

**INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR PERIOD ENDING
28TH FEBRUARY 2011**

To: **Cabinet**

Date: **5th April 2011**

From: **LGSS: Director of Finance**

*Electoral
division(s):* **All**

Forward Plan ref: **N/A**

Key decision: **N/A**

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.**

Name: Nick Dawe	Name: John Reynolds
Post: LGSS: Director of Finance	Portfolio: Resources and Performance
Email: Nicholas.Dawe@cambridgeshire.gov.uk	Email: John.Reynolds@cambridgeshire.gov.uk
Tel: 01223 699236	Tel: 01223 699173

1. PURPOSE

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

2. OVERVIEW

The following table provides a snapshot of the Authority's performance to date and forecast performance at year end by value, RAG status and direction of travel. Information on the Capital Programme and 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)	+£0.8m	A	↑	-£1.2m	G	↑
Basket Key Performance Indicators	Number at target (%)	60% (25 of 42)	A	↑	69% (18 of 26)	A	↓
Capital Programme	Number of projects to budget and time (%)	63.4% (128 of 201)	A	↓	63.4% (128 of 201)	A	↓
Balance Sheet Health	Variance of net borrowing activity from plan (£m)	-£30m (Dec)	G	↔	+£19m (Dec)	A	↔

2.1 The key exceptions included in the summary analysis are:

- Revenue Budget; overall the budget position is showing a forecast year-end underspend of -£1.2m (-0.4%). This is an increase in the forecast outturn underspend of -£230k since the previous month. There are no new exceptions to report this month. See section 3.2 for details and suggested actions.
- Key Performance Indicators; overall 25 out of the Council's basket of 42 key performance indicators are currently on target. Of these, 26 indicators have year-end forecasts of which 18 are on target. See section 4.2 for details and suggested actions.
- Capital Programme; at present only 128 out of 201 current projects are forecast to be on time and budget, mainly as a result of slippage and cuts to the programme. In addition, based on current market conditions, there is currently a potential shortfall of

£6m in capital receipts that will need to be managed through additional prudential borrowing or a further reduction in the capital spend programme. See section 5.2 for details and suggested actions.

- Balance Sheet Health; end of quarter (December) 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 £11m at the end of the last quarter (December) resulting in a projected borrowing requirement of £19m. However, a balanced budget is currently being 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

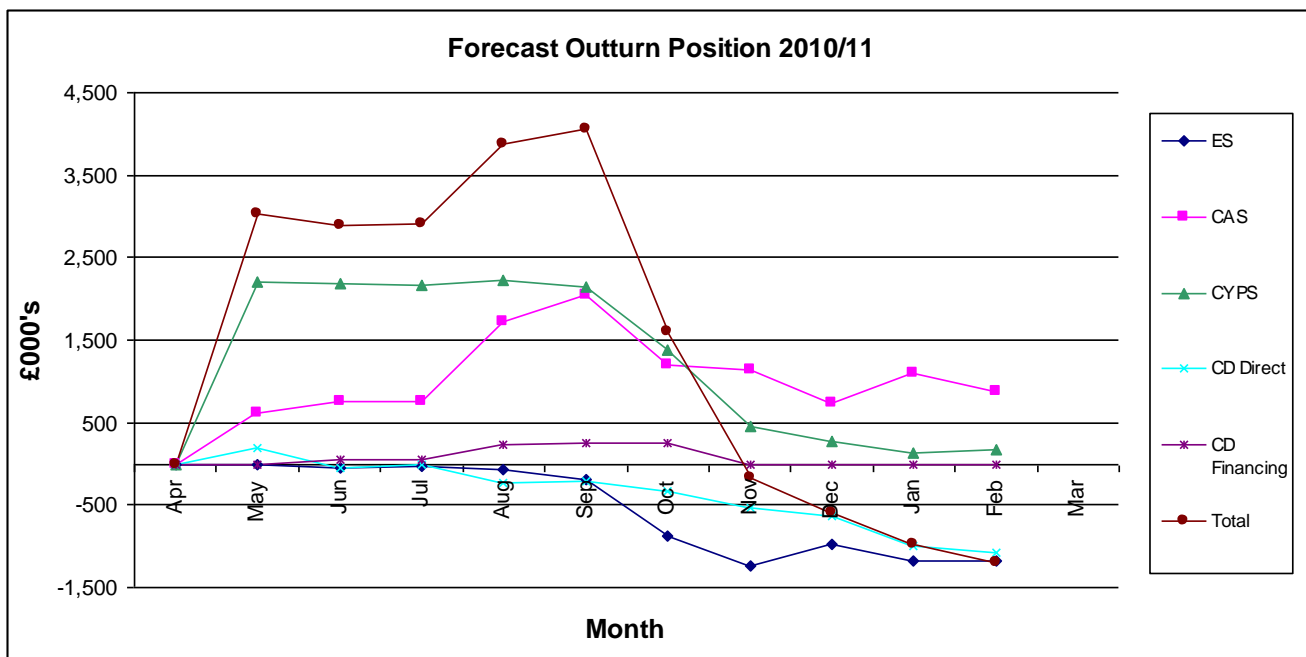
CD - Corporate Directorates (including Local Government Shared Services (LGSS))

