

INTEGRATED RESOURCES AND PERFORMANCE REPORT – JULY 2010

To: **Cabinet**

Date: **7th September 2010**

From: **Corporate Director: Finance, Property & Performance**

Electoral division(s): **All**

Forward Plan ref: **2010/034**

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. Approves the two budget virements of £2.9m that represent the stripping out of the 1% savings target from Services followed by the redistribution of this funding back to the Services to meet pressures arising from recent notified Government funding cuts (see paragraph (para) 3.3).
3. Approves the new debt targets for 2010/11 (see para 4.7).

| <i>Officer contact:</i> | <i>Member contact:</i> |
|--|---|
| Name: Nick Dawe Post: Corporate Director (Finance, Property and Performance) Email: nicholas.dawe@cambridgeshire.gov.uk Tel: 01223 699236 | Name: John Reynolds Portfolio: Resources and Performance Email: John.Reynolds@cambridgeshire.gov.uk 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 **3** new exceptions to report this month.
 - National Indicator (NI) 130 Social Care Clients receiving Self Directed Support (RED) – actual performance (36.8) is as at end of July, against a target of 80 by the end of the year. Roll out of Self Directed Support started last year and is intended to be complete and embedded by the end of 2010/11, hence the high target. Due to the nature of the roll-out and review programme it is not currently possible to give an end of year estimate of performance.
 - Local Indicator (LI) 068 Overall Satisfaction of Website Customers (RED ↓) – although the target has not been achieved the council's satisfaction figure is

consistently above the average satisfaction figure for all council websites and Shire county websites in England. Since April 2010 this indicator has varied a maximum of ± 4 percentage points off the target and last month was rated green.

- NI 177 Local Bus Passenger Journeys Originating in the Local Authority Area – CCC (RED \uparrow) – in 2009/10 there was a growth of 0.69% in bus passenger journeys to a total of 22,060,128. This is below the council's challenging local target, although the Authority does remain on-course to achieve its LAA target. The lower than anticipated performance is due to a general downturn in the economy, in particular during the first six months. In addition the delay in the opening of the Guided Busway has meant that the resulting expected growth has not occurred.
- The Place Survey, which was due to be undertaken in Autumn 2010, was scrapped by the Government in early August. A number of National Indicators rely upon data collected by the Place Survey, and the Council has been informed that they will not be expected to report to Government on these indicators. An internal review of performance management is currently underway and is planned to report in October.
- The Government's intention to abolish the Audit Commission was signalled in a letter to the Chairman of the Audit Commission on the 13th August. The Audit Commission had responsibilities for overseeing and delivering audit and inspection of local government bodies. The Government intends to seek legislation for this move in this parliamentary session, with the aim of introducing a new system in the 2012/13 financial year. The proposal for a new system is based on councils appointing their own auditors, who will work within a regulated framework overseen by the National Audit Office. The Department for Communities and Local Government will be working with the Local Government Association, the National Audit Office and finance experts over the next few months to develop the new proposal.
- Previously reported exceptions that are still exceptions are (note: with the exception of NI152a these are all annual indicators):
 - NI 008 Adult Participation in Sport (RED) – a project plan has been put in place by Living Sport, the Cambs and Peterborough Sports Partnership, and other key partners with the aim of achieving the target set for this indicator by the end of the 2010 survey of use period (Active People Survey, October 2010). The 2012 Olympic and Paralympic Games are also now being used as a focus for stimulating activity around participation in sport and active recreation.
 - NI 155 Number of Affordable Homes Delivered (gross) (RED \leftrightarrow) – the 2009/10 outturn was just short of the 960 target (4% below). A couple of individual sites have experienced delays to completions, so a number of affordable homes will complete in 2010/11 rather than 2009/10. This is a matter of timing rather than delivery and the homes will still be completed in the very near future. This indicator remains on track to achieve the renegotiated 2010/11 Local Area Agreement (LAA) target of 1,146.
 - NI169 Non-Principal Roads where Maintenance should be considered (RED \downarrow) – latest provisional data indicates that maintenance should be considered on 7% of the non-principal classified road network. Subject to confirmation of the figure, the council's challenging 2009/10 target of 6% was not achieved. As a result of the cold spell in February 2009 there was a marked deterioration of the non-principal road network, so a slight reduction from target is a realistic outcome. In both absolute and relative terms, the council's performance remains very good and should still be placed within the top quartile of all county councils.

