

**INTEGRATED PERFORMANCE AND RESOURCES REPORT – MAY 2009**

**To:** Cabinet

**Date:** 7<sup>th</sup> July 2009

**From:** Nick Dawe – Corporate Director (Finance, Property & Performance)

**Electoral division(s):** All

**Forward Plan ref:** N/A **Key decision:** N/A

**Purpose:** To present financial and performance information to assess progress in delivering the Council's Integrated Plan.

**Recommendation:** That Cabinet:

1. Analyses performance and resources information and takes any remedial action as appropriate.
2. Approves the virement of £1.1m in relation to the Local Government (LG) pay inflation budgets from the Services into the Pressures and Development Reserve (see section 3.2).
3. Approves that the Management Band (MB) pay inflation budgets are vired from the Services into the Pressures and Development Reserve, once the relevant amount has been agreed (see section 3.2).

<b><i>Officer contact:</i></b>	<b><i>Member contact:</i></b>
Name: Nick Dawe Post: Corporate Director (Finance, Property and Performance) Email: <a href="mailto:nicholas.dawe@cambridgeshire.gov.uk">nicholas.dawe@cambridgeshire.gov.uk</a> Tel: 01223 699236	Name: John Reynolds Portfolio: Resources and Performance Email: <a href="mailto:John.Reynolds@cambridgeshire.gov.uk">John.Reynolds@cambridgeshire.gov.uk</a> Tel: 01223 699173

## 1 PURPOSE

- 1.1. To present financial and performance information to assess progress in delivering the Council's Integrated Plan.

## 2 BACKGROUND

- 2.1 A joined-up reporting mechanism has been adopted as part of a drive to understand finance and performance together. In an attempt to combine the most important parts of the separate finance and performance reports the integrated report is broken down into three sections:

1. Executive summary (section 3)
2. Detailed integrated scorecard and analysis of exceptions (section 4)
3. Appendices showing financial tables (appendix 2 – appendix 5).

- 2.2 The executive summary provides a high level indicator of financial position across the 4 main themes: Income and revenue; resources; trading and the capital programme. It also contains a summary of exceptions indicating areas of business that are underperforming and areas where performance is good.

- 2.3 The performance scorecard reports progress against the aspirations set out in the Integrated Plan, with an enhanced financial management section.

- 2.4 Each measure, whether financial or performance, has been awarded a status based on a simplified three banding system.

<i>Good performance</i> performing above target, or spend in line with budget profile. No action required	<b>GREEN</b>
<i>Acceptable performance</i> but not yet at or above target, or spend is not fully in line with budget profile. Amber performance is cause for concern, especially near the end of the financial year. Director to investigate continued amber performance, especially if the Direction of Travel in performance or budgetary terms is downwards	<b>AMBER</b>
<i>Investigate urgently</i> – action is required immediately if the target is going to be achieved. Executive Director/Corporate Director/Office Management Team (OMT) to investigate	<b>RED</b>

## 3. SUMMARY – PERFORMANCE AND RESOURCE HEADLINES

- 3.1 The following **performance** issues are of note:-

- The balanced scorecard used to present performance details is currently being refreshed. It is hoped this will be done in time for next month's report. For the purpose of this report the structure of the 2008/09 scorecard has been used.
- Due to the nature of measures included in the Integrated Plan (IP) a large number have not been updated since the release of the last scorecard. This is either due to a lag in the reporting schedule or because the measures are quarterly or even annual and will

therefore not receive fresh data until at least the end of the first quarter of 2009/10. For those monthly measures, where data is available, the latest figures have been included.

