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Corporate Directors

To: CABINET - 27 April 2015

Subject:

- (1) **REVENUE AND CAPITAL BUDGET MONITORING FOR 2014-15 - JANUARY**
- (2) **KEY ACTIVITY MONITORING FOR 2014-15 - JANUARY**

Classification: **Unrestricted**

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## 1. SUMMARY

1.1 This report provides the budget monitoring position for January 2014-15 for both revenue and capital budgets, including an update on key activity data.

1.2 The format of this report is:

- An executive summary which provides a high level financial summary and highlights only the most significant issues
- Appendix 1 provides a summary of the proposed capital programme cash limit changes
- There are seven annexes to this executive summary report, as detailed below:
  - **Annex 1**      **Education & Young People's Services**
  - **Annex 2**      **Social Care, Health & Wellbeing** - Specialist Children's Services
  - **Annex 3**      **Social Care, Health & Wellbeing** - Adults
  - **Annex 4**      **Social Care, Health & Wellbeing** - Public Health
  - **Annex 5**      **Growth, Environment & Transport**
  - **Annex 6**      **Strategic & Corporate Services**
  - **Annex 7**      **Financing Items**

## 2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.
- ii) **Agree** the changes to the capital programme as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 1.

## 3. SUMMARISED REVENUE MONITORING POSITION

3.1 The net projected variance against the combined directorate revenue budgets is an underspend of £8.388m, before management action, but management action is expected to increase the underspend to £8.653m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2015-16 to fulfil our legal obligations, detailed in section 3.6, therefore this changes the position to an underspend of £8.109m as shown in the headline table below. There is also some significant underspending within the forecast, detailed in section 3.7, which we would ideally like to roll forward in order to continue with these initiatives in 2015-16 but these will be subject to Cabinet approval in July, in view of the overall outturn position and the pressures facing the authority over the medium term. If we allow for this, then this changes the position to an **underlying underspend of £5.036m**. The annexes to this report provide the detail of the overall forecast position which is summarised in Table 1 below.

3.2 This report does not attempt to explain movements month on month, but explains why we have a forecast variance. However, we will report the headline movement, which for this month is a further £2.582m reduction in the forecast position (excluding schools and before rollover requests), as shown in table 1. This is mainly due to:

**E&YP** - a general improvement in a number of units but the main improvements are within Youth Offending Service, school improvement and assessment and support of children with special education needs. This is partially offset by a reduction in the re-phasing of the Tackling Troubled Families programme. Increased school redundancy costs due to school closures and further underspending on Early Years and Children's Social Care staffing are offset by a movement in the DSG reserve balance.

**SCH&W (SCS)** - although only a small movement after management action this month, the pressure on fostering has increased but this is offset by improvements in the position on adoption, preventative services and leaving care.

**SCH&W (Asylum)** - the pressure has reduced this month as we have now received a letter from the Home Office agreeing to the Authority being able to use the surplus grant in excess of actual costs incurred on Under 18s, to offset the shortfall in grant on the 18 and Overs.

**SCH&W (SCS)** - costs relating to special operations have increased this month.

**SCH&W (Adults)** - this month a reduction in the underspend on nursing and residential care, together with a small increase in the pressures on domiciliary care and supported accommodation are more than offset by a reduction in the pressure on direct payments, further underspending on the Kent Support & Assistance Service and a further release of funds held within other adult services relating to other older people and physical disability services. As previously reported, due to the uncertainty surrounding the domiciliary forecast, all other areas of older people and physical disability expenditure were being considered for efficiencies and re-phasing should they be required to mitigate the risk of this increase in the forecast, and as a result the increase in the domiciliary forecast over recent months has not resulted in an overall increase in the position for Adult Social Care. Investigations are continuing as to the full reasons for the pressures being experienced on domiciliary care.

**GE&T** - an increase in the pressure on the waste budget, despite a forecast reduction in waste tonnage, due to less waste being recycled and more waste being sent to landfill which is more expensive; an increase in the costs of the concessionary fares scheme, due to increased journeys being taken; and an increase in the forecast for strategic management and directorate support budgets, are being partially offset this month by a reduction in the pressure on the Young Person's Travel Pass scheme, largely due to increased income from further passes being purchased for the second half of the academic year; increased underspending on subsidised bus routes, primarily resulting from reduced staffing costs, and increased underspending on the highways budgets, largely due to further permit scheme income and income from contractors due to performance measures not being met.

**S&CS** - a further improvement in the position mainly due to re-phasing of Local Member Grants and a general improvement in the position of Finance & Procurement, Business Strategy & Legal Services.

**FI** - increase in Government funding levels from £944m to £944.2m following DCLG reconciliation of Small Business Rate Relief Compensation scheme for 2013-14.

In addition, the requirement to roll forward has increased this month by £0.608m, which is mainly due to £0.783m re-phasing of Local Member Grants and a reduction in the re-phasing of the Tackling Troubled Families programme into 2015-16. The position overall has therefore improved by £1.974m this month.

### 3.3 HEADLINE POSITION (EXCL SCHOOLS) (£'000)

	Cash Limit	Variance Before Mgmt Action	Management Action - already in place	Net Variance after Mgmt Action	Last Report	Movement
<b>Directorate Totals</b>	+954,092	-8,388	-265	-8,653	-6,071	-2,582
Adjustments: - Legally committed roll fwd (see section 3.6 for detail)		+544	-	+544	+341	+203
<b>Underlying position (including legally committed roll fwd requirements only)</b>	<b>+954,092</b>	<b>-7,844</b>	<b>-265</b>	<b>-8,109</b>	-5,730	-2,379
- Roll forward/ re-phasing required to continue/ complete existing initiatives (see section 3.7 for detail)		+3,073	-	+3,073	+2,668	+405
<b>Underlying position (including ALL roll fwd requirements)</b>	<b>+954,092</b>	<b>-4,771</b>	<b>-265</b>	<b>-5,036</b>	-3,062	-1,974

### 3.4 Table 1 Directorate position - net revenue position before and after management action together with comparison to the last report

Annex	Directorate	Budget	Net Variance (before mgmt action)	Management Action already in place	Net Variance (after mgmt action)	Last Report	Movement
		£'000	£'000	£'000	£'000	£'000	£'000
1	Education & Young People's Services	84,182.1	-6,271	-	-6,271	-5,950	-321
2	Social Care, Health & Wellbeing - Specialist Children's Services	127,517.0	+2,557	-139	+2,418	+2,427	-9
	Social Care, Health & Wellbeing - Asylum	280.0	+1,686	-	+1,686	+3,099	-1,413
	Social Care, Health & Wellbeing - Special Operations	-	+981	-	+981	+812	+169
	<i>Sub Total SCH&amp;W - Specialist Children's Services</i>	<i>127,797.0</i>	<i>+5,224</i>	<i>-139</i>	<i>+5,085</i>	<i>+6,338</i>	<i>-1,253</i>
3	Social Care, Health & Wellbeing - Adults	345,049.2	-2,747	-126	-2,873	-2,689	-184
4	Social Care, Health & Wellbeing - Public Health	-	-	-	-	-	-
5	Growth, Environment & Transport	180,041.3	-80	-	-80	-415	+335
6	Strategic & Corporate Services	82,699.9	-2,051	-	-2,051	-1,097	-954
7	Financing Items	134,322.1	-2,463	-	-2,463	-2,258	-205
	<b>TOTAL (excl Schools)</b>	<b>954,091.6</b>	<b>-8,388</b>	<b>-265</b>	<b>-8,653</b>	<b>-6,071</b>	<b>-2,582</b>
1	<i>Schools (E&amp;YP Directorate)</i>	-	+11,265	-	+11,265	+10,598	+667
	<b>TOTAL</b>	<b>954,091.6</b>	<b>+2,877</b>	<b>-265</b>	<b>+2,612</b>	<b>+4,527</b>	<b>-1,915</b>

### 3.5 The **Revenue** Budget Monitoring headlines are as follows:

- a) Following delivery of a further £0.281m of management action this month, the net position for Specialist Children's Services (excl. Asylum and Special Operations) has improved by £0.290m from the previous reported position to a pressure of +£2.557m. Further proposed management action of £0.139m is expected to reduce this to a residual pressure of £2.418m, which is attributable to unachievable savings.
- b) The position for Asylum has reduced from a £3.099m pressure reported last month to a pressure of £1.686m, following a recent letter from the Home Office which has given agreement to the Authority using the surplus grant in excess of actual costs incurred on Under 18s, up to the value of £1.5m, to offset the shortfall in grant on the 18 and Overs for 2014-15. The remaining pressure of £1.686m reflects the impact of no longer receiving a Gateway Grant and the costs of supporting Unaccompanied Asylum Seeking Children who are ineligible for funding under the grant rules. It should be noted that referrals are increasing and are at their highest level since 2009-10 and the number of children we are supporting is at its highest level since August 2011. We will continue discussions with the Home Office in an attempt to get the best possible outcome for this Authority.
- c) The costs associated with Special Operations within Specialist Children's Services have been shown separately to the normal costs of running the service. These operations currently account for a pressure of £0.981m.
- d) The underspend of -£2.747m before management action within Social Care, Health & Wellbeing - Adults is made up of a pressure on the Social Care budgets of £0.745m, offset by a combined underspend on the Commissioned Services budgets of Kent Support & Assistance Service (Social Fund), Supporting People and Drug & Alcohol Services of £3.492m. Within adult social care, there are significant pressures on domiciliary care, direct payments and supported accommodation which are partially offset by underspending on nursing and residential care and adult social care staffing. Further management action of £0.126m is expected to be delivered to offset the pressure on the social care budgets (see Annex 3 for further information). This position also reflects a planned drawdown from the NHS Support for Social Care reserve of £4.375m to fund investment in services to deliver the transformation savings. We are therefore currently forecasting to spend £5.120m (£0.745m + £4.375m) more than our base budget on adult social care, but this is expected to reduce to £4.994m after delivery of management action.
- e) Within Adult social care, domiciliary care remains our main area of concern. The transformational changes which are affecting the domiciliary expenditure have created some uncertainty with the forecast. In the November monitoring reported to Cabinet in January, the forecast for domiciliary care had been increased to reflect the expectation that transformation savings would take longer to realise than previously forecast. However, as expenditure on this service is still not falling in line even with those revised expectations the December monitoring forecast was based on a more conservative approach, only using the spend to date as a guide to calculating the forecast and not assuming delivery of any further savings. We have continued with these assumptions for this January monitoring forecast, which has increased only slightly this month for domiciliary care by £0.1m. Extensive work is ongoing to understand the reasons for this, including explorative work to ascertain whether there are other possible pressure areas within this service which are counteracting the delivery of transformation savings, and which might explain the slight increasing trend on this service since November. Over recent months, due to the uncertainty with this forecast all other areas of expenditure within Older People and Physical Disability have been considered for efficiencies and re-phasing should they be required to mitigate the risk of this increase in the forecast, and as a result, the increase in the domiciliary forecast over recent months has not resulted in an overall increase in the position for Adult Social Care.

- f) Within Education & Young People's Services, the SEN Home to School Transport budget continues to experience pressure, with a forecast overspend of +£2.145m. This is offset by recoupment income received from other local authorities whose pupils attend our special schools (-£0.481m); underspending on Home to College transport and the Kent 16+ Travel Card mainly due to increased income due to increased take up for the autumn & spring terms and reduction in demand for transport for SEN students (-£0.718m); and also a continuation from last year of the reduced demand for mainstream home to school transport as the secondary aged population is at its lowest for some years (-£1.492m). An underspend on Children's Centres of -£2.673m is largely linked to the service restructure and a savings target of £1.922m for Early Help & Prevention Services division held centrally within EY&P Directorate Management & Support is being offset by a number of smaller variances throughout the directorate. In addition, the Directorate is showing re-phasing of both the Kent Youth Employment programme and the Troubled Families programme, with the directorate as a whole forecasting a net underspend after management action and excluding schools of -£6.271m, of which £2.665m will be requested to roll forward (see sections 3.6 and 3.7 below).
- g) The Early Years Education for 2 year olds budget is forecasting a significant underspend of £8.194m. This is a result of lower parental demand for two year old places than affordable levels. As this budget is entirely funded from DSG, any surplus at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset overspending elsewhere, therefore this underspend will be transferred to the schools unallocated DSG reserve at year end.
- h) The Growth, Environment and Transport Directorate is forecasting to underspend by £0.080m. Although only a minor variance, there are some significant offsetting variances within this position, the most significant of which are: Subsidised Bus Routes (-£0.853m); Highways budgets (-£0.849m) predominately from savings on streetlight energy and speed awareness courses together with increased permit scheme income; Community Services budgets (-£1.646m) mainly due to increased income within the Registration Service and staff vacancy savings; Regulatory Services budgets (-£0.334m) mainly due to lower than expected costs of long inquests; these savings are almost completely offset by pressure on the Young Person's Travel Pass/Freedom Pass budget (+£2.307m), Concessionary Fares (+£0.156m) due to increased journeys being taken and the waste budgets (+£1.131m) - see below for further details.
- i) The pressure on the waste budget has increased again this month, with a forecast overspend due to tonnage of £3.640m currently reported. Although the financial forecast has increased, the forecast waste tonnage has however reduced this month from 719,300 tonnes to 715,300 tonnes, as the forecast reflects a reduction in waste being recycled but an increase in residual waste being sent to landfill, which is more expensive. The pressure due to waste volumes is largely offset by savings predominately from contract changes, giving an overall net pressure on the waste budget of £1.131m. The tonnage for April to January was 25,800 tonnes above the affordable level for this period and the current forecast pressure on waste tonnage of £3.640m assumes 40,300 tonnes above the budgeted level of 675,000 tonnes for the full year. Waste tonnages for two of the last three months are below the affordable levels, which is encouraging and may suggest that the recent trend of increased waste volumes is starting to reverse and fall more in line with expectations. If this trend continues then the forecast pressure due to waste volumes should reduce, however waste volumes remain volatile. An additional £1m has been provided in the recently approved 2015-16 budget for increased waste volumes.

- j) The pressure on the Young Person's Travel Pass (YPTP)/Freedom Pass budget has reduced slightly this month from £2.523m to £2.307m, largely due to further income being received for purchases of the second half year pass. As reported last month, journey numbers are significantly above budgeted levels for both the new YPTP and the old Freedom Pass scheme, which ended in August. This is partly due to assumptions around the reduction in journeys resulting from the weekend and evening restrictions not being fully achieved, together with the budgeted reductions in additional capacity payments to bus operators having not been fully realised. Also, the bus operators have increased their fares between 2% and 5%, which has resulted in an increased cost of these passes. A shortfall in income is still anticipated, as the number of passes is below expected levels and there is a different mix of full price, half price and free passes than assumed in the budget model, (students in receipt of free school meals pay half price and students in care, care leavers or young carers pay nothing).
- k) A pressure is also now forecast on the Concessionary Fares budget due to an increase in journeys being taken. An efficiency saving is included in the 2015-16 budget on the assumption that demand was reducing. This saving may now be difficult to achieve if this trend of increased usage continues.
- l) The forecast for Public Health includes a drawdown from the KDAAT reserve of £1.251m to fund changes in contract values. The forecast against the Public Health grant is an underspend of £0.167m. In line with government guidelines, this underspend will be transferred to the Public Health reserve, for use in future years.
- m) As has been reflected in previous reports, the revised dividend target set for Commercial Services by the Shareholder Board is £1.391m less than the originally budgeted dividend. This is currently being offset elsewhere within the Financing Items budget by underspending on Carbon Reduction, External Audit Fee and higher than expected Government funding levels including Business Rate compensation grant for the impact of measures introduced by the Government in the 2012 and 2013 Autumn Statements.
- n) We have received £0.983m of funding through the Bellwin scheme in respect of the emergency costs incurred during the autumn and winter 2013-14 floods and storms, which has been transferred to the Emergency Conditions reserve.
- o) School reserves are forecast to reduce by £6.2m in 2014-15, according to the schools 9 month monitoring returns. The impact on schools reserves of schools converting to academy status in year, together with the anticipated use of schools unallocated reserves to fund schools related pressures, is more than offset by the net effect of a transfer to reserves of the underspend on early years education and a drawdown from reserves to fund pressures on high needs education, with the overall impact being a small net contribution to reserves of £0.1m. Therefore, school reserves are currently forecast to reduce by £6.1m this financial year.

### 3.6 Details of Committed Roll Forward/Re-phasing requirements

The headline table on page 3 shows that within the current forecast revenue position there is a requirement to roll forward £0.544m to 2015-16, relating to initiatives where we have a legal obligation to provide the funding. This relates to:

▪ Kent Youth Employment programme - to fund existing placements that continue into 2015-16 (see annex 1)	+519 k
▪ re-phasing of a statutory voluntary & community sector policy consultation project within Business Strategy, which launched mid March and will run for 3 months (see annex 6)	+25 k
	+544 k

### 3.7 Details of Roll Forward/Re-phasing required to complete existing initiatives, if the outturn position allows:

In addition to the roll forward requirements that we are legally obliged to provide for, which are detailed above, there is some significant underspending within the forecast which we would ideally like to roll forward in order to continue with these initiatives in 2015-16. The Authority as a whole would need to achieve an underspending position at year end of at least -£3.617m in order to fund all of these (£3.073m as detailed below + £0.544m per section 3.6 above). We are currently forecasting a greater underspend than this, with an underspend of -£8.653m after management action currently being reported, -£5.036m in excess of this requirement. However, roll forward for these initiatives will be subject to Cabinet approval in July, in view of the overall outturn position and the pressures facing the authority over the medium term. These initiatives are:

▪ Kent Youth Employment programme (see annex 1)	+176 k
▪ re-phasing of Vulnerable Learners Assisted Apprenticeship placements in to 2015-16 (see annex 1)	+86 k
▪ Tackling Troubled Families (see annex 1)	+1,884 k
▪ Re-phasing of one-off funding for a project to support voluntary sector organisations around business and strategic development, to enable them to bid for and deliver public sector contracts (see annex 3)	+35 k
▪ Country Parks - funding required for additional marketing in order to deliver 2015-16 savings (annex 5)	+25 k
▪ Coroners - re-phasing of restructuring costs (see annex 5)	+70 k
▪ re-phasing of Local Member Grants (see annex 6)	+783 k
▪ re-phasing of Health Reform (see annex 6)	+14 k
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	+3,073 k

3.8 The announcement of the local government finance final settlement for 2015-16 on 3 February included an increase in RSG of £1.481m for Local Welfare Provision. Prior to this announcement, government funding for Local Welfare Provision (Social Fund) was expected to cease in 2015-16, and hence the monitoring reports throughout the year had highlighted the need to roll forward the current year underspend on the Kent Support & Assistance Service (KSAS) in order to continue with the service for another year. Following the announcement of the final settlement for 2015-16, the proposed budget for 2015-16 was amended to include this £1.481m for KSAS, and this was approved by County Council on 12 February. As a result, continuation of the service in 2015-16 is no longer dependent upon the 2014-15 underspend for KSAS and therefore this is no longer included in the roll forward requirements listed above.



### 3.9 Revenue budget virements/changes to budgets

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” i.e. 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, including the inclusion of new 100% grants (i.e. grants which fully fund the additional costs) awarded since the budget was set.
- Cash limits for the A-Z service analysis have been adjusted since the previous report to Cabinet to reflect a number of technical adjustments, including the further centralisation of budgets and to reflect where responsibility for providing services has moved between directorates.

## 4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the 2014-15 Capital Programme is £279.704m (£260.997m excluding PFI) which has now been updated to reflect the 2015-18 budget set by County Council on 12th February 2015. The forecast outturn against this budget is £237.616m (£218.909m excluding PFI) giving a variance of -£42.088m (-£42.088m excluding PFI). The annexes to this report provide the detail, which is summarised in table 2 below.

4.2 **Table 2** Directorate capital position

Directorate	3 Year Cash Limit £'000	2014-15 Working Budget £'000	2014-15 Variance £'000	Real Variance £'000	Re-phasing Variance £'000	Annex
Education & Young People's Services	227,510	95,282	-19,290	262	-19,552	1
Social Care, Health & Wellbeing - Specialist Children's Services	-	1,958	-959	-	-959	2
Social Care, Health & Wellbeing - Adults	82,918	25,463	-1,842	19	-1,861	3
Social Care, Health & Wellbeing - Public Health	-	-	-	-	-	4
Growth, Environment & Transport	256,535	131,198	-20,329	-28	-20,301	5
Strategic & Corporate Services	31,462	25,803	332	360	-28	6
Financing Items	-	-	-			7
<b>TOTAL</b>	<b>598,425</b>	<b>279,704</b>	<b>-42,088</b>	613	-42,701	

4.3 The **Capital** Budget Monitoring headlines are as follows:

- a) The majority of schemes are within budget and on time.  
b) +£0.613m of the -£42.088m variance is due to **real** variances as a result of additional or revised funding are as follows:

Trinity Free School (EYP) +£0.706m. Increased forecast as a result of construction inflation and cost renegotiation as contract completion neared. This is to be funded from additional funding from the EFA.

Priority Schools Build (EYP) +£0.890m. Reflects additional costs on the Priority School Build Programme at Meopham School to be funded from grant.

