

COMMUNITIES DIRECTORATE SUMMARY JANUARY 2008-09 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” ie where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the last full monitoring report. These are detailed in Appendix 2 to the executive summary.
- Cash limits have also been adjusted since the last full monitoring report to reflect a number of technical adjustments to budgets, including the consolidation of the Kent Public Services Network budget from directorates to Corporate IS in the Corporate Support & External Affairs portfolio.

1.1.2 **Table 1** below details the revenue position by Service Unit:

Table 1

Budget Book Heading	Cash Limit			Variance			Net Variance as % of Gross	Comment
	G	I	N	G	I	N		
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s		
Communities portfolio								
Turner Contemporary	1,003	-200	803	54	-54	0	0%	
Kent Drug & Alcohol Action Team	15,399	-13,238	2,161	252	-252	0	0%	Additional investment from PCTs for alcohol services for adults, and prevention services for young people. Young peoples grant now reflected in cash limit. Reduced spend and income for other young peoples services
Youth Offending Service	6,376	-2,639	3,737	285	-285	0	0%	Additional costs and income for seconded officer to prison service, secondment from probation and East Kent Safer Schools initiative
Youth Services	12,724	-5,380	7,344	1154	-1229	-75	-1%	Unbudgeted expenditure & income for connexions, PAYP and allocations from Youth Opportunities Fund
Adult Education	13,472	-13,845	-373	-198	198	0	0%	Fewer than anticipated enrolments; reduced sessional staff & other costs
Key Training	4,125	-3,987	138	8	0	8	0%	

Table 1

Budget Book Heading	Cash Limit			Variance			Net Variance as % of Gross	Comment
	G	I	N	G	I	N		
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s		
Arts Development	1,303	-15	1,288	94	-80	14	1%	Additional spend and income for Light-up Dover campaign. Folkestone Triennial
Libraries, Information & Archives	25,097	-3,320	21,777	-185	34	-151	-1%	Underspends on staff and premises offset by overspends on other expenditure budgets
Sports, Leisure & Olympics	3,263	-2,183	1,080	33	-121	-88	-3%	
Kent Community Safety Partnership	4,362	-271	4,091	-20	-12	-32	-1%	
Coroners	2,394	-384	2,010	218	-4	214	9%	Long inquests, pathology fees and mortuary attendants
Emergency Planning	707	-142	565	59	6	65	9%	Training, AWARE project & business continuity
Kent Scientific Services	1,628	-1,655	-27	44	-3	41	3%	
Registration	4,268	-2,855	1,413	-137	132	-5	0%	Shortfall in income from ceremonies offset by staff underspends
Trading Standards	4,313	-375	3,938	-301	58	-243	-6%	Staff vacancies
Policy & Resources	1,359	-77	1,282	-14	-42	-56	-4%	
Business Development Team	207	0	207	10	-1	9	4%	
Business Support	223	0	223	61	-92	-31	-14%	Income from Regional Training Fund and Trading Standards South East Ltd
Strategic Management	985	0	985	56	0	56	6%	
Centrally Managed directorate budgets	260	-951	-691	342	270	612	235%	Directorate costs with inadequate budget provision
Total Communities controllable	103,468	-51,517	51,951	1,815	-1,477	338	0%	
Assumed Management Action				-338		-338		
Forecast after Mgmt Action				1,477	-1,477	0		

1.1.3 Major Reasons for Variance: *[provides an explanation of the 'headings' in table 2]*

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

1.1.3.1 Adult Education

The adult education service has made significant progress to address the deficits it has incurred in previous years arising from a combination of reductions in funding from the Learning and Skills Council in 2005/06 and 2006/07, and lower than anticipated enrolments in 2007/08. The service

has now agreed a budget plan to ensure expenditure does not exceed income in 2008/09 and to repay the £373k in year deficit made during 2007/08. To achieve this, the AE service will capitalise expenditure on the Education Business System which will be funded from a capital receipt from the sale of a redundant AE centre. This position is after the £750k virement from Finance portfolio to reflect the agreed recovery plan.

Enrolments for fee earning courses have improved since the last report but are still 6% less than the previous year. The impact on tuition fees is a reduction of 2% on the anticipated level (£198k). As a result the service has had to make compensatory savings on sessional staff and other expenditure headings to ensure targets on group sizes and a balanced budget can be achieved. Overall enrolments including non fee earning courses for family learning and literacy & numeracy are 5% up on the previous year and 2% ahead of target (see section 2.1).