- Performance exceptions to May include:
  - NI 117 % 16 to 18 year olds who are not in education, training or employment (NEET) (RED).
  - NI060 % of core assessments carried out within 35 days (RED).
  - LI068 Overall satisfaction of website customers (RED).
- A complete outturn of performance data for 2009/10 will be reported corporately in July, following the completion of 2008/09 year-end information and the updating of indicators and targets. The final outturn will coincide with the reporting commitments for the Comprehensive Area Assessment (CAA) and will be published as a subset of this.
- The collecting and reporting of all 188 National Indicators (NIs) has a major impact on the CAA. The data set is seen as "one of the key components of the CAA" and there is a clear expectation that there "will be an annual publication of performance against the national indicator set". In addition, the data set will be used to "cover judgements on performance and future prospects for delivery of local priorities, as agreed in the Local Area Agreement(LAA)".

### 3.2 The following **resource** issues are of note:-

- Overall the budget position is showing a forecast year-end overspend of £116k (0%).
- In Environment Services (ES) a balanced budget is being predicted (see paragraph (para) 4.2).
- In Community and Adult Services (CAS) an underspend of -£24k is being predicted (see para 4.3)
- In Children's Services (CYPS) one off pressures for 2009/10 are being offset by the use of reserves to achieve a balanced budget position (see para 4.4).
- Within Corporate Directorates (CD) an overspend of £140k is being predicted, which is mainly due to a pressure in the Finance, Property and Performance Directorate (see para 4.5).
- All virements in relation to the Corporate Leadership Team (CLT) restructure have been processed and are included within appendix 3.2.
- The salary inflation budgets that were built into the Integrated Planning Process (IPP) for 2009/10 are to be reviewed in light of the current situation. It is therefore proposed to remove all the Local Government (LG) pay inflation budgets (£1.2m) from the Services (except for the 0.3% required for 2008/09's catch up sum), which Cabinet are asked to approve, with the intention of realigning the Service budgets once the pay award is known. For Management Band (MB) pay inflation budgets, discussions are currently underway and once the outcome of these discussions is known, Service budgets will be amended accordingly, which Cabinet are asked to approve. The full inflation budget applied to MB pay was £0.8m.
- Spending on the Council's capital programme is currently proceeding slower than estimated (see para 4.6).
- There are no significant debt problems to report at this point in time. And there are no noticeable effects arising from the economic downturn (see para 4.7).

### 3.3 The following **general economic** issues are of note:-

The Government's Budget announcement confirmed that recession pressures are likely to last the year with rapid recovery occurring in 2010. Many economists consider this view of economic recovery to be optimistic. Of greater concern are the forecasts in the Budget for future public spending. Allowing for increased benefit costs and debt charges there is likely

to be a significant real-term reduction in the funding available for Local Government, with a 10% cut over five years probable, although the figures possibly being worse.

Currently the planned responses of the Authority to the recession have worked well and further responses are being examined.

### 3.4 Revenue Income & Expenditure Summary

Outturn Variance £000	Service	Budget for 2008/09 £000	Current Variance £000	Forecast Outturn (May) £000	Forecast Outturn (May) %	Overall Status	Direction of Travel (DoT)
-	ES	49,861	-227	0	0.0%	G	↔
-	CAS	140,044	2,183	-24	0.0%	G	↑
-	CYPS	81,308	-409	0	0.0%	G	↔
-	CD Direct	34,372	-133	140	0.4%	A	↓
-	CD Financing	26,755	-6,389	0	0.0%	G	↔
0	<b>Total Service Spending</b>	<b>332,340</b>	<b>-4,975</b>	<b>116</b>	<b>0.0%</b>	<b>A</b>	<b>↓</b>
-	Financing Items	-4,387	-624	0	0.0%	G	↔
0	<b>Total Spending 2008-09</b>	<b>327,953</b>	<b>-5,599</b>	<b>116</b>	<b>0.0%</b>	<b>A</b>	<b>↓</b>

