and further requests for reprofiling as Service Management Teams continue to monitor and review their capital schemes.

Current Position

56 The following table summarises the latest capital budget alongside the original budget. The table also shows the forecast outturn for each service and the actual capital spend as at 30 June 2017.

Service Grouping	Original Budget 2017/18 as at May MOWG £ million	Amendments recommended by MOWG £ million	Revised Budget 2017/18 Quarter 1 £ million	Projected Outturn 2017/18 £ million	Actual Spend to 30 June 2017 £ million
Transformation and Partnerships	4.149	0.445	4.594	4.594	0.733
Adult and Health Services	0.318	0.000	0.318	0.318	0.094
Children and Young People's Services	28.765	0.018	28.783	28.783	3.162
Regeneration and Local Services	84.257	2.521	86.778	86.778	14.714
Resources	16.228	0.600	16.828	16.828	1.444
TOTAL	133.717	3.584	137.301	137.301	20.147

57 Since the original budget 2017/18 budget was agreed the MOWG has considered a number of variations to the capital programme which are a result of additions and reductions in resources received by the Council. The variations of note are as follows:

Additions

- (a) **T&P** – the Member’s Neighbourhood budget is increased by £0.322 million from the Members Neighbourhoods Revenue Reserve and the AAP budget is to be increased by transferring £0.157 million from the AAP Revenue Reserve.
- (b) **CYPS** - the service has plans to reshape the residential estate for looked after children to enable the achievement of 2018/19 MTFP savings, as part of which the unit at West Rainton will be extended and one of the units at Coxhoe will be closed. The estimated £0.160 million costs of the extension will be part funded from a £0.125 million capital receipt from Coxhoe, with the balance from an existing unallocated budget.
- (c) **REAL**
 - (i) **Technical Services** - the service has secured additional funding of £0.790 million. This includes Section 106 funding of £18,671 to replace railings in Bowburn, a contribution of £0.600 million from the County Durham Housing Group for unadopted footpath schemes and £0.171 million from the Environment Agency for flood prevention work in Lanchester.
 - (ii) **Economic Development and Housing** - at the Cabinet meeting in July 2015, approval was granted to invest up to £10 million in Chapter Homes. This is deemed a self-financing investment funded by £7 million loan with a market interest rate of 7.5% and £3 million equity to be financed from future capital receipts. The current approved budget for Chapter Homes is £5.305 million. Further funding of £0.710 million was approved under delegated arrangements in May 2017 to aid the cashflow of the company. MOWG advised that the overall budget should be increased by a further £1 million to assist with the short-term cash flow position. There have been some delays in getting utilities connected which has had a knock on impact on being able to sell properties in line with the original profile. In addition, the early phases of the site have a property mix of smaller units and the completions are being delivered later than originally profiled as they are aimed at first time buyers who must have the required deposit to proceed. Furthermore, 18 additional units are being built on the site following agreement to purchase adjacent land from Great Aycliffe Town Council, and this will increase the overall construction cost. The investment is still forecast to be self financing. The total budget for Chapter Homes will then be £7.015 million, which is within the £10 million Cabinet approval.

- (d) **Resources** – the contract for the current Open Revenue and Benefits, Fraud and Payments (ICON) system is now due for renewal at an estimated cost of £0.600 million. The additional cost is to be funded from the Revenue and Benefits Reserve (£0.500 million) and the Corporate Procurement Reserve (£0.100 million).

Reductions

- (a) **REAL – Economic Development and Housing** – the budget for Netpark Infrastructure Phase 3 has been reduced by £1.739 million due to the revised offer letter of grant available from the North East Combined Authority (NECA) following the revision of the estimated cost of the project.

58 Budget managers continue to challenge and review the programming and phasing of works, which has resulted in the re-profiling of the following budgets in line with anticipated activity in 2017/18:

- (a) **CYPS – School Related** – some £0.120 million of the unprogrammed budget is to be reprofiled from 2017/18 into 2018/19 to meet the cost of carrying out asbestos removal, legionella work and fire safety schemes throughout the school estate.
- (b) **REAL – Economic Development and Housing** – the budget of £1.739 million relating to the Netpark Phase 3 scheme has been reprofiled from 2019/20 into 2017/18 to process the reduction referred to above.

