

**INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR PERIOD ENDING
30TH NOVEMBER 2011**

To: **Cabinet**

Date: **17th January 2012**

From: **Local Government Shared Services: Director of Finance**

Electoral division(s): **All**

Forward Plan ref: **2012/017** *Key decision:* **Yes**

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

Recommendations: **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) Integrated Transport Block Funding 2011/12 (£634,000): approves the allocation of this additional funding in full to Environment Services (see section 5.2).**

	<i>Officer contact:</i>		<i>Member contact:</i>
Name:	Nick Dawe	Name:	Councillor Steve Count
Post:	LGSS: Director of Finance	Portfolio:	Cabinet Member for Resources and Performance
Email:	Nicholas.Dawe@cambridgeshire.gov.uk	Email:	Steve.Count@cambridgeshire.gov.uk
Tel:	01223 699236	Tel:	01223 699173

1. PURPOSE

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

2. OVERVIEW

- 2.1 The following table provides a snapshot of the Authority's performance to date and forecast performance at year end by value, RAG (Red (R), Amber (A), Green (G)) status and direction of travel (DoT). Information on the Balance Sheet Health is updated quarterly (June, September, December and March).

Area	Measure	End of Month Status	Month DoT	Forecast Year-End Status	Year DoT
Revenue Budget	Variance (£m)	+£6.4m	A ↓	-£2.7m	G ↑
Basket Key Performance Indicators	Number at target (%)	60% (6 of 10)	A ↓	50% (2 of 4)	A ↔
Capital Programme	Number of projects to budget and time (%)	75% (131 of 174)	A ↓	75% (131 of 174)	A ↓
Balance Sheet Health	Variance of net borrowing activity from plan (£m)	-£38m (Sep)	G ↓	-£10m (Sep)	G ↔

- 2.2 The key exceptions included in the summary analysis are:

- Revenue Budget; overall the budget position is showing a forecast year-end underspend of -£2.7m (-0.7%). This is an improvement of £447k from last month, which is mainly due to an increase in the Debt Charges and Interest forecast underspend (now forecast to be -£1.5m – an increase of -£0.5m from last month). The overall forecast position includes the impact of firm and agreed action plans to address overspends. See section 3.2 for details and suggested actions.
- Key Performance Indicators; there are 13 indicators within the Council's basket. Targets are available for 10 of these indicators currently, of which 6 are on target. Of these, 4 indicators have year-end forecasts of which 2 are on target. However, please note that further work is underway to precisely define some of the indicators. See section 4 for details and suggested actions.
- Capital Programme; at present 131 out of 174 current projects are forecast to be on time and budget. The projects not to time and budget are mainly as a result of both

slippage and schemes progressing quicker than anticipated. See section 5.2 for details and suggested actions.

- Balance Sheet Health; end of quarter (September) figure shows the variance of actual net borrowing (a positive figure represents additional borrowing than what was planned). This can vary considerably due to the profile of cashflows throughout the year. There were investments of £10m at the end of the quarter (September) resulting in a projected borrowing requirement of £38m. An underspend of -£1.5m is currently forecast. See section 6.2 for details and suggested actions.

