

Public Document Pack

Executive Board

Thursday, 8 November 2018

Time: 6.00 pm

Venue: Meeting Room A - Old Town Hall, Blackburn

Address: Blackburn Town Hall

AGENDA

Information may be provided by each Executive Member relating to their area of responsibility

1. **Welcome and Apologies**
2. **Minutes of the Previous Meeting**
Minutes of Previous Meeting 3 - 9
3. **Declarations of Interest**
Declarations of Interest 10
4. **Equality Implications**
The Chair will ask Members to confirm that they have considered and understood any Equality Impact Assessments associated with reports on this agenda ahead of making any decisions.
5. **Public Forum**
To receive written questions or statements submitted by members of the public no later than 4pm on the day prior to the meeting.
6. **Questions by Non-Executive Members**
To receive written questions submitted by Non-Executive Members no later than 4pm on the day prior to the meeting.
7. **Youth MPs Update**
To receive an update from the Youth MPs along with any issues they would like to raise.
8. **Executive Member Reports**
Verbal updates may be given by each Executive Member.

Leader

Health and Adult Social Care

8.1	Day Services Review: Proposed Model for new Day Services Offer	
	Day Services Review	11 - 18
	Appendix 1 Day Services TIER Definitions	

Children, Young People and Education

Environment

Leisure and Culture

Neighbourhood and Prevention Services

Regeneration

Resources

9. Corporate Issues

9.1	Quarterly Revenue Monitoring Report Quarter 2	
	Revenue Monitoring Report 2018-19 Qtr 2	19 - 25
	Qtr 2 2018 2019 Revenue Monitoring Appendix 1	
	Qtr 2 2018 2019 Revenue Monitoring Appendix 2	

9.2	Quarterly Capital Budget Monitoring Report Quarter 2	
	Capital Monitoring 2018 Qtr2	26 - 35
	Qtr 2 2018 19 Capital Monitoring Appendix 1	
	Qtr 2 2018 19 Capital Monitoring Appendix 2	

10. Matters referred to the Executive Board

PART 2 – THE PRESS AND PUBLIC MAY BE EXCLUDED DURING CONSIDERATION OF THE FOLLOWING ITEMS

Date Published: Wednesday, 31 October 2018
Harry Catherall, Chief Executive

EXECUTIVE BOARD Thursday, 11th October, 2018

PRESENT

COUNCILLOR:

Councillor Mohammed Khan
Councillor Maureen Bateson MBE
Councillor Shaukat Hussain
Councillor Andy Kay
Councillor Phil Riley
Councillor Jim Smith
Councillor Damian Talbot
Councillor Brian Taylor

PORTFOLIO:

Leader
Children, Young People & Education
Neighbourhood & Prevention Services
Resources
Regeneration
Environment
Leisure & Culture
Health & Adult Social Care

EXECUTIVE MEMBER:

Councillor John Slater

NON-PORTFOLIO:

Leader of the Conservative Group

ALSO IN ATTENDANCE

Elle Walsh, Youth MP, Sameer Ali and Aliyah Khan, Deputy Youth MPs

	Item	Action
1	<p><u>Welcome and Apologies</u></p> <p>The Leader of the Council, Councillor Mohammed Khan, welcomed all present to the meeting. No apologies were received.</p>	
2	<p><u>Minutes of the Previous Meeting</u></p> <p>The Minutes of the Meeting held on 9th August 2018 were agreed as a correct record.</p>	Approved
3	<p><u>Declarations of Interest</u></p> <p>No declarations of interest were received.</p>	
4	<p><u>Equality Implications</u></p> <p>The Chair asked Members to confirm that they had considered and understood any Equality Impact Assessments associated with reports on the agenda ahead of making any decisions.</p>	Confirmed
5	<p><u>Public Forum</u></p> <p>No questions were received from Members of the public.</p>	
6	<p><u>Questions by Non-Executive Members</u></p> <p>One question had been received from Councillor Paul Marrow to Councillor Phil Riley, Executive Member for Regeneration on road safety issues in the Livesey with Pleasington Ward. Cllr Riley provided a response to the question and supplementary question arising.</p>	
7	<p><u>Youth MPs Update</u></p>	

	Item	Action
	<p>The Youth MP and Deputy Youth MPs provided an update to the Executive Board on recent activities and events including:</p> <ul style="list-style-type: none"> • The Make Your Mark Campaign, the biggest annual referendum of teenagers in Europe, with the teenagers of Blackburn with Darwen choosing Mental Health, Equal pay for Equal Work and Put an end to knife crime as their top 3 issues. Elle would be attending the Annual Sitting of Youth MPs at the House of Commons in November. • Aliyah had attended a two week cultural exchange programme in the USA, which had been a very insightful experience and useful in comparing issues. • The Youthforia event on 9th September – 23 local authority youth councils were represented, with Aliyah elected as Lancashire area representative. • The Takeover challenge would take place on 29th November, with ‘End Poverty’ the theme. 	Noted

8 Executive Member Reports

LEADER

HEALTH AND ADULT SOCIAL CARE

CHILDREN, YOUNG PEOPLE AND EDUCATION

8.1 Fostering Quarterly Report - Quarter 1

A report was submitted which provided information on the management and performance of the Local Authority’s Fostering Service for the first quarter – 1st April to 30th June 2018.

RESOLVED – That the Executive Board notes the Quarterly Report which is available on the Council’s website.

Noted

8.2 Adoption Six Monthly Report

A report was submitted providing information on the management and performance of the Local Authority’s Adoption service for the period 1st October to 31st March 2018.

RESOLVED – That the Executive Board notes this six monthly report.

Noted

ENVIRONMENT

LEISURE AND CULTURE

NEIGHBOURHOOD AND PREVENTION SERVICES

REGENERATION

	Item	Action
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RESOURCES

8.3	<p><u>Corporate Enforcement and Prosecution Policy</u></p> <p>A corporate prosecution policy applicable to all regulatory functions of the Council was presented for approval by Members.</p> <p>The Council had a variety of enforcement functions, the purpose of which were to promote public safety and to protect public amenities, the environment and consumers. The Council's intention was to promote a balanced, thriving and safe local community by carrying out enforcement in a practical and proportionate manner, whilst having regard to the impact the enforcement was likely to have upon local businesses and people.</p> <p>The public nature of enforcement especially when it came to bringing prosecutions to court meant that it was necessary to act in a way that complied with the principles of proportionality, consistency, transparency, targeted/prioritised enforcement action and accountability.</p> <p>Therefore it was considered best practice to develop a public-facing policy which as well as providing information to members of the public, could also be used as guidance for officers undertaking the enforcement. A copy of the draft Enforcement and Prosecution Policy was attached at Appendix 1.</p> <p>RESOLVED – That the Enforcement and Prosecution Policy be approved.</p>	Approved
9	<p><u>Corporate Issues</u></p>	
9.1	<p><u>Air Quality Update 2018</u></p> <p>Members received a report which provided an update on health related air quality both nationally and locally, information on recent work in Blackburn with Darwen and sub-regionally to improve air quality and which outlined next steps for action on air quality in both Blackburn with Darwen and sub-regionally.</p> <p>RESOLVED – That the report be noted.</p>	Noted
9.2	<p><u>Capita Partnership Update</u></p> <p>Members received an update on discussions between the Council and Capita to reset and simplify the current place-based partnership which commenced in 2016, with core highways and property services returning in-house to be delivered by the Council. This would leave a residual contract for call-off services in place with Capita for the remainder of the initial five year term</p> <p>The new place-based Partnership commenced in July 2016 for an initial five year period with the option to extend for a further three</p>	