The decline in fee earning enrolments is predominantly Adult Community Learning (ACL) courses where enrolments are down by 9%. Enrolments for fee paying FE courses have remained at the same level as last year. The biggest reductions are in ACL courses for leisure, travel and tourism and arts, media and publishing. ACL enrolments for languages, literature and culture have remained at the previous levels although FE enrolments in this curriculum area have reduced. There has been an increase in enrolments for FE courses covering preparation for life and work and information and communications technology.

1.1.3.2 Youth Service

The budget assumed that that the contract with Connexions to provide information, support and advisory services to young people would come to an end at the end of 2007/08. We have negotiated an extension with Connexions until the end of March 2009 with additional income and expenditure amounting to £475k. This contract may be extended further. The Youth Service has also received a contribution of £352k from CFE to support Positive Activities for Young People (PAYP). As with Connexions, PAYP has matching additional income and expenditure. Youth centres have succeeded in securing £350k from the Youth Opportunity Fund managed by young people through the Youth County Council, this is being spent on projects managed through local centre bank accounts.

1.1.3.3 Coroners

Despite providing an additional £200k into the budget in 2008/09 the Coroner's service continues to be overspent. The demands placed on Coroners to investigate deaths are increasingly more complex resulting in more long inquests and thus additional expenses for the Coroners and other costs associated with conducting inquests, currently forecast at an overspend of £129k. Coroners are also incurring additional expense for pathology fees (both as a consequence of investigating more cases and due to higher charges from hospital trusts) and for mortuary attendants totalling £89k. KCC has very little influence over the work of the Coroners and therefore little control over expenditure which is governed by the claims from Coroners themselves.

A Coroners Bill was announced in the Queen's speech and we are awaiting further details of the scope this will provide to make structural changes to make Coroners expenditure less unpredictable.

1.1.3.4 Libraries, Information and Archives

Income from the rental of audio visual materials in libraries has declined in recent years in line with changes in the market and despite the fact that action taken has slowed the decline the service has been unable to meet its income budgets. The service has explored other merchandising opportunities and this year is forecasting that it can make some additional income e.g. the sale of jute bags and Kent on Canvas, but overall will still fall short of income targets in the budget by £129k. (The graph in section 2.2 shows the shortfall on AV income as part of overall shortfall of £129k on all trading activities). However, there are additional costs of £117k associated with merchandising new products. In order to compensate for this, the service has had to make savings on staff and premises costs (mainly rate rebates).

The capital programme now includes the project management costs for the Envision programme to replace library IT systems and this is reflected in reduced revenue spending of £125k. The service has also received funding from Children Families and Education towards the National Year of Reading programme.

Overall the service is forecasting an underspend of £151k.

The Library Service has agreed to waive the fee for business information enquiries due to the current economic climate, this will have a very small impact on the income the service receives.

1.1.3.5 Trading Standards

Trading Standards have delayed recruiting to a number of posts during the year in order to retain/hold positions for trainees as they qualify, which has resulted in a saving of £235k. The service continues to experience severe difficulties in attracting qualified staff to Kent mainly due to a national skills shortage, for example recent advertising produced no suitable applicants and hence the continued reliance on appointing trainees and using their well established career grade scheme.

1.1.3.6 Registration Service

The Registration Service has not been able to achieve all the increased income target set in the budget. Although there was a significant increase in fee levels as we move towards covering the full cost of ceremonial services in KCC run establishments it was not possible to charge the increase to all customers as a significant number had already booked ceremonies prior to the fee increase being agreed. There is also evidence that as a result of the higher fees more couples are choosing the statutory service (where the fee is set by Government) or are choosing ceremonies in smaller rooms. The service has been able to offset the impact through using more full time staff to conduct ceremonies and from savings on pay and pension contributions for sessional staff.

1.1.3.7 Kent Drug and Alcohol Action Team

KDAAT has secured an additional £206k from East Kent Primary Care Trust to increase adult alcohol service provision in East Kent and an additional £291k from both Kent PCTs to provide targeted prevention services for young people and commission healthy schools programmes. Both of these have a net nil effect as spend is increased in line with the additional income. KDAAT has decided to not proceed with a number of planned programmes this financial year in light of anticipated commitments in the new financial year to support the Dual Diagnosis Service for Young People, this has resulted in a reduction in spend and income contributions of £142k.