### 3.5 Capital Programme Summary

Revised Budget (May) £m	Capital Summary	Outturn Estimate (May) £m	Outturn Variance (May) £m	Overall Status	DoT
152.4	<b>Total Capital Spending</b>	<b>145.6</b>	<b>-6.8</b>	<b>G</b>	<b>↑</b>
30.5	Total General Financing	30.5	0.0	G	↔
121.9	Total Specific Financing	115.1	-6.8	G	↑
	Unsupported Expenditure (Funding Difference)	0.0	0.0	G	↔
152.4	<b>Total Capital Financing</b>	<b>145.6</b>	<b>-6.8</b>	<b>G</b>	<b>↑</b>

## 4. EXCEPTION REPORTING – PERFORMANCE & RESOURCES

4.1 Where performance/financial expectation falls into or remains in the bottom banding (red), or is in the amber banding with performance falling for the second consecutive month an explanation as to why this has happened and what actions are being taken to correct performance/overspend has been invited from the lead officer concerned. Directors are asked four specific questions are asked to ensure the exception reports are able to drive improvement and for Cabinet to offer robust challenge. These questions are:

- What are the reasons for performance/budget falling behind target/profile?
- What actions are planned?

- In what timescales will performance be back on track?
- Who is responsible for dealing with this?

## **4.2 Environment Services (balanced budget)**

- 4.2.1 There are no issues to report this month. However, please note that with the economic downturn, income streams such as planning fees, section 106 contributions and section 38 fees could all be affected. Therefore these are being closely monitored by Officers and will be reported if there becomes a problem in achieving the expected level of income.

## **4.3 Community and Adult Services (-£24k underspend)**

- 4.3.1 There are no issues to report this month.

## **4.4 Children and Young People Services (balanced budget)**

- 4.4.1 NI117 % 16 to 18 year olds who are not in education, training or employment (NEET)

The rise in the NEET % this month is not due to an increase in overall NEET numbers from last month, but is more to do with the increase in % of those in an unknown situation and the gradual decline in overall numbers in the total 16 to 18 cohort. Work will be undertaken to bring the unknown numbers down. However, there is still 853 young people who are NEET compared to 749 at the same time last year. All districts, apart from Cambridge City, have seen an increase: East Cambridgeshire (Cambs) 120 (82 in 2008); Fenland 196 (179 in 2008); Huntingdonshire 263 (226 in 2008); South Cambs 97 (74 in 2008); and Cambridge City 177 (188 in 2008). In line with this increase there has been a sharp decrease in the numbers of young people who are in employment without recognised training: 1,280 currently across the county (1,509 in April 2008). During the economic downturn it is vitally important that young people make well informed decisions concerning their future plans. It is encouraging that more young people are participating in learning and this has helped to keep the NEET numbers down in the light of shrinking opportunities in employment. Delivering the September Guarantee and high quality impartial information advice and guidance will be key to the planning process. For older teenagers (18/19) the early entry to New Deal for those who are claiming benefits and the Future Jobs Fund should help to provide additional opportunities. There is also a NEET project in the pipeline for later this year to help reduce NEET in Huntingdonshire. Learning Skills Council (LSC) funded research into NEET across the county has been used to develop area based implementation plans that will be monitored through emerging 14-19 Programme Board. Future developments regarding the 14-19 online prospectus and the introduction of online application process will identify gaps in provision and young people requiring additional support to enable them to continue in learning.

- 4.4.2 NI060 % of core assessments carried out within 35 days

Calculations for March were based on combining Business Object report numbers at migration and the developing of the children's social care system (ICS) reports. Although it was reported as being a 5 blob performance there was a health warning around the figures as the number of completed (signed off) core assessments appeared low. Service

Managers were asked to focus on core assessment activity and to track assessments to ensure they were on the system when signing them off.

Following last month's performance the Area Social Care Managers and Head of Social Care are certain that performance has not reduced so significantly and that the problem is one off ICS data. This continues to be monitored. ICS performance is beginning to improve following the impact of ICS implementation.

- 4.4.3 Financial pressures have been identified within CYPS over the last two months. It is expected that services and Service Directorates will seek to address these pressures from their existing resources. Where this is not possible then the pressures will be met through the application of reserves if one off or through identifying recurrent savings. CYPS Management Team is considering a strategy for ensuring that the Service delivers a balanced position at the end of the year. This will be reflected in next month's report. As a holding measure for this report, it has been assumed that there will be a £530k transfer from reserves to meet one off pressures in 2009/10.