	Item	Action
	<p>and then a further two years.</p> <p>Two years in to this new partnership, it became clear to both the Council and Capita that the additional services in particular were not progressing as envisaged and, whilst the flexible call-off in respect of infrastructure, growth and development was working well, there was a significant contract and management overhead in respect of the small core service which was not effective or value for money for either party.</p> <p>Therefore the Council and Capita agreed to explore a reset and simplification of the Partnership which would consider retention of the call-off provisions with a reversion of core services for highways and property back to the Council.</p> <p>Whilst Capita had been working on growth and infrastructure schemes to support the Council's priorities, the business case approach for additional services had not generated the opportunities envisaged and no business cases had been developed by Capita and approved by the Council to take forward to implementation. The only additional service was the agreed shared management arrangements which were in place from February 2017 and which ended completely in July 2018.</p> <p>As a result the Council had a contract and management overhead that was not proportionate to the small core service provision and there had been considerable officer time spent in contract management activities. Likewise it was understood that the Council's performance and reporting requirements under the contract had resulted in a significant management overhead for Capita and they had had some difficulties in fulfilling all their obligations under the core contract.</p> <p>In addition, earlier this year, following the appointment of a new Capita Chief Executive and the publication of the company's 2017 end of year results, Capita set out a new strategic direction for the organisation. Whilst both parties envisaged the need to adapt to changing circumstances, the rapidly changing external environment had accentuated the need for the Council to increase the level of direct control it exercised.</p> <p>Therefore it was agreed that a simplification and reset of the contract would be explored and the commercial implications were outlined in the Part 2 report later in the meeting.</p> <p>In summary, the remaining core service delivery in respect of highways and property services would transfer back to the Council along with those staff entitled to transfer under TUPE legislation, with the management of Highways services being transferred to the Director of Environment & Operations as part of his new responsibilities and Property services consolidated under the management of the new Director of Growth & Development.</p> <p>The Council understood that Capita would retain their presence in the Borough (in both Blackburn and Darwen) and the Council</p>	

	Item	Action
	<p>would retain the ability to directly commission call-off work to support growth and infrastructure developments under the amended contract.</p> <p>RESOLVED -</p> <p>That the Executive Board:</p> <p>2.1 Notes that:</p> <ul style="list-style-type: none"> i) the Council had a 15 year strategic partnership with Capita from 2001 to 2016, the scope of which changed by agreement a number of times over the years to ensure it remained relevant and was delivering against the Council's objectives; ii) the Council re-procured a smaller more flexible place-based partnership which commenced in July 2016 focussed on supporting growth and delivering some core highways and property services; iii) some aspects of the current Partnership are not operating as originally envisaged, particularly in respect of additional services, and that there is a significant contract management overhead for both parties in respect of the relatively small contract for core service delivery of property and highways; iv) Capita have worked with the Council in recent months to review the current arrangements and agree in principle a further reset and simplification of the Partnership; <p>2.2 Approves the reset of the Partnership outlined in this report and the associated Part 2 report to reflect the Council's current requirements for flexible support to the growth programme and other infrastructure investment where necessary, whilst bringing core service delivery for property and highways back in-house to be directly delivered by the Council; and</p> <p>2.3 Delegates authority to the Deputy Chief Executive in consultation with the Executive Members for Regeneration and Resources to:</p> <ul style="list-style-type: none"> i) finalise the contractual and/or legal agreements required to enable the changes to the contract. 	<p></p> <p>Noted</p> <p></p> <p>Approved</p> <p>Approved</p>
<p>10</p>	<p><u>Matters referred to the Executive Board</u></p>	
<p>10.1</p>	<p><u>Petition - The ARC Project</u></p> <p>The Executive Board was advised of a petition received from the ARC Project which worked with asylum seekers and refugees in the Borough. The petition requested that the Council continued to provide a service to the families in the ARC Project, and it was reported that the issues referred to in the petition had been resolved and that continued support for the families referred to was available.</p> <p>RESOLVED – That the Executive Board notes the petition and the resolution of the issue identified.</p>	<p></p> <p>Noted</p>

	Item	Action
<p>AT THIS STAGE OF THE PROCEEDINGS THE PRESS AND PUBLIC WERE EXCLUDED FROM THE MEETING</p>		
<p>11</p>	<p><u>Capita Partnership Update</u></p> <p>Further to the report submitted at agenda item 9.2, an additional report was submitted containing commercially sensitive information.</p> <p>RESOLVED –</p> <p>That the Executive Board:</p> <p>2.1 Notes that:</p> <ul style="list-style-type: none"> i) the Council had a 15 year strategic partnership with Capita from 2001 to 2016, the scope of which changed by agreement a number of times over the years to ensure it remained relevant and was delivering against the Council’s objectives; ii) the Council re-procured a smaller more flexible place-based partnership which commenced in July 2016 focussed on supporting growth and delivering some core highways and property services; iii) some aspects of the current Partnership are not operating as originally envisaged, particularly in respect of additional services, and that there is a significant contract management overhead for both parties in respect of the relatively small contract for core service delivery of property and highways; iv) Capita have worked with the Council in recent months to review the current arrangements and agree in principle a further reset and simplification of the Partnership; <p>2.2 Approves the reset of the Partnership outlined in this report and the associated Part 2 report to reflect the Council’s current requirements for flexible support to the growth programme and other infrastructure investment where necessary, whilst bringing core service delivery for property and highways back in-house to be directly delivered by the Council; and</p> <p>2.3 Delegates authority to the Deputy Chief Executive in consultation with the Executive Members for Regeneration and Resources to:</p> <ul style="list-style-type: none"> i) finalise the contractual and/or legal agreements required to enable the changes to the contract. <p style="text-align: center;">Signed at a meeting of the Board</p> <p style="text-align: center;">on Thursday, 8 November 2018</p> <p style="text-align: center;">(being the ensuing meeting on the Board)</p> <p style="text-align: center;">Chair of the meeting at which the Minutes were confirmed</p>	<p>Noted</p> <p>Approved</p> <p>Approved</p>
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	Item	Action
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DECLARATIONS OF INTEREST IN ITEMS ON THIS AGENDA

Members attending a Council, Committee, Board or other meeting with a personal interest in a matter on the Agenda must disclose the existence and nature of the interest and, if it is a Disclosable Pecuniary Interest or an Other Interest under paragraph 16.1 of the Code of Conduct, should leave the meeting during discussion and voting on the item.

Members declaring an interest(s) should complete this form and hand it to the Democratic Services Officer at the commencement of the meeting and declare such an interest at the appropriate point on the agenda.

MEETING: **EXECUTIVE BOARD**

DATE: **8th November 2018**

AGENDA ITEM NO.:

DESCRIPTION (BRIEF):

NATURE OF INTEREST:

DISCLOSABLE PECUNIARY/OTHER (delete as appropriate)

SIGNED :

PRINT NAME:

(Paragraphs 8 to 17 of the Code of Conduct for Members of the Council refer)

- Provision of an effective, resilient and transformational offer of day support for residents in the Borough that will connect people to their local communities.
- Reflect on good practice to improve and provide a better service that is stimulating and developmental.
- Will support a strength based assessment model helping residents stay independent without formal intervention.
- Increased access to current sessional activity offers within centres, alongside the opportunity to develop new sessions based on the interests and hobbies of our residents.
- Provision of sustainable services that build on future capacity and demand whilst enabling a service for all.
- Promotes the best use of Blackburn with Darwen capital estate as part of an asset based community development approach.
- Provides opportunities for community connectors to develop volunteer supported step down services.
- Improves the universal offer for our communities in their neighbourhoods.
- Supports early intervention and prevention.

2. RECOMMENDATIONS

That the Executive Board agrees:

- 1) To approve the outline model proposed for Adult Social Care's new offer of "day services", giving wider and more intensive support from within a range of community settings for residents with qualifying assessed needs.
- 2) That any decision to implement specific parts of the new "day services" offer is delegated to the Executive Member for Health and Social Care in consultation with the Director of Adults and Prevention.
- 3) The use of the TIER descriptions (see Appendix1) as part of a strength based approach to assessment of needs to help ensure people access the correct level of support, within a community asset based Integrated Neighbourhood setting where possible.
- 4) To approve the planned consultation with potential service users and carers across the borough to assist in continuing to develop the new "day services" offer, and the further formal consultation with young people transitioning from Children's Services to Adult Social Care (along with their families, carers and other involved parties) regarding the development of an appropriate model of provision for this specific cohort.

