

**Appendix 1:
Executive Summary
Integrated Monitoring Report
Period 5 – End of August 2020**

Financial Impact of COVID-19

The anticipated financial cost of COVID-19 to the Council is currently £151.6m (including £0.4m in 2019/20). For the 2020/21 element of £151.2m, £25.1m relates to additional expenditure and £126.1m to loss of income (some of which will impact in 2021/22).

The budget impact of COVID-19 up to March 2021 will be spread across the financial years 2020/21 and 2021/22 due to the way the council budgets for the airport dividend, parking income and the operation of the collection fund - This is **estimated to be £55.6m in 2020/21 (pre grant allocations)** and £160.7m in 2021/22. The impact will continue to be felt beyond 2021/22.

Directorates have identified in year savings and mitigations to support the current year's position which when updated with the latest position at Period 5, total £14.9m, leaving a shortfall of £40.7m

Emergency COVID-19 funding (tranches 1, 2 and part of 3) of £40.5m (+£0.4m already allocated in 2019/20) have been confirmed and included in the Council's budget.

This leaves a remaining shortfall of **£271k** this year increasing to **£136.0m** next year in respect of confirmed funding tranches.

This is prior to the tranche 3 funding for the loss of sales, fees and charges income in 2020/21 (estimated c£6.4m) which is to be confirmed, the deferral of the use of planned reserves of £6.1m from 2020/21 to 2021/22, and any adjustment for smoothing the loss of Council Tax and Business Rates over 3 years from 2021/22 which will reduce the gap in 2021/22 by a further £24.4m. Taken together the adjustments for 2021/22 reduce the budget shortfall from £136.0m to £105.5m

	Revised 2020 / 21	2021 / 22
	£000	£000
Original Gap (pre COVID)	0	22,554
COVID-19 Budget impact of Additional Costs and Net income losses	55,583	160,675
Gross Underlying Gap (inc Covid-19)	55,583	183,229
Directorate Savings, mitigations and other changes	(14,860)	(2,427)
COVID-19 Emergency Funding	(40,452)	0
Corporate measures	0	(44,844)
Budget shortfall after confirmed funding/ mitigations	271	135,958

It is anticipated that the **£271k** shortfall can be bridged using the remaining tranche 3 COVID-19 emergency funding to support sales, fees and charges income losses.

The claim for financial support for loss of income from sales, fees and charges has been submitted (1 October) . Claims will be considered in retrospect with the first to cover the period up to July 2020 with a claim value of £3.6m. At present, the Council considers that a claim for c£6.4m could be eligible during 2020/21, but this is subject to confirmation by MHCLG.

Impact of COVID-19 from 2021/22

The 2020/21 position includes further financial pressures into 2021/22 forecast at £160.7m from anticipated continuing income losses of £136m (council tax, business rates, dividend) as well as additional costs of £25m - recognising the social care needs (Adults and Children's) arising from COVID-19 are likely to be severe and will require an ever increasing share of Local Authority budgets.

It is anticipated that Business Rates and commercial income will decline due to the expected downturn in the economy arising from COVID-19. These income losses are forecast to have a budget impact of £135.7m which includes the airport dividend of £62m (after using £8.7m in reserve) Collection Fund shortfalls £68.8m (includes £36.6m deficit from 2020/21) and other commercial and fee income of £4.9m.

The forecast £25m additional costs in 2021/22 are due to:

- £7.5m relates to ongoing implications for supporting those sleeping rough through the provision of 250 bed spaces on a more permanent basis as well as associated staffing support
- £13.5m for Adult Social Care. This includes anticipated increases to complex discharges (£5m), increased demands on Home Care (£1.8m) and Residential care (£2.5m). There may also be additional staff costs to deal with the backlog of social care assessments for those discharged under COVID-19 arrangements (c £0.8m). In addition there are likely to be permanent increases in personal protective equipment (PPE) and salary costs estimated at £2.5m. Early indications from recent numbers of referrals into the safeguarding hub is demonstrating that families have struggled over the past few months and are now asking for support. Some of these requests for support will translate into care packages.
- Spikes in demand for children's social care placements £3.8m. As lockdown measures are lifted, children return to school and other factors there is a concern that this will lead to an increase in referrals into Children's Services.
- £200k in Coroners due to a backlog of inquests

The above, including the projected deficit carried over in the collection fund has fed into an initial high level forecast shortfall of **£136m in 2021/22** before any smoothing of the Collection Fund losses over 3 years as proposed in the Government's July announcements and use of deferred reserves. The position is continuously reviewed in line with any government announcements and other changes each month.

Period 5 - High Level Headlines 2020/21

The net variations below total **£40.723m** which reflects the COVID-19 budget impact of £55.583m partly offset by in year savings, mitigations and other changes of £14.860m but before COVID-19 main funding.

The Government's COVID-19 grant - tranche 3 (sales, fees and charges) is expected to be in the region of £6.4m which should allow a balanced budget for 2020/21.

Corporate Budgets £13.298m overspend. COVID-19 related income loss is forecast as £15.810m from dividend losses. Partly offset by increased Public Health grant allocation of £1m, savings of £1.3m and other smaller changes including historic pension costs underspend due to reduced recipients.

Children's Services £0.658m overspend. COVID related expenditure and income loss is forecast to be £2.732m, this is offset by underspends of £2.074m in the following areas: an underspend of £3.333m due to potential in-year savings through delaying restructures, vacancies, renegotiation of partner contribution, additional grant and efficiencies. Alongside the savings there are a number of existing pressures relating to legal charges, short breaks, leaving care allowances, short breaks and supervised contact totalling £1.259m.

Adult Social Care £6.874m overspend. COVID-19 related expenditure is forecast to be £9.907m, this is offset by underspends totalling £3.033m in the following areas: Provider Services of £0.783m mainly due to Reablement, Day Care vacancies and short breaks temporary closure (within this position is also a significant pressure on the in-house supported accommodation of £0.852m - this is a gross pressure of £1.747m offset by £0.895m for new build accommodation from reserves); Integrated Neighbourhood Teams of £0.702m mainly from Homecare; Population Health of £168k due to delay in renegotiation of sexual health contracts; Commissioning MHCCO of £341k on Extracare; Budget growth and back office of £1.118m due to commitments being held against investment monies, NLW budgets and staffing; MHCC of £491k due to recruitment delays; and MCC out of scope of £27k due to vacancies. Offset by overspends in Complex Services of £0.546m from reassessments in care on LD packages, Personal and Individual budgets and Mental Health Supported Accommodation; and Hospital Teams, Front door and TEC of £51k mainly due to hospital social workers budget.

Homelessness £4.282m overspend. COVID related pressures of £5.021m is offset by an underspend of £193k linked to staffing underspends where recruitment has been delayed as a result of the pandemic. This includes £1.6m additional funding for Next Steps Accommodation Programme. £1.5m of reserve drawdown was included in the 2020/21 budget but has not yet been applied in the reported position. The Flexible Housing Support grant (£2.1m) is being fully applied to meet the associated cost.

Corporate Core £1.295m overspend. £4.322m is due to COVID related pressures which are partly offset by savings, mitigations and other changes of £3.027m. This is offset by an underspend of £3.027m made up of underspends in Chief Executives £496k mainly due to cancelled election in 2020/21 and employees savings; and Corporate Services £2.531m mainly due to employee savings and pensions savings from upfront funding of contributions (3 years).

Neighbourhoods Directorate £8.441m overspend. £3.772m is due to COVID related expenditure and £6.408m due to COVID loss of income. Other Directorate services report an underspend of £1.739m service wide savings mainly due to the employee savings in galleries and libraries, parks and leisure and compliance and community safety. Highways underspend is mainly due to higher than forecast income from highways capital works that have been undertaken during the lockdown period.

Growth and Development £5.329m overspend. £2.309m is due to COVID related expenditure and £5.302m due to COVID loss of income. This is offset by underspends of £2.282m through staffing and additional income across the service. The largest variances are in Investment estate which has predicted an overspend of £1.989m to reflect the likely downturn in the economy resulting in reduced levels of rental and lease income across the estate; Planning, Building Control, Licensing and Land Charges which have a predicted overspend of £0.799m due to a forecast reduction in income and Community Hub £2.061m for emergency food payments to food banks.

Period 5 monitoring	Gross position Including COVID impact				
	Original Approved Budget	Revised Budget	Forecast Outturn	Total Forecast Variance	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Total Available Resources	(666,125)	(827,470)	(812,604)	14,866	33
Total Corporate Budgets	126,761	264,202	262,634	(1,568)	(1,192)
Children's Services	130,320	130,540	131,198	658	(6,021)
Adult Social Care	221,253	232,291	239,165	6,874	(1,491)
Homelessness	15,285	17,292	22,120	4,828	(2,316)
Corporate Core	69,958	77,598	78,893	1,295	(2,414)
Neighbourhoods Directorate	93,802	94,841	103,282	8,441	2,497
Growth and Development	8,746	10,706	16,035	5,329	(2,264)
Total Directorate Budgets	539,364	563,268	590,693	27,425	(12,009)
Total Use of Resources	666,125	827,470	853,327	25,857	(13,201)
Total forecast over / (under) spend	0	0	40,723	40,723	(13,168)
COVID 19 Government grant income (tranche 1 and 2) - Confirmed				(33,367)	0
COVID 19 Government grant income (tranche 3) - Confirmed				(7,085)	0
Proposed Corporate mitigations*				0	7,963
Net forecast over / (under) spend				271	(5,205)

