

INTEGRATED RESOURCES AND PERFORMANCE REPORT – AUGUST 2010

To: Cabinet

Date: 26th October 2010

From: Corporate Director: Finance, Property & Performance

Electoral division(s): All

Forward Plan ref: 2010 / 052 **Key decision:** Yes

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

Recommendation: That Cabinet:

1. Analyses resources and performance information and takes any remedial action as appropriate.
2. Decide whether to levy the charges for extra staff in relation to the Better Utilisation of Property Assets (BUPA) project (for staff employed within services between the baseline year and 2008/09) in 2010/11 or to waive these for a further year and ask Business Support and Facilities Management and Strategy and Estates to advance disposals with the active support of Services (see paragraph 4.5.2).
3. Approve the capital virements totalling £1.47m to help offset the pressure against the Schools Condition Capital budget within CYPS (see para 4.6).

Name: Nick Dawe	Name: John Reynolds
Post: Corporate Director: Finance, Property and Performance	Portfolio: Resources and Performance
Email: nicholas.dawe@cambridgeshire.gov.uk	Email: John.Reynolds@cambridgeshire.gov.uk
Tel: 01223 699236	Tel: 01223 699173

1. PURPOSE

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

2 UNDERSTANDING THE REPORT

- 2.1 A joined-up reporting mechanism has been adopted as part of a drive to understand finance and performance together.
- 2.2 The executive summary provides a high level indicator of financial position across the 3 main themes: Income and revenue; resources and the capital programme. It also contains a summary of exceptions indicating areas of business that are underperforming and areas where performance is good. Further details on income analysis, service virements and movements in reserves follow later in the report.
- 2.3 For clarity, the year-end forecasts reported represent 'certain' year-end positions based on known figures and trends and the impact of any agreed, definite and proven action plans and remedial action.
- 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	G - Green
<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	A - Amber
<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	R - Red

3. SUMMARY – PERFORMANCE AND RESOURCE HEADLINES

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

- There are **5** new exceptions to report this month.
 - National Indicator (NI) 130 Social Care Clients receiving Self Directed Support (RED ↓) – overall there was a slight drop in performance this month, although the numbers of service users who have been through the Self-Directed Support (SDS) system continues to rise overall. Cambridgeshire's performance for 2009/10 was 10th highest out of 154 Local Authorities. The local target of 80% of service users through the SDS system by 31st March 2011 is very challenging and 12 months in advance of the national target. The indicator definition allows Councils to count both these who have been through the SDS system and these who were previously using Direct Payments. The proportion using the previous Direct Payments scheme has fallen from 68% in June to 59% in August. This is the correct direction of travel.
 - NI 148 Care Leavers in Education, Employment or Training (EET) (RED ↓) – Out of the 15 care leavers in the cohort, 10 are in EET. At this time of year young people are in between courses whilst they wait for exam results, so it is anticipated that this performance will increase in September/October, as it did last year when performance was 58% at this time of the year and rose to 65% in October. However, there are also a number of Unaccompanied Asylum Seeking young people who are 19+ within the cohort that are considered to have exhausted their rights to appeal who are not able to access EET opportunities due to their immigration status.
 - NI 152b Working Age People on Out of Work Benefits in Fenland – difference between Fenland and the regional average – LAA (RED) – LAA target renegotiated for 2010/11 to one of maintaining 3.6% points between Fenland and regional average. Current performance of 3.9% is slightly over this target.
 - NI 163 Working Age Population Qualified to at least Level 2 (RED ↑) – the figure for 2009 indicates the percentage rate for Level 2 skills attainment in Cambridgeshire increased to 74.7%, an improvement of over 1%, but just short of the 75% target.
 - Local Indicator (LI) 136a CCC % of Contact Centre Calls Answered within 20 Seconds (RED ↓) – performance was impacted by the project to review Adult Social Care service model, as part of Quality for Adults Programme, as a remit of which, a number of posts were held open. Service is planned to stabilise after September.
- Previously reported exceptions for which there is nothing further to report are:
 - NI 008 – Adult participation in sport and active recreation.
 - NI 155 – Number of affordable homes delivered (gross).
 - NI169 – Non-principal roads where maintenance should be considered.
 - NI 177 – Local bus passenger journeys originating in the authority area - CCC.
 - NI171 – New business registration rate - % of regional average.

All of these indicators are measured annually.

- Some small changes have been made to the basket of indicators included in this report. LI 277 (prompt payment) has been removed, as it was found to duplicate LI 039 (payment of undisputed invoices within 30 days). NI 152a, which measured the proportion of working age people out of work in Fenland, has been replaced by NI 152b, which measures the difference between the proportion of working age people in Fenland out of work when compared to the regional average. This change was

negotiated in the recent refresh of the Local Area Agreement. NI 177 (Local bus passenger journeys originating in the authority area - CCC target) has also been removed, as following publication of the 2009/10 outturn for this indicator, the local target for 2010/11 is the same as the LAA target, and therefore only one measure is required going forwards.

- As a result of the changes to the National Indicator Set brought about by the abolition of various surveys used to provide data for many National Indicators, next month's Corporate Scorecard will feature a revised basket of indicators. National Indicators for which data is no longer collected will not be included and the remainder will be re-organised to reduce and simplify the total number. Indicators that are only measured annually will be removed wherever possible, unless they are the only way to measure key priorities. The Corporate Scorecard will be kept under review during the coming planning cycle and will be significantly remodelled in April 2011 to track performance against any new priorities.

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

- Overall the budget position is showing a forecast year-end overspend of £3.9m (1.1%). This is an increase in the forecast overspend of £968k from the previous month (see table 3.4). This increase is mainly due to a newly reported pressure identified within the Learning Disability Partnership service (CAS).
- In Environment Services (ES) an underspend of -£74k is being predicted, which is due to savings within Growth and Infrastructure (see para 4.2).
- In Community and Adult Services (CAS) an overspend of £1.7m is being predicted, which is due to pressures identified within Adult Support Services and Libraries, Learning and Culture (see para 4.3).
- In Children and Young People's Services (CYPS) an overspend of £2.2m is being predicted, which is due to pressures within Strategy and Commissioning and Children's Social Care (see para 4.4).
- In Corporate Directorates (CD) an underspend of -£229k is being predicted, which is mainly due to savings identified within Customer Services and Transformation (see para 4.5).
- In Corporate Directorates – Financing, an overspend of £234k is being predicted due to higher borrowing than budget for in the Integrated Plan and a write-off of a debt (see para 4.5).
- A decision is requested from Cabinet as to whether to levy the charges for extra staff in relation to the Better Utilisation of Property Assets (BUPA) project (for staff employed within services between the baseline year and 2008/09) in 2010/11 or to waive these for a further year and ask Business Support and Facilities Management and Strategy and Estates to advance disposals with the active support of Services (see para 4.5.2).
- Spending on the Council's overall capital programme is currently proceeding slower than estimated (see para 4.6).
- Cabinet is asked to approve the capital virements totalling £1.47m to help offset the pressure against the Schools Condition Capital budget within CYPS (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 new **general economic** issues are of note:-

Hutton

A recent report designed to reform public sector pensions and put a 'cap' on employer costs has been published. Details of the report are awaited next year, but certain issues such as Consumer Prices Index (CPI) measure of inflation, as a substitute for the Retail Prices Index (RPI), and common national retirement may allow some reduction in cost. This is being picked up in the triennial actuarial review of pensions currently taking place.