Capital Financing

59 The following table summarises the recommended financing of the revised Capital Programme:

Financed By:	Original Budget 2017/18	Amendments recommended by MOWG	Revised Budget 2017/18
	£ million	£ million	£ million
Grants and Contributions	53.134	-0.620	52.514
Revenue and Reserves	3.000	1.079	4.079
Capital Receipts	17.700	0.125	17.825
Borrowing	59.883	3.000	62.883
TOTAL	133.717	3.584	137.301

Council Tax and Business Rates Collection Funds

Council Tax

- 60 Council Tax is charged for all residential dwellings in bandings agreed by the Valuation Office Agency, which is part of Her Majesty's Revenues and Customs (HMRC). Exemptions, reliefs and discounts are awarded dependent upon the state of the property, its use and occupiers' personal circumstances.
- 61 The collection rate at 30 June 2017 was above the profiled target of 29.01%, and is an improvement of 0.03 percentage points over the same position in 2016/17. This sustained and improved performance has been achieved through automation of the recovery schedule, targeting of non-payers, enablement of processes and availability of a wide range of payment methods.
- 62 The in-year collection rates in quarter one for the last three years, including the current year, are shown below:

Billing Year	Position at 30 June Each Year %
2017/18	29.03
2016/17	29.00
2015/16	28.66

- 63 The current overall collection rate for 2016/17 council tax liabilities is now 97.40% (compared to 96.69% at 31 March 2017), and for 2015/16 the rate is now 98.30% (compared to 96.32% at 31 March 2016). The Council continues to recover Council Tax from earlier years, and currently the collection rate for all years excluding the current year is 99.51% which is line with our medium term financial plan forecasts.
- 64 The income shown in the Council Tax Collection Fund is the amount collectable from Council Tax payers over the long term, rather than the actual cash collected in the year the charges are raised. Likely bad debts are accounted for by maintaining a bad debt provision. The amount estimated to be collectable is estimated each year by reference to the actual council tax base for all domestic properties in the county (schedule of all properties, discounts and reliefs) with an allowance for non-collection.
- 65 In light of the sustained improvements made in the collection rate over recent years, the Council has reviewed its planning assumptions in terms of the provision for non-payment in calculating the tax base from 2018/19 onwards. In July Cabinet approved a reduction in the provision for non-payment, from 1.5% to a prudent 1.0%. This will increase the council tax base from 2018/19, generating c£1 million of additional Council tax income within MTFP(8) and reducing the likelihood of Collection Fund surpluses being generated in future years.
- 66 Due to changes in the number of properties (including new build and demolitions), eligibility of discounts and reliefs during the year, the actual amount collectable increases or decreases from the estimate on a dynamic day to day basis. In addition, adjustments for previous billing years take place during each accounting year. All of these adjustments result in the actual amounts collected always being different to the estimate.

- 67 Such differences at the end of each accounting year, after taking into account the calculated change required in the 'bad debt' provision, determine whether a surplus or deficit has arisen, which is then shared proportionately between the Council and its major preceptors, being Durham Police and Crime Commissioner and County Durham and Darlington Fire and Rescue Authority.
- 68 At 30 June 2017, the estimated outturn for the Council Tax Collection Fund is a surplus of £5.323 million as shown in the table below, which takes into account the undeclared surplus as at 31 March 2017. Durham County Council's share of this forecasted surplus is £4.492 million, which could be available to support the 2018/19 budget. The forecasts will need updating in October / November to inform the declaration of a Collection Fund surplus for final budget planning 2018/19.

	£ million
Net Bills issued during Accounting Year 2017/18	303.352
LCTRS and previous years CTB adjustments	-53.763
Calculated change in provision for bad debts required and write offs	-2.964
Net income receivable (a)	246.625
Precepts and Demands	
Durham County Council	195.707
Parish and Town Councils	11.851
Durham Police and Crime Commissioner	22.952
County Durham and Darlington Fire and Rescue Authority	13.243
Total Precepts and Demands (b)	243.753
Net Surplus / (-) Deficit for year (a) – (b)	2.872
Undeclared Surplus Brought Forward from 2016/17	2.451
Estimated Year end surplus	5.323