Devolved Formula Capital Grants for Pupil Referral Units (EYP) -£1.209m. This is to correct the 2014-15 revised cash limit following the 2015-18 budget build.

M20 Junction 10a (GET) -£1.000m. The Secretary of State and Highways Agency have now decided to advance their proposed programme and promote the full improvement. Consequently there is no longer a direct role for KCC in promoting an interim scheme.

No Use Empty - Rented Affordable Homes (GET) +0.795m. This relates to additional HCA funding which is expected to be received by March 2015 following full project spend.

Disposal Costs (S&CS) +£0.300m. This reflects the capitalisation of security costs to protect the value of KCC assets, to be funded from the capital proceeds of property disposals.

The remaining +£0.131m of real variances are made up of a number of real over and underspends on a number of projects across the capital programme. The annexes to this report provide the detail.

- c) -£42.701m of the -£42.088m variance relates to **rephasing** on a number of projects. The main projects comprising the rephasing are as follows:

Basic Need Programme 2013-15 (EYP) -£10.907m rephasing following extended planning processes which have resulted in construction of the new primary schools commencing later than anticipated. This has impacted on the completion dates for some of the projects.

Special School Review Phase 2 (EYP) -£3.275m. Rephasing due to delays at the planning stage, acquisition of land and cost renegotiation on a number of complicated projects. This has impacted on the completion dates of five projects.

Annual Planned Enhancement Programme (EYP) -£1.900m of works are being rephased as a result of difficulties in accessing schools, tendering works and finalising briefs.

Modernisation Programme - Future Years (EYP) -£1.498m of the programme is being rephased. Following recent funding allocation announcements this budget will be reviewed alongside the Basic Need and Special Schools programmes.

Nursery Provision for Two Year Olds (EYP) -£0.612m. Following extended planning processes, several projects will now complete in 2015/16.

Integrated Youth Service -Youth Hub Reprovision (EYP) -£0.553m. Rephasing following resubmission of plans for approval as a result of changes to design and layout. Completion is anticipated in June 2015.

Devolved Formula Capital Grants for Pupil Referral Units (PRUs) (EYP) -£0.280m. Following the completion of a recent PRU review, works will now progress next financial year.

LD Good Day Programme (SCH&W - Adults) -£1.981m. Rephasing of several small projects to allow for further time for partners to attract additional external funding which has been difficult to achieve in the current economic climate.

Home Support Fund (SCH&W Adults) -£0.280m. Rephasing to cover adaptations/equipment where works have been postponed whilst decisions on start dates are agreed with clients/contractors.

OP Strategy (SCH&W Adults) +£0.400m. Rephasing from 2015-16 to 2014-15 fund asbestos removal discovered on various PFI sites.

ContROCC -£0.378m and Early Help Module (SCH&W Children's) -£0.581m. Rephasing following outcome of initial functional testing impacting on go live dates.

Regional Growth Fund - Expansion East Kent (GET) -£8.160m. The rephasing relates to expected distributions of grants and loans during the year.

Broadband (GET) -£3.613m. The infrastructure build is now moving into more complex areas and therefore some rephasing to 2015-16 is required.

Thanet Parkway (GET) -£1.000m - rephasing due to delays in the procurement process and acquiring the necessary land. Negotiations are underway but are unlikely to be completed in this financial year.

North Farm Longfield Road, Tunbridge Wells (GET) -£0.868m. The predicted completion has slipped by a month to end of June 2015 as a result of unchartered utility services that require diversion or protection.

Highway Major Enhancement Programme (GET) -£0.875m. Rephasing following a review of the delivery of the resurfacing schemes and shortage of specialist resources needed for the delivery of the street light column replacement programme.

Sittingbourne Northern Relief Road -£0.390m and East Kent Access Phase 2 (GET) -£0.295m - rephasing due to the retendering of the LCA Part 1 works.

Westwood Relief Strategy - Poorhole Lane Improvement (GET) -£0.598m - The scheme is now expected to complete in June 2015 following unchartered and shallow utility services requiring extra mitigation works. These costs have been absorbed within the overall budget.

Rathmore Road (GET) -£0.554m following a revised project profile as a result of a later than anticipated voluntary property acquisition.

Empty Property Initiative (GET) -£0.482m rephasing following diversion of potential loans from this project to the new No Use Empty programme so that the product can be developed and tested.

Major Schemes - Preliminary Design Fees (GET) -£0.480m. This budget is not now required in 2014-15 and is therefore being rephased to 2015-16.

Street Light Column Replacement Scheme (GET) -£0.425m. A shortage of specialist resources has meant that the works have been reprogrammed for early next financial year.

A28 Chart Road, Ashford (GET) -£0.376m. This rephasing is due to the pausing of initial development works until developer funds have been received and a lack of value for money quotations on significant elements of drainage works.

Integrated Transport Schemes (GET) -£0.357m. Rephasing comprises a number of schemes within the programme which have been reprofiled.

Swale Transfer Station (GET) -£0.300m further rephasing due to additional design and risk assessment activities following difficulties in undertaking various geotechnical and structural bridge works.

Marsh Million (GET) -£0.300m. The take up of funding this scheme has been slow but marketing activity has been ongoing to raise the profile of the fund.

Member Highway Fund (GET) -£0.165m. Rephasing consists of -£0.068m for schemes which have been ordered but where delivery has been delayed following scheme redesign as a result of public consultation and £0.097m for committed schemes yet to be designed.

The remaining -£1.618m rephasing comprises minor rephasing on a number of projects across the capital programme. The annexes to this report provide the detail.

d) Future years unfunded variances:

Special Schools Review Phase 2 (EYP) Across the three year programme the total forecast pressure is £7.890m. This is being reviewed alongside the Basic Need Programme as part of the PAG process with the possibility of funding the pressure from the additional Basic Need grant allocation.

#### 4.4 Capital budget virements/changes to cash limits

- Any cash limit changes due to virements are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.
- **Cabinet is asked to approve** further changes to the capital programme cash limits resulting from this round of monitoring, which are identified in the actions column in table 2 of the annex reports. For ease of reference these are all summarised in Appendix 1.

## 5. CONCLUSIONS

The overall forecast position, after taking into account the requirements to roll forward, has improved by -£2.298m from -£2.473m to -£4.771m this month. However, management action of £0.265m (a reduction of £0.324m since last month) is proposed, which is expected to reduce this position to an underspend of £5.036m, an improvement of £1.974m since the last report. This improved position is welcome, but we must not be complacent. We should bear in mind that delivery of the remaining management action is by no means certain and that of the -£4.771m forecast underspend before outstanding management action and after taking into account roll forward requirements, £3.913m relates to additional Government funding notified since the budget was set. Considering the further substantial budget savings included in the recently approved 2015-16 budget and significant future funding cuts expected, it is essential that we enter 2015-16 with as big an underspend as is possible.

## 6. RECOMMENDATIONS

**Cabinet** is asked to:

- i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.
- ii) **Agree** the changes to the capital programme cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 1.

## 7. BACKGROUND DOCUMENTS

None

## 8. CONTACT DETAILS

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## 2014-15 JANUARY SUMMARY OF PROPOSED CAPITAL PROGRAMME CASH LIMIT CHANGES

Directorate	Project	2014-15	2015-16	2016-17	Funding	Description
		£'000	£'000	£'000		
<b>Cash limit change due to revised external/grant funding availability/previous decisions:</b>						
GET	Public Rights of Way	10			Other External Funding	Funding received towards additional schemes on the PROW network.
GET	Regeneration Fund Projects	162			Other External Funding	Following receipt of part repayment of a loan which was made by the Regen Fund in 2013/14.
SCH&W - Adults	Think Autism	19			Grant	New grant funding received.
<b>Cash limit change to cover overspends elsewhere in the capital programme:</b>						
GET	Weather Damage - Major Patching	-100			Grant	To fund increased project costs within Highway Major Enhancement Programme.
GET	Highway Major Enhancement Programme	100			Grant	To be funded from Weather Damage - Major Patching
<b>Other cash limit changes:</b>						
EYP	Devolved Formula Capital Grants for Pupil Referral Units	-1,209			Capital Receipt	To correct 2014-15 revised cash limit following 2015-18 budget build.
EYP	Tenterden Infant School	-25			Developer Contributions	Removal of funding from capital programme as this is a school managed project.
GET	Public Rights of Way	-100			Grant	To correct 2014-15 revised cash limit following 2015-18 budget build.

**EDUCATION AND YOUNG PEOPLE'S SERVICES DIRECTORATE**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	<b>Total (excl Schools) (£k)</b>	+84,182	-6,271	-	-6,271
	<b>Schools (£k)</b>	-	+11,265	-	+11,265
	<b>Directorate Total (£k)</b>	<b>+84,182</b>	<b>+4,994</b>	<b>-</b>	<b>+4,994</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<b>Education &amp; Young People's Services</b>						
<b>Delegated Budget:</b>						
Schools & Pupil Referral Units Delegated Budgets	693,555.1	-693,555.1	0.0	+11,265	+2,332 +6,202 +2,731	Drawdown from school reserves for 33 expected academy converters Expected drawdown of reserves for remaining Kent schools based on schools nine month monitoring Expected drawdown of reserves from the schools unallocated reserve to fund in year schools related pressures
<b>TOTAL DELEGATED</b>	693,555.1	-693,555.1	0.0	+11,265		
<b>Non Delegated Budget:</b>						
E&YP Strategic Management & directorate support budgets	6,074.1	-8,108.0	-2,033.9	+1,117	+1,922 +126	Savings target relating to Early Help & Preventative Services Division was held here pending agreement on how this would be delivered; offsetting savings are now reflected in the Early Intervention & Prevention and Children's Centres A-Z lines below. Additional Area Education staffing costs due to school closures <i>(includes a DSG variance of +£92k)</i>

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 -413 Underspend on legal fees  -154 <i>DSG variance - EYP directorate wide supplies &amp; services</i> -163 <i>DSG variance - lower than budgeted costs of feasibility studies for abortive capital projects</i> -205 <i>DSG variance - non staffing underspend in relation to the Kent Test (mainly printing, software costs and specialist fees)</i> +4 Other minor variances	A saving has been reflected in the approved 2015-18 MTFP
<b>Children's Services - Children in Need</b>						
- Children's Centres	14,550.0	-1,576.5	12,973.5	-2,673	-1,476 Savings from vacancies linked to the service restructure -1,137 Underspend on non staffing budgets across the 17 children's centre hubs -60 Other minor variances	A saving has been reflected in the approved 2015-18 MTFP
- Preventative Services	5,442.9	-1,331.0	4,111.9	+398	+315 Commissioned services contracts which were due to cease part way through the year to achieve savings targets but have been extended for a further six months +83 Other minor variances	
	19,992.9	-2,907.5	17,085.4	-2,275		
<b>Children's Services - Education &amp; Personal</b>						
- 14 - 19 year olds	3,937.1	-1,032.3	2,904.8	-781	-695 Kent Youth Employment programme placements: £519k of this underspend will need to roll forward to fund our legal obligation to continue with the current placements. The remaining £176k underspend will be requested to roll forward in order to fund future placements.	



Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					-85 Underspend on projects to reduce unemployment, to partially offset the overspend on Kent Science Resource centre (see below) +143 Kent Science Resource centre - due mainly to increased property costs as the centre moves buildings -86 Assisted Apprenticeships - a roll forward will be requested for this to cover placements in 2015-16 for the most vulnerable of young people -58 Other minor variances	
- Attendance & Behaviour	3,398.2	-2,620.9	777.3	-201	-240 Increased penalty notice income from pupils being absent from school <i>(includes a DSG variance of -£129k)</i>  -238 <i>DSG variance - underspend on Individual Tuition</i> +199 Kent Integrated Adolescent Support Service (KIASS) Education Welfare staffing pressure <i>(includes a DSG variance of +£147k)</i> +78 Other minor variances	This saving reflects the DfE changes to regulations, removing discretion from Headteachers to allow 10 days absence and has been reflected in the approved 2015-18 MTFP
- Early Intervention & Prevention	2,471.8	0.0	2,471.8	-545	-500 Planned underspend to contribute towards the savings target held in Strategic Management & Directorate support above -45 Other minor variances	
- Early Years & Childcare	6,725.2	-4,673.2	2,052.0	-228	+82 Staff vacancies and associated non staffing underspend for the Early Years restructured services offset by a one off staffing overspend for the pre restructured service <i>(includes a DSG variance of +£61k)</i>	

## ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					+240 Under recovery of Early Years training income -171 Underspend on Every Child a Talker project -102 <i>DSG variance - Reduction in applications for training schemes</i> -79 Underspend on collaboration work -139 Non staffing underspend following management action to partly offset the shortfall in income <i>(includes a DSG variance -£83k)</i> -59 Other minor variances	
- Early Years Education	61,760.4	-61,760.4	0.0	-8,614	-8,194 <i>Schools Unallocated DSG variance - parental demand for two year old places less than affordable levels</i> -420 <i>Schools Unallocated DSG variance - forecast parental demand for 3 &amp; 4 year old places lower than affordable level</i>	
- Education Psychology Service	2,920.3	-600.0	2,320.3	-369	-264 Traded income from schools for non statutory psychology services -103 Underspend due to staff vacancies -2 Other minor variances	This additional income has been reflected in the approved 2015-18 MTFP
- Individual Learner Support	8,202.9	-7,335.1	867.8	-324	-198 Former Head of Service and support staffing underspend due to vacancies held pending the restructure and general non staffing underspend <i>(includes a DSG variance of -£133k)</i> -98 Portage service non staffing underspend <i>(includes a DSG variance of -£68k)</i> -28 Other minor variances	

**ANNEX 1**

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Statemented Pupils	5,370.3	-5,370.3	0.0	-44	+426 <i>DSG variance - Increase in Severe Complex Accessibility Funding (SCAF) agreements for nursery pupils due to increased responsibility for 1 to 1 support</i>  -507 <i>DSG variance - reduced demand for statemented support for pupils</i>  +37 Other minor variances	
- Youth Service	7,944.0	-2,455.8	5,488.2	+200	+127 Net pressure on the Duke of Edinburgh scheme including additional books and equipment and a revenue contribution to capital for refurbishment work  +73 Other minor variances	
- Youth Offending Service	5,463.3	-2,441.9	3,021.4	-526	-318 Underspend on KIASS district budgets due mainly to staff vacancies  -75 Saving on recommissioned services  -133 Other minor variances each less than £100k in value	
	108,193.5	-88,289.9	19,903.6	-11,432		
<u>Children's Services - Other Children's Services</u>						
- Safeguarding	507.5	-150.0	357.5	-47		
<u>Community Services</u>						
- Community Learning & Skills (CLS)	13,190.6	-14,319.3	-1,128.7	+216	+339 Property related costs  -123 Other minor variances each less than £100k in value	
- Supporting Employment	1,056.2	-335.0	721.2	-56		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
- Troubled Families Programme	£'000 6,148.0	£'000 -5,790.1	£'000 357.9	£'000 -1,884	£'000 -1,884	Underspend due to projects supporting families spanning financial years. In addition, due to the payment by results element of the programme, the grant has increased in year and the projects associated with this increase do not begin until the income is received. A roll forward request will be submitted to continue supporting families as part of the Tackling Troubled Families government initiative.
	20,394.8	-20,444.4	-49.6	-1,724		
<b>Housing Related Support for Vulnerable People (Supporting People)</b>						
- Young People	3,968.9	0.0	3,968.9	-241	-241	Contract variations and efficiencies
<b>School &amp; High Needs Education Budgets</b>						
- Exclusion Services	2,082.4	-2,082.4	0.0	-46		
- High Needs Further Education Colleges - Post 16 year olds	1,951.0	-1,951.0	0.0	+438	+438	<i>Schools Unallocated DSG variance - increased costs of high needs placements for post 16 students in colleges</i>
- High Needs Independent Sector Providers - Post 16 year olds	3,155.0	-3,155.0	0.0	+1,437	+1,437	<i>Schools Unallocated DSG variance - increase in costs of independent sector places for post 16 students</i> <i>This pressure has been reflected in the approved 2015-18 MTFP</i>
- High Needs Independent Special School placements	17,686.0	-17,686.0	0.0	+1,721	+1,721	<i>Schools Unallocated DSG variance - increase in costs of independent special school places</i> <i>This pressure has been reflected in the approved 2015-18 MTFP</i>
- PFI Schools Scheme	23,810.0	-23,810.0	0.0	0		
	48,684.4	-48,684.4	0.0	+3,550		
<b>Schools Services:</b>						
- High Needs Pupils - Recoupment	905.9	-905.9	0.0	-108	+595 -703	<i>Schools Unallocated DSG variance - increase in costs of Kent children with high needs receiving education in other local authority schools</i> <i>Schools Unallocated DSG variance - Additional income from other local authorities with pupils in Kent schools</i>

## ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Other Schools Services	6,794.5	-6,900.7	-106.2	+398	+181 Work in excess of capital maintenance funding including asbestos +£383k (due to changes in the methods of dealing with asbestos), planned maintenance +£47k (due to the phasing of work within the 3 year programme) and legionella, tree and condition surveys  <i>+256 DSG variance - Pressure on mobile classrooms budget to fulfil basic need</i>  -39 Other minor variances	
- Redundancy Costs	1,188.7	-1,188.7	0.0	+179	<i>+179 DSG variance - increased school redundancy costs due to school closures</i>	
- School Improvement	10,566.7	-7,429.4	3,137.3	-359	+473 Shortfall against budgeted surplus for training & development  +136 Shortfall against budgeted surplus for governor training services  -503 Underspend on the Intervention Fund <i>-226 DSG variance - Underspend on DSG school improvement collaboration programme which will continue into the summer term</i>  -171 Increased surplus for other traded services (Clerking and Improving Together Network)  -68 Other minor variances	
- Schools Staff Services	2,644.0	-2,541.0	103.0	-91		
- Teachers & Education Staff Pension Costs	8,328.0	-2,684.0	5,644.0	-406	-406 Reduced annual capitalisation costs of pensions	
	30,427.8	-21,649.7	8,778.1	-387		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<u>Transport Services</u>						
- Home to College Transport & Kent 16+ Travel Card	3,913.7	-1,988.0	1,925.7	-718	-179 Reduction in demand for home to college transport for SEN students -57 Reduced costs for the 16+ card due to reduced journey usage during the summer term offset by forecast increase cost of journeys for the autumn and spring terms -499 Forecast increased income for the autumn and spring terms due to an increase in pass take up +17 Other minor variances	
- Mainstream HTST	10,542.3	-20.0	10,522.3	-1,492	-1,492 Fewer than budgeted numbers of pupils travelling and cost per head reducing as more transport is arranged using public transport rather than hired vehicles	This saving has been reflected in the 2015-18 MTFP
- SEN HTST	18,972.5	-425.0	18,547.5	+1,664	+1,900 Higher than budgeted numbers of pupils travelling with overall costs influenced by other factors such as distance and type of travel +94 Costs of the new Independent Travel Trainers service to enable some pupils currently in receipt of SEN transport to travel to school using public transport +151 Increased pressure on Personal Transport budgets awarded to pupils where the cost of this scheme is lower than providing transport -481 Recoupment income for transport provided for other local authority pupils with special needs attending Kent schools	This pressure has been reflected in the 2015-18 MTFP  These pressures are ongoing and a realignment of SEN HTST budget between transport costs, personal transport & independent travel trainers service has been reflected in the 2015-18 MTFP  This saving has been reflected in the 2015-18 MTFP
	33,428.5	-2,433.0	30,995.5	-546		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<u>Assessment Services</u>						
- Assessment & Support of Children with Special Education Needs	9,834.0	-7,475.2	2,358.8	-416	-392 Underspend on non staffing budgets to offset in part the overspend on SCAF costs in stated support (see Stated Pupils A-Z line above) <i>(includes a DSG variance of -£274k)</i> -24 Other minor variances	
- Children's Social Care Staffing	6,094.4	-3,276.6	2,817.8	-621	-412 Early Intervention team staff vacancies <i>(includes a DSG variance of -£165k)</i> -82 Underspend on Family Liaison officer costs -127 Other minor variances each less than £100k in value	
	15,928.4	-10,751.8	5,176.6	-1,037		
<u>Support to Frontline Services</u>						
- Human Resources	0.0	0.0	0.0	0		
<b>TOTAL NON DELEGATED</b>	<b>287,600.8</b>	<b>-203,418.7</b>	<b>84,182.1</b>	<b>-13,022</b>		
- <i>Transfer to(+)/from(-) DSG reserves</i>				<b>+6,751</b>	<b>Net transfer to the Schools</b> <b>Unallocated DSG reserve to offset:</b> <b>+8,614 DSG underspend of -£8,614k on Early Years Education</b> <b>-3,488 DSG variances of +£3,488k on High Needs Education &amp; Recoupment</b> <b>Net transfer to the Central DSG reserve to offset:</b> <b>+1,368 DSG variances of -£1,368k explained above</b> <b>+257 A number of other smaller DSG variances totalling -£257k</b>	

## ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
TOTAL NON DELEGATED after transfer to / from DSG reserve	287,600.8	-203,418.7	84,182.1	-6,271	Roll forward of £519k is required to fund the continuation of current placements under the Kent Youth Employment Programme, and requests will be made to roll forward the remaining £2,146k underspend against this programme, the Assisted Apprentices programme and the Troubled Families programme in order for these schemes to continue into 2015-16. The adjusted position for EYP after allowing for this roll forward is an underspend of -£3,606k.	
<b>Total E&amp;YPS</b>	<b>981,155.9</b>	<b>-896,973.8</b>	<b>84,182.1</b>	<b>+4,994</b>		



## 2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

### 2.1 Number of schools with deficit budgets compared with the total number of schools:

	2011-12	2012-13	2013-14	2014-15
	as at 31-3-12	as at 31-3-13	as at 31-3-14	projection
Total number of schools	497	463	449	413
Total value of school reserves	£59,088k	£48,124k	£45,730k	£39,591k
Number of deficit schools	7	8	18	12
Total value of deficits	£833k	£364k	£2,017k	£3,081k

#### Comments:

- The information on deficit schools for 2014-15 has been obtained from the schools nine month monitoring and show 12 schools predicting a deficit at the end of year 1. The Local Authority receives updates from schools through budget monitoring returns from all schools after 6 months, and 9 months as well as an outturn report at year end but these only include information relating to the current year. Schools' Financial Services have been working with these 12 schools to reduce the risk of a deficit in 2014-15 and with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.
- KCC has a “no deficit” policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year’s budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the Local Authority.
- The total number of schools is based on the assumption that 33 schools (including 2 secondary schools and 31 primary schools) will convert to academies before the 31st March 2015. In addition, 4 schools are amalgamating to form 2 new schools and 1 school is closing.
- The value of schools reserves is forecast to reduce by £6,139k this financial year. This movement includes a net increase in the schools unallocated DSG reserve of £2,395k due to an underspend on the Early Years Education budget of £8,614k, a pressure on high needs education of £3,488k and a net drawdown from the schools unallocated reserve of £2,731k for schools related items. In addition, a drawdown of £8,534k is forecast against individual schools reserves. This assumes that 33 schools convert to academy status by 31 March with a consequential drawdown of £2,332k and that the remaining Kent schools drawdown £6,202k from their reserves based on the nine month monitoring returns.