3. BACKGROUND

Historically, Day Care has been based within designated centres, offering full day provision and up to five days per week attendance. Currently 174 residents are supported within formal day service settings. The Council will continue to make this specialist service (Day Care) available to meet the needs of its current service users who want to continue accessing it, and to any new service user whose needs are assessed as being so complex that they require this level of provision.

In 2017 a task and finish group was set up to review the current day service provision in the Borough for residents with varying social care needs. The objective of the review was to examine existing services and secure a service model that was fit for the future. In modernising the service, the aim is to provide a high quality, safe, sustainable, accessible range of services to meet the changing needs of our population.

The review provided an opportunity to map out the current service provision, value for money, use of estates and the skill mix of the staff group across Adult Social Care and Partner agencies.

Stakeholder and provider engagement took place by way of a 'Blue Sky Big Think Workshop' on 27th April 2018. This provided insight into what was working well in each service area and the opportunities for improvement. The future vision for the new offer of "day services" for all residents within the Borough was mapped out, and a description of levels of need (TIER descriptors at appendix 1) was established. The future "day service" offer, either from a day service or community day support offer, has been identified for each TIER (see Appendix 1).

This new model will embrace:

- An Asset Based approach to promote a strengths based assessment of need
- More Creative approaches to Support Planning
- A focus on transitions and a remodelled integrated service offer for 18 – 25 year olds
- The utilisation and promotion of Community Connectors across the Borough
- The development of new groups and activities for a wider cohort of residents
- Increased community resilience – supporting people within their own neighbourhoods
- Increased use of volunteers
- Partnership and collaboration across all partners
- The promotion and development of a wide range of skills and training opportunities for social care staff
- Creative commissioning that would provide better value for money for the Borough

The new model of "day services" would pay particular attention to the rights of service users to be supported to maintain active living, independence and the right to a range of opportunities that can be accessed closer to home.

Stansfeld Centre and Hopwood Court, alongside the Community Centres within the Borough, are amongst the physical assets that have the potential for transformation in connection with the new model of care in due course. Service users with the highest levels of need which are being met by formal day care are currently accessing this service at Hopwood and Stansfeld.

Although the existing service users' overall provision of care will not be changed, as the new offer of day services continues to develop consideration may be given to introducing additional service provision (alongside the existing day care services) at Hopwood and/or Stansfeld. It is acknowledged that this might have some impact on current service users so appropriate consultation would take place if any such proposals come forward as the new model is progressed. Such consultation with existing resident users of Day care (along with their carers, families, etc) will enable us to sensitively manage change/ impact for them in a timeframe that acclimatises them with other uses of these settings/facilities.

4. KEY ISSUES & RISKS

Service Specifications are to be developed for the community centre offers. These will include a defined integrated offer for younger adults. These are currently being co-produced with partners and service users and formed via a number of work streams including estates, finance, transport, and staffing.

Alternative settings will be improved to ensure that they are 'fit for purpose' for the proposed service users. This will include access, aids and adaptations and specific requirements e.g. Autism. Although not subject to Care Quality Commission registration we will be seeking to ensure highest levels of quality assurance.

The new “day services” model is likely to introduce more sessional activities and a blended timetable of centre-based and community participation rather than a full day/ five day offer (“Day Care”) (other than where this is a specific assessed need).

We are seeking to phase the increase of asset based activity in all our Integrated Neighbourhoods and see this as an opportunity to improve the pace and scale at which this offer develops.

The model may offer opportunities to integrate provision to residents who have historically received services separately.

The new model may have implications for individual staff members across BwD and Provider Services as our wider workforce are asked to operate more flexibly and potentially across different settings. Appropriate engagement and training will be provided.

5. POLICY IMPLICATIONS

The proposed model for this new offer is consistent with and will promote the council’s approach to community asset based working.

The service will support the council’s ambitions to increase volunteering opportunities.

The council will promote ‘prevention’ and ‘early intervention’ by taking this neighbourhoods approach.

The approach will be consistent with the national SEND pathways to adulthood expectations.

It is in line with the Sustainable Transformation Plan and the emerging New Models of Care.

6. FINANCIAL IMPLICATIONS

The overall net budget for the Day Services provision including in-house and externally commissioned services for 2018-19 is £1.063m after allowing for the Day Services review savings target for the year of £176k. Developing the Day Services offer may provide the opportunity to review opportunities for savings as the new offer diverts future demand to new (and potentially lower cost) community based provision.

As options for the new models of care are still being progressed, information on the precise level of savings that will be achieved remains to be confirmed. Any shortfall in the achievement of the savings target will be managed from within the overall Adult Social Care budgets.

Any facilitation work needed to meet disabled access or specific adaptations will be funded from within the Council’s disabled facilities grant programme. Therefore there will be no additional capital financing implications. Work will only be undertaken on council owned buildings as required to facilitate maximisation of use.

The broader proposals are in line with strategies set out within the Portfolio to manage current and future demand for services against a background of a growing elderly and vulnerable adult population.

7. LEGAL IMPLICATIONS

Day Care/Day Services provision is not subject to Care Quality Commission inspection. The council is

minded to ensure highest levels of quality assurance possible outside of a formal inspection framework.

The council has a statutory obligation to discharge its duties to the population assessed as eligible for care and should have due regard to the specific needs of service user and carers. Whilst the Council has a duty to ensure that needs are appropriately met, there is no specific duty on the council to guarantee or continue to provide a “like for like” care package for an individual service user or to satisfy specific choices/wishes; however the council has to have due regard to person centred care as stipulated under the Care Act 2014.

In any situation where there is change to services impacting on vulnerable people the council will expect to have a fair and appropriate consultation with service users, carers, families and other relevant people.

In line with the TIER descriptions (in Appendix 1) assessment criteria will determine who needs “Day Care” as part of an assessed package (rather than access to day services), but the Council will not fetter its discretion and will consider each new individual case as appropriate.

An equality impact assessment has been completed for this proposal.

8. RESOURCE IMPLICATIONS

The remodelling of services will be supported via the Adult Commissioning Team and the Finance team.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

- 1) Carers Survey
- 2) Pathways to adulthood task and finish group.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council’s Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted

by the Chief Executive will be recorded and published if applicable.

VERSION: 6.2

CONTACT OFFICER:	Suzanne Kinder
DATE:	26 October 2018
BACKGROUND PAPER:	Medium Term Financial Strategy – Finance Council February 2017 Carer's Survey

Appendix 1 – Day Services Review TIER definitions

TIER 1.

Tier 1 is the lowest tier that is for all residents of Blackburn with Darwen. It is the tier for residents who have no or very low level needs that can be met voluntarily in communities and would not meet the eligibility criteria for social care intervention. These residents will have access to community services that would provide advice, guidance, support, education, health and well-being opportunities for all.

TIER 2

Tier 2 will focus on a service which acknowledges that residents are increasingly more active and are looking for services that are more tailored towards maintaining life, education, hobbies and interests whilst living at home and preventing them from losing their independence. They may not be eligible for formal social care provision but can access services independently as above. These residents will be able to access a service that has community based activities organised by the voluntary sector that focuses on addressing issues other than health which may impact on their well-being (e.g. services that provide active living resources, support groups, day clinics, handy man services, community initiatives, self-referral agencies etc).

This TIER may also cover service users who are still independent but require a higher level of social support, inclusion, education and interaction (such that they meet the threshold for social care eligibility). Part of that provision may be a preventative measure, such as the service user accessing a service that is overseen by a partner agency with social care staff within a designated neighbourhood community centre with a full range of activities and/or education offers that are more structured with partnerships across the voluntary sector, education and social care.

TIER 3

Tier 3 service users will all be eligible for formal social care provision. Services for this tier will focus on providing a more holistic approach to services/day care opportunities to address issues of health, education and social care needs which may be impacting upon their well-being. This would involve a possible blend of two services, one being provided by a partner agency in TIER 2 depending on their level of social care need.

