Report for: Cabinet 6th March 2018

Title: Quarter 3 (December) 2017/18 Budget Monitoring Report

Report authorised by: Clive Heaphy – Interim Chief Finance Officer

Lead Officer: **Frances Palopoli** – Head of Finance Operations

1. Introduction

1.1. This report sets out the 2017/18 Quarter 3 (Q3) financial position for the Council; including the Revenue, Capital, Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) budgets.

1.2. It also enables Members to consider the proposed management actions set out in this report and approve the budget adjustments (virements) in Appendix 4 as required by Financial Regulations.

2. Cabinet Member Introduction

2.1. Haringey Council, like others, faces significant challenges in delivering high quality but financially sustainable services. By focussing on our key priority areas and driving improved outcomes at lower cost, we aim to achieve that balance in spite of increased demand across all of our services. We have a well-developed savings plan across all Council services which is managed and monitored to ensure that it is delivered effectively.

2.2. This budget monitoring report covers the financial year position for Q3 of 2017/18. The report focuses on significant budget variances including those arising as a result of non-achievement of Cabinet approved Medium Term Financial Strategy (MTFS) savings.

2.3. The report provides a snapshot of the revenue position at Priority level and for the Council as a whole. It highlights budget pressures, budget risks and significant over/under spends. Where there are budget pressures, the directors and assistant directors are expected to identify mitigating actions and develop action plans to bring overspend positions back in line with approved budgets.

2.4. At the end of Quarter 3 (Period 9), the Council is projected to overspend by £3.7m in 2017/18. The General Fund is projecting an overspend of £5.4m and underspend in HRA of £1.8m. The majority of the overspend in the General Fund relate to demand pressures in key frontline services such as:

i. Priority 1 (Children’s) - £3.8m;

ii. Priority 2 (Adults) - £2.9m;

iii. Priority 5 (Temporary Accommodation) - £0.8m.

However, mitigating strategies have been identified which should enable the Council to deliver an outturn in line with the approved 2017/18 budget. These are set out in sections 6 and 7.

2.5. The Council has implemented a risk-based approach to budget monitoring across its services this financial year. The approach ensures the Council focuses effort on monitoring those higher risk budgets due to their value, volatility and social impact along with the monitoring of Cabinet approved savings.

2.6. Each Priority area has provided commentary that explains the reason for significant variances where the difference between forecast outturn and approved full year budget is more than £100k or higher than 10% of approved budget.

2.7. Given the level of savings proposals identified to be delivered in 2017/18, there is a RAG rating specifically related to the delivery of the savings. The RAG status takes account of risk of delivering the full savings in the year and risk of delay to give an overall risk rating. The rating is as follows:

Green:	The risk is tolerable and requires no action unless status increases.
Amber/Green:	The risk requires active monitoring but does not currently require mitigating action.
Amber/Red:	Mitigating action is required and active monitoring should take place with immediate escalation if the position does not improve or deteriorates.

3. Recommendations

3.1. That Cabinet:

i. Note the Q3 forecast revenue outturn for the General Fund of £5.4m overspend, including corporate items *and the proposed mitigation to deliver a balanced outturn position*. (Sections 6 & 7, Table 1 and Appendix 1);

ii. Note the net HRA forecast position of £1.8m underspend. (Section 7, Table 2 and Appendix 2);

iii. Note the position on DSG spend during 2017/18 and forecast closing reserve figure (Section 8, Table 3);

iv. Note the latest capital position with forecast capital expenditure of £97.3m in 2017/18. (Section 9, Table 4);

v. Note the risks and mitigating actions identified in the report in the context of the Council's on-going budget management responsibilities/savings, as detailed in Appendices 3 (a) (g);

vi. Note the measures in place to reduce overspend in service areas; and

vii. To approve and note the budget virements set out in Appendix 4 of this report.

4. Reason for Decision

4.1. A strong financial management framework, including oversight by Members and senior management, is an essential part of delivering the Council's priorities and statutory duties.

5. Alternative Options Considered

5.1. This is the 2017/18 Quarter 3 budget monitoring financial report. As such, there are no alternative options

6. Background Information

Budget Monitoring Overview

6.1. As at 31st December 2017 (Quarter 3) of the financial year ending 2017/18, the Council's projected overspend on its revenue budget is £3.7m (including £1.8m underspend in HRA). *Strategies to mitigate down the General Fund overspend and deliver a balanced outturn position were presented to Cabinet in February and are outlined in more detail in section 7.32.*

6.2. Table 1 below sets out financial performance at priority level. A detailed analysis at directorate level is attached at Appendix 1.

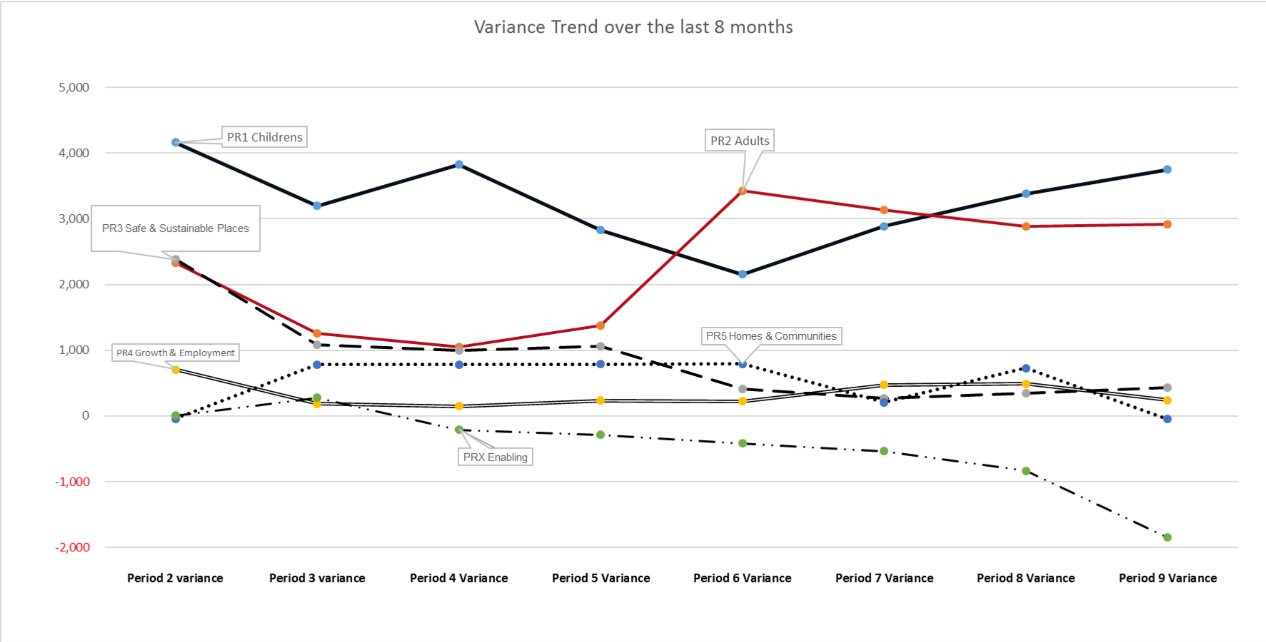
Table 1 – Revenue Budget Monitoring Forecast for Q3 (2017/18)