3. REVENUE BUDGET, ISSUES AND ACTIONS

3.1 A more detailed analysis of financial performance is tabled below:

Key to abbreviations

ES - Environment Services

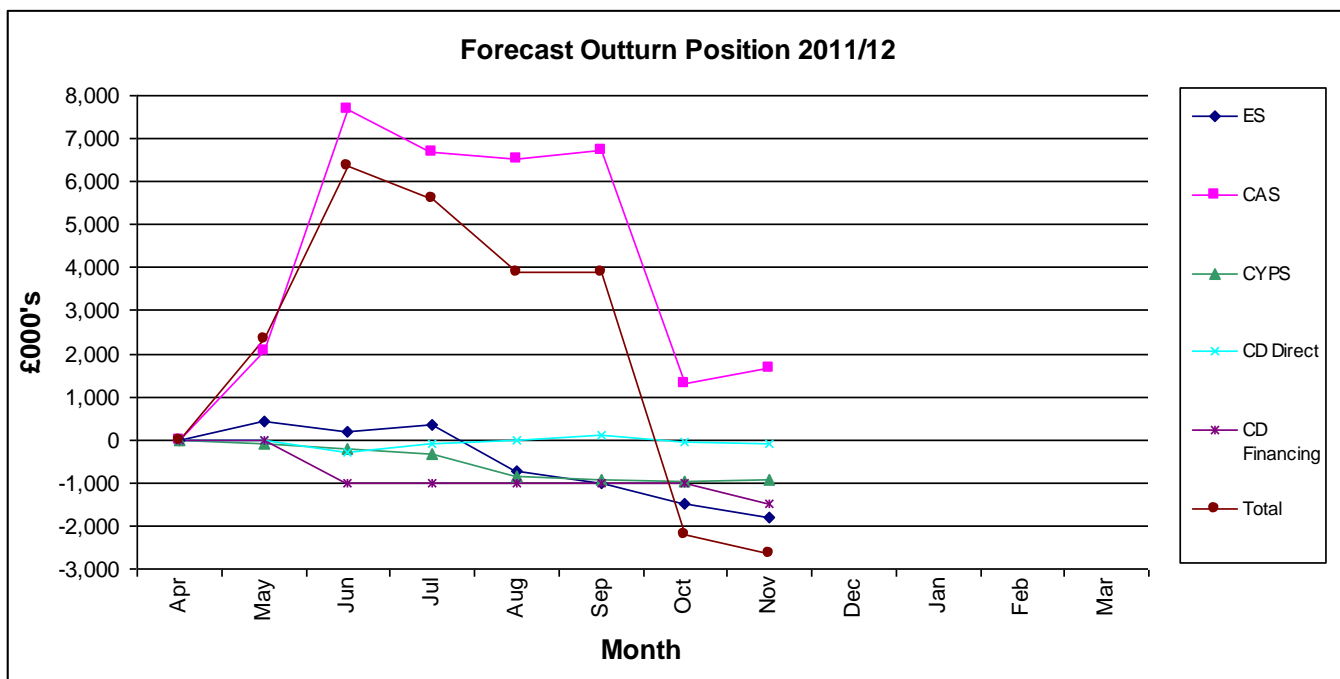
CAS - Community and Adult Services

CYPS - Children and Young People's Services

CD - Corporate Directorates (including Local Government Shared Services (LGSS) Cambridge Office)

DoT - Direction of Travel

Outturn Variance (Oct) £000	Service	Budget for 2011/12 £000	Current Variance £000	Forecast Outturn (Nov) £000	Forecast Outturn (Nov) %	Overall Status	D o T
-1,492	ES	62,198	-2,412	-1,797	-2.9%	G	↑
1,300	CAS	168,302	13,207	1,662	1.0%	A	↓
-961	CYPS	108,495	-1,116	-910	-0.8%	G	↓
-50	CD Direct	31,935	-3,509	-105	-0.3%	G	↑
-1,000	CD Financing	33,420	258	-1,500	-4.5%	G	↑
-2,203	Total Service Spending	404,350	6,428	-2,650	-0.7%	G	↑
-16	Financing Items	-4,849	-13	-16	0.3%	G	↔
-2,219	Total Spending 2011/12	399,501	6,415	-2,666	-0.7%	G	↑