Service users with a higher tier 3 need would have the choice to access Hopwood Court. This setting provides a more specialised service, supporting service users who are frail, have complex needs or significant cognitive impairments or physical needs that require assistance of one carer or a hoist. This service will provide opportunities to relieve carers from their caring role for short periods of time. Service users would be provided with social interaction activities/health and well-being opportunities, group activities in and out of the centre with the support of social care workers at all times.

TIER 4

Tier 4 will focus on providing more specialist services within Stansfeld Day Centre and Hopwood Court with opportunities for community outreach that will be sufficiently staffed to meet a very high level of need, mainly those service users who require assistance of two staff at all times. All activities will be tailored to meet the individual assessed needs of the service user.

Tier of Assessed Need	Day Service Opportunity
<p>1</p> <ul style="list-style-type: none"> • No support needs. 	<p>1)All community options available. Access to all and self-referral. Universal Services.</p>
<p>2</p> <ul style="list-style-type: none"> • No or low level support for Personal care needs. • Little or no supervision by others. • Little or no support eating and drinking • Little or no support with medication • Little or no support to do things in the community • Little or no support to make decisions and choices • Little or no support to stay safe • Little or no support to communicate needs • Little or no support to access education/employment 	<p>1)All community options available. Access to all and self-referral, social clubs, luncheon clubs, education, access to work etc.</p> <p>2)Eligible low level care needs – Community centres with activities organised via a partner (currently Age UK). May need supervision of a support worker. Based in Community Centres (initially Little Harwood/ Accrington Rd and GreenFields with a view to utilisation of the wider Borough’s assets as the service grows).</p> <p>3)Service offer that enables 18 – 25 year olds to access education/employment.</p>
<p>3</p> <ul style="list-style-type: none"> • Some personal care needs. • Some supervision by others. • Some support with eating and drinking • Some support with medication • Some support to access and do things in the community. • Some support to make decisions and choices • Some support to stay safe • Some support to communicate needs • Some support to access Education/ Employment for 18 – 25 year olds. 	<p>1)Eligible low level care needs – Community centres with activities organised via a partner (Currently Age UK). May need supervision of a support worker. Based in Community Centres (initially Little Harwood, Accrington Rd and GreenFields with a view to utilisation of the wider Borough’s assets as the service grows).</p> <p>2)Eligible medium level needs - May require specialist support via Hopwood Court but could blend between the two services based on assessed need.</p> <p>3)Service offer that enables 18 – 25 year olds to access education/employment.</p>
<p>4</p> <ul style="list-style-type: none"> • Full personal care needs. • Full supervision by others. • Full support with eating and drinking • Full support with medication • Full support to do things in the community. • Full support to make decisions and choices • Full support to stay safe • Full support to communicate needs • Full support to access Education/Employment for 18 – 25 year olds. 	<p>1) Eligible High level of Need. Provision primarily based at Hopwood Court and a Bespoke offer that supports service users that can only be cared for in a specialised environment with high level of support. Organised specialist outings to link them in with local community based activities with appropriate high level staffing.</p> <p>2)Service offer that enables 18-25 year olds to access education/employment if appropriate.</p>

EXECUTIVE BOARD DECISION



REPORT OF:	Executive Member for Resources
LEAD OFFICERS:	Director of Finance and Customer Services
DATE:	8 November 2018

PORTFOLIO/S AFFECTED:	All
WARD/S AFFECTED:	All
KEY DECISION:	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

SUBJECT: CORPORATE REVENUE BUDGET MONITORING REPORT QUARTER 2 - 2018/19

1. EXECUTIVE SUMMARY

To report the overall revenue financial position of the Council, highlighting any significant issues and explaining variations in the second quarter of the financial year.

2. RECOMMENDATIONS

The Executive Board is asked to approve:

- the portfolio cash limit adjustments outlined in Appendix 1.
- the Earmarked reserves position shown in Appendix 2
- the variations to revenue expenditure, as listed in Section 6, giving rise to a balance of £5.686 million in the unallocated General Fund revenue reserve.

3. BACKGROUND

All portfolios are required to examine their revenue budget position on a monthly basis. Regular reports are submitted to Executive Board for review along with a final report, detailing the financial outturn position.

4. KEY ISSUES & RISKS

a) Actual revenue expenditure at 30th September 2018 in relation to cash limited budgets across all portfolios was £53.09 million, which is 47.1% of the current budget. Further details relating to the financial position of each portfolio are outlined in Section 6.

b) Subject to Executive Board approval of the proposed adjustments, General Fund unallocated reserves are £5.686 million at 30th September 2018 compared to the minimum level of unallocated reserves agreed at Finance Council in February 2018 of £4.0 million.

c) Earmarked Reserves available for discretionary use within the Council are £10.919 million at 30th September 2018 compared with a balance of £12.334 million at 30th June 2018, with a further £12.593 million of 'Other Reserves' held mainly in relation to schools.

5. POLICY IMPLICATIONS

The information contained within the report accords with the three year budget forecast within the Medium Term Financial Strategy 2018-21, as approved at Finance Council on 26th February 2018.

6. FINANCIAL IMPLICATIONS

6.1 CASH LIMITS AND REVENUE EXPENDITURE

6.1.1 Revenue Budget Overview

In light of the Local Government Finance Settlement for 2018/19 and the financial constraints on the authority, the Leader and the Executive Members continue to work with Officers to review the allocation and use of resources including continued review of all expenditure and income budgets, of contractual commitments and property holdings and the implementation of savings plans, set within the context of the Council's statutory responsibilities and corporate priorities.

A balanced budget for 2018/19 was approved at Finance Council on 26th February 2018. This was predicated on estimates and assumptions that are not without risk. All pressures, risks and delivery of agreed savings programmes will be continuously monitored throughout the financial year and reported to Executive Board.

6.1.2 Performance Against Cash Limits

Appendix 1 details the portfolio cash limits as at 30th June 2018, as approved by the Executive Board in August 2018, together with details of the adjustments recommended to the Board for approval for the period through to 30th September 2018. These include:

- budget virements (transfers) between portfolios
- transfers from Earmarked reserves to support spending on specific schemes for which these reserves were established
- transfers from Unallocated reserves to support budget pressures
- transfers from Earmarked reserves in respect of grants / contributions and other budgets approved for carry forward from 2017/18

The principle issues for each portfolio at the end of the second quarter of the year are as follows:

Health & Adult Social Care

Budget monitoring, based on current demand levels and information presently available, indicates a break even position for the portfolio by the financial year end 2018/19. Increased demand pressures persist in the external commissioning budgets, which is a continuation of the significant pressures the portfolio faced in 2017/18 due to increased activity and the increased cost of care packages.

Detailed reviews of all budget heads are undertaken throughout the year and the impact of fluctuating demand is monitored. It should be noted that the current forecast does not make any provision for the financial risk and financial impact of additional costs arising from:

- the transition of individuals from Children's to Adult Services,
- Transforming Care service users discharged from hospital, or
- short term costs arising from the implementation phase of our newly developed Supported Living schemes and Extra Care schemes.

Public Health

Public Health is projected to breakeven in 2018/19 based on the position at the end of the second

quarter of the year.

Children, Young People and Education

The projected net position for the portfolio at the year-end is an overspend of £1.190 million based on current levels of demand, the delivery of planned savings and other mitigation. The projections of final spend do not take into account any further increases in demand and the potential for any new placement costs between now and the end of the financial year.

Whilst there are variances across all budget codes, the largest variations are seen in Family Group Conferencing, Assessment and Safeguarding, Early Years, SEN Transport, Special Guardianship Orders and a shortfall against the Adolescent Review savings target. These are currently being offset to a degree by an underspend on the Foster Care Payments budget.

Dedicated Schools Grant (DSG) / Schools Block

Services in Schools & Education (DSG) are currently forecast to spend the funding available in 2018/19 through the DSG and Pupil Premium.

Schools and Education funding from DSG is monitored by the Schools Forum and reports are considered on a regular basis.

Environment

The portfolio is predicting an overspend of £1.229 million; in the main this comprises of a shortfall against income budgets of £731,200 and a pressure of £588,900 on waste related budgets arising from increases in waste tonnages and the increase in costs following the re-tender of the Household Waste Recycling contract. This is offset by £91,000 of other savings across the portfolio budgets.