Priority	Revised 2017/8 Budget	Quarter 3 Outturn Forecast	Quarter 3 Forecast to Budget Variance	Quarter 2 Forecast to Budget Variance	Forecast Variance Movement between Q2 and Q3	
	£'000	£'000	£'000	£'000	£'000	
PR1 Childrens	65,486	69,236	3,750	2,157	1,593	▲
PR2 Adults	95,442	98,358	2,916	3,429	(513)	▼
PR3 Safe & Sustainable Places	26,561	26,995	434	412	23	▲
PR4 Growth & Employment	12,262	12,500	239	223	16	▲
PR5 Homes & Communities	20,538	20,490	(47)	796	(843)	▼
PRX Enabling	35,624	33,774	(1,850)	(419)	(1,431)	▼
General Revenue Total	**255,912**	**261,354**	**5,442**	**6,598**	**(1,156)**	▼
PR5 Homes & Communities(HRA)	0	(1,785)	(1,785)	(169)	(1,616)	▼
Haringey Total	**255,912**	**259,569**	**3,657**	**6,429**	**(2,772)**	▼

▼ Denotes reducing overspend/increasing underspend

6.3. Diagram 1 below illustrates the trend and volatility of forecast outturn by priority area up to Q3 (31st December 2017). It shows that outturn forecast for all but one (Priority 1 - Childrens) of the priority areas are broadly stable or trending downward in terms of overspend or upward where an underspend has been forecast.

Diagram 1 – Revenue Budget Forecast Trend to Q3



7. Revenue Finance Overview

7.1. A summary of outturn position including comments on each priority area budget are set out below along with proposals to mitigate down the forecast GF overspend of £5.4m by year end

PRIORITY 1 **Overspend £3.8m**

7.2. Priority 1 is projecting overall spend of £69.2m against approved budget of £65.5m resulting in forecast overspend of £3.8m as at Q3. This is an adverse movement of £1.6m on the outturn position forecast at Q2.

7.3. The areas with material variances are detailed below.

7.4. **Placements** are forecast to overspend by £1.1m, a significant increase of £0.8m against Q2. This is largely due to increase in the LAC cohort from 398 to 413; with the main cost driver being the increase of residential/secure package average weekly cost by £407, against Q2. There is a continued focus on the "top 20" high cost placements; with a view to stepping down care packages or negotiating lower fees, whilst also managing demand through Family Group Conferencing and Targeted Response initiatives.

7.5. **Other social Care Agency Worker costs** are forecast to overspend by £0.8m which is an increase of £0.1m compared to Q2 reflecting the market difficulties in recruiting permanent staff into these areas of operation. Work is also continuing to ensure that workforce numbers are within the currently agreed and budgeted establishment level.

7.6. **Early Help and Targeted Response** is forecast to overspend by £0.4m an increase of £0.1m from Q2. This is as a result of the childcare element of children's centre service delivery incurring more than budgeted building costs and lower than anticipated occupancy levels.

7.7. **Children & Young People with Additional Needs** is forecasting to overspend by £1.1m which is consistent with previous forecasts, see breakdown below:

- Inclusion Service - the traded income will about £0.2m less than budget as this is a fairly new service which started in September 2017, however the service continues to expect bookings from schools.

- SEND - £0.4m overspend of which £0.3m is the shift in funding stream for transport back to the general fund from the High Needs Block (DSG). The service continues to work on refining transport costs but is unlikely to make significant changes until the next financial year.

- Family Support - the overspend position of £0.5m is due to packages for complex children. Going forward the service is working with Brokerage and Commissioning to look at more cost effective ways of supporting families and children. The plan will include recovery of contributions from CCGs for joint funded placements, and income relating to services provided to other London boroughs and the adoption of a targeted approach to reviewing high cost placements and ensuring the integrity of data used to forecast future costs.

7.8. **Schools and Learning** is forecasting an increase of £0.6m on Q2 as a result of staffing cost pressures and underachievement against its traded services target (£0.3m) and slippage on the closure of the PDC which is now scheduled for the end of March 2018 (£0.3m).

7.9. Following the recent Joint Targeted Area Inspection of the multi-agency response to abuse and neglect undertaken in December, a number of gaps were identified and subsequently a business plan has been developed that will bring the quality of the service offer currently to the standard expected, pending the upcoming Ofsted Inspection. The proposal requests an injection of resources (£1.2m) to areas where weaknesses were identified with the appropriate corrective action to be undertaken over the next six months. The funding will be provided from the transformation fund.

PRIORITY 2 **Overspend £2.9m**

7.10. Priority 2 is projecting overall spend of £98.4m against approved budget of £95.4m resulting in a forecast overspend of £2.9m as at Q3. The overspend position of £2.9m represents an improvement of £0.5m compared to Q2 which is largely as the result of increased capitalisation. The three main directorates within Priority 2 are Adult Social Care, Commissioning and Public Health.

7.11. The entire £2.9m overspend is in Adult Social Care Services which is forecasting outturn spend of £84.2m against a budget of £81.3m. Commissioning and Public Health, together, are forecasting underspend of £0.03m against budget in 2017/18.

7.12. The two main pressure areas in Adults Services are detailed below.

7.13. **Osborne Grove Nursing Home (OGNH)** is projecting a budget pressure of £1.0m (unchanged from Q2). The net revenue budget for Osborne Grove in 2017/2018 is £1.0k. This is made up of expenditure budgets relating to staffing and premises costs, plus income budgets including client contributions and NHS funding, relating to an 8-bed contract. The Home currently has an occupancy rate of 53% and the 8 -bed contract with the CCG has lapsed following quality concerns and a placement embargo. Total loss of income is approximately £0.46m.

7.14. Additional staffing has been appointed at a cost of £0.49m above the budgeted level to improve the quality of care and bring improved leadership to the Home. Additional maintenance and new equipment costs have resulted in a further £0.06m being spent to improve the quality of care. The combination of the additional costs and the loss of income means the budget will be overspent by £1.01m at the end of March 2018.

7.15. **Adult Social Care Packages** is projecting a budget pressure of £4.2m on care packages due to demand above trajectory (£0.7m) and planned MTFS savings largely around prevention and diversion strategies which have not been realised (£3.5m). In the latter case the service now believes that the initial assessment of achievable savings was overly optimistic and a review is being undertaken to seek alternative ways to mitigate this going forward.