## 2.2 Number of children receiving assisted SEN and Mainstream transport to schools

	2012-13				2013-14				2014-15			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr	3,993	4,055	17,342	16,757	3,934	4,145	14,667	14,119	3,808	4,051	12,493	11,400
May	3,993	4,064	17,342	16,788	3,934	4,172	14,667	14,119	3,808	4,056	12,493	11,436
Jun	3,993	4,099	17,342	16,741	3,934	4,206	14,667	14,106	3,808	4,073	12,493	11,468
Jul	3,993	4,106	17,342	16,695	3,934	4,167	14,667	14,093	3,808	4,041	12,493	11,307
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sep	3,993	3,975	17,342	13,698	3,934	3,761	14,667	10,300	3,808	3,725	12,493	8,969
Oct	3,993	4,009	17,342	13,844	3,934	3,981	14,667	11,258	3,808	3,785	12,493	9,123
Nov	3,993	4,068	17,342	13,925	3,934	4,010	14,667	11,267	3,808	3,826	12,493	9,237
Dec	3,993	4,107	17,342	13,960	3,934	4,021	14,667	11,296	3,808	3,816	12,493	9,220
Jan	3,993	4,139	17,342	13,985	3,934	4,037	14,667	11,314	3,808	3,853	12,493	9,258
Feb	3,993	4,146	17,342	14,029	3,934	4,086	14,667	11,368	3,808	3,885	12,493	9,357
Mar	3,993	4,157	17,342	14,051	3,934	4,041	14,667	11,375	3,808	0	12,493	0

### Comments:

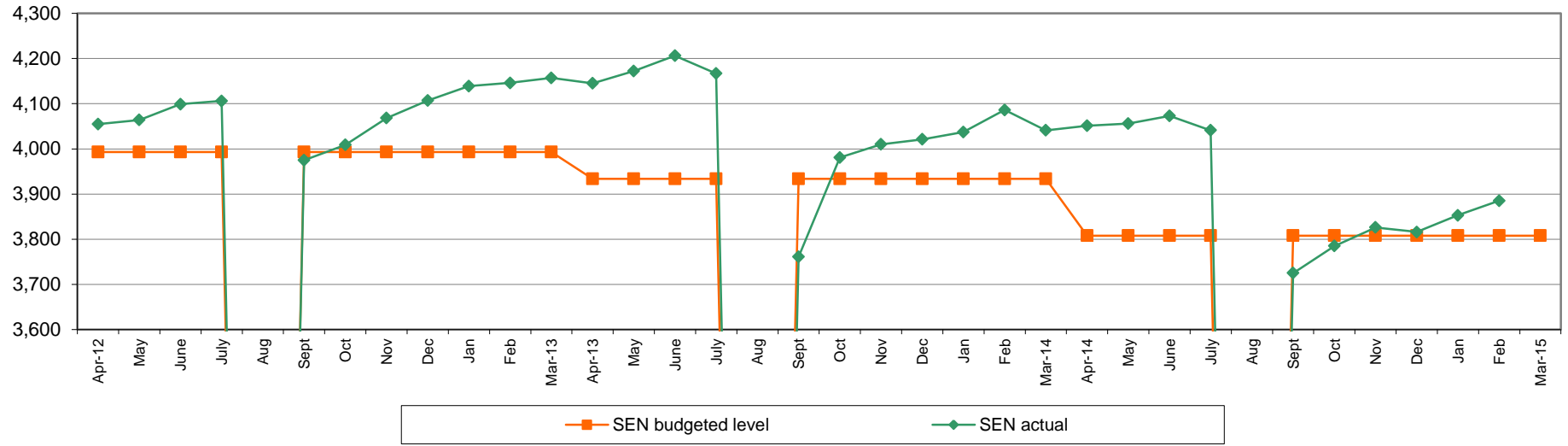
#### SEN HTST

- The number of children travelling was higher than the budgeted level for the summer term and although numbers have reduced at the start of the autumn term they have increased as the term develops. There are a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel.
- Recent changes in the commissioning of SEN transport, where some special schools & PRUs are given an allocation to provide their own transport, mean that these journeys are not included within the numbers travelling from September 2014.
- A pressure of +£1,900k is therefore reported in table 1 relating to this activity, which is offset by £481k recoupment income from other Local Authorities for transport of their pupils to Kent schools.

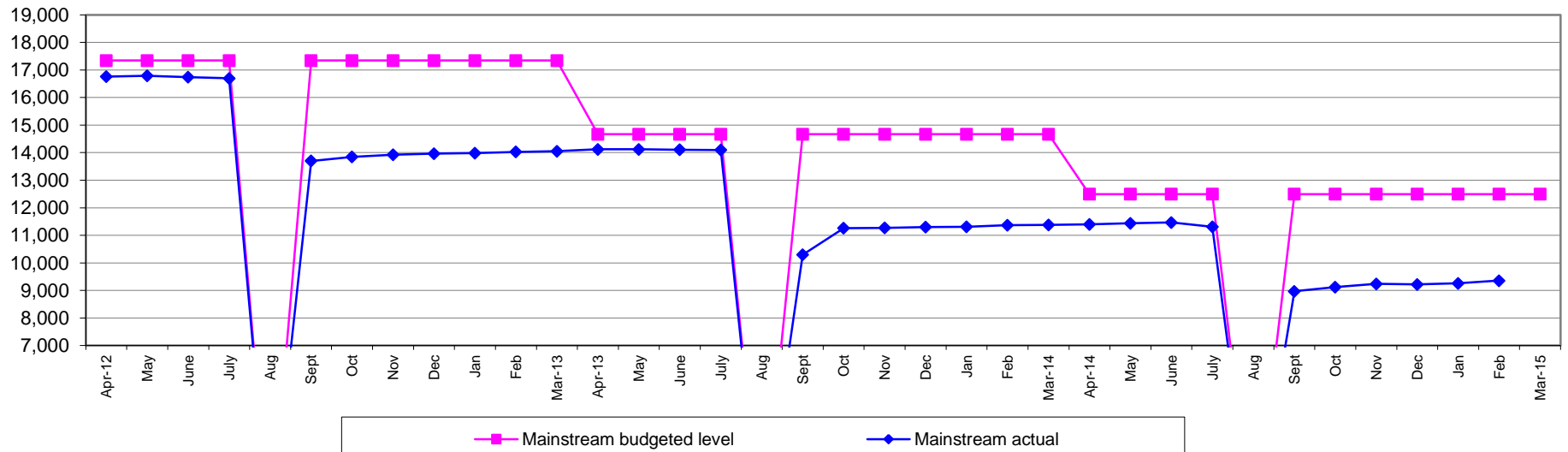
#### Mainstream HTST

- The number of children receiving transport is lower than the budgeted level, therefore an underspend of -£1,492k is reported in table 1. During the 2014-15 academic year the secondary aged population is at its lowest and will begin to increase as the rise in the birth rate moves through the primary sector into the secondary sector in future years.

Number of children receiving assisted SEN transport to school



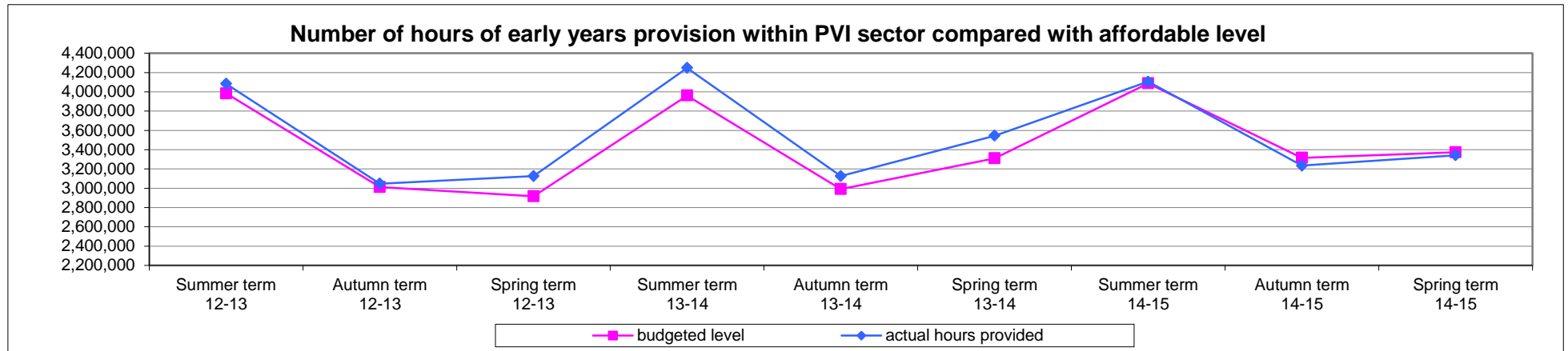
Number of children receiving assisted Mainstream transport to school



**2.3 Number of hours of early years provision provided to 3 & 4 year olds within the Private, Voluntary & Independent Sector compared with the affordable level:**

	2012-13		2013-14		2014-15	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided *
Summer term	3,982,605	4,082,870	3,961,155	4,247,461	4,087,898	4,104,576
Autumn term	3,012,602	3,048,035	2,990,107	3,126,084	3,315,075	3,234,195
Spring term	2,917,560	3,125,343	3,310,417	3,543,567	3,373,424	3,341,202
<b>TOTAL</b>	<b>9,912,767</b>	<b>10,256,248</b>	<b>10,261,679</b>	<b>10,917,112</b>	<b>10,776,397</b>	<b>10,679,973</b>

\* The figures for actual hours provided are constantly reviewed and updated, so will always be subject to change



**Comments:**

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks. The forecast number of hours of early years provision for 3 & 4 year olds is 10,679,973 which is over 96,000 hours less than budgeted.
- The Dedicated School Grant was adjusted in the quarter 2 report to reflect January 2014 pupil numbers and the affordable number of hours was uplifted accordingly. Actual hours are less than budgeted, hence an underspend of -£420k is forecast in table 1. As this budget is entirely funded from DSG, any surplus or deficit at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere within the directorate budget, therefore any pressure or saving will be transferred to the schools unallocated DSG reserve at year end.
- It should be noted that not all parents currently take up their full entitlement and this can change during the year.

### 3. CAPITAL

3.1 The Education and Young People's Services Directorate has a working budget (excluding schools) for 2014-15 of £95,282k (this has now been updated to reflect the 2015-18 budget set by County Council on 12th February 2015) . The forecast outturn against the 2014-15 budget is £75,992k giving a variance of -£19,290k.

3.2 **Table 2** below details the Education and Young People's Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Rolling Programmes</b>									
Annual Planned Enhancement Programme	24,000	11,467	-2,003	-103	Real underspend - grant	Underspend to be used to fund -£210k on UIFSM, +£107k to be transferred back to Planned Enhancement from St Johns /Kingsmead, reduction in additional roofing costs.	Green		
				-1,900	Rephasing - grant	Difficulties in accessing schools, tendering works and finalising briefs has caused some delays.			

**ANNEX 1**

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Devolved Formula Capital Grants for Pupil Referral Units (PRUs)	329	1,759	-1,489	-201  -79  -1,209	Rephasing - prudential  Rephasing - capital receipt  Real - capital receipt	A recent review has been carried out of the PRUs.  Works are to progress in the following financial year.  To correct 14-15 revised cash limit following 15-18 budget build.	Amber		-£1,209k capital receipt cash limit change in 14-15
Youth - Modernisation of Assets		34	13	13	Real - revenue contribution		Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Individual Projects</b>									
<b>Basic Need Schemes</b> - to provide additional pupil places:									
Basic Need Programme 2013-15	70,037	35,658	-10,907	-10,907	Rephasing - grant	Rephasing following construction of the new Primary schools commencing later than anticipated due to extended planning processes. Completion dates on some of the new school buildings have been delayed. Contingency plans are in place to accommodate additional children. We are still awaiting a decision from the Secretary of State for planning approval for the new school at East Folkestone.	Amber	An additional Basic Need funding allocation of £62,772k has been confirmed. The application of this funding is to be reviewed alongside the Special Schools programme.	
Basic Need Allocations 2015-16 and 2016-17	27,449	0	0	0			Green		
Goat Lees Primary School, Ashford	13	336	0	0			Green		
Repton Park Primary School, Ashford		139	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Modernisation Programme</b> - Improving and upgrading school buildings including removal of temporary classrooms:									
Modernisation Programme - Future Years	4,000	1,719	-1,500	-1,498	Rephasing  -2 Real - grant	£1,498k of rephasing includes £124k to be held for Basic Need.  Programme to be finalised following announcement of funding allocations.  £2k to be used for Primary Improvement Programme.	Amber	Amber until programme finalised.  This budget will be reviewed alongside the Basic Need programme.	
St Johns / Kingsmead Primary School, Canterbury	1,112	2,206	-107	-107	Real - grant	£107k to be transferred back to Planned Enhancement from St Johns /Kingsmead, reduction in additional roofing costs.	Amber	£650k contribution due from Canterbury Diocese towards this project, not yet received.	
<b>Special Schools Review</b> - major projects supporting the special schools review:									
Special Schools Review phase 1	0	670	0	0			Green		



Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Special Schools Review phase 2	56,220	9,380	-3,275	-3,275	Rephasing	Rephasing is due to delays at the planning stage, acquisition of land and re-negotiating costs. This has impacted on the completion dates at the following schools: Foreland, Five Acre, Foxwood & Highview, Portal House and Ridgeview.	Red	Across the three year programme there is a £7,890k forecast overspend. This will be reviewed alongside the Basic Need programme through the PAG process, it is hoped to be funded from the additional Basic Need grant allocation.	
The Wyvern School, Ashford (Buxford Site)		6	0	0			Green		
<b>Academy Projects:</b>									
Astor of Hever (St Augustine's Academy), Maidstone	1,286	2,191	-48	-48	Real - supported borrowing £48k	The asbestos claim which is being funded from an underspend on BSF Unit Costs has reduced and therefore £48k is to be returned to BSF Unit Costs	Green		
Dover Christ Church	9,619	5,925	0	0			Green		
The Duke of York's Royal Military School	4,922	4,778	0	0			Green		
Isle of Sheppey Academy	200	0	0	0			Green		
The John Wallis C of E Academy	2,146	2,901	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Knowle Academy Sevenoaks	2,767	3,901	0	0			Green		
Wilmington Enterprise College	376	430	0	0			Green		
Skinners Academy		265	0	0			Green		
Academy Unit Costs		438	0	0			Green		
BSF Wave 3 Build Costs		111	0	0			Green		
BSF Unit Costs		3	48	48	Real - supported borrowing £48k	The asbestos claim at Astor of Hever which is being funded from an underspend on this line has reduced, £48k is to therefore be returned from Astor of Hever.	Green		
<b>Other Projects:</b>									
Primary Improvement Programme		36	15	15	Real - prudential £13k, grant £2k	Overspend to be funded from Unit Review £13k and Modernisation £2k.	Amber		
Specialist Schools	185	325	0	0			Green		
Canterbury Family Centre		37	0	0			Green		
Community Learning and Skills Service - Sittingbourne Reprovision	482		0	0					

**ANNEX 1**

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Community Learning and Skills Service - Sevenoaks Reprovision	1,000		0	0					
Free School Meals Capital Money	2,777	2,777	210	210	Real - grant	Original planned kitchen works to be part funded from Annual Planned Enhancement.	Green		
Integrated Youth Service - Youth Hub Reprovision	948	1,081	-526	-553	Rephasing  28 Real - revenue contribution	Amendments to design and layout required resubmission of plans for approval. Completion is expected at the end of June which is rephased from earlier estimated timescales.  Contribution towards furniture costs.	Green	Revised completion date to the end of June 2015 previously reported.	
Nursery Provision for Two Year Olds	2,368	2,375	-612	-612	Rephasing	Delays in obtaining planning permission have led to some projects completing in the following year.	Green	Revised completion date of early 2015/16 previously reported.	
One-off Schools Revenue to Capital		421	-54	-54	Rephasing		Green		
Platt CEPS		85	-85	-85	Rephasing		Green		

**ANNEX 1**

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Schools Self Funded projects - Quarryfield /Aldington Eco Centre		11	0	0			Green		
Sevenoaks Grammar School	13,769	2,040	-240	-240	Rephasing	Rephasing due to agreeing contract terms and documentation but the expected completion date remains unchanged.	Green		
Tenterden Infant School		25	-25	-25	Real - developer contributions	School managed project funded from developer contributions. Spend to be incurred by the school, therefore excluded from the monitoring.	Green		-£25k developer contribution cash limit change in 2014-15
Trinity Free School, Sevenoaks		1,294	706	706	Real - grant	Increased forecast as a result of construction inflation and cost renegotiation as contract completion neared. Additional funding to be provided by the EFA.	Amber	Full project cost expected to be £15.4m, to be funded from grant.	