Leisure and Culture

Cost pressures of £698,000 across the Leisure Centres and Pools have been identified. Action is being taken to address £135,000 of these pressures in year, leaving an outstanding pressure of £563,000. The portfolio will continue to review the budgets and will work to develop and implement plans to contain costs wherever possible.

Neighbourhood & Prevention Services

The portfolio has identified cost pressures of £129,500 arising from potential shortfalls against income budgets. The portfolio is currently looking at options to negate the impact of these pressures including investigation of alternative income streams and rebasing the current income targets, to ensure a break even position at year end.

Regeneration

Maintenance of the highways and pot hole repairs, has given rise to a £310,000 cost pressure on the Regeneration budgets. In addition, cost pressures and income budget shortfalls on the Markets have also added a further £280,000 to this overspend. Action has been taken to mitigate most of these pressures during the year through savings identified and re-alignment of budgets; as such the portfolio is currently predicting to break even by the year end.

Resources

The portfolio has identified cost pressures for the year which it is working hard to contain, including pressures on the Legal Services budget from the increase in the number of childcare legal cases and other prosecutions, and to offset some slippage in delivery of the final portfolio contributions to the workforce review savings programme. A number of actions are underway to offset this, through which the portfolio expects to deliver a break even position at year-end.

6.2 General Fund Unallocated Reserves

	£'000
Unallocated reserves as per the August 2018 Executive Board Report	5,935
Transfers from Unallocated reserves	
Pest control officer – 12 month fixed term contract	(41)
Adjustment to PFI Unitary Charge	(135)
National Living Wage – Early Years	(67)
Adjustment to Pension Deficit budget	(16)
Transfers to Unallocated reserves	
Income released from Balance Sheet	10
Balance on Unallocated General Fund reserves at 30 September 2018	5,686

6.3 Earmarked reserves

Taking account of the adjustments highlighted at Appendix 2, the level of Earmarked reserves held for discretionary use by the Council at 30th September 2018 will decrease to £10.919 million compared with £12.334 million as at 30th June 2018

Summary of movement	£'000
Earmarked reserves available for discretionary use as per Executive Board Report August 2018	12,334
Release to portfolios of grants and budgets carried forward from 2017/18 into 2018/19 (incl in Appendix 1)	(15)
Transfer to earmarked schemes - Migration Fund Monies	32
To fund ER/VR costs in Neighbourhood & Prevention Services portfolio	(14)
Release of Local Plan Review Grant - Growth Team	(30)
Release of Accommodation and Property Improvements reserve to Griffin Lodge capital scheme already included within the capital programme	(300)
Release of Development Investment Fund reserve to finance the scheme already included within the capital programme	(101)
Release of S106 contributions reserves to finance various Highways capital schemes	(987)
Balance of reserves at 30th September 2018	10,919

Other Earmarked reserves, held largely in respect of schools, are £12.593 million.

Details of the requested application of reserves are outlined in Section 6.1.2 of the report (above) and in Appendices 1 and 2.

7. LEGAL IMPLICATIONS

The Council has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

8. RESOURCE IMPLICATIONS

None.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

Not applicable.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	V2
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CONTACT OFFICER:	Gaynor Simons (Ext 5635)
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DATE:	29 October 2018
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BACKGROUND PAPER:	N/A
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SCHEDULE OF BUDGET ADJUSTMENTS REQUESTED - QUARTER 2 2018/19

	Health & Adult Social Care	Children, Young People & Education	Environment	Leisure, Culture & Young People	Neighbourhood & Prevention Services	Regeneration	Resources	Schools & Education (DSG)	TOTAL
	£	£	£	£	£	£	£	£	£
Controllable Budget Approved at Executive Board August 2018	48,841,200	29,526,200	7,809,200	2,224,400	1,396,500	8,131,900	15,453,100	(641,000)	112,741,500
Transfers between portfolios:									
Reallocation of Insurance budgets	(12,100)	(20,100)	(12,200)	(27,800)	(3,600)	(19,600)	95,400		0
Community Safety	(27,200)						27,200		0
Young People Services - reallocation of grants brought forward		56,000		(56,000)					0
Repairs and maintenance materials costs						(176,100)	176,100		0
Move post to Witton Park CLC from Business Support		15,000					(15,000)		0
Wellbeing Service				47,500	(47,500)				0
Road Safety			50,000		(50,000)				0
Disestablishment of Director of Localities & Prevention Post and restructure of Management Team					(96,800)		96,800		0
Transfers (to)/from earmarked reserves									
Funding of ER/VR in the Neighbourhoods and Prevention Services portfolio					14,300				14,300
Migration Fund Monies - transfer to Earmarked Reserves					(32,000)				(32,000)
Local Plan Review grant - Growth Team						30,000			30,000
Transfers (to)/from unallocated reserves									
Income released from Balance Sheet - passported to reserves							(10,000)		(10,000)
Pest Control Officer - 12 month fixed term contract			40,500						40,500
Adjustment to PFI Unitary Charge		134,700							134,700
National Living Wage - Early years		67,000							67,000
Invest to Save - RCCO									
Brown St Car Park (reported in Quarter 1 capital monitoring report)			(60,000)						(60,000)
									0
Release of Grants and Contributions brought forward from 2017/18									
DCLG Grant Housing Advisor Post					14,700				14,700
									0
Revised Controllable Budget as at 30th June 2018	48,801,900	29,778,800	7,827,500	2,188,100	1,195,600	7,966,200	15,823,600	(641,000)	112,940,700

DETAILS OF GENERAL FUND EARMARKED RESERVES FOR USE BY THE COUNCIL

	Balance at 30 Jun 2018	Requested Transfers to/(from) earmarked reserves in Qtr 2		Balance at 30 Sept 2018
	As reported to Exec Board Aug 2018	Release of grants & contributions b/w/d from 17/18	Utilisation of reserves	Q2
	£000	£000	£000	£000
Welfare, council tax and business rates reforms				
Welfare and council tax reforms	268			268
Investment in assets and infrastructure				
Office Accommodation and property improvements	867		(300)	567
Highways winter maintenance	24			24
Support for the Local Plan	200			200
Flood Defence	77			77
Support for Other Resources and Transformation projects				
Legal Advice Reserve	105			105
Partnerships & Transformation	78			78
Insurance risk investment fund	43			43
Support for People Services				
Troubled Families	262			262
YOT partnership	154			154
Music Services	117			117
Disabled Facilities Grants	289			289
Future Demand Pressures	1,583			1,583
Better Care Fund	372			372
Schools Improvement (SSIF)	124			124
Support for Place Services				
Investment to support business rates growth	370			370
Place Shaping Investment Reserve	250			250
Contingent sums to support future downsizing and transformation programmes				
Review of services provided by strategic partnership	57			57
Support for future redundancy costs	1,410		(14)	1,396
Support for part year effect of future savings plans	1,242			1,242
Digital Programme	1,059			1,059
Amounts b/w/d from previous year(s) in respect of unspent grants and contributions				
Transformation Challenge Award	64			64
SEN / SEND Reform Grant /SEND Prep for Empl	336			336
Public Health Grant	0			0
Transforming Lives	37			37
DCLG Grant Housing Advisor Post	15	(15)		0
Local Plan Review grant - Growth Team	30	(30)		0
One Public Estate grant	556			556
Electoral Grant	57			57
Linking Network funding	7			7
DCLG Transparency Code New Burdens	13			13
Migration Fund monies	0		32	32
Amounts committed in future year budgets/MTFS				
Budget carry over for implementation of Concerto (Property system)	20			20
Budget carry over for Intack Depot driveway	10			10
CCTV Hub carry forward	52			52
Development Investment Fund (Capital)	101		(101)	0
Reserves held for specified non discretionary purposes				
Developers Contributions (\$106 Income) *	683		(987)	(304)
Future Maintenance of Wainwright Bridge	506			506
Highways claims anticipated for years up to current year but not yet received	611			611
Art Acquisitions Fund	15			15
W. Ferrier Bequest (for museum re Kathleen Ferrier)	20			20
Allowance for contingent liabilities (e.g. MMI)	250			250
TOTAL EARMARKED RESERVES FOR DISCRETIONARY USE	12,334	(45)	(1,370)	10,919
Other Earmarked' Reserves				
Reserves held in respect of joint arrangements and charitable bodies				
Darwen Market Traders Association	2			2
Joint Building Control Account	209			209
Turton Tower Charity	52			52
LSCB Safeguarding Partners Fund	148			148
Reserves held in relation to schools				
Dedicated Schools Grant - Surplus	6,530			6,530
LMS Schools Balances	5,652			5,652
TOTAL 'OTHER EARMARKED' RESERVES	12,593	0	0	12,593
TOTAL EARMARKED RESERVES	24,927	(45)	(1,370)	23,512
UNALLOCATED RESERVES	5,935	0	(249)	5,686

* Developers Contributions (\$106 Income) - this reserve appears above in a negative position. This is due to the fact that income received during 2018/19 will only be reflected in the reserve once the year end outturn entries have been completed, as is the normal practice.