7.16. The £4.2m budget pressure is spread across all key client groups – older clients with physical support needs £1.3m; clients with Learning disabilities £1.9m; and clients with mental health needs £1.0m.

7.17. Capitalisation of appropriate revenue spend totalling £0.9m has enabled some in year pressures in directly provided services and care packages to be offset .

7.18. A further £0.5m of revenue savings from the capitalisation of community equipment has also been achieved with the budget reallocated across care packages and directly provided services and included within the variances reported above. This takes the total capitalisation of spend to £1.8m in this financial year.

7.19. In-year pressures are being further mitigated through the release of two provisions totalling £1.3m, the two provisions being:

- Haynes Centre (£0.7m) - relating to historic rental costs at the Haynes Centre, liability for which is being disputed with Haringey CCG. The current advice from Legal and Property Services is that the council is not liable for these costs;

- Care packages (£0.6m) - the provision, established in 2016/17, relates to potential liabilities for committed homecare hours but is no longer required as the liability no longer exists.

PRIORITY 3 Overspend £0.4m

7.20. At Q3, Priority 3 is projecting total expenditure of £27.0m against approved budget of £26.6m for 2017/18. This forecast overspend of £0.4m is in line with that reported at Q2.

7.21. The variance is made up of a number of non-material underspend/overspends. In addition, a number of budget pressures are being managed within this priority area most notably the loss of on-street parking income due to the absence of Spurs football matches this season (£0.3m) and increased contractual costs associated with clamping removal (£0.2m) which are being managed through a reduction in spend of £0.5m within the concessionary travel service.

PRIORITY 4 Overspend £0.2m

7.22. At the end of Q3, Priority 4 is projecting total expenditure of £12.50m against planned budget of £12.26m resulting in a forecast overspend of £0.2m in line with the £0.2m overspend reported in Q2.

7.23. The main area of forecast overspend within this priority remains additional costs for staffing, consultancy fees and legal recharges all related to the delay in transfer of properties to HDV. This however is being offset by an underspend in consultant fees across the Tottenham and Wood Green regeneration schemes following a review of planned consultancy spend in Period 9.

PRIORITY 5 (General Fund) Underspend £0.05m

7.24. The forecast for Priority 5 is projecting total expenditure of £20.49m against a planned budget of £20.54m resulting in an underspend of £0.05m. This represents an improvement of £0.8m on Q2.

7.25. The improvement reflects the allocation of £0.8m from the Flexible Homelessness Support Grant to cover the overspend on temporary accommodation.

7.26. Actions continue to be taken to manage the demand for temporary accommodation including the implementation of a pilot Assured Short-hold Tenancy scheme with guaranteed rent and the development of 20 infill sites by Sanctuary Housing.

PRIORITY 5 (HRA) Underspend £1.8m

7.27. The HRA is currently forecasting underspend of £1.8m against its approved (net nil) budget which represents an improvement of £1.6m.

7.28. The underspend and improved reporting position is primarily the result of the £1.46m of housing strategy budget carry forward from 2016/17 now not being projected to spend in 17/18. This budget is used to develop new supply initiatives and the service will therefore bid to carry forward part of this underspend into 18/19

7.29. The forecast HRA outturn summary is set out in Table 2 below.

Table 2 – HRA Budget Forecast (Q3)

HRA Budget (2017/18)	2017/18 Revised Budget	Q3 Forecast Outturn	Q3 Forecast to Budget Variance	Q2 Forecast to Budget Variance	Movement – Q2 to Q3 Forecast to Budget
	£'000	£'000	£'000	£'000	£'000
Managed Services Income	(107,736)	(107,984)	(248)	(231)	(17)
Managed Services Expenditure	12,492	12,541	49	158	(109)
Retained Services Expenditure	95,244	93,658	(1,586)	(96)	(1,490)
Surplus	0	(1,785)	(1,785)	(169)	(1,616)

PRIORITY X Underspend £1.9m

7.30. At Q3 Priority X is currently forecasting total expenditure of £33.8m against budget of £35.6m giving underspend forecast of £1.9m equating to a favourable movement of £1.5m when compared to underspend of £0.4m forecast at Q2. The make-up of the over/underspend is spread out across a number of services in Priority X but the main variances are:

7.31. **Transformation and Resources** – This area is forecast to overspend by £0.8m at Q3, an adverse movement of £0.2m compared to Q2 forecast. The overspend is largely due to continuing reliance on temporary staff in Finance to fill vacancies in key areas and unfunded posts in Corporate Project Management Office (CPMO) carried over from previously committed project work.

7.32. **Non Service Revenue (NSR) –** The forecast underspend within NSR is £2.1m at Q3 representing an improvement of £1.4m on Q2 following a reforecasting of debt financing costs as a result of projected slippage in the Capital Programme.

7.33. **Mitigating Strategies to achieve a balanced outturn** – the MTFS report to Cabinet in February 2018 set out in detail the proposed strategy to mitigate down the forecast services overspend. This has been summarised below:

- Reduced Expenditure (£3.4m) – a reduction in the minimum revenue provision (MRP) requirement needed to finance council assets and the application of the Governments approved flexible capital receipts to finance transformational type expenditure which will deliver sustainable revenue savings
- Funding Changes (£4.4m) – release of earmarked corporate reserves no longer required; capitalisation and the application of government grants received above the budgeted figures

8. Dedicated Schools Grant (DSG)

8.1. The Dedicated Schools Grant is broken down into three funding blocks; Schools, Early Years and High Needs. Excluding school's balances, the carried forward surplus on the DSG Reserve from 2016/17 is £2.8m. However, whilst Schools and Early Years carried forward surpluses, the High Needs block carried forward a deficit of £1.3m.

8.2. Table 3 below sets out the projected movement on the DSG Reserve for 17/18.

Table 3 – DSG Reserve

DSG as at Q3	Opening DSG at 01/04/17	Loan	In year position at Q3 2017/18	Forecast Closing DSG 2017/18
	£'000	£'000	£'000	£'000
Schools block	(815)	0	63	(753)
Early years block	(3,325)	1,340	1,146	(839)
High needs block	1,340	(1,340)	571	571
Total	**(2,800)**	**0**	**1,779**	**(1,021)**

8.3. The Early Years block projection includes £0.7m to mitigate the loss of subsidy to maintained childcare settings and a further anticipated drawdown of £0.4m for 2-year old free entitlement.

8.4. A paper on the current financial position for the High Needs Block (HNB) was presented to Schools Forum on 17th January 2018, stating that the £571k overspend was the most likely scenario. Therefore, a proposal was tabled and agreed, whereby the surplus in the Schools Block at the end of this financial year will be used to subsidise the HNB. Further work is currently being undertaken to ensure that the HNB is self-sustaining in 2018/19.

