

INTEGRATED RESOURCES AND PERFORMANCE REPORT – SEPTEMBER 2010

To: **Cabinet**

Date: **16th November 2010**

From: **LGSS Director of Finance**

Electoral division(s): **All**

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

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

Recommendation: **That Cabinet:**

- a) Analyses resources and performance information and notes the remedial action currently being taken and considers if any further remedial action is required.**
- b) Approves the progression of a number of capital schemes, within the overall Carbon Reduction Scheme, to a value of £125k (see paragraph 4.6)**

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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:-

- Indicators that are no longer exceptions this month are:
 - National Indicator (NI) 148 Care Leavers in Education, Employment or Training (EET) (AMBER ↑).
 - NI 169 Non-Principal Roads where Maintenance should be considered (GREEN ⇔).
- There are **7** new exceptions to report this month:
 - NI 130 Social Care Clients receiving Self Directed Support (RED ↑) – while performance stands at 40% for the end of September, to reach 80% by the end of the year remains a challenge. However, all teams continue to work to achieve end of year targets and overall performance against this indicator remains very strong when compared to other Local Authorities (rated 10th out of 152 authorities overall for 2009/10).
 - NI 131 Delayed Transfers of Care from Hospitals per 100,000 Aged 18+ (RED ↓) – actions put in place for 2009/10 continue. The Executive Director of CAS and the Chief Executive of NHS Cambridgeshire continue to be involved in actions to resolve below target performance.
 - Business Mileage CCC Total YTD (RED ↓) – the business mileage reduction target was set in April for 10% reduction over a three year period. It is likely that many teams across the County Council have only just begun to tackle their mileage issues and so it may take some time before the results begin to improve.
 - Local Indicator (LI) 044 Value of Outstanding Invoices per Age Range >6 Months (RED ↓) – four large strategic debts totalling £455k are adversely affecting performance. Balances actively being chased via Legal and senior officer intervention.
 - Local Indicator (LI) 136a CCC % of Contact Centre Calls Answered within 20 Seconds (RED ↓) – multiple service impacts have occurred this month, beyond that highlighted by any planning data. The impact from the go-live of the new Adult Social Care model at the contact centre has not yet subsided, but analysis is under way to understand why and to plan actions to resolve this.
 - NI 179 VfM (RED ↓) – the year-end efficiency saving forecast is currently estimated to be £14.7m, which is below the target level of £15.5m. This is a reduction of £3.6m reported last month, which is mainly due to a delay in projects/reviews where it is now unlikely to realise the full saving in this financial year.
 - LI 303 Response to FOI Requests within a Specified Timescales – fail rate (RED ↑) – although some 80% of requests were being answered on time in August and September, this does not meet the target of 85% FOI passes, which is considered good performance by the Information Commissioner's Office, nor the internal target of 90% processed on time. The Information Governance Team has been under strength since April (2 members instead of 3), but demand has not diminished. The reporting period considered was also affected by staff absence due to illness, both in Information Governance and among the wider group of FOI Representatives, and by summer leave across the organisation sometimes making it difficult to obtain information. Finally, the release of a number of particularly sensitive high profile requests was delayed while checks were undertaken within the organisation to make sure that the information was presented in an appropriate way. As of the 18th October 2010, the Information Governance Team is back to full strength with 3 members. Although an additional workload was taken on from the 1st October (requests to access social care information), the team is confident that they will be able to make real

progress in bringing the Council's performance in this area back to the level expected by the Information Commissioner's Office. As is clear from the figures, this was almost achieved in September 2010 and the team is confident that they can continue to improve performance.

- 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).
 - NI 152b – Working age people on out of work benefits in Fenland – difference between Fenland and the regional average.
 - NI 163 – Working age population qualified to at least Level 2.
 - NI171 – New business registration rate - % of regional average.

These indicators are measured annually (except NI152b, which is quarterly).

- This month's scorecard (appendix 1) features a different set of indicators to the previous month to take account of changes to the National Indicator Set. The changes are highlighted in appendix 6, with a reason for the deletion or inclusion of each indicator. These changes have been made with the full involvement of Service Performance and Management Information teams.
- The Secretary of State for Communities and Local Government announced in October that Local Area Agreements and the statutory requirement to report performance of indicators in the National Indicator Set were to be abolished. The National Indicator Set will be replaced with a single list of all the data that local government is expected to provide to Central Government from April 2011. The Corporate Performance Team has been tasked by Strategic Management Team to review the council's performance management arrangements in response to this and other changes.

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

- Overall the budget position is showing a forecast year-end overspend of £4m (1.2%). This is an increase in the forecast overspend of £169k from the previous month (see table 3.4). This increase is mainly due to a newly reported pressure identified within the Mental Health service (CAS).
- Although the report shows a further deterioration in the position, work is in hand to produce a balanced financial outturn by the end of the financial year. Early indications are that CYPS overspending may be contained to circa £1.3m, CAS overspending to £0.5m, a balanced position is probably achievable in Debt Charges and further underspends are probable in ES and CD. These measures, together with an issue of contingency funding from reserves to cover the unexpected increase in the number of looked after children, should ensure financial balance at the year-end.
- In Environment Services (ES) an underspend of -£114k is currently being predicted, which is due to savings within Growth and Infrastructure (see para 4.2).
- In Community and Adult Services (CAS) an overspend of £2m is currently 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 £2.1m is currently 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 -£214k is currently 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 £250k is currently being predicted due to higher borrowing than budgeted for in the Integrated Plan and a write-off of a debt (see para 4.5).
- Spending on the council's overall capital programme is currently proceeding slower than estimated (see para 4.6).
- Cabinet is asked to approve the progression of a number of capital schemes, within the overall Carbon Reduction Scheme, to a value of £125k (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).
- This month's report includes a half yearly update on the Corporate Invest to Transform (ITT) Fund (see para 4.8).