Memo: Breakdown of variance			
COVID related Expenditure *	COVID related income reduction*	Savings, mitigations and other changes	Total Forecast Variance
£000	£000	£000	£000
0	15,810	(944)	14,866
0	0	(1,568)	(1,568)
2,226	506	(2,074)	658
9,907	0	(3,033)	6,874
4,987	34	(193)	4,828
1,907	2,415	(3,027)	1,295
3,772	6,408	(1,739)	8,441
2,309	5,302	(2,282)	5,329
25,108	14,665	(12,348)	27,425
25,108	14,665	(13,916)	25,857
25,108	30,475	(14,860)	40,723
(33,367)			(33,367)
(7,085)			(7,085)
		0	0
15,131		(14,860)	271

Investments

Investment Priorities	2020/21 Budgeted Investment	2020/21 Full Year Committed Investment	Objective / Update on progress / Outcomes
	£000	£000	
Neighbourhoods Directorate Investment			
Capacity for further pressures including Domestic Violence	100	100	Investment will support earlier identification and intervention working with key partners and agencies. Bid for investment identified there was a 6-8 month lead in period needed to codesign interventions. This has been delayed due to COVID which has a knock on impact on forecast spend this year. If the programme could be commissioned over four years the full £1.0m allocation could be spent. Discussions have been held about the potential to mainstream this budget in future years.
Anti Social Behaviour team	540	540	Additional funding for the ASBAT team to address the increasing number of cases of antisocial behaviour across the city which have increased by 34% during lockdown compared to the same period last year.
Spring Challenge Fund	250	250	Due to lockdown the Spring challenge did not take place, the programme is currently being reviewed, with a view to potentially providing alternative arrangements later in the year.
Total Neighbourhoods Investment	890	890	
Corporate Core Investment			
Our Transformation Investment £1m over 3 years	333	193	Funding for additional capacity of three FTE at 50% along with external support for system implementation etc. The remaining £140k has been released in year towards the savings for 2020/21.
Total Corporate Core Investment	333	193	
Growth and Development Investment			
Deliver Carbon Reduction Plan	1,000	400	This is to fund a dedicated team to deliver the commitments within the Carbon Reduction Plan, recruitment of three officers is anticipated by October. This funding is to be profiled over three years to support work to identify and deliver large scale remote renewable energy projects. This includes procuring a Solar PV partner, deliver a Zero Carbon whole building retrofit pilot and develop an accelerated boiler replacement programme. Progress towards the carbon reduction plan this year to date includes - 20% completion of LED lighting for the Town Hall Extension, Solar panels installed Wythenshawe Forum roof, charging stations and electric vehicles on site at Hooper St Depot and Hydrozero pilot in two libraries
Housing Investment Reserve - support implementation of Local Delivery Vehicle	100	100	The £100k initial investment was to provide additional capacity to allow work to establish the viability of a Manchester bespoke scheme, identify indicative land and any title or grant issues, and develop a report leading to full approval of a model by Summer 2020.
Total Growth and Development Investment	1,100	500	
Total Investment	2,323	1,583	

Original Budgeted Savings

2020/21 Approved Savings - Of the £7.463m original planned savings, £2.139m are rated as red, which were to be delivered by Homelessness, Corporate Core, Neighbourhoods and Growth and Development. The capacity to deliver savings has been greatly reduced with the impact of COVID-19.
All red rated savings are included as overspends in the Directorate's Period 5 position. Amber savings remain as being achievable but with risk attached.

	Savings Target 2020/21			
	Green	Amber	Red	Total
	£000	£000	£000	£000
Children's Services	0	0	0	0
Adults Social Care	0	0	0	0
Homelessness	0	0	1,000	1,000
Corporate Core	2,803	146	500	3,449
Neighbourhoods Directorate	1,839	166	319	2,324
Growth and Development	370	0	320	690
Total Budget Savings	5,012	312	2,139	7,463

Amber Risk savings of £312k are :

Corporate Core - £146k

- £96k from annual leave purchase scheme, may increase later in the year
- £50k Capital programmes increased income at risk due to slippage

Neighbourhoods Directorate- £166k

- £91k increased volume and fee in Bereavement Services by 3.9%
- £40k Galleries exhibition tax relief.
- £35k Highways: Increase permit/license fees (skips, hoardings, scaffold, etc.) by 3.5%.

Red High Risk savings of £2.309m relate to :

Homelessness - £1.000m

- A reduction in the cost to the council of temporary accommodation through transfer to registered providers is not being achieved due to senior staff in Homelessness focusing on the COVID 19 response. Work is ongoing to implement a pilot with a registered provider. Procurement and Legal are reviewing revised timescales.

Corporate Core - £0.500m

- £0.500m from Manchester Central 2020/21 rental income / profit share due to reduced events as a result of COVID-19

Neighbourhoods Directorate - £319k

- £21k income from Pest Control due to restricted service offer
- £20k Car park income from pay and display at Heaton Park due to closure
- £30k Other income from Heaton Park due to park closure
- £57k Libraries and galleries income generation due to closures
- £86k from revised operating model at Piccadilly Market
- £105k Highways increase income generation through fees and charges across compliance

Growth and Development - £320k

- £170k Additional airport lease income, Project Quantum will need to allow additional lead in time for developers due to COVID-19
- £150k Investment Estate additional income due to additional lead time for developers

Budgets to be allocated from Corporately held Inflation and Pay Budgets

Budget to be allocated	2020/21	Description
	£000	
Inflationary Pay Award	5,252	2020/21 Pay award budget allocation.
External Fostering Placements	57	North West framework for external fostering has been updated with an average price increase of 1.5% for any new placement that starts from 1 April 2020.
Business rates inflation	61	The inflationary increase in business rates across the operational and investment estate for which no additional budget has been provided.
Security Contract	600	Additional budget provision to meet the requirements of the new contract.
Capacity for further pressures (Domestic abuse)	100	This is a trauma informed response that provides an opportunity to resolve issues, preventing the escalation of risk and demand on services such as the Independent Domestic Violence Advisory (DVA) and the Multi Agency Risk Assessment Conference (MARAC).

Grants received, additional COVID-19 grants and virements (1 of 2)

Grants received	2020/21	2021/22	Description
	£000	£000	
Build-A-Business in GM Libraries	230	395	Improving support for start-up and newly formed businesses across Greater Manchester
Business and IP Centre National Network Funding award	224	224	Improving support for start-up and newly formed businesses currently supported by the Business & IP Centre in Central Library.
Wellbeing for education return grant	65	0	The funding is to provide training and support on specific mental health areas
Additional COVID 19 Grants	2020/21	2021/22	Description
	£000	£000	
Next Steps Accommodation Programme	2,000	0	£1.600m for MHCLG additional funding for rough sleepers as part of the Everyone In programme; £100k for cold weather provision for those sleeping rough when the temperature drops below zero; and £300k for incentives to landlords to secure properties in the private rented sector specifically for people who were rough sleepers and have been provided with accommodation during the COVID pandemic.
Test and Trace Support Grant	1,862	2,975	Government provided £4.837m to support Manchester City Council's Test and Trace programme. The funding is to ensure that appropriate systems are in place for outbreak management and prevention of COVID-19. A financial plan has been drawn up to allocate funds into the appropriate service areas and quarterly monitoring updates will be required. The Support Grant Expenditure Plan requires £1.862m in 2020/21 and £2.975m to be applied in 2021/22.
Infection Control Round 2	3,084	0	Infection Control Round 2 funding announced on 1 October. Manchester's allocation is £3.084m. 80% of this funding, £2.467m, is to be provided to care homes within Manchester on a 'per beds' basis and to CQC-regulated community care providers on a 'per user' basis, including to social care providers with whom the Council has no existing contracts. The Council has discretion over the remaining 20%, £0.617m, to provide support to other care settings and wider workforce measures in relation to COVID-19 infection control.

Grants received, additional COVID-19 grants and virements (2 of 2)

	2020/21	2021/22	Description
	£000	£000	
Additional COVID-19 grants (continued)			
Test and Trace Support Payments (Self Isolation Scheme)	680	0	Further allocation to assist individuals who have been formally notified to self isolate
Local Authority Compliance and Enforcement Grant	453	0	Manchester's share of the national allocation to support additional compliance and enforcement activities
Virements			
From corporately held budgets to be allocated to Facilities Management, within Growth and Development	600	600	£0.600m increase on security contracts to maintain Manchester Living Wage
From all Directorates to corporately held budgets to be allocated	204	451	Following re-procurement of the Council's utility provision, savings of 8% on electricity and 7% on gas have been secured from 1 October 2020, with gas saving increasing to 10% in 2021.
From third party payments to transfer to reserves.	7,627	0	Given the scale of the business rates deficit it has been agreed that 50% of the anticipated growth from participation in the 100% pilot scheme will not be transferred to GMCA, as planned in the original budget. It is proposed this budget is transferred from 'third party payments' to 'transfer to reserves'. The business rates deficit impacts the budget in 2021/22 and this funding will then be available to partly offset.