DOT - Direction of Travel

Outturn Variance (Jan) £000	Service	Budget for 2010/11 £000	Current Variance £000	Forecast Outturn (Feb) £000	Forecast Outturn (Feb) %	Overall Status	D o T
-1,184	ES *	53,383	-3,227	-1,175	-2.2%	G	↓
1,093	CAS **	145,967	10,540	868	0.6%	A	↑
121	CYPS	84,623	-1,433	173	0.2%	A	↓
-1,002	CD Direct	32,160	-3,126	-1,068	-3.3%	G	↑
0	CD Financing	29,050	-1,944	0	0.0%	G	↔
-972	Total Service Spending	345,183	810	-1,202	-0.3%	G	↑
0	Financing Items	-5,768	-1	0	0.0%	G	↔
-972	Total Spending 2010/11	339,415	809	-1,202	-0.4%	G	↑

* ES includes Priority Investments (A14 Inquiry, Pitt Review and Economic Assessment), Waste PFI Contract and Winter Maintenance, where specific arrangements for under/over spends exist. Excluding these the underlying forecast outturn position for ES is -£1,175k underspend.

** Verbal agreement has been received from the PCT that further funding will be forthcoming, but this has not yet been reflected within CAS' forecast outturn, as we're awaiting written confirmation. It is expected that this additional funding will allow the Service to breakeven at year-end.



3.2 Key exceptions and emerging issues are identified below.

Service	Key Exceptions	Impacts and Actions
ES	<p>A total Service underspend of -£1.2m is forecast at year-end, which remains at the same level as reported last month.</p> <p>Highways & Access (-£626k) are the only directorate currently reporting a material forecast variance at year-end.</p> <p>There are no new exceptions to report this month.</p> <p>See the ES Finance and Performance Report for details of individual variances (link provided in section 8.1).</p>	n/a
CAS	<p>A total Service overspend of £868k is forecast at year-end, which is a reduction in the forecast of £225k from last month.</p>	n/a

Service	Key Exceptions	Impacts and Actions
	<p>Adult Social Care – Strategy & Commissioning (-£984k) and Adult Social Care – Operations (£1.9m) are currently reporting material forecast variances at year-end.</p> <p>There are no new exceptions to report this month.</p> <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 overspend of £173k is forecast at year-end, which is an increase in the forecast of £52k from last month.</p> <p>The Executive Director (-£4.3m), Strategy & Commissioning (£4.1m) and Children’s Social Care (£1m) are currently reporting material forecast variances at year-end.</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>	n/a
CD (including LGSS Cambridge Office)	<p>A total underspend of -£1.1m is forecast at year-end, which is an increase in the forecast of -£66k from last month.</p> <p>Corporate Services (-£737k) are the only directorate currently reporting a material forecast variance at year-end.</p> <p>There are no new exceptions to report this month.</p>	n/a

Service	Key Exceptions	Impacts and Actions
	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	None	
CAS	None	
CYPS	None	
CD (including LGSS Cambridge Office)	None	

Note: material variances are considered to be in excess of either +/- 0.5% of the Services' overall net budget or +/- 0.1% of the Council's net budget (£340k), whichever is the greater.

