

## Cabinet

15 November 2017

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



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

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#### 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 report provides an updated forecast of the revenue and capital outturn for 2017/18, based upon expenditure and income up to 30 September 2017.

#### Revenue Outturn Forecast – Based on Position to 30 September 2017

- 6 The table overleaf compares the forecast of outturn with the revised budget. Further detail is provided 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	132,348	129,714	-2,634
Children and Young People's Services	98,963	115,841	119,753	3,912
Regeneration and Local Services	126,024	129,722	128,739	-983
Resources	16,628	19,296	18,537	-759
Transformation and Partnerships	8,716	11,768	12,063	295
<b>Cash Limit Position</b>	<b>401,912</b>	<b>408,975</b>	<b>408,806</b>	<b>-169</b>
Contingencies	5,422	4,701	4,701	0
Corporate Costs	3,990	4,095	3,824	-271
<b>NET COST OF SERVICES</b>	<b>411,324</b>	<b>417,771</b>	<b>417,331</b>	<b>-440</b>
Capital charges	-57,113	-57,113	-57,113	0
Interest and Investment income	-1,700	-1,700	-2,320	-620
Interest payable and similar charges	38,108	38,587	38,337	-250
Levies	15,979	15,979	15,979	0
<b>Net Expenditure</b>	<b>406,598</b>	<b>413,524</b>	<b>412,214</b>	<b>-1,310</b>
<b>Funded By:</b>				
Council tax	-195,706	-195,706	-195,706	0
Use of earmarked reserves	-18,185	-24,086	-24,086	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	-6,336	-461
Education Services Grant	-1,500	-1,500	-1,516	-16
Forecast contribution to/from(-) Cash Limit Reserve	-819	156	325	169
Forecast contribution to/from (-) General Reserves	0	-2,000	-365	1,635
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 £0.169 million underspend within service grouping cash limits with a forecast underspend on all other budgets of £1.635 million. This position is reflected in the movement in cash limit and general reserves. Taken together, the net £1.804 million underspend represents a 0.4% underspend against the revised net expenditure budget of £413.5 million.
- 9 Approval is being sought for the following sums to be funded from, or transferred to general contingencies. These sums are deemed to be outside of service grouping cash limits.

<b>Service Grouping</b>	<b>Proposal</b>	<b>Amount</b>
		<b>£ million</b>
Adult and Health Services (AHS)	Care providers inflation pressures	0.268
Adult and Health Services (AHS)	Transforming Care – changes in estimated discharge dates	-0.272
Children and Young People's Services (CYPS)	Premises related costs for former school buildings	0.047
Resources	Coroner's Services underspend	-0.110
Transformation and Partnerships (T&P)	Local Insight Digital Tool Survey	0.002
<b>Total</b>		<b>-0.065</b>

- 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. A sum of £2 million has been transferred from the General Reserve into a Transformation Programme Reserve to provide the required support for the next three years.

<b>Type of Reserve</b>	<b>Opening Balance as at 1 April 2017</b>	<b>Budgeted use at 1 April 2017</b>	<b>Movement during 2017/18</b>		<b>2017/18 Forecast of Outturn</b>
			<b>Planned contribution to (-) or use of reserve</b>	<b>Contribution to (-) or use of reserve</b>	
	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>
<b>Service Grouping Cash Limit</b>					
Adult and Health Services	-5.512	0.000	-0.075	-2.634	-8.221
Children and Young People's Services	-3.309	0.819	-1.819	3.912	-0.397
Regeneration and Local Services	-6.231	0.000	1.167	-0.983	-6.047
Resources	-1.023	0.000	0.079	-0.759	-1.703
Transformation and Partnerships	-0.179	0.000	-0.327	0.295	-0.211
<b>Total Cash Limit Reserve</b>	<b>-16.254</b>	<b>0.819</b>	<b>-0.975</b>	<b>-0.169</b>	<b>-16.579</b>
<b>General Reserve</b>	<b>-23.004</b>	<b>0.000</b>	<b>2.000</b>	<b>-1.635</b>	<b>-22.639</b>

- 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 £37.4 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 below by each service grouping.