EXECUTIVE BOARD DECISION



REPORT OF:	Executive Member for Resources
LEAD OFFICERS:	Director of Finance and Customer Services
DATE:	8 th November 2018

PORTFOLIO/S AFFECTED:	All
WARD/S AFFECTED:	All
KEY DECISION:	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

SUBJECT: CORPORATE CAPITAL BUDGET AND BALANCE SHEET MONITORING REPORT 2018/19 – Quarter 2 (6 months to 30th September 2018)

1. EXECUTIVE SUMMARY

To report the overall financial position of the Council in respect of the capital programme as at 30th September 2018, highlighting key issues and explaining variations in the first 6 months of the financial year.

2. RECOMMENDATIONS

The Executive Board is asked;

- to approve the revised capital programme as per Appendix 1,
- to approve the variations to the programme shown in Appendix 2

3. BACKGROUND

All portfolios are required to examine their capital budget position on a monthly basis.

4. KEY ISSUES & RISKS

a) The projected aggregate cost of the Council's capital investment programme for 2018/19 has now decreased from £37.066 million, as approved by Executive Board on 9th August 2018, to £33.578 million. The net variation of £3.488 million (detailed in Appendix 2) reflects;

- variations made to reflect the approval of programmes during the second quarter of the year (£454,000).
- slippage and re-profiling of budgets during the second quarter of the year (£3.942 million).

b) As at 30th September 2018, the capital expenditure across the portfolios was £5.517 million (16.4% of the current, revised projected spend).

c) The estimate of capital receipts expected in 2018/19 is £2.9 million; to date £568,000 has been received.

5. POLICY IMPLICATIONS

The information contained within the report accords with the capital strategy and the three year budget forecast within the Medium Term Financial Strategy 2018-21, as approved at Finance Council on 26th February 2018.

6. FINANCIAL IMPLICATIONS

6.1 CAPITAL PROGRAMME

The variations in projected spend and resource availability for 2018/19 are summarised by portfolio in Appendix 1. Variations in spending are set out in Appendix 2.

The capital programme for 2018/19 has decreased by £3.488 million in the second quarter, the major capital variations to note are as follows:

6.1.1 New Approved Capital Schemes

The following capital schemes have been approved and are now added to the capital programme:

Portfolio	Scheme	Amount	Approved by	Date Approved
Health & Adult Social Care	Demolition of Blakewater Lodge	£118,000	Executive Member	12/10/2018
Regeneration	Refurbishment Loans Pilot Project	£100,000	Executive Member	03/11/2017
Resources	Corporate ICT – Corporate Website	£142,000	Executive Member	8/06/2018
Resources	Corporate ICT – Replacement Committee Management System	£20,000	Delegated Powers Decision	08/11/2017
Resources	Blackburn Town Centre Security	£47,000	Executive Member	17/08/2018

6.1.2 Health & Adult Social Care

Adults Disabled Facilities Grant (DFG)

The DCLG have confirmed the DFG capital allocation for 2018/19 as £1,739,476 and the latest capital programme has been increased by £78,000 to reflect this funding.

6.1.3 Children, Young People & Education

Special Provision Fund Capital Grant

The special provision fund allocations are to support local authorities to make capital investments in provision for pupils with special educational needs and disabilities. Local authorities can invest in new places and improvements to facilities for pupils with education, health and care plans in mainstream and special schools nurseries, colleges and other provision. Allocations for this grant will be issued to Blackburn with Darwen Borough Council over the three financial years from 2018-19 to 2020-21 and is not a time-bound grant. The 2018-19 allocation is £166,000, of which £35,000 has been utilised to fund the Intack Kitchen project, and the balance of £131,000 has been added to the schools capital allocations whilst potential schemes are investigated.

St Barnabas and St Pauls

This scheme was for the enlargement of the school site. Work is expected to start this financial year but the majority of the work will be undertaken in 2019/20. Therefore approval for slippage of £452,000 to 2019/20 is requested.

Audley Infant And Junior – New Heating Scheme

As this is a major scheme it will cause significant disruption to the school, and has therefore been delayed to the summer of 2019/20 when works will be completed during the school summer holidays.

Slippage of £450,000 is therefore requested.

Longshaw Junior External Path and Car Park

Both these schemes have now been combined and tendered as one scheme, and cost savings will be realised as a result of this. £30,000 has been vired from the car park scheme into the external path scheme. Savings on this scheme will be reported in future budget monitoring reports when these are known.

6.1.4 Leisure & Culture

Blakeys Air Conditioning

Budget of £72,000 was approved to cover the costs to replace the air handling system, the removal of the bar and to erect a new stud wall partition, of which £1,000 was spent in 2017/18. Outturn costs for this scheme are estimated to be in the region of £120,000 as additional works have been carried out at this site including asbestos removal, new hot water system and alterations to the central battery emergency lighting.

6.1.5 Regeneration

Neighbourhood Intervention Fund

The £77,000 decrease in the programme during the quarter relates to:

- a virement of £32,000 **from** the Fund – in respect of an equity loan repayment transferred to the Equity Loans Scheme.
- Capital receipts of £55,000 recycled back **into** the Fund from the sale of two properties following Compulsory Purchase Orders.
- A virement of £100,000 **from** the Fund to establish a Refurbishment Loans pilot project which will assist owners in bringing empty properties back into use.

Refurbishment Loans Pilot Project

As reported above, this is a new scheme to add to the capital programme, of £100,000 which will be funded by a transfer of resources from the existing Neighbourhood Intervention Fund capital programme.

Reel Cinema

The phasing of the budget has been reviewed and as a result a request is made to re-profile £510,000 of the budget from the 2018/19 into 2019/20.

6.1.6 Resources

Corporate ICT – Public Access

The cost of the technical solution was less than the budget originally provided. A request is made to reduce this scheme by £140,000 and to transfer this into the Corporate ICT earmarked schemes so that this can be utilised on future ICT schemes.

Corporate ICT Schemes

A request is made to approve the re-profiling of the Corporate ICT schemes as listed below, as these projects will not fully complete in 2019/20:

Scheme	Slippage Requested
WAN Connectivity	£90,000
Desktop Refresh	£495,000
Core Infrastructure Programme	£250,000
Corporate Website	£42,000

Corporate Accommodation Strategy Phase 2

Following a review of the extent and affordability of this planned scheme, a significant element of the budget (£1.70 million) has been re-profiled into future years.

6.2 CAPITAL RECEIPTS

Actual capital receipts at the end of September 2018 were £568,000; all of these receipts will be utilised in support of the Minimum Revenue Provision.

6.3 BALANCE SHEET POSITION

6.3.1 Overview

Good balance sheet management assists in the effective use and control over the Council's assets and liabilities. Key assets comprise the Council's tangible fixed assets, debtors, investments and bank balances. Key liabilities include long and short-term borrowing, creditors and reserves.