4. PERFORMANCE TARGETS, ISSUES AND ACTIONS

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

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-Jan-2011	11.6	6.6	G	↑	
NI008 Adult participation in sport and active recreation	High	%	31-Mar-2011	23.2	26.2	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	28-Feb-2011	45.7	80	R	↑	
NI131 Delayed transfers of care from hospitals per 100,000 aged 18+	Low	transfers	28-Feb-2011	13.1	8.9	R	↑	
NI148 Care leavers in EET	High	%	31-Jan-2011	65.1	75	R	↑	
NI032 Repeat incidents of domestic violence	Low	%	31-Mar-2010	27.5	28	G	↓	
NI040 Drug users in effective treatment	Low	users	31-Dec-2010	1213	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-Dec-2010	340	360	G	↑	G
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	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
4) Promoting improved skill levels and economic prosperity across the county, helping people into jobs and encouraging enterprise (Strategic Objective 4)								
NI152b Working age people on out of work benefits in Fenland - difference between Fenland and regional average - LAA	Low	%	30-Jun-2010	3.6	3.6	G	↑	A
NI182 Satisfaction of businesses with local authority regulation services	High	%	31-Dec-2010	76	80	A	↑	R
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_12MONTH	Low	Number	28-Feb-2011	8357086	8143205	A	↑	
NI192 Household waste recycled and composted - 12-month rolling average	High	%	31-Jan-2011	52.34	52.3	G	↑	G

NI185a CO2 reduction from Local Authority operations	High	%					*	
NI185b CO2 reduction from Local Authority operations	Low	tonnes	31-Mar-2010	90448	88765.4	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	28-Feb-2011	27.94	33	G	↑	G
Finance - Capital	High	Number	28-Feb-2011			A	↓	
Finance - CAS	High	Number	28-Feb-2011			A	↑	
Finance - CD Direct	High	Number	28-Feb-2011			G	↑	
Finance - CD Financing	High	Number	28-Feb-2011			G	↔	
Finance - CYPs	High	Number	28-Feb-2011			A	↓	
Finance - ES	High	Number	28-Feb-2011			G	↓	
LI025 Sickness Absence (CCC)	Low	working days	28-Feb-2011	6.58	7.1	G	*	G
LI031 % of staff from ethnic minorities as a % of the workforce	High	%	28-Feb-2011	4.84	4.1	G	↑	G
LI039 Payment of undisputed invoices within 30 days	High	%	28-Feb-2011	98.7	97	G	↑	
LI044 Value of outstanding invoices per age range >6 months	Low	£	28-Feb-2011	987881	990000	G	↑	G
NI179 VfM	High	£0,000	28-Feb-2011	14753	15536	R	↑	
Percentage of appraisals completed on time	High	%	31-Mar-2010	91.5	96	A	↓	
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	28-Feb-2011	2			↓	
LI136a CCC - % of Contact Centre calls answered within 20 seconds	High	%	28-Feb-2011	88.5	80	G	↑	G
LI302 Successful visits to CCC website	High	%	28-Feb-2011	67			↓	
LI303 Response to FOI requests within specified timescales - fail rate	Low	%	31-Jan-2011	9	10	G	↓	G
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	*	

Indicators that were reported as exceptions last month that have now reached target level:

- Business Mileage CCC_Total_12 Month (AMBER ↑) – compared to the same month in 2010, business mileage is lower for February 2011. This shows good progress, but there is still work to do. Year to date, CCC retains amber status for business mileage and the target for reduction is still to be reached. Continued efforts from all services are required, particularly within CYPs whose mileage continues to rise.
- National Indicator (NI) 192 Household Waste Recycled and Composted – 12 month rolling average (GREEN ↑).
- Local Indicator (LI) 044 Value of Outstanding Invoices Per Age Range >6 Months (GREEN ↑) – now operating within target performance level. Large debt of £303k cancelled. Further investigation and clarifications of charges required.