1.1.3.8 Youth Offending Service

YOS has agreed to the secondment of a YOS officer to HMYOI Cookham Wood with the Prison Service. The Prison Service has agreed to provide £47k to back-fill the post.

Due to staff vacancies in posts in the Probation Service which would support the joint working arrangements between YOS and Probation Services, Probation has agreed to fund YOS £70k to cover the cost of agency staff to back fill these posts.

1.1.3.9 Central Budgets

There are a number of budgets which are managed centrally on behalf of the directorate rather than devolved to individual services. This includes expenditure on emergency building maintenance, directorate wide activities and projects, service level agreements and a range of specific projects that do not relate to individual services. Income from overhead recharges to Adult Education is also held centrally. The budget set for directorate wide activities and projects is unrealistic as it was based on activities before the new directorate was fully established. The income budget included unrealistic assumptions about the amount that could be raised by services within Communities to meet the full cost of the Policy and Resources Unit.

The central budget has also had to meet a number of unexpected costs which have arisen during the year including unforeseen redundancy costs for posts which were externally funded and therefore not eligible for funding from the Corporate Workforce Reduction Fund and the external funding has now ceased; backdated revaluations of rent and rates on Communities premises; Margate Big Event, and staff costs for key projects.

Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER

(shading denotes that a pressure/saving has an offsetting entry which is directly related)

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
CMY	Youth expenditure on connexions covered by increased income	+475	CMY	Youth external contributions for Connexions	-475
CMY	AE rolled forward deficit from 2007-08 due to lower than expected enrolments and restructure costs	+373	CMY	Transfer of expenditure for Education Business System within AE to capital programme	-373
CMY	Youth expenditure on Positive Activities for Youth People covered by contribution from CFE	+352	CMY	Youth - contribution from CFE for Positive Activities for Young People	-352
CMY	Youth centre projects funded from Youth Opportunities Fund	+350	CMY	Additional funding for youth centres from Youth Opportunities Fund	-350
CMY	KDAAT prevention and other young peoples services (funded by PCTs)	+291	CMY	KDAAT income from PCT for young peoples prevention and other services	-291
CMY	Central Budgets - Unrealistic income assumptions to meet the full cost of the Policy & Resources unit.	+290	CMY	Trading Standards staff underspends	-235
CMY	KDAAT Tier 2 alcohol services for adults (funded by PCTs)	+206	CMY	KDAAT income from PCT s for alcohol services	-206
CMY	Loss of tuition fee income due to lower than anticipated Adult Education enrolments on fee paying courses	+198	CMY	Reduced expenditure within AE on sessional staff and other budget headings in response to lower than anticipated enrolments	-198
CMY	Central Budgets: Unrealistic budgets set for directorate wide activities & projects	+189	CMY	Library rate rebates	-149
CMY	KDAAT reduction in income for other agencies for young peoples services	+142	CMY	KDAAT reduced spend on young peoples services in line with reduced contributions	-142
CMY	Registration shortfall in income	+137	CMY	Registration sessional staffing	-128
CMY	Coroners long inquests payments	+129	CMY	Libraries capitalisation of Envision project management	-125
CMY	Libraries shortfall in trading income from AV material, merchandising products and other income	+129	CMY	YOS additional income from Probation & Prison Service	-117
CMY	YOS additional spending to back-fill posts funded by Probation & Prison Service	+117			
CMY	Libraries merchandising purchases	+117			
		+3,495			-3,141

1.1.4 Actions required to achieve this position:

1.1.4.1 The Adult Education Service has developed a financial recovery plan to address previous years' deficits and to ensure that in future it can respond more quickly to changes in income. Particular actions include:

- a review of terms and conditions for sessional lecturers so that their hours can be reduced without the individual having the right to redundancy benefits
- a reduction in fixed overheads through staff savings on management and administration
- significant progress in setting local managers increased targets for student numbers on individual courses to make courses financially viable
- review of course fees, freezing fees at 2007/08 levels for existing courses, and introducing a wider range of premium courses where the fees paid by students cover the full cost of courses
- transfer expenditure on Education Business System to the capital programme, to be funded by a combination of revenue contribution and proceeds from sale of redundant AE centre

These actions will resolve the deficit accrued in 2007/08 due to lower than expected enrolments and restructure costs.