The Independent Public Service Pensions Commission (Interim Report) can be found at:
http://www.hm-treasury.gov.uk/d/hutton_pensionsinterim_071010.pdf

Green Report

This is a top level report prepared by Sir Philip Green following his efficiency review of Government spending. Cambridgeshire County Council (CCC) already makes use of Government framework contracts and aggregate purchasing power via Eastern Shires Purchasing Organisation (ESPO). CCC also currently uses its strong cash flows to support small and medium enterprises (SME). A programme will be launching around further supplier discount and price reductions for prompt payment.

The key findings and recommendations of this review can be found at:
<http://download.cabinetoffice.gov.uk/efficiency/sirphilipgreenreview.pdf>

Treasury

This is the time of year when cash flow requirements mean we look at our loan portfolio to have optimum balance of short, medium and long-term loans (balancing future certainty against cost). In view of the current Bank of England interest rate stance, undervaluing of pound (£) sterling, further short-term loans will be used in the next quarter (in preference to medium-term and long-term loans).

3.4 **Revenue Income & Expenditure Summary**

Outturn Variance (July) £000	Service	Budget for 2010/11 £000	Current Variance £000	Forecast Outturn (August) £000	Forecast Outturn (August) %	Overall Status	D o T
-33	ES *	52,229	-107	-74	-0.1%	G	↑
755	CAS	145,861	15,315	1,721	1.2%	A	↓
2,164	CYPS	84,642	-1,143	2,228	2.6%	R	↓
-18	CD Direct	34,113	-496	-229	-0.7%	G	↑
44	CD Financing	29,050	-13,919	234	0.8%	A	↓
2,912	Total Service Spending	345,895	-350	3,880	1.1%	A	↓
0	Financing Items	-6,482	-185	0	0.0%	G	↔
2,912	Total Spending 2010/11	339,413	-535	3,880	1.1%	A	↓

* ES includes a Priority Investment (A14 Inquiry), where specific arrangements for underspends exist. Excluding this the underlying forecast outturn position for ES is -£6k underspend.

3.5 Capital Programme Summary

Revised Budget (August) £m	Capital Summary	Outturn Estimate (August) £m	Outturn Variance (August) £m	Overall Status	DoT
159.7	Total Capital Spending	147.2	-12.5	A	↑
36.0	Total General Financing	34.3	-1.7	G	↑
123.7	Total Specific Financing	112.9	-10.8	G	↑
	Unsupported Expenditure (Funding Difference)	0.0	0.0	G	↔
159.7	Total Capital Financing	147.2	-12.5	A	↑

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 to ensure that 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 (-£74k underspend)

4.2.1 There are no new issues to report this month. However, the following issues from previous months are still ongoing (the detail can be obtained by referring to appendix 2):-

- A14 Inquiry (-£68k underspend).

If the A14 Inquiry forecast underspend is excluded (as this is to be carried forward to 2011/12 by the use of the Service operational savings fund) the 'true' Office forecast underspend would be -£6k.

4.3 Community and Adult Services (£1.7m overspend)

- 4.3.1 Following the grant reductions and the reallocation of savings across the Directorate, the Executive Director's budget currently holds £200k, which will be allocated by the end of 2010/11.
- 4.3.2 The Learning Disability Partnership is forecasting an overspend of £1m for the pool (with the council's share being £748k). There is mounting pressure on the Care package budget and further work is being undertaken to analyse the reasons for this. The results of the analysis will be the basis on which the recovery plan is being drawn. Areas being looked at are transitions cases, Out of County service users and high level cost packages.
- 4.3.3 The following issues from previous months are still ongoing (the detail can be obtained by referring to appendix 2):-
- Physical Disability & Sensory Services (£500k overspend).
 - Older People and Occupational Therapy (OT) Pooled Budget (£383k overspend).
 - Libraries, Archives and Information (£270k overspend).

4.4 Children and Young People Services (£2.2m overspend)

- 4.4.1 At the end of August CYPS is forecasting an overspend of £2.2m. Savings in the 2010/11 Integrated Plan are still expected to be achieved or have been achieved, but in Social Care Placements and Education Placements demography pressures have created overspends.

Significant pressures have been forecast across CYPS since the beginning of this financial year. To address these pressures a major review has been undertaken to curtail non essential spend and release savings. Some £4m of savings have been identified largely offsetting the £4.1m of pressures reported last month.

Meanwhile pressures in CYPS have continued to rise principally as a result of a significant increase during August in numbers of children becoming Looked After, and as a result of announcements by the UK Border Agency (UKBA) in relation to funding for costs related to unaccompanied asylum seeker children (UASCs). A significant level of costs which have previously been funded in respect of UASCs will not now be funded and it is also unlikely that costs claimed in relation to the previous financial year will be reimbursed.

- 4.4.2 Strategic Management – Children's Social Care is facing a pressure of £941k, as a result of announcements from the UK Border Agency (UKBA) in relation to changes in costs which will be funded for Unaccompanied Asylum Seeker Children. £435k of this pressure relates to costs which will not be funded in this financial year. The remaining £506k relates to costs claimed for the 2009/10 financial year based on successful claims in previous years and which UKBA have now said it is very unlikely they will pay.
- 4.4.3 Residential Units are forecasting an overspend of £190k due to issues with staffing costs.
- 4.4.4 Area Social Care Teams are forecasting a pressure of £454k due to supervised contact costs for looked after children.
- 4.4.5 The following issues from previous months are still showing overspends although offsetting savings have been found elsewhere as explained in 4.4.1 (the detail can be obtained by referring to appendix 2):-

- Teachers Pensions (£250k overspend).
- Catering & Cleaning Services (£192k overspend).
- Groomfields (£200k overspend).
- Placements – Education (£600k overspend).
- Placements – Social Care (£3.4m overspend).

