

INTEGRATED RESOURCES AND PERFORMANCE REPORT – OCTOBER 2010

To: **Cabinet**

Date: **14th December 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:**

- 1. Analyses resources and performance information and notes the remedial action currently being taken and considers if any further remedial action is required.**
- 2. Approves the one-off virement of £500k from the Pressures and Developments Reserve to CYPS to assist in offsetting the pressure that has arisen from the unexpected increase in the number of Looked After Children (see para 3.2 - 2nd bullet point).**

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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:
 - Business Mileage CCC Total YTD (AMBER ↓) – the rate of increase in total number of business miles has slowed this month, leading to an improvement in status from red to amber. It is too early to say if this is the result of specific actions or natural variation. The overall trend this year is still poor – the total number of miles travelled in the period Apr 10 – Oct 10 is more than the same period in 2009, so the direction of travel is worsening.
 - Local Indicator (LI) 136a CCC % of Contact Centre Calls Answered within 20 Seconds (GREEN ↑) – performance has returned to targeted level.
 - LI 303 Response to FOI Requests within Specified Timescales – fail rate (AMBER ↑) – trend improving. The current failure rate (15%) meets the Information Commissioner's Office target and the team is working towards meeting a more challenging internal target of 10%.
- There are 4 exceptions to report this month:
 - National Indicator (NI) 130 Social Care Clients receiving Self Directed Support (RED ↑) – while performance stands at 42% for the end of October, 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 overall for 2009/10).
 - NI 131 Delayed Transfers of Care from Hospitals per 100,000 Aged 18+ (RED ↑) – actions put in place for 2010/11 continue. The Executive Director of CAS and the Chief Executive of NHS Cambridgeshire continue to be involved in actions to resolve below target performance.
 - LI 044 Value of Outstanding Invoices per Age Range >6 Months (RED ↑) – recovery plan in place. One large debt of £303k adversely affecting the current position.
 - NI 179 VfM (RED ↓) – the year-end efficiency saving forecast is currently estimated to be £14.4m, which is below the target level of £15.5m. As reported last month this is mainly due to a delay in projects/reviews where it is now unlikely to realise the full saving in this financial year.
- 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 measured quarterly. An update on NI 152b is expected in January 2011.

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

- Overall the budget position is showing a forecast year-end overspend of £1.6m (0.5%). This is a decrease in the forecast overspend of -£2.4m from the previous month (see table 3.4).
- Although the report is still showing an overspend position at year-end, work is in hand to reduce this overspend further in order to produce a balanced financial outturn by the end of the financial year. To assist in achieving this balanced position Cabinet is asked to approve the one-off virement of £500k from the Pressures and Developments Reserve to CYPS to assist in offsetting the pressure that has arisen from the unexpected increase in the number of Looked After Children.
- In Environment Services (ES) an underspend of -£873k is currently being predicted, which is due to savings identified across the whole Service (see para 4.2).
- In Community and Adult Services (CAS) an overspend of £1.2m 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 £1.4m 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 -£338k is currently being predicted, which is due to savings identified across the whole Service (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).
- There are no significant debt problems to report at this point in time. And there are no noticeable effects arising from the economic downturn (see para 4.7).

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

The current round of the Integrated Planning Process (IPP) has incorporated the general funding assumptions announced in the Comprehensive Spending Review by the Chancellor of the Exchequer on 20th October 2010.

The Local Government Finance Settlement for 2011/12, and the following three years, is due to be announced by Communities and Local Government (CLG) in early December. This will provide the necessary detail the Council needs in order to finalise the funding available for the next four years, along with the necessary savings required in order to meet the allocated resources.