#### **4.5 Corporate Directorates (£140k overspend)**

##### **4.5.1 LI068 Overall satisfaction of website customers**

Transport, especially the Guided Busway, remains a key factor in customer dissatisfaction. New Guided Busway information is still "in the pipeline", but is dependant on other priorities. Libraries' (external) system for renewing books also remained an issue. New concerns were raised with Social Care information. These comments are being passed on to authors directly, until the area can be brought into the Society of Information Technology Management (Socitm) project. Unusually when missing the target of 40, the Council also fell below the average levels of satisfaction.

Customer Services and Transformation (balanced budget):

- 4.5.2 Business Support and Facilities Management is anticipating an overspend in 2009/10 due to known pressures on utilities, unfunded additional running costs identified in 2008/09 and loss of income from Capita withdrawal from the Octagon. £100k funding from Corporate Directorates Operational Savings has been identified to offset some of these pressures. Work is ongoing to assess the likely impact on forecast outturn, and it is expected that this will be reported in the next month's report.

Finance, Property and Performance (£110k overspend):

- 4.5.3 The Procurement budget is forecasting an overspend of £121k. This includes a £165k overspend on Agency Staff Procurement, resulting from insufficient rebate income generation. This is partially offset by salary savings elsewhere within the Service.

#### **4.6 Capital Programme**

Spending on the council's capital programme is currently proceeding slower than estimated. It should be stressed that this represents changes in the timing of payments, as many projects involve spending across a number of years, and not underspends on the total scheme value.

#### **4.7 Debt Levels**

Longer-term debt (> 6 months old) has decreased by £66k in May to £1.071m, which is £11k above the target level for the year of £1.060m. Of this balance, £1.012m (94%) is subject to secondary recovery action. Debt in the 4-6 month age range has increased by £122k at the end of May to £1.2m. However, a single large value debt is currently awaiting resolution. Emerging debts are currently with the Recovery Team and Budget Holders to resolve. The overall figure is £802k above the target for the year of £430k with £307k (25%) of the debt outstanding subject to secondary recovery action.

#### **5. STATUTORY DUTIES & PARTNERSHIP WORKING**

- 5.1 There is no direct legislation or legal requirements that need to be adhered to for this report. There are also no significant issues that arise in relation to partnerships.

#### **6. CLIMATE CHANGE**

- 6.1 There are no direct climate change implications stemming from this report.

#### **7. ACCESS & INCLUSION**

- 7.1 There are no significant issues arising from this report in relation to access & inclusion.

#### **8. ENGAGEMENT & CONSULTATION**

- 8.1 No public engagement or consultation is required for the purpose of this report.

#### **SOURCE DOCUMENTS:**

ES Budgetary Control Report (May). CAS Budgetary Control Report (May). CYPS Budgetary Control Report (May). CD Budgetary Control Report (May). Capital Monitoring Report (May). Performance Management Report and Corporate Scorecard (May). Aged Debt per Directorate – as at 31 <sup>st</sup> May 09.	Room 301, Shire Hall, Cambridge
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## Appendix 2: Income & Expenditure Position By Office

### Environment Services (ES)

ES is forecasting to break-even at year-end. This represents 0% of turnover.