4.5 Corporate Directorates (£5k overspend)

Customer Services and Transformation (-£296k underspend):

- 4.5.1 Service Transformation is forecasting a year-end underspend of -£50k. This is the result of delays in filling vacancies following the restructure of the service.

Finance, Property and Performance (£172k overspend):

- 4.5.2 The Better Utilisation of Property Assets (BUPA) budget is forecasting a year-end overspend of £230k. There was a pressure brought forward into 2010/11 of £811k, as a result of the shortfall in targeted savings for the Workwise project in previous years. This will be partially offset in 2010/11 by a transfer of revenue funding following reclassification of Building Maintenance expenditure (£250k), the draw-down of the remaining approved Invest To Transform (ITT) funding (£276k) and other minor adjustments, leaving the forecast year-end position at £230k overspent.

Work continues to recover the overspend by a combination of additional savings from buildings identified for closure by the Head of Business Support and Facilities Management and previously agreed charges for extra staff employed within services between the baseline year and 2008/09. The charges for extra staff for each Service are as follows:

○ Corporate Directorates	£174k
○ Children and Young People's Service	£129k
○ Environment Services	£36k
○ Community and Adult Services	£27k

Rapid action is required to progress these as failure to realise either element will result in the year-end overspend reported and significantly impact on the capacity to repay the ITT loans. Therefore a decision is requested from Cabinet as to whether to levy the above charges in 2010/11 or to waive this for a further year and ask Business Support and Facilities Management and Strategy and Estates to advance disposals with the active support of Services.

People, Policy and Law (-£106k underspend):

- 4.5.3 There are no new issues to report this month.

Financing (£234k overspend):

- 4.5.4 A year-end overspend of £234k is currently predicted. This is due to higher borrowing than budgeted for in the Integrated Plan (£44k) and the expected write-off of a £190k debt with Woodford Waste Management.

4.5.5 The following issues from previous months are still ongoing (the detail can be obtained by referring to appendix 2):-

Customer Services and Transformation:

- Corporate Communications (£141k overspend).
- Director of Customer Services and Transformation (£93k overspend).
- Business Support and Facilities Management (-£350k underspend).
- IT Services (-£114k underspend).

Finance, Property and Performance:

- Research and Financial Strategy (-£52k underspend).

4.6 Capital Programme

Spending on the overall Council's capital programme is currently proceeding slower than estimated, with a year-end outturn of -£12.5m currently forecast. 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 detail can be obtained by referring to appendix 5).

The prospective Capital Receipts included in the target figures for 2010/11 followed the pattern of previous years, namely a small number of high value sales and a much larger number of lower value cases. To the end of August £0.24m has been completed or is subject to an unconditional exchange. The best year-end position is £9.5m and comprises sales with the following probabilities of completion:

- £3.76m - high
- £3.17m - medium
- £1.8m - low
- £0.78 - BUPA

Any shortfall in Capital Receipts against the current outturn estimate of £12.1m will require additional prudential borrowing or a reduction in the capital spend programme.

Within CYPS there is a reported pressure against the Schools Condition Capital budget, which relates to a deficit of £1.8m that was brought forward from 2009/10. As a result of a review of the capital programme, virements totalling £1.47m have been identified to resolve most of this overspend as follows:

- £100k from the 14-19 Diploma Funding for Secondary Schools budget;
- £274k from the Secondary CCN Upgrade 2010/11 budget;
- £500k from the Schools Condition Capital 2010/11 budget; and
- £594k from the Schools Access Initiative 2010/11 budget.

Cabinet is asked to approve these capital virements.

4.7 Debt Outstanding (owed to the Council)

Longer-term debt (> 6 months old) has decreased by £77k in August to £895k, which is £95k below the target level for the year of £990k. Of this balance, £820k (92%) is subject to

secondary recovery action. Debt in the 4-6 month age range has decreased by £116k at the end of August to £780k. Emerging debts are currently with the Recovery Team and Budget Holders to resolve. The overall figure is £370k above the target for the year of £410k, with £704k (90%) 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 arising 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 (August). CAS Budgetary Control Report (August). CYPS Budgetary Control Report (August). CD Budgetary Control Report (August). Capital Monitoring Report (August). Performance Management Report and Corporate Scorecard (August). Aged Debt per Directorate – as at 31 st August 10.	Room 301, Shire Hall, Cambridge
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APPENDIX 1: Corporate Scorecard

Measure	What is good?	Format	Data for period:	Actual	Target	Status	Direction of Travel (Current actual vs previous period)	Predicted Year End Status
A) Integrated Plan								
1) Enabling people to thrive, achieve their potential and improve their quality of life (Strategic Objective 1)								
LI206 % Young people aged 13-19 participating in Youth Service Activities (YTD)	High	%	31-Jul-2010	6.7	2.6	G	↑	
NI088 % of schools providing access to extended services	High	%	31-Jul-2010	97	100	A	↔	
NI005 Overall/general satisfaction with local area	High	%	31-Mar-2009	86	88.6	A	♦	A
NI008 Adult participation in sport and active recreation	High	%	31-Mar-2010	22.3	24.7	R	↑	
NI017 Perceptions of anti-social behaviour	Low	%	31-Mar-2009	12.6	9.8	A	♦	A
NI069 Bullying (new target)	Low	%	31-Mar-2010	28.1			↑	
NI110 Young people's participation in positive activities	High	%	31-Mar-2010	80.4	80	G	↑	
NI115 Substance misuse by young people	Low	%	31-Mar-2010	9.6	9.1	A	↑	
2) Supporting and protecting vulnerable people (Strategic Objective 2)								
NI130 Social Care clients receiving Self Directed Support	High	clients	31-Aug-2010	36.1	80	R	↓	
NI136 People supported to live independently (all ages)	High	rate per population	31-Aug-2010	2874	3436	A	↑	
NI148 Care leavers in EET	High	%	31-Jul-2010	66.6	75	R	↓	
NI054 Services for disabled children	High	Number	31-Mar-2010	63	63	G	♦	
NI137 Healthy life expectancy at age 65	High	Number	31-Mar-2009	14.8			↔	
3) Managing and delivering the growth and development of Cambridgeshire's communities (Strategic Objective 3)								
NI047i People killed or seriously injured in road traffic accidents	Low	Number	31-Jul-2010	341	373	G	↑	A
NI154 Net additional homes provided	High	Number	31-Mar-2010	2166	2024	G	↓	G
NI155 Number of affordable homes delivered (gross)	High	Number	31-Mar-2010	926	960	R	↑	G
NI169 Non-principal roads where maintenance should be considered	Low	%	31-Mar-2010	7	6	R	↓	A
NI175 Access to services and facilities by public transport, walking and cycling	High	%	31-Mar-2010	94.8	94.65	G	↓	G
NI177 Local bus passenger journeys originating in the authority area - LAA	High	Number	31-Mar-2010	22060128	21800000	G	↑	G
NI198-DCSF Children travelling to school by car	Low	%	31-Mar-2010	21.04	22.5	G	↑	G