4.2 Key exceptions (indicators reported as an exception in previous month's report) and emerging issues (indicators not reported as exception in previous month's report) are identified below:

Key Exceptions	Impacts and Actions
NI008 Adult Participation in Sport and Active Recreation (RED ↑)	No impact or actions provided.
NI130 Social Care Clients receiving Self Directed Support (RED ↑)	Performance is continuing to increase and already above national year end target of 30%. New SDS report by key team issued via Performance Management Bulletin to help monitoring. In addition proportion of non-SDS direct payments is falling: 32:68 in June, 38:62 July, 41:59 August, 45:55 September and 48:52 October, 50:50 November, 52:48 December, 53:47 January, 54:46 February.
NI131 Delayed Transfers of Care from Hospitals per 100,000 Aged 18+ (RED ↑)	A significant reduction has been recorded both against the previous month (14.6 in January 2011) and against the same period last year (16.9 in February 2010). However, target is unlikely to be met at year-end. Winter pressures mean that admissions tend to increase over the December-February period, which can have a negative impact on this indicator. Performance is now monitored monthly through the Urgent Care Network and projects such as re-ablement and the Single Transition Team in Addenbrookes will help reduce delays further.
NI148 Care Leavers in Employment, Education or Training (EET) (RED ↑)	28 out of 43 care leavers are in EET. Three of the nine additions to the cohort in January are NEET. Two of them are either full-time parents or expectant parents. The third is Appeals Rights Exhausted (ARE) and has no recourse to public funds. The team continues to develop ideas to encourage young people to engage in EET, and ensure that this is reflected in pathway planning.
NI179 Value for money (RED ↑)	The year-end efficiency saving forecast is currently estimated to be £14.8m, which is still below the target level of £15.5m, but is an improvement from last month. The status for this indicator is flagged as RED when the saving forecast drops 5% or more below the targeted level (currently 5.8% below the target). As reported previously this shortfall 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:

- NI155 Number of affordable homes delivered (gross)
- NI163 Working age population qualified to at least Level 2
- NI171 New business registration rate - % of regional average
- NI185b CO2 reduction from Local Authority operations

These indicators are measured annually.

Emerging Issues	Impacts and Actions
None	

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 Feb	Actual end of Feb
ES	64	59	53	48 schemes to budget and time.	48 schemes to budget and time.
CAS	26	26	16	16 schemes to budget and time.	16 schemes to budget and time.
CYPS	81	61	68	48 schemes to budget and time.	48 schemes to budget and time.
CD	30	29	16	16 schemes to budget and time.	16 schemes to budget and time.

5.2 Key exceptions and emerging issues are identified below:

Service	Key Exceptions	Impacts and Actions
ES	<p>There are no new exceptions to report this month.</p> <p>However, the previously reported exceptions are still ongoing:</p> <ul style="list-style-type: none"> Waste Management Infrastructure Projects. Guided Busway. <p>See the ES Finance and Performance Report for details of these exceptions (link provided in section 8.1).</p>	n/a
CAS	<p>There are no new exceptions to report this month.</p> <p>However, the previously reported exceptions are still ongoing:</p> <ul style="list-style-type: none"> Croylands / Larkfields. The Adult Social Care Project. <p>See the CAS Finance and Performance Report for details of these exceptions (link provided in section 8.1).</p>	n/a