- NI152a Working Age People on Out of Work Benefits in Fenland (LAA) (RED ↓) – exception reports are regularly submitted to the Cambridgeshire Together Board updating them on progress.
- NI171 New Business Registration Rate - % of Regional Average (RED ↑) – recently released figures for 2009 shows poor performance. Reduction in availability of finance for business has been a large factor in businesses' lack of growth, particularly in the high-tech sector. To reflect this, the target for 2010/11 has been renegotiated down to 98%.

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

- Overall the budget position is showing a forecast year-end overspend of £2.9m (0.9%). This is an increase in the forecast overspend of £21k from the previous month (see table 3.4).
- In Environment Services (ES) an underspend of -£33k 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 £755k 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, in advance of work to identify compensating savings. This is due to pressures within Strategy and Commissioning (see para 4.4).
- In Corporate Directorates (CD) an underspend of -£18k is being predicted, which is due to savings identified within Customer Services and Transformation (see para 4.5).
- In Corporate Directorates – Financing, an overspend of £44k is being predicted due to higher borrowing than budget for in the Integrated Plan.
- Spending on the council's overall capital programme is currently proceeding slower than estimated (see para 4.6).
- Cabinet is asked to approve the two budget virements of £2.9m that represent the stripping out of the 1% savings target from Services followed by the redistribution of this funding back to the Services to meet pressures arising from recent notified Government funding cuts (see para 3.3).
- There are no significant debt problems to report at this point in time. And there are no noticeable effects arising from the economic downturn. Cabinet is asked to approve the new debt targets for 2010/11 (see para 4.7).

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

2010/11 is going to be a year of financial challenge. On the 10th June the council was notified of revenue and capital reductions of £2.9m and £2.5m respectively, following the new Coalition Government's announcement to make £1.165bn in-year cuts to Local Government. Since this time further grant reductions of £0.573m (revenue) and £1.861m (capital) have been confirmed and/or have been strongly indicated for this council.

Over and above these further notifications relating solely to this Authority, there is now a strong indication that the outstanding Local Public Service Agreement (LPSA) Reward Grant payment of £4.5m will not be made.

Services have been tasked with making a 1% saving (£2.9m) in 2010/11. This saving target has been deducted from the Services' budget in July and has then been redistributed to share the burden of the revenue grant cuts in a more equitable manner. Approval was

gained for this approach from SMT/Cabinet and has therefore been incorporated into the reported figures this month. Cabinet are, however, asked to provide formal approval for the virement of £2.9m from the Services to the Pressure and Developments Reserve and the subsequent virement of £2.9m to redistribute this funding back out to the Services.

Executive and Corporate Directors have been tasked with reviewing capital programmes to take account of the capital grant reductions. Proposals to address these reductions will be included in August's report.

3.4 Revenue Income & Expenditure Summary

| Outturn Variance (June) £000 | Service | Budget for 2010/11 £000 | Current Variance £000 | Forecast Outturn (July) £000 | Forecast Outturn (July) % | Overall Status | DoT |
|------------------------------|-------------------------------|-------------------------|-----------------------|------------------------------|---------------------------|----------------|----------|
| -50 | ES * | 51,876 | -57 | -33 | -0.1% | G | ↓ |
| 755 | CAS | 145,682 | 12,404 | 755 | 0.5% | A | ↔ |
| 2,192 | CYPS | 84,223 | 393 | 2,164 | 2.6% | R | ↑ |
| -50 | CD Direct | 33,816 | -124 | -18 | -0.1% | G | ↓ |
| 44 | CD Financing | 29,050 | -11,381 | 44 | 0.2% | A | ↔ |
| 2,891 | Total Service Spending | 344,647 | 1,235 | 2,912 | 0.8% | A | ↓ |
| 0 | Financing Items | -5,234 | 1,717 | 0 | 0.0% | G | ↔ |
| 2,891 | Total Spending 2010/11 | 339,413 | 2,952 | 2,912 | 0.9% | A | ↓ |