9. Capital Budget

9.1. This section sets out progress on the capital programme against the approved capital budget at priority level.

9.2. The table below show a forecast underspend position of £93.9m on the general fund and £20.9m on the HRA with a combined underspend of £114.8m. Most of this underspend on capital expenditure is expected to slip into 2018-19 financial year.

9.3. Since Q2 the overall general fund 2017/18 budget has increased by £2.171m. The majority of this increase relates to the acceleration of spend on the relocation of the Civic Centre (£2.08m), additional TfL LIP funding for the White Hart Lane Public Realm scheme (£0.49m), offset by a number of other scheme re-profiling's. The revised Q3 budget is set out in the table below as well as the Q2 forecast outturn, the Q3 forecast outturn and the variance between the two forecasts.

Table 4 – Capital Outturn Forecast Q3 (2017/18)

Priority	2017/18 Revised Budget	2017/18 Q3 Forecast Outturn	2017/18 Forecast to Budget Variance	2017/18 Q2 Forecast Outturn	Movement in Forecast Variance
	£'000	£'000	£'000	£'000	£'000
Priority 1 - Children's	13,576	5,870	(7,706)	9,227	(3,358)
Priority 2 - Adults	3,078	1,610	(1,468)	2,485	(874)
Priority 3 - Safe & Sustainable Places	17,242	11,859	(5,383)	12,475	(616)
Priority 4 - Growth & Employment	75,993	25,903	(50,090)	19,047	6,856
Priority 5 - Homes & Communities	16,431	1,107	(15,324)	3,522	(2,415)
Priority 6 - Enabling	16,873	2,963	(13,909)	5,392	(2,428)
General Fund Total	**143,192**	**49,312**	**(93,880)**	**52,147**	**(2,835)**
HRA Priority 5 - Homes & Communities	68,901	47,995	(20,905)	49,440	(1,444)
Total	**212,093**	**97,307**	**(114,786)**	**101,587**	**(4,279)**

9.4. Overall the forecast outturn has decreased in Q3 when compared to Q2: £2.8m on the general fund and £1.4m on the HRA. The main reasons for this movement from the last quarter are set out below at priority level.

Priority 1

9.5. Scheme 101 Primary School - modernisation & enhancement (inc. SEN) is reporting a lower forecast outturn by £2.137m. The delays to the detailed survey reports which will enable a prioritised programme to be prepared have meant delaying the preparation of an evidence based programme. Similar issues apply to Scheme 114

Secondary School - modernisation & enhancement (inc. SEN) which is reporting a lower forecast outturn by £0.525m.

Priority 2

9.6. The reduced forecast outturn relates to the disabled facilities grant (DFG) spend. The outturn has reduced by £0.874m. At the time of the Q2 forecast it was anticipated that four contractors would be appointed to the framework for this type of work. Whilst two were appointed in line with the Q2 expectation, two were not thus reducing the amount of work done.

Priority 3

9.7. The reduction in the forecast outturn by £0.616m is in part related to the re-profiling of Scheme 303 Highways Structures (£0.252m) but the majority of the reduction in the forecast outturn relates to Scheme 316 Asset Management of Council Buildings which has reduced by £1.241m.

Priority 4

9.8. The forecast outturn has improved by £6.856m. Scheme 429 Strategic Acquisitions has improved by £4.050m due to the anticipated completion on a number of property transactions. Scheme 438 relocation of Civic Centre has accelerated spend of £2.040m. Scheme 444 Marsh Lane has improved its outturn by £1.658m due to the completion of the relocation of certain facilities in advance of the main scheme. These improvements have been off-set by a number of minor adverse movements. As part of the concluded negotiation for the Borough Intervention Agreement between the Council and the GLA that supports the High Road West scheme the GLA have allocated the Council the following funding: £16.2M Affordable Housing Grant; and £6.36m of Mayors Regeneration Fund (MRF). These budgets will be added to the agreed capital programme.

Priority 5 (General Fund)

9.9. Due to the impending creation of an alternative delivery model for temporary accommodation expenditure in this priority has been largely suspended.

Priority 5 (Housing Revenue Account)

9.10. The forecast outturn has deteriorated by £1.444m since Q2. The main reasons for this are in Scheme 590, where delays in the Decent Homes programme generated slippage of £0.743m due to the delay in the signing of the approval reports and the compiling of cost information to enable the Section 20 Notice to be served; Mechanical & Electrical Budget slippage of £0.447m is due to procurement requirements which delayed the tenders going out; and Fire Protection Works slippage of £0.6m is due to the delay in the signing of the approval reports. A number of small positive movements in other schemes have offset the slippage in Scheme 590.

Priority X

9.11. There has been a deterioration in the forecast outturn by £2.428m. This is primarily due to delays in the spend on the shared digital budget of £1.7m. In addition, given the lateness of the financial year it has been forecast that there will be no further calls on the contingency budget so is now showing as underspend at £0.775m. The contingency will be recommended for carry forward at the appropriate time. There are a number of other minor movements that largely offset each other.

10. MTFS Savings 2017/8

10.1. The MTFS savings target for 2017/8 is £20.73m. As at Q3, services are projecting that that £11.14m (54%) of planned savings will be achieved compared to £10.17m (49%) at Q2. This is an improvement in forecast savings of £0.97m with favourable movements relating to Adults Social Care savings and Corporate savings offsetting a revision downwards of previously projected savings within Priority 1.

10.2. The Chief Finance Officer has engaged with service directors to encourage delivery of planned savings or where this is not possible, for services to come up with alternative savings to ensure that overall services are delivered within planned budgets.

10.3. Table 3 below summarises the savings position at priority level and Appendix 3 has a detailed breakdown of savings with the relevant RAG rating.

Table 4 – Summary Savings at Priority Level

	New MTFS	Old MTFS	**Total**	**Savings Projected to be Achieved in Q3 2017/18**	**Savings Shortfall in Q3**	**% Achieved**	Movement in achieved savings since last quarter	**Savings Projected to be Achieved in Q2 2017/8**
	£'000	£'000	**£'000**	**£'000**	**£'000**	%		**£'000**
Priority 1	1,437	2,696	**4,133**	**960**	**3,173**	23%	▼	**1,288**
Priority 2	2,737	5,233	**7,970**	**5,070**	**2,900**	64%	▲	**4,264**
Priority 3	1,685	930	**2,615**	**2,540**	**75**	97%	►	**2,540**
Priority 4	503	325	**828**	**578**	**250**	70%	►	**578**
Priority 5	-	765	**765**	**765**	**-**	100%	►	**765**
Priority X	612	116	**728**	**511**	**217**	70%	▼	**569**
Corporate Savings	2,036	1,650	**3,686**	**719**	**2,967**	20%	▲	**167**
Total	**9,010**	**11,715**	**20,725**	**11,143**	**9,582**	54%		**10,171**

10.4. The major factors that have contributed to the projected shortfall in the savings programme for each priority area are summarised below.