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

On 20 October, the Chancellor of the Exchequer announced the coalition's Comprehensive Spending Review to eliminate the structural deficit by 2015. The review was introduced as being underpinned by "a far-reaching programme of public sector reform", and premised on three principles: reform, fairness and growth. It was announced that spending on health, education, security and infrastructure would be prioritised, whilst savings would be achieved largely through cutting waste and reforming welfare.

For Councils, funding from central government will be cut on average by 7.1% per year over next four years (excluding schools, fire and rescue and police), although early years cuts will be proportionally greater.

For Cambridgeshire, it is likely that the announced figures will translate into savings of around 35% over the next five years, equating to around £135 million. The current round of Integrated Planning Process (IPP) has anticipated this higher level of savings, building on our existing plans for £16million savings this year.

Critical decisions will be made over the next few months in terms of which services we transform, which we will cease, and which we look to enable communities to co-produce.

The Spending Review document in full can be found at:
http://cdn.hm-treasury.gov.uk/sr2010_completereport.pdf

3.4 Revenue Income & Expenditure Summary

Outturn Variance (August) £000	Service	Budget for 2010/11 £000	Current Variance £000	Forecast Outturn (Sept) £000	Forecast Outturn (Sept) %	Overall Status	D o T
-74	ES *	52,229	-125	-182	-0.3%	G	↑
1,721	CAS	145,853	15,711	2,047	1.4%	A	↓
2,228	CYPS	84,639	495	2,148	2.5%	R	↑
-229	CD Direct	34,165	-1,030	-214	-0.6%	G	↓
234	CD Financing	29,050	-16,395	250	0.9%	A	↓
3,880	Total Service Spending	345,936	-1,344	4,049	1.2%	A	↓
0	Financing Items	-6,522	-185	0	0.0%	G	↔
3,880	Total Spending 2010/11	339,414	-1,529	4,049	1.2%	A	↓

* ES includes a Priority Investment (A14 Inquiry), where specific arrangements for underspends exist. Excluding this the underlying forecast outturn position for ES is -£114k underspend.

3.5 Capital Programme Summary

Revised Budget (Sept) £m	Capital Summary	Outturn Estimate (Sept) £m	Outturn Variance (Sept) £m	Overall Status	DoT
159.5	Total Capital Spending	145.1	-14.4	A	↑
36.0	Total General Financing	34.6	-1.4	G	↓
123.5	Total Specific Financing	110.5	-13.0	G	↑
	Unsupported Expenditure (Funding Difference)	0.0	0.0	G	↔
159.5	Total Capital Financing	145.1	-14.4	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 (-£182k underspend)

- 4.2.1 New Communities is forecasting an underspend of -£104k. This is due to a number of vacancies within the Service, where the intention is not to recruit to these posts this financial year.
- 4.2.2 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 -£114k.

4.3 Community and Adult Services (£2m overspend)

- 4.3.1 Within Mental Health a pressure of c.£200k is arising from care packages. This is being closely monitored by the management team and plans are being put in place to mitigate this increase.
- 4.3.2 The following issues from previous months are still ongoing (the detail can be obtained by referring to appendix 2):-
- Learning Disability Partnership (£748k overspend).
 - Older People and Occupational Therapy (OT) Pooled Budget (£553k overspend).
 - Physical Disability & Sensory Services (£500k overspend).
 - Libraries, Archives and Information (£220k overspend).
 - Executive Director (-£180k underspend).

4.4 Children and Young People Services (£2.1m overspend)

- 4.4.1 At the end of September CYPS is forecasting an overspend of £2.1m.

Significant pressures have been forecast across CYPS since the beginning of this financial year. To address these pressures a major review was undertaken to curtail non essential spend and release savings. Some £4m of savings were identified to offset pressures.

However, pressures in CYPS have continued to rise principally as a result of a significant increase in costs 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.

Having released £4m of savings from CYPS budgets the scope for further savings is limited, but actions are being taken to reduce the overspend in the remainder of the year. These include continuing development of the placements strategy and savings in the Home to School transport budget. If it becomes possible to release further savings these will be made, but Cabinet assistance is now requested to help address the current projected overspend of £2.1m.

4.4.2 The following issues from previous months are still showing overspends although partially offsetting savings have been found elsewhere as explained in 4.4.1 (the detail can be obtained by referring to appendix 2):-

- Placements – Social Care (£3.4m overspend).
- Strategic Management – Children’s Social Care (£941k overspend).
- Placements – Education (£700k overspend).
- Area Social Care Teams (£454k overspend).
- Teachers Pensions (£250k overspend).
- Groomfields (£200k overspend).
- Catering & Cleaning Services (£192k overspend).
- Residential Units (£190k overspend).