3.4 Revenue Income & Expenditure Summary

Outturn Variance (Sep) £000	Service	Budget for 2010/11 £000	Current Variance £000	Forecast Outturn (Oct) £000	Forecast Outturn (Oct) %	Overall Status	D o T
-182	ES *	52,229	-954	-873	-1.7%	G	↑
2,047	CAS	145,853	11,215	1,189	0.8%	A	↑
2,148	CYPS	84,639	549	1,379	1.6%	A	↑
-214	CD Direct	34,168	-986	-338	-1.0%	G	↑
250	CD Financing	29,051	-18,714	250	0.9%	A	↔
4,049	Total Service Spending	345,940	-8,890	1,607	0.5%	A	↑
0	Financing Items	-6,526	-93	0	0.0%	G	↔
4,049	Total Spending 2010/11	339,414	-8,983	1,607	0.5%	A	↑

* ES includes Priority Investments (A14 Inquiry, Pitt Review and Economic Assessment), where specific arrangements for underspends exist. Excluding these the underlying forecast outturn position for ES is -£750k underspend.

3.5 Capital Programme Summary

Revised Budget (Oct) £m	Capital Summary	Outturn Estimate (Oct) £m	Outturn Variance (Oct) £m	Overall Status	DoT
158.7	Total Capital Spending	142.3	-16.4	A	↑
33.0	Total General Financing	30.1	-2.9	G	↑
125.7	Total Specific Financing	112.2	-13.5	G	↑
	Unsupported Expenditure (Funding Difference)	0.0	0.0	G	↔
158.7	Total Capital Financing	142.3	-16.4	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 (-£873k underspend)

- 4.2.1 Strategic Planning is forecasting a year-end underspend of -£111k. Two priority investments that were agreed as part of the Integrated Planning Process (IPP) will not be able to spend all the funding allocated in this financial year due to slippage of the schemes. However, the funding will still be required for these schemes, the Pitt Review (Floods and Water Bill work to be used for future pump priming) and Economic assessment both within Environment and Regulation. The unspent monies at year-end are estimated to be £25k and £30k respectively. The intention is that any unused funding for these schemes will be carried forward to 2011/12 by the use of the Service operational savings fund. Other predicted underspends are due to vacancies being held within this Service.
- 4.2.2 The Executive Director budget is forecasting an underspend of -£201k, which is due to the 1% cut made to individual Service budgets that are now being held centrally to cover any pressures that may emerge.
- 4.2.3 Passenger Transport is expected to underspend by -£100k due to inflation on contract prices being less than was budgeted.
- 4.2.4 Asset Management is forecast to underspend by -£356k at year-end. This is due to a number of reasons: lower costs than expected relating to the PFI procurement; a reduction in the price of energy for Street Lighting; and also lower costs payable to a contractor than was expected.
- 4.2.5 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 priority investments (A14 Inquiry, Pitt Review and Economic assessment) forecast underspends are excluded (as these are to be carried forward to 2011/12 by the use of the Service operational savings fund) the 'true' Office forecast underspend would be -£750k.

4.3 Community and Adult Services (£1.2m overspend)

- 4.3.1 The Director of Adult Support Services is forecasting an underspend of -£900k. The Department of Health (DoH) announced a new funding stream for reablement at the end of October. £696k has been earmarked for Cambridgeshire for 2010/11. CCC and Cambridgeshire NHS are currently working on how to deploy this funding.
- 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 (£565k overspend).
- Physical Disability & Sensory Services (£450k overspend).
- Mental Health (£350k overspend).
- Libraries, Archives and Information (£170k overspend).
- Executive Director (-£200k underspend).

4.4 Children and Young People Services (£1.4m overspend)

4.4.1 At the end of October, CYPS is forecasting an overspend of £1.4m. This is a significant reduction since last month when an overspend of £2.1m was forecast. Whilst the pressure from Looked After Children numbers remains at £4m, savings achieved to date from one off vacancies have been higher than anticipated, due largely to posts being held vacant in preparation for achievement of identified savings in the Integrated Plan.