* ES includes a Priority Investment (A14 Inquiry), where specific arrangements for underspends exist. Excluding this the underlying forecast outturn position for ES is £45k overspend.

3.5 Capital Programme Summary

| Revised Budget (July) £m | Capital Summary | Outturn Estimate (July) £m | Outturn Variance (July) £m | Overall Status | DoT |
|--------------------------|--|----------------------------|----------------------------|----------------|----------|
| 161.3 | Total Capital Spending | 156.6 | -4.7 | A | ↓ |
| 37.5 | Total General Financing | 37.4 | -0.1 | G | ↑ |
| 123.8 | Total Specific Financing | 119.2 | -4.6 | G | ↓ |
| | Unsupported Expenditure (Funding Difference) | 0.0 | 0.0 | G | ↑ |
| 161.3 | Total Capital Financing | 156.6 | -4.7 | 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 (-£33k 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 (-£78k 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 overspend would be £45k.

4.3 Community and Adult Services (£755k overspend)

4.3.1 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):-

- Physical Disability & Sensory Services (£400k overspend).
- Libraries, Archives and Information (£196k overspend).
- Older People and Occupational Therapy (OT) Pooled Budget (£139k overspend).

Plans to resolve these problems will be considered in summary in the August report.

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

4.4.1 At the end of July CYPS is forecasting an overspend of £2.2m. There are very significant pressures within CYPS arising largely as a result of recent increases in Looked After Children Numbers. These pressures now total £4.1m, of which £2.8m relates to the pressure on the Placements - Social Care budget.

Strategies are already in place to find £1.7m of savings, which include £1.4m from vacant posts. The remaining £2.4m is being addressed by a major review of all budgets, both core and grant funded, to free up available resource wherever possible. A full list of savings will be produced for the August report.

4.4.2 The following issues from previous months are still ongoing (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 (£2.8m overspend).
- Strategic Management – Enhanced & Preventative Services (-£176k underspend).

Plans to resolve these issues will be considered in summary in the August report.

4.5 Corporate Directorates (-£18k underspend)

Customer Services and Transformation (-£154k underspend):

- 4.5.1 The Director of Customer Services and Transformation budget is forecasting a year-end overspend of £75k. This is due to further restructuring work to reduce costs within the Directorate that has not yet taken place. The pressure will be offset from other underspends identified across the Directorate.
- 4.5.2 Business Support and Facilities Management is reporting a year-end underspend of -£250k. 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 on-going pressures in County Offices. While costs have been reduced due to 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.
- 4.5.3 Corporate Communications is currently showing an overspend of £102k at year-end due to the delay in realising the savings target on County publications and distribution. This pressure is being managed within the Directorate.
- 4.5.4 IT Services is forecasting a -£68k underspend, which is due to a £44k windfall from the accrual project and £25k from a half year temporary vacant post.

Finance, Property and Performance (£136k overspend)

- 4.5.5 The Better Utilisation of Property Assets (BUPA) budget is forecasting a year-end overspend of £242k. 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 £242k overspent. Work continues to recover this by a combination of charges for extra staff and additional savings from buildings identified for closure by the Head of Business Support and Facilities Management. 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. Proposals will be brought forward in the August report.