4.5 Corporate Directorates (£36k overspend)

Customer Services and Transformation (-£319k underspend):

4.5.1 There are no new issues to report this month.

Finance, Property and Performance (£174k overspend):

4.5.2 There are no new issues to report this month.

People, Policy and Law (-£69k underspend):

4.5.3 There are no new issues to report this month.

4.5.4 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 (£160k overspend).
- Director of Customer Services and Transformation (£93k overspend).
- Business Support and Facilities Management (-£499k underspend).
- Service Transformation (-£50k underspend).

Finance, Property and Performance:

- Better Utilisation of Property Assets (BUPA) (£230k overspend).
- Research and Financial Strategy (-£50k underspend).

Financing:

- Debt Charges and Interest (£250k overspend).

4.6 Capital Programme

Spending on the overall Council's capital programme is currently proceeding slower than estimated, with a year-end outturn of -£14.4m 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).

On the Carbon Reduction Scheme (CD) it is intended to progress a number of schemes, which Cabinet is asked to approve, to a value of £125k. These include replacing LED lighting in Castle Court (£75k) and the Octagon (£33k); valve/pipework insulation across a number of County Offices (£12k); and heater controls (£5k). Combined, these schemes are expected to save 297.11 tonnes of Co2 and produce revenue savings of £40k per annum.

4.7 Debt Outstanding (owed to the Council)

Longer-term debt (> 6 months old) has increased by £436k in September to £1.3m, due to maturing NHS and developer debts. This is £341k above the target level for the year of £990k. Of this balance, £1.2m (94%) is subject to secondary recovery action. Debt in the 4-6 month age range has decreased by £462k at the end of September to £318k. Emerging debts are currently with the Recovery Team and Budget Holders to resolve. The overall figure is £92k below the target for the year of £410k, with £239k (75%) of the debt outstanding subject to secondary recovery action

4.8 Corporate Invest to Transform Fund

This section has been added into the report this month to provide a half yearly update on the Corporate Invest to Transform (ITT) fund and to report any exceptions with regards to individual projects funded via this scheme that have not progressed as planned.

The following table below provides an overview of the current status of the corporate fund for this financial year and the next 4 years:

('+' = surplus, '-' = deficit)

	2010/11	2011/12	2012/13	2013/14	2014/15
	£'000	£'000	£'000	£'000	£'000
Balance b/f	1,984	-747	1,086	2,945	4,473
Loan Advances	-2,950	-240	-51	-	-
Loan Repayments	906	1,584	1,689	1,529	539
Other Adjustments ¹	-687	488	221	-	-
Balance c/f	-747	1,086	2,945	4,473	5,013

1. 'Other Adjustments' balances are made up of the following:-

- **2010/11** - £738k received via IPP to fund non-repayable loans.
- £350k paid out to fund the G2G Card (CYPS) - carried forward from 09/10.
- £825k paid out to prop up IPP in 2010/11.
- £250k to fund the Library Trust (CAS) (received via IPP).

- **2011/12** - £738k received via IPP to fund non-repayable loans.
- £250k to fund the Library Trust (CAS) (received via IPP).
- **2012/13** - £221k received via IPP to fund non-repayable loans.

The following projects received approval for an ITT loan, but have not progressed through to completion (with any outstanding repayments being made as necessary):

- Extension of Individual Budgets to the countywide Learning Disability Partnership (CAS).
- Haviland Way Refurbishment (CYPS).

A number of projects have progressed slightly differently than originally planned, but only the following projects are deemed to be 'exceptional' items:

- Exploiting & Valuing Camb's Innovation in Strategic Service Delivery & Projects
- Groomfields (CYPS)
- Office Accommodation (Workwise) (CD)
- Workwise – further funding extension (CD)

Details about why these loans have not progressed as planned can be found in appendix 7.

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 (September). CAS Budgetary Control Report (September). CYPS Budgetary Control Report (September). CD Budgetary Control Report (September). Capital Monitoring Report (September). Performance Management Report and Corporate Scorecard (September). Aged Debt per Directorate – as at 30 th September 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-Aug-2010	7.3	3.3	G	↑	
NI088 % of schools providing access to extended services	High	%	31-Aug-2010	97	100	A	↔	
NI008 Adult participation in sport and active recreation	High	%	31-Mar-2010	22.3	24.7	R	↑	
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	30-Sep-2010	40.2	80	R	↑	
NI131 Delayed transfers of care from hospitals per 100,000 aged 18+	Low	transfers	30-Sep-2010	14.4	8.9	R	↓	
NI148 Care leavers in EET	High	%	31-Aug-2010	68.7	75	A	↑	
NI032 Repeat incidents of domestic violence	Low	%	31-Mar-2010	27.5	28	G	↓	
NI040 Drug users in effective treatment	Low	users	30-Jun-2010	1193	1019	G	↓	
NI054 Services for disabled children	High	Number	31-Mar-2010	63	63	G	◊	
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-Aug-2010	345	370	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-2011	7	9	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-Sep-2010	75.8	80	A	♦	A
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)								
Business Mileage CCC_Total_YTD	Low	Number	30-Sep-2010	4212119	4059703	R	↓	
NI192 Household waste recycled and composted - 12-month rolling average	High	%	31-Aug-2010	51.45	51.6	A	↓	A
NI185a CO2 reduction from Local Authority operations	High	%					♦	
NI185b CO2 reduction from Local Authority operations	Low	tonnes	31-Mar-2009	89351.98			♦	
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)								
LI032 Recruitment lead times	Low	days	30-Sep-2010	27.6	33	G	↓	G
Finance - Capital	High	Number	30-Sep-2010			A	↔	
Finance - CAS	High	Number	30-Sep-2010			A	↔	
Finance - CD Direct	High	Number	30-Sep-2010			G	↔	
Finance - CD Financing	High	Number	30-Sep-2010			A	↔	
Finance - CYPs	High	Number	30-Sep-2010			R	↔	
Finance - ES	High	Number	30-Sep-2010			G	↔	
LI025 Sickness Absence (CCC)	Low	working days	30-Sep-2010	2.71	3.51	G	♦	G
LI031 % of staff from ethnic minorities as a % of the workforce	High	%	30-Sep-2010	4.89	4.1	G	↑	G
LI039 Payment of undisputed invoices within 30 days	High	%	30-Sep-2010	98	97	G	↑	
LI044 Value of outstanding invoices per age range >6 months	Low	£	30-Sep-2010	1331292	1060000	R	↓	G
NI179 VFM	High	£0,000	30-Sep-2010	14713	15538	R	↓	
Percentage of appraisals completed on time	High	%	31-Mar-2010	91.5	96	A	↓	