As part of its savings strategy CYPS have already released a total of £3.7m of savings from budgets in the year to date. A further review of all budgets has been undertaken and with additional vacancy savings it is anticipated that a further £1m of savings can be achieved over the remainder of the year reducing the forecast overspend to £1.4m. In addition, the Placements Strategy for Looked After Children continues to be developed.

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 (£3.2m overspend).
- Strategic Management – Children’s Social Care (£941k overspend).
- Placements – Education (£700k overspend).
- Area Social Care Teams (£654k overspend).
- Teachers Pensions (£250k overspend).
- Groomfields (£200k overspend).
- Catering & Cleaning Services (£192k overspend).
- Residential Units (£190k overspend).

4.5 Corporate Directorates (-£88k underspend)

4.5.1 Following the start of Local Government Shared Services (LGSS) from 1st October, Corporate Directorates has been restructured and is now being reported as Corporate Services and LGSS Cambridge Office.

Corporate Services (-£285k underspend):

4.5.2 IT Services is currently forecasting an underspend of -£80k. This is due to deliberate rescheduling of works on IT resilience to avoid unnecessary abortive spend until the Cambridge Public Sector Network procurement is completed later this financial year (£40k) and staffing vacancies within the service (£40k).

4.5.3 Democratic and Members’ Services is reporting an underspend of -£55k due to efficiencies and cost controls applied within the Service.

LGSS Cambridge Office (-£52k underspend):

- 4.5.4 The finance transactional teams are forecasting a combined underspend of -£63k. This is due to part year staffing vacancies within the Revenues team and Revenue IROs team (£40k) and general efficiencies across all teams (£23k).
- 4.5.5 The Shared Services Programme team budget is showing an overspend of £262k resulting from delays in achieving targeted operational savings. However, this will be offset by savings elsewhere in LGSS.
- 4.5.6 The following issues from previous months are still ongoing (the detail can be obtained by referring to appendix 2):-

Corporate Services:

- Better Utilisation of Property Assets (BUPA) (£230k overspend).
- Corporate Communications (£125k overspend).
- Director of Customer Services and Transformation (£108k overspend).
- Business Support and Facilities Management (-£459k underspend).
- Service Transformation (-£50k underspend).

LGSS Cambridge Office:

- Research and Financial Strategy (-£85k 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 -£16.4m 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).

4.7 Debt Outstanding (owed to the Council)

Longer-term debt (> 6 months old) has decreased by £9k in October and remains at £1.3m. This is £332k 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 £92k at the end of October to £225k. Emerging debts are currently with the Recovery Team and Budget Holders to resolve. The overall figure is £185k below the target for the year of £410k, with £199k (89%) of the debt outstanding subject to secondary recovery action.

5. STATUTORY DUTIES & PARTNERSHIP WORKING

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

6. CLIMATE CHANGE

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

7. ACCESS & INCLUSION

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

8. ENGAGEMENT & CONSULTATION

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

SOURCE DOCUMENTS:

ES Budgetary Control Report (October). CAS Budgetary Control Report (October). CYPS Budgetary Control Report (October). CD Budgetary Control Report (October). Capital Monitoring Report (October). Performance Management Report and Corporate Scorecard (October). Aged Debt per Directorate – as at 31 st October 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	%	30-Sep-2010	7.8	3.9	G	↑	
NI088 % of schools providing access to extended services	High	%	30-Sep-2010	100	100	G	↑	
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	31-Oct-2010	42.1	80	R	↑	
NI131 Delayed transfers of care from hospitals per 100,000 aged 18+	Low	transfers	31-Oct-2010	11.8	8.9	R	↑	
NI148 Care leavers in EET	High	%	30-Sep-2010	68.4	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-Sep-2010	1202	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)								
NI047 People killed or seriously injured in road traffic accidents	Low	Number	30-Sep-2010	344	368	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	980	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	3.8	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	31-Oct-2010	4799043	4736321	A	↓	
NI192 Household waste recycled and composted - 12-month rolling average	High	%	30-Sep-2010	51.57	51.7	A	↑	G
NI185a CO2 reduction from Local Authority operations	High	%					•	
NI185b CO2 reduction from Local Authority operations	Low	tonnes	31-Mar-2010	90395	83430	R	↓	R
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	31-Oct-2010	29.59	33	G	↓	
Finance - Capital	High	Number	31-Oct-2010			A	↑	
Finance - CAS	High	Number	31-Oct-2010			A	↑	
Finance - CD Direct	High	Number	31-Oct-2010			G	↑	
Finance - CD Financing	High	Number	31-Oct-2010			A	↔	
Finance - CYPs	High	Number	31-Oct-2010			A	↑	
Finance - ES	High	Number	31-Oct-2010			G	↑	
LI025 Sickness Absence (CCC)	Low	working days	31-Oct-2010	3.91	4.19	G	•	
LI031 % of staff from ethnic minorities as a % of the workforce	High	%	31-Oct-2010	4.9	4.1	G	↑	
LI039 Payment of undisputed invoices within 30 days	High	%	31-Oct-2010	98.9	97	G	↑	
LI044 Value of outstanding invoices per age range >6 months	Low	£	31-Oct-2010	1322378	1000000	R	↑	G
NI179 VFM	High	£0,000	31-Oct-2010	14356	15536	R	↓	
Percentage of appraisals completed on time	High	%	31-Mar-2010	91.5	98	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	31-Oct-2010	3	0	G	↓	
LI136a CCC - % of Contact Centre calls answered within 20 seconds	High	%	31-Oct-2010	83	80	G	↑	
LI302 Successful visits to CCC website	High	%	31-Oct-2010	65	65	G	↓	
LI303 Response to FOI requests within specified timescales - fail rate	Low	%	31-Oct-2010	15	10	A	↑	G
LI304 Response to feedback (all types except FOI) - fail rate	Low	%	31-Oct-2010	20.13			↓	
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 -£873k at year-end. This represents -1.7% of net expenditure.

Previous Month's Outturn (Sep) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Oct) £'000	Forecast Outturn (Oct) %	Overall Status	D o T
0	Executive Director	ii	1,043	-264	-201	-19.3%	G	↑
-10	Highways & Access	iii, iv	28,491	-1,053	-392	-1.4%	G	↑
-172	Growth & Infrastructure	i	1,182	-48	-102	-8.6%	G	↓
0	Environment & Regulation	i	7,685	-328	-177	-2.3%	G	↑
0	External Grants		-4,550	1	0	0.0%	G	↔
-182	Total Office Funded Items		33,851	-1,691	-873	-2.6%	G	↑
0	Waste PFI		18,378	737	0	0.0%	G	↔
-182	Total	v	52,229	-954	-873	-1.7%	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 (IPP), 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.

Two further priority investments that were agreed as part of IPP will not be able to spend all the funding allocated in this financial year due to slippage of the schemes. However, the funding will still be required for these schemes, the Pitt Review (Floods and Water Bill work to be used for future pump priming) and Economic assessment both within Environment and Regulation. The unspent monies at year-end will be carried forward to 2011/12 by the use of the Service operation savings fund.

Executive Director

- ii. The Executive Director budget is forecasting to underspend by -£201k, which is due to the 1% cut made to individual Service budgets that are now being held centrally to cover any pressures that may emerge.

Highways & Access

- iii. Passenger Transport is expected to underspend by -£100k at year-end due to inflation on contract prices being less than was budgeted.

- iv. Asset Management is forecast to underspend by -£356k at year-end. This is due to a number of reasons: lower costs than expected relating to the PFI procurement; a reduction in the price of energy for Street Lighting; and also lower costs payable to a contractor than was expected.

Total

- v. If the priority investments (A14 Inquiry, Pitt Review and Economic assessment) forecast underspends are excluded (as these are to be carried forward to 2011/12 by the use of the Service operational savings fund) the 'true' Office forecast underspend would be -£750k.