Priority 1

10.5. Priority 1 is reporting that only 23% (£0.96m of £4.13m) of approved savings will be delivered this year compared to 31% (£1.29m) in Q2. The movement between Q2 and Q3 is due to savings relating to the new model for social care delivery and services to schools, not being achieved this financial year.

10.6. Other planned saving not being achieved this financial year includes £0.6m of savings relating to supported housing which the Service has requested to be deferred to the next financial year. Appendix 3a provides a full RAG rated list of savings within this Priority.

Priority 2

10.7. Priority 2 is now reporting that it will deliver 64% (£5.1m of £7.9m) of planned savings in 2017/18 compared to £4.3m projected achievement at the end of Q2. The revision upwards is mainly due to £600k savings achievable through new models of care and an increase in achievable savings in transformation and promoting independence reviews. Appendix 3b provides a full RAG rated list of savings within this Priority.

Priority 3

10.8. Priority 3 is reporting a projected shortfall in savings achievable in 2017/18 of £75k – same as Q2. This projected non-delivery relates to the delay in the scoping exercise for the move to cashless parking payment project. Appendix 3c provides a full RAG rated list of savings within this Priority.

Priority 4

10.9. The shortfall of £0.25m in priority 4 relates to the transfer of functions/assets to the HDV – the projection remains the same as Q2. Appendix 3d provides a full RAG rated list of savings within this Priority.

Priority 5

10.10. Priority 5 is currently projecting that all its savings will be achieved which is similar to projection at the end of Q2. Appendix 3e provides a full RAG rated list of savings within this Priority.

Priority X

10.11. Priority X is currently projecting that 70% (£0.51m out of £0.73m) of approved savings will be achieved. Q2 projection was 78% (£0.57m). The reduction relates to projected non-delivery of accounts payable restructure which is under pressure due to continuing delays in implementing the new Procurement Contract System. Appendix 3f provides a full RAG rated list of savings within this Priority.

Council Wide Savings

10.12. A corporate savings target of £3.6m relates to council wide savings on redundancy (£1.5m), bad debt provision (£0.70m), procurement (£0.95m), and senior management savings (£0.40m). A significant shortfall of 80% is currently projected for these savings – but a favourable movement from Q2 of 15%. The relevant services are working to develop action plans to deliver savings relating to bad debt provision and procurement, and there has been an improvement in projected achievable savings of £0.56m in procurement (£0.25m), redundancies (£0.25m) and £0.06m in senior management savings (£0.06m). Line by line comment on individual savings, where provided, are detailed at Appendix 3g.

11. Budget Virements

11.1. Budget virements are set out in Appendix 4. One-off virements (£98.76m) are budget movements affecting this financial year, whilst permanent virements (£91.04m) are budget movements which will permanently affect the cash limit of the priority.

12. Contributions to strategic outcomes

12.1. Adherence to strong and effective financial management will enable the Council to deliver all of its stated objectives and priorities.

13. Statutory Officers Comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

13.1. This is a report of the Chief Finance Officer and concerns the Council's financial position.

Legal

13.2. The Assistant Director of Corporate Governance has been consulted on this report.

13.3. Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation. This could include, as set out in the report, action to reduce spending in the rest of the year.

13.4. The Council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the over spend.

13.5. The Cabinet is responsible for approving virements in excess of certain limits as laid down in the Financial Regulations at Part 4 Section I, and within the Executive's functions at Part 3 Section C, of the Constitution.

Equalities

13.6. The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- Advance equality of opportunity between people who share those protected characteristics and people who do not;
- Foster good relations between people who share those characteristics and people who do not.

13.7. This report provides an update on the Council's financial position in relation to planned MTFS savings and mitigating actions to address current budget overspends. Given the impact on services of savings targets, all MTFS savings were subject to equalities impact assessment as reported to Full Council on 27th February 2017.

13.8. Any planned mitigating actions that may have an impact beyond that identified within the MTFS impact assessment process should be subject to new equalities impact assessment.

14. Use of Appendices

Appendix 1 – Directorate Level Forecast (Q3)

Appendix 2 – HRA Forecast (Q3)

Appendix 3 – Detailed MTFS Savings Monitor (Q3)

Appendix 4 – Revenue and Capital Virements (Q3)

15. Local Government (Access to Information) Act 1985

15.1. For access to the background papers or any further information please contact Frances Palopoli – Head of Finance Operations

Revenue Budget Forecast as at Q3 (2017/18)