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

Finance, Property and Performance

- Research and Financial Strategy (-£100k 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 -£4.7m 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 Capital Receipts outturn estimate is currently £13.2m, however, the actual predicted capital receipts based on the latest information available and market conditions is approximately £3.26m. The potential shortfall of £10m capital receipts will require additional prudential borrowing or a reduction in the capital spend programme

Executive and Corporate Directors have been tasked with reviewing capital programmes to take account of the £2.5m capital grant reductions announced on the 10th June 2010 and the further capital reductions of £1.861m that have since been confirmed and/or have been strongly indicated for this council.

4.7 Debt Outstanding (owed to the Council)

Longer-term debt (> 6 months old) has increased by £47k in July to £973k. Of this balance, £948k (98%) is subject to secondary recovery action. Debt in the 4-6 month age range has decreased by £349k at the end of July to £897k. Emerging debts are currently with the Recovery Team and Budget Holders to resolve, with £743k (83%) of the debt outstanding subject to secondary recovery action.

Debt Targets 2010/11

The Council's corporate debt targets have been reviewed in light of the good performance during 2009/10 and the need to continuously improve collection rates, but tempered to reflect the present difficult economic climate. Last year the final figure for debt over 6 months was £856k (against a target of £1,060k) and for debt in the 4-6 month range was £479k (against a target of £430k).

Following consultation with the Services, a debt target of £990k is recommended for the value of debt outstanding over 6 months old and a target of £410k for the value of debt outstanding in the 4-6 month age range. These targets represent a 6.6% and 4.7% improvement respectively on the former 2009/10 targets. Cabinet is asked to approve these new debt targets for 2010/11.

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 (July). CAS Budgetary Control Report (July). CYPs Budgetary Control Report (July). CD Budgetary Control Report (July). Capital Monitoring Report (July). Performance Management Report and Corporate Scorecard (July). Aged Debt per Directorate – as at 31 st July 10. | Room 301, Shire Hall, Cambridge |
|--|---------------------------------------|

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 | % | 30-Jun-2010 | 4.6 | 1.9 | G | ↑ | |
| NI088 % of schools providing access to extended services | High | % | 30-Jun-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-Jul-2010 | 36.8 | 80 | R | ♦ | |
| NI136 People supported to live independently (all ages) | High | rate per population | 31-Jul-2010 | 2809 | 3116 | A | ↓ | |
| NI148 Care leavers in EET | High | % | 30-Jun-2010 | 71.4 | 75 | A | ↓ | |
| 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 | 30-Jun-2010 | 351 | 375 | 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 - CCC | High | Number | 31-Mar-2010 | 22060128 | 24500000 | R | ↑ | R |
| 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 | 80.5 | 80 | G | ↑ | G |
| NI152a Working age people on out of work benefits in Fenland - LAA | Low | % | 30-Sep-2009 | 13.9 | 11.5 | R | ↓ | R |
| NI163 Working age population qualified to at least Level 2 | High | % | 31-Mar-2009 | 73.4 | 74 | A | ↑ | 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 | % | 30-Jun-2010 | 51.7 | 51.4 | G | ↑ | G |
| 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-Jul-2010 | | | A | ↔ | |
| Finance - CAS | High | Number | 31-Jul-2010 | | | A | ↔ | |
| Finance - CD Direct | High | Number | 31-Jul-2010 | | | G | ↔ | |
| Finance - CD Financing | High | Number | 31-Jul-2010 | | | A | ↔ | |
| Finance - CYPS | High | Number | 31-Jul-2010 | | | R | ↔ | |
| Finance - ES | High | Number | 31-Jul-2010 | | | G | ↔ | |
| LI025 Sickness Absence (CCC) | Low | working days | 31-Jul-2010 | 2.02 | 2.56 | G | ♦ | G |
| LI031 % of staff from ethnic minorities as a % of the workforce | High | % | 31-Jul-2010 | 4.81 | 4.1 | G | ↑ | G |
| LI044 Value of outstanding invoices per age range >6 months | Low | £ | 31-Jul-2010 | 972751 | 1060000 | G | ↓ | G |
| LI277 Prompt Payment | High | % | 31-May-2010 | | | G | ↔ | |
| NI179 VFM | High | £0,000 | 31-Jul-2010 | 18194 | 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-Jul-2010 | 36 | 40 | R | ↓ | |
| LI069 Contact Centre - Telephone Contact Handling Accuracy | High | % | 31-Mar-2009 | 87 | 75 | G | ♦ | 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-Jul-2010 | 80 | 80 | G | ↓ | |
| Operational - Organisational Health | | | | | | | | |
| LI039 Payment of undisputed invoices within 30 days | High | % | 31-Jul-2010 | 98.82 | 97 | G | ↑ | |
| Operational - People Management & Development | | | | | | | | |
| LI032 Recruitment lead times | Low | days | 31-Jul-2010 | 28.03 | 33 | G | ↑ | G |
| LI026a Sickness Absence - YTD (CD) | Low | Number | 31-Jul-2010 | 1.53 | 2.02 | G | ♦ | G |
| LI106a Sickness Absence - YTD (ES) | Low | Number | 30-Jun-2010 | 1.21 | 1.41 | G | ♦ | |
| LI211 Sickness absence - YTD (CYPS) | Low | Number | 30-Jun-2010 | 1.7 | 2.04 | G | ♦ | |
| LI283 Sickness Absence - YTD (CAS) | Low | Number | 30-Jun-2010 | 1.7 | 2.11 | 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 -£33k at year-end. This represents -0.1% of net expenditure.