Corporate Budgets £13.298m overspend

	Gross position including COVID impact			
	Annual Budget	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000
Resources Available	(309,692)	(310,710)	(1,018)	0
Retained Business Rates	(174,465)	(174,465)	0	0
Council Tax	(88,376)	(88,302)	74	33
Other Specific Grants	(168,333)	(168,333)	0	0
Business Rates Grants	(62,890)	(47,080)	15,810	0
Dividends	(22,581)	(22,581)	0	0
Use of Reserves	0	0	0	0
Fortuitous Income	(826,337)	(811,471)	14,866	33
Total Corporate Resources				
Planned Use of Resources	£000	£000	£000	£000
Other Corporate Items	203,250	203,250	0	0
Contingency	860	860	0	0
Budgets to be Allocated	9,234	7,891	(1,343)	(1,104)
Levies	41,277	41,291	14	0
Historic Pension Costs	9,580	9,341	(239)	(88)
Total Corporate Budgets	264,202	262,634	(1,568)	(1,192)
Total	(562,135)	(548,837)	13,298	(1,159)

Memo: Breakdown of variance	
COVID related pressures	Savings, mitigations and other changes
£000	£000
0	(1,018)
0	0
0	74
0	0
15,810	0
0	0
0	0
15,810	(944)
£000	£000
0	0
0	0
0	(1,343)
0	14
0	(239)
0	(1,568)
15,810	(2,512)

COVID related Pressures (£15.8m):

- £15.810m of dividend income from Manchester Airport Group and National Care Parks, and Piccadilly Triangle's rental income share is unlikely to be received due to the impact of COVID 19. (Note a significant element of the Airport Dividend is used a year in arrears so the reserve use is still reflected)

Savings, mitigations and other changes (£2.512m)

- There is an increase of £1.018m on the Retained Business Rates budget due to the late announcement of Public Health allocation for 2020/21 which increased the Council's Baseline Funding Level and reduced the Tariff payment due to Government.
- Other Specific Grants include lower than budgeted allocations for Council Tax Subsidy Grant of £7k and Care Act Grant of £67k following allocation confirmation from Government.
- Business Rates Grants reflect £138.477m Section 31 grant to reimburse the council for loss of Business Rates income due to Extended Retail Relief. This will be held in a reserve to offset the associated collection fund deficit in 2021/22.
- Budgets to be Allocated have an underspend of £1.343m made up of £309k Pension Contribution rate reducing by 0.2% more than expected, £204k from utility savings, and £0.900m release of funds held for investment. £100k of the £1m set aside will be spent in 2020/21 on an initiative to revise the Domestic Violence approach. These underspends are partly offset by the apprenticeship levy which is expected to be £70k higher than budgeted.
- The overspend of £14k on levies is due to the Flood Levy and the Port Health Levy being £7k higher than expected.
- Historic pension costs are currently forecast to underspend by £239k due to reduced recipients.

Corporate measures:

- The previous report to Executive (at P2), proposed that corporate measures totaling £7.963m be applied to support the in-year budget position.
- Of this £0.2m related to utilities savings which are now reflected in Directorate budgets.
- As the Directorate forecasts have improved significantly since then it is now proposed that the remaining mitigations of £7.763m are applied in 2021/22 when they are needed most to support the budget pressures.

Movement since last reported to Executive - £1.159m improvement:

This is due to utility savings of £204k following renegotiation of contracts, £0.900m release of funds held for investment and £88k underspend on Historic pension costs due to fewer recipients offset by £33k lower than budget grant income.

Children's and Education Services - £0.658m overspend

Children's and Education Services	Gross position including COVID impact					Memo: Breakdown of variance	
	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec	COVID related impact	Savings, mitigations and other changes
	£000	£000	£000	£000	£000	£000	£000
LAC Placements	47,377	11,563	48,454	1,077	(1,354)	1,565	(488)
Permanence and Leaving Care	18,373	6,094	17,477	(896)	(346)	208	(1,129)
Children Safeguarding Service Areas	43,050	17,156	42,398	(652)	(1,128)	405	(1,032)
Children's Safeguarding	108,800	34,813	108,329	(471)	(2,828)	2,178	(2,649)
Education Services	6,609	3,306	7,627	1,018	155	554	464
Home to School Transport	9,810	494	9,921	111	(3,348)	0	111
Targeted Youth Support Service	807	0	807	0	0	0	0
Education	17,226	3,800	18,355	1,129	(3,193)	554	575
Children's Strategic Management and Business Support	4,514	2,122	4,514	0	0	0	0
Total Children's and Education Services	130,540	40,735	131,198	658	(6,021)	2,732	(2,074)

Children's and Education Services: Period 5 (1 of 2)

Outputs and Cost-Drivers	Desired Performance	Period	Performance	Are we better than...?					
				Target		Last Period		Last Year	
Number of Looked after children (snapshot at month end)	Low	Aug-20	1,389	n/a		-6	⚠	32	☒
Number of External Fostering Placements (snapshot at month end)	Low	Aug-20	428	n/a		0	⚠	10	☒
Number of Internal Fostering Placements (snapshot at month end)	High	Aug-20	306	n/a		3	⚠	14	☑
Number of External Residential Placements (snapshot at month end)	Low	Aug-20	101	n/a		-2	⚠	-3	☑
Number of Internal Residential Placements (snapshot at month end)	Low	Aug-20	4	n/a		-1	☑	-3	☑
Number of Special Guardianship Orders (projected year end)	High	Aug-20	55	70	☒	-14	☒	-15	☒
Number of active Special Guardianship Order Allowances	Low	Aug-20	588	n/a		6	⚠	51	☒
Number of Adoptions (projected year end)	High	Aug-20	19	60	☒	-5	☒	-15	☒
Number of active Adoption Allowances	Low	Aug-20	131	n/a		-1	⚠	-37	☑
Number of active Child Arrangement Order / Residence Order Allowances	Low	Aug-20	48	n/a		-2	☑	-12	☑
Number of Referrals per month (total per month)	Low	Aug-20	520	919	☑	-167	☑	56	☒
% of Re-Referrals (year to date)	Low	Apr 20 - Aug 20	20.1%	22.10%	☑	0.8% pts	☒	-8.4%pts	☑
Number of Children in Need (snapshot at month end - now includes care leavers)	Low	Aug-20	5,067	4,878	☒	-139	☑	0	⚠
Number of Child Protection Plans (snapshot at month end)	Low	Aug-20	723	728	☑	36	☒	-14	⚠
% of children starting a CPP for a 2nd or subsequent time (year to date)	Low	Apr 20 - Aug 20	26.0%	22.00%	☒	2.1%pts	☒	-0.4%pts	⚠
% of children ceasing a Child Protection Plan, subject to that plan for 2+ years (YTD)	Low	Aug-20	4.0%	4.00%	☒	-0.5%pts	☑	1.1%pts	☒
Number of Education, Health and Care Plans	n/a	Aug-20	5,230	n/a		58	⚠	690	☒

Children's and Education Services: Period 5 (2 of 2)

Performance Analysis

- The number of LAC has decreased slightly compared to last month but remains higher than at this point last year. A contributing factor to the increase in LAC numbers compared to last year remains the increase in Unaccompanied Asylum Seeking Children (UASC) since the end of March 2019. We now have 100 UASC, an increase of 18 (22%), and Manchester's percentage of UASC continues to be greater than the national and other comparator benchmarks
- External Fostering placements have remained the same as last month and there has been a slight increase in Internal Fostering placements. External fostering numbers are higher than at this point last year, however, Internal Fostering numbers have increased more.
- The number of children placed in External Residential placements has decreased very slightly and is now slightly lower than last year. Internal Residential placements have also reduced slightly.
- The number of Special Guardianship Orders (SGO) projected to have been granted by year end has decreased significantly this month. Adoptions are significantly lower than target and also lower than last year. This can be at least partly explained by a decrease in court capacity during lockdown.
- The number of active SGO Allowances has increased slightly compared to last month but remains significantly higher than last year. Active financial assistance for adoptions has reduced very slightly from last month but significantly compared to last year and active Child Arrangement Orders/Residence Orders have also decreased.
- The number of referrals has decreased compared to last month and is slightly higher than at this point last year. Re-Referrals have remained below target and have reduced considerably compared to last year.
- The number of Children in Need decreased this month and is now the same as at this point last year.
- The number of Child Protection Plans has increased significantly compared to last month but is lower than last year.
- The percentage of repeat Child Protection Plans has increased again this month and is now above target and last year.
- The percentage of Child Protection Plans ending where the child was on a plan for more than two years has decreased this month and is now back level with the target.
- The number of active Education, Health and Care Plans continues to increase.

Children's and Education Services Financial Headlines (1 of 2)

Children's Services revenue budget totals £130.540m

- The overall forecast position as at Period 5 is an overspend of £0.658m, this is made up of;
- COVID-19 pressures through increased costs and reduced income - £2.732m;
- Partly offset by savings, mitigations and other changes of net £2.074m underspend.

COVID related Pressures and Shortfalls in Income (£2.732m):

This includes COVID-19 pressures of £2.226m and shortfalls in income of £0.506m relating primarily to additional spend which expected for Children in Care. Currently there is an underlying underspend in safeguarding but due to COVID-19 and lockdown measures demand for services has being lower than anticipated, it is expected that there will be a sharp increase in referrals when schools open for the new academic year. Demand for Children's Services will increase as there are multiple factors influencing demand and activity for Children's Services such as deprivation, domestic abuse, substance misuse and adult mental health which have been heightened due to the pandemic. COVID-19 spend and income loss figures are reviewed regularly as more information and costs are finalised.

Savings, mitigations and other changes (£2.074m)

Manchester's Children and Education Services continues on a 'journey to excellence' to increase the effectiveness of services and outcomes for children and young people. The current position indicates that implementation of the strategy has started to lead to efficiencies and service underspends.

This includes the following:

- An underspend of £3.333m on Children's Services and Education due to potential in-year savings through delaying restructures, vacancies, renegotiation of partner contribution, additional grant and efficiencies. Alongside the savings there are a number of existing pressures relating to legal charges, short breaks, leaving care allowances, short breaks and supervised contact totalling £1.259m which after taking this into account is a net saving totalling 2.074m.

The Dedicated Schools Grant (DSG) is projected to overspend by £1.16m, the overspend is due to the high needs block, which supports children with special education needs and special school places. DSG received additional high needs funding (after recoupment) in 2020/21 of £11.71m, of which £9.88m was allocated to meet demands in growth, and £1.83m was to be used towards mitigating the 2019/20 DSG deficit of £4.28m. Due to increased growth pressures within high needs at this point £1.20m of the planned funds have been allocated towards reducing the £4.28m DSG deficit, work is ongoing in reviewing the areas of pressure within high needs.