CYPS	<p>There are no new exceptions to report this month.</p> <p>However, the previously reported exceptions are still ongoing:</p> <ul style="list-style-type: none"> • Sawston VC. • CCC Primary Improvements 10/11. • School Condition Capital 10/11. • School Condition Capital Funding 09/10. <p>See the CYPS Finance and Performance Report for details of these exceptions (link provided in section 8.1).</p>	n/a
CD	<p>There are no new exceptions to report this month.</p> <p>However, the previously reported exceptions are still ongoing:</p> <ul style="list-style-type: none"> • Huntingdon Office Rationalisation. • Better Utilisation of Property Assets. • General Protection & Response to Economic Uncertainty. <p>See the CD Finance and Performance Report for details of these exceptions (link provided in section 8.1).</p>	n/a
<ul style="list-style-type: none"> • The capital receipts outturn estimate is currently £8.1m. However the actual predicted capital receipts based on the latest information available and market conditions is approximately £2.1m. The potential shortfall of £6m capital receipts will require additional prudential borrowing or a reduction in the capital spend programme. <p><i>Actions:</i></p> <p>Continue to progress with the sale of assets and monitor the variance requiring additional borrowings.</p>		

Service	Emerging Issues	Impacts and Actions
ES	None	
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 December	Actual end of December
Net borrowing activity from plan, £m	£342m	£312m
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.2m (Feb)
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£1.0m (Feb)
Invoices paid by due date (or sooner), %	95%	98.7% (Feb)

6.2 Key exceptions and emerging issues are identified below:

Key exceptions	Impacts and actions
None	

Emerging issues	Impacts and actions
Variance of net borrowing activity from plan forecast at year-end	Interest rates are highly likely to stay at 0.5% for the remainder of the year. This has had a favourable affect on the revenue budget. However the projected level of borrowing is higher than originally forecast which has had an adverse impact. There is no variance being projected against the debt charges budget.

7. EXTERNAL AND CONTEXTUAL ISSUES

- 7.1 Political unrest in Libya and across the Middle East is escalating, which could cause an upward pressure on the price of oil. This would impact on the price that the council pays for all types of energy. Inflation risk has been mitigated as part of the 2011/12 Integrated Plan by setting aside an amount in the Pressures and Developments reserve to be used to off-set any increase in inflation if necessary. In addition, the council is protected in the short-term from the impact of energy price rises, as we participate in a buying consortium managed by ESPO. This consortium purchases a significant proportion of energy requirements in advance, seeking to fix prices when favourable to do so.
- 7.2 It is likely that there will be no economic growth in the UK during 2011/12, which gives rise to an increase in risk of critical supplier failure. The council currently monitors critical suppliers via an external credit agency. This monitoring is expected to intensify and become more targeted and real-time within the coming months, following the implementation of Bloomberg, which will provide financial software tools such as analytics and equity trading platform, data services and news to financial companies and organisations around the world.
- 7.3 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
Political unrest in Libya and across the Middle East.	<p>This could cause an upward pressure on the price of oil, which would impact on the price that the council pays for all types of energy.</p> <p><i>Suggested actions:</i></p> <ul style="list-style-type: none">• Monitor the price of energy throughout the 2011/12 financial year and flag any adverse movements away from the budget as early as possible, so that the necessary corrective action can be taken.
No Economic Growth in the UK during 2011/12.	<p>This increases the risk of critical supplier failure.</p> <p><i>Suggested actions:</i></p> <ul style="list-style-type: none">• Continue to monitor the council's critical suppliers via the external credit agency.• Carry out more intelligent based monitoring of critical suppliers following the implementation of the Bloomberg product.

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. STATUTORY DUTIES & PARTNERSHIP WORKING

- 9.1 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.

10. ACCESS & INCLUSION

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

11. ENGAGEMENT & CONSULTATION

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

SOURCE DOCUMENTS:

ES Budgetary Control Report (February) CAS Budgetary Control Report (February) CYPS Budgetary Control Report (February) CD Budgetary Control Report (February) Capital Monitoring Report (February) Performance Management Report and Corporate Scorecard (February) Aged Debt per Directorate – as at 28 th February 2011	Room 301, Shire Hall, Cambridge
---	---------------------------------------