APPENDIX 1

Priority for Report	Directorate	Revised 2017/8 Budget	Period 9 Outturn Forecast	Period 9 Forecast to Budget Variance	Period 8 Forecast to Budget Variance	Movement in Forecast Variance	
PR1 Childrens	CM Assistant Director for Commissioning	2,250,784	2,000,492	-250,292	-232,075	-18,217	▼
	CY Director Of Children Services	51,210,548	54,549,681	3,339,133	3,056,628	282,505	▲
	PH Director for Public Health	6,650,723	6,650,637	-86	-86	0	▼
	SCH Assistant Director for School	5,373,570	6,034,820	661,250	556,416	104,834	▲
PR1 Childrens Total		**65,485,626**	**69,235,631**	**3,750,005**	**3,380,883**	**369,122**	▲
PR2 Adults	AS Director for Adult Social Services	81,249,835	84,195,836	2,946,001	2,893,458	52,543	▲
	CM Assistant Director for Commissioning	3,029,703	3,072,927	43,225	54,906	-11,681	▼
	PH Director for Public Health	11,162,129	11,089,255	-72,874	-62,874	-10,000	▼
PR2 Adults Total		**95,441,666**	**98,358,018**	**2,916,352**	**2,885,490**	**30,862**	▲
PR3 Safe & Sustainable Places	OPS Director for Commercial & Operations	26,357,021	26,757,985	400,964	308,117	92,846	▲
	PH Director for Public Health	202,766	237,288	34,522	34,522	0	▶
PR3 Safe & Sustainable Places Total		**26,559,787**	**26,995,273**	**435,486**	**342,639**	**92,846**	▲
PR4 Growth & Employment	CM Assistant Director for Commissioning	1,057,360	1,032,154	-25,206	-20,369	-4,836	▼
	Alexandra Palace	1,900,200	1,950,000	49,800	49,800	0	▶
	PLAN Assistant Director of Planning	1,674,175	1,601,617	-72,558	-82,988	10,430	▲
	RGEN Director for Housing and Growth	3,091,866	3,733,263	641,397	698,010	-56,613	▼
	RPD02 Director of Regeneration	4,005,853	3,762,020	-243,833	-43,313	-200,520	▼
	V00001 Dir of Regeneration Planning,Development	533,352	421,352	-112,000	-112,000	0	▶
PR4 Growth & Employment Total		**12,262,806**	**12,500,407**	**237,601**	**489,139**	**-251,539**	▼
PR5 Homes & Communities	AH03 Community Housing Services	10,904,203	11,662,891	758,688	739,893	18,796	▲
	AH05 Housing Commissioned Services	9,633,556	8,827,403	-806,153	-65,175	-740,978	▼
	RGEN Director for Housing and Growth	0	0	0	51,400	-51,400	▼
PR5 Homes & Communities Total		**20,537,759**	**20,490,294**	**-47,465**	**726,118**	**-773,583**	▼
PRX Enabling	C00002 Deputy Chief Executive	440,357	438,257	-2,100	-84,400	82,300	▲
	CE01 Chief Executive Officer	2,600	13,529	10,929	10,929	0	▶
	COM Assistant Director for Strategy & Communication	659,046	608,446	-50,600	-23,272	-27,327	▼
	COOOO F00001 Chief Operating Officer	-112,951	-84,001	28,950	28,950	0	▶
	CUS Assistant Director for Customer Services	5,864,540	5,856,874	-7,666	-6,407	-1,259	▼
	GOV Assistant Dir of Corporate Governance	2,530,383	2,228,883	-301,500	-278,500	-23,000	▼
	Non Service Revenue	17,122,976	14,795,646	-2,327,330	-1,321,055	-1,006,275	▼
	Year End Adjustment Reserves	1,989,981	1,989,981	0	0	0	▶
	Other Non Service Revenue	1,700	1,700	0	0	0	▶
	RES Director for Transformation & Resources	322,745	1,099,636	776,891	815,019	-38,128	▼
	Shared Digital Services	1,518,803	1,276,980	-241,823	-227,073	-14,750	▼
	SSC Assistant Director for Shared Service Centre	5,284,148	5,548,446	264,298	253,689	10,609	▲
PRX Enabling Total		**35,624,328**	**33,774,377**	**-1,849,951**	**-832,121**	**-1,017,830**	▼
General Revenue Total		**255,911,972**	**261,354,000**	**5,442,028**	**6,992,149**	**-1,550,121**	▼
	HSE Housing Revenue Account	0	-1,785,014	-1,785,014	-1,201,411	-583,603	▼
Haringey Total		**255,911,972**	**259,568,986**	**3,657,014**	**5,790,738**	**-2,133,724**	▼

HRA BUDGET 2017/18	2017/18 Revised Budget	Forecast Spend	Q3 Forecast Variance	Q2 Forecast Variance	Forecast Variance Movement
	£000's	£000's	£000's	£000's	£000's
UE0721 Managed Services Income					
H39001 Rent - Dwellings	(81,838)	(82,031)	(193)	(158)	(34)
H39101 Rent - Garages	(858)	(733)	125	121	4
H39102 Rent - Commercial	(2,139)	(2,139)			
H39201 Income - Heating	(336)	(342)	(6)	(2)	(4)
H39202 Income - Light and Power	(1,204)	(1,201)	3	3	
H39301 Service Charge Income - Leasehold	(7,143)	(7,560)	(417)	(417)	
H39401 ServChgInc SuppHousg	(1,488)	(1,497)	(9)	(10)	
H39402 Service Charge Income - Concierge	(1,554)	(1,546)	8	6	2
H39405 Grounds Maintenance	(1,922)	(1,919)	3	3	()
H39406 Caretaking	(1,544)	(1,541)	3	3	()
H39407 Street Sweeping	(1,626)	(1,623)	3	4	(1)
H40102 Water Rates Receivable	(6,295)	(6,063)	232	217	15
H40404 Bad Debt Provision - Leaseholders	210	210			
	(107,736)	**(107,984)**	**(248)**	**(231)**	**(17)**
UE0722 Managed Services Expenditure					
H31300 Housing Management WG	23	23			
H32300 Housing Management NT	28	28			
H33400 TA Hostels	237	237			
H34300 Housing Management ST	9	9			
H35300 Housing Management BWF	11	11			
H37210 Under Occupation	123	123			
H39002 Rent - Hostels	(1,996)	(1,967)	29	49	(20)
H39404 Service Charge Income - Hostels	(341)	(336)	5	11	(6)
H40001 Repairs - Central Recharges	2	2			
H40004 Responsive Repairs - Hostels	342	342			
H40101 Water Rates Payable	5,277	5,030	(247)	(247)	
H40104 HousMgmntRechg Cent	107	107		(2)	2
H40111 Other RentCollection	162	162			
H40206 HousMgmntRechg Energ	1,417	1,050	(367)		(367)
H40208 Special Services Cleaning	2,100	2,670	570	400	170
H40209 Special Services Ground Maint	1,680	1,760	80		80
H40212 HRA Pest Control	277	277			
H40303 Supporting People Payments	1,851	1,831	(21)	(53)	32
H40309 Commercial Property - Expenditure	221	221			
H40401 Bad Debt Provision - Dwellings	664	664			
H40405 BAd Debt Provision - Commercial	80	80			
H40406 Bad Debt Provisions - Hostels	68	68			
H40801 HRA- Council Tax	150	150			
	12,492	**12,541**	**49**	**158**	**(109)**
UE0731 Retained Services Expenditure					
H38002 Anti Social Behaviour Service	736	575	(161)	(161)	
H39601 Interest Receivable	(115)	(1)	114	114	
H40112 Corporate democratic Core	777	777		(13)	13
H40301 Leasehold Payments	(507)	(139)	368	317	51
H40305 Landlords Insurance - Tenanted	288	302	14	14	
H40306 Landlords - NNDR	132	42	(90)	(90)	
H40308 Landlords Insurance - Leasehold	2,017	1,355	(662)	(662)	
H40501 Capital Financing Costs	12,400	12,400			
H40601 Depreciation - Dwellings	18,000	18,000			
H40805 ALMO HRA Management Fee	40,032	40,154	122	27	95
H49000 Housing Revenue Account	15,673	15,673			
H60002 GF to HRA Recharges	2,990	2,999	9	(195)	204
H60003 Estate Renewal	1,876	100	(1,776)		(1,776)
H60004 HIERS/ Regeneration Team	810	859	49	49	
S11100 Emergency Response Management		311	311	388	(77)
S14400 Supported Housing Central	135	250	115	115	
	95,244	**93,658**	**(1,586)**	**(96)**	**(1,490)**
(Surplus) for the year on HRA Services		**(1,785)**	**(1,785)**	**(169)**	**(1,616)**