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Unit Review	1,505	280	-270	-270	Real - prudential	£23k (£13k in 2014-15 and £10k in 2015-16) funding to be used for Primary Improvement Programme. £247k to be used elsewhere within the ELS programme.	Green		
Vocational Education Centre Programme		148	-148	-148	Rephasing	Project due to commence in 15-16.	Green		
Website & Portal Development		30	0	0			Green		
Ashford North Youth Centre			16	16	Real - developer contributions	Garage conversion.	Green		
Priority School Build Programme			890	890	Real - grant	Additional costs on the Priority School Build Programme at Meopham School.	Amber		
Swattenden Centre			40	40	Real - revenue contribution	Contribution towards building works at the Piggery to convert into classrooms.	Green		
South Early Intervention Team			61	61	Real - revenue contribution	Contribution towards replacement laptops.	Green		
<b>Total</b>	<b>227,510</b>	<b>95,282</b>	<b>-19,290</b>	<b>-19,290</b>					

## 1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

**SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE**  
**SPECIALIST CHILDREN'S SERVICES**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
<b>Total excl Asylum (£k)</b>	+127,517	+2,557	-139	+2,418
<b>Asylum (£k)</b>	+280	+1,686	-	+1,686
<b>Special Ops (£k)</b>	-	+981	-	+981
<b>Total (£k)</b>	<b>+127,797</b>	<b>+5,224</b>	<b>-139</b>	<b>+5,085</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<b>Specialist Children's Services</b>						
Strategic Management & Directorate Support budgets	4,976.5	-175.0	4,801.5	-198	-424 Underspend on commissioning staffing budget +160 Staffing pressure +66 Other minor variances	
<b>Children's Services - Children in Care (Looked After)</b>						
- Fostering	33,373.5	-41.0	33,332.5	+899	-543 In House: Forecast -1,480 weeks below affordable level of 55,147 +367 In House: Forecast unit cost £6.66 above affordable level of £360.14 -329 In House: reduction in spend on 'other' costs such as personal expenses, specialist fees and client public transport following planned action to reduce costs -49 In House: other minor variances +1,000 In House: unachievable savings	The overall pressure within Fostering has been addressed in the 2015-18 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+1,072 Independent Sector (IFA): Forecast 1,140 weeks above affordable level of 8,788	
					-45 Independent Sector (IFA): Forecast unit cost -£5.12 below affordable level of £945.07	
					-59 Independent Sector (IFA): Other minor variances	
					+124 Financial allowances for permanency arrangements: unachievable saving	
					-261 Reduction in Related Fostering payments and other financial allowances for permanency arrangements	
					-349 Staffing saving on county fostering team	
					-29 Other minor variances	
- Legal Charges	7,411.9	0.0	7,411.9	-652	+300 Unachievable saving	This saving has been reflected in the 2015-18 MTFP
					-952 Reduction in legal fees and court charges	
- Residential Children's Services	15,886.8	-2,862.7	13,024.1	-8	-98 Independent Sector residential care: Forecast -31 weeks below affordable level of 2,509 weeks, partially due to young people becoming care leavers (see care leavers below)	A saving within Residential Children's Services has been reflected in the 2015-18 MTFP
					-241 Independent Sector residential care: Forecast unit cost -£95.86 below affordable level of £3,266.04	
					+400 Independent Sector residential care: unachievable saving	
					-296 Reduction in secure accommodation placements	
					+134 Additional activity within residential short breaks unit	
					+52 Staffing pressure	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-123 Additional contributions from health in lieu of Preston Skreens health respite unit, which has now closed. These contributions are to enable KCC to provide the respite care ourselves.	
					+164 Other minor variances, each below £100k	
- Virtual School Kent	4,348.7	-2,953.3	1,395.4	-91		
	61,020.9	-5,857.0	55,163.9	+148		
<b>Children's Services - Children in Need</b>						
- Preventative Services	10,650.5	-1,327.6	9,322.9	-318	+110 Increase in direct payments +26 Direct payments: unachievable saving -187 Additional contributions from health for direct payments +120 Pressure on Independent Sector day care budget for disabled children due to an increase in care packages and price increases from a number of providers -137 Efficiencies on the recommissioning of a specialist service -141 Additional income from health previously received by external provider -78 Saving on section 17 payments due to reduced activity -31 Other minor variances	
	10,650.5	-1,327.6	9,322.9	-318		
<b>Children's Services - Other Social Services</b>						
- Adoption	10,788.5	-1,319.1	9,469.4	+418	-297 Reduction in adoption payments due to fewer children. This is mainly due to a high proportion of adoption payments relating to older children, who are no longer eligible for payments once they become 18+.	The overall pressure within Adoption has been addressed in the 2015-18 MTFP



Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-18 Increase in costs of commissioned management service	
					+754 Increase in the number of guardianship payments, partly due to a reduction in financial allowances for permanency arrangements reported within Fostering above, together with a general increase in the number of guardianship payments	
					+600 Impact of increase in Financial Allowances for Adopters and Special Guardianship Orders	
					-600 Release of provision following a review of the balance sheet to offset increase in financial allowances	
					-21 Other minor variances	
- Asylum Seekers	11,883.3	-11,603.3	280.0	+1,686	-1,394 Underspend relating to under 18 Unaccompanied Asylum Seeking Children (UASC) due to costs less than grant receivable	
					+303 Pressure relating to under 18 UASC due to ineligibility	
					+832 Pressure relating to over 18's due to ineligibility, of which £458k relates to All Rights Exhausted (ARE) clients	In relation to the pressures on the over 18's UASC, we are reviewing levels of support to those aged over 21 who are continuing to be supported on the basis of their remaining in further or higher education.
					+1,945 Pressure relating to eligible over 18's due to costs exceeding grant receivable (see activity section 2.6 below), including infrastructure costs	
- Leaving Care (formerly 16+)	5,296.9	0.0	5,296.9	+76	+341 Additional young people requiring this service in order to provide stability and continuity whilst they continue their education.	
					-265 Rebadging of existing eligible expenditure to 'Staying put' grant income from DfE	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Safeguarding	4,979.4	-460.4	4,519.0	-222	-105 -120 +3	Underspend on Kent Safeguarding Children Board (KSCB) base budget Staffing saving Other minor variances
	32,948.1	-13,382.8	19,565.3	+1,958		
<u>Assessment Services</u>						
- Children's social care staffing	40,573.7	-1,630.3	38,943.4	+2,653	+796 +1,500 +357	Pressure on staffing budgets due to appointment of agency staff Unachievable saving Recruitment & retention payments for children's social workers
<b>Total SCH&amp;W (SCS)</b>	<b>150,169.7</b>	<b>-22,372.7</b>	<b>127,797.0</b>	<b>+4,243</b>		
<b>Assumed Mgmt Action</b>				-139		The forecast position above is compiled in such a way that it only includes savings that have actually been achieved, and does not assume any to still be achieved. The £139k of management action, which affects a number of different service lines, represents the amount of savings the division is committed to achieving before the current financial year end. Once this management action is realised, the saving will transfer above the line against the relevant A to Z service line.
<b>Total SCH&amp;W (SCS) Forecast after mgmt action</b>	<b>150,169.7</b>	<b>-22,372.7</b>	<b>127,797.0</b>	<b>+4,104</b>		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<b><u>Memorandum</u></b> <b><i>These costs are in addition to the position reported above</i></b>						
Special Operations				<b>+981</b>	<p>The costs of this special operation will be met from reserves if there is insufficient underspending within KCC overall at year end to offset them.</p> <p>+140 In house fostering: 395 weeks @ £354.68 per week</p> <p>+130 Staffing</p> <p>+40 IFA fostering: 39 weeks @ £1,024.19 per week</p> <p>+230 Residential: 66 weeks @ £3,490.91 per week</p> <p>+55 Interpreter costs</p> <p>+386 Legal costs</p>	

## 2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

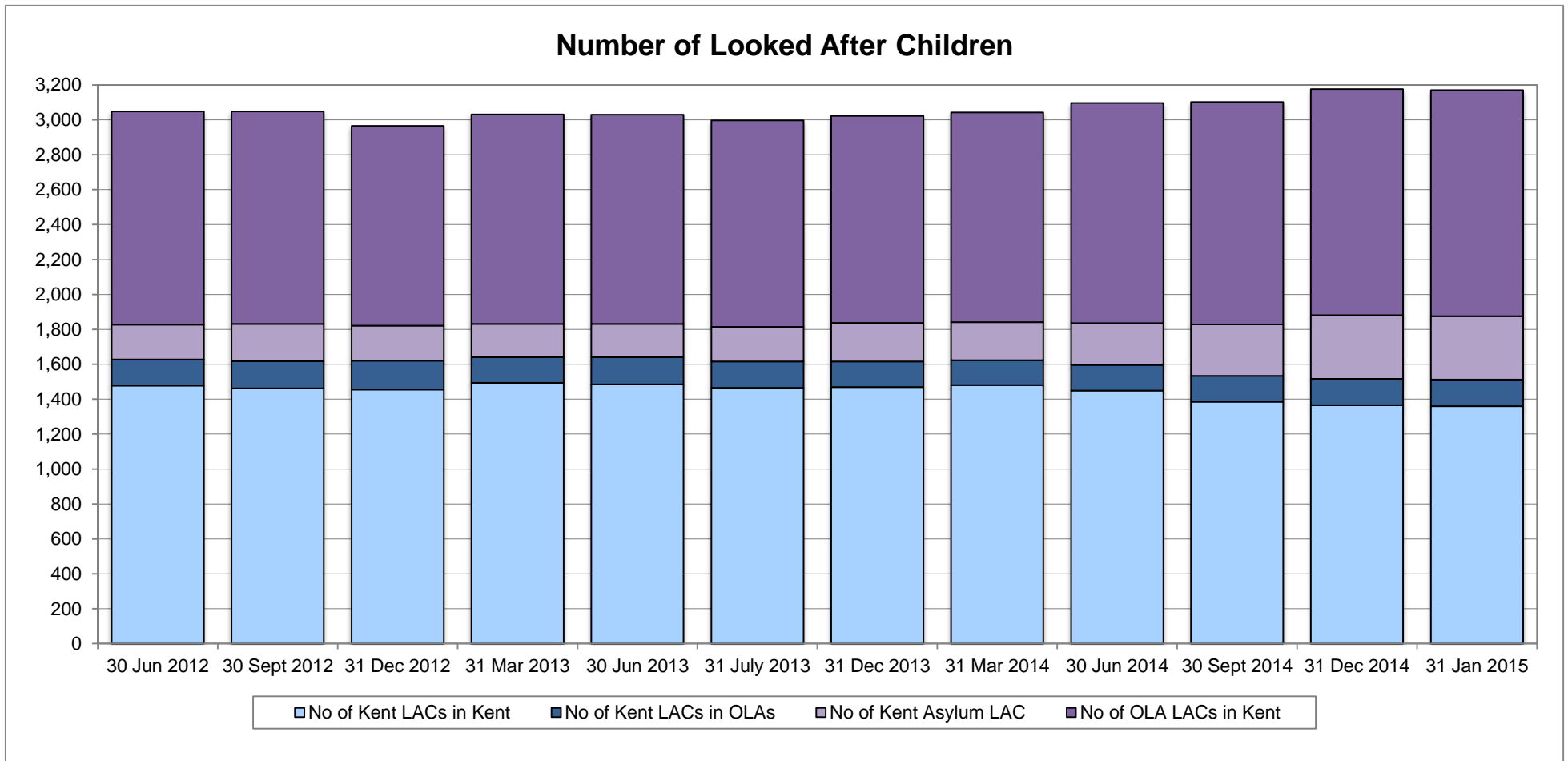
## 2.1 Number of Looked After Children (LAC) :

		No. of Kent LAC placed in Kent	No. of Kent LAC placed in OLAs	TOTAL NO. OF KENT LAC (excluding Asylum)	No of Kent Asylum LAC	TOTAL NUMBER OF LAC IN KENT	No. of OLA LAC placed in Kent	TOTAL NUMBER OF LAC IN KENT
2012-13	30-Jun	1,478	149	<b>1,627</b>	200	<b>1,827</b>	1,221	<b>3,048</b>
	30-Sep	1,463	155	<b>1,618</b>	214	<b>1,832</b>	1,216	<b>3,048</b>
	31-Dec	1,455	165	<b>1,620</b>	202	<b>1,822</b>	1,144	<b>2,966</b>
	31-Mar	1,494	147	<b>1,641</b>	190	<b>1,831</b>	1,200	<b>3,031</b>
2013-14	30-Jun	1,485	155	<b>1,640</b>	192	<b>1,832</b>	1,197	<b>3,029</b>
	30-Sep	1,465	152	<b>1,617</b>	198	<b>1,815</b>	1,182	<b>2,997</b>
	31-Dec	1,470	146	<b>1,616</b>	221	<b>1,837</b>	1,185	<b>3,022</b>
	31-Mar	1,481	143	<b>1,624</b>	218	<b>1,842</b>	1,200	<b>3,042</b>
2014-15	30-Jun	1,450	147	<b>1,597</b>	238	<b>1,835</b>	1,261	<b>3,096</b>
	30-Sep	1,385	148	<b>1,533</b>	296	<b>1,829</b>	1,273	<b>3,102</b>
	31-Dec	1,365	152	<b>1,517</b>	364	<b>1,881</b>	1,296	<b>3,177</b>
	31-Jan	1,360	152	<b>1,512</b>	363	<b>1,875</b>	1,296	<b>3,171</b>

## Comments:

- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child's care plan is undertaken.
- The figures represent a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore, although the number of Kent looked after children (excluding Asylum) has reduced by a further 5 since quarter 3, and by 112 this financial year, there could have been more (or less) during the period.
- Although there is a reduction in the number of LAC, there is still an overall pressure on the SCS budget. After taking into account management action and unachievable savings, this pressure primarily relates to non LAC headings such as staffing, leaving care and adoption.

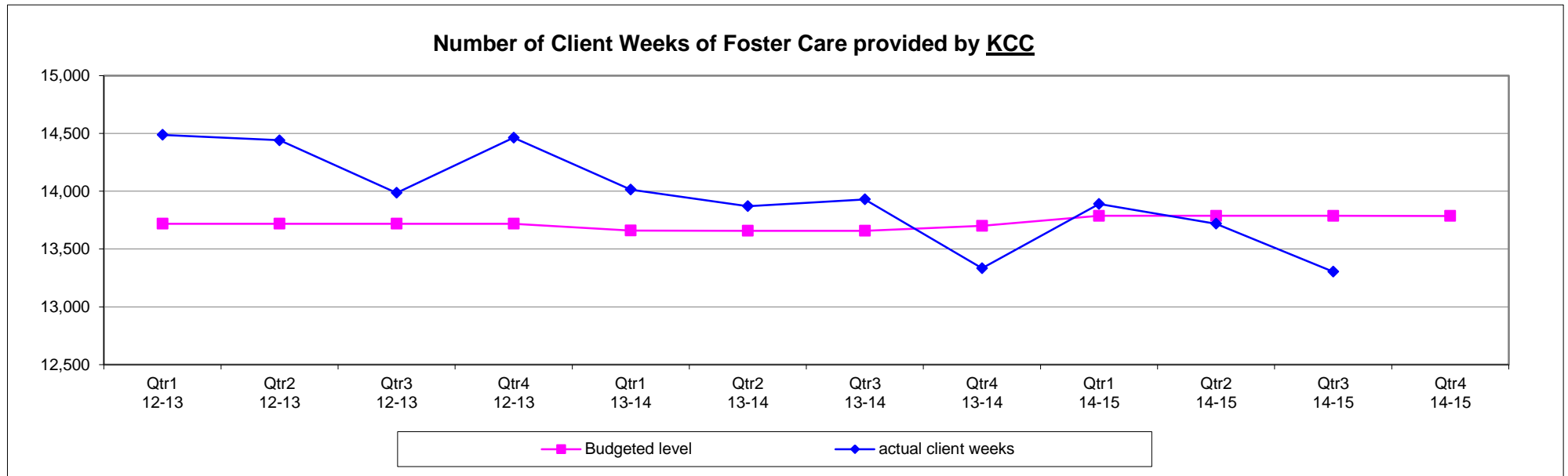
- The OLA LAC information has a confidence rating of 57% and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming. This confidence rating is based upon the percentage of children in this current cohort where the OLA has satisfactorily responded to recent MIU requests.
- This information on number of Looked After Children is provided by the Management Information Unit within SCH&W directorate.
- **These numbers include Looked After Children as a result of special operations**

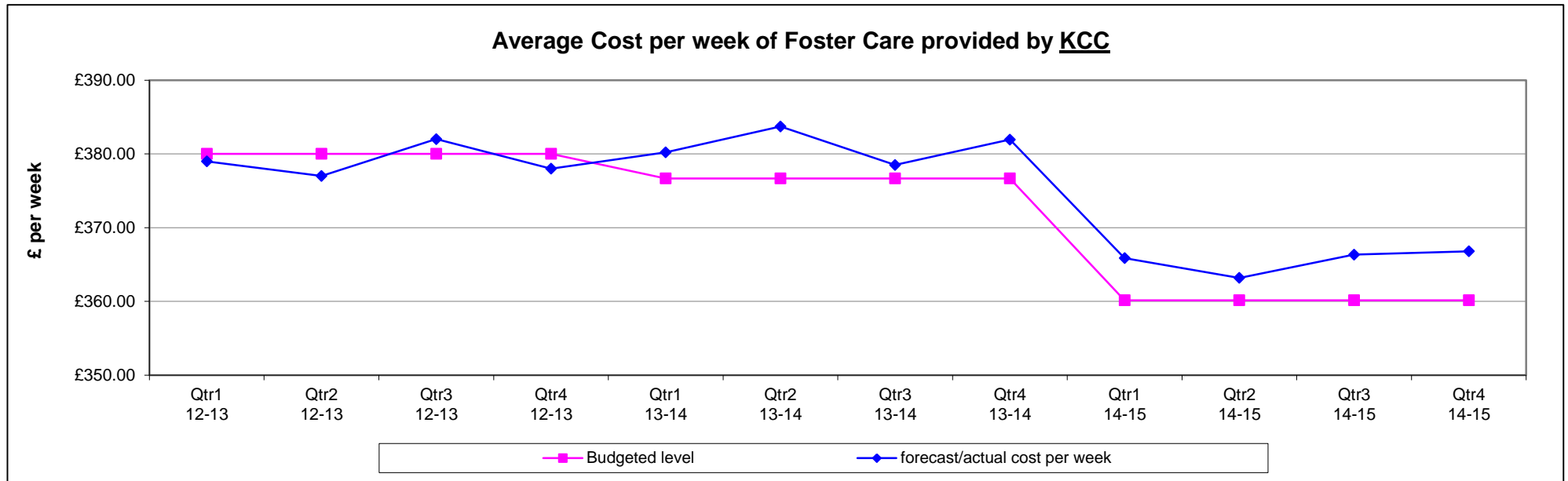


2.2 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC (excluding Asylum):

	2012-13				2013-14				2014-15			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	13,718	14,487	£380	£379	13,659	14,014	£376.67	£380.22	13,787	13,889	£360.14	£365.85
Jul to Sept	13,718	14,440	£380	£377	13,658	13,871	£376.67	£383.72	13,787	13,719	£360.14	£363.19
Oct to Dec	13,718	13,986	£380	£382	13,658	13,929	£376.67	£378.50	13,787	13,304	£360.14	£366.33
Jan to Mar	13,718	14,462	£380	£378	13,700	13,334	£376.67	£381.94	13,786	4,344	£360.14	£366.80
	<b>54,872</b>	<b>57,375</b>	<b>£380</b>	<b>£378</b>	<b>54,675</b>	<b>55,148</b>	<b>£376.67</b>	<b>£381.94</b>	<b>55,147</b>	<b>45,256</b>	<b>£360.14</b>	<b>£366.80</b>

January position





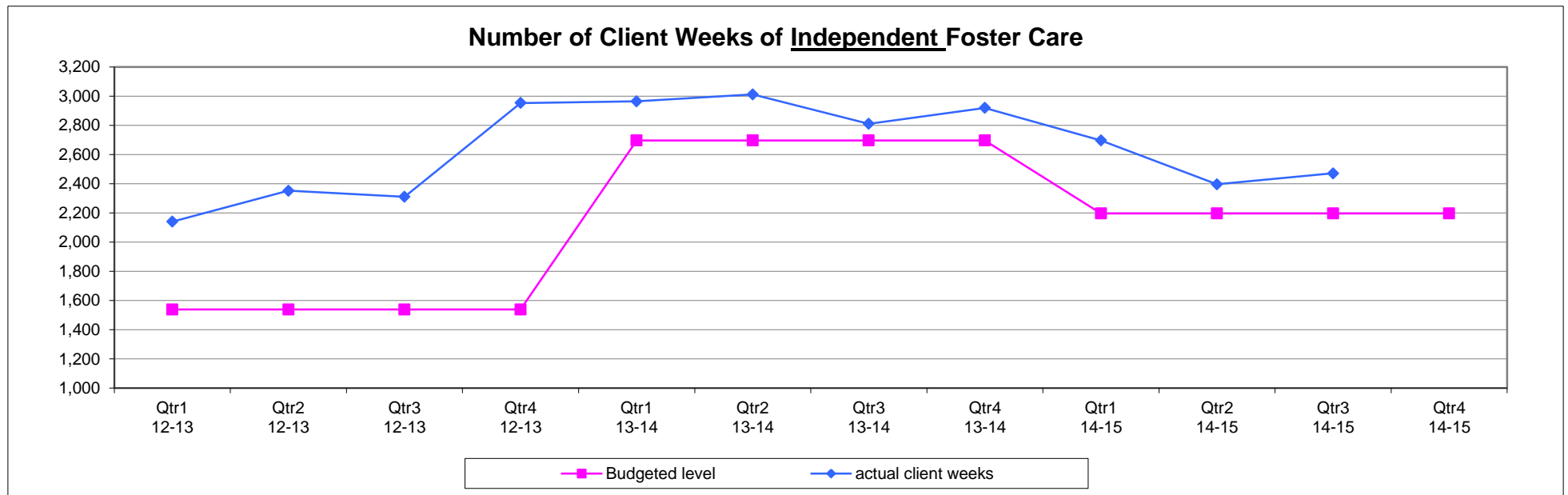
#### Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2014-15 budgeted level has changed from what was reported to Cabinet on 7 July in the 2013-14 outturn report, reflecting the realignment of budgets reported to Cabinet on 15 September.
- The forecast number of weeks is 53,667 (excluding asylum), which is 1,480 weeks below the affordable level. At the forecast unit cost of £366.80 per week, this increase in activity gives an underspend of -£543k, as shown in table 1. The year to date activity would suggest a higher level of activity for the year than currently forecast, this is because the service is expecting a number of placements to either end or transfer to the Leaving Care service before the end of the financial year.
- The forecast unit cost of £366.80 is +£6.66 above the budgeted level and when multiplied by the budgeted number of weeks, gives a pressure of +£367k, as shown in table 1.
- Overall therefore, the combined gross underspend on this service is -£176k (-£543k + £367k).
- **Special Operations forecast activity of 395 weeks at £354.68 per week is excluded from this activity indicator**