Previous Month's Outturn £'000	Directorate	Note	Budget for 2009/10 £'000	Current Variance £'000	Forecast Outturn (May) £'000	Forecast Outturn (May) %	Overall Status	DoT
-	Executive Director		901	-4	0	0.0%	G	↔
-	Highways and Access		25,299	-82	0	0.0%	G	↔
-	Growth and Infrastructure		1,437	-81	0	0.0%	G	↔
-	Environment & Regulation		8,328	-59	0	0.0%	G	↔
-	External Grants		-3,501	0	0	0.0%	G	↔
<b>0</b>	<b>Total Office Funded Items</b>		<b>32,463</b>	<b>-226</b>	<b>0</b>	<b>0.0%</b>	<b>G</b>	<b>↔</b>
-	Winter Maintenance		1,819	0	0	0.0%	G	↔
-	Waste PFI		15,579	-1	0	0.0%	G	↔
<b>0</b>	<b>Total</b>		<b>49,861</b>	<b>-227</b>	<b>0</b>	<b>0.0%</b>	<b>G</b>	<b>↔</b>

There are no significant issues to report at this stage of the financial year.

## Community and Adult Services (CAS)

CAS is forecasting to underspend by -£24k at year-end. This represents 0% of turnover.

Previous Month's Outturn £'000	Directorate	Note	Budget for 2009/10 £'000	Current Variance £'000	Forecast Outturn (May) £'000	Forecast Outturn (May) %	Overall Status	DoT
-	Executive Director		200	0	0	0.0%	G	↔
-	Adult Social Services		150,589	3,494	-124	-0.1%	G	↑
-	Community Learning & Development		11,177	-1,179	100	0.9%	A	↓
-	Community Engagement		954	0	0	0.0%	G	↔
-	External Grants		-22,875	-132	0	0.0%	G	↔
<b>0</b>	<b>Total</b>		<b>140,044</b>	<b>2,183</b>	<b>-24</b>	<b>0.0%</b>	<b>G</b>	<b>↑</b>

There are no significant issues to report at this stage of the financial year.

## Children and Young People Services (OCYPS)

CYPS is forecasting to break-even at year-end. This represents 0% of turnover.

Previous Month's Outturn £'000	Directorate	Note	Budget for 2009/10 £'000	Current Variance £'000	Forecast Outturn (May) £'000	Forecast Outturn (May) %	Overall Status	DoT
-	Executive Director	i	6,231	-20	-31	-0.5%	G	↑
-	Learning	ii	15,388	116	100	0.7%	A	↓
-	Strategy & Commissioning	iii, iv	32,881	-5	380	1.2%	A	↓
-	Children's Social Care		65,565	-487	0	0.0%	G	↔
-	Children's Enhanced & Preventative	v	34,933	-13	80	0.2%	A	↓
	<i>Corrective Action, Savings &amp; Reserves</i>				-530			
0	<b>Total Expenditure Including Grant Funded Spend</b>		<b>154,999</b>	<b>-409</b>	<b>0</b>	<b>0.0%</b>	<b>G</b>	<b>↔</b>
-	Grant Funded Spend		-73,691	0	0	0.0%	G	↔
0	<b>Total</b>		<b>81,308</b>	<b>-409</b>	<b>0</b>	<b>0.0%</b>	<b>G</b>	<b>↔</b>

The main issues at this stage of the financial year are as follows:

### Executive Director

- i. Central Financing is forecasting an overspend of £187k. Financial pressures have been identified within CYPS over the last 2 months. It is expected that services and Service Directorates will seek to address these pressures from their existing resources. Where this is not possible then the pressures will be met through the application of reserves if one off or through identifying recurrent savings. CYPS Management Team is considering a strategy for ensuring that the Service delivers a balanced position at the end of the year. This will be reflected in next month's report. As a holding measure for this report it has been assumed that there is a £187k pressure on central financing related to cross Directorate pressures, and that there will be a £530k transfer from reserves to meet one off pressures in 2009/10.

### Learning

- ii. Cambridgeshire Music projects a deficit outturn of £100k, which is in line with the approved 3-year plan. The service is currently processing orders for 2009/10 from schools and will carry out an analysis of the effect on salary costs and income at the end of June. Currently 28 schools have withdrawn from the business for next year and although some of this will be offset by staff turnover at the end of the academic year with limited recruitment only, a review of staff capacity will be undertaken to ensure outturn targets can be met.