MTFS Savings - **P1 – Children's** Appendix 3a

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG	Overall risk RAG	Firm Commitment for savings achieveable for 2017/18 £'000
	P1 - Childrens						
1.1	**Service Redesign & Workforce**	300	5	5	25	Red	-
1.2	**Early Help & Targeted Response**	62	5	4	20	Red	-
1.3	**Family Group Conferencing**	200	2	1	2	Green	200
1.4	**Family Based Placements**	100	5	4	20	Red	-
1.5	**Care Leavers - Semi Independent Living**	25	5	5	25	Red	-
1.6	**Adoption and Special Guardianship Order payments**	150	5	5	25	Red	-
1.7	**Supported Housing**	600	5	5	25	Red	-
	Subtotal (New MTFS)	**1,437**					**200**
	OLD MTFS (GREEN SAVINGS)						
1	**Early Years** - remodel Childrens Centres - review borough wide provision of childcare	150	5	5	25	Red	-
3	**Public Health - 5-19** - recommissioning of services with improved efficiency including school nursing and health visiting	376	1	1	1	Green	376
	Pendarren	220	5	5	25	Red	-
	New Model for Social Care Delivery	900	5	5	25	Red	-
9	**Services to Schools** - Increasing trading activity and providing high quality services. - Review service offer	148	4	5	20	Red	-
	Restructure in DCT (Family Link) Restructure around Family Link will yeild this saving, although likely to be delivered across two years	120	5	3	15	Red/Amber	50
	Self funded EP Service Through development of a traded service model in Education Psychology stabilised and being tracked, currently able to deliver majority of saving in year 1, with residual delivered in year 2.	350	4	3		Red/Amber	200
	Restructure in SEN and Transport Likely to be delivered across two years	134	-	-	0		134
	Respite Officer (Commissioning) On track for delivery via the recommissioning of Haselmere Respite Centre	168	5	2	10	Amber/Green	-
	Unidentified - Respite/ 0-25 Service Likely to be delivered across 2 years	130	5	5	25	Red	-
	Subtotal (Old MTFS)	**2,696**					**760**
	Total for Priority 1	**4,133**					**960**

MTFS Savings - **P2 - Adults** Appendix 3b

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG		Firm Commitment for savings achieveable for 2017/18 £'000
	P2 - Adults						
2.1	Supported Housing Review	475	5	5	25	Red	9
2.2	Osborne Grove	-	5	5	25	Red	-
2.3	Fees and charges review	199	5	5	25	Red	44
2.4	Technology Improvement	750	5	5	25	Red	-
2.5	Market efficiencies	1,313	5	5	25	Red	50
2.6	New Models of Care	-	5	5	25	Red	600
	Subtotal (New MTFS)	**2,737**					**703**
	OLD MTFS (GREEN SAVINGS)						
16	**New Model for Care Management** - increased integration with health and other agencies	970	-	-	0		970
14	Promoting Independence Reviews	2,477	5	5	25	Red	1,611
	Subtotal (Old MTFS)	**3,447**					**2,581**
	PUBLIC HEALTH						
19	**Voluntary Sector** - review support to Voluntary Sector - provide help to local organisations to be more self sufficient and find other funding	200	1	1	1	Green	200
20	**Healthy Life Expectancy** - Bringing separate services (stop smoking, exercise etc) together to improve value for money	47	1	1	1	Green	47
21	**Substance Misuse - Public Health/Other** - Maintain core clinical services with efficiency savings - focus on recovery with more reliance on peer support and mainstream services - reduce support to hospitals to manage alcohol related admissions and detoxification	386	1	1	1	Green	386
24	**Public Health** - restructure the Public Health team to improve efficiency	336	1	1	1	Green	336
	Sexual Health - GUM, local enhanced services, prevention & promotion	742	1	1	1	Green	742
	Other Public Health	75	1	1	1	Green	75
	Total Public Health	**1,786**					**1,786**
	TOTAL ADULTS	**5,233**					**3,284**
	Total for Priority 2	**7,970**					**5,070**

MTFS Savings - **P3 - Cleaner and Safer Communities** Appendix 3c

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG		Firm Commitment for savings achieveable for 2017/18 £'000
	P3 - Cleaner and Safer						
3.1	Charge Green Waste - income generation	375	2	4	8	Amber/Green	375
3.2	Charging for Bulky Household Waste	300	4	4	16	Red	300
3.3	Charging for Replacement Wheelie Bins	100	1	1	1	Green	100
3.4	Charging for recycling bins and increasing residual bins for RSLs, Managing Agents, Developers etc...	50	1	1	1	Green	50
3.5	Flats Above Shops –Provision of bags - Service reduction	120	1	1	1	Green	120
3.6	Reduce Outreach/ Education team - Service reduction	50	1	2	2	Green	50
3.7	Closure of Park View Road R&R - Service reduction	115	2	2	4	Green	115
3.8	Veolia Operational Efficiencies	200	2	2	4	Green	200
3.9	Rationalisation of Parking Visitor Permits	125	1	1	1	Green	125
3.11	Relocation of Parking/CCTV processes and appeals	-	1	3	3	Green	-
3.12	Move to Cashless Parking	150	3	4	12	Amber /Red	75
3.13	Move to Online Parking Permit Applications & Visitor Permits	-	1	1	1	Green	-
3.14	Parking New IT Platform	-	1	1	1	Green	-
3.15	Increase in CO2 Parking Permit Charge	100	1	1	1	Green	100
	Subtotal (New MTFS)	**1,685**					**1,610**
	OLD MTFS (GREEN SAVINGS)						
25	Increasing parking debt recovery	150	1	1	1	Green	150
28	Efficiency savings and delivery review of the Parks	200	1	1	1	Green	200
43	Increase in Parking Charges	50	1	1	1	Green	50
37	Restructure of the Emergency Planning Team	50	1	1	1	Green	50
35	Reorganisation of Community Safety and Antisocial Behaviour Team (ASBAT)	150	1	1	1	Green	150
60	Unification - Streamline and integrate housing and related functions.	55	1	1	1	Green	55
	Increased income from licensing and enforcement action	25	3	3	9	Amber /Green	25
34	Reductions in back office technical and administrative support	250	1	1	1	Green	250
	Subtotal (Old MTFS)	**930**					**930**
	Total for Priority 3	**2,615**					**2,540**

MTFS Savings P4 Growth and Employment Appendix 3d

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG		Firm Commitment for savings achieveable for 2017/18 £'000
	P4 - Growth & Employment						
4.1	**Tottenham Regeneration programme**	213	-	-	0		213
4.2	**Planning service** - Increase in planning income	40	2	1	2	Green	40
4.3	**Corporate projects** - Transfer of functions to HDV	250	5	5	25	Red	-
	Subtotal (New MTFS)	503					253
	OLD MTFS (GREEN SAVINGS)						
48	**Planning - Wider restructure reducing to core service**	75	-	-	0		75
49	**Restructure Economic Development Team to deliver new Strategy**	250	-	-	0		250
	Subtotal (Old MTFS)	325					325
	Total for Priority 4	828					578