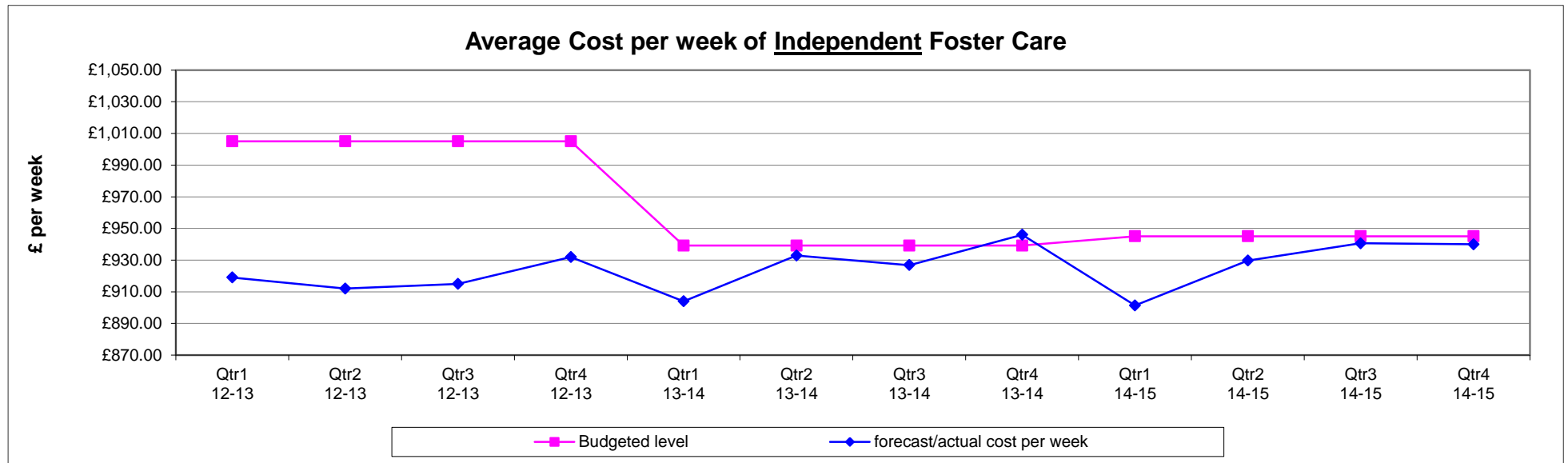
2.3 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care (excluding Asylum):

	2012-13				2013-14				2014-15			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	1,538	2,141	£1,005	£919	2,697	2,964	£939.19	£904.01	2,197	2,697	£945.07	£901.37
Jul to Sept	1,538	2,352	£1,005	£912	2,697	3,012	£939.19	£932.83	2,197	2,396	£945.07	£929.73
Oct to Dec	1,538	2,310	£1,005	£915	2,696	2,810	£939.19	£926.83	2,197	2,471	£945.07	£940.61
Jan to Mar	1,538	2,953	£1,005	£932	2,696	2,919	£939.19	£946.08	2,197	833	£945.07	£939.95
	<b>6,152</b>	<b>9,756</b>	<b>£1,005</b>	<b>£932</b>	<b>10,786</b>	<b>11,705</b>	<b>£939.19</b>	<b>£946.08</b>	<b>8,788</b>	<b>8,397</b>	<b>£945.07</b>	<b>£939.95</b>

January position







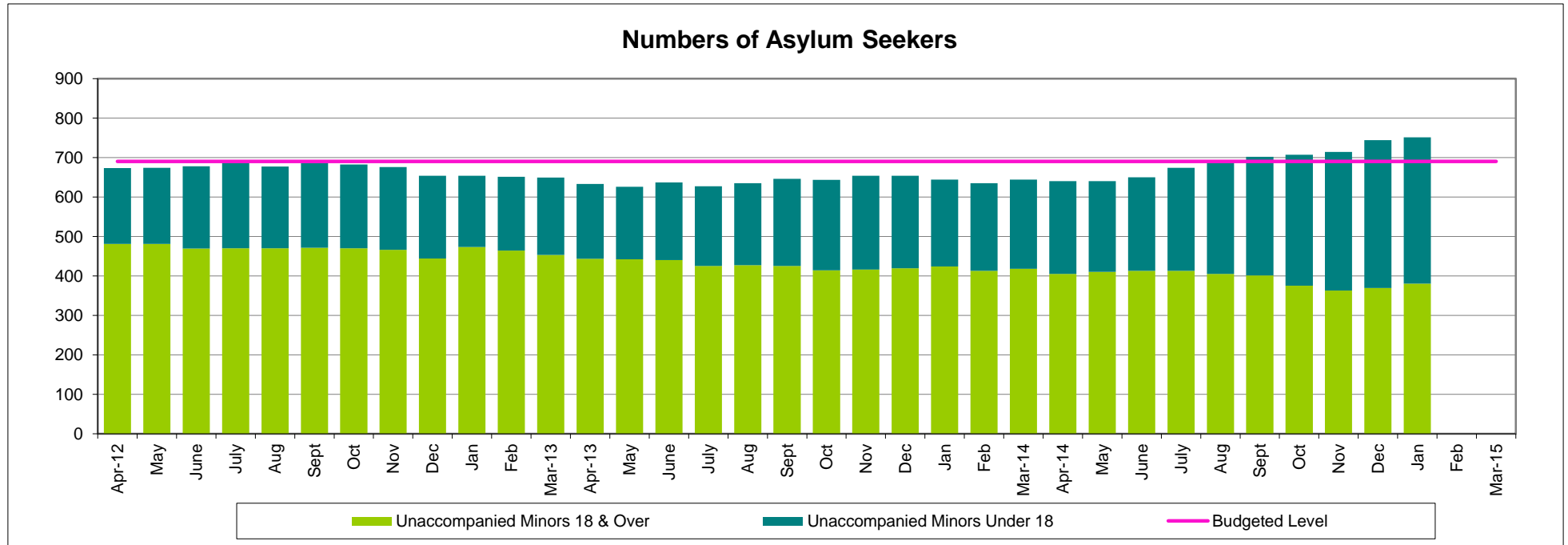
#### Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2014-15 budgeted level has changed from what was reported to Cabinet on 7 July in the 2013-14 outturn report, reflecting the realignment of budgets reported to Cabinet on 15 September.
- The forecast number of weeks is 9,928 (excluding asylum), which is 1,140 weeks above the affordable level. At the forecast unit cost of £939.95 per week, this increase in activity gives a pressure of £1,072k as shown in table 1.
- The forecast unit cost of £939.95 is £5.12 below the budgeted level and when multiplied by the budgeted number of weeks, gives a saving of £45k as shown in table 1.
- Overall therefore, the combined gross pressure on this service is £1,027k (£1,072k - £45k).
- The forecast average unit cost of £939.95 includes some mother and baby placements, which are subject to court orders. These placements often cost in excess of £1,500 per week.
- **Special Operations forecast activity of 39 weeks at £1,024.19 per week is excluded from this activity indicator.**

2.4 Number of Unaccompanied Asylum Seeking Children (UASC):

	2012-13			2013-14			2014-15		
	Under 18	18 & Over	Total	Under 18	18 & Over	Total	Under 18	18 & Over	Total
Apr	192	481	<b>673</b>	190	443	<b>633</b>	235	405	<b>640</b>
May	193	481	<b>674</b>	184	442	<b>626</b>	230	410	<b>640</b>
Jun	209	469	<b>678</b>	197	440	<b>637</b>	237	413	<b>650</b>
Jul	217	470	<b>687</b>	202	425	<b>627</b>	261	413	<b>674</b>
Aug	207	470	<b>677</b>	208	427	<b>635</b>	282	405	<b>687</b>
Sep	215	471	<b>686</b>	221	425	<b>646</b>	301	401	<b>702</b>
Oct	212	470	<b>682</b>	229	414	<b>643</b>	332	375	<b>707</b>
Nov	210	466	<b>676</b>	238	416	<b>654</b>	351	363	<b>714</b>
Dec	210	444	<b>654</b>	235	419	<b>654</b>	375	369	<b>744</b>
Jan	181	473	<b>654</b>	220	424	<b>644</b>	371	380	<b>751</b>
Feb	187	464	<b>651</b>	222	413	<b>635</b>			
Mar	196	453	<b>649</b>	226	418	<b>644</b>			

Please also note: The 2014-15 figures were revised in the quarter 3 report from those shown in previous reports following a change in the methodology used. UASC are now only included when their Looked After Child (LAC) status has formally commenced.



## Comments:

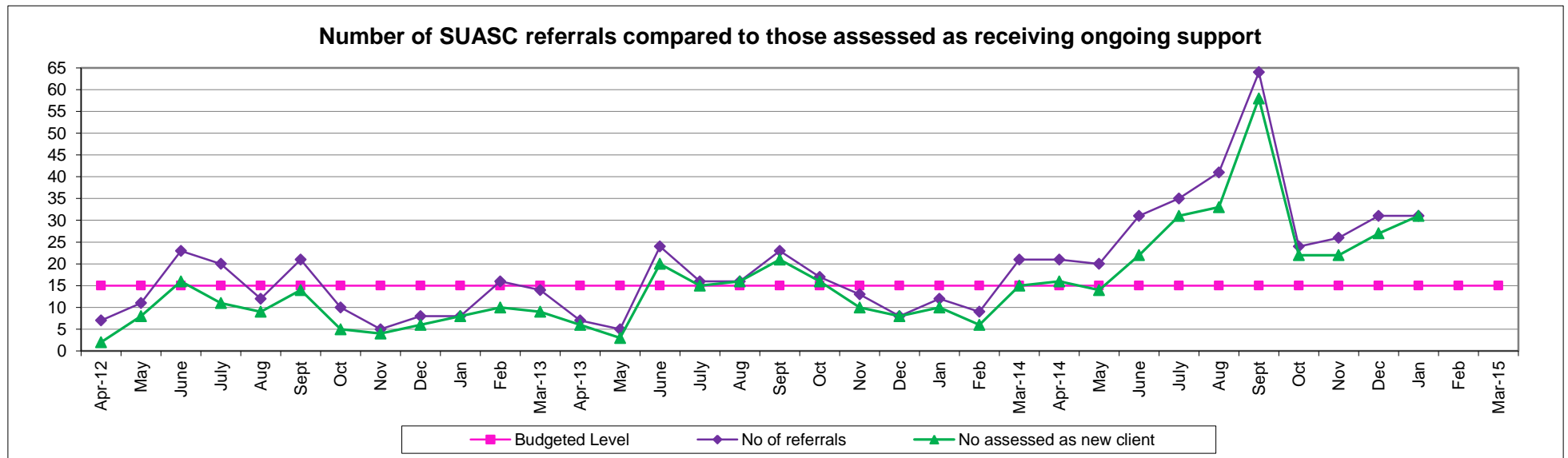
- The overall number of children is increasing, with numbers at the highest level they have been since August 2011. The current number of clients supported is above the budgeted level of 690.
- The budgeted number of referrals for 2014-15 is 15 per month, with 9 (60%) being assessed as under 18.
- Despite improved partnership working with the UKBA, the numbers of 18 & overs who are All Rights of appeal Exhausted (ARE) have not been removed as quickly as originally planned.
- In general, the age profile suggests the proportion of 18 & overs is decreasing slightly and, in addition, the age profile of the under 18 children is increasing.
- The data recorded above will include some referrals for which the assessments are not yet complete or are being challenged. These clients are initially recorded as having the Date of Birth that they claim, but once their assessment has been completed, or when successfully appealed, their category may change.
- Referrals are increasing, (see section 2.5 below), and as a result the number of UASC is increasing. Currently this increase is within the under 18 category for whom we are fully funded, however as these children grow up, this is likely to lead to an increase in asylum seekers aged 18 and over for whom, under the current grant rules, we are underfunded. This could potentially lead to a funding problem in the future, unless the grant rules change.
- The number of Asylum LAC shown in table 2.1 above is different to the number of under 18 UASC clients shown within this indicator, due to UASC under 18 clients including both Looked After Children and 16 and 17 year old Care Leavers.

2.5 Number of Unaccompanied Asylum Seeking Children (UASC):

	2012-13			2013-14			2014-15		
	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%
Apr	7	2	29%	7	6	86%	21	16	76%
May	11	8	73%	5	3	60%	20	14	70%
Jun	23	16	70%	24	20	83%	31	22	71%
Jul	20	11	55%	16	15	94%	35	31	89%
Aug	12	9	75%	16	16	100%	41	33	80%
Sep	21	14	67%	23	21	91%	64	58	91%
Oct	10	5	50%	17	16	94%	24	22	92%
Nov	5	4	80%	13	10	77%	26	22	85%
Dec	8	6	75%	8	8	100%	31	27	87%
Jan	8	8	100%	12	10	83%	31	31	100%
Feb	16	10	63%	9	6	67%			
Mar	14	9	64%	21	15	71%			
	<b>155</b>	<b>102</b>	<b>66%</b>	<b>171</b>	<b>146</b>	<b>85%</b>	<b>324</b>	<b>276</b>	<b>85%</b>

Please note that recent UASC Referrals are assumed to be new clients until an assessment has been completed, which can take up to 6 weeks. Therefore the number of UASC assessed as new clients shown in the table above may change once the assessment has taken place.

The 2014-15 figures were revised in the quarter 3 report from those shown in previous reports following a change in the methodology used. UASC are now only included when their Looked After Child (LAC) status has formally commenced.



## Comments:

- The average number of referrals per month is 32, which is above the budgeted number of 15 referrals per month.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 60% of the referrals will be assessed as a new client. The average proportion assessed as new clients in 2014-15 is currently 85%.
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month is 28 i.e. a 211% increase.
- Where a young person has been referred but not assessed as a new client this would be due to them being re-united with their family, assessed as 18+ and returned to UKBA or because they have gone missing before an assessment has been completed.
- The information on numbers of Unaccompanied Asylum Seeking Children is provided by the Management Information unit within SCH&W directorate.
- Please note that due to the time taken to validate referrals on the database the number of new clients and number of referrals for any given month may change, therefore the activity data is refreshed in each report to provide the most up to date information.

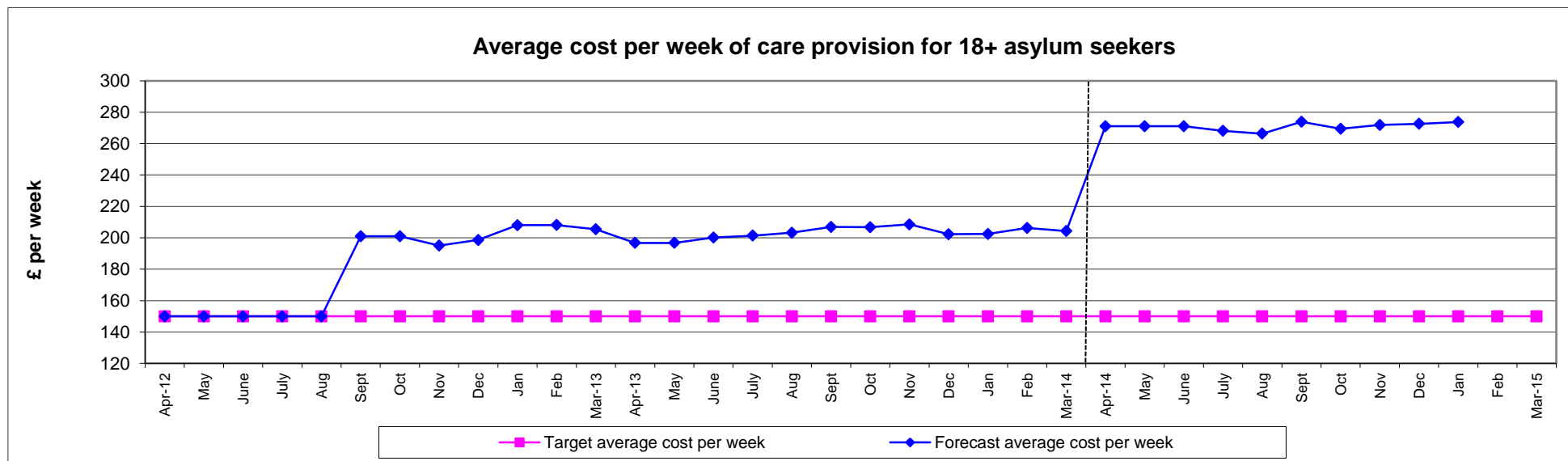
2.6 Average monthly cost of Asylum Seekers Care Provision for 18+ Care Leavers:

	2012-13		2013-14		2014-15	
	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p
Apr	150	150.00	150	196.78	150	271.10
May	150	150.00	150	196.78	150	271.10
Jun	150	150.00	150	200.18	150	271.10
Jul	150	150.00	150	201.40	150	268.15
Aug	150	150.00	150	203.29	150	266.33
Sep	150	200.97	150	206.92	150	273.87
Oct	150	200.97	150	206.74	150	269.47
Nov	150	195.11	150	208.51	150	271.85
Dec	150	198.61	150	202.25	150	272.56
Jan	150	208.09	150	202.49	150	273.75
Feb	150	208.16	150	206.24	150	
Mar	150	205.41	150	204.27	150	

The current forecast average weekly cost for 2014-15 is £273.75, £123.75 above the £150 claimable under the grant rules. This adds £2,225k to the forecast outturn position for eligible clients under the grant rules for which we have a cash limit of £280k, giving a variance of £1,945k. In addition, this adds £832k to the forecast outturn position for ineligible clients, including All Rights Exhausted Clients and over 21's not in Education.

The weekly cost has increased significantly since 2013-14. Previously the average weekly cost was based on direct client costs only, as the gateway grant was used for staff and infrastructure costs. We no longer receive a Gateway Grant, so all staff and infrastructure costs have been allocated to age groups. Therefore the increased weekly cost for 2014-15 includes ALL costs associated with 18+.

A dotted line has therefore been added to the graph to show that the unit costs pre and post April 2014 are not directly comparable.



## Comments:

- The local authority has agreed that the funding levels for the Unaccompanied Asylum Seeking Children's Service 18+ grant agreed with the Government rely on us achieving an average cost per week of £150, in order for the service to be fully funded, which is also reliant on the UKBA accelerating the removal process. In 2011-12 UKBA changed their grant rules and now only fund the costs of an individual for up to three months after the All Rights of appeal Exhausted (ARE) process if the LA carries out a Human Rights Assessment before continuing support. The LA has continued to meet the cost of the care leavers in order that it can meet its' statutory obligations to those young people under the Leaving Care Act until the point of removal.
- As part of our partnership working with UKBA, most UASC in Kent are now required to report to UKBA offices on a regular basis, in most cases weekly. The aim is to ensure that UKBA have regular contact and can work with the young people to encourage them to make use of the voluntary methods of return rather than forced removal or deportation. As part of this arrangement any young person who does not report as required may have their Essential Living Allowance discontinued. As yet this has not resulted in an increase in the number of AREs being removed. The number of AREs supported has continued to remain steady, but high and a number of issues remain:
  - For various reasons, some young people have not yet moved to lower cost properties, mainly those placed out of county. These placements are largely due to either medical/mental health needs or educational needs.
  - We are currently experiencing higher than anticipated level of voids, properties not being fully occupied. Following the incident in Folkestone in January 2011, teams are exercising a greater caution when making new placements into existing properties. This is currently being addressed by the Accommodation Team.
- As part of our strive to achieve a net unit cost of £150 or below, we will be insisting on take-up of state benefits for those entitled.

### 3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Children's Services has a working budget for 2014-15 (which has now been updated to reflect the 2015-18 budget set by County Council on 12th February 2015) of £1,958k . The forecast outturn against the 2014-15 budget is £999k giving a variance of -£959k.

