

Central
Bedfordshire
Council
Priory House
Monks Walk
Chicksands,
Shefford SG17 5TQ



**TO EACH MEMBER OF THE
EXECUTIVE**

03 March 2011

Dear Councillor

EXECUTIVE - TUESDAY 15 MARCH 2011

Please find attached the following reports for the above meeting that was marked as being 'to follow' on the main Agenda:-

13. Quarter 3 Budget Management Report 2010

The consider the forecast budget position as at 31 March 2011.

Should you have any queries regarding the above please contact Sandra Hobbs,
Committee Services Officer on Tel: 0300 300 5257.

Yours sincerely

Sandra Hobbs
Committee Services Officer
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Meeting: Executive
Date: 15 March 2011
Subject: Quarter 3 Budget Management Report 2010
Report of: Cllr Maurice Jones , Portfolio Holder for Finance, Governance and People
Summary: The report provides information on the forecast budget position as at 31st March 2011.

Advising Officer: Richard Ellis, Director of Customer and Shared Services
Contact Officer: John Unsworth, Assistant Director Financial Services
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

Sound financial management contributes to the Council's value for money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 5 Council priorities

Financial:

The financial implications are set out in the report

Legal:

None

Risk Management:

None

Staffing (including Trades Unions):

Any staffing reductions as a result of compensatory efficiencies will be carried out in accordance with the Council's Managing Change Policy and in consultation with the Trades Unions.

Equalities/Human Rights:

Equality Impact Assessments were undertaken prior to the allocation of the 2010/11 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Community Safety:

None

Sustainability:

None

Summary of Overview and Scrutiny Comments:

- The report will be presented to Customer and Central Services Overview and Scrutiny Committee on 21 March.

RECOMMENDATIONS:

1. that the Executive

- (a) **Note the improved forecast position of £1.954M over budget which is a £1.297M reduction when compared to the Quarter two report and the expectation that the budget will be in balance at year end**
- (b) **Note that in year management actions have been successful in reducing forecast pressures experienced to date.**
- (c) **Note that the third quarter close may have a beneficial impact on the outturn position**
- (d) **Note the permanent compensatory efficiencies at Appendix A3 which have been approved by the Portfolio Holder for Finance, Governance and People under delegated responsibility.**

Reason for Recommendations: To facilitate effective financial management and planning.

Executive Summary

This report sets out the actual spend to date and the forecast year end financial position of the Council for 2010/11, based on the information available as at 31 December 2010. Latest forecasts indicate a significant improvement since the last quarter report.

The Council continues to experience a significantly increased demand for many of its critical services including:

- a 7% increase in community based care packages for the 65+ age group;

- a 8% increase in numbers of children requiring social care interventions; and
- a 11% increase in demands on the benefits services as a consequence of recessionary pressures.

Central Bedfordshire has also suffered in year funding reductions of over £2.0M as a result of the new Coalition Government's Emergency Budget which has imposed additional pressures for 2010/11.

As a consequence, the latest revenue forecast to year-end identifies pressures of £1.954M, over budget. This forecast assumes no further management action and is based on expected and known service commitments. This is a significant improvement of £1.297M on the quarter 2 position and is evidence that the number of management actions implemented this year have been successful. The overall forecast outturn has reduce by £3.9M since the first quarter report as consequence of reducing expenditure on the BUPA residential care contract, Learning Disabilities transferred services from the Health Service, holding vacancies and bringing forward 2011/12 efficiencies.. Nevertheless, there can be no let up in the efforts to curb discretionary spend.

Whilst there is a positive year to date variance of £2.906M this position will not be sustained into the last quarter of the financial year. Grants and income have been received earlier than expected and unspent grants, contingency and capital financing costs are currently being held to offset costs that are unlikely to be fully reflected until the last quarter of the financial year. Additionally, some unspent grant income is proposed to be transferred to earmarked reserves at year end to fund project expenditure that will be incurred next year. .

The capital monitoring sets out year to date spend against the approved budget profile and the forecast year end position. The capital reporting indicates that the capital programme is behind programme by £10.875M as at December with a year end forecast of £4.776M under budget. This is good news in that there are savings of £0.866M on this year's spend, and £3.910M has been deferred to future years whilst the capital programme review has been in progress.

1.INTRODUCTION

- 1.1 This is the third quarter budget management report to the Executive for 2010/11. It sets out spend to date against the approved profiled budget and the forecast financial outturn based on the information available as at 31 December 2010. Despite the increasing demands on some critical services, and the in year budget cuts, forecast pressures are being actively managed. This report shows a reduction of £1.297M in the forecast position since the mid-year report.
- 1.2 The 2010/11 revenue budget includes £12.076M of efficiencies which are being specifically monitored by the Efficiencies Implementation Group. £11.987M of these savings is on track to be delivered by the end of the year (compared to £11.666M reported in quarter 2.
- 1.3 The capital reporting indicates that the capital programme is behind programme by £10.875M as at December with a year end forecast of £4.776M under budget. This represents an under spend of £0.866M and slippage of £3.910M.

2. REVENUE POSITION

- 2.1 The current revenue forecast position based on information available as at the end of the third quarter identifies pressures of £1.954M, which takes into account expected expenditure commitments for the last quarter of the year. Continued work will be undertaken to further manage these pressures, hence the continuation of the recommendation to curb discretionary spend in order to deliver a balanced budget position at year end. A third quarter close is underway which will make an assessment of a number of balance sheet accounts ahead of closure of the accounts.
- 2.3 The year end forecast includes £2.208M of compensatory efficiency savings which builds on the £1.390M shown in the 2nd quarter report. The thermometer shown at Appendix A3 provides a summary of progress in delivering £11.987M of the £12.076M 2010/11 budget savings together with the savings still 'at risk'. Additional compensatory savings not already reported are also shown at Appendix A3(i). Where these compensatory efficiencies are a permanent replacement from the original budget assumptions they have been approved by the Portfolio Holder for Finance, Governance and People in consultation with the relevant Directors, Portfolio Holders and Chief Finance Officer.
- 2.4 There have been a number of management actions implemented this year which have been successful in reducing the year end forecast position by £3.9M since the first quarter report. Such measures have included, expenditure reduction on the BUPA residential care contract and Learning Disabilities transferred services from the Health service, holding vacancies, bringing forward 2011/12 efficiencies (e.g staffing reductions and contract changes) and using earmarked reserves.
- 2.5 The actual position to date is below budget by £2.906M This is indicative of a number of grants being unspent to offset expenditure in the last quarter of the year, or proposed to be transferred to reserves at year end as well as unspent contingency.
- 2.6 The following table shows a summary by Directorate, the full breakdown is available at Appendix A.