### **Adult and Health Services (AHS)**

- 13 The 2017/18 projected outturn for AHS at 30 September 2017 is a cash limit underspend of £2.634 million, representing circa 1.8% of the total budget for AHS. This compares to the quarter 1 forecast of outturn position of a £2.599 million cash limit underspend.
- 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 reflects 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, has created a net underspend for the year of £2.578 million;
  - (b) net spend on adult care packages is £0.219 million over 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 delivered in recent years. Within the adult care budgets there are overspends of £1.152 million on Learning Disability / Mental Health Services, offset by underspends on Older People Services of £0.933 million. A review of Learning Disabilities commissioning processes is currently underway to help to identify further opportunities to maximise value for money and reduce the overspending in this area;
  - (c) net expenditure in respect of Environment, Health and Consumer Protection (EHCP) services, is £0.275 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, £0.723 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major items being use of the Council's MTFP Redundancy Reserve (£0.242 million), a contribution to the social care reserve (£63,000) and use of the Public Health Reserve (£0.548 million).

- 17 In addition, to these contributions to and from reserves, a new Improved Better Care Fund Reserve (iBCF) has been created this quarter. This reflects the £13million of iBCF funding which was received after the budget was set for 2017/18. On 18 October 2017 Cabinet considered a report that outlined the plans for utilising this funding across the next three years. The creation of this reserve will ensure that the funding received is earmarked for the purposes outlined in the grant conditions. Future budgetary control reports will identify sums drawn down from the reserve, in line with the plans agreed by Cabinet on 18 October 2017.
- 18 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 £8.221 million.

### **Children and Young People's Services (CYPS)**

- 19 The 2017/18 projected outturn position for CYPS, based on the position to 30 September 2017, is a cash limit overspend of £3.912 million. This represents a 3.71% overspend against the total budget for CYPS and compares to the previously forecast position at quarter 1 of a £3.936 million overspend.
- 20 In arriving at the cash limit outturn position, premises related costs of £47,000 incurred in respect of the former school sites have been treated as outside the cash limit.
- 21 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 £4.731 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 and on increasing the number of in-house fostering. The current numbers and mix of placements is leading to an overspend when combined with non-Looked After Children (LAC) permanent placements of circa £4.69 million;
  - (b) Education Services and Operational Support are forecasting a net underspend of £0.82 million. This includes a forecast overspend on Home to School Transport, primarily relating to SEN pupils, of £0.25 million (an improved position when compared to the quarter 1 forecast), offset by underspends across the rest of the service from early achievement of MTFP savings, staff vacancies and reduced pension liabilities in year.

- 22 Whilst it was anticipated that LAC numbers and costs would have stabilised in the current year and that the budget would meet demand, having built circa £2.735 million growth into the 2017/18 base, in the short term further additional financial support will be required.
- 23 On 18 October 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. Additional budget support of £2.9 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.
- 24 The additional £2.9 million provided in 2018/19 is effectively a temporary budget uplift that is planned to be withdrawn over the 2019/20 to 2021/22 period as the forecast placement mix shift takes place, in line with plans developed by CYPS.
- 25 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 £0.397 million at the year end.

### **Regeneration and Local Services (REAL)**

- 26 The forecast revenue outturn for 2017/18 is a cash limit underspend of £0.983 million, after taking account of the forecast use of reserves and items outside the cash limit. The cash limit outturn position compares to the previous forecast underspend for 2017/18 of £0.929 million based on the position as at the end of quarter one.
- 27 The forecast underspend reflects 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 £0.277 million underspent. In this area, increased income relating to Trade and Bulky Waste (£0.416 million), and early achievement of 2018/19 MTFP savings (£0.400 million), is being partially offset by a forecast £0.560 million overspend on waste disposal contracts.
  - (b) Culture and Sport is forecast to underspend by £91,000, which is the net of; savings on third party leisure contracts (£70,000), and underspending on Leisure Centres (£0.122 million), Libraries (£0.1 million), and Service Development (£59,000). This is offset by a forecast overspend in the Gala Theatre (£0.260 million).
  - (c) Technical Services is forecast to be £53,000 underspent. This is the net position and takes into account an overspend of £1.3 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. The overspend is however broadly offset by additional surpluses generated within Design Services (£0.400 million), and Highways Trading activities (£0.900 million).
  - (d) Business Support is forecast to be £86,000 underspent, due to managed savings on vacant posts and reductions in hours.