3.2 **Table 2** below details the Children's Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Individual Projects</b>									
Transforming Short Breaks	0	361	0	0			Green		
ConTROCC	0	759	-378	-378	Rephasing: capital receipt	Extended go live dates following issues raised with the initial functional testing. A project staged delivery plan has been produced based on software testing. The anticipated go live date is now June 2015.	Green	The revised completion date for phase 1 of 30/6/15 has been previously reported.	
Early Help Module (EHM)	0	838	-581	-581	Rephasing: capital receipt	Extended go live dates following issues raised with the initial functional testing. A project staged delivery plan has been produced based on software testing. The anticipated go live date is now October 2015.	Green	The revised completion date of 31/10/15 has been previously reported.	
<b>Total</b>	<b>0</b>	<b>1,958</b>	<b>-959</b>	<b>-959</b>					

1. Status: Green – on time and within budget  
 Amber – either delayed completion date or over budget  
 Red – both delayed completion and over budget



**SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE**  
**ADULTS SERVICES**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	<b>Total (£k)</b>	<b>+345,049</b>	<b>-2,747</b>	<b>-126</b>	<b>-2,873</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<b>Social Care, Health &amp; Wellbeing - Adult Social Care</b>						
Strategic Management & Directorate Support budgets	6,950.5	-373.5	6,577.0	-114	+238 Legal Charges for two exceptional cases and a greater frequency of Adult Safeguarding and Court of Protection cases  +72 Costs of support staff for Assistive and Adaptive Technology (A&AT). An offsetting underspend is reflected in the Adult Social Care Staffing line below, where the entire staffing budget for A&AT is currently held.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets have been realigned in the approved 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					-143 Operational Support vacancy management and ongoing reviews of staffing structure	
					-167 Reduced demand for a number of support services (Occupational Health, No Recourse to Public Funds, Health & Safety)	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-163	Reduced demand for a number of office support services (including postage, printing and stationery)
					+49	Other minor variances
<u>Support to Frontline Services:</u>						
- Adults Social Care Commissioning & Performance Monitoring	4,050.1	-526.3	3,523.8	-16	+2,070	Newton Europe have been appointed to undertake Adults Social Care Transformation Phase 2 Design works in line with Cabinet Member decision 14/00120
					-2,070	Drawdown from reserves to fund Transformation partner payments for Phase 2 design work above
					-35	Re-phasing of one-off funding for a project to support voluntary sector organisations around business and strategic development, to enable them to bid for and deliver public sector contracts. This will be requested to roll forward.
					+19	Other minor variances
<u>Adults &amp; Older People:</u>						
- Direct Payments						
- Learning Disability	16,927.6	-30.0	16,897.6	-103	+796	Forecast +2,908 weeks above affordable level of 61,245 weeks
					-165	Forecast average unit cost -£2.69 below affordable level of £276.39
					+833	One-off direct payments
					-1,548	Recovery of unspent funds from clients
					+19	Other minor variances
- Mental Health	1,208.3	0.0	1,208.3	-241	-458	Forecast -5,079 weeks below affordable level of 15,479 weeks
					+187	Forecast average unit cost +£12.07 above affordable level of £78.06

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+166 One-off direct payments -135 Recovery of unspent funds from clients -1 Other minor variances	
- Older People	6,767.3	0.0	6,767.3	+5,331	+5,636 Forecast +30,970 weeks above affordable level of 37,421 weeks. The majority of this variance is due to clients who previously received Domiciliary care transferring to Direct Payments during the Domiciliary contract re-let as described in Section 2.1 below.  +51 Forecast average unit cost +£1.37 above affordable level of £180.62  +384 One-off direct payments -749 Recovery of unspent funds from clients +9 Other minor variances	Budgets have been realigned as part of the approved 2015-18 MTFP to reflect the transfer of clients previously receiving Domiciliary care transferring to Direct Payments due to the Domiciliary contract re-let.
- Physical Disability	10,238.4	0.0	10,238.4	+2,214	+2,081 Forecast +10,647 weeks above affordable level of 53,511 weeks  +242 Forecast average unit cost +£4.52 above affordable level of £190.96  +634 One-off direct payments -824 Recovery of unspent funds from clients +81 Other minor variances	Budgets have been realigned as part of the approved 2015-18 MTFP to reflect the transfer of clients previously receiving Domiciliary Care transferring to Direct Payments due to the Domiciliary contract re-let.
Total Direct Payments	35,141.6	-30.0	35,111.6	+7,201		
- Domiciliary Care						
- Learning Disability	1,087.0	0.0	1,087.0	-584	-312 Forecast -23,223 hours below affordable level of 72,190 hours  -12 Forecast average unit cost -£0.16 below affordable level of £13.61  -260 Release of unrealised creditors	Savings are expected to be ongoing & have been transferred, as part of the approved 2015-18 MTFP, to other Learning Disability services experiencing ongoing pressures.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People	30,483.2	-2,252.3	28,230.9	+4,637	+3,600	Forecast +253,323 hours above affordable level of 1,582,330 hours	Investigations are ongoing as to the full reasons for the pressures being experienced on this service and additional funding has been provided in the approved 2015-18 MTFP
					+348	Forecast average unit cost +£0.22 above affordable level of £13.99	
					+533	Commissioning of block contract domiciliary services (predominately retainers for night-sitting services)	
					+211	Additional previous year costs relating to domiciliary care for which no creditor provision was raised in 2013-14	
					-127	Changes in year end accounting practices for staffing costs have resulted in a one-off underspend in the Kent Enablement at Home Service (KEAH)	
					+72	Higher usage of KEAH than anticipated for Older People clients	
- Physical Disability	4,158.1	0.0	4,158.1	+2,067	+2,001	Forecast +153,236 hours above affordable level of 263,527 hours	The pressures currently being experienced are expected to be ongoing & additional funding has been provided through the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
					-137	Forecast average unit cost -£0.52 below affordable level of £13.58	
					+244	Higher usage of KEAH than anticipated for Physical Disability clients	
					-41	Other minor variances	
Total Domiciliary Care	35,728.3	-2,252.3	33,476.0	+6,120			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Non Residential Charging							
- Learning Disability	0.0	-2,900.2	-2,900.2	-116	-116	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other learning disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	This increased income has been reflected in the approved 2015-18 MTFP by realigning the community based services budgets.
- Older People	0.0	-8,999.4	-8,999.4	-158	-158	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other older people community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	This increased income has been reflected in the recently approved 2015-18 MTFP by realigning the community based services budgets.
- Physical Disability / Mental Health	0.0	-1,314.9	-1,314.9	-304	-304	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other physical disability/mental health community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	
Total Non Residential Charging Income	0.0	-13,214.5	-13,214.5	-578			
- Nursing & Residential Care							
- Learning Disability	77,267.8	-6,294.2	70,973.6	-888	-2,486	Forecast -2,121 weeks below affordable level of 67,697 weeks	
					+194	Leading to a shortfall in client contributions	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 +1,952 Forecast average unit cost +£28.83 above affordable level of £1,143.16 -230 Independent Sector: forecast average unit client contribution -£3.40 above affordable level of -£88.12 -458 Release of unrealised creditors +123 Reduction in income expected from Medway due to fewer Medway clients +15 Other minor variances	
- Mental Health	7,726.7	-993.0	6,733.7	+819	+728 Forecast +1,200 weeks above affordable level of 12,860 weeks -45 Leading to an increase in client contributions +78 Forecast average unit cost +£6.07 above affordable level of £600.27 +79 Independent Sector: forecast average unit client contribution +£6.12 below affordable level of -£43.52 -21 Other minor variances	The demographic pressure is expected to continue and additional funding has been provided in the approved 2015-18 MTFP
- Older People - Nursing	47,851.4	-24,784.6	23,066.8	-2,112	-2,728 Forecast -5,555 weeks below affordable level of 78,686 weeks +1,086 Leading to a shortfall in client contributions -54 Forecast average unit cost -£0.69 below affordable level of £491.75 -98 Independent Sector: forecast average unit client contribution -£1.24 above affordable level of -£194.20 -272 Release of unrealised creditors -46 Other minor variances	The savings currently being experienced are expected to continue & have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Older People - Residential	80,206.7	-33,009.1	47,197.6	-2,027	-2,473 Forecast -5,963 weeks below affordable level of 147,739 weeks +1,153 Leading to a shortfall in client contributions +833 Forecast average unit cost +£5.64 above affordable level of £409.12 -1,640 Independent Sector: forecast average unit client contribution -£11.10 above affordable level of -£182.29 +128 Costs of running the dementia ward at Kiln Court in-house unit. However, this is offset by underspends in other in-house units (see below). -187 Lower than anticipated utility, security and equipment costs for in-house units -109 Other minor variances across other in-house units +344 Increase in the running costs for Gravesham Place, along with additional agency staff to cover maternity & sickness -76 Other minor variances	The savings currently being experienced are expected to continue & have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
- Physical Disability	11,344.4	-1,558.1	9,786.3	+1,613	+2,219 Forecast +2,641 weeks above affordable level of 13,003 weeks -292 Leading to an increase in client contributions -421 Forecast average unit cost -£32.34 below affordable level of £872.44 +89 Independent Sector: forecast average unit client contribution +£6.83 below affordable level of -£117.23 +18 Other minor variances	The pressures currently being experienced are expected to continue & additional funding has been provided by the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
Total Nursing & Residential Care	224,397.0	-66,639.0	157,758.0	-2,595		

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Supported Accommodation							
- Learning Disability	36,397.3	-1,849.6	34,547.7	+745	+1,129	Forecast +136,482 hours above affordable level of 3,996,038 hours	These demographic pressures are expected to be ongoing & additional funding has been provided in the approved 2015-18 MTFP
					+1,079	Forecast average unit cost +£0.27 above affordable level of £8.00	
					-1,091	Net unrealised creditors and recovery of costs from other Local Authorities for Ordinary Residence clients relating to 2013-14	
					-397	In-house services and staffing levels have been reconfigured to reflect reductions in demand	
					+25	Other minor variances	
- Older People	4,575.4	-4,350.0	225.4	+169	+237	Forecast +26,471 hours above affordable level of 16,054 hours. The large increase in forecast hours compared to the affordable level is in part linked to an increase in Adult Placements recorded within the Older People client category rather than in the under 65 physical disability category, but also due to other changes to bring reporting into line with current guidance.	The pressures currently being experienced are expected to continue & additional funding has been provided by the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
					-82	Forecast average unit cost -£5.10 below affordable level of £14.04	
					+14	Other minor variances	
- Physical Disability / Mental Health	3,727.9	-269.4	3,458.5	+1,078	+419	Mental Health Forecast +35,887 hours above affordable level of 170,188 hours	
					+180	Mental Health Forecast average unit cost +£1.06 above affordable level of £10.62	



Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 +819 Physical Disability Forecast +138,572 hours above affordable level of 232,101 hours  -330 Physical Disability Forecast average unit cost -£1.42 below affordable level of £7.33  -10 Other minor variances	The pressures currently being experienced are expected to continue & additional funding has been provided by the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
Total Supported Accommodation	44,700.6	-6,469.0	38,231.6	+1,992		
- Other Services for Adults & Older People						
- Community Support Services for Mental Health	3,916.1	-851.0	3,065.1	-252	-136 Various contracts have been reviewed, with the services previously provided by these contracts now provided via Supporting Independence Service (SIS), (reported within Supported Accommodation above), or Direct Payments, with a corresponding overall reduction in cost. Plans continue to develop in this area.  -116 Delays in the recruitment to vacancies in the Support Time Recovery (STR) service	
- Day Care						
- Learning Disability	13,214.5	-127.7	13,086.8	+822	+261 Greater demand for in-house services due to increasing complexity of clients needs. In addition, there are increased costs relating to travel time and expenses of covering staff absence, emergency situations and unplanned changes now that staff resources are allocated over wider geographical areas.  +561 Current demand for services provided by the independent sector including transport related costs	These demographic pressures are expected to be ongoing & additional funding has been provided in the approved 2015-18 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Mental Health	1,566.8	-30.2	1,536.6	-64		
- Older People	2,242.4	-45.0	2,197.4	-510	-491 Current demand for services provided by the independent sector	The savings currently being experienced are expected to continue & have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
					-19 Other minor variances	
- Physical Disability	937.5	0.0	937.5	+6		
Total Day Care	17,961.2	-202.9	17,758.3	+254		
- Other Adult Services	11,421.6	-20,172.1	-8,750.5	-9,631	-2,031 The budget assumes large increases in usage of Telecare as part of the Transformation Programme, although to date demand for Telecare and the forecast average unit cost have been lower than anticipated.	The savings are expected to continue & have been addressed in the approved 2015-18 MTFP by the realignment of savings assumptions with other community based services budgets
					-659 Capitalisation of Telecare programme of installations (where elements meet the criteria for capital spend). This is partly offset by the variance on drawdown from reserves below	
					+453 Drawdown from reserves for 2014-15 lower than initially anticipated. This is offset by a higher than previously anticipated capitalisation of Telecare programme of installations.	
					-403 Lower than anticipated demand for occupational therapy equipment	
					-161 Capitalisation of Occupational Therapy equipment programme of installations (where elements meet the criteria for capital spend).	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 +330 Greater demand for Integrated Community Equipment Store (ICES) than anticipated -382 Forecast reduction in the level of bad debt provision required for social care debts +372 Costs of staff who install Assistive and Adaptive Technology (A&AT). An offsetting underspend is reflected in the Adult Social Care Staffing line below, where the entire staffing budget for A&AT is currently held.  +152 Higher than budgeted unit cost for hot meals provided to older people -7,301 This budget line holds some of the NHS support for social care monies. Plans continue to be developed and implemented with the NHS to ensure that health outcomes are being met from these investments. Pressures are being shown against their respective service lines above and the compensating funding stream is reflected here. -1 Other minor variances	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets have been realigned in the approved 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology  In the approved 2015-18 MTFP, where spending plans for these funds are already in place, the funds have been moved to the relevant budget lines, so that spend and income are in alignment
- Safeguarding	1,160.5	-282.1	878.4	+27	+150 Safeguarding spend on Deprivation of Liberty Safeguards (DOLS) is greater than anticipated due to higher costs from an interim structure, including agency costs for assessments and admin support. -123 Other minor variances each below £100k	This pressure is expected to be ongoing & additional funding has been provided in the approved 2015-18 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Social Support						
- Carers	13,173.9	-4,318.2	8,855.7	-504	-506 Lower than anticipated spend on supporting carers via external provision (including services provided by voluntary organisations) +351 Leading to lower than anticipated client income -443 In-house closure of Doubleday Lodge unit as part of the Older People Modernisation Programme  +94 Other minor variances	The spend and income budgets require realignment and this has been reflected in the approved 2015-18 MTFP  The resulting savings have been transferred to other budget lines experiencing pressures as part of the realignment of budgets within Older People & Physical Disability services in the approved 2015-18 MTFP.
- Information & Early Intervention	4,826.5	-772.7	4,053.8	+416	+338 Expansion of care navigators programme, a service to explore options with older people to enable them to live independently within their community  +78 Other minor variances	These demographic pressures are expected to be ongoing & have been addressed additional funding has been provided in the approved 2015-18 MTFP
- Social Isolation	4,477.4	-2,076.3	2,401.1	+213	+133 Payments to voluntary organisations as a result of higher demand for this service  +80 Other minor variances	
Total Social Support	22,477.8	-7,167.2	15,310.6	+125		



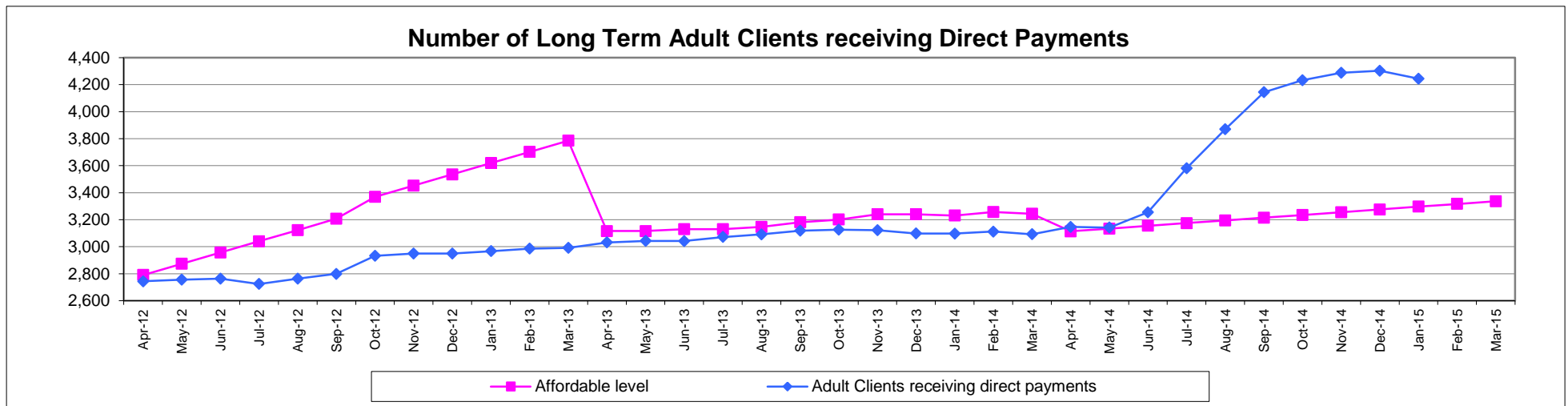
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People	4,199.3	0.0	4,199.3	-328	-328	Contract variations and efficiencies leading to lower overall cost without a reduction in service	Savings are expected to be ongoing & have been reflected in the approved 2015-18 MTFP
- Other Adults	7,508.6	0.0	7,508.6	-87			
Total Housing Related Support for Vulnerable People	18,577.1	0.0	18,577.1	-530			
<u>Public Health</u>							
- Drug & Alcohol Services	544.2	0.0	544.2	-118	-117	Local Area Single Assessment & Referral (LASAR) variance, primarily due to staffing vacancies and lower associated costs, with cover provided within the team.	Savings are expected to be ongoing & have been reflected in the approved 2015-18 MTFP
					-1	Other minor variances	
<u>Assessment Services</u>							
- Adult Social Care Staffing	38,863.6	-4,383.3	34,480.3	-1,788	-372	Costs of staff who install Assistive and Adaptive Technology (A&AT) are reflected in Other Adult Services (above). Only the costs of assessment staff should be reported here.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets has been realigned in the 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					-72	Costs of support staff for A&AT are reflected within Directorate Management and Support (above). Only the costs of assessment staff should be reported here.	
					-1,052	As part of the Transformation Programme, older people and physical disability assessment teams are being restructured. This restructuring has progressed more quickly than anticipated, providing greater savings.	Savings resulting from the restructure have been identified as part of the approved 2015-18 MTFP.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-293	Delays in the recruitment to vacancies within the Mental Health assessment teams and the usage of locum/agency staff. This is partly due to recent staffing reviews along with general difficulties in recruiting to speciality mental health practitioners.
					+1	Other minor variances
<b>Total SCH&amp;W (Adults)</b>	<b>471,030.4</b>	<b>-125,981.2</b>	<b>345,049.2</b>	<b>-2,747</b>		
<b>Assumed Mgmt Action</b>				-126		In relation to LDMH services, management action of up to £126k will continue to be targeted at overspending teams and services in order to reduce the revenue position. All services are subject to some review and residential and community based activity is being amended as appropriate. Provision of Direct Payments, Supported Living and Shared Lives care packages are being reduced where possible. Negotiation and agreement with other local authorities for their funding of Ordinary Residence clients is expected to result in further revenue reductions within Kent. Additional emerging pressures will also be managed.
<b>Total SCH&amp;W (Adults) Forecast <u>after</u> mgmt action</b>	<b>471,030.4</b>	<b>-125,981.2</b>	<b>345,049.2</b>	<b>-2,873</b>		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Direct Payments - Number of Adult Social Services Clients receiving Direct Payments:

	2012-13			2013-14			2014-15		
	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month
Apr	2,791	2,744	169	3,116	3,032	164	3,114	3,147	216
May	2,874	2,756	147	3,116	3,043	169	3,134	3,142	160
Jun	2,957	2,763	133	3,130	3,042	120	3,155	3,255	184
Jul	3,040	2,724	156	3,130	3,072	173	3,175	3,582	213
Aug	3,123	2,763	167	3,147	3,092	158	3,195	3,870	198
Sep	3,207	2,799	147	3,181	3,118	134	3,215	4,144	208
Oct	3,370	2,933	185	3,201	3,127	179	3,235	4,233	203
Nov	3,453	2,949	119	3,240	3,123	144	3,256	4,289	166
Dec	3,536	2,950	109	3,240	3,098	159	3,276	4,304	113
Jan	3,619	2,967	117	3,231	3,097	176	3,297	4,245	125
Feb	3,702	2,986	127	3,257	3,112	135	3,317		
Mar	3,785	2,992	105	3,244	3,093	121	3,337		
			<b>1,681</b>			<b>1,832</b>			<b>1,786</b>