2.7 Table A: Revenue position by Directorate - Paragraphs 2.5 to 2.25 provide further commentary.

Directorate	Approved Budget £000	Forecast Outturn after use of Earmarked reserves £000	Variance to Date (-) under/ overspend £000	Forecast Outturn Variance(-) under/ overspend £000
SCHH	50,976	51,182	-1,118	204
CS	34,226	35,648	574	1,422
SC	47,310	46,820	-770	-490
C&SS	22,057	24,254	1,267	2,197
OCE	4,469	4,237	-527	-232
Contingency and Reserves	4,467	4,066	-986	-1,100
Corporate Costs	15,437	15,373	-1,638	-64
Schools	-1,916	-1,899	294	17
Total	177,026	179,715	-2,906	1,954

Social Care, Health and Housing

- 2.8 For older people, care package expenditure is over budget by £1.647m (£1.468m for quarter 2). The main cause of the pressure in residential and home care is because of the increase in volumes and the increased complexity of care required
- 2.9 For people with learning disabilities, care package expenditure is over budget by £0.713m (£0.570m for quarter 2). This reflects higher than budgeted transitions costs plus costs arising from the emergency closure of an in-house respite unit and additional cross boundary charges.
- 2.10 Physical Disability service costs are also showing a projected increase over budget of £0.354m (£0.214m for quarter 2), the main pressure being that of residential care.
- 2.11 The above pressures are to some extent being off set by under spends on pay and other direct service costs. It is also important to recognise that efficiencies are being realised through the Reablement service and so the effect of this pressure identified above could be far higher.
- 2.12 The overall forecast outturn position captures the full year effect of care packages including those that will be paid for during the last quarter of the financial year for both Older People and for Transitions. This is the main cause of the difference to the year to date under spend position.
- 2.13 An estimation of the pressure of a national Care Provider deregistering its care homes for adults with a learning disability has now been identified in the draft budget for 2011/12 and 2012/13. The potential impact for Central Bedfordshire is that there may be up to 32 people who might require care packages to be funded. The Council is still unclear on the actual impact until a full assessment of need have been carried out on these people.

- 2.14 On a more positive note, nationally the government has made available an additional £70 million to Primary Care Trusts (PCT) in 2010/11 to work with Local Authorities and other partners to facilitate seamless care for patients on discharge from hospital and to prevent avoidable hospital readmissions. Central Bedfordshire is likely to receive a share of £0.238m for this purpose and plans are being formulated to utilise the additional funding.
- 2.15 This will involve increasing capacity in the Councils Reablement Service with a focus on supporting safe discharges and preventing re-admissions of those discharged, spot purchasing equipment and assisting people following their stay in hospital
- 2.16 Clearly this additional funding will be of great benefit to the Council but it is difficult to know at this stage how much of this will be used in 2010/11. Further allocations will be made in 2011/12 although we are yet to fully understand what will become available from the PCT
- 2.17 The overall position shows an improved position moving to an over spend of £0.204m compared to the projected over spend of £0.574m at the end of quarter 2.

Children's Services

- 2.18 The full year forecast position is £1.43M over budget at the end of December 2010 compared to an overspend of £1.40m at the end of September 2010.
- 2.19 The overspend mainly relates to the number of children requiring social care intervention and also out of county placements for children with special educational needs. The needs led pressure on the social care and special educational needs budgets remain and have been contained as much as possible by management action to challenge resource allocation on a case by case basis. The pressures are comparable to the pressures experienced by other Councils in this financial year, following the report into the events arising out of the death of baby Peter in Haringey. The Local Government Association has recently reported an 20 % increase in pressures. There is a major pressure regarding the recoupment charges with Bedford Borough, which is being discussed. Children with disabilities budget build errors are adding further pressure. Savings in the PRU remain at risk and are subject to the ongoing re-commissioning process however in year compensatory savings have been made. The commissioning process will take account of planned savings and will also seek to improve the quality of service delivery.
- 2.20 The forecast overspend in Safeguarding and Children relating to the increased numbers amount to circa £2.12M.
- 2.21 Management action continues to be taken to address overspend in special educational needs budgets. At their September meeting the School Forum agreed to contribute £0.35M in 2010/11 from the Special Educational Contingency budget to fund the pressure on out of authority placements. In addition £191k of reserves originally set aside for Autistic Spectrum Disorder, which has not been required for that purpose, has also been used against this pressure.

- 2.22 Children's Services have reduced budgets by £1.172M (ABG) in line with the Coalition Government reductions and the current forecast position is that these in year cuts will be achieved. However, it has emerged following ministerial announcement that expectation exists that Connexions staff will need to be retained to fulfil some statutory requirement and therefore the full saving may not be achieved. A contingency of £175K will be set against the Early Intervention Grant in 2011/12. In those instances where schools received funding from the reduced ABG grants – schools have now been invoiced the 24%, being the pro-rated cut, to enable recovery of the funds and 'sharing of the reduced funds'. Subject to all the staffing proposals in the 90 day staffing consultation Children's Services will be able to absorb most of the full year effect.
- 2.23 In year savings in the Music Service will be partly achieved against the Music Standards Fund (MSF). The future of this fund is subject to a national review 'The Henley Review' which reported its findings in February 2011. The implications for Central Bedfordshire Council are being considered.
- 2.24 The small change in forecast this month is due to a number of revisions across cost centres as forecasts are being refined and the effect of grant movements is rationalised.
- 2.25 To explain the actual to date overspend (excluding schools) of £571K, this is lower in the first part of the year due to the freezing of discretionary spend against unspent un-ringfenced grants and the use of reserves and provides a front-loading effect.

Sustainable Communities

- 2.26 The third quarter forecast under spend of £490k is a £413k improvement in the financial position compared to the second quarter forecast under spend of £77k. Each division under the control of the Assistant Directors have and continue to work toward achieving budget targets.
- 2.27 The final size of the Directorate under spend is subject firstly to expenditure on responsive repairs, gritting and snow clearance of the road network. Under the highways contract routine winter maintenance costs rests with the contractor. However the Council faces some risk where the maintenance work extends outside of the winter period, for example, occurrence of snow in early Autumn or late Spring and the need for additional gritting or snow clearance. With half the winter to come there is still some risk that severe weather will eat into the forecast under spend.
- 2.28 Secondly, the under spend is subject to planning and building applications which generate income for the Council. These income streams make up about £2.5m in fee income which varies according to demand. Both the number and scale of planning and building projects influence income. A large scale complex development can skew income receipts in any one year.

Customer and Shared Services

- 2.29 The full year forecast position following planned use of reserves identifies pressures of £2,197k. This is an increase of £362k since the quarter two report.

- 2.30 The key reasons for the forecast variance are the same as reported in the previous quarter, but the reasons for the further increase in quarter 3 being budget build pressures in respect of the payroll contract, print room, reduced rental income and unachievable income targets in ICT as well as contractor costs in the Revenue and Benefits service to address the caseload backlog. These have been offset where possible by holding vacancies, reducing disaster recovery costs and ICT maintenance costs.