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)								
LI068b Satisfaction with website - difference between CCC and national average	High	% points	30-Sep-2010	7	0	G	↑	
LI136a CCC - % of Contact Centre calls answered within 20 seconds	High	%	30-Sep-2010	73.4	80	R	↓	
LI302 Successful visits to CCC website	High	%	30-Sep-2010	73	65	G	↑	
LI303 Response to FOI requests within specified timescales - fail rate	Low	%	30-Sep-2010	18	10	R	↑	
LI304 Response to feedback (all types except FOI) - fail rate	Low	%	30-Sep-2010	16.37			↑	
LI069 Contact Centre - Telephone Contact Handling Accuracy	High	%	30-Sep-2010	87	75	G	♦	
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	♦	

APPENDIX 2: Income & Expenditure Position by Service

Environment Services (ES)

ES is forecasting to underspend by -£182k at year-end. This represents -0.3% of net expenditure.

Previous Month's Outturn (Aug) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Sep) £'000	Forecast Outturn (Sep) %	Overall Status	D o T
0	Executive Director		1,043	-71	0	0.0%	G	↔
-6	Highways & Access		28,491	-357	-10	0.0%	G	↑
-68	Growth & Infrastructure	i, ii	1,182	-43	-172	-14.6%	G	↑
0	Environment & Regulation		7,685	-187	0	0.0%	G	↔
0	External Grants		-4,550	0	0	0.0%	G	↔
-74	Total Office Funded Items		33,851	-658	-182	-0.5%	G	↑
0	Waste PFI		18,378	533	0	0.0%	G	↔
-74	Total	iii	52,229	-125	-182	-0.3%	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 the future 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.
- ii. New Communities is forecasting an underspend of -£104k. This is due to a number of vacancies within the Service, where the intention is not to recruit to these posts this financial year.

Total

- iii. If the A14 Inquiry underspend is excluded (as it will be carried forward to 2011/12) the 'true' Office forecast underspend would be -£114k.

Community and Adult Services (CAS)

CAS is forecasting to overspend by £2m at year-end. This represents 1.4% of net expenditure.

Previous Month's Outturn (Aug) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Sep) £'000	Forecast Outturn (Sep) %	Overall Status	D o T
-200	Executive Director	i	665	259	-180	-27.1%	G	↓
1,631	Adult Support Services	ii, iii, iv, v	156,561	14,796	2,001	1.3%	A	↓
290	Libraries, Learning & Culture	vi	11,513	1,188	226	2.0%	A	↑
0	Community Engagement & Fenland		4,193	-65	0	0.0%	G	↔
1,721	Total Expenditure		172,933	16,177	2,047	1.2%	A	↓
0	External Grants		-27,080	-466	0	0.0%	G	↔
1,721	Total		145,853	15,711	2,047	1.4%	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 Service, the Executive Director's budget holds £180k, 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. Mental Health is forecasting a pressure of c.£200k due to high level of packages and the number of new service users.
- v. The Older People pool budget is currently forecasting a pressure of £800k (with the council's share being £553k). The Recovery Plan initialised in 2009/10 is being reviewed and updated for 2010/11. This proactive management of expenditure will assist to mitigate these risks as will the revised arrangements put in place from the 1st September in relation to reablement and the revised charging policy.

Libraries, Learning & Culture

- vi. An outturn pressure of £220k 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 £2.1m at year-end. This represents 2.5% of net expenditure.