- 69 At 15 January in each year, the estimated surplus/deficit on the Collection Fund Council Tax Account is notified to the two major preceptors for inclusion in the budget setting process for the following year as an additional income or expenditure item.
- 70 At 15 January 2018 an estimated year end position on the Council Tax Collection Fund for 2017/18 will be declared and taken into account in the budget setting process for 2018/19. Any difference between this and the actual surplus at 31 March 2018 will be carried forward to 15 January 2019 and will be taken into account in estimating the surplus/deficit for 2018/19, which will need to be taken into account for 2019/20 budget setting.
- 71 Over the past four years, the Council Tax provision for bad debts has been increasing steadily. This managed approach has been necessary to minimise the risk of the Council Tax Collection Fund moving into deficit whilst securing the robustness of the levels of provision held. The position has now been reached where maintaining the provision at a prudent level does not prevent the declaration of a surplus.

Business Rates

- 72 2013/14 was the first year of the new Business Rates Retention Scheme whereby the Council has a vested budget interest and stake in the level of business rate yield, as income generated from Business Rates is now shared between Central Government (50%), Durham County Council (49%) and County Durham and Darlington Fire and Rescue Authority (1%). Therefore, it is not only the accuracy and timeliness of bills levied and collected that is monitored and audited, but the level of income anticipated for the year is important and new monitoring procedures have been devised for this purpose.
- 73 In 2017/18, following consultation, the Government implemented the first revaluation of Business Rates since April 2010.
- 74 The revaluation of the rateable values of all Business Properties was undertaken by the Valuation Office Agency, part of HM Revenues and Customs, and, along with national changes to Multipliers, Relief Thresholds and Transitional Arrangements came into effect from April 2017. The overall effect of the revaluation on the Collection Fund saw a decrease of an estimated £9.3 million in rates yield / liability when compared to 2016/17. The revaluation should be cost neutral to Durham County Council and County Durham and Darlington Fire and Rescue Authority, therefore compensation arrangements are to be made through adjustments to Section 31 grants and Top Ups for their shares of losses of income.
- 75 Bills raised, exemptions and reliefs awarded are examined together with local knowledge of anticipated changes in reliefs such as Mandatory Charitable Relief and Discretionary Rate Relief on a monthly basis to enable a comparison with the January 2017 estimate of 2017/18 Business Rates income that was used for budget setting purposes. At 30 June 2017, the estimated outturn for the Collection Fund Business Rates is a surplus of £4.639 million, arrived at as shown in the following table, which takes into account the undeclared surplus as at 31 March 2017.

	£ million
Net rate yield for 2017/18 including previous year adjustments	107.911
Estimate of changes due to appeals lodged and future appeals	-4.160
Estimated losses in Collection – Provision for Bad Debts and Write-offs	-1.139
Net income receivable (a)	102.612
Agreed allocated shares	
Central Government (50%)	49.646
Durham County Council (49%)	48.653
County Durham and Darlington Fire and Rescue Authority (1%)	0.993
Cost of Collection Allowance and Renewable Energy (paid to Durham County Council)	0.691
Total fixed payments (b)	99.983
Net surplus for year (a) – (b)	2.629
Undeclared Surplus brought forward from 2016/17	2.010
Estimated year end Surplus	4.639

- 76 The in-year estimated surplus of £2.629 million and the total undeclared surplus brought forward from 2016/17, leaves an estimated surplus of £4.639 million at 31 March 2018. Any surpluses or deficits at 31 March in any year are shared proportionately between Durham County Council, Central Government and County Durham and Darlington Fire and Rescue, Durham County Council's share being 49%. Durham County Council's share of the estimated year end surplus will therefore be £2.273 million.
- 77 The payment profile on collection performance is changing due to more businesses opting to spread their payments over 12 months rather than ten. The major Business Rate Payers have all opted to take up this opportunity to re-profile their cash flow. However, robust collection procedures have enabled the setting of a challenging collection rate target of 33.55% at 30 June 2017, which has been exceeded.
- 78 The in-year collection rates in quarter one for the last three years, including the current year, are shown below:

Billing year	Position at 30 June Each Year %
2017/18	33.67
2016/17	33.55
2015/16	34.40

- 79 In year performance to 30 June shows a collection rate of 33.67%, which is marginally above the target by 0.12 percentage points. The current overall collection rate for 2016/17 business rate liabilities is now 98.82% (compared to 97.40% at 31 March 2017) and for 2015/16 business rate liabilities is now 99.26% (compared to 97.20% at 31 March 2016). The Council continues to recover Business Rates from earlier years and currently, the collection rate for all years excluding the current year is 99.28% which is line with our medium term financial plan forecasts.