Measure	What is good?	Format	Data for period:	Actual	Target	Status	Direction of Travel (Current actual vs previous period)	Predicted Year End Status
4) Promoting improved skill levels and economic prosperity across the county, helping people into jobs and encouraging enterprise (Strategic Objective 4)								
NI182 Satisfaction of businesses with local authority regulation services	High	%	30-Jun-2010	82.3	80	G	↑	G
NI152b Working age people on out of work benefits in Fenland - difference between Fenland and regional average - LAA	Low	%	31-Mar-2010	3.9	3.6	R	♦	A
NI163 Working age population qualified to at least Level 2	High	%	31-Mar-2010	74.7	75	R	↑	A
NI171 New business registration rate - % of regional average	High	%	31-Mar-2009	89	101	R	↑	R
5) Meeting the challenges of climate change and enhancing the natural environment (Strategic Objective 5)								
NI192 Household waste recycled and composted - 12-month rolling average	High	%	31-Jul-2010	51.75	51.5	G	↑	A
NI185a CO2 reduction from Local Authority operations	High	%					♦	
NI185b CO2 reduction from Local Authority operations	Low	tonnes	31-Mar-2009	89351.98			♦	
NI186a Per capita CO2 emissions in the LA area - % reduction	High	%	31-Mar-2008	4.7	3.7	G	↑	G
NI188 Adapting to climate change (CCC)	High	Number	31-Mar-2010	2	2	G	↑	G
NI197 Improved local biodiversity – active management of local sites	High	Number	31-Mar-2010	195	185	G	↑	G
6) Delivering high-quality effective and efficient services (Service Delivery Principle 1)								
Finance - Capital	High	Number	31-Aug-2010			A	↔	
Finance - CAS	High	Number	31-Aug-2010			A	↔	
Finance - CD Direct	High	Number	31-Aug-2010			G	↔	
Finance - CD Financing	High	Number	31-Aug-2010			A	↔	
Finance - CYPs	High	Number	31-Aug-2010			R	↔	
Finance - ES	High	Number	31-Aug-2010			G	↔	
LI025 Sickness Absence (CCC)	Low	working days	31-Aug-2010	2.58	3.11	G	♦	G
LI031 % of staff from ethnic minorities as a % of the workforce	High	%	31-Aug-2010	4.88	4.1	G	↑	G
LI044 Value of outstanding invoices per age range >6 months	Low	£	31-Aug-2010	895292	1060000	G	↑	G
NI179 VFM	High	£0,000	31-Aug-2010	18276	15536	G	↑	

Measure	What is good?	Format	Data for period:	Actual	Target	Status	Direction of Travel (Current actual vs previous period)	Predicted Year End Status
7) Listening and being responsive to the needs of Cambridgeshire communities (Service Delivery Principle 2)								
LI068 Overall satisfaction of website customers	High	%	31-Aug-2010	41	40	G	↑	
LI069 Contact Centre - Telephone Contact Handling Accuracy	High	%	30-Sep-2009	86.3	75	G	↓	
NI004 % of people who feel they can influence decisions locally	High	%	31-Mar-2009	30.5	34	A	♦	
8) Working in partnership to achieve a shared vision for Cambridgeshire (Service Delivery Principle 3)								
NI007 Environment for a thriving third sector	High	%	31-Mar-2009	15.3	19.2	A	♦	
B) Operational Performance								
Customer Service								
LI136a CCC - % of Contact Centre calls answered within 20 seconds	High	%	31-Aug-2010	76.4	80	R	↓	
Operational - Organisational Health								
LI039 Payment of undisputed invoices within 30 days	High	%	31-Aug-2010	94.5	97	A	↓	
Operational - People Management & Development								
LI032 Recruitment lead times	Low	days	31-Aug-2010	26.74	33	G	↑	G
LI026a Sickness Absence - YTD (CD)	Low	Number	31-Aug-2010	1.98	2.46	G	♦	G
LI106a Sickness Absence - YTD (ES)	Low	Number	31-Jul-2010	1.58	2	G	♦	
LI211 Sickness absence - YTD (CYPS)	Low	Number	31-Jul-2010	2.32	2.67	G	♦	
LI283 Sickness Absence - YTD (CAS)	Low	Number	31-Jul-2010	2.5	2.83	G	♦	
Percentage of appraisals completed on time	High	%	31-Mar-2010	91.5	96	A	↓	

APPENDIX 2: Income & Expenditure Position by Service

Environment Services (ES)

ES is forecasting to underspend by -£74k at year-end. This represents -0.1% of net expenditure.

Previous Month's Outturn (Jul) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Aug) £'000	Forecast Outturn (Aug) %	Overall Status	D o T
0	Executive Director		1,043	-16	0	0.0%	G	↔
45	Highways & Access		28,491	-284	-6	0.0%	G	↑
-78	Growth & Infrastructure	i	1,182	-50	-68	-5.8%	G	↓
0	Environment & Regulation		7,634	-106	0	0.0%	G	↔
0	External Grants		-4,499	0	0	0.0%	G	↔
-33	Total Office Funded Items		33,851	-456	-74	-0.2%	G	↑
0	Waste PFI		18,378	350	0	0.0%	G	↔
-33	Total	ii	52,229	-107	-74	-0.1%	G	↑

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

Priority Investments

- i. The priority investment for the A14 Inquiry, agreed as part of the Integrated Planning process, will not be spent in this financial year due to the Government's decision to review the funding for this scheme. However, the funding for the Inquiry, located within Growth and Infrastructure, may still be required in future years if the scheme ultimately gets the go-ahead. The unspent funding at year-end is estimated to be £68k. The intention is that any unused funding for this scheme will be carried forward to 2011/12 by the use of the Service Operational Savings Fund.