Previous Month's Outturn (Aug) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Sep) £'000	Forecast Outturn (Sep) %	Overall Status	D o T
-3,799	Executive Director	i, ii	9,604	-1,883	-3,779	-39.3%	G	↓
0	Learning		14,601	-88	0	0.0%	G	↔
4,392	Strategy & Commissioning	iii, iv, v, vi	66,258	2,365	4,292	6.5%	R	↑
1,585	Children's Social Care	vii, viii, ix	37,077	348	1,585	4.3%	R	↔
50	Children's Enhanced & Preventative Services		28,662	-246	50	0.2%	A	↔
2,228	Total Expenditure Including Grant Funded Spend		156,203	495	2,148	1.4%	A	↑
0	Grant Funded Spend		-71,564	0	0	0.0%	G	↔
2,228	Total		84,639	495	2,148	2.5%	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 £821k of savings can be achieved for the rest of this year from continuing to remove vacancy savings as they arise. Once vacancy savings have been agreed for the period July to September 2010 this estimate will be reassessed in the hope that it can be increased and vacancy savings can make a greater contribution to the pressures being faced by CYPS.

- 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 to date (April – September) were below the budget target levels causing approximately £25k reduction in contribution. Sales of paid meals have steadily increased over this period and exceeded budget in September. The outturn forecast is dependant on achieving the budgeted growth of 5 paid meals per day per school. The costs of provisions are being managed within the budget levels. In September Catering services commenced supplying Northamptonshire County Council with in excess of 30,000 meals each week until December, from their Cook Chill Unit, which is expected to achieve a £20k contribution.

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 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 £700k. 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 also a factor in the pressure and the delay of the revised purchase place scheme for special schools until 2011 has meant the savings required in the Integrated Plan for this area have not yet been achieved. Further growth in costs is forecast on this budget due to the costs of education being incurred where Looked After Children are being placed outside of Cambridgeshire and attending non Cambridgeshire schools and SENDIST directing to independent schools.
- vi. Placements – Social Care is forecasting a pressure of £3.4m 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%). At the end of September 273 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 £36k at year-end. This represents 0.1% of net expenditure.

Previous Month's Outturn (Aug) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Sep) £'000	Forecast Outturn (Sep) %	Overall Status	D o T
-296	Customer Services & Transformation	i, ii, iii, iv	19,219	-718	-319	-1.7%	G	↑
172	Finance, Property & Performance	v, vi	8,194	-169	174	2.1%	A	↓
-106	People, Policy & Law		8,897	-143	-69	-0.8%	G	↓
-229	Gross Expenditure		36,310	-1,030	-214	-0.6%	G	↓
0	External Grant Income		-2,146	0	0	0.0%	G	↔
-229	Sub Total		34,164	-1,030	-214	-0.6%	G	↓
	Financing Costs:							
234	Debt Charges and Interest	vii	27,883	-16,396	250	0.9%	A	↓
0	Restructure Support Costs		1,167	0	0	0.0%	G	↔
5	Total		63,215	-17,425	36	0.1%	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 restructure within the directorate in order to reduce costs.
- ii. Business Support and Facilities Management is reporting a year-end underspend of -£499k. This is due to 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. While the ongoing pressures in the County Offices budgets have been reduced because of the revaluation of business rates against some properties, there remain pressures largely relating to energy costs. It is expected that these pressures will be offset by cash savings within the Service in the current financial year, but will continue to an issue in future years.
- iii. Corporate Communications is currently showing an overspend of £160k 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.

Finance, Property and Performance

- v. Research and Financial Strategy is currently forecasting an underspend of -£50k. 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) 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 has been 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 was requested from Cabinet in last month's report 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

- vii. Financing is currently predicting a year-end overspend of £250k. This is due to higher borrowing than budgeted for in the Integrated Plan (£60k) and the expected write-off of a £190k debt with Woodford Waste Management. Replacement borrowing and new borrowing for the remainder of this year is expected to be taken at the short end of the yield curve at interest rates closer to base rate.

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 Sep 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	2,454	720
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
Youth Offending Grants	YJB	E&P	929	1,013	84
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
Corporate Development (CD)	40	Sep 10
TOTAL	319.3	

APPENDIX 4: Reserves

Fund Description	Balance at 31 March 2010	2010-11		Forecast Balance 31 March 2011	Notes
		Movements in 2010-11	Balance at 30 Sep 2010		
	£000s	£000s	£000s	£000s	
General Reserves					
- County Fund Balance	8,694	-2,604	6,090	5,840	
- Services					
1CYPS	33	0	33	-2,095	Includes Service Forecast Outturn (FO)
2ES	1,061	-2	1,059	792	Includes Service Forecast Outturn (FO)
3CAS	-530	530	0	-1,997	Includes Service Forecast Outturn (FO)
4CD	919	-319	600	530	Includes Service Forecast Outturn (FO)
subtotal	10,177	-2,396	7,782	3,070	
Earmarked					
- Specific Reserves					
5Insurance	7,093	0	7,093	7,093	
6Invest to Transform - Corporate	2,323	-1,795	528	-747	FO after 2010/11 adjustments
7Invest to Transform – Offices	592	83	675	574	
8Pressures & Developments Reserve	3,033	-391	2,643	2,643	Includes £2.9m ABG transfer to Services
Subtotal	13,041	-2,102	10,939	9,563	
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	-241	147	191	
14CAS	124	0	124	0	
15CD	782	2	784	812	
Subtotal	1,437	-251	1,186	1,134	
Other Earmarked Funds					
16CYPS	1,058	-558	500	50	
17ES	5,744	53	5,797	5,979	Includes delayed damages in respect of the Guided Busway
18CAS	1,005	-323	682	682	
19CD	461	0	461	0	
Subtotal	8,268	-828	7,440	6,711	
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	-5,280	45,247	38,378	

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	86.3	(4.8)
51.8	Environment Services	46.9	(4.9)
6.3	Community & Adult Services	3.9	(2.4)
10.3	Corporate Directorates	8.0	(2.3)
159.5	Total Capital Spending	145.1	(14.4)

- The CYPS outturn position is £4.8m below the revised budget for September, compared to a £2.9m below budget reported in August. This change in outturn forecast is primarily due to further delays in moving Jeavons Wood Primary School from its current temporary location to its identified permanent location (reducing the outturn by £1.6m this month), due to discovery of newts on site and the fact that these cannot be moved until next year due to the restrictions pertinent to this endangered species.