## Strategy & Commissioning

- iii. Strategic Management - Strategy and Commissioning - The Building Schools for the Future (BSF) funding for 2009/10 consists of the project and procurement budget of £749k (net of 2008/09 carry forward and remaining contribution from corporate reserves) and a budget of £500k for progressing future BSF waves and the Fenland non-sample schools. The net forecast outturn across both BSF budget areas is an -£89k underspend.

### BSF Project and Procurement Budget:

The forecast outturn for the project and procurement budget is an overspend of £311k against budget. The procurement process has required more resource than was anticipated, principally due to the need to observe a tight national procurement framework and the impact of having to engage with three, and more recently two, bidders. Additionally, some advisory fees are necessarily variable depending on the legal, technical and financial issues arising with each bidder. The budget position has been reported to the Programme Board (21st May 2009) and actions are being developed to resolve the overspend, which at this stage is considered recoverable. The position is being closely monitored and reported through the project governance arrangements.

### BSF Future Waves Budget:

The forecast outturn for the future waves budget is an underspend of -£400k against budget. The Fenland non-sample schools and work on future waves will be progressed as the procurement draws to a close and the Local Education Partnership (LEP) is established. The main focus is currently on successfully completing the procurement and reaching financial and commercial close. However, there is some preparatory work that will be undertaken with schools during 2009/10 involved in the next wave.

- iv. Groomfields projects an outturn deficit of £235k for 2009/10. The current economic climate has impacted on the projected income streams and costs of service provision have risen above inflationary levels. The service is limited as to the extent that these costs can be passed on to customers. A fundamental review of the service is taking place with a view to launching a consultation on the future of the Service in September; a prerequisite will be that ongoing elements of the service will at least break-even. Until this, efforts will focus on keeping the deficit to a minimum.

## Children's Enhanced & Preventative

- v. City & South Cambs and East Cambs & Fenland Areas Localities are currently forecasting an underlying overspend position of £80k. This is principally due to locality manager regrades.

## Corporate Directorates (CD)

CD is forecasting to overspend by £140k at year-end. This represents 0.2% of turnover.

Previous Month's Outturn £'000	Directorate	Note	Budget for 2009/10 £'000	Current Variance £'000	Forecast Outturn (May) £'000	Forecast Outturn (May) %	Overall Status	DoT
-	Customer Services & Transformation	i	18,136	31	0	0.0%	G	↔
-	Finance, Property & Performance	ii	9,527	-127	110	1.2%	A	↓
-	People, Policy & Law		8,929	-51	30	0.3%	A	↓
0	<b>Gross Expenditure</b>		<b>36,591</b>	<b>-147</b>	<b>140</b>	<b>0.4%</b>	<b>A</b>	<b>↓</b>
-	External Grant Income		-2,219	14	0	0.0%	G	↔
0	<b>Sub Total</b>		<b>34,372</b>	<b>-133</b>	<b>140</b>	<b>0.4%</b>	<b>A</b>	<b>↓</b>
	Financing Costs:							
-	Debt Charges and Interest		26,577	-6,389	0	0.0%	G	↔
-	Restructure Support Costs		178	0	0	0.0%	G	↔
0	<b>Total</b>		<b>61,127</b>	<b>-6,522</b>	<b>140</b>	<b>0.2%</b>	<b>A</b>	<b>↓</b>

The key issues at this stage of the financial year are:

### Customer Services & Transformation

- i. Business Support and Facilities Management is anticipating an overspend in 2009/10 due to known pressures on utilities, unfunded additional running costs identified in 2008/09 and loss of income from Capita withdrawal from the Octagon. £100k funding from Corporate Directorates Operational Savings has been allocated to offset some of these pressures. Work is ongoing to assess the likely impact on forecast outturn, and it is expected that this will be reported in the next month's report.

### Finance, Property & Performance

- ii. The Procurement budget is forecasting an overspend of £121k. This includes a £165k overspend on Agency Staff Procurement, resulting from insufficient rebate income generation. This is partially offset by salary savings elsewhere within the Service.