6.3.2 Non-current Assets

Tangible non-current assets include property, plant and equipment held by the Council for use in the production or supply of goods and services, for rental to others or for administrative purposes. Property assets are the responsibility of the Resources portfolio. One fifth of all assets are re-valued every year, and annual reviews are undertaken to establish whether any impairment or other adjustments need to be applied. New assets, and enhancements to existing assets, are managed by way of the capital programme, as reported in Appendix 1.

6.3.3 Borrowing and Investments

Long term borrowing requirements flow from the capital programme. Regular dialogue and meetings take place between the Director of Finance, her staff and the Council's independent Treasury consultants, Arlingclose, and options for optimising borrowing requirements are actively reviewed.

The Council has continued its strategy of financing capital expenditure through short term borrowing, whilst short term interest rates have remained low. The last long term borrowing arrangement put into place was over three years ago. Interest rates have increased beyond the levels anticipated in setting the 2018/19 Estimates. The previous quarter monitoring projected an increase in net borrowing costs for 2018/19. As yet, no further cost increases for this year are currently anticipated, but there may be further cost increases in this area, if interest rates or borrowing needs increase further than currently expected, or if it is determined that it is more prudent, in the medium term, to take more long term borrowing instead.

The current borrowing and investment position is as follows:

	Amounts at 31/03/18 £000	Amounts at 30/06/18 £000	Amounts at 30/09/18 £000
Short term borrowing	85,000	69,000	72,000
Long term borrowing	125,341	122,061	122,061
Transferred debt re Local Government Re-organisation	15,352	15,352	15,045
Recognition of debt re PFI arrangements	66,849	66,419	65,990
Investments made by the Council	33,720	21,441	24,623

The totals include the debt recognised on the balance sheet as a result of accounting adjustments in respect of bringing the BSF school buildings in to use which are financed through PFI arrangements. These adjustments are made to ensure that the Council's effective control over, and use of, these assets is recognised with corresponding adjustments to the debt. These changes do not add to the costs faced by the Council Tax payer as the actual capital costs for these schools form part of the ongoing stream of payments made to the PFI contractor (which are in turn largely offset by PFI grant funding from the Government).

6.3.4 Debtors

The Council has a corporate debt policy as well as other specific policies for the management of debt in the key areas of council tax, business rates and housing benefit overpayments. The table below summarises the collection performance of the various categories of debt and the total outstanding debt in the respective areas at a single point in time, i.e. 30th September 2018. The table also shows the corresponding level of debt at the same point in the last financial year.

	Position at 30/09/18	Position at 30/09/17
Council tax		
Current year arrears (£000)	29,118	27,352
Previous year arrears (£000)	9,789	9,087
Total Council tax arrears	38,907	36,439
Collection rates	51.48%	51.80%
Business rates		
Current year arrears (£000)	20,625	20,352
Previous year arrears (£000)	2,716	2,693
Total Business rates arrears	23,341	23,045
Collection rates	55.63%	56.84%
Housing Benefit		
Overpayments balances (£000)	2,709	2,837

7. LEGAL IMPLICATIONS

The Council has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

8. RESOURCE IMPLICATIONS

None.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

None

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	V4
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CONTACT OFFICER:	Gaynor Simons (Ext 5635) Julie Jewson (Ext 5893)
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DATE:	29 th October 2018
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BACKGROUND PAPER:	N/A
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Overall Capital Monitoring 2018/19

	2018/19				2019/20 and Future Years			
	Approved Programme 2018/19	Programme Approved At Executive Board August 2018	Requested Variations (See Appendix 2)	Revised 2018/19 Capital Programme as at Outturn 30th September 2018	Approved Programme 2019/20 and future Years	Programme Approved At Executive Board August 2018	Requested Variations (See Appendix 2)	Revised Future Capital Programme As At 30th September 2018
	(Finance Council) £'000	£'000	£'000	£'000	(Budget Book) £'000	£'000	£'000	£'000
Costs								
Health & Adult Social Care	2,018	2,625	196	2,821	5,640	5,640	0	5,640
Children, Young People & Education	2,776	6,540	(721)	5,819	900	900	902	1,802
Environment	300	732	0	732	0	0	0	0
Leisure & Culture	0	123	0	123	0	0	0	0
Neighbourhood and Prevention Services	0	0	0	0	0	0	0	0
Regeneration	17,254	20,454	(455)	19,999	25,041	26,633	510	27,143
Resources	3,496	6,592	(2,508)	4,084	4,550	4,656	2,577	7,233
Total Predicted Expenditure	25,844	37,066	(3,488)	33,578	36,131	37,829	3,989	41,818
Resources								
- Ministry for Housing, Communities & Local Government	0	737	0	737	0	0	0	0
- Department for Education	2,426	6,031	(686)	5,345	0	0	852	852
- Department for Energy & Climate Change	0	20	0	20	0	0	0	0
- Department for Transport	3,799	3,960	0	3,960	8,098	8,098	0	8,098
- Disabled Facilities Grants	1,661	2,064	78	2,142	4,983	4,983	0	4,983
- Other Grants	855	1,221	0	1,221	813	813	0	813
Government Grants	8,741	14,033	(608)	13,425	13,894	13,894	852	14,746
Unsupported Borrowing	9,889	15,540	(2,808)	12,732	11,266	12,942	3,087	16,029
External Contributions	6,714	6,895	(1,022)	5,873	10,971	10,993	50	11,043
Revenue Contributions	500	598	950	1,548	0	0	0	0
Total Resources	25,844	37,066	(3,488)	33,578	36,131	37,829	3,989	41,818
Difference	0	0	0	0	0	0	0	0
Earmarked Schemes								
Corporate ICT	3,000	0	0	0	3,500	3,425	(22)	3,403
Corporate Property Investment	1,500	1,550	(118)	1,432	2,000	2,000	0	2,000
Phase 2 Accommodation Strategy	0	0	0	0	0	0	0	0
Vehicles (funded from capital or leased)	700	700	0	700	250	250	0	250
	5,200	2,250	(118)	2,132	5,750	5,675	(22)	5,653

Scheme variations to 2017/18 Capital Programme

Capital Programme Schemes Approved by Executive Board on 10th August 2018	Slippage (to)/from future years/Reprofiling of Budget	Requested Variations	Total Capital Programme at 30 September 2018	Approved Programme 19/20 and Future Years Approved by Executive Board on 10th August 2018	Portfolio Changes	Slippage to/from future years/Reprofiling of Budget	Requested Variations	Total Programme 19/20 and Future Years
£ 000	£ 000	£ 000	£ 000	£'000	£'000	£'000	£'000	£'000
Health & Adult Social Care								
Disabled Facilities Grant	2,457	-	2,535	4,974	-	-	-	4,974
Telecare Project	168	-	168	480	-	-	-	480
Riverside Heights Extra Care Scheme Site (formerly Shorey Bank)	-	-	-	186	-	-	-	186
Blakewater Lodge Demolition	-	118	118	-	-	-	-	-
	2,625	-	2,821	5,640	-	-	-	5,640
Children's Services								
Disable Facilities Grant	412	-	412	900	-	-	-	900
Grant re: Two Year Olds	263	-	263	-	-	-	-	-
Longshaw Nursery School	189	-	189	-	-	-	-	-
Schools Capital allocations	1,410	-	1,541	-	-	-	-	-
Audley Juniors	9	-	9	-	-	-	-	-
Cedars Primary	4	-	4	-	-	-	-	-
St Barnabas and St St Pauls	722	(452)	270	-	-	452	-	452
St Thomas CE Primary School	110	-	110	-	-	-	-	-
St Thomas Centre Phase 2	453	-	453	-	-	-	-	-
Newfield ASD Demolition	697	-	697	-	-	-	-	-
Turton/Edgworth Primary School	96	-	96	-	-	-	-	-
Audley Infant and Junior - New Heating System	450	(450)	-	-	-	450	-	450
Audley Junior - Roofing Works	320	-	320	-	-	-	-	-
Belmont	8	-	8	-	-	-	-	-
Longshaw Junior	64	-	94	-	-	-	-	-
Lower Darwen	273	-	273	-	-	-	-	-
Roe Lee Park - Classroom Works	136	-	136	-	-	-	-	-
Shadsworth Juniors	14	-	14	-	-	-	-	-
Avondale Kitchen	100	-	100	-	-	-	-	-
Feniscowles	100	-	100	-	-	-	-	-
Griffin Park - Kitchen	100	-	100	-	-	-	-	-
Intack - Kitchen	100	-	150	-	-	-	-	-
Shadsworth Infants - Heating	100	-	100	-	-	-	-	-
Belmont - SEND Provision	20	-	20	-	-	-	-	-
Ashleigh - Windows	15	-	15	-	-	-	-	-
Brookhouse Primary - Remodel Toilets	45	-	45	-	-	-	-	-
Brookhouse Primary - Upgrade Fire Alarm	20	-	20	-	-	-	-	-
Daisyfield - Junior Toilets	40	-	40	-	-	-	-	-
Longshaw Infants - Fire Alarm	20	-	20	-	-	-	-	-
Meadowhead Juniors - Safeguarding Fencing	20	-	20	-	-	-	-	-
Longshaw Juniors - Car Park	30	-	(30)	-	-	-	-	-
Belmont - Roof Repairs	10	-	10	-	-	-	-	-
Shadsworth Junior Boys Toilets	40	-	40	-	-	-	-	-
Wensley Fold	-	-	8	-	-	-	-	-
Contingency	100	-	(8)	92	-	-	-	-
Project Management Fee	50	-	50	-	-	-	-	-
	6,540	(902)	181	5,819	900	-	902	1,802
Environment								