The revised budget this month has reduced by £299k. This is as a result of a £491 Department for Education (DfE) claw-back on the Sure Start early years and childcare grant plus additional S106 funding applied to Chatteris and Pendragon of £192k.

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 £3.9m forecast underspend on the Primary New Communities schemes due to slippage on the start dates at the Trumpington Meadows, Jeavons Wood, Northstowe and North West Cambridge (both Huntingdon/Madingley Road and NIAB) 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.
- An overspend on Mixed sector projects results from an overspend on School Condition Capital of £1.8m, the site acquisition and development budget in 2010/11 of £0.4m, and the Primary Capital Programme (CPC) 2010/11 of £0.7m.

Since the Integrated Plan was set the budget has increased by £10.5m providing a total revised budget of £91m 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;
- £1.9m 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

- £0.49m budget decrease in the Sure Start grant as uncommitted funds clawed-back by DfE.
- 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. The overall scheme is programmed to come in on-budget.

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 from Central Government have also been reduced 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 £2.035m in the amount of the LTP grant funding received this year and a paper detailing the necessary savings was agreed by Cabinet in September. 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) – the completion of this programme is dependent upon the sale of the Croyland site. This is currently being reviewed by the LD team;
 - 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 £2.081m. 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 to avoid unnecessary abortive spend 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 £111k 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.

On the Carbon Reduction Scheme it is intended to progress a number of schemes, which Cabinet is asked to approve, to a value of £125k. These include replacing LED lighting in Castle Court (£75k) and the Octagon (£33k); valve/pipework insulation across a number of County Offices (£12k); and heater controls (£5k). Combined, these schemes are expected to save 297.11 tonnes of Co2 and produce revenue savings of £40k per annum.

Property Commissioning have undertaken a review of the long-term framework contracts with three major contractors to ensure that the price paid for the overheads and profit reflects the current market conditions in times of economic constraint and diminishing public funds. Savings on overheads and profit up to a reduction of 62% on current framework rates have been achieved. In real terms the saving equates to around 2%, which on a £50m capital programme equates to £1m.

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)	24.1	(0.4)
11.5	Capital Receipts (General)	10.5	(1.0)
36.0	Total General Financing	34.6	(1.4)

Project Specific Finances (PSF) (Ring-Fenced)			
0.0	Supported Capital Expenditure (Capital)	0.0	0.0
66.8	Specific Grants	62.8	(4.0)
2.3	Ring-Fenced Capital Receipts	1.6	(0.7)
10.0	Developer and Other Contributions	6.9	(3.1)
44.4	Prudential Borrowing	39.2	(5.2)
123.5	Total Specific Financing	110.5	(13.0)

	Funding Difference	0.0	0.0
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159.5	Total	145.1	(14.4)
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- The Capital Receipts outturn estimate is currently £12.1m. However, the actual predicted capital receipts based on the latest information available and market conditions is approximately £3.26m. The potential shortfall of £8.8m 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.

APPENDIX 6: Changes to reported Performance Indicators

DELETED MEASURES	
Measure	Reason for Deletion
A) Integrated Plan	
1) Enabling people to thrive, achieve their potential and improve their quality of life (Strategic Objective 1)	
NI005 Overall/general satisfaction with local area	Data collected via Place Survey, which has been abolished
NI017 Perceptions of anti-social behaviour	Data collected via Place Survey, which has been abolished
2) Supporting and protecting vulnerable people (Strategic Objective 2)	
NI136 People supported to live independently (all ages)	This was deleted from the NI set from 2010/11 onwards, as notified by the DOH 30 th September 2010
NI137 Healthy life expectancy at age 65	Indicator only measured annually in arrears
3) Managing and delivering the growth and development of Cambridgeshire's communities (Strategic Objective 3)	
NI175 Access to services and facilities by public transport, walking and cycling	Indicator only measured annually in arrears
NI177 Local bus passenger journeys originating in the authority area - CCC	Separate CCC target no longer applicable for 2010/11 as it is the same as the continuing LAA target
4) Promoting improved skill levels and economic prosperity across the county, helping people into jobs and encouraging enterprise (Strategic Objective 4)	
NI152a Working age people on out of work benefits in Fenland - LAA	Replaced by NI152b following re-negotiation of target with government
5) Meeting the challenges of climate change and enhancing the natural environment (Strategic Objective 5)	
NI186a Per capita CO2 emissions in the LA area - % reduction	Indicator only measured annually in arrears and not directly under our control
6) Delivering high-quality effective and efficient services (Service Delivery Principle 1)	
LI277 Prompt Payment	Replaced by LI039
7) Listening and being responsive to the needs of Cambridgeshire communities (Service Delivery Principle 2)	
LI068 Overall satisfaction of website customers	Indicator replaced by LI303 and LI304
NI004 % of people who feel they can influence decisions locally	Data collected via Place Survey, which has been abolished
8) Working in partnership to achieve a shared vision for Cambridgeshire (Service Delivery Principle 3)	
B) Operational Performance	
Section deleted as headings are too similar to headings in Section A, indicators incorporated above where appropriate	
Customer Service	
Operational - Organisational Health	
Operational - People Management & Development	
LI026a Sickness Absence - YTD (CD)	Monitored by Services
LI106a Sickness Absence - YTD (ES)	Monitored by Services
LI211 Sickness absence - YTD (CYPS)	Monitored by Services
LI283 Sickness Absence - YTD (CAS)	Monitored by Services