3.2 Key exceptions and emerging issues are identified below.

Service	Key Exceptions	Impacts and Actions
ES	<p>A total Service underspend of -£1.8m is forecast at year-end. This is an increase in the forecast underspend of -£305k from last month.</p> <p>Asset Management is currently reporting a material variance at year-end (£475k overspend) – as reported in last month.</p> <p>Road Safety is currently reporting a material variance at year-end (-£443k underspend) – as reported last month.</p> <p>Waste PFI is currently reporting a material variance at year-end (-£1.5m underspend) – as reported in August.</p> <p>There are no new exceptions to report this month.</p>	<p>The increase in the forecast underspend this month is as a result of a number of areas across the Service forecasting an improved position at year-end.</p>

Service	Key Exceptions	Impacts and Actions
	See the ES Finance and Performance Report for details of individual variances (link provided in section 8.1).	
CAS	<p>A total Service overspend of £1.7m is forecast at year-end. This is an increase in the forecast overspend of £362k from last month.</p> <p>Older People: £5.6m overspend forecast at year-end.</p> <p>Adult Social Care (ASC) Director of Strategy & Commissioning is currently reporting a material variance at year-end (-£1.4m underspend) – as reported in July.</p> <p>Mental Health is currently reporting a material variance at year-end (-£400k underspend) – as reported last month.</p> <p>Supporting People are currently reporting a material variance at year-end (-£650k underspend) – as reported in July.</p> <p>Quality & Transformation is currently reporting a material variance at year-end (-£1.1m underspend) – as reported last month.</p> <p>Learning Disability Services are currently reporting a material variance at year-end (£2.9m overspend) – as reported in May.</p>	<p>This is an increase of £400k from the previously reported overspend, which represents Cambridgeshire County Council's share of the Pool's updated forecast overspend position at year-end.</p>

Service	Key Exceptions	Impacts and Actions
	<p>See the CAS Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	
CYPS	<p>A total Service underspend of -£910k is forecast at year-end. This is a decrease in the forecast underspend of £51k from last month.</p> <p>Learning Directorate is currently reporting a material variance at year-end (-£500k underspend) – as reported in August.</p> <p>Home to School Transport – Special is currently reporting a material variance at year-end (£500k overspend) – as reported last month.</p> <p>There are no new exceptions to report this month.</p> <p>See the CYPS Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	
CD	<p>A total underspend of -£1.6m is forecast at year-end. This is an increase in the forecast underspend of -£555k from last month.</p> <p><u>Corporate Services</u></p> <p>There are no new exceptions to report this month.</p> <p><u>LGSS Cambridge Office</u></p> <p>Carbon Trading is currently reporting a material variance at year-end (-£500k underspend) – as reported last month.</p>	

Service	Key Exceptions	Impacts and Actions
	<p>County Offices is currently reporting a material variance at year-end (£367k overspend) – as reported in September.</p> <p>There are no new exceptions to report this month.</p> <p><u>Financing</u></p> <p>Debt Charges: -£1.5m underspend forecast at year-end.</p> <p>See the CD Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	<p>The forecast underspend has risen by £0.5m this month. The sovereign debt crises in the Eurozone has gained momentum over the past six months and this has led in turn to an increase in safe haven flows into UK gilts, which has depressed gilt yields to record lows. As a result interest rates on new long term borrowing have been secured at lower levels than budgeted.</p>

Service	Emerging Issues	Impacts and Actions
ES	None	
CAS	None	
CYPS	Academies Funding	<p>Following the consultation in the Summer on the basis for the decision on the appropriate amount of Academies funding transfer for 2011/12 and 2012/13 the Secretary of State for Education, in consultation with the Secretary of State for Communities and Local Government has reached a “minded to” decision. The consultation will run for 4 weeks. If the “minded to” proposals are implemented there will be no further financial impact on the County Council for 2011/12 and 2012/13. If the Government were to change its proposals following this latest consultation, there could still be a financial pressure both this financial year and next financial year.</p>

Service	Emerging Issues	Impacts and Actions
		<p><i>Suggested actions:</i></p> <ul style="list-style-type: none"> This position will be updated accordingly once the outcome of the latest consultation is known.
CD	None	

Note: material variances are considered to be in excess of either +/- 0.5% of the Services' overall net budget plus grants or +/- 0.1% of the Council's net budget plus grants (£400k), whichever is the greater.