Children's and Education Services Financial Headlines (2 of 2)

Other non COVID-19 related pressures:

- Education Services - overspend £0.575m mainly due to additional demand for Short Breaks and Home to Schools Transport pressures
- Legal Services - £239k overspend based on last year's activity and increased use of external legal services due to staff turnover of the Council's in house legal support.
- Section 17, Other and Leaving Care Service overspend £445k

Savings / underspends and other mitigations:

- No Recourse for Public Funds - £0.800m based on current levels of activity, a large part of this underspend has been offered up as an efficiency saving.
- Unaccompanied Asylum Seeking Children - £0.689m Home Office grant has increased per child, particularly for those over 18, the Council can now seek to ensure that sufficient support is provided to Unaccompanied Asylum Seeking Children (UASC) as long term support is not currently covered by the grant.
- Our Children Care and Permanence placements- underspend of £0.573m based on current placements and support provided to date.
- Children's Localities, Permanence, Families First Fostering and Adoption Service underspends £0.770m
- Early Help - £0.501m following a delay in restructure.

Movement since last reported to Executive - £6.021m improvement

The movements are due to:

- Lower than expected increase in children placements. COVID lockdown measures will impact demand for services. Strategic planning and improved practice is helping to prevent and manage the increase in referrals and admissions and reduced discharges for looked after children resulting in a £2.569m reduction in costs. Manchester is seeing quite a different trend to other Core Cities and has significantly lower admissions and less impact on discharges. In terms of admissions Manchester did have a particularly high rate of growth in the LAC population last year. Which other cities may not have seen. These trends suggest improved practice/better gatekeeping may have had a role to play in Manchester's admissions as well as changes in demand for services. Discharges likely to be due to concentrated effort to discharge 18 year olds, overlapping with much a higher than usual number of Unaccompanied Asylum Seeking Children young people were discharged during this period.
- Additional transport requirements to keep pupils and passenger assistants safe whilst being transported to schools is also lower than previously anticipated following the confirmation in the Government's guidance resulting in a £3.166m reduction in anticipated costs.
- Reduction in Leaving Care placement costs and Unaccompanied Asylum Seeking Children costs (UASC) reduction of £286k. Leaving Care Supported Accommodation placements are 4 below budgeted placements of 93 and have reduced by 3 since the last report to the Executive. The Strategic Lead for Leaving care continues to focus on moving aged 18 or above to independence after their 18 birthday, where appropriate. At the end of August there were 182 UASC and Care Leaver placements (97 under aged 18 and 85 aged 18 and over). There are also 49 young people receiving support but are in their own accommodation. There has been an increase in the number of asylum seekers receiving a higher grant since period two.

Adult Social Care and Population Health - £6.874m overspend

Adult Social Care and Population Health	Gross position including COVID impact				
	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Provider Services	26,964	10,195	26,726	(238)	(625)
Hospital Teams, Front door and TEC	2,418	717	2,711	293	313
Integrated Neighbourhood teams	45,861	9,701	53,088	7,227	(1,211)
Complex Services (LD, MH, Transition)	84,562	24,854	85,676	1,114	394
Population Health	36,796	12,844	37,156	360	(40)
Commissioning MLCO	4,210	1,244	3,869	(341)	2
Budget growth and back office	5,957	(522)	4,894	(1,063)	(31)
Total ASC Pooled Budget	206,768	59,033	214,120	7,352	(1,198)
MHCC	20,736	7,189	20,285	(451)	(231)
MCC – ASC outside of Pool	4,787	1,968	4,760	(27)	(62)
Total ASC and Population Health	232,291	68,190	239,165	6,874	(1,491)

Memo: Breakdown of variance	
COVID related impact	Savings, mitigations and other changes
£000	£000
545	(783)
242	51
7,929	(702)
568	546
528	(168)
0	(341)
55	(1,118)
9,867	(2,515)
40	(491)
0	(27)
9,907	(3,033)

Adult Social Care: Period 5

Outputs and Cost-Drivers	Desired Performance	Period	Performance	Are we better than...?					
				Target		Last Period		Last Year	
Average Daily DTOC per 100,000 of the 18+ population	Low	Aug-20	4.3	Under Review		0.8	☒	N/A	
Total number of people in Residential Care (65+) at the end of the month	Low	Aug-20	729	TBC		4	⚠	-76	☑
Total number of people in Nursing Care (65+) at the end of the month	Low	Aug-20	312	TBC		11	☒	-60	☑
Weekly Homecare hours (snapshot at end of month)	Low	Jun-19	26,826	TBC		51	⚠	-121	⚠
% of Adults receiving a Long term service awaiting a review (Annual Review backlog as a % of people receiving long term services)	Low	Jul-19	34.60%	TBC		-0.9%pts	☑	2.2%pts	☒
% people receiving a reduction in care following a review	High	Jun-18	8.89%	TBC		3.6%pts	☑	3.1%pts	☑
% people leaving Reablement with no ongoing care commitments	High	Aug-20	60.20%	54.00%	☑	-1.9%pts	☒	-4.3%pts	☒

Performance Analysis

Delayed Transfers of Care (DTOC)

Due to COVID-19 national reporting on DTOCs ceased on 19 March 2020. Since this time the Control Room has continued monitoring delays locally. These figures inform reporting in this report since April. Definitional variations mean out-turn preceding March is not directly comparable. Since April we can confirm that there was a sustained reduction in the level of delays month-on-month up to and including July. August evidenced a small increase of delayed transfers in all settings (acute and non acute). Local intelligence advises that the 2nd wave of COVID is now hitting the MRI. Due to challenges where Intermediate Care beds were closed due to outbreaks of COVID there is now social work presence in each unit to support with flow and delays are escalated through the control room and to service manager/MCR Lead. Updated national guidance released in September confirms that there is no plan to restart conventional DTOC reporting. In place of this will be new requirements necessitating new recording arrangements to be implemented, primarily from our health colleagues, but with significant input from ASC in terms of aligning to pathways and monitoring resultant care packages.

Total Older People in Residential and Nursing Care

Total numbers aged 65+ recorded as being in either residential or nursing care have both decreased during 2020/2021. The average for each month during 2019/20 was 1,152, compared to a YTD monthly average for 2020/20 of 1,019 - a fall of 11.4% - although in the last 2 months these figures have started to climb (August reported 1,041). These figures reflect both the reduction in the rate of traditional admissions made via hospitals during the pandemic (a direct consequence of fewer hospital admissions) and the higher rate of deaths in homes during this period. The figures include everyone recorded as being in receipt of either of these services, including those who were discharged from hospital into a home as a result of COVID, within Liquid Logic. New admissions attributed to COVID continue to be paid for by Manchester Health and Care Commissioning (MHCC) so the impact of these will not yet be hitting the ASC budget. Local monitoring of data from MHCC and Controcc reveals that 383 care home admissions were made under this pathway of which 18 were subsequently "stepped down" to support in the community and 78 have sadly deceased resulting in a net position of 287.

Outcomes following Reablement

Outcomes have fallen slightly during the last month, from 62.1% to 60.2%. This is, however, still higher than the 2019/20 average of 52% and the 2018/19 average of 51%. The number who left with a reduced package of care also fell, from 13.7% to 8.7%

Adult Social Care and Population Health Financial Headlines (1 of 3)

The Adult Social Care budget totals £232.291m of which £227.504m is part of the Manchester Health and Care Commissioning (MHCC) Pooled Budget for 2020/21.

The overall forecast position as at Period 5 is an overspend of £6.874m, this is made up of;

- COVID-19 pressures through increased costs - £9.907m;
- Partly offset by savings, mitigations and other changes of net £3.033m underspend.

The budget includes grant allocations of £3.342m for Infection Control Fund, £3.084m for Infection Control Round 2 and £4.837m for Track and Trace, provided by Government.

COVID related Pressures (£9.907m)

In line with the national picture across councils, the Adult Social Care (ASC) financial position for 2020/21 continues to carry significant financial risk arising from the impact of COVID-19. The pressures created across the care sector are challenging and the recent increases in confirmed cases will provide further challenges in the coming months. The assumptions in the reported position are significant and as such are likely to fluctuate as the year progresses.

The ASC projected costs relating to COVID-19 and funded by the Council are £9.907m and relate to paying homecare providers for hours commissioned rather than actual delivery, additional demand on homecare and residential placements following hospital discharge, PPE supplied to homes across the city, additional staffing to support providers where needed. A further £8.409m which will be set against Health COVID-19. In addition, £3.342m for Infection Control spend and £4.837m for Test and Trace program. These figures are reviewed regularly as more information and costs are finalised for each monthly return to Government.

Savings, mitigations and other changes (£3.033m)

The position at Period 5 is a reported forecast underspend of £3.033m, of which there is an underspend of £3.006m on the Pool and an underspend of £27k relates to services outside of the scope of the Pool.

The Directorate is working on the budget reset for 2020/21 and has identified £2.600m of non-recurrent savings which are included in the forecast. The non-recurrent savings relate primarily to realistic assumptions on the recruitment to vacant posts, a revised implementation for the social worker career pathway scheme, revised assumptions on the opening of the new extra care facilities and an expected uncommitted balance on the NLW and inflation budget.

In light of the overall council position, scrutiny of each budget line is continuing and individual packages of care are being reviewed to ensure they are the most appropriate they can be to meet the needs of the clients.

Care pressures in Learning Disability (£1.5m) are proposed to be funded through a draw down from the demographics allocation £1m and use of ASC reserves £0.5m (approved in July).