The Adult Education service has also launched the TALENT programme which includes a review of terms and conditions for staff including a rationalisation of contracts, a review and clarification of staff structures and the implementation of a talent management process to ensure professional development of staff and succession planning.

- 1.1.4.2 The Youth Offending Service has taken further management action through vacancies and better use of joint funding arrangements to stay within its net budget. The County Youth Justice Board did not accept a recommendation that we should approach partners for additional funds to address budget pressures and that the service would have to agree a strategy to balance the budget. This has now been achieved and the consequences reported to the board.
- 1.1.4.3 The Arts Development Unit has completed a major staff restructuring to deliver the efficiency saving and staffing reductions assumed in the budget.
- 1.1.4.4 The Registration Service has increased charges for non statutory services by an average of approximately 45% in order to deliver the increased income agreed through medium term financial plan. The latest evidence is that this has started to have an impact on customer choice and we are carrying out an investigation.
- 1.1.4.5 Community Safety has ceased grants to Crime and Disorder Reduction Partnerships for community safety projects. This was taken as a saving in the 2008-11 MTP. This has not been well received by some partnerships although KCC remains committed that our priority for supporting crime and disorder reductions is through the warden service.

1.1.5 Implications for MTP:

The ongoing pressures faced by the Coroners Service and the full year impact of the recent fuel and electricity price rises remain the main additional medium term financial pressures for the portfolio. These have been reflected in the 2009/10 budget and 2009/12 medium term financial plan agreed by County Council on 19th February.

The shortfalls in the central budgets for directorate wide activities and projects and income have been addressed in setting the 2009/10 budget by reviewing the recharges to individual services.

1.1.6 Details of re-phasing of revenue projects:

N/A

1.1.7 Details of proposals for residual variance:

Compensatory savings elsewhere within the Coroners and central budgets are unlikely unless demands on services reduce. We are working with the individual Coroners to identify the underlying reasons for different patterns of investigations but this is unlikely to result in significant savings. We are working with other local authorities to lobby the Local Government Association for additional government funding to resolve the situation but in the meantime we will be looking to identify savings in other services to offset the Coroners overspend.

To balance the overall portfolio budget we have made further savings on staffing budgets through holding posts vacant for the remainder of the year wherever possible. There is still a reasonable level of staff turnover and we will look to manage vacancies through covering work with existing staff rather than recruiting new staff. Nonetheless, we have not been able to resist filling all posts and do not want to introduce a mandatory vacancy freeze. We have agreed with heads of service that they reduce spending on non essential non staffing budgets along the same lines as those achieved in 2007/08 to balance the portfolio budget this year. We are confident that a balanced outturn position will be achieved.

1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.

The capital cash limits have been adjusted to reflect the position reflected in the 2009-12 MTP as agreed by County Council on 19 February 2009. However, these differ from the cash limits shown in 2009-10 Budget Book, as the cash limits reflected in this report only include those projects starting in the current or previous years, whereas the cash limits in the 2009-10 Budget Book also include projects due to start in future years of the 2009-12 MTP.

In addition, there has been a further change since the budget was agreed:

	2008-09	2009-10
	£000s	£000s
▪ Capitalisation of ISG staff costs directly attributable to the Renewal of Libraries ICT project to be funded from prudential borrowing	100	25

1.2.2 **Table 3** below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2008-09 £000s	2009-10 £000s	2010-11 £000s	Future Yrs £000s	TOTAL £000s
Communities Portfolio						
Budget approved at Cty Council	17,627	11,175	23,575	5,912	8,202	66,491
Adjustments:						
- Renewal of Libraries ICT system		100	25			125
-						0
Revised Budget	17,627	11,275	23,600	5,912	8,202	66,616
Variance		-2,475	+528	+2,120	-44	+129
split:						
- real variance		+129	0	0	0	+129
- re-phasing		-2,604	+528	+2,120	-44	0
Real Variance		+129	0	0	0	+129
Re-phasing		-2,604	+528	+2,120	-44	0

1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2008-09 and identifies these between projects which are:

- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- projects at preliminary stage.

The variances are also identified as being either a real variance i.e. real under or overspending which has resourcing implications, or a phasing issue i.e. simply down to a difference in timing compared to the budget assumption.

Each of the variances in excess of £1m which is due to phasing of the project, excluding those projects identified as only being at the preliminary stage, is explained further in section 1.2.4 below.