## APPENDIX 3.1: Additional Income

Only the grants where there have been changes in the year of over £50k are listed below.

Grant	Awarding Body	Directorate	Budget Book 2008/09 £'000	Expectation at May 2009 £'000	Change £'000
<b>Non ABG Grants</b>					
Fair Play Pathfinder Revenue Grant	Department for Children, Schools and Families (DCSF)	Learning	0	214	214
Golden Hellos for Newly Qualified Teachers	Training and Development Agency (TDA)	S&C	0	251	251
Instrument Fund	Federation of Music Services (FMS)	Learning	0	147	147
Multi Dimensional Treatment Foster Care	DCSF	Social Care	0	300	300
Post 16 Partnership	DCSF	S&C	0	129	129
Rural Access	DCSF	S&C	0	50	50
<b>Standards Fund</b>					
Extended Schools - subsidy	DCSF		0	237	237
Targeted Improvement Grant	DCSF	Schools	300	100	-200
Secondary Strategy - Targeted	DCSF	Learning	551	1,147	596
School Development	DCSF	Various	15,481	15,199	-282
School Standards Grant	DCSF	Schools	16,253	13,129	-3,124
<b>Sure Start Grant</b>					
Graduate Leader Fund	DCSF	Learning	595	856	261
Workforce in Schools Modernisation & Development	TDA	Learning	0	176	176
National Treatment Agency for Substance Misuse *	NTA via Primary Care Trust (PCT)	E&P	0	2,658	2,658
Substance Misuse Pooled Treatment Budget *	PCT	E&P	0	1,776	1,776

\* Will move to Community and Adult Services (CAS) during 2009/10.

## APPENDIX 3.2: Virements

Only in-year virements over £50k are listed below.

	£000	Notes	Month
CLT Restructure	3,421	Transfers between ES, CAS, CYPS and CD following the CLT Restructure	May 09
Transfer of Environmental Education funding to CYPS	60	Delivering environmental education at a local community level - transferred from ES to CYPS.	May 09

## Operational Savings - movements from Operational Savings into revenue

Notes	£000	Month

There has not been any allocation of Operational Savings to date.

## APPENDIX 4: Reserves

Fund Description	Balance at 31 March 2009	2008-09		Forecast Balance 31 March 2010	Notes
		Movements in 2009-10	Balance at 31 May 2009		
	£000s	£000s	£000s	£000s	
<b>General Reserves</b>					
- County Fund Balance	9,493		9,493	9,493	
- Services					
1CYPS	766		766	136	Includes Office Forecast Outturn (FO)
2ES	427		427	0	Includes Office Forecast Outturn (FO)
3CAS	132		132	0	Includes Office Forecast Outturn (FO)
4CD	449		449	309	Includes Office Forecast Outturn (FO)
subtotal	11,267		11,267	9,938	
<b>Earmarked</b>					
- Specific Reserves					
5Insurance	5,938		5,938	5,938	FO after 2009-10 adjustments
6Invest to Transform - Corporate	2,470		2,470	82	
7Invest to Transform - Offices	506		506	269	
8Traded services provision	428		428	428	
9Pressures & Developments Reserve	3,898		3,898	1,090	
subtotal	13,239		13,239	7,806	
<b>Trading Units</b>					
10CYPS	-726		-726	-363	Plans are in place to eradicate this deficit over 3 years
11ES	0		0	0	
12CD	112		112	112	
subtotal	-614		-614	-251	
<b>Equipment Reserves</b>					
13CYPS	59		59	59	
14ES	423		423	370	
15CAS	59		59	50	
16CD	548	-31	517	517	
Subtotal	1,089	-31	1,058	996	
<b>Other Earmarked Funds</b>					
17CYPS	804	-798	6	-182	
18ES	2,276	27	2,303	810	
19CAS	503	-1	502	300	
20CD	1,029		1,029	1,029	
	4,612	-772	3,840	1,957	