Total

- ii. If the A14 Inquiry underspend is excluded (as it will be carried forward to 2011/12) the 'true' Office forecast underspend would be -£6k.

Community and Adult Services (CAS)

CAS is forecasting to overspend by £1.7m at year-end. This represents 1.2% of net expenditure.

Previous Month's Outturn (Jul) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Aug) £'000	Forecast Outturn (Aug) %	Overall Status	D o T
0	Executive Director	i	665	251	-200	-30.1%	G	↑
539	Adult Support Services	ii, iii, iv	156,722	16,276	1,631	1.0%	A	↓
216	Libraries, Learning & Culture	v	10,667	1,099	290	2.7%	A	↓
0	Community Engagement & Fenland		4,257	901	0	0.0%	G	↔
755	Total Expenditure		172,311	18,527	1,721	1.0%	A	↓
0	External Grants		-26,450	-3,213	0	0.0%	G	↔
755	Total		145,861	15,315	1,721	1.2%	A	↓

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

Executive Director

- i. Following the grant reductions and the reallocation of savings across the Directorate, the Executive Director's budget holds £200k, which will be allocated by the end of 2010/11.

Adult Support Services

- ii. Physical Disability and Sensory Services (PD/SS) currently shows an anticipated year-end overspend of £500k. This is mainly due to the number of new packages that began in the last quarter of 2009/10 (that have a full year effect in 2010/11), plus higher demand and lower attrition than expected. Managers continue to closely scrutinise expenditure for all new and existing clients as they are reviewed.
- iii. The Learning Disability Partnership is expecting an overspend of £1m for the pool in 2010/11 (with the council's share being £748k). There is mounting pressure on the Care package budget and further work is being undertaken to analyse the reasons for this. The results of the analysis will be the basis on which the recovery plan is being drawn. Areas being looked at are transitions cases, Out of County service users and high level cost packages.
- iv. The Older People pool budget is currently forecasting a pressure of £550k (with the council's share being £383k). The Recovery Plan initialised in 2009/10 is being reviewed and updated for 2010/11. This proactive management of expenditure will allow mitigating emerging risks.

Libraries, Learning & Culture

- v. An outturn pressure of £270k is being forecast in relation to the Library Service. The Library review started in 2009/10 and it is expected that changes will begin to be

implemented in the second half of the year. The current forecast has identified pressures with income and staff costs. Further management actions are being undertaken to mitigate these pressures.

Children and Young People Services (CYPS)

CYPS is forecasting to overspend by £2.2m at year-end. This represents 2.6% of net expenditure.

Previous Month's Outturn (Jul) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Aug) £'000	Forecast Outturn (Aug) %	Overall Status	D o T
-1,532	Executive Director	i, ii	9,598	-3,169	-3,799	-39.6%	G	↑
0	Learning		14,581	8	0	0.0%	G	↔
3,822	Strategy & Commissioning	iii, iv, v, vi	66,266	1,895	4,392	6.6%	R	↓
0	Children's Social Care	vii, viii, ix	37,069	285	1,585	4.3%	R	↓
-126	Children's Enhanced & Preventative Services		28,635	-163	50	0.2%	A	↓
2,164	Total Expenditure Including Grant Funded Spend		156,149	-1,143	2,228	1.4%	A	↓
0	Grant Funded Spend		-71,506	0	0	0.0%	G	↔
2,164	Total		84,642	-1,143	2,228	2.6%	R	↓

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

Executive Director

- i. Central Financing is showing an underspend of £4m as a result of savings identified from across CYPS to offset pressures. These savings follow a major review by all CYPS budget holders to identify and cease non essential spend.

In August £2.6m of budget was vired from a wide range of budgets across CYPS to the central financing line. The vast majority of savings offered up were relatively small scale but large savings were made on: the one off cash investment set aside in the Integrated Plan for the development of Connexions services (£200k); Staying Put funding where numbers have not grown as quickly as previously expected (£350k); contingency funding for unexpected Social Care costs (£200k); Home to School Transport grant funding where activity can be curtailed (£206k); Youth Opportunity/Capital Fund grant funding where activity can be curtailed (£130k); and unallocated CAMH grant funding (£113k). In most cases these are one off savings due to circumstances at the current time and the funding being offered up will not be available next year without significant reduction to services.

In addition £559k has been removed from CYPS budgets as a result of savings arising from unplanned vacancies. It is estimated that a further £841k of savings can be achieved for the rest of this year from continuing to remove vacancy savings as they arise.

- ii. In 2009/10 the teachers pensions budget overspent by £500k. This was attributed to higher than normal pension costs of teaching staff made redundant, related to a higher proportion of redundancies being long service / senior teaching staff. Projections of redundancies have been prepared for 2010/11 based on redundancy expectations and at this time the forecast for the teachers pensions budget is a £250k overspend.

Forecasting redundancy and the related pension costs is difficult as the redundancy processes are usually aligned to school terms, the majority of redundancies take place at the end of the school financial year (September pay out).

Strategy & Commissioning

- iii. Catering and Cleaning Services (CCS) forecast an overspend of £192k at year-end.

Schools Catering – meal numbers for April to July were below the budget target levels causing approximately £20k reduction in contribution. The outturn forecast is dependant on achieving the budgeted growth of 5 paid meals per day per school.

Cleaning Services – as a result of the last schools budget round, CCS lost a number of Service Level Agreements (SLAs) where schools have decided to manage their cleaning services in house to cut costs. Costs will need to be closely managed to avoid this pressure affecting the outturn.

Civic Catering – income levels are below target levels although the direct costs are being managed accordingly.

Whilst there are opportunities to limit these contribution losses and progress to budget, CCS is unlikely to achieve sufficient surplus to contribute significantly to the £192k traded services deficit contribution expected in 2010/11.

- iv. Groomfields is forecasting a deficit of £200k for 2010/11. A fundamental review of the service took place in 2009/10, which resulted in the service being absorbed within the management structure of CCS with the deletion of a number of management posts. A new post was created to focus on increasing the levels of new business the service can generate. However, as this is a new role it will take time to become fully embedded and to start generating the levels of income required to break-even.
- v. Placements – Education is forecast to overspend by £600k. Most of this is a pressure on the Out of School budget including the costs of EOTAS provision. Difficulties in finding places for children in special schools are a factor in this pressure. Unexpected high costs for music therapy and the need to commit fees for a placement for a pupil who has moved out of Cambridgeshire account for the remainder of the pressure.
- vi. Placements – Social Care is forecasting a pressure of £3.4m at year-end. During August there has been a significant increase in placement activity. In one week alone some 32 children were considered at panel for placements, of whom 21 children were new to the placement system. This significant peak during the summer holiday period has led to difficulties in finding in house and agency placements with a resulting impact on costs.