4. PERFORMANCE TARGETS, ISSUES AND ACTIONS

4.1 A detailed analysis of performance against key targets is tabled below:

Description	Frequency	What is good?	Unit	Last data entered	Target	Actual	Status	DoT	Predicted year-end status
Economy and employment									
The number of young people starting as apprentices in the county	Quarterly	High	Number	31-Jul-11	2433	3115	GREEN	n/a	GREEN
The proportion of 16 - 19 year olds in education, employment or training	Monthly	High	%	30-Nov-11	92	92.1	GREEN	↑	n/a
The number of people completing courses to directly improve their chances of employment	Monthly	High	Number	The definition of this measure is currently under development. A figure will be available in December's report.					n/a
Local places									
The proportion of streetlights that are currently working	Monthly	High	%	31-Oct-11	97.5	98.2	GREEN	↑	AMBER
The proportion of household waste collected in the last 12 months that was sent to landfill	Monthly	Low	%	31-Oct-11	45.5	44.7	GREEN	↑	GREEN

The number of people killed or seriously injured in road traffic accidents in previous 12 months	Monthly	Low	Number	30-Sep-11	331	342	AMBER	↑	AMBER
People and prevention									
The proportion of people who are independent following short-term support to help them be self-sufficient	Monthly	High	%	31-Oct-11	50	61	GREEN	↑	n/a
The proportion of older people still at home after three months following discharge from hospital and support to regain independence	Monthly	High	%	31-Oct-11	81	88	GREEN	↑	n/a
The proportion of people using social care services who have chosen how their support is provided	Monthly	High	%	30-Nov-11	80	54.1	RED	n/a	n/a
The proportion of people living in Cambridgeshire who actively use a library service	Monthly	High	%	30-Nov-11	See note 1	24.2	n/a	↓	n/a
The number of children admitted to hospital as a result of injury, per 10,000 children	Quarterly	Low	Rate per 10,000 children	30-Sep-11	See note 2	14.3	n/a	n/a	n/a
The proportion of looked after children aged between 10 and 16 who are placed in foster care or adopted	Monthly	High	%	31-Oct-11	82	81.4	AMBER	↓	n/a
Repeat incidents of domestic violence in supported cases	Quarterly	Low	%	30-Sep-11	29	35	RED	n/a	n/a

Note 1: A target is currently being developed.

Note 2: Work is underway with CYPS and NHS Cambridgeshire to review work and data in this area.

4.2 There are three indicators that are exceptions this month:

- **The number of young people starting as apprentices in the county (GREEN)**
(very good performance)

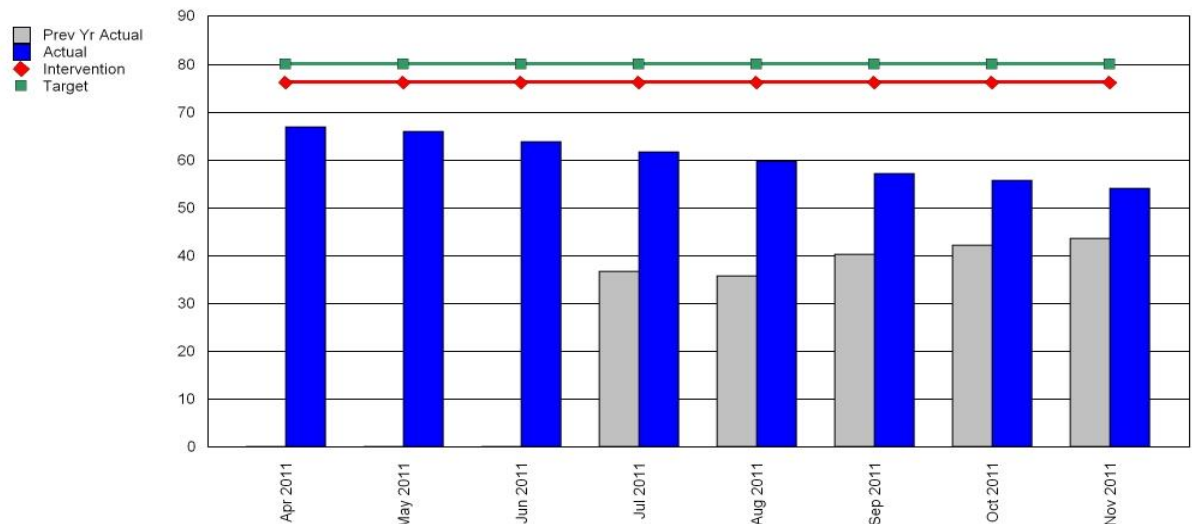
The data shown here is the end of the academic year 2010/11.