NEW MEASURES	
Measure	Reason for Inclusion
1) Enabling people to thrive, achieve their potential and improve their quality of life (Strategic Objective 1)	
2) Supporting and protecting vulnerable people (Strategic Objective 2)	
NI131 Delayed transfer of care	LAA priority; key area for partnership working; priority for CCC
NI 40 Drug users in effective treatment	Key priority area for CCC
NI 32 Repeat instances of DV	Key priority area for CCC
3) Managing and delivering the growth and development of Cambridgeshire's communities (Strategic Objective 3)	
4) Promoting improved skill levels and economic prosperity across the county, helping people into jobs and encouraging enterprise (Strategic Objective 4)	
5) Meeting the challenges of climate change and enhancing the natural environment (Strategic Objective 5)	
Business Mileage CCC_Total_YTD	Key priority area for CCC
6) Delivering high-quality effective and efficient services (Service Delivery Principle 1)	
LI039 - Payment of undisputed invoices	Moved from Org Health section
LI032 Recruitment lead times	Moved from Org Health section
Percentage of appraisals completed on time	Moved from Org Health section
7) Listening and being responsive to the needs of Cambridgeshire communities (Service Delivery Principle 2)	
LI136a - CCC % of contact centre calls answered within 20 secs	Moved from Operational Performance section
LI068b Satisfaction with website - difference between CCC and national average	Measures user satisfaction compared to national average, minimum standard is same or better than national average
LI303 Response to FOI requests within specified timescales - fail rate	Measures overall compliance with CCC and statutory policy – new measure, no overall target set yet
LI304 Response to feedback (all types except FOI) - fail rate	Measures overall compliance with CCC policy – new measure, no overall target set yet
LI302 Successful visits to CCC website	Measures effectiveness of website, minimum standard is 65% of visits successful (10% above national average)
8) Working in partnership to achieve a shared vision for Cambridgeshire (Service Delivery Principle 3)	

APPENDIX 7: Corporate Invest to Transform Fund

Name of Project	Exploiting & Valuing Camb's Innovation in Strategic Service Delivery & Projects
Lead Officer	Julia Barrett, Service Director: Environment & Regulation
Type of Loan	Non-Repayable
Total Loan Amount Approved	£688,000
Payback Period	n/a

Funding & Costs:	
Total value of funding drawn down to date?	£526,800
Total value of repayments made to date (if applicable)?	n/a
Has the actual expenditure/repayments been made in line with the original bid submission? If not, why not?	Repayments were not required in line with the original bid Actual expenditure has not been in line with the original bid due to the decision not to recruit the second Project Officer role. To date, the project is carrying an expected under spend of £79,544.02 to the end of 2010-11. Looking forward, an allowance for redundancy costs for existing staff at the end of 2011-12 of £10,304, this will lead to an overspend of £10,041 for 2011-12. As such the total project underspend to the end of 2011-12 of £69,504.
Results:	
Is the project generating the savings it set out to?	The project has not generated the levels of income that were expected as part of the original bid submission. The expected income up to the end of 2010-11 was £7.75m The actual income to date is £555,153 for CCC only (£1,330,928 for Cambridgeshire Together including CCC)
If savings are not been generated as planned, why is this?	The reason for the lack of income generated are: <ol style="list-style-type: none"> 1. Lack of clarity from services of what projects <ul style="list-style-type: none"> ○ they wish to deliver ○ will benefit from full or partial funding from competitive grants 2. Lack of clarify of bids being developed and submitted across the organisation 3. Issues regarding the realistic nature of the targets are due to points 1 and 2, as it is not possible to establish a clear baseline position. 4. Issues surrounding scope of targets, namely whether these relate to the funds attracted to CCC only, or whether they relate to the full value of funds won that would include funds to other Cambridgeshire Together partners as well. 5. Lack of clarity in the Integrated Plan to identify areas of service improvement and associated funds,