Office of the Chief Executive

- 2.31 The full year forecast position is £232k (5.2%) under budget. This incorporates planned contributions of £285k from earmarked reserves. This reserve funding, the majority of which is set aside from external resources, relates to specific activity not included in base budget funding.

Corporate Costs

- 2.32 The forecast for Corporate costs is showing a £65k under spend due to reduced Audit Fees reflecting a reduced amount of work being carried out. The actual to date under spend reflects the under spend on capital financing costs which will be offset by unbudgeted premature retirement costs payable at the end of the year.

Contingency and Reserves

- 2.33 Contingency and reserves is forecast to be £1.1M underspent. Following the finalised audit of the 2009/10 accounts the planned contribution to General Reserves has been reduced by £400k as the review of opening balances and creditors identified some minor adjustments.
- 2.34 It was agreed in the quarter 2 report to hold £0.7M contingency to offset 'Appendix E' costs that were not fully reflected in the forecasts at that time. It is now appropriate to release this balance to offset the costs that are now likely to be fully incorporated in the services forecasts.

Other Financial Issues

- 2.35 Calls on the redundancy reserve have been identified as: £1.251M for the Senior Management Review; £0.3M for other known in-year actions; and a further £0.823M is estimated for Area Based Grant (ABG) related redundancies.
- 2.36 The LSP have agreed that part of the LAA1 Performance Reward Grant monies will be given as a contribution to parties in the LSP, including this Council, for those redundancies arising as a direct result of the Government's withdrawal of Area Based Grant. It is anticipated that a balance of £0.482M will be available for ABG closure costs.
- 2.37 The redundancy reserve has been increased by £1.5M to mitigate the pressures and any redundancy costs incurred from the 2011/12 efficiency proposals impacting on the current financial year.
- 2.38 In addition, the CLG has given a capitalisation directive to enable £431K to be treated as capital and take the pressure of the revenue budget. The Council's bid was scaled back by CLG but Central Bedfordshire has fared better than many authorities who received nil.

- 2.39 In preparation for closure of the accounts, a third quarter close is underway. It is expected there will be some benefit to the revenue outturn position as this work concludes due to the finalisation of the legacy authorities' debtor and creditor balances, balance sheet cleansing in respect of goods receipting/invoices receivable and a review of earmarked reserves balances.
- 2.40 The following table B summarises the position in terms of use of the Redundancy Reserve:-

<u>2010/11 Redundancy Position</u>			
	£000	£000	£000
Original Reserve available		-1,528	
Redefinition of Dunstable Town Master plan reserve		-1,500	
Capitalisation Directive		-431	
LSP contribution		<u>-482</u>	
Total funding available			-3,941
<u>Less</u> Use of reserves			
Funding of SMR efficiencies double counted		167	
2010/11 Budget efficiencies and SMR			
- Redundancy	565		
- PILON	147		
- Actuarial Strain	<u>539</u>	1,251	
Estimated costs associated with ABG reductions			
-Redundancy	586		
- Actuarial Strain	<u>237</u>	823	
Other estimated Redundancies		<u>298</u>	
Total estimated costs			2,539
Balance remaining			-1,402

- 2.41 Appendix A5 shows graphically the spend trends based on actual to date monthly spend for the current year compared to the same time last year. Graph 1 compares actual spend between the years and projects to an outturn on a linear basis. This indicates that the actual to date is lower than at the same time last year. This supports the forecast outturn which is also lower than at the same time in 2009/10.

3. REVENUE VIREMENTS

- 3.1 Details of the virements actioned during quarter three are shown at Appendix A4

4. CAPITAL POSITION

- 4.1 As at the end of December the capital programme is showing to be £10.875M behind programme. However, at year end the forecast is to be under programme by £4.776M. This is good news in that this represents a saving on this years spend of £0.866M and £3.910M has been deferred (slipped) to next year as a consequence of the detailed capital programme review.
- 4.2 A summary position by Directorate is shown in table B below with a more detail breakdown shown at Appendix B.
- 4.3 Table C Capital Summary

	Revised Full Year Budget	Position as at December			Full Year Forecast Variance
		Budget	Actual	Variance	
Directorate	£000	£000	£000	£000	£000
Social Care, Health and Housing	2,562	1,029	-917	-1,946	-423
Children's services	3,492	2,384	2,424	40	97
Sustainable Communities	10,436	11,906	5,356	-6,550	-2,926
Customer and Shared Services	7,793	6,355	4,283	-2,072	-1,279
Office of the Chief Executive	260	0	0	0	-45
Sub Total	24,543	21,674	11,146	-10,528	-4,576
HRA	6,174	4,107	3,760	-347	-200
Total	30,717	25,781	14,906	-10,875	-4,776

Social Care, Health and Landlord Services

- 4.4 The year to date variance on the General Fund programme is predominately due to delays in payment of schemes under the Campus Closure. It is now recognised that this programme will slip into 2011/12 and 2012/13.
- 4.5 The year end forecast position of £0.423m is as a result of estimated slippage on the Timberlands project (£0.103m), Empty Homes (£.0160m) and Renewal Assistance (£0.160m) into 2011/12. This has been captured as part of the Capital Programme budget for 2011/12.
- 4.6 For the Housing Revenue Account, there has been some delay in payments for capital works which explains the year to date under spend.

- 4.7 In respect of the year end forecast under spend, there is recognition that there will be no future capital resources from Right to Buy receipts. Therefore reducing the expenditure programme on an annual basis will help with the future capital programme strategy. The £200k set out above is an early step towards protecting the future programme.

Children's Services

- 4.8 The revised 2010/11 budget is £3.49m and the full year forecast position is £3.59m.
- 4.9 The variance on actual of £40k derives principally from final invoices on pre 2010/11 schemes.
- 4.10 Work is ongoing to improve financial monitoring of a number of capital schemes to increase confidence in forecasting.

Sustainable Communities

- 4.11 The Variance to Date is due to the following schemes:

Scheme	YTD Budget	YTD Variance
Creasey Park Community Football Centre	£750k	£251k
Housing Schemes	£785k	£640k
Highways Integrated Schemes	£800k	£456k
Outdoor Access and Greenspace schemes	£306k	£266k
Street Lighting	£600k	£278k
Waste Infrastructure scheme	£193k	£193k

All of the above schemes are in progress and are expected to spend its allocation of funds by the end of the year other than the Housing Schemes.

- 4.12 The forecast annual position for the capital programme is expected to be £783k under budget. Affordable housing schemes are expected to slip into 2011/12 as housing development activity remains slower than planned. Section 278 schemes where developers contribute to the road infrastructure are forecast to be £800k below budget. The lower s278 forecast expenditure is matched to forecast income leaving a nil net effect on the capital programme. Again s278 schemes are treated as slippages into 2011/12 financial year as most of these schemes have some level of commitment from developers to proceed at some stage.
- 4.13 The annual forecast expenditure is £31,675k and forecast income is £21,621k. This leaves a balance of £10,054k to be financed under the Council's borrowing facilities.