Adult Social Care and Population Health Financial Headlines (2 of 3)

The savings, mitigations and other changes (£3.033m) are due to:

- MLCO Provider Services - underspend of £0.783m against budget due in the main to pressures on the in-house supported accommodation of £0.852m, (this is a gross pressure of £1.747m offset by £0.895m for new build accommodation from reserves); offset by underspends on day centres of £336k, reablement of £0.889m, equipment of £78k, short breaks of £182k, short term intervention of £137k and other underspends totalling £13k.
- MLCO Hospital Teams, Front Door and TEC - £51k overspend, predominantly due to the timing of recruitment.
- MLCO Integrated Neighbourhood Teams - £0.702m underspend due to underspends on homecare of £0.902m (including expected £0.611m costs to be recharged to Health), Carer Support of £147k, INTs £33k and other care £330k; offset by overspends on the residential & nursing budgets of £0.710m. Note the 21/22 full year effect of discharges into homecare and residential/nursing care (following the end of Health Covid-19 funding) is projected to be in line with the additional funding allocated.
- MLCO Complex services (Learning and Disability, Mental Health, Transition) - £0.546m overspend due to overspend on cash personal budgets of £249k, mental health accommodation of £91k, Learning and Disability care packages of £386k following care reassessments and Emergency Duty service of £38k; offset by underspends on Learning and Disability social worker staffing budgets totalling £39k, Mental Health Care packages of £175k and other £4k. Care pressures in Learning Disability (£1.5m) are proposed to be funded through a draw down from the demographics allocation £1m and use of ASC reserves £0.5m (approved in July).
- MLCO Population Health – £168k underspend due to delay in renegotiations on the sexual health contracts.
- MLCO Commissioning - £341k underspend due to a delay in the new extra care schemes.
- MLCO Budget growth and back office - £1.118m underspend due to slippage on the investment programme of £420k, slippage against the National Living Wage and inflation budget of £0.550m, and £148k on staffing across business support.
- MHCC - £491k underspend due to Population Health and Commissioning staffing of £305k and senior manager budgets of £186k
- MCC Areas outside of the pooled budget – £27k underspend relates in the main to staff turnover.

Adult Social Care and Population Health Financial Headlines (3 of 3)

Movement since last reported to Executive - £1.491m improvement

The movement arises from a reduction in forecast COVID-19 costs (£0.638m) to £9.907m following the agreement reached to transfer further costs for PPE and residential care support to Health Covid-19 funding, together with loss of income arising in Daycare. In addition, the mitigating forecast budget underspend has increased by £0.853m to £3.033m. The main factors are an increase in the forecast underspend for Homecare (£0.204m) and Residential and Nursing Care (£0.340m) both to fully reflect hospital discharge guidance and costs attributable to Health Covid-19 funding, together with a further increase in the forecast underspend on workforce budgets (£0.460m) and other minor variations (£0.167m).

Homelessness - £4.828m overspend

Homelessness	Gross position including COVID impact				
	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Singles Accommodation	1,691	1,410	1,557	(134)	(205)
Bed and Breakfast's (Room only)	4,063	2,394	4,416	353	99
Families Specialist Accommodation	299	217	290	(9)	(21)
Accommodation Total	6,053	4,021	6,263	210	(127)
Floating Support Service/HMT	1,420	758	1,481	61	135
Dispersed and TAMF	2,166	1,917	3,712	1,546	0
Dispersed Accommodation Total	3,586	2,675	5,193	1,607	135
Homeless Management	668	284	636	(32)	(17)
Homeless Assessment and Caseworkers	2,317	929	2,074	(243)	(154)
Homelessness PRS and Move On	1,192	124	1,160	(32)	7
Rough Sleepers Outreach	397	6	368	(29)	39
Tenancy Compliance	201	70	175	(26)	(8)
Homelessness Support Total	4,775	1,413	4,413	(362)	(133)
Commissioned Services	1,210	54	1,210	0	0
Commissioned Services Total	1,210	54	1,210	0	0
Covid-19 Response Rough Sleepers	1,668	2,525	5,041	3,373	(2,191)
Covid-19 Response Total	1,668	2,525	5,041	3,373	(2,191)
Total	17,292	10,688	22,120	4,828	(2,316)

Memo: Breakdown of variance	
COVID related impact	Savings, mitigations and other changes
£000	£000
0	(134)
0	353
0	(9)
0	210
34	27
1,546	0
1,580	27
0	(32)
0	(243)
0	(32)
0	(29)
0	(26)
0	(362)
0	0
0	0
3,441	(68)
3,441	(68)
5,021	(193)

Homelessness: Period 5

Outputs and Cost-Drivers	Desired Performance	Period	Performance	Are we better than...?					
				Target		Last Period		Last Year	
Number placed in Bed and Breakfast Accommodation: Single person	Low	Aug-20	228	TBC		-5	☑	103	☒
Number placed in Bed and Breakfast Accommodation: Families	Low	Aug-20	45	TBC		4	☒	-8	☑
Number of dispersed accommodation placements: Single person	Low	Aug-20	191	TBC		3	⚠	42	☒
Number of dispersed accommodation placements: Families	Low	Aug-20	1,629	TBC		11	⚠	196	☒

Performance Analysis

Work is ongoing with Registered Housing Providers to give backdates to homeless households. Offers are being made to encourage people to rightsize properties and make larger properties available. A bid has been submitted to MHCLG for capital funding for permanent accommodation, especially 1 bedroom affordable flats, of which there is a dearth in the city in comparison to demand. Work is being undertaken to help people access the Private Rented Sector (PRS) in affordable locations, many of which are outside of Manchester, and schemes such as a landlords insurance are being used. £2 million of short term funding has been given subsequent to MHCLG bid. Incentives for PRS landlords are included. The service is continuing to focus upon accommodating people who sleep rough to mitigate the public health risk, and ensure people do not return to the streets. Service changes due to COVID-19, such as remote working, will feed into service transformation going forward as it has proven to be successful.

The number of both single people and families moving into dispersed accommodation has increased. Households presenting will continue to increase over the next few months as the economic outcome of the pandemic is fully realised. It is anticipated the number of people sleeping rough will also increase. The homeless service is beginning to return to business as usual with inspections starting again with landlords to improve standards, increased visits at properties and B&Bs where people struggled to engage virtually.

It is anticipated that there will be a significant demand for services once the pandemic is over, and the service is preparing for a large increase in numbers. This is due to the continuation of welfare reform, the high level of rental income that the PRS demands, but most significantly, the number of people that will be economically affected by the outcome of COVID-19, through losing employment, being unable to pay their rent, the reduction in support services that would have otherwise helped them being reduced or stopped due to essential cuts in services. The freeze on evictions is enabling people to ignore their rental arrears, which will cause its own issues as we try to mediate between tenants and landlords, but comms work is progressing to encourage people to access debt advice.

Homelessness Financial Headlines (1 of 3)

The Homelessness budget for 2020/21 is £17.292m

The overall forecast position as at Period 5 is an overspend of £4.828m, this is made up of;

- COVID-19 pressures through increased costs and income shortfalls - £5.021m;
- Partly offset by savings, mitigations and other changes of net £193k underspend.

The Homelessness budget includes Emergency Support for Rough Sleepers grant of £68k, Next Steps Accommodation Programme funding of £1.600m, £100k for cold weather provision for those sleeping rough when the temperature drops below zero and £300k for incentives to landlords to secure properties in the private rented sector

COVID related Pressures (£5.021m overspend):

COVID-19 response to Government's Everyone In, providing accommodation for 280 people sleeping rough in the City. Indicative annual cost of £5.075m, £457k staffing related expenditure up to 31 July 2020 (this does not reflect the cost of staff who have been redeployed, whose costs are covered by budgets linked to substantive roles), £4.584m accommodation, food and security to provide accommodation for those who would otherwise be sleeping rough linked to the Government's Everyone In and the exit strategy. In addition to the increased expenditure, there is a forecast lost income of £34k linked to Legal Services provided to Registered Providers.

Dispersed temporary accommodation placements have increased by 157 since March 2020 to 1,820 in August 2020 (an increase of 14 since last month and 32 since last reported to the Executive in May). £0.546m of costs have been assigned as COVID-19 costs. At budget setting 2020/21 £1.5m of reserves were allocated to cover the impact of increased demand, at this stage this has not been allocated. The Flexible Housing Support grant (£2.1m) is being fully applied to meet the cost.

Savings of £1.000m unachieved, have been reported to MHCLG as part of COVID-19 return, with delays in procurement as a result of Senior Management involvement in COVID-19 response. Work is ongoing with Legal and Procurement to revise timelines.

Savings, mitigations and other changes (£193k underspend):

Mainstream funded services, underspend of £193k linked to staffing underspends where recruitment has been delayed as a result of COVID-19 which is offsetting pressure on Bed and Breakfast (B&B).

Homelessness Financial Headlines (2 of 3)

Additional one off funding in 2020/21

Rough Sleeper Initiative funding of £0.724m funds a number of different initiatives and services that work together as a Rough Sleepers Initiative Partnership (RSI), with the objectives of preventing people from rough sleeping and finding accommodation for people already rough sleeping. This funding included the provision of Rapid Rehousing Pathway programme of £215k for 4 Navigators and 1 Team Leader. These are attached to the Council's Outreach Team and the Navigators will develop relationships and help people who sleep rough to access appropriate local services, get off the streets and into settled accommodation.