All real variances are explained in section 1.2.5, together with the resourcing implications.

Table 4: CAPITAL VARIANCES OVER £250K IN SIZE ORDER

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Overspends/Projects ahead of schedule						
CMY	Ramsgate Library - insurance betterment	Real Phasing		+235 +200		
CMY	Modernisation of assets	Phasing Real	+216 +80			
			+296	+435	-0	0
Underspends/Projects behind schedule						
CMY	Turner Contemporary	Phasing		-1,619		
CMY	Contribution to The Marlowe Theatre	Phasing			-1,000	
			0	-1,619	-1,000	0
			+296	-1,184	-1,000	0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Turner Contemporary – slippage £1.619 million

The previous forecast was based on the estimated schedule of payments for the main building contract produced by the architect's quantity surveyors. This assumed that work would commence on site at the end of October/early November. In the end the contract was not concluded until the end of November and work commenced on site in December. £1.619m slippage represents 9.3% of the total value of the scheme however, despite this slippage the project is still on schedule to be completed in 2010 with an official opening in spring 2011. Revised phasing of the scheme is now as follows:

Project: Turner Contemporary

	Prior Years	2008-09	2009-10	2010-11	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	1,329	3,289	10,512	2,048	222	17,400
Forecast	1,329	1,670	9,951	4,272	178	17,400
Variance	0	-1,619	-561	+2,224	-44	0
FUNDING						
Budget:						
prudential	1,079	3,289	7,962	-3,812	-2,118	6,400
other external	250		2,550	5,860	2,340	11,000
TOTAL	1,329	3,289	10,512	2,048	222	17,400
Forecast:						
prudential	1,079	1,670	7,401	-1,588	-2,162	6,400
other external	250		2,550	5,860	2,340	11,000
TOTAL	1,329	1,670	9,951	4,272	178	17,400
Variance	0	-1,619	-561	+2,224	-44	0

1.2.4.2 Contribution to the Marlowe Theatre – slippage £1.0 million

This contribution will support the redevelopment of the Marlowe Theatre by Canterbury City Council. This is purely a timing issue regarding when our contribution to the project is required. The main contractors are due to be appointed shortly and construction is to commence in April 2009. There are no financial implications for KCC because it is a City Council project.

Project: Contribution to the Marlowe Theatre

	Prior Years	2008-09	2009-10	2010-11	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget		1,000	1,000			2,000
Forecast		0	2,000			2,000
Variance	0	-1,000	+1,000	0	0	0
FUNDING						
Budget:						
capital receipts		1,000	1,000			2,000
TOTAL	0	1,000	1,000	0	0	2,000
Forecast:						
capital receipts			2,000			2,000
TOTAL	0	0	2,000	0	0	2,000
Variance	0	-1,000	+1,000	0	0	0

1.2.5 Projects with real variances, including resourcing implications:

- Modernisation of Assets – ‘overspend’ of £80k for the Dover Big Screen project. This will be funded £75k from revenue and £5k external funding.
- Adult Education Purpose built accommodation at Canterbury High School – final account cost apportionment now being agreed with the school will result in an estimated £210k underspend this year. However, £160k of this needs to be written off against previous external funding from the school as otherwise it will be double counted in KCC’s consolidated accounts. The net effect on resources therefore will be some £50k saving this year, some of which is being used to offset a pressure on Ramsgate Library (see (e) below), leaving a £32k saving which will reduce our prudential borrowing requirement.
- Archives Development costs – overspend in 2008-09 of £78k as a result of site investigation and legal costs incurred to develop the detailed 2009-10 Kent History Centre project proposals. This overspend will be rolled forward and netted off against the Kent History centre budget (as it is a 2009-10 start it is not included in the current programme).
- Herne Bay Youth & Children’s Centre – under spend of £54k. The project is complete and the final cost will be £860k some £54k under budget which will offset a reduction in developer contribution receipts.
- Ramsgate Library betterment – overspend in 2008-09 of an estimated £235k as a result of delays during construction, some design changes and additional fees as a result of higher overall cost. The full costs will be incurred in 2008-09 and none are now expected to fall in 2009-10. KASS acquired the former Newington library site from Communities at a valuation of £340k provided by an independent valuer. This is providing £217k additional funding to offset against this overspend, with the balance to be found from the savings arising from the Canterbury High School project.