Customer and Shared Services

- 4.14 There are currently two proposed scheme slippages:
- Corporate Property Block Budget £1,000k
- T Gov Partnership (CRM) £ 75k

- 4.15 Additionally, there is a forecast under spend of £200k against the Medium Term Accommodation Programme (Your Space) and ICT is forecasting a £120k overspend against budget, for commencement of the CBC Network Project which is included in a scheme within the proposed capital programme for 2011/12.

Office of the Chief Executive

- 4.16 The forecast under spend is in respect of the performance management system project which all assumed to slip to 2011/12.

5. KEY COST DRIVERS

- 5.1 The key cost drivers are shown in Appendix C. These drivers identify some of the budgets that have a significant impact on the forecast outturn and variances. They provide non financial data to support the evidence for variations.
- 5.2 In both Adult Social Care and in Children's Services the trend in respect of client numbers and average costs has increased since last financial year and is on-going during this financial year.
- 5.3 For Sustainable Communities planning fee income this year has consistently been lower than 2009 levels, and below budget leading to budget pressures. Whilst the amount of refuse sent to landfill increased by 1000 tonnes year to date compared to last year, this is within the bounds of normal fluctuation. The authority continues to perform well in terms of percentage of waste sent for recycling and composting.
- 5.4. In Customer and Shared Services the trend shows increased case loads for Benefits claimants of circa 11% which is attributable to the current economic climate.

6. RESERVES POSITION

Earmarked Reserves

- 6.1 The overall planned level of reserves stands at £12.2M. £2.917M of these earmarked reserves has been forecast to be used this year by Directorates. Assuming that the closing balance on the redundancy reserve will be £1.402M (as per Table B) the overall closing balance on earmarked reserves will stand at £8.751M. Full details of earmarked reserves are shown at Appendix D.

General Reserves

- 6.2 The final 2009/10 closing balance on General Fund has now been agreed following the audit. This has increased from £4.7M to £5.1M. As a consequence the planned contribution to general fund can be reduced by £0.4M to offset current budgetary pressures. The General Fund balance will then stand at £6.6M at the end of the year.
- 6.3 However, the balance on the General Fund would reduce to £3.9M should the current forecast overspend materialise. It is imperative that remaining expenditure pressures are brought in on target as this would result in there being inadequate general fund balances.

7. AGED DEBT

- 7.1 Debt outstanding as at the end of December was £12.440M. This represents an increase of £5.221M since last quarter. £2.2M is in respect of Learning Disabilities services and Campus Closure capital costs due from the NHS where they first need to recover the money from the Government department. Additionally, £3.2M of the increase is also due to a single invoice raised with Bedford Borough Council to enable the transfer of Growth Area Funds from them as an accountable body. As this debt falls due when the contract is formally signed, likely to be in April 2011, this invoice will be cancelled and reissued to align with the contract.
- 7.2 Whilst there is an increase in the total level of debt since September the debt over three months old is relatively constant at circa £3M, and the profile has improved where 30% of the debt is over 3 months old in comparison to 54% as at September. Additionally, it is worth noting that there is very little debt over 1 year old. A breakdown by Directorate is shown at Appendix E.
- 7.3 Outstanding debt for the legacy authorities has reduced since September being £0.9M for Bedfordshire County Council and £0.6M for Mid and South Beds.
- 7.4 There was a total of 69 debts written off in quarter 3 totalling £37,873.93.

Appendices:

Appendix A – Summary of Revenue Position
Appendix A1 – Quarterly Change in Forecasts
Appendix A2 – Efficiencies
Appendix A3 – Compensatory efficiencies.
Appendix A4 – Revenue Virements
Appendix A5 – Spend trend graphs
Appendix B – Summary of Capital Position
Appendix C – Key Cost Drivers
Appendix D – Earmarked Reserves
Appendix E – Debt

Background Papers: None

Location of papers: Technology House, Bedford

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APPENDIX A

Revenue Summary Position

Director	Profiled Budget to date	Actual to date	Variance to date	Approved Budget	Forecast Outturn	Forecast Full Year Variance	Proposed use of Earmarked reserves	Forecast Outturn Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000
Adult Social Care Health and Housing								
Director of Social Care, Health, Housing	166	178	12	222	241	19		19
Housing Management (GF)	1,218	1,245	26	1,624	1,669	45	-125	-80
Adult Social Care	38,749	39,498	749	51,665	53,626	1,960	-18	1,942
Commissioning	3,161	1,746	-1,415	4,215	2,341	-1,874	544	-1,330
Business and Performance	-5,000	-5,396	-396	-6,666	-7,014	-348	0	-348
Sub Total Social Care Health and Landlord Services excluding HRA	38,295	37,271	-1,024	51,060	50,863	-197	401	204
Housing Services (HRA)	-63	-158	-95	-84	44	128	-128	0
Sub Total Social Care Health and Housing	38,232	37,113	-1,118	50,976	50,907	-69	273	204

Revenue Summary Position

Director	Profiled Budget to date	Actual to date	Variance to date	Approved Budget	Forecast Outturn	Forecast Full Year Variance	Proposed use of Earmarked reserves	Forecast Outturn Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services								
Director of Children's Services	139	87	-52	185	140	-44		-44
Children's Services Operations	14,578	15,947	1,369	19,400	21,966	2,566	-311	2,255
Learning and Strategic Commissioning	4,490	3,996	-493	5,987	5,906	-80	-413	-493
Joint School Commissioning Service (Transport)	6,289	6,038	-250	8,655	8,359	-296		-296
Sub Total Children's Services (excluding Schools)	25,495	26,068	574	34,226	36,372	2,146	-724	1,422
Sustainable Communities								
Director of Sustainable Communities	1,043	834	-210	1,391	1,345	-47		-47
Economic Growth, Skills & Regeneration	3,857	3,689	-168	5,143	5,874	731	-756	-25
Highways Transportation	8,921	8,661	-260	11,895	11,585	-310		-310
Planning	5,054	5,001	-52	6,738	7,382	644	-663	-19
Comm Safety Public Protec Waste Leisure	16,607	16,527	-80	22,143	22,215	72	-162	-90