Community and Adult Services (CAS)

CAS is forecasting to overspend by £1.2m at year-end. This represents 0.8% of net expenditure.

Previous Month's Outturn (Sep) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Oct) £'000	Forecast Outturn (Oct) %	Overall Status	D o T
-180	Executive Director	i	532	267	-200	-37.6%	G	↑
2,001	Adult Support Services	ii, iii, iv, v, vi	156,722	10,336	1,213	0.8%	A	↑
226	Libraries, Learning & Culture		11,696	767	176	1.5%	A	↑
0	Community Engagement & Fenland		4,165	-92	0	0.0%	G	↔
2,047	Total Expenditure		173,115	11,278	1,189	0.7%	A	↑
0	External Grants		-27,262	-63	0	0.0%	G	↔
2,047	Total		145,853	11,215	1,189	0.8%	A	↑

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

Executive Director

- i. Following the grant reductions and the reallocation of savings across the Directorate, the Executive Director's budget holds £180k, which will be allocated by the end of 2010/11.

Adult Support Services

- ii. The Director of Adult Support Services is forecasting an underspend of -£900k. The Department for Health (DoH) announced a new funding stream for reablement at the end of October. £696k has been earmarked for Cambridgeshire for 2010/11. CCC and Cambridgeshire NHS are currently working on how to deploy this funding.
- iii. Physical Disability and Sensory Services (PD/SS) currently shows an anticipated year-end overspend of £450k. This is mainly due to the number of additional 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 for the first part of this financial year. A thorough review is being undertaken and management actions are being put in place to address this pressure.
- iv. The Learning Disability Partnership (LDP) – there has been a reduction in the Council's contribution into the pool budget of £746k, in an attempt to drive out further efficiencies in the Service and to assist in mitigating the reductions in Government grant across the Council. The LDP is preparing a recovery plan to address the arising issue. A potential £1m pressure for the pool may therefore arise if these additional efficiency savings are not achieved.
- v. Mental Health is forecasting a pressure of £350k due to high level of packages and the number of new service users. Salary staffing is very tightly managed with the Mental Health Trust saving c.£300k for 2010/11.

- vi. The Older People pool budget is currently forecasting a pressure of c.£815k (with the council's share being £565k). This is due to the number and acuity of packages for Older People and emerging pressures in continuing care. The Recovery Plan initialised in 2009/10 is being reviewed and updated for 2010/11. This proactive management of expenditure allows the mitigation of emerging risks.

At the beginning of September, the Reablement project was launched. This is expected to help with the pressure on domiciliary care. However, the reablement process can take up to six weeks for a given service user; positive impact on the pool will start emerging by the end of the calendar year. Other pressures are emerging on the continuing care budget and this is monitored closely by the team.

Libraries, Learning & Culture

- vii. An outturn pressure of £170k is being forecast in relation to the Library Service. The budget for Libraries for 2010/11 has set very challenging targets. 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.

Following the dispute with Very company (Central Library), a claim of c.£500k (current estimate) will be put forward, related to loss of income and extra storage costs as well as additional construction work undertaken. If this claim proves to be unsuccessful the total pressure on the budget will be increased by c.£500k to £670k.

Children and Young People Services (CYPS)

CYPS is forecasting to overspend by £1.4m at year-end. This represents 1.6% of net expenditure.

Previous Month's Outturn (Sep) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Oct) £'000	Forecast Outturn (Oct) %	Overall Status	D o T
-3,899	Executive Director	i, ii	10,056	-2,454	-4,374	-43.5%	G	↑
0	Learning		14,755	-61	0	0.0%	G	↔
4,412	Strategy & Commissioning	iii, iv, v, vi, vii	66,235	2,795	3,982	6.0%	R	↑
1,585	Children's Social Care	viii, ix, x	36,786	604	1,785	4.9%	R	↓
50	Children's Enhanced & Preventative Services		28,438	-336	-14	0.0%	G	↑
2,148	Total Expenditure Including Grant Funded Spend		156,269	549	1,379	0.9%	A	↑
0	Grant Funded Spend		-71,630	0	0	0.0%	G	↔
2,148	Total		84,639	549	1,379	1.6%	A	↑

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

Executive Director

- i. Central Financing is showing an underspend of £4.6m 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 £1m has been removed from CYPS budgets as a result of savings arising from unplanned vacancies. It is estimated that a further £1m of savings can be achieved for the rest of this year from continuing to remove vacancy savings as they arise.