After allowing for these funding issues the true underlying variance is -£32k.

1.2.6 General Overview of capital programme:

(a) Risks

- Ashford Gateway Plus
 - Outstanding planning/design issues may delay project and/or increase costs.
- Gravesend Library
 - There are outstanding issues to resolve with design/listed building consent as this is a Grade II listed building. Planning issues and listed building consent delays may increase project costs, which will have to be accommodated within the overall project budget.
- Turner Contemporary
 - External funding from ACE and SEEDA will not be provided pro rata to spend as had been expected. This requires upfront funding by KCC in advance of receipt of these funds which is now reflected in the revised budget. The impact of the latest slippage is to reduce from £5.93m the upfront funding to the current estimate of £3.75m over 2 years.

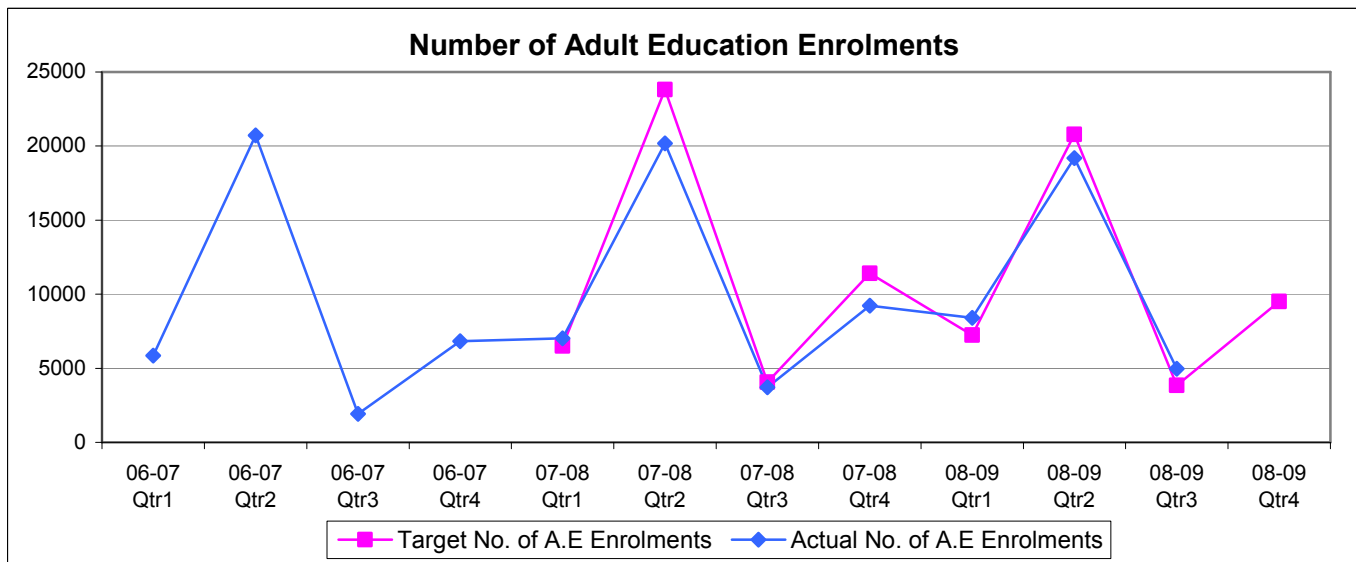
(b) Details of action being taken to alleviate risks

- Ashford Gateway Plus
 - Urgent detailed discussions continue with all parties, including the design team. Agreement has been reached with ABC but further work is being undertaken with CABE (Commission for Architecture in the Built Environment), prior to the planning application being submitted.
 - A continuing dialogue with the Chief Executive of Ashford's Future and English Partnerships is in place to ensure that, as far as possible any necessary support is secured.
- Gravesend Library
 - A planning consultant has been appointed to support the project and to resolve outstanding concerns with Gravesham BC and an employers agent will now see the project through from the planning stage to completion on the basis of design and build.
- Turner Contemporary
 - ACE and SEEDA funding agreements due to be signed imminently. Both ACE and SEEDA will provide £525k six months after construction starts (planned May 2009) and a further £750k half way through construction (planned October 2009). They will pay a further £1,480k on completion of construction (planned May 2010) and the balance (£1,095k ACE and £1,245k SEEDA) 6 months after opening (planned April 2011). We are expecting to claim the remaining £2.9m of external funding required for the project from the Turner Contemporary Arts Trust during 2010-11.