APPENDIX A

Revenue Summary Position

Director	Profiled Budget to date	Actual to date	Variance to date	Approved Budget	Forecast Outturn	Forecast Full Year Variance	Proposed use of Earmarked reserves	Forecast Outturn Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000
Sub Total Sustainable Communities	35,483	34,713	-770	47,310	48,401	1,091	-1,581	-490
Customer and Shared Services								
Dir. Of Customer & Shared Services	310	294	-16	457	381	-76		-76
AD Customer & Systems	6,964	7,701	737	9,027	9,572	546		546
AD Finance	3,118	3,490	371	3,825	4,519	695	-49	646
AD People	1,412	1,843	431	1,833	2,437	605	-66	539
AD Governance Monitoring Officer	2,053	1,923	-130	2,633	2,429	-205	-49	-254
AD Assets	3,340	3,213	-127	4,283	5,145	862	-66	796
Sub Total Customer and Shared Services	17,198	18,464	1,267	22,057	24,484	2,427	-230	2,197

Director	Profiled Budget to date	Actual to date	Variance to date	Approved Budget	Forecast Outturn	Forecast Full Year Variance	Proposed use of Earmarked reserves	Forecast Outturn Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000
Office of the Chief Executive								
Chief Executive	230	220	-10	307	295	-12		-12
Communications	722	680	-42	963	956	-7	-16	-23
Strategy & Performance	2,734	2,259	-475	3,200	3,271	72	-269	-197
Sub Total Office of the Chief Executive	3,686	3,159	-527	4,469	4,522	53	-285	-232
Contingency and Reserves	986	0	-986	4,467	3,366	-1,100		-1,100
Corporate Costs	6,692	5,054	-1,638	15,437	15,373	-64		-64
TOTAL Excluding Schools	127,771	124,572	-3,199	178,942	183,426	4,484	-2,547	1,937
Schools								
Central DSG	-1,437	-1,143	294	-1,916	-1,529	387	-370	17
Schools Budget	111,271	111,271	0	148,362	148,362	0		0
Schools ISB	-111,271	-111,271	0	-148,362	-148,362	0	0	0
TOTAL Schools	-1,437	-1,143	294	-1,916	-1,529	387	-370	17

APPENDIX A

Revenue Summary Position

Director	Profiled Budget to date	Actual to date	Variance to date	Approved Budget	Forecast Outturn	Forecast Full Year Variance	Proposed use of Earmarked reserves	Forecast Outturn Variance after use of earmarked reserves.
	£000	£000	£000	£000	£000	£000	£000	£000
Total	126,334	123,428	-2,906	177,026	181,897	4,871	-2,917	1,954

Change in Forecast Variance

Appendix A1

Director	December Variance	September Variance	Change (- decrease)
Director of Social Care, Health, Housing	19	19	1
Housing Management (GF)	-80	-12	-68
Adult Social Care	1,942	944	998
Commissioning	-1,330	-374	-955
Business and Performance	-348	-3	-345
Housing Services (HRA)	0	0	0
Sub Total Social Care Health and Housing	204	574	-370
Director of Childrens' Services	-44	0	-44
Childrens Services Operations	2,255	1,895	360
Learning and Strategic Commissioning	-493	-399	-94
Joint School Commissioning Service (Transport)	-296	-97	-199
Sub Total Childrens Services (excluding Schools)	1,422	1,399	22
Director of Sustainable Communities	-47	-47	0
Economic Growth, Skills & Regeneration	-25	132	-157
Highways Transportation	-310	29	-339
Planning	-19	-20	1
Comm Safety Public Protec Waste Leisure	-90	-172	81
Sub Total Sustainable Communities	-490	-77	-413
Dir. Of Customer & Shared Services	-76	-76	0
AD Customer & Systems	546	477	68
AD Finance	646	563	83
AD People	539	250	-181
AD Governance Monitoring Officer	-254	-265	11
AD Assets	796	417	379
Sub Total Customer and Shared Services	2,197	1,366	361
Chief Executive	-12	0	-12
Communications	-23	1	-23
Strategy & Performance	-197	-90	-107
Sub Total Office of the Chief Executive	-232	-90	-142

Contingency and Reserves	-1,100	0	-1,100
Corporate Costs	-64	79	-142
TOTAL Excluding Schools	1,937	3,251	-1,314
Schools ISB	17	0	17
Schools Budget Funded By	0	0	0
Schools Unallocated DSG	0	0	0
TOTAL Schools	17	0	17
Total	1,954	3,251	-1,297

QUARTER 3 PERMANENT COMPENSATORY SAVINGS -

APPENDIX A3

	Total £M
OFFICE OF THE CHIEF EXECUTIVE	0.000
CHILDREN'S SERVICES	0.000
CUSTOMER AND SHARED SERVICES	
Mouchel contract termination	-0.060
	-0.060
SOCIAL CARE HEALTH AND HOUSING	
Savings from LD Transfer Funding	0.200
	0.200
SUSTAINABLE COMMUNITIES	
Fund Raiser Target	-0.013
Reduction in the lump sum payment to Amey	0.050
	0.037
TOTAL COMPENSATORY SAVINGS	0.177