The new burdens funding of £461k is being utilised to provide capacity to reduce demand. Additional capacity is needed for:

- Housing Solutions Officers to increase prevention work and reduce flow into the system
 - Private Rented Sector (PRS) team to develop a PRS offer for homeless people
 - Investment to reduce floating support caseloads to allow meaningful work in moving people on and ensuring people are appropriately safeguarded
-
- Funding of £1.6m has been awarded by the Greater Manchester Combined Authority (GMCA) to fund 142 beds spaces in Phase 3 of A Bed Every Night programme which has been extended to cover the period July 2020 to March 2021, indicative costs are £2.5m. Revenue and Benefits are currently reviewing the proposals at each of the properties to confirm the level of Housing Benefit which can be claimed, current conversations indicate that funding of £300k will be provided, therefore the shortfall in funding is approximately £0.600m which has been included in COVID-19 costs.
 - Next Steps Accommodation Programme funding of £1.6m from the Ministry of Housing, Local Government and Communities (MHCLG) has been confirmed to support the Everybody In programme.
 - £100k has been assigned against cold weather provision for those sleeping rough when the temperature drops below zero.
 - £300k for incentives to landlords to secure properties in the private rented sector specifically for people who were rough sleepers and have been provided with accommodation as a result of the COVID-19 response.

Homelessness Financial Headlines (3 of 3)

Movement since last reported to Executive - £2.316m improvement

This is mainly due to the Next Steps Accommodation Programme funding of £2.000m confirmed by the Ministry of Housing, Local Government and Communities (MHCLG) on 19 September to support the Everybody In programme and reduced COVID related pressures. £1.600m of the allocated funding is to be utilised to offset rough sleeper accommodation and support costs incurred between July 2020 and March 2021, providing 250 bed spaces per night.

The full year effect of COVID related expenditure has now been confirmed alongside the maximisation of housing benefits eligible to support these schemes which has improved the position by £0.716m.

Homelessness Period 5 Activity

Table 1. Presentations at Front Door	2016/17	2017/18	2018/19	2019/20	2020/21
Quarter 1	1,329	1,644	1,692	2,388	2,070
Quarter 2	1,400	1,626	2,174	2,525	
Quarter 3	1,331	1,453	1,978	2,393	
Quarter 4	1,619	1,545	2,303	2,534	
Total	5,679	6,268	8,147	9,840	2,070

Total number of B&B cases booked in and out in the month		Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	June-20	Jul-20	Aug-20	Total
Families	Booked In	95	110	83	90	100	71	81	39	51	82	115	68	985
	Booked Out	68	91	76	81	84	91	102	97	69	63	92	89	1,003
	Change	27	19	7	9	16	(20)	(21)	(58)	(18)	19	23	(21)	(15)

Single Person	Booked In	116	125	109	99	104	101	133	118	126	169	166	165	1,531
	Booked Out	81	125	106	89	121	86	121	107	117	141	174	165	1,433
	Change	35	0	3	10	(17)	15	12	11	9	28	(8)	0	98

B&B average placements in month	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	June-20	Jul-20	Aug-20
Single person	153	161	166	167	169	176	179	191	211	231	233	228
Families	67	81	102	105	112	113	101	50	20	20	41	45
Total	220	242	268	272	281	289	280	241	231	251	274	273

Dispersed Accommodation placements at the end of the month	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	June-20	Jul-20	Aug-20
Families	1,428	1,447	1,455	1,472	1,489	1,498	1,505	1,573	1,614	1,611	1,618	1,629
Singles	148	150	155	156	159	157	158	161	174	184	188	191
Total	1,576	1,597	1,610	1,628	1,648	1,655	1,663	1,734	1,788	1,795	1,808	1,820

Corporate Core - £1.295m overspend (1 of 2)

Corporate Core	Gross position including COVID impact				
Chief Executives	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Coroners and Registrars	2,286	683	3,062	776	23
Elections	1,061	2,049	961	(100)	0
Legal Services	6,750	4,599	6,853	103	(241)
Communications	3,295	1,219	3,565	270	(129)
Executive	967	289	903	(64)	(30)
Legal, Comms, Democratic and Statutory Sub Total	14,359	8,839	15,344	985	(377)
Corporate Items	545	(173)	855	310	(40)
Chief Executives Total	14,904	8,666	16,199	1,295	(417)

Memo variance of breakdown	
Covid related impact	Savings, mitigations and other changes
£000	£000
776	0
0	(100)
356	(253)
349	(79)
0	(64)
1,481	(496)
310	0
1,791	(496)

Corporate Core - £1.295m overspend (2 of 2)

Corporate Core	Gross position including COVID impact				
Corporate Services	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Policy, Performance and Reform	15,367	5,472	14,753	(614)	(325)
Procurement & Commissioning	1,371	493	1,222	(149)	(78)
Revenue and Benefits	14,574	(724)	14,817	243	0
Discretionary Housing Payments and Welfare Provision	2,600	1,371	2,600	0	0
Financial Management	5,374	2,696	4,879	(495)	(288)
ICT	13,520	9,270	14,577	1,057	(108)
Human Resources/ Organisational Development (HR/OD).	4,003	1,938	3,837	(166)	(70)
Audit, Risk and Resilience	1,427	2,334	1,350	(77)	0
Shared Service Centre	1,045	323	870	(175)	(50)
Capital Programmes	(163)	645	837	1,000	(1,000)
CS Corporate Items (non business plan)	226	271	(24)	(250)	0
Customer Services	4,083	1,717	3,732	(351)	(78)
Commercial Governance	250	128	227	(23)	0
Decriminalised Parking Enforcement	(649)	7,529	(649)	0	0
Bus Lane	(334)	6,500	(334)	0	0
Corporate Services Total	62,694	39,963	62,694	0	(1,997)
Total Corporate Core	77,598	48,629	78,893	1,295	(2,414)

Memo variance of breakdown	
Covid related impact	Savings, mitigations and other changes
£000	£000
0	(614)
0	(149)
322	(79)
0	0
0	(495)
1,209	(152)
0	(166)
0	(77)
0	(175)
1,000	0
0	(250)
0	(351)
0	(23)
0	0
0	0
2,531	(2,531)
4,322	(3,027)

Corporate Core: Period 5

	Desired Performance	Period	Performance	Are we better than...?					
				Target		Last Period		Last Year	
Availability of 11 critical ICT Services and Applications (year to date)	High	Aug-20	99.5%	98.50%	☑	-0.1%pts	⚠	0.2%pts	⚠
Average Number of ICT Major Incidents in a month (year to date)	Low	Apr 20 – Aug 20	5.60	n/a		0.85	☒	-1.80	☑
% of transactions delivered face to face (year to date)	Low	Apr 20 – Aug 20	0.0%	n/a		0%pts	☒	-3.6%pts	☑
% of transactions delivered by telephone (year to date)	Low	Apr 20 – Aug 20	24.6%	n/a		7%pts	☒	-24%pts	☑
% of transactions delivered online (year to date)	High	Apr 20 – Aug 20	75.4%	n/a		-7%pts	☒	27.6%pts	☑
% of annual due Council Tax collected (year to date)	High	Apr 20 – Aug 20	39.4%	94%	n/a	7.7%pts	n/a	-1.5%pts	☒
% of annual due Business Rates collected (year to date)	High	Apr 20 – Aug 20	32.7%	97%	n/a	6.3%pts	n/a	-14.1%pts	☒
% invoices paid within 10 days (average monthly result YTD)	High	Apr 20 – Aug 20	59.2%	65%	☒	0.2%pts	⚠	2.4%pts	☑
% invoices paid within 30 days (average monthly result YTD)	High	Apr 20 – Aug 20	84.0%	90%	☒	-2.5%pts	☒	-5.1%pts	☒
% of pursuable miscellaneous debt over 1 year old (excluding C'tax and B'rates)	Low	Aug-20	11.1%	5%	☒	-0.3%pts	☑	5%pts	☒
BR Grants: Small Business Grant (% allocated)	High	w/e 20 Sept	94.1% (£63,640,000)	£67,610,000	n/a	2.32%pts	n/a	n/a	n/a
BR Grants: Retail, Hospitality & Leisure Grant (% allocated)	High	w/e 20 Sept	94.4% (£40,495,000)	£42,370,000	n/a	1.61%pts	n/a	n/a	n/a
BR Grants: Local Authority Discretionary Grant (% allocated)	High	w/e 20 Sept	99.5% (£5,405,000)	£5,432,000	n/a	0.09%pts	n/a	n/a	n/a

Performance Analysis

- The percentage of business rates grants allocated continues to climb towards the anticipated total grant allocation figures for the end of September, with allocation of the Local Authority Discretionary grant rising to 99.5% at w/e 20 Sept, the Council aims to fully utilise the allocation.
- 75.4% of the transactions undertaken up to the end of August were delivered online which was significantly higher than the 47.8% seen at the same time last year. The % of transactions delivered on the telephone (24.6%) is half the proportion recorded at August 2019 48.7%. These positive trends in channel shift can be largely attributed to how the service has responded to the impacts of the pandemic.
- The percentage of council tax due for 2020/21 which had been collected at the end of August (39.4%) was below that collected at the same point last year (41%), and at £86.3m, it was over £125k more than that collected at the same point last year. COVID-19 and the lockdown has impacted on people's ability to pay.
- Total collectible Business Rates has reduced from £378.5 million (1 April) to £243.7 million (1 Sept) because of Extended Retail Relief. This reduction will be funded by Central Government. The percentage of business rates due for 2020/21 which had been collected at the end of August (32.7%) was 14% points lower than that collected at the same point last year (46.9%) and at £80.1m was £88.4m less than that collected last year. This decrease has been exacerbated by the need to suspend direct debit payments while grants and retail relief have been administered. These restarted from 21 May 2020 with repayment plans reprofiled over ten or eleven months.
- At 59.2% at the end of August, the percentage of invoices paid within 10 days was below the average for 2019/20 (63.84%) and at 84%, the percentage of invoices paid within 30 days was also below the average for 2019/20 (90.49%).
- The percentage of pursuable miscellaneous debt over a year old remains at over 11% at the end of August. Formal recovery of such debt only resumed in late July. The amount of collectable debt +1yr old has been increasing over time and has increased by £2.06m from April 2018 to now stand at just under £3.5 million. Circa 75% of this increase is attributed to the Adult Social Care service (ASC) area with the majority of this belonging to the NHS. The Council is prioritising chasing NHS invoices and other large ASC invoices to reduce the collectable debt figure. With the NHS currently prioritising paying covid-19 related invoices it is more challenging to chase older invoices.
- The average number of major ICT incidents in a month at the end of August was 5.6, which was 1.8 fewer incidents than at the end of August last year.
- The average percentage of critical ICT services and applications which were 'available' in a month was 99.5% at the end of August, which was above the 98.5% target and above the average for 2019/20.