- (e) Transport is forecast to be £0.390 million overspent, mainly due to increased employee costs within Care Connect (£0.155 million), and additional costs on bus and rail contracts and within traffic management (£0.240 million).
  - (f) Planning and Assets is forecast to be £0.283 million underspent, mainly resulting from increased planning fee income (£0.2 million), and early achievement of 2018/19 MTFP savings (£68,000).
  - (g) Economic Development and Housing is forecast to be underspent by £0.153 million. Savings of approximately £0.313 million in Housing Solutions, Business Durham and Visit County Durham are partially offset by overspends in Economic Development associated with the Employability and Skills team (£0.160 million).
- 28 In arriving at the forecast outturn position, £0.339 million relating to contributions to and from reserves and cash limits have been excluded from the outturn. The major items being:
- (a) £0.180 million drawn down from the MTFP redundancy reserve;
  - (b) a net contribution to earmarked reserves of £0.655 million in respect of Repairs and Maintenance, Bin procurement, and Community Safety projects, and Culture and Sport;
  - (c) £0.412 million use of reserves relating to Economic Development;
  - (d) £0.120 million use of reserves relating to Planning;
  - (e) £0.249 million has been treated as outside the cash limit and this relates to Care Connect (£0.122 million), Strategic Traffic (£0.118 million) and Culture and Sport (£9,000).
- 29 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 £6.047 million.

## Resources

- 30 The 2017/18 updated forecast revenue outturn for Resources is a cash limit underspend of £0.759 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. The cash limit underspend forecast at quarter one was £0.832 million.
- 31 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 £83,000, relating mainly to managed underspending against employees in Procurement (£41,000) and Health and Safety (£42,000) in advance of MTFP savings requirements in 2018/19.

- (b) Finance and Transactional Services is forecast to be underbudget by £0.391 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 £25,000, consisting of an underspend on supplies and services (£0.147 million) in ICT Services and on employee related expenditure (£0.195 million) in Customer Services. This has been offset by funding two ICT capital schemes from revenue contributions 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 income in the current year.
  - (d) Internal Audit, Risk and Corporate Fraud is forecast to be underbudget by £31,000, comprising a managed underspend of £18,000 on employees in Corporate Fraud, linked to the early achievement of MTFP savings for 2018/19, and an overachievement of income of £15,000.
  - (e) Legal and Democratic Services is forecast to be underbudget by £0.236 million, which includes a £67,000 managed underspend on employees and £0.208 million on supplies and services. There is a net under recovery of income (£75,000) after taking into account a reduction in Land Charges income (£0.137 million). This has been possible due to the receipt of (one-off) income from County Durham Housing Group (£51,000) and additional Government Grants (£42,000). There are also a number of other minor variances in this service area.
  - (f) Service Management is forecasting a minor £2,000 overbudget position, which is a minor variance against supplies and services. Central costs are forecast to be underbudget by £45,000.
- 32 The forecast cash limit outturn shows the position after some £96,000 of net contributions from reserves and cash limits have been applied to finance the following items:
- (a) £0.110 million to contingencies to remove a surplus from the Coroners Service budget.
  - (b) £0.165 million from the ICT Trading Reserve in respect of Windows 10 upgrade where additional technicians have been employed to implement these upgrades across the ICT estate; wireless networks and implementation of Tribal software;
  - (c) £0.113 million from the Elections reserve to fund County Council elections undertaken in the year;
- 33 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 £1.703 million.

## Transformation and Partnerships (T&P)

- 34 The forecast revenue outturn for 2017/18 is a cash limit overspend £0.295 million for the year after taking account of the forecast use of reserves and items outside the cash limit. The cash limit overspend forecast at quarter one was £0.440 million.
- 35 The main reasons for the projected overspend are as follows:
- (a) The previously planned restructure of the former Assistant Chief Executive's 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 £0.379 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 £72,000 overbudget, primarily due to a managed overspend on employee costs;
  - (c) Strategy is forecast to be £66,000 underbudget, primarily due to a managed underspend on employee costs;
  - (d) Communications and Information Management are forecast to be £82,000 underbudget, due to a managed underspend on employee related costs;
  - (e) Transformation is forecast to be £8,000 underbudget as a result of a managed underspend on employee related costs.
- 36 In arriving at the forecast cash limit outturn position £53,493 relating to contributions to and from reserves and cash limits have been excluded from the outturn. These are :
- (a) £21,643 from reserves to fund posts in Transformation;
  - (b) £21,851 from reserves in respect of early retirement / voluntary redundancy costs associated with MTFP savings;
  - (c) £8,149 contribution from reserves in respect of engagement activities;
  - (d) £1,850 from the Corporate Contingencies in respect of the Local Insight Digital Tool Survey.
- 37 Taking the projected outturn position into account, including items proposed to be treated as outside the cash limit and a transfer of £7,279 from the Regeneration and Local Services cash limit reserve, the total cash limit reserve forecasted to be carried forward for T&P at 31 March 2018 is £0.211 million.