Although the target here is overall, we monitor the figures by age band: 16-18 years; 19-24 years; and 25+ years. There has been strong growth across all year categories. We have considerably exceeded the overall and 25+ targets, but fell short on 16-18 and 19-24 years. All targets were set at 18% and there was always a question as to how realistic any of them were.

Looking at the comparative date for 16-18, here we have growth approximately at half the rate of the national and regional averages, but at a significantly higher rate than for our statistical neighbours.

- **The proportion of people using social care services who have chosen how their support is provided (RED)**

Chart showing the proportion of social care clients receiving Self-Directed Support, April 2011 – November 2011



The chart above shows the performance of this indicator in 2011-12.

This indicator is calculated by dividing the number of clients and carers who have received support in the community from Adult Social Care since 1 April 2011 by the number of clients and carers in the community who are in receipt of Self-Directed Support (SDS) in the same time frame. **Currently, more than half of all clients**

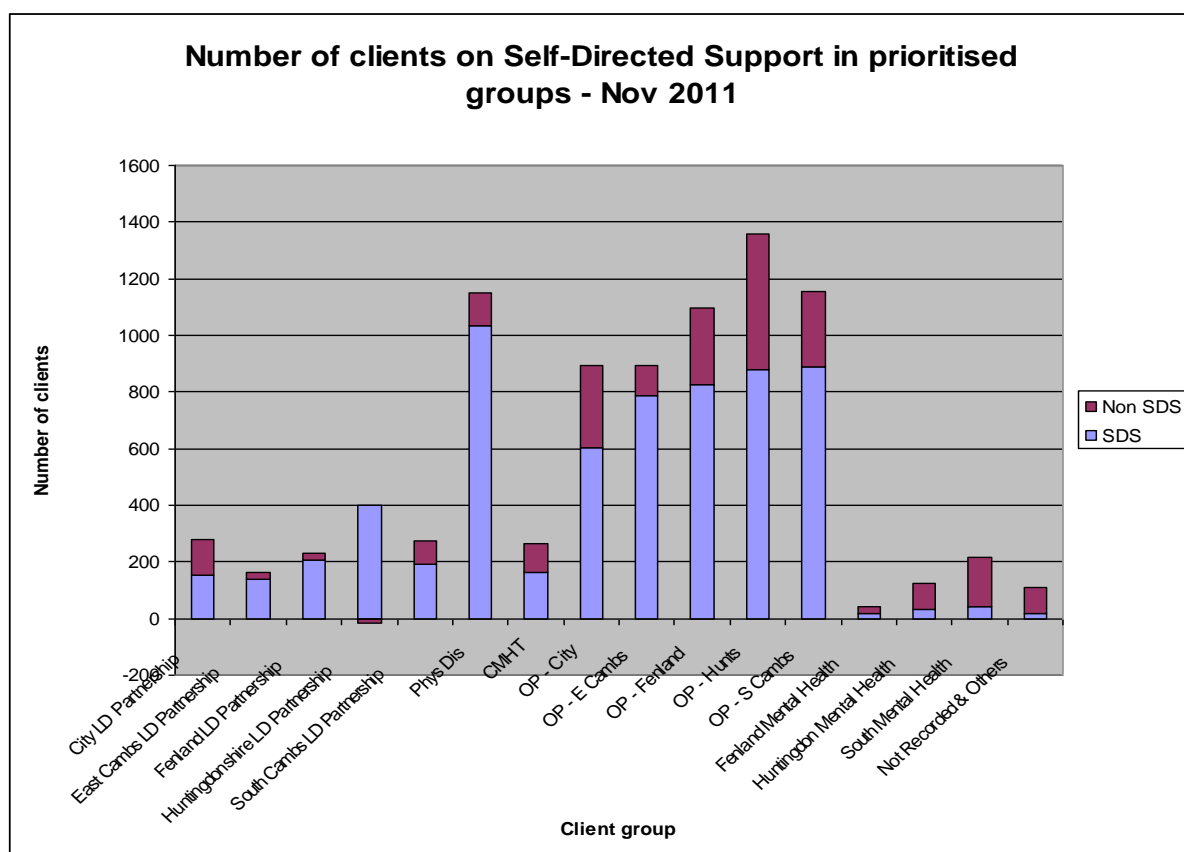
receiving support in the community have chosen how their support is provided. This is good performance compared to other areas.