| Previous Month's Outturn (Jun) £'000 | Directorate | Note | Budget for 2010/11 £'000 | Current Variance £'000 | Forecast Outturn (Jul) £'000 | Forecast Outturn (Jul) % | Overall Status | D o T |
|---|----------------------------------|------|-----------------------------|---------------------------|---------------------------------|-----------------------------|----------------|----------|
| 0 | Executive Director | | 824 | -16 | 0 | 0.0% | G | ↔ |
| 49 | Highways & Access | | 27,336 | -176 | 45 | 0.2% | A | ↑ |
| -99 | Growth & Infrastructure | i | 1,194 | -35 | -78 | -6.5% | G | ↓ |
| 0 | Environment & Regulation | | 7,354 | -44 | 0 | 0.0% | G | ↔ |
| 0 | External Grants | | -3,210 | 0 | 0 | 0.0% | G | ↔ |
| -50 | Total Office Funded Items | | 33,498 | -270 | -33 | -0.1% | G | ↓ |
| 0 | Waste PFI | | 18,378 | 213 | 0 | 0.0% | G | ↔ |
| -50 | Total | ii | 51,876 | -57 | -33 | -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 for this scheme. The unspent funding at year-end is estimated to be £78k. 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 overspend would be £45k.

Community and Adult Services (CAS)

CAS is forecasting to overspend by £755k at year-end. This represents 0.5% of net expenditure.

| Previous Month's Outturn (Jun) £'000 | Directorate | Note | Budget for 2010/11 £'000 | Current Variance £'000 | Forecast Outturn (Jul) £'000 | Forecast Outturn (Jul) % | Overall Status | D o T |
|---|--------------------------------|-------|-----------------------------|---------------------------|---------------------------------|-----------------------------|----------------|-------|
| 0 | Executive Director | | 781 | 243 | 0 | 0.0% | G | ↔ |
| 539 | Adult Support Services | i, ii | 156,493 | 15,795 | 539 | 0.3% | A | ↔ |
| 216 | Libraries, Learning & Culture | iii | 10,138 | 1,247 | 216 | 2.1% | A | ↔ |
| 0 | Community Engagement & Fenland | | 4,171 | -1,225 | 0 | 0.0% | G | ↔ |
| 755 | Total Expenditure | | 171,584 | 16,060 | 755 | 0.4% | A | ↔ |
| 0 | External Grants | | -25,902 | -3,656 | 0 | 0.0% | G | ↔ |
| 755 | Total | | 145,682 | 12,404 | 755 | 0.5% | A | ↔ |