277 children were in placements on 1st April 2010 compared to 223 children at the end of 2008/09 (an increase of 24%). At the end of August 279 children are in placements. In addition, needs continue to be increasingly complex and associated costs of the placements needing to be made rises accordingly.

A Placement strategy is in draft form setting out the expectations on future numbers of children looked after, the placement mix and the actions to be delivered to achieve this. For the longer term service redesign will be influenced significantly by the need to reduce the number of children and young people being looked after.

Children's Social Care

- vii. Strategic Management – Children's Social Care is forecasting an overspend of £941k at year-end. During August the UK Border Agency (UKBA) announced changes to daily rates payable for Unaccompanied Asylum Seeker Children. These changes will be implemented from 1st October and no Local Authority will be able to claim funding for additional costs incurred above these rates. This additional funding is known as "special circumstance funding" and Cambridgeshire has recovered significant costs through this funding stream in recent years. The impact in this financial year is expected to create a pressure of £435k.

In addition, the special circumstances claim for 2009/10, which totals £506k and follows on from successful claims in previous years, has not yet been paid and UKBA have informed the council that they do not expect that they will be in a position to pay this claim.

- viii. Residential Units are forecasting a £190k overspend at year-end. In general residential units have improved their occupancy levels without associated increases in costs. However, Woodland Lodge long term unit closed during 2009/10 and whilst its staff have been deployed to vacancies in other units wherever possible (saving £232k), a pressure of £130k remains. Issues with long term sickness in units and substantive staff working additional hours owing to the complex needs of some young people is also impacting through overtime payments (£60k pressure).
- ix. East Cambs and Fenland and Huntingdonshire social care teams are facing a combined pressure of £454k, as a result of costs arising from court requirements for supervised contact for Looked After Children (LAC). As LAC numbers continue to rise the pressure on these budgets increases.

Corporate Directorates (CD)

CD is forecasting to overspend by £5k at year-end. This represents 0.0% of net expenditure.

Previous Month's Outturn (Jul) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Aug) £'000	Forecast Outturn (Aug) %	Overall Status	D o T
-154	Customer Services & Transformation	i, ii, iii, iv, v	19,268	-332	-296	-1.5%	G	↑
136	Finance, Property & Performance	vi, vii	8,158	-106	172	2.1%	A	↓
0	People, Policy & Law		8,832	-58	-106	-1.2%	G	↑
-18	Gross Expenditure		36,258	-496	-229	-0.6%	G	↑
0	External Grant Income		-2,146	0	0	0.0%	G	↔
-18	Sub Total		34,112	-496	-229	-0.7%	G	↑
	Financing Costs:							
44	Debt Charges and Interest	viii	27,883	-13,922	234	0.8%	A	↓
0	Restructure Support Costs		1,167	3	0	0.0%	G	↔
26	Total		63,163	-14,415	5	0.0%	A	↑

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

Customer Services and Transformation

- i. The Director of Customer Services and Transformation budget is forecasting a year-end overspend of £93k. This is due to delays in implementing the restructuring work to reduce costs within the directorate. The pressure will be offset from other underspends identified across the Directorate.
- ii. Business Support and Facilities Management is reporting a year-end underspend of -£350k. There are significant savings against the carbon trading budget, because carbon credits have not had to be purchased this financial year following a delay in the implementation of the scheme. The carbon trading saving is reduced because of the ongoing pressures in the County Offices budgets. While costs have been reduced because of the revaluation of business rates against some properties, there remain pressures largely relating to energy costs, although every effort is being made to contain these.
- iii. Corporate Communications is currently showing an overspend of £141k at year-end, due to the delay in realising the savings target on County publications and distribution.
- iv. Service Transformation is forecasting a year-end underspend of -£50k. This is the result of delays in filling vacancies following restructure of the service.
- v. IT Services is reporting a -£114k underspend. This is the result of delays to the IT Resilience project, which is affected by timing issues in the Cambridgeshire Public Sector Network procurement (£45k), a windfall from the accruals project (£44k) and a half year temporary vacant post (£25k).

Finance, Property and Performance

- vi. Research and Financial Strategy is currently forecasting an underspend of -£52k. This is due to staffing vacancies within Financial Strategy that are not expected to be filled this financial year.
- vii. The Better Utilisation of Property Assets (BUPA) budget is forecasting a year-end overspend of £230k. There was a pressure brought forward into 2010/11 of £811k, as a result of the shortfall in targeted savings for the Workwise project in previous years. This will be partially offset in 2010/11 by a transfer of revenue funding following reclassification of Building Maintenance expenditure (£250k), the draw-down of the remaining approved Invest To Transform (ITT) funding (£276k) and other minor adjustments, leaving the forecast year-end position at £230k overspent.

Work continues to recover the overspend by a combination of additional savings from buildings identified for closure by the Head of Business Support and Facilities Management and previously agreed charges for extra staff employed within services between the baseline year and 2008/09. The charges for extra staff for each Service are as follows:

○ Corporate Directorates	£174k
○ Children and Young People's Service	£129k
○ Environment Services	£36k
○ Community and Adult Services	£27k

Rapid action is required to progress these as failure to realise either element will result in the year-end overspend reported and significantly impact on the capacity to repay the ITT loans. Therefore a decision is requested from Cabinet as to whether to levy the above charges in 2010/11 or to waive this for a further year and ask Business Support and Facilities Management and Strategy and Estates to advance disposals with the active support of Services

Financing

- viii. Financing is currently predicting a year-end overspend of £234k. This is due to higher borrowing than budgeted for in the Integrated Plan (£44k) and the expected write-off of a £190k debt with Woodford Waste Management.