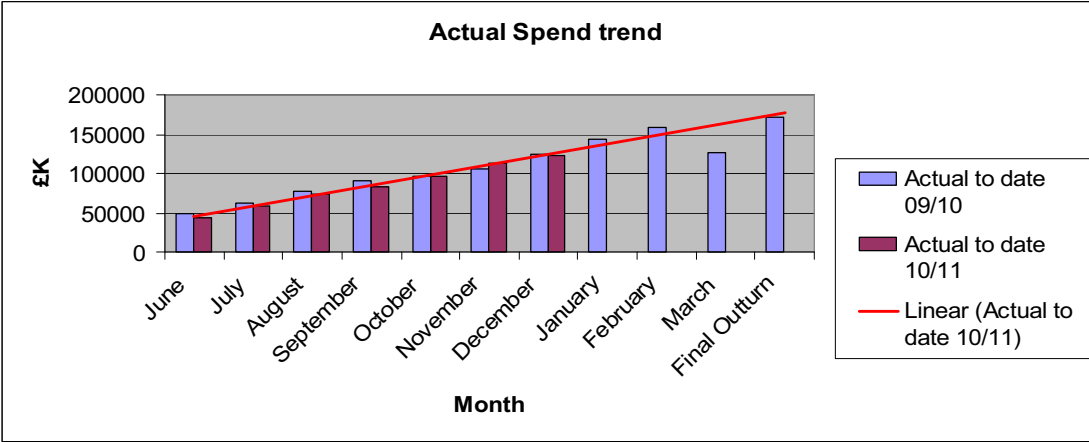
APPENDIX A4

Revenue Virements actioned in quarter 3

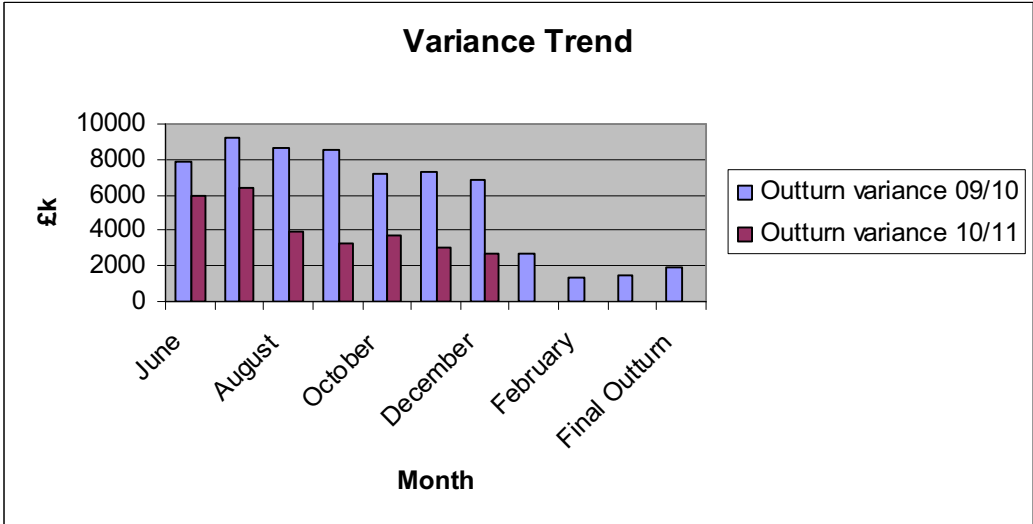
Virement from	Vired to	Net £'000	Reason
SCHH	C&SS	7	Transfer of receptionist post to Facilities management.
SCHH	OCE	7	Transfer of ABG budget
Children's Services	C&SS – performance team	46	Transfer of performance responsibilities to performance team.
C&SS	Sustainable Communities	13	Transfer of Woodland and Parks budget
C&SS AD People	SCHH	24	Transfer of Learning and Development post.
Contingency and Reserves	Children's Services	27	PFI shortfall
Contingency and Reserves	Office of the Chief Executive	47	Shortfall in subscriptions budget for Director of Public Health.
Children's Services	Schools	122	DSG corrections

APPENDIX A5

SPEND TREND GRAPHS



Graph 1



Graph 2

SERVICE	December 2010												
	BUDGET					ACTUAL					VARIANCE		
	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	
£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<u>By Directorate</u>													
Social Care Health & Housing													
Pre 2010/11 Starts	3,209	(2,264)	945	2,037	(2,720)	(683)	(1,172)	(456)	(1,628)				
2010/11 Starts	196	(112)	84	76	(310)	(234)	(120)	(198)	(318)				
	3,405	(2,376)	1,029	2,113	(3,030)	(917)	(1,292)	(654)	(1,946)				
Children's Services													
Pre 2010/11 Starts	8,102	(6,769)	1,333	8,179	(6,806)	1,373	77	(37)	40				
2010/11 Starts	6,383	(5,332)	1,051	5,401	(4,350)	1,051	(982)	982	0				
	14,485	(12,101)	2,384	13,580	(11,156)	2,424	(905)	945	40				
Sustainable Communities													
Pre 2010/11 Starts	7,440	(3,599)	3,841	2,834	(3,770)	(936)	(4,606)	(171)	(4,777)				
2010/11 Starts	11,730	(3,665)	8,065	9,699	(3,407)	6,292	(2,031)	258	(1,773)				
	19,170	(7,264)	11,906	12,533	(7,177)	5,356	(6,637)	87	(6,550)				
Customers & Shared Service													
Pre 2010/11 Starts	4,241	0	4,241	3,507	0	3,507	(734)	0	(734)				
2010/11 Starts	2,114	0	2,114	776	0	776	(1,338)	0	(1,338)				
	6,355	0	6,355	4,283	0	4,283	(2,072)	0	(2,072)				
Office of Chief Executive													
Pre 2010/11 Starts	0	0	0	0	0	0	0	0	0				
2010/11 Starts	1,098	(1,037)	0	7	0	0	(1,091)	1,037	0				
	1,098	(1,037)	0	7	0	0	(1,091)	1,037	0				
Total Programme excluding HRA	44,513	(22,778)	21,674	32,516	(21,363)	11,146	(11,997)	1,415	(10,528)				
Housing & Revenue Account	4,107	0	4,107	3,760	0	3,760	(347)	0	(347)				
Total Programme including HRA	48,620	(22,778)	25,781	36,276	(21,363)	14,906	(12,344)	1,415	(10,875)				

SERVICE	Revised 2010/11 Budget			Full Year Forecast			Full Year Variance		
	Gross Expenditure £000s	External Funding £000s	Net Expenditure £000s	Gross Expenditure £000s	External Funding £000s	Net Expenditure £000s	Gross Expenditure £000s	External Funding £000s	Net Expenditure £000s
<u>By Directorate</u>									
Social Care Health & Housing									
Pre 2010/11 Starts	10,599	(8,202)	2,397	7,513	(5,379)	2,134	(3,086)	2,823	(263)
2010/11 Starts	277	(112)	165	124	(119)	5	(153)	(7)	(160)
	10,876	(8,314)	2,562	7,637	(5,498)	2,139	(3,239)	2,816	(423)
Children's Services									
Pre 2010/11 Starts	13,409	(11,359)	2,050	13,582	(11,435)	2,147	173	(76)	97
2010/11 Starts	8,193	(6,751)	1,442	6,961	(5,519)	1,442	(1,232)	1,232	0
	21,602	(18,110)	3,492	20,543	(16,954)	3,589	(1,059)	1,156	97
Sustainable Communities									
Pre 2010/11 Starts	15,263	(10,142)	5,121	13,442	(9,827)	3,615	(1,821)	315	(1,506)
2010/11 Starts	16,586	(11,271)	5,315	13,724	(9,829)	3,895	(2,862)	1,442	(1,420)
	31,849	(21,413)	10,436	27,166	(19,656)	7,510	(4,683)	1,757	(2,926)
Customers & Shared Service									
Pre 2010/11 Starts	5,021	(186)	4,835	4,706	(186)	4,520	(315)	0	(315)
2010/11 Starts	2,958	0	2,958	1,994	0	1,994	(964)	0	(964)
	7,979	(186)	7,793	6,700	(186)	6,514	(1,279)	0	(1,279)
Office of Chief Executive									
Pre 2010/11 Starts	0	0	0	0	0	0	0	0	0
2010/11 Starts	1,647	(1,387)	260	215	0	215	(1,432)	1,387	(45)
	1,647	(1,387)	260	215	0	215	(1,432)	1,387	(45)
Total Programme excluding HRA	73,953	(49,410)	24,543	62,261	(42,294)	19,967	(11,692)	7,116	(4,576)
Housing & Revenue Account									
	6,174	0	6,174	5,974	0	5,974	(200)	0	(200)
Total Programme including HRA	80,127	(49,410)	30,717	68,235	(42,294)	25,941	(11,892)	7,116	(4,776)