Corporate Core Financial Headlines (1 of 2)

Corporate Core revenue budget totals £77.598m

The overall forecast position as at Period 5 is a net overspend of £1.295m, this is made up of:

- COVID-19 pressures through increased costs and reduced income - £4.322m;
- Partly offset by underspends through savings, mitigations and other changes of £3.027m.

The Corporate Core annual budget includes the following additional COVID-19 grant funding allocations

- Council Tax Hardship - £1.300m
- Local Authority Discretionary Fund Grant - £5.432m
- New Burdens funding for the administration of Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund - £225k.

It is forecast that all the additional grants will be fully utilised in year.

The Core budget is net of £3.449m savings that were approved as part of the 2020/21 budget setting process

COVID related Pressures (£4.322m)

These are due to:

- £1.907m increased expenditure, largely relating to ICT costs in respect of hardware and additional licensing in order to mobilise staff and members to work more flexibly during the pandemic, and £491k relating to the City Council contribution towards the Greater Manchester costs of additional temporary mortuary provision.
- £2.415m shortfalls in income due to reduced capital programme fee income of £1.0m due to the reduced fee income because of the slow down of capital schemes, reduced registrars income of £281k, reduced legal services fee income of £325k, Communications of £249k, Revenue and Benefits reduced income £250k due to a number of council tax enforcement notices being waived and lower than forecast take up of the annual leave purchase scheme of £310k.

Corporate Core Financial Headlines (2 of 2)

Savings, mitigations and other changes (£3.027m)

These are made up of Chief Executives £496k and Corporate Services of £2.531m and further detail is provided below.

The Chief Executives £496k underspend is due to the following:

- Elections underspend of £100k due to cancelled 20/21 election year;
- Legal £253k, Communications £79k and Executive office underspend of £64k due to savings on employee budgets and running costs

The Corporate Services forecast underspend of £2.531m is due to:

- Employee savings of £2.281m employee savings in Policy and Performance and Reform, Procurement, Financial Management, HR/OD, Audit, Shared Service Center, Customer Services and Commercial Governance Team;
- Corporate items £250k underspend due to pensions savings from upfront funding of contributions (3 years).

Movement since last reported to Executive - £2.414m improvement

This is made up of £1.997m improvement in Corporate Services and £417k in Chief Executives. Further details of these variances is set out below :

The Corporates Services improvement of £1.997m, is made up of a £1m change is due to a revised forecast of likely reduced capital programme fee income . The forecast reduction is due to the anticipated slow down of capital schemes during the Covid-19 crisis, but the slow down has not been as significant as originally forecast. There is also a further increase of £0.997m in the staff savings across the Directorate due to the recruitment assumptions on the vacancies within Policy, Performance and Reform, Procurement, Financial Management, ICT, HR/OD,, Shared Service Centre and Customer Services.

Chief Executives position has improved by £417k since the last reported position mainly due to staff savings in Legal Services £241k and Executive £30k, an improved income position in Communications of £129k and £40k increased income due to the purchase of annual leave.

Neighbourhoods Directorate - £8.441m overspend

Neighbourhoods Directorate	Gross position including COVID impact				
	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Neighbourhood Management and Directorate Support	1,135	409	1,191	56	16
Operations and Commissioning	48,597	25,399	52,491	3,894	293
Parks, Leisure, Events and Youth	7,500	5,974	12,008	4,508	2,347
Compliance and Community Safety	11,077	3,506	10,885	(192)	2
Libraries, Galleries and Culture	9,091	3,880	9,136	45	55
Neighbourhood Area Teams	2,635	873	2,567	(68)	(31)
Other Neighbourhood Services (including COVID pressures)	352	-116	352	0	0
SUB TOTAL	80,387	39,925	88,630	8,243	2,682
Highways	14,454	1,594	14,652	198	(185)
SUMMARY TOTAL	94,841	41,519	103,282	8,441	2,497

Memo: Breakdown of variance	
Covid related impact	Savings, mitigations and other changes
£000	£000
0	56
3,754	140
4,630	(122)
463	(655)
604	(559)
0	(68)
0	0
9,451	(1,208)
729	(531)
10,180	(1,739)

Neighbourhoods: Period 5

Outputs and Cost-Drivers	Desired Performance	Period	Performance	Are we better than...?					
				Target	Last Period	Last Year			
Neighbourhoods									
Total levy refuse tonnage	Low	Aug-20	6,456	5,732	☒	-842	☑	630	☒
Total levy recycling tonnage	High	Aug-20	5,737	5,982	☒	n/a	n/a	-548	☒
Citywide recycling rate (provisional)	High	Q1 20/21	38.0%	n/a		n/a	n/a	-5.7%pts	☒
Total number of waste related requests for service resolved in the quarter	High	Q1 20/21	1,420	n/a		67	n/a	-47	n/a
% of waste related requests for service resolved informally (remainder were formal resolutions)	n/a	Q1 20/21	90%	n/a		5.5%pts	n/a	13.1%pts	n/a
Number of burials (in the month)	n/a	Aug-20	104	Projection: 127	↓	-60	↓	-11	↓
Number of cremations (in the month)	n/a	Aug-20	87	Projection: 86	↑	-15	↓	8	↑
Connected City									
Road network beyond mid-life grading (A, B, C, U roads - excluding footways)	Low	2020	17.7%	23.0%	☑	n/a		-2.3%pts	☑

Performance Analysis

In August, more refuse was collected than forecast (target 5,732) due to residents spending more time at home due to the pandemic. The amount of refuse collected above the forecast declined in August (724 tonnages above the target) compared to July (1,566 tonnages above the target) as restrictions were relaxed and more staff returned to offices.

Recycling tonnages are slightly below the target for August. When compared to target for August 2020, less organic and pulpable recycling matter was collected but more commingled recycling (glass, cans and plastic bottles) was collected.

In addition to waste related requests for service, the Neighbourhood Compliance Teams proactively investigated 538 flytipping, commercial and domestic waste incidents (17% increase from last period). The Neighbourhood Project Team also proactively investigated 445 jobs and served 475 notices in relation to flytipping during this period. This is a 59% and 65% decrease respectively due to the impact of the COVID-19 pandemic.

The condition of the city's roads continues to improve. The proportion of the city's roads which had their condition recorded in summer 2020, which were in need of repair was 17.7 %, which is 2.3% points less than the proportion recorded at the same time in 2019.

Neighbourhoods Directorate Finance Headlines (1 of 3)

Neighbourhoods Directorate revenue budget totals £94.388m

The overall forecast position as at Period 5 is a net overspend of £8.441m, this is made up of:

- COVID-19 pressures through increased costs and reduced income - £10.180m;
- Offset by identified in year mitigations of - £1.739m underspend.

COVID related Pressures (£10.180m)

This is made up of a combination of increased expenditure £3.772m, and forecast reductions in income of £6.408m. Further details are provided below:

£3.772m increased COVID-19 costs are made up as follows:

- Leisure Services - £3.343m to support the ongoing maintenance of the Council's leisure facilities which has been affected by COVID-19 and significantly reduced income.
- £76k in Parks for additional signage and markings.
- Highways Services - £337k increased costs of works due to additional costs of ensuring social distancing measures were in operation.
- £13k sanitisers and shields within Libraries.
- £3k minor costs within Fleet Services.

£6.408m reduced income is made up as follows:

- £3.751m in Operations and Commissioning Services, due to the £1.804m forecast reduced Christmas offer income, £1.788m reduced income for Wholesale, Retail, City Centre and Commercial Markets as a result of required closure, £159k reduced income in Other Business Units.
- Libraries & Galleries £0.591m due to reduced sales income and funding contribution because of closure of venues and subsequent reduced footfall following reopening of venues. .
- Leisure, Parks and Events - £1.211m this includes £0.604m because of the cancelled Parklife concert and loss of car parking income and £0.561m Leisure mainly due to loss of Swimming Income and £46k in Events.
- Highways reduced income from off street parking fees and sales of fees and permits £392k.
- £463k reduced income from penalty notices and licences in Community Safety and Enforcement.

The above figures assume use of GMCA reserves to mitigate the overspend on the Waste Levy due to increased tonnages as a result of COVID-19.

Neighbourhoods Directorate Finance Headlines (2 of 3)

Savings, mitigations and other changes (£1.739m)

The Directorate has identified in year savings of £1.739m that have been offset against the COVID-19 cost pressures. The breakdown of the identified in year savings and mitigations are provided below.

Operations and Commissioning £140k overspend due to:

- The overspend relates to the current freeze on use of reserves with essential building and maintenance work at New Smithfield Market now being financed from revenue.

Compliance and Community Safety £0.655m savings:

- Mainly due to employee savings because of vacant posts linked to turnover, these are retained under review and some vacant posts not now anticipated to be filled until December 2020.

Libraries, Galleries and Culture £0.559m saving mostly due to:

- £421k Saving on employee costs in Libraries and Galleries;
- £38k saving on Galleries running costs and £100k Saving on the Libraries book fund.

Parks, Leisure, Youth and Events £122k savings due to:

- £174k employee savings due to revised recruitment assumptions, offset by £52k overspends on running costs.