MTFS Savings - **P5 - Housing** Appendix 3e

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG		Firm Commitment for savings achieveable for 2017/18 £'000
	P5 - Housing						
	OLD MTFS (GREEN SAVINGS)						
59	Housing Related Support commissioning efficiencies	470	3	3	9	Amber /Green	470
60	Unification - Streamline and integrate housing and related functions.	95	3	3	9	Amber /Green	95
61	Achieve year on year efficiencies	200	3	3	9	Amber /Green	200
	Total for Priority 5	**765**					**765**

MTFS Savings – Priority X Appendix 3f

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG		Firm Commitment for savings achieveable for 2017/18 £'000
	PX - Enabling						
6.1	**Legal Services** - Reduction in staffing and other related expenditure	-	2	1	2	Green	-
6.2	**Audit and Risk Management** - reduction in cost on the external audit contract	11	1	1	1	Green	11
6.3	**Democratic Services** - reduction in staffing	40	1	2	2	Green	40
6.4	**Shared Service Centre Business Support** - reduction in staffing	300	1	1	1	Green	300
6.5	**Shared Service Centre** - new delivery model for shared services	-	2	2	4	Green	-
6.7	**Shared Service Offer for Customer Services**	-	3	3	9	Amber/ Green	-
6.10	**Translation and Interpreting Service - new contract**	41	1	1	1	Green	41
6.11	**Closure of internal Print Room**	-	3	1	3	Green	-
6.12	**Communications - reduction in staffing**	53	1	1	1	Green	-
6.13	**Income generation – Advertising and Sponsorship**	15	1	1	1	Green	15
6.15	**Insurance**	152	1	1	1	Green	104
	Subtotal (New MTFS)	**612**					**511**
	OLD MTFS (GREEN SAVINGS)						
73d	**Accounts Payable Restructure (Mark Rudd)**	116	4	4	16	Red	-
	Subtotal (Old MTFS)	**116**					**-**
	Total for Priority X	**728**					**511**

MTFS Savings – Council Wide Appendix 3g

Ref	Proposal	Savings Target 2017-18 £000's	Risk of delay	Risk of delivering full saving	Overall risk RAG		Firm Commitment for savings achieveable for 2017/18 £'000
	Corporate Savings						
6.8	Senior Management Savings	400	3	5	15	Amber /Red	174
6.9	Alexandra House - Decant	-	4	2	8	Amber /Green	-
6.14	Professional Development Centre	136	5	5	25	Red	-
6.16	Voluntary Severance Savings	1,500	2	5	10	Amber/ Green	296
	Subtotal (New MTFS)	2,036					469
	OLD MTFS (GREEN SAVINGS)						
74	BIP Commercial/ Organisation Wide: Barry Phelps	950	3	4	12	Amber/ Red	250
	Bad Debt Provision	700	4	4	16	Red	-
	Subtotal (Old MTFS)	1,650					250
	Total for Corporate Savings	3,686					719

Revenue and Capital Virements (Q3)

Appendix 4

Virements for Approval

Period	Priority	Service/AD Area	Rev/ Cap	One-off	Permanent	Reason for budget changes	Description
				Virements			
4,7,8	1	Children's, Commissioning, Schools and Learning	Revenue	46,671,524	46,317,524	Budget Realignment	DSG budget realignment as per DSG allocation letter
4	2	Adult Social Services	Revenue	3,104,900	3,104,900	Budget Realignment	Adults Social Services salary realignment
5	4	Regeneration, Planning and Development	Revenue	916,800	916,800	Budget Realignment	Realigment of Housing General Fund budget to restructure
6	1	Children's	Revenue	1,245,000	1,125,000	Budget Realignment	Budget realignement as per projections
6	2	Adult Social Services	Revenue	4,407,329	4,407,329	Budget Realignment	Adults budget re-alignment 2017/18
7	All	Council-wide	Revenue	454,000	454,000	Budget realignment	Legal budget realignment as per agreed SLA
7	3	Commercial and Operations	Revenue	781,000		Budget Realignment	MOPAC Grant Funding to offset expenditure
7	1	Children's	Revenue	275,000	275,000	Budget Realignment	Contribution from Housing for Leaving Care porportion of DCLG Supporting People Grant
7	All	Council-wide	Revenue	991,240	991,240	Centralisation of IT budgets	Centralisation of IT budgets
7	All	Council-wide	Revenue	1,143,000	1,143,000	Budgeted Pay Inflation	Budgeted pay inflation for 17/18
7	All	Council-wide	Revenue	424,300	424,300.00	Budgeted Contract Inflation	Budgeted contract inflation for 17/18
7	4	Regeneration, Planning and Development	Revenue	539,346	299,700	Budget Realignment	Budget realignment to align with service restructure/reorganisation within Corporate Property and Special Projects.
8, 9	1	Schools and Learning, Children's	Revenue	24,240,214	22,622,946	Budget Realignment	Technical virement to create separate DSG cost centres
8	5	Housing & CE for HFH	Revenue	1,462,000		Carry Forward underspend	HRA Estate Renewal - Carry forward underspend from 16/17 to 17/18
8	1	Children's	Revenue	3,198,600	3,198,600	Budget Realignment	Budget realignment - merging transports cost centres in SEND area
8	3	Commercial and Operations	Revenue	433,786	433,786	Energy Inflation	Fuel, Electricity and Gas inflation + redundancy
8	2	Adult Social Services	Revenue	686,882		Budget Realignment	Adults' Budget Realignment 2017-18
8	2	Public Health	Revenue	2,552,930	2,552,930	Budget Realignment	Public Health budget realignment
9	1	Children's	Revenue	433,300	433,300	Budget Realignment	Children's Budget Realignment as per P8 projections
9	All	Council-wide	Revenue	319,800		Corp overheads readjustment	Corporate overheads HFH SLA adjustment
9	2	Adult Social Services	Revenue		266,600	Budget Realignment	Adults budget realignment
9	2	Adult Social Services, Public Health, Commissioning	Revenue	1,838,216	1,838,216	Budget Realignment	Adults budget realignement to align with staff movement due to closure and re-organisation of cost/profit centres
9	1	Children's	Revenue	545,000	235,200	Budget Realignment	Re-alignment of Secure Remand Service within External Placements in-line with Mosiac Payments.

Transfers from Reserves - for noting

Period	Priority	Service/AD Area	Rev/ Cap	One-off	Permanent	Reason for budget changes	Description
				Reserves			
5	1	Commissioning	Revenue	700,000		Transfer to reserves	Drill down from DSG reserve for Early Years Block
7	1	Commissioning	Revenue	1,400,000		Transfer from reserves	Reversal and correction of Drill down from DSG reserve for Early Years Block

		Total		**98,764,167**	**91,040,371**		