APPENDIX 3.1: Income Analysis

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

Grant	Awarding Body	Directorate	Budget Book 2010/11 £'000	Expectation at Aug 10 £'000	Change £'000
Revenue Grants within ABG					
Department for Education ABG	Department for Education (DfE)	Various	8,972	7,104	-1,868
Department for Transport ABG	Department for Transport (DfT)	Various	3,433	3,136	-297
Home Office ABG	Home Office (HO)	Various	684	631	-53
Communities & Local Government ABG	Communities and Local Government (CLG)	Various	11,173	10,864	-309
Non ABG Revenue Grants					
Standards Fund					
Early Years: extension of free Entitlement	DfE	S&C	3,617	3,485	-131
Foundation Learning	DfE	Learning	0	200	200
Primary Strategy – Targeted	DfE	Learning	1,734	1,822	88
School Development Grant	DfE	SMLs	15,752	15,535	-217
Sure Start Grant					
Transition Support Programme	DfE	Social Care	0	50	50
DCatch	DfE	S&C	0	119	119
Other Non ABG					
CEBLO	YPLA	Learning	177	0	-177
Local Delivery Support Grant (Consortia Support Grant)	DfE	Learning	569	316	-253
ContactPoint	CLG	S&C	150	56	-94
Dedicated Schools Grant (DSG)	DfE	SMLs	321,114	319,669	-1,445
Diploma Formula	DfE	Learning	711	1,499	788
Education Business Partnership Services	YPLA	Learning	0	382	382
Fair Play Pathfinder Revenue Grant	DfE	Learning	143	71	-72
Higher Level Teaching Assistants	TDA	Learning	190	0	-190
Training Schools	TDA	SMLs	0	161	161
Transport to LEA Partnerships	YPLA	S&C	0	145	145
Work related Learning	YPLA	Learning	200	0	-200
Workforce in Schools Modernisation and Development	TDA	Learning	176	117	-59
Youth Capital Fund	DfE	E&P	248	124	-124
Emergency Fund Winter Damage	DfT	Highways & Access	0	1,289	1,289

APPENDIX 3.2: Virements

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

	£000	Notes	Month
Transfer of Archive function to CD	133	Transfer of Archive function from CAS to CD (Service Transformation).	May 10
Transfer of CD Management Support to Adults Man. Support	66	Transfer of CD Management Support budget to Adults Management Support (CAS).	May 10
ABG Top-Up Funding	2,928	Use of Corporate Reserves to fund the cuts in Area Based Grants (ABG) across the Services.	Jul 10
Transfer of the Social Care Contact Function	79	Transfer of the Social Care Contact Function from CYPS to CD.	Jul 10
1% Saving Target	2,933	Transfer of 1% saving target from the Services to Corporate Reserves.	Jul 10
Re-Distribution of the 1% Saving Target	2,933	Transfer of the 1% saving target from Corporate Reserves to the Services to share the impact of mitigating the reduction in non-Area Based Grants.	Jul 10
Transfer of Noble House	167	Transfer of the Noble House budget from CYPS to CD.	Jul 10
Transfer of Community Engagement budget	200	Transfer of Community Engagement budget from CD to CAS.	Aug 10
Transfer of Postal Franker budget	69	Transfer of Postal Franker budget from CD to CYPS.	Aug 10
ITT Loan Advances	635	Invest to Transform (ITT) loan advances for 2010/11 to the Services.	Aug 10
G2G Card Funding	350	Funding from Corporate Reserves to CYPS for the G2G Card project.	Aug 10

Operational Savings - movements from Operational Savings into revenue

Notes	£000	Month
Members IT (CD)	9.5	Jul 10
Internal Audit and Risk Management (CD)	20	Jul 10
Corporate Development (CD)	90	Jul 10
Registration and Coroners (CD)	14	Jul 10
IT Services (CD)	40	Jul 10
Research and Financial Strategy (CD)	50	Jul 10
Corporate Director: Finance, Property and Performance (CD)	34.4	Jul 10
Corporate Director: People, Policy and Law (CD)	111.4	Jul 10
Reversal of the Corporate Development Ops Savings transfer (CD)	(90)	Aug 10
TOTAL	279.3	

APPENDIX 4: Reserves

Fund Description	Balance at 31 March 2010	2010-11		Forecast Balance 31 March 2011	Notes
		Movements in 2010-11	Balance at 31 Aug 2010		
	£000s	£000s	£000s	£000s	
General Reserves					
- County Fund Balance	8,694	-2,604	6,090	5,856	
- Services					
1CYPS	33	0	33	-2,195	Includes Service Forecast Outturn (FO)
2ES	1,061	-2	1,059	792	Includes Service Forecast Outturn (FO)
3CAS	-530	530	0	-1,721	Includes Service Forecast Outturn (FO)
4CD	919	-279	640	394	Includes Service Forecast Outturn (FO)
subtotal	10,177	-2,356	7,822	3,126	
Earmarked					
- Specific Reserves					
5Insurance	7,093	0	7,093	7,093	
6Invest to Transform - Corporate	2,323	-120	2,203	-747	FO after 2010/11 adjustments
7Invest to Transform – Offices	592	83	675	595	
8Pressures & Developments Reserve	3,033	-391	2,643	2,643	Includes £2.9m ABG transfer to Services
Subtotal	13,041	-427	12,614	9,584	
Trading Units					
9CYPS	-295	295	0	0	
10CAS	0	0	0	0	
11CD	70	0	70	70	
subtotal	-225	295	70	70	
Equipment Reserves					
12CYPS	143	-11	132	132	
13ES	388	-140	248	191	
14CAS	124	0	124	0	
15CD	782	2	784	812	
Subtotal	1,437	-149	1,287	1,134	
Other Earmarked Funds					
16CYPS	1,058	-505	553	50	
17ES	5,744	53	5,797	5,557	Includes delayed damages in respect of the Guided Busway
18CAS	1,005	-323	682	682	
19CD	461	0	461	0	
Subtotal	8,268	-775	7,493	6,289	
SMIs (LMS etc)					
20LMS Schools	17,830	0	17,830	17,830	
21SIPF	-1	1	0	0	3 to 5 year loans made to schools using their balances
Subtotal	17,829	1	17,830	17,830	
Grand Total	50,527	-3,411	47,116	38,033	

APPENDIX 5: Capital

Capital Expenditure 2010/11

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

Revised Budget £m	Capital Expenditure	Outturn Estimate £m	Outturn Variance £m
91.3	Children & Young People	88.4	(2.9)
51.9	Environment Services	47.0	(4.9)
6.2	Community & Adult Services	3.8	(2.4)
10.3	Corporate Directorates	8.0	(2.3)
159.7	Total Capital Spending	147.2	(12.5)

- The CYPS outturn position is £2.9m below the revised budget for August, compared to a £1.75m above budget reported in July. This change in outturn forecast is primarily due to a combination of a need to undertake additional pre-construction work and delays meaning that the acceleration of planned expenditure has not materialised on certain projects.