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

Strategy & Commissioning

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

Schools Catering – meal numbers in the period April to 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 further restructuring consultation will be introduced for Groomfields Maintenance Service during November. This will further reduce the size of the grounds maintenance team and the number of contracts the service operates. The objective is to create a smaller business model that will offer a viable service. This in turn will not only offer stability, but provide a strong base from which to grow for the future.
- v. The Home to School/College Mainstream budget is forecasting a -£260k underspend at year-end due to: a highly competitive tendering round; a £60k contribution from the Post-16 Partnership grant agreed by the Partnership; the Peterborough Regional College administration of transport now being carried out by the Education Transport Team; along with continued scrutiny and challenge on in-year transport requests.
- vi. Placements – Education is forecast to overspend by £700k. Much 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. The budget is experiencing further pressure 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.
- vii. Placements – Social Care is forecasting a pressure of £3.2m 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 October 261 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

- viii. 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.

- ix. 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).
- x. East Cambs and Fenland and Huntingdonshire social care teams are facing a combined pressure of £654k, 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 underspend by -£88k at year-end. This represents -0.1% of net expenditure.

Previous Month's Outturn (Sep) £'000	Directorate	Note	Budget for 2010/11 £'000	Current Variance £'000	Forecast Outturn (Oct) £'000	Forecast Outturn (Oct) %	Overall Status	D o T
-166	Corporate Services	i, ii, iii, iv, v, vi, vii	25,613	-856	-285	-1.1%	G	↑
-49	LGSS Cambridge Office	viii, ix, x	10,701	-130	-52	-0.5%	G	↑
-214	Gross Expenditure		36,314	-986	-338	-0.9%	G	↑
0	External Grant Income		-2,146	0	0	0.0%	G	↔
-214	Sub Total		34,168	-986	-338	-1.0%	G	↑
	Financing Costs:							
250	Debt Charges and Interest	xi	27,883	-18,714	250	0.9%	A	↔
0	Restructure Support Costs		1,167	0	0	0.0%	G	↔
36	Total		63,219	-19,701	-88	-0.1%	G	↑

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

Corporate Services

- i. The Corporate Director of Customer Services and Transformation is forecasting a year-end overspend of £108k. This is due to deferral in implementing the restructure within the directorate.
- ii. Business Support and Facilities Management is reporting a year-end underspend of -£459k. 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 £125k at year-end, due to the delay in realising the savings target on County publications and distribution.
- iv. Service Transformation is forecasting a year-end underspend of -£50k. This is the result of delays in filling vacancies following restructure of the service.
- v. IT Services is currently forecasting an underspend of -£80k. This is due to deliberate rescheduling of works on IT resilience to avoid unnecessary abortive spend until the Cambridge Public Sector Network procurement is completed later this financial year (£40k) and staffing vacancies within the service (£40k).

- vi. Democratic and Members' Services is reporting an underspend of -£55k due to efficiencies and cost controls applied within the Service.
- vii. The Better Utilisation of Property Assets (BUPA) budget is forecasting a year-end overspend of £230k. There was a pressure brought forward into 2010/11 of £811k as a result of the shortfall in targeted saving 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 currently 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 charges for extra staff employed within services. Cabinet has recently approved the charges in principle, subject to revision and review by SMT. The forecast outturn will be updated once figures have been agreed.