Section 31 Grant - Small Business Rate Relief

- 80 Small Business Ratepayers with properties with rateable values under £15,000 will now benefit from relief on their rates payable. The Government has awarded local authorities a special 'Section 31' grant to cover their share of the shortfall in business rates that these small business ratepayers would have paid had the relief scheme not been in place.
- 81 Small Business Ratepayers with properties with rateable values up to £12,000 are now being granted full relief, and properties with rateable values between £12,000 and £15,000 have a tapered relief applied to them ranging from 100% down to 0%. The Government have indicated Durham County Council will be refunded for any retained rates foregone due to change of the threshold arrangements following the 2017/18 NNDR Revaluation, and this has been built into the forecast.
- 82 The Government has agreed to pay Section 31 grant for any additional Small Business Rate Relief in respect of business rates bills and adjustments thereof relating to the period commencing 1 April 2013. Any adjustments that relate to bills for years prior to this will be dealt with as part of the normal Rate Retention shares. At 30 June 2017, the gross Small Business Relief awarded against 2017/18 Business Rates bills and adjustments to 2016/17, 2015/16, 2014/15 and 2013/14 bills is £13.286 million, and the Council will receive £4.103 million in Section 31 Grant, including the capping adjustment and threshold change adjustments, in this regard.

Other Section 31 Grants

- 83 In the Autumn Statements since 2013, 2014 and 2015, additional Business Rate Reliefs have been announced for each following financial year for which Section 31 Grants would be payable. These included reliefs for properties empty from new, reoccupation of long-term empty properties and an additional relief for small shops. Durham County Council will be recompensed for any retained rates foregone because of reliefs given.
- 84 In the Autumn Statement 2016 and the Spring Budget 2017, following consultation on the 2017/18 NNDR revaluation, further additional Business Rate Relief Schemes have been announced which Section 31 Grants would be payable from April 2017. These further relief schemes include Rural Rate Relief and Local Newspaper Reliefs in the Autumn Statement, followed by Supporting Small Business, Local Discretionary Relief Scheme and Pub Relief in the Spring Budget. Funding for these schemes will be provided through Section 31 grants.
- 85 When assessing estimated outturn income from Business Rates, due regard must also be given on the effect that changes in estimated reliefs will have on the Section 31 grants. At 30 June 2017, the increase in Durham County

Council's Section 31 Grants (including Small Business Rate Relief) was £58,974.

- 86 Whilst the increase in Section 31 grants is accounted for in 2016/17, the surplus on Business Rates retention is accounted for in 2017/18.

Recommendations and Reasons

- 87 It is recommended that Cabinet:
- (a) note the Council's overall financial position for 2017/18;
 - (b) agree the proposed 'sums outside the cash limit' for approval;
 - (c) agree the revenue and capital budget adjustments;
 - (d) note the forecast use of Earmarked Reserves;
 - (e) note the forecast end of year position for the Cash Limit and General Reserves;
 - (f) note the position on the Capital Programme and the Collection Funds in respect of Council Tax and Business Rates.

Background Papers

- (a) County Council – 22 February 2017 – Medium Term Financial Plan 2017/18 to 2019/20 and Revenue and Capital Budget 2017/18;
- (b) Cabinet – 12 July 2017 - 2016/17 Final Outturn for General Fund and Collection Fund.

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Appendix 1: Implications

Finance -

The report details the 2017/18 forecast of outturn position for Revenue and Capital and details the forecast movement on Reserves.

Staffing -

None

Risk -

The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information supplied by the Service Management Teams and budget holders. The projected outturn has been produced taking into consideration spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by Service Management Teams and budget holders, helps to mitigate the risks associated with achievement of the forecast outturn position.