However, this proportion is decreasing each month as the number of clients receiving support in the community is increasing faster than the number of clients who have been through the Self-Directed Support process.

The exception report for this indicator last month identified three points:

- 1) That not all client groups are appropriate for Self-Directed Support (clients that primarily receive equipment or are recently discharged from hospital are not appropriate – approximately 30% of all clients). Excluding these groups from the indicator calculation gives a figure of 74%, **so three-quarters of client groups who are appropriate for Self-Directed Support are currently receiving it.**
- 2) In order to reach the target of 80% for appropriate groups by the end of the year, approximately 300 – 350 clients from these groups need to be put onto SDS each month. **This is approximately twice as many each month as currently.**
- 3) Teams supporting appropriate groups that were identified as needing more support (defined as being more than 10 percentage points below the appropriate group overall proportion) were:
 - Cambridge City LD Partnership – small improvement compared to last month.
 - Cambridgeshire Mental Health Team (CMHT) – small improvement compared to last month.
 - Mental Health – small deterioration compared to last month.

However, focusing effort on the largest client group may yield quicker improvements in the overall figure. The chart below clearly shows that largest client group is older people.



Effort should be focused therefore on increasing the proportion of older people receiving Self-Directed Support.

- **Repeat incidents of domestic violence in supported cases (RED)**

This indicator shows the proportion of victims of domestic abuse who have engaged with support services and have been referred more than once to the Multi Agency Risk Assessment Conference (MARAC). The MARAC discusses cases involving people at high risk of harm from domestic abuse.

The MARAC only deals with the cases where people remain at the highest risk despite initial support offered by an individual agency such as the Police or the County Council. People who are referred more than once to a MARAC are therefore in a very serious and often very complex situation.

The overall number of repeat referrals to a MARAC in the county since April is 115, out of a total of 337 engaged clients who are already receiving support from the County Council (IDVA – Independent Domestic Violence Advisors). Expressed as a proportion, the overall rate for the county is 34%. This is higher (worse) than the target of 29%.

This overall county proportion masks differences in the districts. These differences are expressed in the table below:

	Referrals to IDVA	Client engaged with IDVA	% Engaged	Repeat referrals to MARAC	% of engaged clients that are repeats
City	90	74	82%	27	36%
East Cambridgeshire	55	46	84%	17	37%
Fenland	73	54	74%	19	35%
Huntingdonshire	142	122	86%	34	28%
South Cambridgeshire	61	41	67%	18	44%
Total	421	337	80%	115	34%

National research suggests that this indicator increases as the MARAC partnership develops, as the referral mechanisms mature. It is possible it will rise to a peak of 50%.