LGSS Cambridge Office

- viii. Research and Financial Strategy is currently forecasting an underspend of -£85k. This is due to staffing vacancies within Financial Strategy that are not expected to be filled this financial year.
- ix. The finance transactional teams are reporting a combined underspend of -£63k. This is due to part year staffing vacancies within the Revenues team and Revenue IROs team (£40k) and general efficiencies across all teams (£23k).
- x. The Shared Services Programme team budget is showing an overspend of £262k resulting from delays in achieving targeted operational savings. However, this will be offset by savings elsewhere in LGSS.

Financing

- xi. Debt Charges and Interest 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 close 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 Oct 10 £'000	Change £'000
Revenue Grants within ABG					
Department for Education ABG	Department for Education (DfE)	Various	8,972	7,170	-1,802
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	SfMs	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	SfMs	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	SfMs	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
Democratic Services e-Petitions (CD)	3.5	Oct 10
TOTAL	322.8	

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 Oct 2010		
	£000s	£000s	£000s	£000s	
General Reserves					
- County Fund Balance	8,694	-2,604	6,090	5,840	
- Services					
1CYPS	33	0	33	-1,346	Includes Service Forecast Outturn (FO)
2ES	1,061	-2	1,059	1,660	Includes Service Forecast Outturn (FO)
3CAS	-530	530	0	-1,189	Includes Service Forecast Outturn (FO)
4CD	919	-323	597	653	Includes Service Forecast Outturn (FO)
subtotal	10,177	-2,399	7,778	5,618	
Earmarked					
- Specific Reserves					
5Insurance	7,093	0	7,093	7,093	
6Invest to Transform - Corporate	2,323	-1,795	528	-687	FO after 2010/11 adjustments
7Invest to Transform – Offices	592	83	675	592	
8Pressures & Developments Reserve	3,033	-391	2,643	2,143	
Subtotal	13,041	-2,102	10,939	9,141	
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	615	
Subtotal	1,437	-251	1,186	937	
Other Earmarked Funds					
16CYPS	1,058	-558	500	50	Includes delayed damages in respect of the Guided Busway
17ES	5,744	2,940	8,684	8,178	
18CAS	1,005	-323	682	682	
19CD	461	0	461	0	
Subtotal	8,268	2,059	10,327	8,910	
SIMs (LMS etc)					
20LMS Schools	17,830	0	17,830	17,830	3 to 5 year loans made to schools using their balances
21SIPF	-1	1	0	0	
Subtotal	17,829	1	17,830	17,830	
Grand Total	50,527	-2,397	48,130	42,506	

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
90.3	Children & Young People	84.0	(6.3)
51.9	Environment Services	46.8	(5.1)
6.3	Community & Adult Services	3.9	(2.4)
10.2	Corporate Directorates	7.6	(2.6)
158.7	Total Capital Spending	142.3	(16.4)

- The CYPS outturn position is £6.3m below the revised budget for October, compared to a £4.8m below budget reported in September. The change in forecast outturn this month is predominantly due to: an increase in S106 budget of £0.2m applied to the primary final payments; an adjustment to the phasing of the Netherhall lower school project of £0.4m; and a £0.5m budget virement applied to the School Condition Capital overspend using the School Access Initiative budget 2010/11 budgeted to be applied in 2011/12 and 2012/13.

The revised budget this month has decreased by £709k. This is due to a delay of the BSF scheme, 14-19 provision in Wisbech, which is used to support Phase 2 schools. These are still at the new projects approval phase and so this funding will be carried forward until required. A decrease of £3.4m is offset by an accelerated milestone payment for the BSF ICT Fenland scheme, additional S106 funding of £332k, the inclusion of Huntingdon and Soham schemes funded by direct school contributions of £154k and the addition of £501k for Aiming Higher for Disabled children as this has now been confirmed by the AHDC grants management team.