## **Corporate Costs / Contingencies**

- 38 The forecast revenue outturn for 2017/18 for Resources – Centrally Administered Costs is a cash limit underspend of £0.271 million. This takes into account adjustments for sums outside the cash limit such as the use of / contribution to earmarked reserves and compares with the previously forecast position of a £0.210 million underspend at quarter one.
- 39 The forecast outturn position is accounted for by an underbudget position on corporate subscriptions (£0.140 million), expenses associated with raising loans (£26,000), de-minimis capital receipts (£50,000); external audit fees (£17,000); payment card fees (£46,000) offset by additional expenditure on professional fees (£5,000). MTFP savings are factored into these budget heads for 2018/19.

## **Central Budgets**

### **Interest Payable and Similar Charges - Capital Financing**

- 40 Following a review of capital financing costs relating to re-profiling and forecast interest rates, there is a forecast underspend of £0.250 million.

### **Interest and Investment Income**

- 41 The forecast at this stage is an overachievement of income of £0.620 million which is mainly due to higher than forecast level of returns on short-term investments and council commercial activities. A higher target for this income budget has been included in MTFP(8).

### **Council Earmarked Reserves Forecast**

- 42 Earmarked reserves are funds set aside for specific, known or predicted future expenditure. Appendix 4 details the Council and school earmarked reserves showing the opening balance at 1 April 2017, the forecast movement on reserves during the year and the forecast closing balance as at 31 March 2018.
- 43 A summary of the latest forecast of Council reserves (excluding school reserves) is shown below. The summary highlights that the total earmarked and cash limit reserves are forecast to reduce by £13.396 million in 2017/18, from £202.549 million to £189.153 million. This compares with a Quarter 1 forecast of a reduction in reserves of £27.3 million. The change reflects the creation of the £13 million iBCF Reserve in Quarter 2. The movement in earmarked reserves is explained in the service grouping commentaries. This utilisation is to be expected as these funds are applied to the expenditure for which they were earmarked.

	<b>Earmarked</b>	<b>Cash Limit</b>	<b>TOTAL</b>
	<b>£ million</b>	<b>£ million</b>	<b>£ million</b>
Opening Earmarked Balances as at 1 April 2017	-186.295	-16.254	-202.549
Adjusted for forecasted increase (-) / use of Earmarked Reserves	13.721	-0.325	13.396
<b>Forecasted Earmarked Reserve Balances as at 31 March 2018</b>	<b>-172.574</b>	<b>-16.579</b>	<b>-189.153</b>

## Schools

- 44 Maintained schools have delegated budgets and carry forward accumulated surpluses and deficits from one year to the next. At the end of quarter 1, the forecast balances at 31 March 2018 were for an overall net surplus balance £10.558 million.
- 45 Officers are currently supporting schools to undertake their mid-year budget reviews. This process commenced in September and will not be completed until the end of November. Based on the work undertaken to date the forecast overall net surplus balance to be carried forward has increased slightly to £10.559 million. A more meaningful update will be available in quarter 3.
- 46 A breakdown of the quarter 2 updated 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.

	Schools forecasting a surplus balance above 2.5% of annual funding		Schools forecasting a surplus balance of less than 2.5% of annual funding		Schools forecasting a deficit balance		Total	
	No.	Forecast Balances £ million	No.	Forecast Balances £ million	No.	Forecast Balances £ million	No.	Forecast Balances £ million
Nursery	9	0.427	1	0.002	1	-0.011	11	0.418
Alternative Provision	-	-	1	-	-	-	1	-
Primary	139	10.279	57	0.448	3	-0.080	199	10.647
Secondary	6	1.633	5	0.822	4	-5.015	15	-2.560
Special	8	2.054	1	-	-	-	9	2.054
<b>Total</b>	<b>162</b>	<b>14.393</b>	<b>65</b>	<b>1.272</b>	<b>8</b>	<b>-5.106</b>	<b>235</b>	<b>10.559</b>

- 47 At quarter 1, seven schools were forecasting that they would have a deficit balance carried forward at 31 March 2018, totalling an estimated £5.154 million. In setting the 2017/18 budgets six schools had been given permission to set deficit budgets from the Corporate Director of Resources:
- one was due to convert to an academy in September;
  - one was planning on undertaking a re-structuring in the autumn to allow it to balance its budget;
  - one was expected to join a Multi-Academy Trust in the year;

- (d) the Council was taking steps to address longer-term issues with the remaining three schools.
- 48 The other school was expected to be able to balance its budget once it had completed some staffing changes.
- 49 During the last quarter, two schools (The Sacriston Primary and South Stanley Junior School) have converted to academies. One of these schools had an accumulated deficit at the point of conversion, which has been charged to the Council, whereas the other had an accumulated surplus, which will transfer to the Academy.
- 50 The eight schools with deficits include the five schools already mentioned. Two of the other schools are forecast to have sufficient surplus in 2018-19 to be able to clear their forecast deficit. For the remaining school, officers from Education, HR and Finance are working with the school to address the budget shortfall.
- 51 The School Funding Team continues to work with schools to support and provide advice about budget issues, and is reviewing budgets this term 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**

- 52 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.
- 53 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 council and further requests for reprofiling as Service Management Teams continue to monitor and review their capital schemes.