Subtotal					
<b>SMIs (LMS etc)</b>					
21LMS Schools	19,347		19,347	19,347	3 to 5 year loans made to schools using their balances
22SIPF	-122		-122	-122	
Subtotal	19,225		19,225	19,225	
<b>Grand Total</b>	<b>48,818</b>	<b>-803</b>	<b>48,015</b>	<b>39,671</b>	

## APPENDIX 5: Capital

### Capital Expenditure 2009/10

The following table shows the budgeted expenditure against the forecast outturn:

Revised Budget £m	Capital Expenditure	Outturn Estimate £m	Outturn Variance £m
70.1	Children & Young People	70.1	0.0
60.7	Environment Services	56.1	(4.6)
5.0	Community & Adult Services	2.8	(2.2)
16.6	Corporate Directorates	16.6	0.0
<b>152.4</b>	<b>Total Capital Spending</b>	<b>145.6</b>	<b>(6.8)</b>

- The CYPS outturn position is currently forecasting to be in line with the revised budget position. However, within this are several compensating variances. The following projects contribute towards these variances:
  - Shirley 420 place school is £1.5m behind expectation;
  - Linton VC Replacement phase 1 is £1.2m behind expectation;
  - Netherhall School is £1.3m behind expectation; &
  - £4.0m of schemes with variances below £1.0m.
- Differences in the timing of payments and cross financial year estimates have caused the ES programme to be £4.6m below revised budget, with the following schemes contributing to the outturn position:
  - Within 2009/10 the Waste Management Infrastructure project is currently £4.1m behind expectation, with spend currently expected to slip into 2010/11; &
  - £0.5m of schemes with variances below £1.0m.
- The revised budget and outturn position of the ES capital programme has increased by £9.6m, due to the following additional funding for projects during the year:
  - The Waste Management Infrastructure project was behind estimate for 2008/09 and this slippage has increased the expected budget within 2009/10 by £2.6m.
  - £1.7m Cambridge Gateway – CIF;
  - An increase of £1.3m within the Housing Growth fund; &
  - £4.0m of additions of less than £1.0m to several schemes.
- The CAS outturn position is £2.2 below the revised budget. The following projects contribute to the outturn variance:
  - Croylands/Larkfield amalgamation is £1.3m behind expectation; &
  - £0.9m of schemes with variances below £0.5m.

- The CD outturn position is in line with the revised budget and there are no schemes currently affecting this position.

## Capital Financing 2009/10

The following table shows the budgeted use of capital resources, split by general and project specific funding:

<b>General Funding resources (GFR) (Non Project Specific)</b>			
26.2	Supported Capital Expenditure (Revenue)	26.2	0.0
4.3	Capital Receipts (General)	4.3	0.0
<b>30.5</b>	<b>Total General Financing</b>	<b>30.5</b>	<b>0.0</b>
<b>Project Specific Finances (PSF) (Ring-Fenced)</b>			
3.0	Supported Capital Expenditure (Capital)	3.0	0.0
43.4	Specific Grants	39.4	(4.0)
9.4	Ring-Fenced Capital Receipts	9.4	0.0
12.7	Developer and Other Contributions	9.9	(2.8)
53.4	Prudential Borrowing	53.4	0.0
<b>121.9</b>	<b>Total Specific Financing</b>	<b>115.1</b>	<b>(6.8)</b>
	Prudential Borrowing to support timing difference in funding	0.0	0.0
<b>152.4</b>	<b>Total</b>	<b>145.6</b>	<b>(6.8)</b>

- Spending on the council's capital programme is currently proceeding slower than estimated.
- It should be stressed that this represents changes in the timing of payments, as many projects involve spending across a number of years, and not underspends on the total scheme value.
- The cost of the Prudential Borrowing has been factored into the 2009/10 Debt Charges forecast outturn, as well as being accounted for within the 2009/10 Integrated Planning Process.