The variance reported is as a result of timing issues, with the exception of the School Condition Capital pressure previously reported. Of particular note are:

- The £2.2m forecast underspend on the Primary New Communities schemes due to slippage on the start dates at the Trumpington Meadows, Northstowe and North West Cambridge (both Huntingdon/Madingley Road and NIAB) primary school projects.
- The £1.6m forecast underspend on Secondary School projects relates to a two month slippage on the start date at Comberton Village College Phase 2 required to resolve traffic calming and drainage planning conditions and for contractor mobilisation.
- A forecast overspend on Mixed sector projects results from an overspend on School Condition Capital of £1.8m, and the site acquisition and development budget in 2010/11 of £0.3m.

Since the Integrated Plan was set the budget has increased by £10.8m providing a total revised budget of £91.3m for 2010/11. The budget increase is made up of:

- £9.3m relating to the Building Schools for the Future (BSF) programme as previously reported;
- £1.5m relating to funding brought forward from 2009/10 where the final spend was less than anticipated and increased S106 funding;
- £0.2m budget reduction in the Extended schools grant as a result of government savings; and
- £0.2m budget increase in August due to additional S106 funding secured for additional capacity at Benwick Primary School, Witchford VC all weather pitch and phase 3 Children's centres.

Reference is made above to the School Condition Capital overspend that has occurred in previous years. The overspend brought forward in the programme from 2009/10 is

£1.8m. As a result of a review of the capital programme, virements totalling £1.47m have been identified to resolve most of this overspend as follows:

- £100k from the 14-19 Diploma Funding for Secondary Schools budget;
- £274k from the Secondary CCN Upgrade 2010/11 budget;
- £500k from the Schools Condition Capital 2010/11 budget; and
- £594k from the Schools Access Initiative 2010/11 budget.

Cabinet is asked to approve these capital virements.

- ES is forecasting an outturn variance of £4.9m below the revised budget. There is a potential overspend relating to Waste Management Infrastructure projects due to the design costs for Witchford Recycling Centre. There is currently an on-going dispute with Capita Symonds regarding this scheme, which Officers are trying to resolve. However, most of the costs for the Witchford Recycling Centre are now expected to fall in 2011/12 and therefore show as an underspend in 2010/11.

Expenditure on the Guided Busway is in line with that detailed for 2010/11 in the most recent cashflow statement and is therefore reporting a zero variance. Clearly, however, there are on-going issues on this capital project, which have been well documented elsewhere.

A number of capital grants have also been cut as a consequence of the national economic situation. The specific grant cuts are: deletion of the Road Safety grant (£251k); reduction in the A10 detrunking grant (£133k) and the A505 Bridges grant (£50k). There is also a reduction of £2.04m in the amount of the LTP grant funding received this year and a paper will be submitted to Cabinet in September detailing the proposed savings. The majority of the LTP grant savings (£1.948m) are now reflected in the outturn forecast.

- The CAS outturn position is £2.4m below the revised budget. It is worth noting that:
 - Croyland/Larkfields (£1.2m) – completion of this programme is dependent upon the sale of the Croyland site;
 - The following projects are now funded by unrestricted government grants, following the announcement on 10th June 2010 by Mr Pickles:
 - HIV/AIDS
 - Adult Social Care IT Infrastructure
 - Social Care Reform Grant
 - CRIP3 grant of £193k was transferred from Corporate Directorates.
- The Corporate Directorates have a capital budget for 2010/11 of £10.3m and spend to date is £1.447m. It is currently expected that the programme will underspend by £2.3m largely due to rephasing of proposals under the General Protection and Response to Economic Uncertainty scheme.

An outturn underspend on IT Resilience (£314k) and IT Infrastructure Refresh (£125k) schemes reflect deliberate rescheduling of works until the Cambridgeshire Public Sector Network procurement has been completed later this financial year.

There are delays to planned works on the Shire Hall site under the Fire Compartment Surveys and Implementation scheme which will result in an in-year underspend of £250k. This is a timing decision to fit in with other works being carried out on site as part of the Better Utilisation of Property Assets Programme, thereby ensuring minimum disruption to employees, and does not reflect an overall reduction in scheme costs.

The £110k underspend on Better Utilisation of Property Assets is due to a reduced number of projects being progressed to business case stage during 2010/11, and there are a number of small underspends on other schemes totalling £124k.

These in-year underspends are partially offset by an expected overspend of £643k on the Huntingdon Office Rationalisation scheme. The overspend is partly due to additional costs incurred by decontaminating the site following a petrol spillage at a neighbouring site. £338k remediation recovery has been secured to cover these costs. It has yet to be identified how the remaining overspend of £305k will be funded.

Capital Financing 2010/11

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

General Funding resources (GFR) (Non Project Specific)			
£m		£m	£m
24.5	Supported Capital Expenditure (Revenue)	23.9	(0.6)
11.5	Capital Receipts (General)	10.4	(1.1)
36.0	Total General Financing	34.3	(1.7)

Project Specific Finances (PSF) (Ring-Fenced)			
0.0	Supported Capital Expenditure (Capital)	0.0	0.0
67.1	Specific Grants	63.6	(3.5)
2.3	Ring-Fenced Capital Receipts	1.6	(0.7)
9.9	Developer and Other Contributions	6.8	(3.1)
44.4	Prudential Borrowing	40.9	(3.5)
123.7	Total Specific Financing	112.9	(10.8)

	Funding Difference	0.0	0.0
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159.7	Total	147.2	(12.5)
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- The prospective Capital Receipts included in the target figures for 2010/11 followed the pattern of previous years, namely a small number of high value sales and a much larger number of lower value cases. To the end of August £0.24m has been completed or is subject to an unconditional exchange. The best year-end position is £9.5m and comprises sales with the following probabilities of completion:
 - £3.76m - high
 - £3.17m - medium
 - £1.8m - low
 - £0.78m - BUPA

Two multi-million pound sales due in 2010/11 of residential development land have been deferred for two years. Land at California Road in Huntingdon forms part of the Heart of Oxmoor regeneration project and has been delayed for technical / legal reasons. Whilst the completion of the sale at Glebe Farm, Trumpington has been deferred to enable the developers to commence investment and construction on this key site.

This is also the year in which the Netherhall Lower school site would have been sold (and multi-million pound tenders were received prior to the decision in February 2010 to retain and meet demographic needs).

Overall, the market remains patchy with Cambridge the strongest.

Any shortfall in Capital Receipts against the current outturn estimate of £12.1m will require additional prudential borrowing or a reduction in the capital spend 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.