The Domestic Abuse Partnership Manager is currently reviewing all repeat referrals and non-engagements for Q1 in 2011/12 to better understand these issues and identify any emerging trends.

5. CAPITAL PROGRAMME, ISSUES AND ACTIONS

5.1 A more detailed analysis of capital performance by programme for individual schemes of £0.5m or greater is tabled below:

Service	No. of Programmes	No. on Budget	No. on Time	Target end of November	Actual end of November
ES	61	55	61	55 schemes to budget and time.	55 schemes to budget and time.
CAS	22	22	6	6 schemes to budget and time.	6 schemes to budget and time.
CYPS	64	49	63	48 schemes to budget and time.	48 schemes to budget and time.
CD	27	25	24	22 schemes to budget and time.	22 schemes to budget and time.

5.2 Key exceptions and emerging issues are identified below:

Service	Key Exceptions	Impacts and Actions
ES	<p>An underspend of -£1.7m is currently being forecast for ES' capital programme in 11/12.</p> <p>Integrated Transport: -£9k underspend forecast at year-end.</p>	<p>The previously reported underspend of -£668k has reduced to -£9k, as this funding is in the process of being allocated towards other cycling schemes.</p>

	<p>Infrastructure Management & Operations is currently reporting a material variance at year-end (-£1.6m underspend) – as reported in May.</p> <p>See the ES Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	
CAS	<p>An underspend of -£2.5m is currently being forecast for CAS' capital programme in 11/12.</p> <p>Adult Social Services: -£395k underspend forecast at year-end.</p> <p>Transformation Initiatives is currently reporting a material variance at year-end (-£1.2m underspend) – as reported in May.</p> <p>See the CAS Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	<p>The previously reported underspend of -£895k has reduced to -£395k this month. The extensive review has been undertaken and has prioritised the various funding streams towards investing in Social Care.</p>
CYPS	<p>An underspend of -£517k is currently being forecast for CYPS' capital programme in 11/12.</p> <p>Primary School – Adaptations: £376k overspend forecast at year-end.</p>	<p>The previously reported overspend of £1.6m has reduced to £376k this month. The forecast variance for Shirley Primary has reduced, as funding for the £1m overspend is being identified from underspends elsewhere in the programme. In addition, £242k has been reimbursed by the contractor of Ditton Lodge extension, reducing the forecast spend for this project.</p>

	<p>Primary Schools – New Communities is currently reporting a material variance at year-end (-£3.4m underspend) – as reported in August.</p> <p>Primary Schools – Demographic Pressures is currently forecasting a material variance (£1.8m overspend) - as reported last month.</p> <p>See the CYPS Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	
CD	<p>An underspend of -£5.2m is currently being forecast for CD's capital programme in 11/12.</p> <p><u>Corporate Services</u></p> <p>There are no new exceptions to report this month.</p> <p><u>LGSS Cambridge Office</u></p> <p>Better Utilisation of Property Assets (BUPA) Fenland Project: £844k overspend forecast at year-end.</p> <p>BUPA College of West Anglia (CoWA) Project: -£4.8m underspend forecast at year-end.</p> <p>Carbon Reduction is currently forecasting a material variance at year-end (-£505k underspend) – as reported last month.</p>	<p>The previously reported overspend of £1.8m has reduced to £844k this month. The earlier construction than was anticipated in the business case has since been delayed, therefore reducing the anticipated overspend. However, this overspend still represents a rephasing of the expenditure, rather than an increase in overall scheme costs.</p> <p>The previously reported underspend of -£2.3m has increased to -£4.8m this month, which represents rephasing of the grant payments following further delays to the start of construction of the CoWA Engineering Block. This still represents a rephasing of expenditure, rather than a decrease in overall scheme costs.</p>