### **Current Position**

- 54 The table overleaf 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 September 2017.

Service Grouping	Original Budget 2017/18 as at May MOWG £ million	Revised Budget 2017/18 Quarter 1 £ million	Amendments recommended by MOWG £ million	Revised Budget 2017/18 Quarter 2 £ million	Projected Outturn 2017/18 £ million	Actual Spend to 30 Sept 2017 £ million
Transformation and Partnerships	4.149	4.594	-0.084	4.510	4.510	0.977
Adult and Health Services	0.318	0.318	0.002	0.320	0.320	0.094
Children and Young People's Services	28.765	28.783	0.205	28.988	28.988	8.096
Regeneration and Local Services	84.257	86.778	3.301	90.079	90.079	34.311
Resources	16.228	16.828	0.000	16.828	16.828	2.632
<b>Total</b>	<b>133.717</b>	<b>137.301</b>	<b>3.424</b>	<b>140.725</b>	<b>140.725</b>	<b>46.110</b>

55 Further to the revised quarter 1 2017/18 budget that was agreed by Cabinet on 13 September 2017, 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) **CYPS** - the service budget is to be increased for various schemes, including work at the Aycliffe Secure Unit on fencing and acoustic panels (£66,000 – Department for Education (DfE) grant funding) and on safety and security at the Durham House courtyard to allow six beds to be re-opened (£0.136 million - DfE grant funding).
- (b) **REAL**
  - (i) **Technical Services** - the service has secured additional funding of £0.247 million to fund work at 6 play areas to support the implementation of the Council's play strategy, the majority coming from Section 106 contributions from developers and £75,000 from the Economic Employability Reserve.
  - (ii) **Transport and Contracted Services** – additional grant resources totalling £4.918 million have been allocated by the Department for Transport to fund schemes, including for a new railway station at Horden (£4.374 million).

- (iii) **Economic Development and Housing** - budget increases totalling £4.077 million are required for three schemes. The largest is for £3.851 million for the Pennine Peat LIFE project, which the Council will administer as the accountable body for the North Pennines Area of Outstanding Natural Beauty Partnership. The project aims to restore 1,353 hectares of bare and degraded peat to healthy functioning peat bog and will operate at sixteen sites across the North Pennines, Yorkshire and the Forest of Bowland (in Lancashire) in the next three years. A further £1.613 million will fund revenue activities. The majority of the funding comes from the European Union, with further contributions from three beneficiaries (Durham County Council, Lancashire County Council and the Yorkshire Wildlife Trust) and four co-financers (Northumbrian Water, United Utilities, Yorkshire Water Services and the Environment Agency).

The Council has also received £71,000 from the War Memorials Trust towards the refurbishment of war memorials at Burnhope and Leasingthorne and a budget increase of £0.155 million is also needed to fund the installation of a permanent heating boiler at Glenroyd House.

- (c) **Resources** – an ICT budget increase of £0.335 million is needed to fund projects to extend and improve Remote Access arrangements (£0.155 million) and to refresh the Mail Fulfilment Equipment (£0.180 million). The proposed increase will be funded from a contribution from revenue, that is available as a result of cash limit underspends that have been forecast and reported at quarter 1.

56 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) **REAL – Planning and Assets** – some £1.521 million of the funds allocated for the Pennine Peat LIFE project are programmed to be applied after 2017/18 and a reprofiling is required.
- (b) **REAL – Transport and Contracted Services** – of the additional resources that have been received to fund new schemes, some £4.571 million relates to work that will be completed in future years - all of the £4,374 million for a new railway station at Horden into 2019/20 and £0.197 million of the Safer Roads scheme for work on the A67 at Barnard Castle into 2018/19
- (c) **Resources** – it is not planned that the additional ICT revenue funded schemes costing £0.335 million will be implemented until 2018/19, so it is necessary to reprofile the budget.