All variances are due to a timing issue with the exception of the remaining £342k overspend on School Condition Capital 2009/10, £41k overspend on site acquisition and development 2010/11 and a £30k overspend on Primary final payments. 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.
- The Mixed sector overspend of £2.1m is due to an overspend on School Condition Capital of £0.9m for 2009/10 (overspend) and 2010/11 (acceleration), site acquisition and development 2010/11 of £0.2m (acceleration and overspend), Primary Capital Programme (CPC) 2010/11 of £0.7m, Schools access initiative 2009/10 of £0.2m and Environmental initiatives of £0.1m.

Since the Integrated Plan was set the budget has increased by £9.8m providing a total revised budget of £90m for 2010/11. The budget increase is made up of:

- £7.2m relating to the Building Schools for the Future (BSF) programme (£8.8m for Neale Wade Community College, £1.5m for Fenland ICT less £3m for the delayed ICT Fenland scheme);
 - £3.6m relating to funding brought forward from 2009/10 where the final spend was less than anticipated and increased S106 funding and AHDC funding;
 - £0.2m budget reduction in the Extended schools grant as a result of in-year government savings; and
 - £0.8m budget decrease in the Sure Start grant as uncommitted funds clawed-back by DfE.
- ES is forecasting an outturn variance of £5.1m below the revised budget. On Environment and Regulation, more specifically, Waste Management Infrastructure projects, there is a potential overspend relating to 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 the scheme therefore shows as an underspend in 2010/11. The overall scheme is programmed to come in on-budget, due to savings on the construction budget.

Expenditure on the Guided Busway is in line with that detailed for 2010/11 in the most recent cashflow statement and therefore has 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 with the remaining £87k being removed from the Corporate scheme.

- 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:
 - HIV/AIDS
 - Adult Social Care IT Infrastructure
 - Social Care Reform Grant
 - CRIP3 grant of £193k was transferred from Corporate Directorates.
 - A new contract has been signed with Northgate to buy the new version of SWIFT (social care database). The value of the contract is currently c.£750k (plus c.£150k annual maintenance).
 - An extensive review of the capital programmer is underway. This process is led by the Director of Commissioning (ASC) with the input of Project Managers and Finance. Its aims are maximising the use of the various funding streams towards investing in Social Care.

- Corporate Directorates have a capital budget for 2010/11 of £10.3m and spend to date is £2.372m. It is currently expected that the programme will underspend by £2.6m at year-end, largely due to rephasing of proposals under the General Protection and Response to Economic Uncertainty scheme.

The Corporate Accommodation scheme is for the Disability Discrimination Act improvements to council properties. Works are requested on an ad-hoc basis and so it is expected that there will be an in-year underspend, currently estimated at £173k.

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

An outturn underspend on IT Resilience scheme (£314k) reflects deliberate rescheduling of works to avoid unnecessary abortive spend until the Cambridgeshire Public Sector Network procurement has been completed later this financial year.

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 £455k.

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

Capital Financing 2010/11

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

General Funding resources (GFR) (Non Project Specific)			
£m		£m	£m
23.7	Supported Capital Expenditure (Revenue)	22.0	(1.7)
9.3	Capital Receipts (General)	8.1	(1.2)
33.0	Total General Financing	30.1	(2.9)

Project Specific Finances (PSF) (Ring-Fenced)			
0.0	Supported Capital Expenditure (Capital)	0.0	0.0
67.9	Specific Grants	63.9	(4.0)
2.3	Ring-Fenced Capital Receipts	1.6	(0.7)
10.2	Developer and Other Contributions	7.2	(3.0)
45.3	Prudential Borrowing	39.5	(5.8)
125.7	Total Specific Financing	112.2	(13.5)

	Funding Difference	0.0	0.0
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158.7	Total	142.3	(16.4)
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- The Capital Receipts outturn estimate is currently £9.7m. However, the actual predicted capital receipts based on the latest information available and market conditions is approximately £3.2m. The potential shortfall of £6.5m 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.