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

Adult Support Services

- iii. Within Physical Disability and Sensory Services (PD/SS), PD currently shows an anticipated year-end overspend of £400k. 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.
- iv. The Older People pool budget is currently forecasting a pressure of £200k (with the council's share being £139k). 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 £196k is being forecast in relation to the Library Service, which is due to a combination of factors. These are: the increased demand at the new / refurbished libraries; the necessary timescales for the detailed work to implement the planned savings in 2010/11; and the continued general decline in take-up of chargeable services. Actions are being actively pursued to mitigate the impact of this pressure, including:
 - increasing fees and charges and reviewing concessions to ensure the Integrated Plan target increase for income is achieved.
 - a freeze on non-frontline vacancies.
 - close scrutiny of local library running costs.
 - close scrutiny of all one-off expenditure.

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 (Jun) £'000 | Directorate | Note | Budget for 2010/11 £'000 | Current Variance £'000 | Forecast Outturn (Jul) £'000 | Forecast Outturn (Jul) % | Overall Status | D o T |
|---|---|----------------|-----------------------------|---------------------------|---------------------------------|-----------------------------|----------------|----------|
| -1,274 | Executive Director | i, ii | 7,422 | -806 | -1,532 | -20.6% | G | ↑ |
| 0 | Learning | | 15,179 | -11 | 0 | 0.0% | G | ↔ |
| 3,592 | Strategy & Commissioning | iii, iv, v, vi | 66,409 | 1,608 | 3,822 | 5.8% | R | ↓ |
| 0 | Children's Social Care | | 37,816 | -64 | 0 | 0.0% | G | ↔ |
| -126 | Children's Enhanced & Preventative Services | vii | 28,860 | -334 | -126 | -0.4% | G | ↔ |
| 2,192 | Total Expenditure Including Grant Funded Spend | | 155,687 | 393 | 2,164 | 1.4% | A | ↑ |
| 0 | Grant Funded Spend | | -71,464 | 0 | 0 | 0.0% | G | ↔ |
| 2,192 | Total | | 84,223 | 393 | 2,164 | 2.6% | R | ↑ |

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

Executive Director

- i. In 2009/10 savings of £1.545m were made across CYPS as a result of unplanned vacancies. The strategy of collecting such savings centrally creating an underspend on central financing to offset pressures elsewhere in CYPS will continue in 2010/11 and an assumption of £1.42m has been made for such savings in this financial year. In the first quarter to June 2010 vacancy savings of £559k have been achieved.

The removal of amounts reserved at the end of 2008/09, which were not subsequently needed, released £195k in 2009/10. An assumption of £100k has been made for similar savings in 2010/11 from amounts reserved at the end of 2009/10.

In July CYPS received £258k of funding to offset reductions in anticipated grant funding. At the current time this funding has not been allocated and so in the short term is being shown as a forecast underspend on central financing to offset pressures elsewhere within CYPS. Savings strategies are currently being finalised to address the very significant pressures faced by CYPS both from grant and non grant pressures. The £258k of funding will form part of the overall strategy to bring the CYPS bottom line back into balance. Details of the agreed strategy will be reported in the August report.

- 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 have been 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 recent 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. £250k of this is a historical pressure on the Out of School budget. 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 £2.8m at year-end. 277 children were in placements on 1st April 2010 compared to 223 children at the end of 2008/09 (an increase of 24%). Needs continue to be increasingly complex and associated costs of the placements needing to be made rises accordingly.

At the end of July total placements were 270 compared to 238 budgeted places. 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 Enhanced and Preventative Services

- vii. Strategic Management - Enhanced and Preventative Services is forecast to be -£176k underspent at year-end. A number of Integrated Plan savings targets for 2011/12 have been found in advance, realising savings in this financial year of -£176k.