Equality and Diversity / Public Sector Equality Duty -

None

Accommodation -

None

Crime and Disorder -

None

Human Rights -

None

Consultation -

None

Procurement -

None

Disability Issues -

None

Legal Implications -

The outturn proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Appendix 3: Revenue Summary by Expenditure / Income for the period ended 31 March 2018

	Original Budget 2017/18	Revised Budget	Proposed Budget Revisions	Agreed Budget	Service Groupings Forecast of Outturn	Corporate Costs	Sums Outside the Cash Limit	Cash Limit Reserve	Contribution to / Use of Earmarked Reserves	Revised Service Outturn	Forecasted Variance (including Corporate Costs)	Forecasted Variance - Corporate Costs
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	501,630	504,244	17,149	521,393	521,166	718	0	-32	-3,741	518,111	-3,282	0
Premises	51,282	51,415	420	51,835	52,905	0	-7	0	-669	52,229	394	0
Transport	41,578	41,617	-675	40,942	40,962	0	0	-26	-3	40,933	-9	0
Supplies & Services	117,755	118,315	63	118,378	120,540	1,225	-512	-157	-2,649	118,447	69	-161
Agency & Contracted	321,720	321,726	-1,016	320,710	325,113	2,280	-91	-134	-675	326,493	5,783	0
Transfer Payments	208,855	197,680	-7,311	190,369	190,392	0	0	0	-390	190,002	-367	0
Central Costs	89,345	101,054	-5,623	95,431	105,240	110	0	0	-9,652	95,698	267	0
DRF	710	430	503	933	1,268	0	0	0	0	1,268	335	0
Other	0	0	0	0	35	0	0	1,773	-1,773	35	35	0
Capital Charges	57,113	57,113	0	57,113	57,113	0	0	0	0	57,113	0	0
GROSS EXPENDITURE	1,389,988	1,393,594	3,510	1,397,104	1,414,734	4,333	-610	1,424	-19,552	1,400,329	3,225	-161
Income												
Government Grants	568,850	572,492	5,614	578,106	577,807	249	0	0	-317	577,739	367	0
Other Grants and Contributions	75,964	76,382	-1,545	74,837	76,021	0	0	0	254	76,275	-1,438	0
Sales	9,308	8,935	-485	8,450	8,170	200	0	0	0	8,370	80	-50
Fees and Charges	107,513	109,086	1,305	110,391	107,367	-1	0	100	271	107,737	2,654	1
Rents	7,774	7,746	150	7,896	8,241	0	0	0	0	8,241	-345	0
Recharges To Other Services	205,043	205,879	-965	204,914	209,586	0	0	0	-28	209,558	-4,644	0
Other	9,634	7,172	-682	6,490	6,795	0	0	0	-212	6,583	-93	0
Total Income	984,086	987,692	3,392	991,084	993,987	448	0	100	-32	994,503	-3,419	-49
NET EXPENDITURE	405,902	405,902	118	406,020	420,747	3,885	-610	1,324	-19,520	405,826	-194	-210