## Capital Financing

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

<b>Financed By:</b>	<b>Original Budget 2017/18 £ million</b>	<b>Revised Budget 2017/18 Quarter 1 £ million</b>	<b>Amendments recommended by MOWG £ million</b>	<b>Revised Budget 2017/18 Quarter 2 £ million</b>
Grants and Contributions	53.135	52.514	3.095	55.610
Revenue and Reserves	3.000	4.079	0.162	4.241
Capital Receipts	17.700	17.825	0.007	17.832
Borrowing	59.883	62.883	0.159	63.042
<b>Total</b>	<b>133.717</b>	<b>137.301</b>	<b>3.423</b>	<b>140.724</b>

## Council Tax and Business Rates Collection Funds

### Council Tax

- 58 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.
- 59 The collection rate at 30 September 2017 was below the profiled target of 56.92%, but is broadly in line with last year, being just 0.10 percentage points below the same position in 2016/17.
- 60 The in-year collection rates to the end of quarter two for the last three years, including the current year, are shown below:

<b>Billing Year</b>	<b>Position at 30 September Each Year %</b>
2017/18	56.79
2016/17	56.89
2015/16	56.47

- 61 The current overall collection rate for 2016/17 council tax liabilities is now 97.75% (compared to 96.69% at 31 March 2017), and for 2015/16 the rate is now 98.44% (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 99.55% which is in line with our medium term financial plan forecasts.
- 62 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.

- 63 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.
- 64 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.
- 65 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.
- 66 At 30 September 2017, the estimated outturn for the Council Tax Collection Fund is a surplus of £5.483 million as shown in the following table, which takes into account the undeclared surplus as at 31 March 2017. Durham County Council's share of this forecasted surplus is £4.627 million, which could be available to support the 2018/19 budget.

	<b>£ million</b>
Net Bills issued during Accounting Year 2017/18	303.703
LCTRS and previous years CTB adjustments	-53.660
Calculated change in provision for bad debts required and write offs	-3.258
<b>Net income receivable (a)</b>	<b>246.785</b>
<b>Precepts and Demands</b>	
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
<b>Total Precepts and Demands (b)</b>	<b>243.753</b>
<b>Net Surplus / (-) Deficit for year (a) – (b)</b>	<b>3.032</b>
<b>Undeclared Surplus Brought Forward from 2016/17</b>	<b>2.451</b>
<b>Estimated Year end surplus</b>	<b>5.483</b>

- 67 By 15 January 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.

- 68 By 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.
- 69 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**

- 70 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.
- 71 In 2017/18, following consultation, the Government implemented the first revaluation of Business Rates since April 2010.
- 72 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.
- 73 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 September 2017, the estimated outturn for the Collection Fund Business Rates is a surplus of £5.876 million, as shown in the following table, which takes into account the undeclared surplus as at 31 March 2017.

	<b>£ Million</b>
Net rate yield for 2017/18 including previous year adjustments	108.516
Estimate of changes due to appeals lodged and future appeals	-3.484
Estimated losses in Collection – Provision for Bad Debts and Write-offs	-1.181
<b>Net income receivable (a)</b>	<b>103.851</b>
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)	0.693
<b>Total fixed payments (b)</b>	<b>99.985</b>
<b>Net surplus for year (a) – (b)</b>	<b>3.866</b>
<b>Undeclared Surplus brought forward from 2016/17</b>	<b>2.010</b>
<b>Estimated year end Surplus</b>	<b>5.876</b>

- 74 The estimated surplus of £5.876 million at 31 March 2018 is made up of the in-year estimated surplus and the undeclared surplus brought forward from 2016/17. 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 £2.879 million.
- 75 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 58.42% at 30 September 2017, which has been exceeded.
- 76 The in-year collection rates in quarter two for the last three years, including the current year, are shown below:

<b>Billing year</b>	<b>Position at 30 September Each Year %</b>
2017/18	59.64
2016/17	58.42
2015/16	58.65

- 77 In year performance to 30 September shows a collection rate of 59.64%, which is above the target by 1.22 percentage points. The current overall collection rate for 2016/17 business rate liabilities is now 98.93% (compared to 97.40% at 31 March 2017) and for 2015/16 business rate liabilities is now 99.44% (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 99.32% which is line with our medium term financial plan forecasts.

### **Section 31 Grant - Small Business Rate Relief**

- 78 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.
- 79 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.
- 80 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 September 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 £13.527 million, and the Council will receive £4.197 million in Section 31 Grant, including the capping adjustment and threshold change adjustments, in this regard.