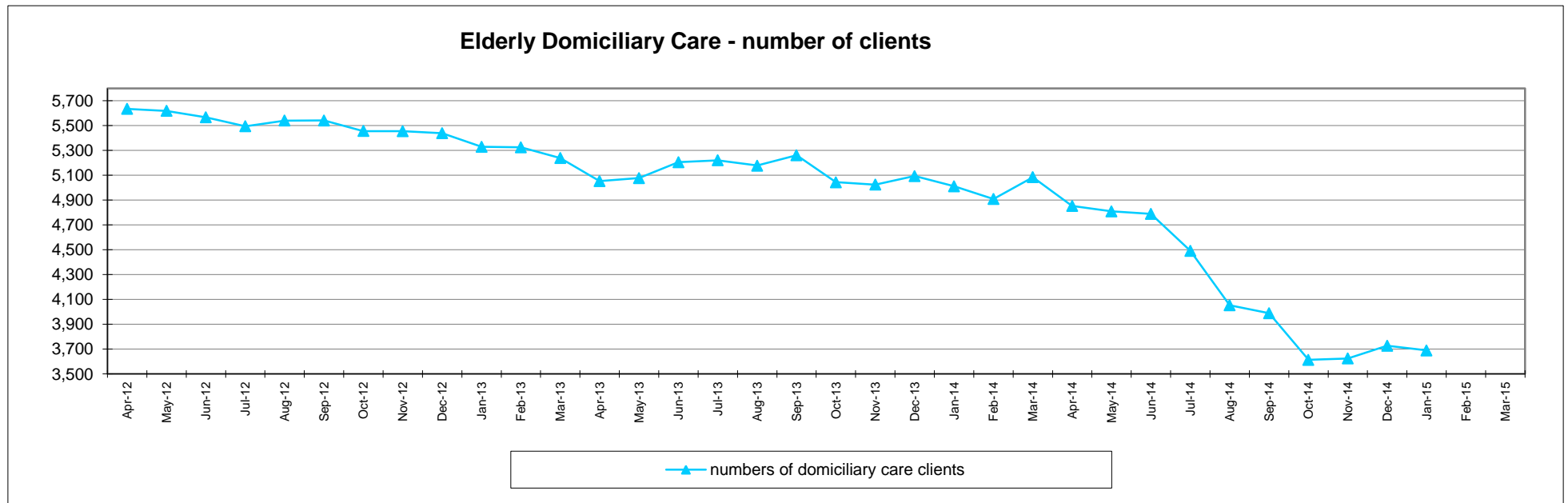


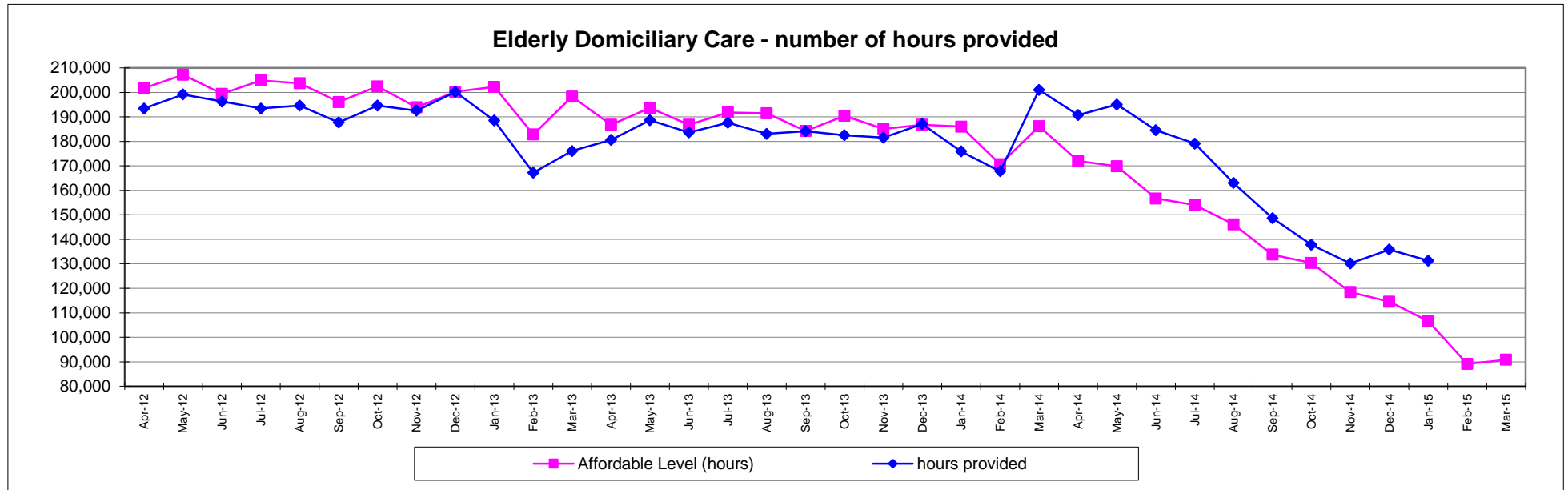
## Comments:

- The presentation of activity being reported for direct payments changed in the 2012-13 Q2 report in order to separately identify long term clients in receipt of direct payments as at the end of the month plus the number of one-off payments made during the month. Please note a long term client in receipt of a regular direct payment may also receive a one-off payment if required. Only the long term clients are presented on the graph above.
- Please note that due to the time taken to record changes in direct payments onto the client database the number of clients and one-off direct payments for any given month may change, therefore the current year to date activity data is refreshed in each report to provide the most up to date information.
- The increase in client numbers between June and December is predominately due to clients who previously received domiciliary care transferring to direct payments during the domiciliary contract re-let because they wanted to remain with their existing service provider (these direct payments are made at the new lower domiciliary care re-let rate).
- A pressure is forecast against the direct payments budget as a result of the significant increase in client numbers receiving long term direct payments and higher than budgeted unit costs. This position is being partially offset by recoveries of unspent funds from clients. The overall effect of these factors across individual client groups is reflected in table 1, which shows a forecast pressure of £7,201k against the overall direct payments budget.

2.2 Elderly domiciliary care – numbers of clients and hours provided in the independent sector

	2012-13			2013-14			2014-15		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr	201,708	193,451	5,635	186,809	180,585	5,053	171,979	190,804	4,853
May	207,244	199,149	5,619	193,717	188,656	5,077	169,813	195,051	4,810
Jun	199,445	196,263	5,567	186,778	183,621	5,206	156,692	184,572	4,789
Jul	204,905	193,446	5,494	191,791	187,621	5,221	154,016	179,105	4,492
Aug	203,736	194,628	5,540	191,521	183,077	5,178	146,118	163,006	4,054
Sep	196,050	187,749	5,541	184,242	184,208	5,262	133,761	148,649	3,989
Oct	202,490	194,640	5,456	190,446	182,503	5,044	130,322	137,790	3,614
Nov	193,910	192,555	5,455	185,082	181,521	5,025	118,474	130,108	3,625
Dec	200,249	200,178	5,439	186,796	187,143	5,094	114,525	135,832	3,727
Jan	202,258	188,501	5,329	186,006	175,916	5,011	106,627	131,261	3,690
Feb	182,820	167,163	5,326	170,695	167,774	4,909	89,174		
Mar	198,277	176,091	5,239	186,184	201,069	5,085	90,829		
	<b>2,393,092</b>	<b>2,283,814</b>		<b>2,240,067</b>	<b>2,203,694</b>		<b>1,582,330</b>	<b>1,596,177</b>	





#### Comments:

- Figures exclude services commissioned from the Kent Enablement At Home Service.
- Client numbers have reduced significantly between May and December. This reduction is offset by an increase in clients receiving Direct Payments (see section 2.1 above). This is predominately because following the domiciliary care contract re-let, some clients wanted to remain with their existing service providers, so have chosen to take a Direct Payment instead.
- The current forecast is 1,835,653 hours of care against an affordable level of 1,582,330, a difference of +253,323 hours. Using the forecast unit cost of £14.21, this additional activity increases the forecast by +£3,600k, as shown in Table 1.
- To the end of January 1,596,177 hours of care have been delivered against an affordable level of 1,402,327, a difference of +193,850 hours. The budgeted level assumes a continual reduction in client numbers in line with transformation plans and previous years' trends. Current year to date activity suggests that the forecast should be lower on this service when compared to the budgeted profile, however activity between April and January shows that the number of hours provided is falling at a lower rate than originally budgeted and the forecast assumes activity will continue to fall at this lower rate for the remainder of the financial year. The budgeted level was based on the outcomes of the various savings streams within the Transformation Programme, however any fluctuations from the assumptions made within the profile of the affordable level are reflected in the profile of the actual numbers of hours provided. An example of this is that the transfer of domiciliary clients to a new contract is taking longer than initially planned, leading to a delay in delivery of budgeted savings on this service.

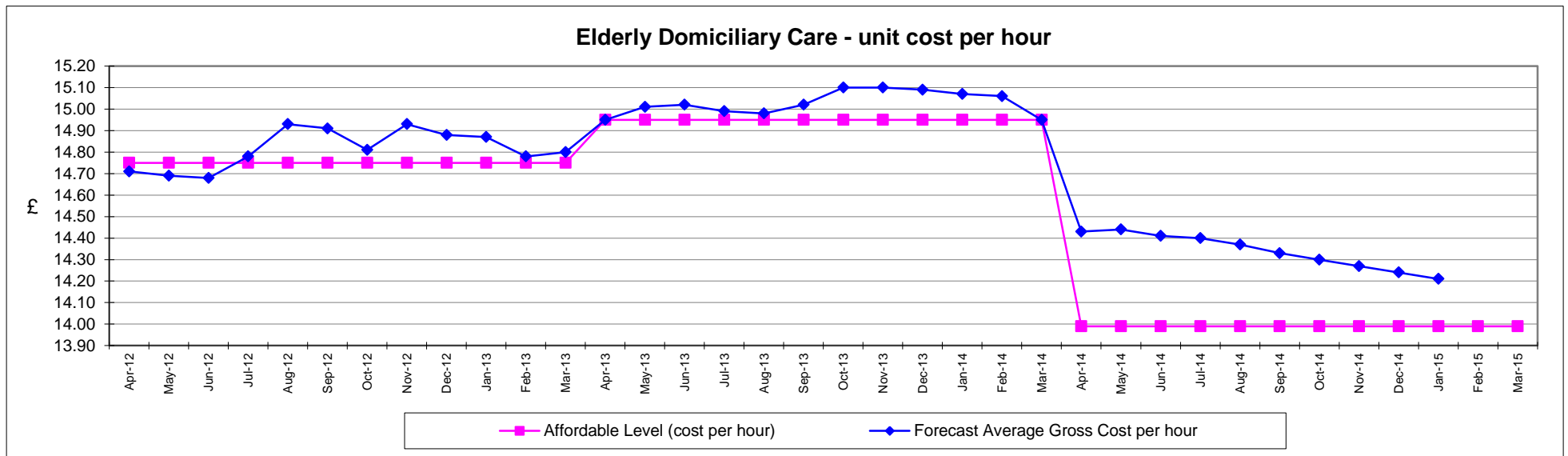
- Domiciliary for all client groups are volatile budgets, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend towards take up of the enablement service. However, as a result of this, clients who are receiving domiciliary care are likely to have greater needs and require more intensive packages of care than historically provided - the 2010-2011 average hours per client per week was 7.8, whereas the average figure for 2012-13 was 8.0 and 8.3 for 2013-14. For 2014-15, the current actual average hours per client per week is 8.8 compared to 9.0 as at quarter 2, so as expected, we have now started to see the average hours per client per week slowly decline as certain transformation savings are reducing the package per client per week. For example, greater use of enablement services and installation of telecare should both reduce requirements for hours per client.
- The transformational changes which are affecting the domiciliary expenditure have created some uncertainty with the forecast. In the November monitoring reported to Cabinet in January, the forecast for domiciliary care had been increased to reflect the expectation that transformation savings would take longer to realise than previously forecast. However, as expenditure on this service is still not falling in line even with those revised expectations the December monitoring forecast was based on a more conservative approach, only using the spend to date as a guide to calculating the forecast and not assuming delivery of any further savings and we have continued with these assumptions for this January monitoring forecast. Extensive work is ongoing to understand the reasons for this, including explorative work to ascertain whether there are other possible pressure areas within this service which are counteracting the delivery of transformation savings, and which might explain the increase in client numbers since November. Over recent months, due to the uncertainty with this forecast all other areas of expenditure within Older People and Physical Disability have been considered for efficiencies and re-phasing, to help mitigate against the possible risk of this increase in the forecast, and as a result of this, the increases in the older people domiciliary forecast over the last few months have not resulted in an overall increase in the pressure being reported for Adult Social Services.

2.3 Average gross cost per hour of older people domiciliary care compared with affordable level:

	2012-13		2013-14		2014-15	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr	14.75	14.71	14.95	14.95	13.99	14.43
May	14.75	14.69	14.95	15.01	13.99	14.44
Jun	14.75	14.68	14.95	15.02	13.99	14.41
Jul	14.75	14.78	14.95	14.99	13.99	14.40
Aug	14.75	14.93	14.95	14.98	13.99	14.37
Sep	14.75	14.91	14.95	15.02	13.99	14.33
Oct	14.75	14.81	14.95	15.10	13.99	14.30
Nov	14.75	14.93	14.95	15.10	13.99	14.27
Dec	14.75	14.88	14.95	15.09	13.99	14.24
Jan	14.75	14.87	14.95	15.07	13.99	14.21
Feb	14.75	14.78	14.95	15.06	13.99	
Mar	14.75	14.80	14.95	14.95	13.99	

Comments:

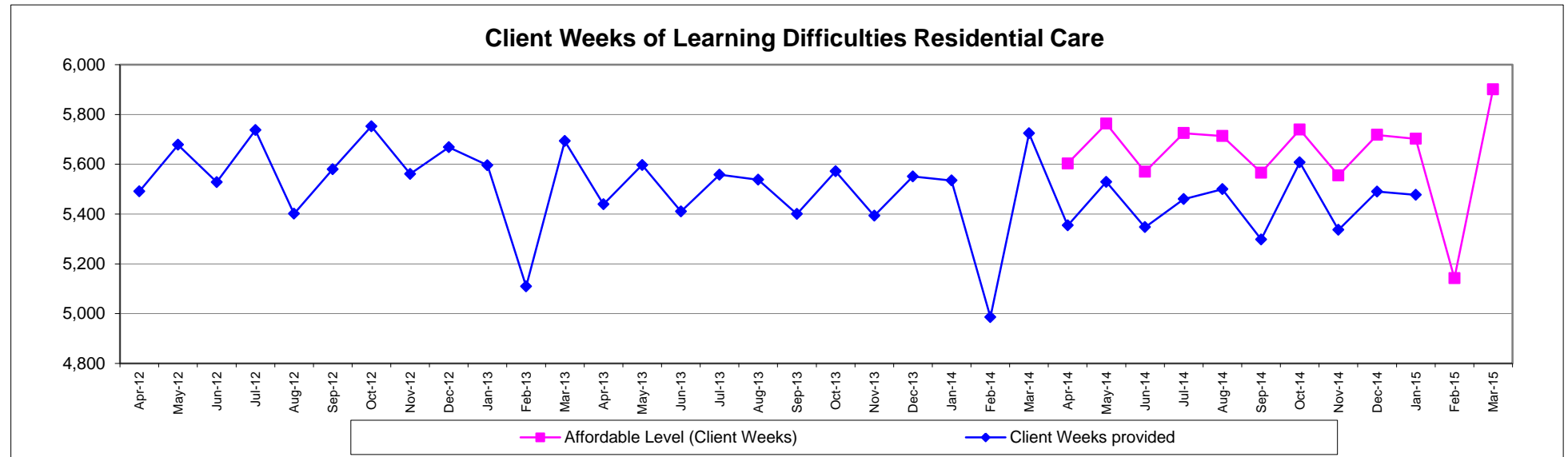
- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The forecast unit cost of +£14.21 is higher than the affordable cost of +£13.99 and this difference of +£0.22 adds +£348k to the position when multiplied by the affordable hours, as shown in Table 1.
- The drop in affordable unit cost between March and April 2014 represents anticipated cost reductions from the domiciliary contract re-let as part of the Transformation Programme. This transfer of clients commenced in June, through to December 2014, the effects of which are anticipated to continue to reduce the average unit cost in the final two months of the financial year.



2.4 Number of client weeks of learning disability residential care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	5,491	5,439	5,603	5,354
May	5,678	5,597	5,763	5,529
Jun	5,528	5,410	5,570	5,347
Jul	5,737	5,558	5,725	5,460
Aug	5,401	5,538	5,713	5,500
Sep	5,580	5,400	5,566	5,298
Oct	5,752	5,572	5,739	5,608
Nov	5,561	5,393	5,555	5,336
Dec	5,668	5,551	5,718	5,490
Jan	5,596	5,535	5,702	5,477
Feb	5,109	4,986	5,142	
Mar	5,693	5,724	5,901	
	<b>66,794</b>	<b>65,703</b>	<b>67,697</b>	<b>54,399</b>

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to form comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



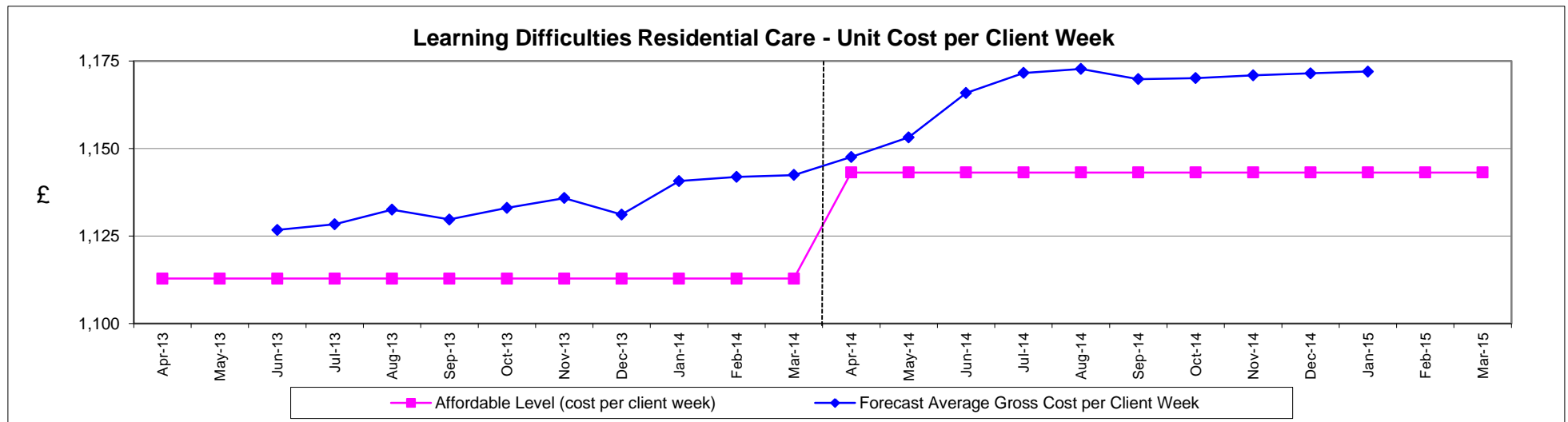
## Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care (including preserved rights clients) at the end of 2012-13 was 1,275, at the end of 2013-14 it was 1,254 and at the end of January 2014 it was 1,239. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The current forecast is 65,576 weeks of care against an affordable level of 67,697, a difference of -2,121 weeks. Using the forecast unit cost of £1,171.99, this reduced activity decreases the forecast by -£2,486k, as shown in Table 1.
- The forecast activity for this service is based on known individual clients including provisional and transitional clients. Provisional clients are those whose personal circumstances are changing and therefore require a more intense care package or greater financial help. Transitional clients are children who are transferring to adult social services.
- To the end of January 54,399 weeks of care have been delivered against an affordable level of 56,654, a difference of -2,255 weeks. The year to date activity suggests a lower level of activity than currently forecast, however, the forecast assumes that some activity for transitional and provisional clients will, by necessity, need to be backdated due to bespoke contracts that have to be agreed individually with providers.

2.5 Average gross cost per client week of learning disability residential care compared with affordable level

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		1,112.86		1,143.16	1,147.62
May		1,112.86		1,143.16	1,153.21
Jun		1,112.86	1,126.76	1,143.16	1,165.91
Jul		1,112.86	1,128.39	1,143.16	1,171.61
Aug		1,112.86	1,132.54	1,143.16	1,172.74
Sep		1,112.86	1,129.75	1,143.16	1,169.82
Oct		1,112.86	1,133.04	1,143.16	1,170.10
Nov		1,112.86	1,135.86	1,143.16	1,170.90
Dec		1,112.86	1,131.13	1,143.16	1,171.47
Jan		1,112.86	1,140.70	1,143.16	1,171.99
Feb		1,112.86	1,141.90	1,143.16	
Mar		1,112.86	1,142.45	1,143.16	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.





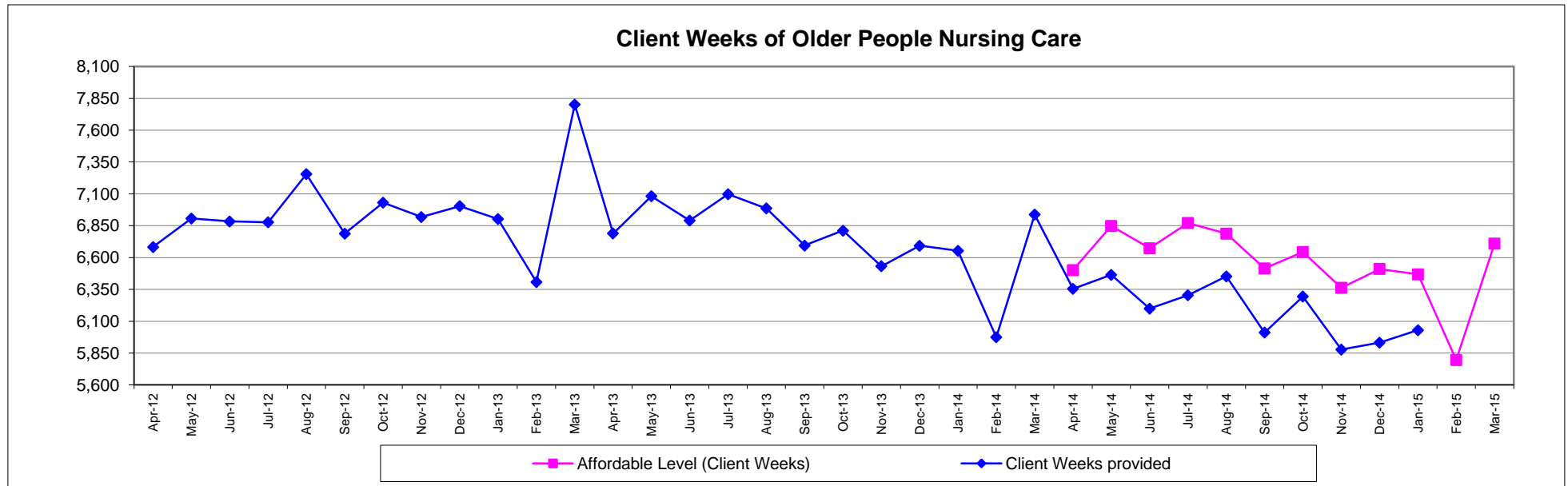
## Comments:

- Clients being placed in residential care are those with very complex and individual needs which make it difficult for them to remain in the community, in supported accommodation/supporting living arrangements, or receiving a domiciliary care package. These are therefore placements which attract a very high cost, with the average now being over £1,100 per week. It is expected that clients with less complex needs, and therefore less cost, can transfer from residential into supported living arrangements. This would mean that the average cost per week would increase over time as the remaining clients in residential care would be those with very high cost – some of whom can cost up to £2,000 per week. In addition, no two placements are alike – the needs of people with learning disabilities are unique and consequently, it is common for average unit costs to increase or decrease significantly on the basis of one or two cases.
- The forecast unit cost of +£1,171.99 is higher than the affordable cost of +£1,143.16 and this difference of +£28.83 adds +£1,952k to the position when multiplied by the affordable weeks, as shown in Table 1.
- The 2014-15 affordable unit cost was increased in the Quarter 2 report to Cabinet in December, to reflect the allocation of funds to meet agreed price increases for providers.