Corporate Directorates (CD)

CD is forecasting to overspend by £26k at year-end. This represents 0.0% of net expenditure.

| Previous Month's Outturn (Jun) £'000 | Directorate | Note | Budget for 2010/11 £'000 | Current Variance £'000 | Forecast Outturn (Jul) £'000 | Forecast Outturn (Jul) % | Overall Status | D o T |
|---|------------------------------------|----------------|-----------------------------|---------------------------|---------------------------------|-----------------------------|----------------|-------------|
| 0 | Customer Services & Transformation | i, ii, iii, iv | 19,228 | -63 | -154 | -0.8% | G | ↑ |
| -50 | Finance, Property & Performance | v, vi | 7,611 | -42 | 136 | 1.8% | A | ↓ |
| 0 | People, Policy & Law | | 9,121 | -18 | 0 | 0.0% | G | ↔ |
| -50 | Gross Expenditure | | 35,960 | -123 | -18 | -0.1% | G | ↓ |
| 0 | External Grant Income | | -2,144 | -1 | 0 | 0.0% | G | ↔ |
| -50 | Sub Total | | 33,816 | -124 | -18 | -0.1% | G | ↓ |
| | Financing Costs: | | | | | | | |
| 44 | Debt Charges and Interest | | 27,883 | -11,381 | 44 | 0.2% | A | ↔ |
| 0 | Restructure Support Costs | | 1,167 | 0 | 0 | 0.0% | G | ↔ |
| -6 | Total | | 62,866 | -11,505 | 26 | 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 £75k. This is due to further restructuring work to reduce costs within the Directorate that has not yet taken place. 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 -£250k. 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 County Offices. While costs have been reduced due to 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 £102k at year-end, due to the delay in realising the savings target on County publications and distribution. This pressure is being managed within the Directorate.
- iv. IT Services is reporting a -£68k underspend, which is due to a £44k windfall from the accrual project and £25k from a half year temporary vacant post.

Finance, Property and Performance

- v. Research and Financial Strategy is currently forecasting an underspend of -£100k. This is due to staffing vacancies within Financial Strategy that are not expected to be filled this financial year.
- vi. The Better Utilisation of Property Assets (BUPA) is forecasting a year-end overspend of £242k. 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 £242k overspent. Work continues to recover this by a combination of charges for extra staff and additional savings from buildings identified for closure by the Head of Business Support and Facilities Management. 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.

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 July 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 | DfT | Various | 3,433 | 3,136 | -297 |
| Home Office ABG | HO | Various | 684 | 631 | -53 |
| Communities & Local Government ABG | 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 | 20 | -130 |
| Dedicated Schools Grant (DSG) | DfE | SMLs | 321,114 | 319,669 | -1,445 |
| Diploma Formula | DfE | Learning | 711 | 1,500 | 789 |
| 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 |

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 |

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 |
| TOTAL | 369.3 | |

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 Jul 2010 | | |
| | £000s | £000s | £000s | £000s | |
| General Reserves | | | | | |
| - County Fund Balance | 8,694 | -2,604 | 6,090 | 6,046 | |
| - Services | | | | | |
| 1CYPS | 33 | 0 | 33 | -2,131 | Includes Service Forecast Outturn (FO) |
| 2ES | 1,061 | -2 | 1,059 | 760 | Includes Service Forecast Outturn (FO) |
| 3CAS | -530 | 0 | -530 | -755 | Includes Service Forecast Outturn (FO) |
| 4CD | 919 | -369 | 550 | 121 | Includes Service Forecast Outturn (FO) |
| subtotal | 10,177 | -2,976 | 7,202 | 4,041 | |
| Earmarked | | | | | |
| - Specific Reserves | | | | | |
| 5Insurance | 7,093 | 0 | 7,093 | 7,093 | |
| 6Invest to Transform - Corporate | 2,323 | -120 | 2,203 | -897 | FO after 2010/11 adjustments |
| 7Invest to Transform – Offices | 592 | 2 | 593 | 615 | |
| 8Pressures & Developments Reserve | 3,033 | -391 | 2,643 | 2,643 | Includes £2.9m ABG transfer to Services |
| Subtotal | 13,041 | -509 | 12,533 | 9,454 | |
| 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 | -50 | 338 | 191 | |
| 14CAS | 124 | 0 | 124 | 0 | |
| 15CD | 782 | 2 | 784 | 782 | |
| Subtotal | 1,437 | -59 | 1,378 | 1,104 | |
| Other Earmarked Funds | | | | | |
| 16CYPS | 1,058 | -438 | 620 | 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 | -708 | 7,560 | 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 | -3,956 | 46,572 | 38,788 | |