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Adult Education Enrolments:

	Financial Year				
	2006-07		2007-08		2008-09
	A.E Enrolments	Target	A.E Enrolments	Target	A.E Enrolments
Q1 07-08	5,849	6,501	7,030	7,241	8,416
Q2 07-08	20,713	23,803	20,183	20,788	19,179
Q3 07-08	1,925	4,071	3,727	3,839	4,961
Q4 07-08	6,829	11,416	9,230	9,507	
TOTAL	35,316	45,791	40,173	41,375	32,556

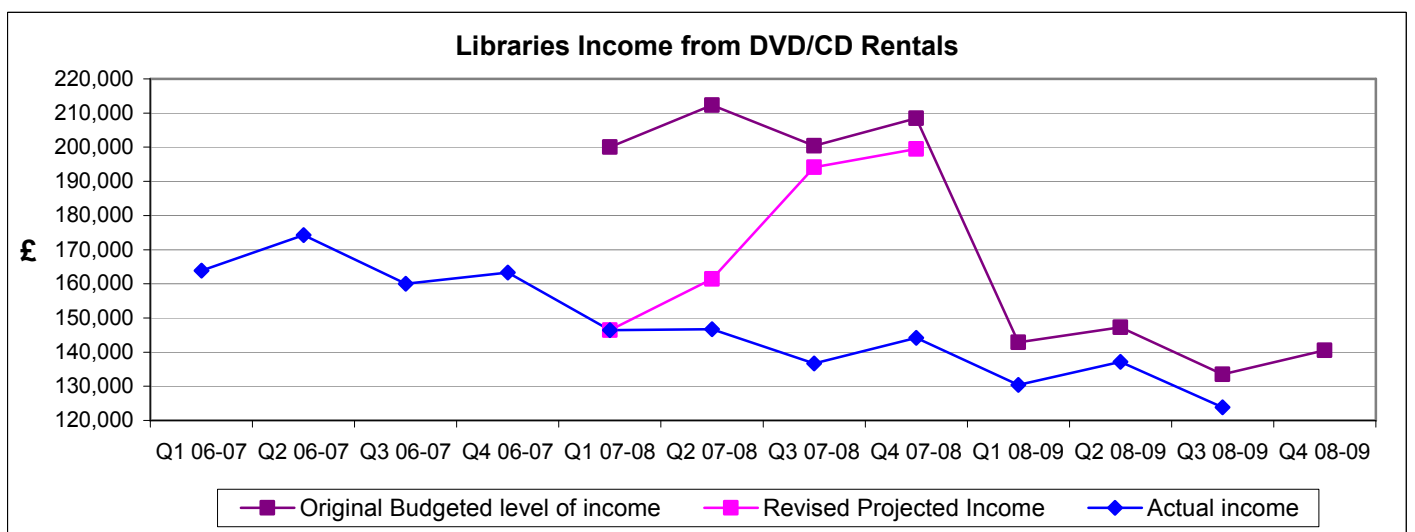
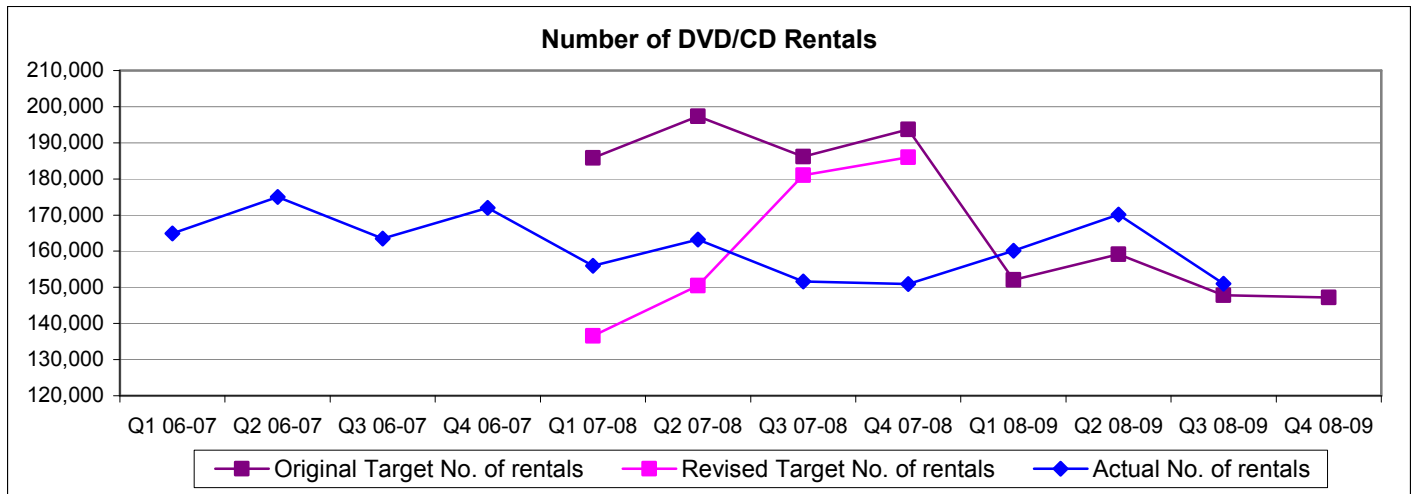