Appendix 4: Earmarked Reserves Position as at 30 June 2017

	EARMARKED RESERVES AND CASH LIMIT RESERVES	SERVICE GROUPING	2016/17 CLOSING BALANCE	USE OF RESERVES	CONTRIBUTION TO RESERVES	TRANSFERS BETWEEN RESERVES	TOTAL MOVEMENT ON RESERVES	2017/18 CLOSING BALANCE AS AT 31 MAR 2018
			£'000	£'000	£'000	£'000	£'000	£'000
1	T&P AAP/Members Reserve	T&P	-2,482	870	0	0	870	-1,612
2	T&P Grant Reserve	T&P	-1,172	86	0	-60	26	-1,146
3	T&P Operational Reserve	T&P	-890	156	-9	-147	0	-890
4	Social Care Reserve	AHS	-6,337	392	0	60	452	-5,885
5	Public Health Reserve	AHS	-3,436	2,872	-1,161	0	1,711	-1,725
6	Env. Health and Consumer Protection Reserve	AHS	-708	61	0	0	61	-647
7	Children's Services Reserve	CYPS	-4,985	2,386	-223	1,819	3,982	-1,003
8	Continuing Professional Development Reserve	CYPS	-1,186	0	0	0	0	-1,186
9	Education Reserve	CYPS	-9,044	942	0	0	942	-8,102
10	Neighbourhoods AAP Reserve	REAL	-45	0	0	0	0	-45
11	Customer Services Reserve	REAL	-210	0	0	0	0	-210
12	Direct Services Reserve	REAL	-2,605	233	0	0	233	-2,372
13	Culture and Sport Reserve	REAL	-2,531	358	0	0	358	-2,173
14	Strategic Waste Reserve	REAL	-136	0	0	0	0	-136
15	Technical Services Reserve	REAL	-4,631	257	0	-102	155	-4,476
16	Business Growth Fund Reserve	REAL	-764	538	-71	0	467	-297
17	Economic Development Reserve	REAL	-2,164	507	0	0	507	-1,657
18	Planning Reserve	REAL	-1,516	213	0	0	213	-1,303
19	North Pennines AONB Partnership Reserve	REAL	-328	0	0	0	0	-328
20	Employability and Training Reserve	REAL	-125	114	0	0	114	-11
21	REAL Match Fund Programme Reserve	REAL	-1,735	0	0	0	0	-1,735
22	Housing Regeneration Reserve	REAL	-1,091	28	0	0	28	-1,063
23	Housing Solutions Reserve	REAL	-1,327	141	-169	0	-28	-1,355
24	Restructure Reserve	REAL	-114	0	0	0	0	-114
25	Transport Reserve	REAL	-207	0	0	0	0	-207
26	Funding and Programmes Management Reserve	REAL	-390	0	0	0	0	-390
27	Resources Corporate Reserve	Resources	-978	0	0	0	0	-978
28	Resources DWP Grant Reserve	Resources	-1,681	110	-235	0	-125	-1,806
29	Resources System Development Reserve	Resources	-725	172	0	0	172	-553
30	Resources Housing Benefit Subsidy Reserve	Resources	-433	0	0	0	0	-433
31	Resources Revenue and Benefits Reserve	Resources	-300	0	-200	0	-200	-500
32	Resources Legal Expenses Reserve	Resources	-200	0	0	0	0	-200
33	Resources Legal Services Reserve	Resources	-154	0	0	0	0	-154
34	Resources Elections Reserve	Resources	-1,010	523	0	0	523	-487
35	Resources ICT Reserves	Resources	-959	256	0	0	256	-703
36	Human Resources Reserve	Resources	-97	0	0	0	0	-97
37	Equal Pay Reserve	Corporate Fin	-20,140	306	0	203	509	-19,631
38	Insurance Reserve	Corporate Fin	-9,991	0	0	0	0	-9,991
39	Performance Reward Grant Reserve	Corporate Fin	-638	400	0	0	400	-238
40	MTFP Redundancy and Early Retirement Reserve	Corporate Fin	-12,822	2,333	0	0	2,333	-10,489
41	Office Accommodation Project Support Reserve	Corporate Fin	-77	0	0	0	0	-77
42	Budget Support Reserve	Corporate Fin	-42,622	12,622	0	0	12,622	-30,000
44	Office Accommodation Capital Reserve	Corporate Fin	-40,645	0	0	0	0	-40,645
45	Inspire Programme Reserve	Corporate Fin	-2,664	1,225	0	0	1,225	-1,439
	Total Earmarked Reserves		-186,295	28,101	-2,068	1,773	27,806	-158,489
	Cash Limit Reserves							
46	Adult and Health Services		-5,512	0	-2,599	38	-2,561	-8,073
47	Children and Young People's Services		-3,309	819	3,936	-1,819	2,936	-373
48	Regeneration and Local Services		-6,231	304	-929	328	-297	-6,528
49	Resources		-1,023	145	-832	0	-687	-1,710
50	Transformation and Partnerships		-179	0	440	-320	120	-59
	Total Cash Limit Reserves		-16,254	1,268	16	-1,773	-489	-16,743
	Total Council Reserves		-202,549	29,369	-2,052	0	27,317	-175,232
	Schools' Balances							
Sch 1	Schools' Revenue Balance	CYPS	-19,836	9,314	0	0	9,314	-10,522
Sch 2	DSG Reserve	CYPS	-11,159	1,066	0	0	1,066	-10,093
	Total Schools and DSG Reserve		-30,995	10,380	0	0	10,380	-20,615