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 |
|----------------------|-------------------------------|------------------------|------------------------|
| 91.1 | Children & Young People | 92.9 | 1.8 |
| 53.7 | Environment Services | 49.1 | (4.6) |
| 6.2 | Community & Adult Services | 3.8 | (2.4) |
| 10.3 | Corporate Directorates | 10.8 | 0.5 |
| 161.3 | Total Capital Spending | 156.6 | (4.7) |

- The CYPS outturn position is £1.75m above the revised budget. This is predominately due to the Schools Condition Capital budget deficit brought forward from 2009/10, which will be funded as part of the annual capital programme Integrated Planning Process (IPP) review.

The increase in the outturn forecast of £96k on last month is due to £90k of additional costs charged to Primary final payments and £6k of accelerated costs charged to Secondary and special school minor works pre BSF 2011/12.

All other variances are timing issues only. Of particular note are:

- The £1.8m forecast overspend on the Primary Demographic Pressure projects, which is the result of accelerating the Pendragon Primary extension to start on site in August 2010 with the aim of completing by May 2011, and a number of mobile accommodation projects to ensure places are available for September 2011; and
- The £1.3m forecast underspend on Secondary School projects relates to Comberton Village College Phase 2 Improvements where a two month delay to the start on site has been incurred.

Since the Integrated Plan was set the budget has increased by £10.6m providing a total revised budget of £91.1m for 2010/11. The budget increase is made up of:

- £9.3m relating to the Building Schools for the Future (BSF) programme as reported in May;
 - £1.5m relating to funding brought forward from 2009/10 where the final spend was less than anticipated and increased S106 funding; and
 - £0.2m budget reduction in the Extended schools grant as a result of government savings.
- ES is forecasting an outturn variance of £4.6m 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 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 CD outturn position is £0.5m above the revised budget. This outturn variance is due to a projected overspend on the Huntingdon Office Rationalisation scheme. Remedial action is being sought, but has not yet been identified.

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 |
| 24.2 | Supported Capital Expenditure (Revenue) | 24.2 | 0.0 |
| 13.3 | Capital Receipts (General) | 13.2 | (0.1) |
| 37.5 | Total General Financing | 37.4 | (0.1) |
| Project Specific Finances (PSF) (Ring-Fenced) | | | |
| 1.7 | Supported Capital Expenditure (Capital) | 0.8 | (0.9) |
| 62.1 | Specific Grants | 61.3 | (0.8) |
| 1.6 | Ring-Fenced Capital Receipts | 1.6 | 0.0 |
| 10.5 | Developer and Other Contributions | 7.7 | (2.8) |
| 47.9 | Prudential Borrowing | 47.8 | (0.1) |
| 123.8 | Total Specific Financing | 119.2 | (4.6) |
| | Funding Difference | 0.0 | 0.0 |
| 161.3 | Total | 156.6 | (4.7) |

- The Capital Receipts outturn estimate is currently £13.2m, however, the actual predicted capital receipts based on the latest information available and market conditions is approximately £3.26m. The potential shortfall of £10m capital receipts 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.