SERVICE	Under / Over spend				Slippage to 2011/12			
	Gross Expenditure	External Funding	Net Expenditure		Gross Expenditure	External Funding	Net Expenditure	
	£000s	£000s	£000s		£000s	£000s	£000s	£000s
<u>By Directorate</u>								
Social Care Health & Housing								
Pre 2010/11 Starts	0	0	0	0	3,092	(2,829)	263	
2010/11 Starts	0	0	0	0	153	(7)	160	
	0	0	0	0	3,245	(2,836)	423	
Children's Services								
Pre 2010/11 Starts	173	(76)	97	0	0	0	0	
2010/11 Starts	(1,233)	1,233	0	0	0	0	0	
	(1,060)	1,157	97	0	0	0	0	
Sustainable Communities								
Pre 2010/11 Starts	(377)	406	29	1,535	0	1,535		
2010/11 Starts	(1,084)	496	(588)	1,632	(800)	832		
	(1,461)	902	(559)	3,167	(800)	2,367		
Customers & Shared Service								
Pre 2010/11 Starts	(240)	0	(240)	75	0	75		
2010/11 Starts	36	0	36	1,000	0	1,000		
	(204)	0	(204)	1,075	0	1,075		
Office of Chief Executive								
Pre 2010/11 Starts	0	0	0	0	0	0	0	
2010/11 Starts	0	0	0	1,432	(1,387)	45		
	0	0	0	1,432	(1,387)	45		
Total Programme excluding HRA	(2,725)	2,059	(666)	8,919	(5,023)	3,910		
Housing & Revenue Account	(200)	0	(200)	0	0	0	0	
Total Programme including HRA	(2,925)	2,059	(866)	8,919	(5,023)	3,910		

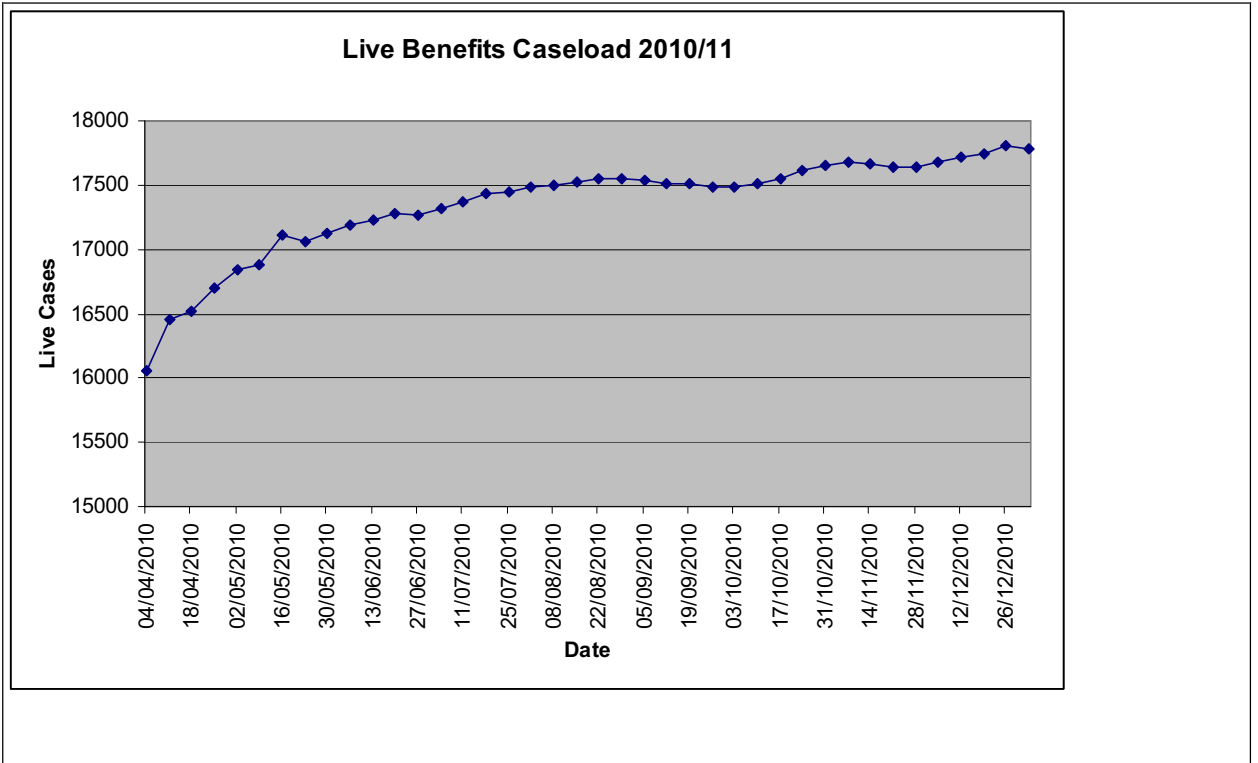
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Appendix C

Key cost drivers

<u>Directorate and cost driver</u>	<u>Numbers/volumes</u>	
Demographic pressure in the 65+ age group and costs of care packages.	822 cost commitments for Domiciliary Care at December 2010 compared to 814 in September	7% increase in community based packages with an average increase of 4% in cost. High cost packages have seen up to a 12% increase in cost.
Occupational therapy waiting lists are being worked through, resulting in an increased pressure on Disabled Facilities Grants expenditure	459 referrals between April and December 2010, compared to 367 referrals in total for 2009/10.	An additional resource of £468k was approved at November's Executive. Demand is being monitored closely and actions will be taken to manage demand, within the scope of the legislative requirements. This should reduce and possibly remove altogether the need to spend above the current approved budget.
Children's Services - Safeguarding activity	Open cases: April 1306 May 1300 June 1333 July 1358 August 1335 September 1319 October 1323 November 1300 December TBA	Child Protection cases: April 175 May 183 June 193 July 191 August 190 September 171 October 166 November 173 December TBA
Children's Services – Looked After Children (excluding respite care)	April 167 May 169 June 176 July 180 August 176 September 176 October 178 November 180 December TBA	