	See the CD Finance and Performance Report for details of individual variances (link provided in section 8.1).	
--	---	--

Service	Emerging Issues	Impacts and Actions
ES	Integrated Transport Block Funding 2011/12: £634k funding	This is additional capital funding that was confirmed in the Chancellor of the Exchequer's Autumn Statement. Cambridgeshire has been allocated £634,000 for the remainder of 11/12 (any unspent monies at 31 st March 2012 may have to be returned). This is an un-ringfenced grant, but is an extension to the 2011/12 Local Transport Plan (LTP) funding that Members agreed to passport in full to Environment Services. On that basis Cabinet is asked to approve the allocation of this additional funding in full to Environment Services.
CAS	None	
CYPS	None	
CD	None	

6. BALANCE SHEET, ISSUES AND ACTIONS (reported quarterly)

6.1 A more detailed analysis of balance sheet health issues is tabled below:

Measure	Target end of November	Actual end of November
Net borrowing activity from plan, £m	£352m (Sep)	£314m (Sep)
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.6m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£0.9m
Invoices paid by due date (or sooner), %	95%	99%

6.2 Key exceptions and emerging issues are identified below:

Key exceptions	Impacts and actions
Variance of net borrowing activity from plan	The sovereign debt crises in the Eurozone has gained momentum over the past six months and this has led in turn to an increase in safe haven flows into UK gilts, which has depressed gilt yields to record lows. As a result interest rates on new long term borrowing have been secured at lower levels than budgeted, which has resulted in an underspend of £1.5m being forecast.

Emerging issues	Impacts and actions
None	

7. EXTERNAL AND CONTEXTUAL ISSUES

7.1 The project to understand the potential financial impact of the two recent Government consultations: Localisation of Council Tax Benefit; and Technical Reforms of Council Tax, continues to ensure this impact is factored in to the Council's future plans.

The results of this work will be reported once they are available.

7.2 An initial assessment of these issues is set out below.

External and Contextual Issues; key issues, impact and suggested actions

Key issues	Impacts and actions
Localisation of Council Tax Benefit and the Technical Reforms of Council Tax consultations.	<p>These could significantly impact on council tax funding going forward. However, it is not know at this stage the level of this impact.</p> <p><i>Suggested actions:</i></p> <ul style="list-style-type: none">• A project is currently underway to understand the potential financial impact. The findings resulting from this work will be reported once available.

8. FURTHER INFORMATION

8.1 Members requiring further information on issues raised in this report may wish to access the reporting and drill down facilities in CORVU (for performance issues) and the Oracle e-Business Suite for finance issues, or follow the links below:

CYPS Finance and Performance Report	http://www.cambridgeshire.gov.uk/council/finance/spending/monthly/Children+and+Young+Peoples+Services.htm
CAS Finance and Performance Report	http://www.cambridgeshire.gov.uk/council/finance/spending/monthly/Community+and+Adult+Services.htm
ES Finance and Performance Report	http://www.cambridgeshire.gov.uk/council/finance/spending/monthly/Environment+Services.htm
CD Finance and Performance Report	http://www.cambridgeshire.gov.uk/council/finance/spending/monthly/Corporate+Directorates.htm

9. IMPLICATIONS

Resources and Performance

- 9.1 This report provides the latest resources and performance information for the council and so has a direct impact.

Statutory, Legal and Risk

- 9.2 There are no significant statutory, legal and risk implications.

Equality and Diversity

- 9.3 There are no significant equality and diversity implications.

Engagement and Consultation

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

SOURCE DOCUMENTS:

ES Budgetary Control Report (November) CAS Budgetary Control Report (November) CYPS Budgetary Control Report (November) CD Budgetary Control Report (November) Performance Management Report & Corporate Scorecard (November) Capital Monitoring Report (November) Aged Debt per Directorate – as at 30 th November 2011	Room 301, Shire Hall, Cambridge
---	---------------------------------------