	<p>and with this a lack of requirement for new projects and programmes to review funding packages to establish whether or not it is possible subsidise budgets with competitive grants.</p> <ol style="list-style-type: none"> 6. Reduction in UK government funds available since the beginning of the Coalition government 7. A general refocusing of all funding sources (except for those from EU funding sources) to the 3rd sector. 8. Financial pressures on service budgets causing a focusing on statutory and non-innovative service delivery by services. 9. Lack of recognition by CCC of EU funding programmes as a stable funding source for innovative projects that should form a specific part of the Integrated Planning Process, and complemented by other sources of competitive grants.
What action is been taken to get savings back on track?	<p>The action taken to date to managed each of these factors are:</p> <ol style="list-style-type: none"> 1. DMT visits. Clinics. SMT meeting competitive grants strategy – this is an on-going “conversation” 2. Heads of Finance & Performance deemed proposed processes as unworkable. As such CCC does not have any means of tracking funds received from competitive bids. 3. Survey was conducted in year 4 relying on anecdotal information from Heads of Service, which can be repeated in year 5 4. IEG Board decided to define the target as covering funds CT, with CCC for covering initial investment. Currently in positive position by £555,153 up to the end of 2010-11. 5. Informal representations to colleagues in Corporate Development regarding the unintegrated nature of the Integrated Plan. Most beneficial to the project would be: <ul style="list-style-type: none"> • Implementation of Portfolio Management • Identification of a forward portfolio of projects that CCC would like to deliver for the coming year. 6. No action possible 7. No action possible 8. Competitive Grants Strategy 9. Competitive Grants Strategy
Are performance improvements been delivered as planned?	See above
If performance improvements are not been delivered as planned, why is this?	See above
What action is been taken to get performance back on track?	See above

Name of Project	Groomfields
Lead Officer	Richard Ware
Type of Loan	Repayable
Total Loan Amount Approved	£300,000
Payback Period	5 years

Funding & Costs:	
Total value of funding drawn down to date?	£300,000
Total value of repayments made to date (if applicable)?	£60,000
Has the actual expenditure / repayment been made in line with the original bid submission? If not, why not?	Yes
Results:	
Is the project generating the savings it set out to?	No
If savings have not been generated as planned, why is this?	The ITT loan was originally intended to help restructure Groomfields and increase the volume of business. There was some growth of business, but this was at low margins and the restructured business resulted in increased losses overall.
What action has been taken to get savings back on track?	The restructuring has now been reversed and business losses have reduced as a result. Plans are currently being considered for further restructuring aimed at returning the business to profitability. This restructuring would further reduce the number of staff and volume of business with the aim of concentrating on work with the highest margins.
Have performance improvements been delivered as planned?	Planned performance improvements were initially delivered, e.g. expanding the range of services delivered and updating machinery used by the business.
If performance improvements have not been delivered as planned, why is this?	As stated above the business structure envisaged in the original ITT loan has now been abandoned. Other performance improvements, e.g. associated with updated machinery, continue to be delivered.
What action has been taken to get performance back on track?	The business change proposed in the ITT submission has now been abandoned and a further restructuring is planned to concentrate on the most profitable business areas.

Name of Project	Office Accommodation (Workwise)
Lead Officer	Nick Dawe
Type of Loan	Repayable
Total Loan Amount Approved	£682,000
Payback Period	4 years

Funding & Costs:	
Total value of funding drawn down to date?	£682,000
Total value of repayments made to date (if applicable)?	£206,400
Has the actual expenditure/repayments been made in line with the original bid submission? If not, why not?	No – loan repayments were due to be made from savings generated by the Workwise project. Delays in achieving the savings identified have resulted in the inability to repay the loan.
Results:	
Is the project generating the savings it set out to?	No
If savings are not been generated as planned, why is this?	The savings were based on the assumption that CCC would be able to vacate a number of properties in the Cambridge area, including Mount Pleasant House, Park House, Babbage House and Signet Court. Savings in relation to Mount Pleasant House have been achieved but the leases for Park House and Babbage House do not end until 2012 and 2020, respectively, and the sale of Signet Court has not been achieved as a result of the property down-turn.
What action is been taken to get savings back on track?	Work is continuing 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. A decision was requested from Cabinet in the August Integrated Report as to whether to levy the charges in 2010-11 or to waive this for a further year and ask Business Support & FM and Strategy & Estates to advance disposals with the active support of Services.
Are performance improvements been delivered as planned?	No
If performance improvements are not been delivered as planned, why is this?	See above
What action is been taken to get performance back on track?	See above

Name of Project	Workwise Project – further funding extension
Lead Officer	
Type of Loan	Repayable
Total Loan Amount Approved	£1,142,000
Payback Period	3 years

Funding & Costs:	
Total value of funding drawn down to date?	£1,142,000
Total value of repayments made to date (if applicable)?	-
Has the actual expenditure/repayments been made in line with the original bid submission? If not, why not?	No - loan repayments were due to be made from savings generated by the Workwise project. Delays in achieving the savings identified have resulted in the inability to repay the loan.
Results:	
Is the project generating the savings it set out to?	No
If savings are not been generated as planned, why is this?	The savings were based on the assumption that CCC would be able to vacate a number of properties in the Cambridge area, including Mount Pleasant House, Park House, Babbage House and Signet Court. Savings in relation to Mount Pleasant House have been achieved but the leases for Park House and Babbage House do not end until 2012 and 2020, respectively, and the sale of Signet Court has not been achieved as a result of the property down-turn.
What action is been taken to get savings back on track?	Work is continuing 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. A decision was requested from Cabinet in the August Integrated Report as to whether to levy the charges in 2010-11 or to waive this for a further year and ask Business Support & FM and Strategy & Estates to advance disposals with the active support of Services.
Are performance improvements been delivered as planned?	No
If performance improvements are not been delivered as planned, why is this?	See above
What action is been taken to get performance back on track?	See above