### **Other Section 31 Grants**

- 81 In the Autumn Statements of 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.
- 82 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.

- 83 Despite the delay in Government releasing details of these schemes, Cabinet approved the Councils Local Discretionary Rate Relief Scheme in July and the necessary software amendments have been made to enable all three schemes to be implemented. By 30 September, all businesses who have been identified as being potentially eligible had either had the relief applied, where it was clear that State Aid rules would be complied with, or asked to apply for the award by confirming that the award would not result in them breaching State Aid rules.
- 84 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 September 2017, the increase in Durham County Council's Section 31 Grants (including Small Business Rate Relief) was £0.461 million.
- 85 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**

- 86 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**

- County Council – 22 February 2017 – Medium Term Financial Plan 2017/18 to 2019/20 and Revenue and Capital Budget 2017/18.
- Cabinet – 12 July 2017 - 2016/17 Final Outturn for General Fund and Collection Fund.
- Cabinet – 13 September 2017 - Forecast of Revenue and Capital Outturn 2017/18 – Period to 30 September 2017.

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## **Appendix 1: Implications**

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### **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 consideration of regular budgetary control reports is a key component of the Councils Corporate and Financial Governance arrangements. This report shows the forecast spend against budgets agreed by Council in February 2017 in relation to the 2017/18 financial year. The forecasts 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
<b>Employees</b>	501,630	525,166	1,525	526,691	521,326	721	49	0	-921	521,175	-5,516	3
<b>Premises</b>	51,282	52,511	318	52,829	53,539	0	-14	-10	-306	53,209	380	0
<b>Transport</b>	41,578	40,971	13	40,984	40,960	0	1	0	-2	40,959	-25	0
<b>Supplies &amp; Services</b>	117,755	121,696	304	122,000	120,562	1,161	36	-239	-112	121,408	-592	-225
<b>Agency &amp; Contracted</b>	321,720	321,610	14,029	335,639	333,005	2,280	4	0	13,233	348,522	12,883	0
<b>Transfer Payments</b>	208,855	190,759	27,203	217,962	217,730	0	0	0	28	217,758	-204	0
<b>Central Costs</b>	89,345	105,083	5,434	110,517	111,706	110	0	0	-149	111,667	1,150	0
<b>DRF</b>	710	933	33	966	1,412	0	0	0	-48	1,364	398	0
<b>Other</b>	0	0	0	0	79	0	0	-100	100	79	79	0
<b>Capital Charges</b>	57,113	57,113	0	57,113	57,113	0	0	0	0	57,113	0	0
<b>GROSS EXPENDITURE</b>	<b>1,389,988</b>	<b>1,415,842</b>	<b>48,859</b>	<b>1,464,701</b>	<b>1,457,432</b>	<b>4,272</b>	<b>76</b>	<b>-349</b>	<b>11,823</b>	<b>1,473,254</b>	<b>8,553</b>	<b>-222</b>
<b>Income</b>												
Government Grants	568,850	578,423	47,695	626,118	626,735	249	0	0	-177	626,807	-689	0
Other Grants and Contributions	75,964	74,583	-18	74,565	76,828	0	11	0	32	76,871	-2,306	0
Sales	9,308	8,450	-411	8,039	7,640	200	0	0	0	7,840	199	-50
Fees and Charges	107,513	110,020	327	110,347	109,963	-1	0	0	-110	109,852	495	1
Rents	7,774	7,896	216	8,112	8,386	0	0	0	0	8,386	-274	0
Recharges To Other Services	205,043	204,942	507	205,449	211,542	0	0	0	0	211,542	-6,093	0
Other	9,634	6,702	485	7,187	7,532	0	0	0	-20	7,512	-325	0
<b>Total Income</b>	<b>984,086</b>	<b>991,016</b>	<b>48,801</b>	<b>1,039,817</b>	<b>1,048,626</b>	<b>448</b>	<b>11</b>	<b>0</b>	<b>-275</b>	<b>1,048,810</b>	<b>-8,993</b>	<b>-49</b>
<b>NET EXPENDITURE</b>	<b>405,902</b>	<b>424,826</b>	<b>58</b>	<b>424,884</b>	<b>408,806</b>	<b>3,824</b>	<b>65</b>	<b>-349</b>	<b>12,098</b>	<b>424,444</b>	<b>-440</b>	<b>-271</b>