Scheme variations to 2017/18 Capital Programme

Capital Programme Schemes	Capital Programme Approved by Executive Board on 10th August 2018 £ 000	Slippage (to)/from future years/Reprofiling of Budget £ 000	Requested Variations £ 000	Total Capital Programme at 30 September 2018 £ 000	Approved Programme 19/20 and Future Years Approved by Executive Board on 10th August 2018 £'000	Portfolio Changes £'000	Slippage to/from future years/Reprofiling of Budget £'000	Requested Variations £'000	Total Programme 19/20 and Future Years £'000
Old Bank Lane Car Park	569	-	-	569	-	-	-	-	-
Pleasington Cemetary	3	-	-	3	-	-	-	-	-
Brown Street Car Park Extension	160	-	-	160	-	-	-	-	-
	732	-	-	732	-	-	-	-	-
Leisure & Culture									
Darwen Leisure Centre	9	-	-	9	-	-	-	-	-
Waves Demolition	6	-	-	6	-	-	-	-	-
Woolridge Playing Fields	37	-	-	37	-	-	-	-	-
Blakeys Air Conditioning	71	-	-	71	-	-	-	-	-
	123	-	-	123	-	-	-	-	-
Regeneration									
Assistance to Industry	179	-	-	179	450	-	-	-	450
Cathedral Quarter Development	100	-	-	100	-	-	-	-	-
Cathedral Quarter Office Block Fit Out	51	-	-	51	-	-	-	-	-
Darwen 3 Day Market	1,454	-	-	1,454	-	-	-	-	-
Blakey Moor	1,447	-	-	1,447	2,025	-	-	-	2,025
Local Transport Plan	3,324	-	-	3,324	5,799	-	-	-	5,799
National Productivity Investment Fund - Fabric Borders	950	-	-	950	1,950	-	-	-	1,950
Growth Deal 3 (Pennine Gateways)	3,815	-	-	3,815	9,435	-	-	-	9,435
Darwen East Corridor	2,141	-	-	2,141	904	-	-	-	904
Bury Fold Brook	15	-	-	15	-	-	-	-	-
Granvill Rd/Westland Ave Flood Study	183	-	-	183	-	-	-	-	-
Birch Hall Ave diversion appraisal	82	-	-	82	-	-	-	-	-
Livesey Branch Rd Culvert	27	-	-	27	-	-	-	-	-
Bank Top and Griffin Clearance	445	-	-	445	-	-	-	-	-
Group Repair (Inner NW/InnerSE/Darwen)	3	-	-	3	-	-	-	-	-
Insulation for Hard to Treat Properties	23	-	-	23	-	-	-	-	-
Neighbourhood Intervention Fund	572	-	(77)	495	-	-	-	-	-
Refurbishment Loans Pilot Project	-	-	100	100	-	-	-	-	-
Equity Loans	87	-	32	119	-	-	-	-	-
Empty Homes Cluster	460	-	-	460	-	-	-	-	-
Other Acquisition costs	10	-	-	10	-	-	-	-	-
DECC Central Heating Fund	20	-	-	20	-	-	-	-	-
Development Investment Fund	101	-	-	101	-	-	-	-	-
Capacity Funding	86	-	-	86	-	-	-	-	-
Reel Cinema	3,642	(510)	-	3,132	6,070	-	510	-	6,580
Milking Lane	500	-	-	500	-	-	-	-	-
Land Release Fund	737	-	-	737	-	-	-	-	-
	20,454	(510)	55	19,999	26,633	-	510	-	27,143
Resources									
Corporate ICT - Montr & Mgmt, service systems & op	43	-	-	43	-	-	-	-	-
Corporate ICT - Public Access	189	-	(140)	49	-	-	-	-	-
Corporate ICT - WAN Connectivity	90	(90)	-	-	-	-	90	-	90
Corporate ICT - Digitisation of Planning Service	41	-	-	41	-	-	-	-	-

Scheme variations to 2017/18 Capital Programme

Capital Programme Schemes	Approved by Executive Board on 10th August 2018 £ 000	Slippage (to)/from future years/Reprofiling of Budget £ 000	Requested Variations £ 000	Total Capital Programme at 30 September 2018 £ 000	Approved Programme 19/20 and Future Years Approved by Executive Board on 10th August 2018 £'000	Portfolio Changes £'000	Slippage to/from future years/Reprofiling of Budget £'000	Requested Variations £'000	Total Programme 19/20 and Future Years £'000
Corporate ICT - Finance System	38	-	-	38	-	-	-	-	-
Corporate ICT - Microsoft EA	113	-	-	113	106	-	-	-	106
Corporate ICT - Digitisation of Registrars	19	-	-	19	-	-	-	-	-
Corporate ICT - Desktop Refresh	1,875	(495)	-	1,380	-	-	495	-	495
Corporate ICT - Core Infrastructure Programme	950	(250)	-	700	-	-	250	-	250
Corporate ICT - Ticketing System KGH/DLT	27	-	-	27	-	-	-	-	-
Corporate ICT - Legal Services Case Management System	168	-	-	168	-	-	-	-	-
Corporate ICT - Corporate Website	-	(42)	142	100	-	-	42	-	42
Corporate ICT - Replacement Committee Management System	-	-	20	20	-	-	-	-	-
Carbon Management Plan	160	-	-	160	-	-	-	-	-
Land Remediation Schemes	204	-	-	204	-	-	-	-	-
Accommodation Strategy	30	-	-	30	-	-	-	-	-
Corporate DDA Work	169	-	-	169	-	-	-	-	-
Griffin Lodge	300	-	-	300	-	-	-	-	-
Davyfield Road Bungalow Remodel	85	-	-	85	-	-	-	-	-
Demolition of Higher House Farm	89	-	-	89	-	-	-	-	-
Digital Advertising Screen Blackburn Town Centre	52	-	-	52	-	-	-	-	-
Corporate Accommodation Strategy Phase 2	1,950	(1,700)	-	250	4,550	-	1,700	-	6,250
Blackburn Town Centre Security	-	-	47	47	-	-	-	-	-
	6,592	(2,577)	69	4,084	4,656	-	2,577	-	7,233
Portfolios Total	37,066	(3,989)	501	33,578	37,829	-	3,989	-	41,818
Earmarked schemes:									
Corporate ICT	-	22	(22)	-	3,425	-	(22)	-	3,403
Corporate Property Investment	1,550	-	(118)	1,432	2,000	-	-	-	2,000
Vehicles (funded from capital or leased)	700	-	-	700	250	-	-	-	250
Total	2,250	22	(140)	2,132	5,675	-	(22)	-	5,653