Comments:

- The LSC grants depend partly on enrolments to courses and are subject to a contract agreement with LSC. Students taking courses leading to a qualification are funded via Further Education (FE) grant based upon the course type and qualification. However, students taking non-vocational courses not leading to a formal qualification are funded via a block allocation not related to enrolments, referred to as Adult and Community Learning Grant (ACL) grant.
- Students pay a fee to contribute towards costs of tuition and examinations. There is a concession on ACL tuition fees for those aged under 19, those in receipt of benefits and those over 60. FE courses are free for those aged under 19 or in receipt of benefits undertaking Basic Skills or Skills for Life Courses.
- The AE service reduced expenditure on course provision in 2007-08 as a result of lower than anticipated enrolments, however a residual pressure remained on the AE budget which was largely as a result of a reduction in tuition fee income due to the reduced enrolments, hence a rolled forward overspend of £0.373m into 2008-09.
- The target numbers of enrolments for 2008-09 reported in the outturn report to Cabinet on 16 June were indicative as they still needed to be negotiated and agreed with the LSC. The indicative figures were based on estimates used for curriculum plans to set the 2008-09 budget. The target numbers now reflect the figures agreed with the LSC, the overall total remains the same as previously reported but the profile across the four quarters has changed.
- The target enrolments relate to courses starting in the stated periods i.e. April to June, July to September, October to December, January to March. The actual enrolments similarly relate to courses starting in those periods. In some instances students enrol for courses after the course has started. This means that the actual enrolments may be different from those previously reported. This is especially the case in the autumn when significant numbers may enrol in October or November for courses that started in September.

2.2 Number of Library DVD/CD rentals together with income raised:

	2006-07		2007-08						2008-09			
	No of rentals	Income (£)	No of rentals			Income (£)			No of rentals		Income (£)	
	actual	actual	Budgeted target	revised target	actual	budget	revised projected income	actual	Budgeted target	actual	Budget	actual
April–Jun	164,943	163,872	185,800	136,556	155,958	200,000	146,437	146,437	152,059	160,162	142,865	130,379
July–Sep	174,975	174,247	197,300	150,500	163,230	212,300	161,390	146,690	159,149	170,180	147,232	137,132
Oct–Dec	163,470	160,027	186,200	181,000	151,650	200,400	194,096	136,698	147,859	150,968	133,505	123,812
Jan–Mar	171,979	163,269	193,700	186,000	150,929	208,500	199,458	144,136	147,156		140,533	
TOTAL	675,367	661,415	763,000	654,056	621,767	821,200	701,381	573,961	606,223	481,310	564,135	391,323



Comments:

- Target figures for 2006/07 have not been shown as this data was not presented in previous monitoring reports
- Rentals of audio visual materials (especially videos and CDs) continue to decline as videos become more obsolete and alternative sources for music become more widely available. Demand for DVDs has remained reasonably stable. Demand for spoken word materials has increased but these do not attract a loan charge as they replace the core service (the printed word) for people with a visual impairment, hence why rentals are above target but income is below.
- Targets and income budgets set for 2008-09 are based on a continued decline. The service has increased income from other merchandising to offset the loss of income from AV issues which is not included in these figures.
- The actual number of rentals includes those from visits to lending libraries, postal loans and reference materials