Neighbourhood Teams £68k savings due to:

- Staff savings linked to vacant posts

Management and Directorate Support £56k overspend due to:

- Minor supplies and services variations

Highways - £0.531m savings due to:

- Higher than forecast income from highways capital works that have been undertaken during the lockdown period.

Neighbourhoods Directorate Finance Headlines (3 of 3)

Movement since last reported to Executive - £2.497m increased pressure

The main change is the further financial support to maintain the City Council leisure assets, whilst income from the use of assets is significantly reduced due to COVID-19 restrictions. This is partly offset by further staff savings from vacant posts and higher than forecast income from highways capital works that have been undertaken during the lockdown period

Growth and Development - £5.329m overspend

Growth & Development	Gross position including Covid impact				
	Annual Budget	Net actual spend to date	Projected Outturn	Projected Variance from Budget	Movement from last reported to Exec
	£000	£000	£000	£000	£000
Operational Property	8,151	4,695	8,339	188	(4)
Facilities Management	9,866	2,776	9,926	60	60
Property Rationalisation	0	1,129	0	0	0
Investment Estate	(11,980)	(5,795)	(9,991)	1,989	(1,759)
Manchester Creative Digital Assets Limited	0	1,387	750	750	750
Growth and Development	156	237	103	(53)	(445)
City Centre Regeneration	1,007	409	1,078	71	1
Housing Residential Growth	1,417	453	1,021	(396)	(40)
Planning, Building Control and Licensing	(609)	(222)	190	799	(687)
Work and Skills	2,698	1,936	2,541	(157)	(157)
The Community Hub	0	0	2,061	2,061	0
Manchester Adult Education Services	0	(132)	17	17	17
Our Town Hall Project	0	928	0	0	0
Total Growth & Development	10,706	7,801	16,035	5,329	(2,264)

Memo: Breakdown of variance	
Covid related impact	Savings, mitigations and other changes
£000	£000
0	188
228	(168)
0	0
3,302	(1,313)
750	0
0	(53)
1	70
0	(396)
1,252	(453)
0	(157)
2,061	0
17	0
0	0
7,611	(2,282)

Growth and Development : Period 5

Outputs and Cost-Drivers	Desired Performance	Period	Performance	Are we better than...?		
				Target	Last Period	Last Year
Number of Planning Applications with fees of £10k - £50k	High	Aug-20	4	n/a	1	-1
Number of Planning Applications with fees of £50k +	High	Aug-20	0	n/a	-2	0
Planning Fee Income	High	Aug-20	£161,751	£210,555	£142,788	-£80,767
Net annual Business Rate charges payable (quarterly snapshot)	High	1-Jul-20	£244.28m	n/a	-£134.17m	-£131.24m
No. of properties for which business rates are payable (quarterly snapshot)	High	1-Jul-20	27,030	n/a	28	212
Hotel room occupancy rate	High	Jul-20	26%	n/a	n/a	-61% pts
No. of year end new homes built (excluding small developments)	High	Q1 20/21	4,685	n/a	n/a	1,758
% of properties empty long-term	Low	2019/20	0.53%	n/a	n/a	0.01% pts

Performance Analysis

Planning Fee income in August 2020 was £161.8k, an decrease of £143k from the previous month which had been boosted by two £50k+ applications, and also below the 2019/20 monthly average of £296k. Given the unprecedented economic climate, the expectation is that planning fee income will fluctuate and may continue to fall short of expectations in the coming months

The Business Rate charges payable dropped in July, partly due to Extended Retail Relief being applied which will be funded by Government. There has been a small increase in the number of properties for which business rates are liable.

Collection of hotel occupancy data resumed in July after the lifting of restrictions on the hospitality sector. Not all of the hotels who contribute to the data reopened but amongst those that did the occupancy for July was 26%, which was markedly less than the 87% seen in July 2019.

Growth and Development Financial Headlines (1 of 2)

Growth and Development revenue budget totals £10.706m

The overall forecast position as at Period 5 is an overspend of £5.329m, this is made up of:

- COVID-19 pressures through increased costs and reduced income - £7.611m;
- Offset by identified in year mitigations of net £2.282m underspend.

The net £10.706m budget includes Government grant allocations for Reopening High Streets Safely Fund of £489k and Local Welfare Assistance Fund of £0.957m.

As at Period 5, the Directorate is forecasting an overspend of £5.329m. The reported position includes costs and loss of income due to COVID-19 of £7.611m, which is made up of COVID-19 cost pressures of £2.309m and shortfalls in income of £5.302m. This is offset by savings of £2.282m through staffing and additional income across the service as set out in this report.

The overall Directorate position is due to the following:

Overspends of £5.935m in:

- Operational Property - £188k mainly due to security costs at Wythenshawe Hall, offset by savings relating to staff vacancies and utility costs due to lockdown. The security provision at Wythenshawe Hall is being reviewed with the current provider, and proposed changes to security should reduce these costs going forward.
- Facilities Management - £60k mainly due to additional COVID-19 costs relating to additional cleaning.
- Investment Estate - £1.989m, mainly as a result of anticipated COVID-19 income pressures from reduced rental and lease income across the estate. These are offset by staffing savings and forecast additional income from some areas of the Commercial Estate.
- Manchester Creative Digital Assets Limited – a forecast reduction in income of £0.750m because of cessation of filming due to COVID-19.
- City Centre Regeneration - £71k, mainly due to higher than forecast salary costs.
- Planning, Building Control and Licensing - £0.799m due to a net reduction of income from Building Control (£170k), Landcharges (£115k), premises licensing (£314k) and taxi MOT/testing (£200k).

Growth and Development Financial Headlines (2 of 2)

- Community Hub - £2.061m – Forecast costs of providing food to residents payments to food banks, this assumes a reduced service over the coming months and could increase significantly if there is an increased demand for the support over the winter period.
- Manchester Adult Education Services - £17k increased costs due to COVID related expenditure.

Offset by underspends of £0.606m:

- Growth and Development - £53k underspends in staffing.
- Housing and Residential Growth - £396k due to staff vacancies, reduced general running costs and increased rental income on the Ben Street scheme.
- Work and Skills - £157k due to staffing savings of £57k and project costs of £100k.

Movement since last reported to Executive - £2.264m improvement

The movement is mainly improvement of c£1.75m in the forecast level of lost income in the Investment Estate due to Covid-19 (c£1.4m from rental and lease income and £350k from lease income at Manchester Airport). There is also an improvement of £0.73m in Planning and Building Control due to improved income forecast and staffing savings, and £157k saving in Work and Skills due to staffing savings of £57k and project costs of £100k.

This is partly offset by additional pressures of £300k (loss of income at Sharp/Space) and other smaller adverse variances totalling £73k.

Housing Revenue Account

	Annual Budget	Net Actual Spend	Projected Outturn	Projected Variance from Budget	Movement From last reported to Executive
	£000	£000	£000	£000	£000
Housing Rents	(60,881)	(14,644)	(60,947)	(66)	109
Heating Income	(600)	(167)	(600)	0	0
PFI Credit	(23,374)	(5,843)	(23,374)	0	0
Other Income	(1,281)	(454)	(880)	401	285
Funding from General/MRR Reserves	(18,632)	0	(18,632)	0	0
Total Income	(104,768)	(21,108)	(104,433)	335	394
Northwards R&M and Management Fee	20,694	8,709	20,791	97	86
PFI Contractor Payments	36,296	11,171	35,830	(466)	(213)
Communal Heating	584	147	584	0	0
Supervision and Management	5,213	1,391	5,454	241	186
Contribution to Bad Debts	613	(52)	1,160	547	0
Depreciation	17,378	0	17,378	0	0
Other Expenditure	1,370	272	1,393	23	(5)
RCCO	19,841	0	837	(19,004)	(19,004)
Interest Payable and similar charges	2,779	0	2,779	0	0
Total Expenditure	104,768	21,638	86,206	(18,562)	(18,950)
Total HRA	0	530	(18,227)	(18,227)	(18,556)

Movement in General/MRR Reserves	Opening Balance	Budgeted Adjustment	Forecast Closing Balance	Additional Adjustment	Revised Forecast Closing Balance
	76,012	(18,632)	57,380	18,227	75,607

Housing Revenue Account Financial Headlines

The Housing Revenue Account (HRA) is forecasting an underspend of £18.227m at Period 5. This is due to:

Underspends of £19.536m:

- Reduced contribution towards capital expenditure of £19.004m - The Covid pandemic has led to reductions in the current year's planned capital programme, this is because of impacts on the programme delivery due to contractors experiencing difficulties accessing raw materials, and having to ensure social distancing is in place. There has also been difficulties experienced by contractors in accessing tenants properties to undertake programmed works.
- Reduced PFI Payments £466k:
- Additional Rental income of £66k. Due to £175k extra rent because of the reduced number of Right To Buy sales, offset by a loss of £109k in Brunswick due to the planned later opening of the Extra Care Scheme.

Offset by overspends of £1.309m:

- Bad debt provision increase £0.547m, to reflect the expected increase in rent arrears due to COVID-19. The provision has been increased from 1% to 2%.
- Other income £401k lower than forecast due to a combination of reduced VAT Shelter, lower than forecast rent income due to vacant shops in Brunswick and a service charge refund following reconciliation of the 2019/20 service charge .
- Supervision and Management - increase £241k. Due to higher than forecast salary costs and forecast £200k to support the ongoing ALMO review work, offset by a reduction in the costs of processing right to buys, this includes valuations, plans and Energy Performance Certificates. .
- Northwards Management Fee - £97k higher than forecast due to the higher than forecast costs of the agreed staff pay award.
- A £23k net increase in other expenditure due to some minor variations.

Any surplus/deficit in year has to be transferred to/from the HRA reserve.

It is forecast that there will be a balance of £75.607m in the HRA General Reserve at year end.