<p>Children's Services – Independent Fostering</p>	<p>March 2010 – 55 Children April 2010 – 63 Children May 2010 – 65 Children June 2010 – 69 Children July 2010 – 71 Children August 2010 - 58 children September 2010 – 69 Children October 2010 – 72 Children November 2010 –TBA December 2010 - TBA</p> <p>The number of days forecast is 19,256</p>																								
<p>Sustainable Communities - Waste tonnages sent to landfill</p>	<p style="text-align: center;">Waste Tonnages sent to Landfill</p> <table border="1"> <caption>Waste Tonnages sent to Landfill (Tonnes)</caption> <thead> <tr> <th>Month</th> <th>2009</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>April to June</td> <td>12,000</td> <td>12,000</td> </tr> <tr> <td>April to July</td> <td>0</td> <td>0</td> </tr> <tr> <td>April to August</td> <td>20,000</td> <td>20,000</td> </tr> <tr> <td>April to Sept</td> <td>25,000</td> <td>23,000</td> </tr> <tr> <td>April to Oct</td> <td>28,000</td> <td>28,000</td> </tr> <tr> <td>April to Nov</td> <td>32,000</td> <td>32,000</td> </tr> <tr> <td>April to Dec</td> <td>35,000</td> <td>36,000</td> </tr> </tbody> </table>	Month	2009	2010	April to June	12,000	12,000	April to July	0	0	April to August	20,000	20,000	April to Sept	25,000	23,000	April to Oct	28,000	28,000	April to Nov	32,000	32,000	April to Dec	35,000	36,000
Month	2009	2010																							
April to June	12,000	12,000																							
April to July	0	0																							
April to August	20,000	20,000																							
April to Sept	25,000	23,000																							
April to Oct	28,000	28,000																							
April to Nov	32,000	32,000																							
April to Dec	35,000	36,000																							
<p>Sustainable Communities – planning income</p>	<p style="text-align: center;">Planning Income</p> <table border="1"> <caption>Planning Income (£M)</caption> <thead> <tr> <th>Month</th> <th>2009</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>April to June</td> <td>1.5</td> <td>1.2</td> </tr> <tr> <td>April to July</td> <td>1.2</td> <td>1.5</td> </tr> <tr> <td>April to August</td> <td>2.2</td> <td>2.1</td> </tr> <tr> <td>April to Sept</td> <td>2.6</td> <td>2.4</td> </tr> <tr> <td>April to Oct</td> <td>3.0</td> <td>2.6</td> </tr> <tr> <td>April to Nov</td> <td>3.5</td> <td>3.2</td> </tr> <tr> <td>April to Dec</td> <td>4.0</td> <td>3.5</td> </tr> </tbody> </table>	Month	2009	2010	April to June	1.5	1.2	April to July	1.2	1.5	April to August	2.2	2.1	April to Sept	2.6	2.4	April to Oct	3.0	2.6	April to Nov	3.5	3.2	April to Dec	4.0	3.5
Month	2009	2010																							
April to June	1.5	1.2																							
April to July	1.2	1.5																							
April to August	2.2	2.1																							
April to Sept	2.6	2.4																							
April to Oct	3.0	2.6																							
April to Nov	3.5	3.2																							
April to Dec	4.0	3.5																							
<p>Customer and Shared Services –Benefits case load</p>																									



Appendix D

Earmarked Reserves

Description	Closing Blance 2009/10 £000	New for 2010/11 £000	Proposed use 2010/11 £000	Proposed transfers to reserves £000	Closing balance £000
Social Care Health and Housing Reserves					
Social Care Reform Grant	200		200	0	0
Learning Disabilities	583				583
LD Campus Closure				744	744
Supporting People		397	180		217
	783	397	380	744	1,544
Children's Services Reserves					
School Forum	3				3
Standards Fund	33		33		0
Local Safeguarding Children Board (LSCB)	25		25		0
Developing Specialist Provisions - ASD Lower Sch	191		191		0
Developing Specialist Provisions - ASD Middle Sch	232				232
Family Link	73		73		0
School Specific Contingency	874		370		504
Long Term Absence (Schools)	64				64
	1,495	0	692	0	803
Sustainable Communities Reserves					
Local Development Framework	200		100		100
Conservation Fund	34		17		17
Dunstable Master Plan	1,791			-1,500	291
Housing Planning Delivery Grant	750		457		293
Bedford & Luton Resilience Forum	65		36		29
Business growth grants	96		96		0
Development growth	82		82		0
EEDA	60		60		0
Economic participation	413		413		0
Regeneration Euro office	19		19		0
Euro Co-financing	36		36		0
Development planning	69		0		69
Transport policy	50		50		0
Financial Investigations Unit	12				12
Domestic abuse contribution	17				17
Grant Aid Fund	219				219
NIRAH	108		50		58
Crimebeat	12				12
Cemeteries Fund	97				97
Flitwick Leisure centre profit share fund	54		28		26
Houghton Regis Leisure Centre	12				12
Sandy Sports and Leisure Centre and Dual use Profit Share Account	31				31

Earmarked Reserves

Description	Closing Blance 2009/10	New for 2010/11	Proposed use 2010/11	Proposed transfers to reserves	Closing balance
Saxon Pool profit share	-13				-13
Flitwick Leisure Centre Build	63		63		0
Adaptation of open space	449				449
	4,726	0	1,507	-1,500	1,719
Office of the Chief Executive Reserves					
Performance Reward Grant	218		218		-1
LSP Sustainable Neighbourhoods	48		16		32
Community Engagement work	6		6		0
Targetted Support for Empowerment Improvement Project	18		2		16
	290	0	242	0	48
Corporate Reserves					
Redundancy/Harmonisation Reserve	90	1,271	739	1,500	2,122
Insurance reserve	3,076		29		3,047
Elections Fund	42			146	188
	3,208	1,271	768	1,646	5,357
Total Earmarked Reserves					
	10,502	1,668	3,589	890	9,471
Housing Revenue Account Reserves					
HRA	4,236		128		4,108
Business Process Re-engineering	46				46
Major Repairs (HRA)	200				200
	4,482	0	128	0	4,354
School Reserves					
Revenue 3030050	7,888				7,888
Capital 3030033	6,030				6,030
	13,918	0	0	0	13,918
GRAND TOTAL	28,902	1,668	3,717	890	27,743
GENERAL RESERVES	5,163	1,500			6,663

APPENDIX E

Debt Monitoring December 2010												
DIRECTORATE	15 to 30 Days		31 to 60 Days		61 to 90 Days		91 to 365 days		1 year and over		Total Due Debts	
	£k	%	£k	%	£k	%	£k	%	£k	%	£k	%
Social Care Health & Housing	650	5%	169	1%	750	6%	724	6%	105	1%	2,398	19%
Children's Services	106	1%	99	1%	-8	0%	2,148	17%	18	0%	2,363	19%
Sustainable Communities	770	6%	3,391	27%	131	1%	376	3%	-77	-1%	4,591	37%
Customer and Shared Services	189	2%	176	1%	21	0%	380	3%	79	1%	845	7%
Office of the Chief Executive	10	0%	0	0%	0	0%	0	0%	0	0%	10	0%
NHS Bedfordshire	212	2%	2,095	17%	0	0%	29	0%	0	0%	2,336	19%
Unallocated & Non Directorate	-33	0%	-20	0%	-6	0%	-22	0%	-23	0%	-104	-1%
GRAND TOTAL	1,904	15%	5,910	48%	888	7%	3,635	29%	102	1%	12,439	100%
PREVIOUS QUARTER	1,493	21%	1,324	18%	486	7%	3,773	52%	144	2%	7,219	100%