## Appendix 4: Earmarked Reserves Position as at 30 September 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 30 SEPT 2017
			£'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	T&P Transformation Reserve	T&P	0	0	-2,000	0	-2,000	-2,000
5	Social Care Reserve	AHS	-6,337	410	-13,185	60	-12,715	-19,052
6	Public Health Reserve	AHS	-3,436	3,420	-1,161	0	2,259	-1,177
7	Env. Health and Consumer Protection Reserve	AHS	-708	61	0	0	61	-647
8	Children's Services Reserve	CYPS	-4,985	2,386	-250	1,819	3,955	-1,030
9	Continuing Professional Development Reserve	CYPS	-1,186	0	-74	0	-74	-1,260
10	Education Reserve	CYPS	-9,044	1,095	0	0	1,095	-7,949
11	Neighbourhoods AAP Reserve	REAL	-45	0	0	0	0	-45
12	Direct Services Reserve	REAL	-2,605	278	-684	0	-406	-3,011
13	Culture and Sport Reserve	REAL	-2,531	374	0	0	374	-2,157
14	Strategic Waste Reserve	REAL	-136	0	0	136	136	0
15	Technical Services Reserve	REAL	-4,631	257	0	-102	155	-4,476
16	Business Growth Fund Reserve	REAL	-764	718	-71	0	647	-117
17	Economic Development Reserve	REAL	-2,164	629	0	0	629	-1,535
18	Planning Reserve	REAL	-1,516	309	0	0	309	-1,207
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	36	0	0	36	-1,699
22	Housing Regeneration Reserve	REAL	-1,091	71	0	0	71	-1,020
23	Housing Solutions Reserve	REAL	-1,327	172	-169	-100	-97	-1,424
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	24	0	0	24	-366
27	Customer Services Reserve	Resources	-210	0	0	-136	-136	-346
28	Resources Corporate Reserve	Resources	-978	0	0	0	0	-978
29	Resources DWP Grant Reserve	Resources	-1,681	110	-235	0	-125	-1,806
30	Resources System Development Reserve	Resources	-725	172	0	0	172	-553
31	Resources Housing Benefit Subsidy Reserve	Resources	-433	0	0	0	0	-433
32	Resources Revenue and Benefits Reserve	Resources	-300	0	-200	0	-200	-500
33	Resources Legal Expenses Reserve	Resources	-200	0	0	0	0	-200
34	Resources Legal Services Reserve	Resources	-154	0	0	0	0	-154
35	Resources Elections Reserve	Resources	-1,010	564	0	0	564	-446
36	Resources ICT Reserves	Resources	-959	421	0	0	421	-538
37	Human Resources Reserve	Resources	-97	0	0	0	0	-97
38	Equal Pay Reserve	Corporate Fin	-20,140	306	0	203	509	-19,631
39	Insurance Reserve	Corporate Fin	-9,991	0	0	0	0	-9,991
40	Performance Reward Grant Reserve	Corporate Fin	-638	400	0	0	400	-238
41	MTFP Redundancy and Early Retirement Reserve	Corporate Fin	-12,822	2,778	0	0	2,778	-10,044
42	Office Accommodation Project Support Reserve	Corporate Fin	-77	0	0	0	0	-77
43	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	1,247	0	0	1,247	-1,417
	<b>Total Earmarked Reserves</b>		<b>-186,295</b>	<b>30,086</b>	<b>-18,038</b>	<b>1,673</b>	<b>13,721</b>	<b>-172,574</b>
	<b>Cash Limit Reserves</b>							
46	Adult and Health Services		-5,512	0	-2,634	-75	-2,709	-8,221
47	Children and Young People's Services		-3,309	819	3,912	-1,819	2,912	-397
48	Regeneration and Local Services		-6,231	553	-983	614	184	-6,047
49	Resources		-1,023	145	-759	-66	-680	-1,703
50	Transformation and Partnerships		-179	0	295	-327	-32	-211
	<b>Total Cash Limit Reserves</b>		<b>-16,254</b>	<b>1,517</b>	<b>-169</b>	<b>-1,673</b>	<b>-325</b>	<b>-16,579</b>
	<b>Total Council Reserves</b>		<b>-202,549</b>	<b>31,603</b>	<b>-18,207</b>	<b>0</b>	<b>13,396</b>	<b>-189,153</b>
	<b>Schools' Balances</b>							
Sch 1	Schools' Revenue Balance	CYPS	-19,836	9,301	0	0	9,301	-10,535
Sch 2	DSG Reserve	CYPS	-11,159	1,066	0	0	1,066	-10,093
	<b>Total Schools and DSG Reserve</b>		<b>-30,995</b>	<b>10,367</b>	<b>0</b>	<b>0</b>	<b>10,367</b>	<b>-20,628</b>