2.6 Number of client weeks of older people nursing care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	6,683	6,789	6,502	6,355
May	6,907	7,081	6,848	6,464
Jun	6,884	6,891	6,673	6,199
Jul	6,877	7,097	6,871	6,304
Aug	7,255	6,986	6,788	6,452
Sep	6,788	6,695	6,515	6,011
Oct	7,032	6,812	6,643	6,294
Nov	6,918	6,532	6,363	5,878
Dec	7,004	6,693	6,510	5,932
Jan	6,903	6,653	6,468	6,030
Feb	6,408	5,975	5,795	
Mar	7,801	6,937	6,710	
	<b>83,460</b>	<b>81,141</b>	<b>78,686</b>	<b>61,919</b>

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to form comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



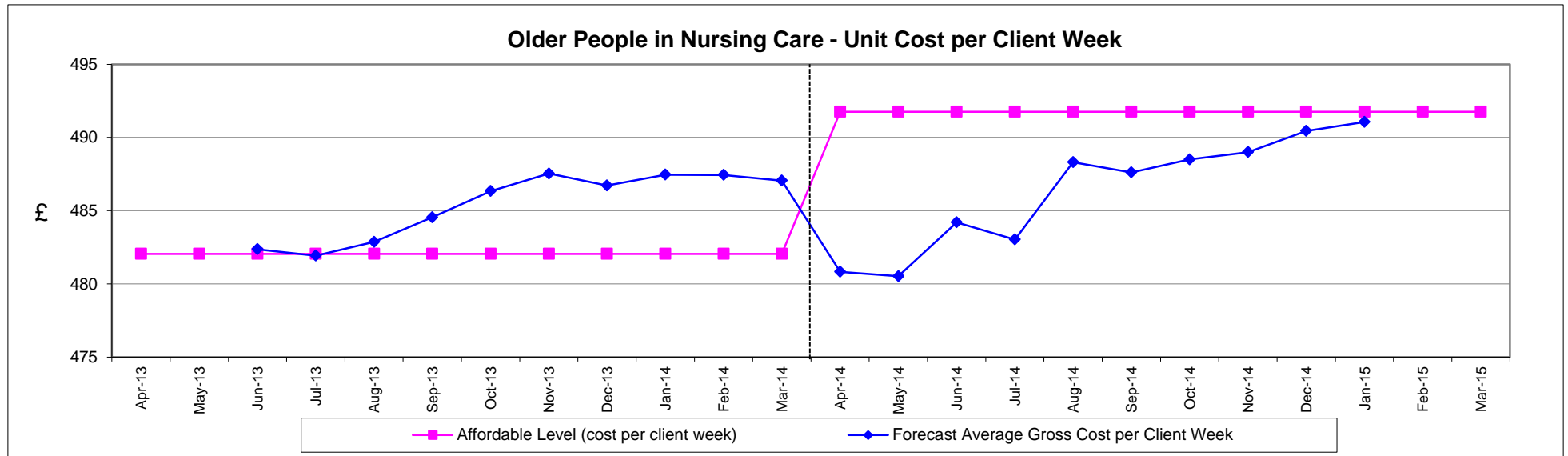
## Comments:

- The graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2012-13 was 1,483, at the end of 2013-14 it was 1,423 and at the end of January 2014 it was 1,206.
- The current forecast is 73,131 weeks of care against an affordable level of 78,686, a difference of -5,555 weeks. Using the forecast unit cost of £491.06, this reduced activity decreases the forecast by -£2,728k, as shown in Table 1.
- To the end of January 61,919 weeks of care have been delivered against an affordable level of 66,181, a difference of -4,262 weeks. The year to date activity suggests a higher level of activity than currently forecast, this apparent under forecast is the net effect of an underforecast of clients placed in permanent nursing care partially offset by a overforecast of short term nursing care placements. Since October 2014, the service has seen a slow down in the placement of clients requiring permanent nursing care, which is believed to be in part as a result of the effects of enablement and other preventative services implemented as part of the transformation agenda, and has resulted in a lower level of older people nursing care activity than had been budgeted. This is partially offset by lower levels of short term placements recorded to date, which is likely to be due to the late recording of non-permanent nursing care services on the activity database, meaning the year to date activity is understated. This is currently being investigated and the results of this will be reflected in the outturn report, reported to Cabinet in July.
- We are now making contributions under the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

2.7 Average gross cost per client week of older people nursing care compared with affordable level:

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		482.05		491.75	480.83
May		482.05		491.75	480.53
Jun		482.05	482.37	491.75	484.21
Jul		482.05	481.93	491.75	483.04
Aug		482.05	482.87	491.75	488.31
Sep		482.05	484.55	491.75	487.62
Oct		482.05	486.34	491.75	488.50
Nov		482.05	487.54	491.75	489.00
Dec		482.05	486.72	491.75	490.45
Jan		482.05	487.46	491.75	491.06
Feb		482.05	487.44	491.75	
Mar		482.05	487.05	491.75	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.



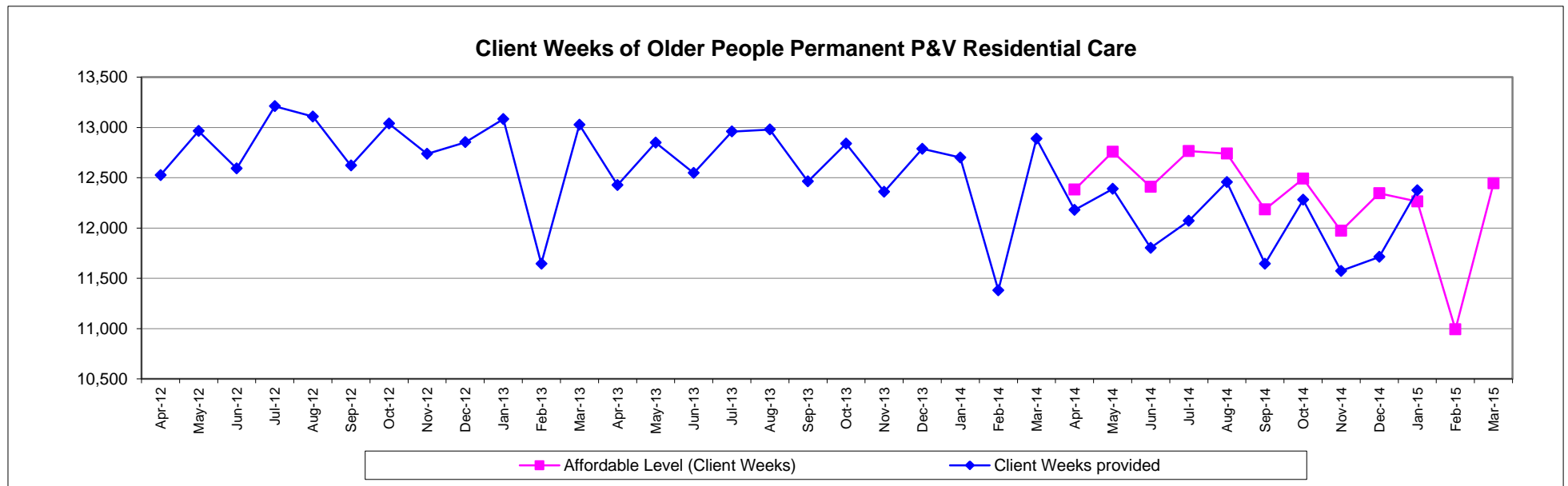
## Comments:

- As with residential care, the unit cost for nursing care will be affected by the increasing proportion of older people with dementia who need more specialist and expensive care, which is why the unit cost can be quite volatile and in recent months this service has seen an increase of older people requiring this more specialist care.
- The 2014-15 affordable unit cost was increased in the Quarter 2 report to Cabinet in December, to reflect the allocation of funds to meet agreed price increases for providers.
- The forecast unit cost of +£491.06 is lower than the affordable cost of +£491.75 and this difference of -£0.69 reduces the position by -£54k when multiplied by the affordable weeks, as shown in Table 1.
- The increase in the forecast unit cost in June 2014 was a result of a number of changes around savings adjustments, corrections and data cleansing following major changes to the coding structure with effect from 1 April 2014 in line with current guidance on financial and activity reporting requirements.

2.8 Number of client weeks of older people permanent P&V residential care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	12,525	12,427	12,381	12,179
May	12,963	12,849	12,757	12,388
Jun	12,592	12,547	12,409	11,802
Jul	13,210	12,959	12,764	12,071
Aug	13,107	12,978	12,739	12,456
Sep	12,620	12,463	12,184	11,644
Oct	13,037	12,839	12,490	12,279
Nov	12,737	12,360	11,972	11,573
Dec	12,852	12,787	12,345	11,712
Jan	13,082	12,701	12,264	12,373
Feb	11,644	11,380	10,991	
Mar	13,026	12,887	12,443	
	<b>153,395</b>	<b>151,177</b>	<b>147,739</b>	<b>120,477</b>

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



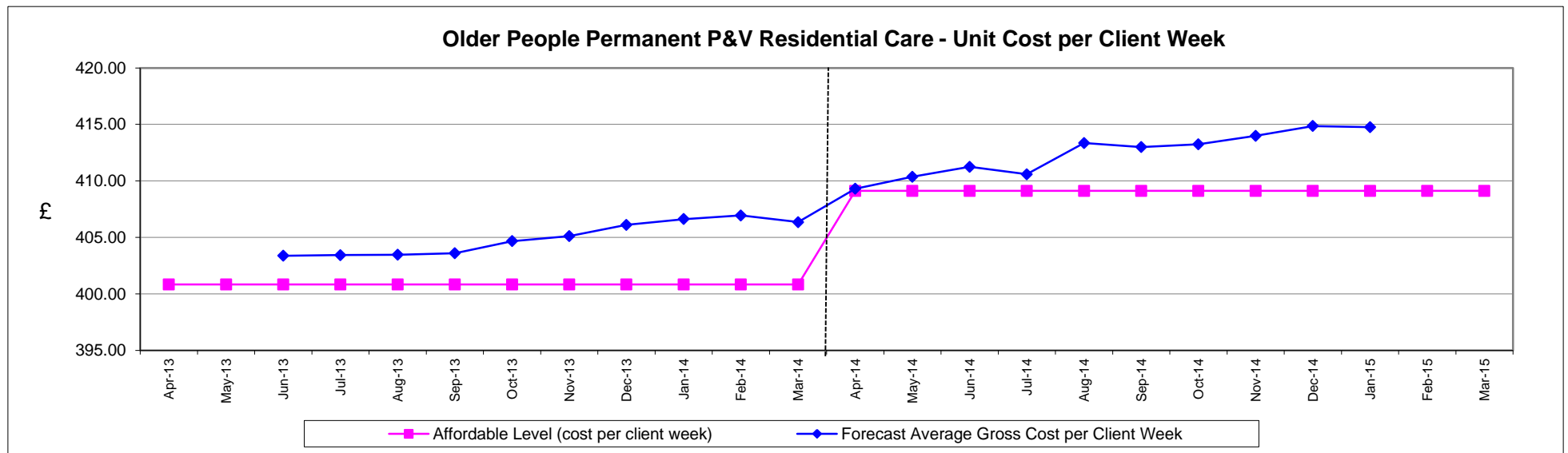
## Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people permanent P&V residential care at the end of 2012-13 was 2,737, at the end of 2013-14 it was 2,704 and at the end of January 2014 it was 2,465. It is evident that there are ongoing pressures relating to clients with dementia who require a greater intensity of care.
- It is difficult to consider this budget line in isolation, as the Older Person's modernisation strategy has meant that fewer people are being placed in our in-house provision, so we would expect that there will be a higher proportion of permanent placements being made in the independent sector which is masking the extent of the overall reducing trend in residential client activity.
- The current forecast is 141,776 weeks of care against an affordable level of 147,739, a difference of -5,963 weeks. Using the forecast unit cost of £414.76, this reduced activity decreases the forecast by -£2,473k, as shown in Table 1.
- To the end of January 120,477 weeks of care have been delivered against an affordable level of 124,305 a difference of -3,828 weeks. The year to date activity suggests a higher level of activity than currently forecast, this apparent under forecast is the net effect of an underforecast of clients placed in permanent residential care partially offset by an overforecast of short term residential care placements. Since October 2014, the service has seen a slow down in the placement of clients requiring residential care, which is believed to be in part as a result of the effects of enablement and other preventative services implemented as part of the transformation agenda, and has resulted in a lower level of older people residential care activity than had been budgeted. This is partially offset by lower levels of short term placements recorded to date, which is likely to be due to the late recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated. This is currently being investigated and the results of this will be reflected in the outturn report, reported to Cabinet in July.
- We are now making contributions to the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

2.9 Average gross cost per client week of older people permanent P&V residential care provided compared with affordable level:

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		400.83		409.12	409.31
May		400.83		409.12	410.36
Jun		400.83	403.38	409.12	411.25
Jul		400.83	403.43	409.12	410.59
Aug		400.83	403.46	409.12	413.36
Sep		400.83	403.59	409.12	413.00
Oct		400.83	404.67	409.12	413.25
Nov		400.83	405.12	409.12	413.99
Dec		400.83	406.10	409.12	414.86
Jan		400.83	406.62	409.12	414.76
Feb		400.83	406.94	409.12	
Mar		400.83	406.35	409.12	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. The overall impact of this change has been to increase the overall number of clients whilst increasing the unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.



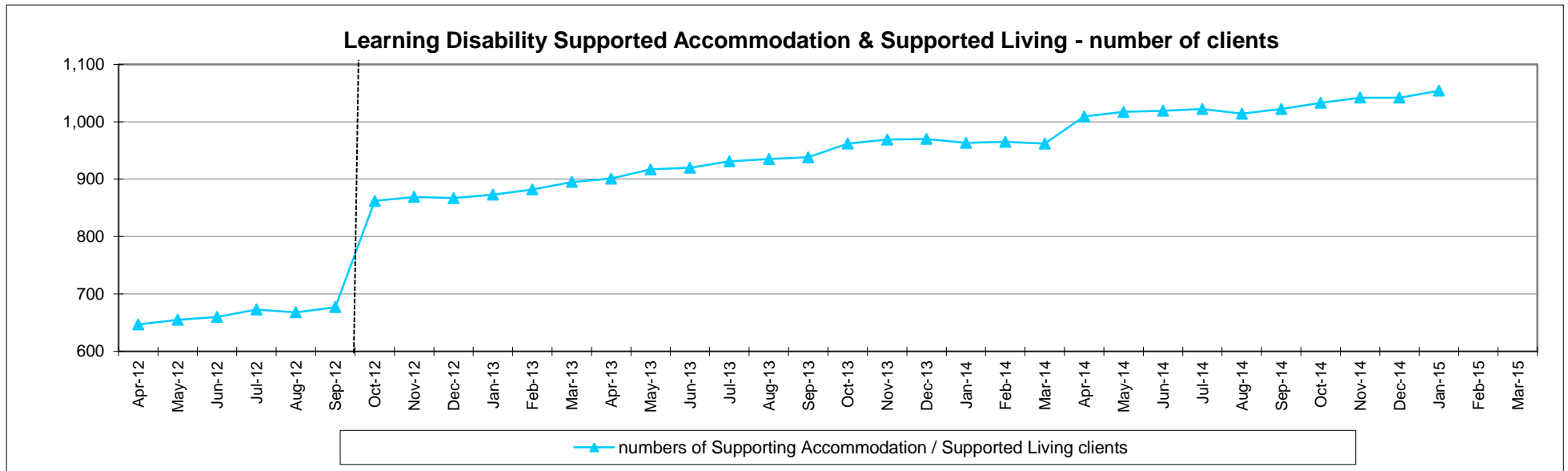


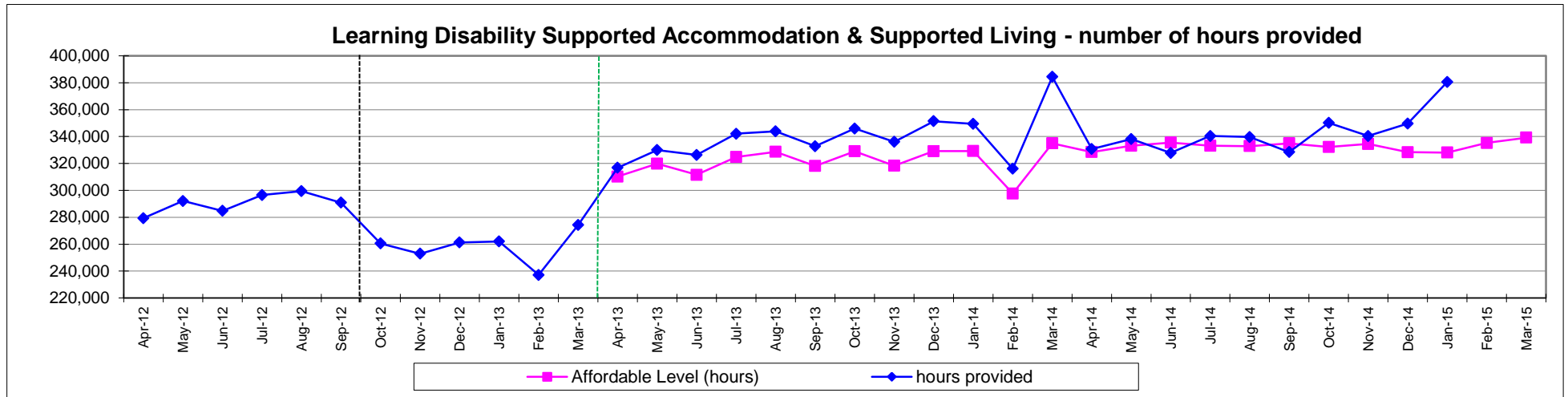
## Comments:

- The forecast unit cost of +£414.76 is higher than the affordable cost of +£409.12 and this difference of +£5.64 adds +£833k to the position when multiplied by the affordable weeks, as shown in Table 1.
- The 2014-15 affordable unit cost was increased in the Quarter 2 report to Cabinet in December, to reflect the allocation of funds to meet agreed price increases for providers.
- This general increasing trend in average unit cost is likely to be due to the higher proportion of clients with dementia, who are more costly due to the increased intensity of care required, as outlined above. New cases are likely to enter the service at higher unit costs, reflecting the fact that only those with higher needs are directed towards residential care, while those with lower needs are directed towards other forms of support.

2.10 Learning Disability Supported Accommodation/Supported Living – numbers of clients and hours provided in the independent sector

	2012-13			2013-14			2014-15		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr		279,365	647	310,234	316,882	901	328,492	330,760	1,009
May		292,122	655	319,790	330,055	917	333,241	338,125	1,017
Jun		284,835	660	311,563	326,381	920	335,519	327,879	1,019
Jul		296,532	673	324,853	342,117	931	333,140	340,451	1,022
Aug		299,521	668	328,693	343,856	935	332,930	339,621	1,014
Sep		290,914	677	318,098	332,862	938	335,006	328,528	1,022
Oct		260,574	862	329,037	346,001	962	332,260	350,146	1,033
Nov		252,932	869	318,371	336,051	969	334,509	340,394	1,042
Dec		261,257	867	329,160	351,431	970	328,357	349,629	1,042
Jan		262,070	873	329,252	349,416	963	328,115	380,648	1,054
Feb		237,118	882	297,660	316,116	965	335,263		
Mar		274,334	895	334,943	384,428	962	339,206		
		<b>3,291,574</b>		<b>3,851,654</b>	<b>4,075,596</b>		<b>3,996,038</b>	<b>3,426,181</b>	





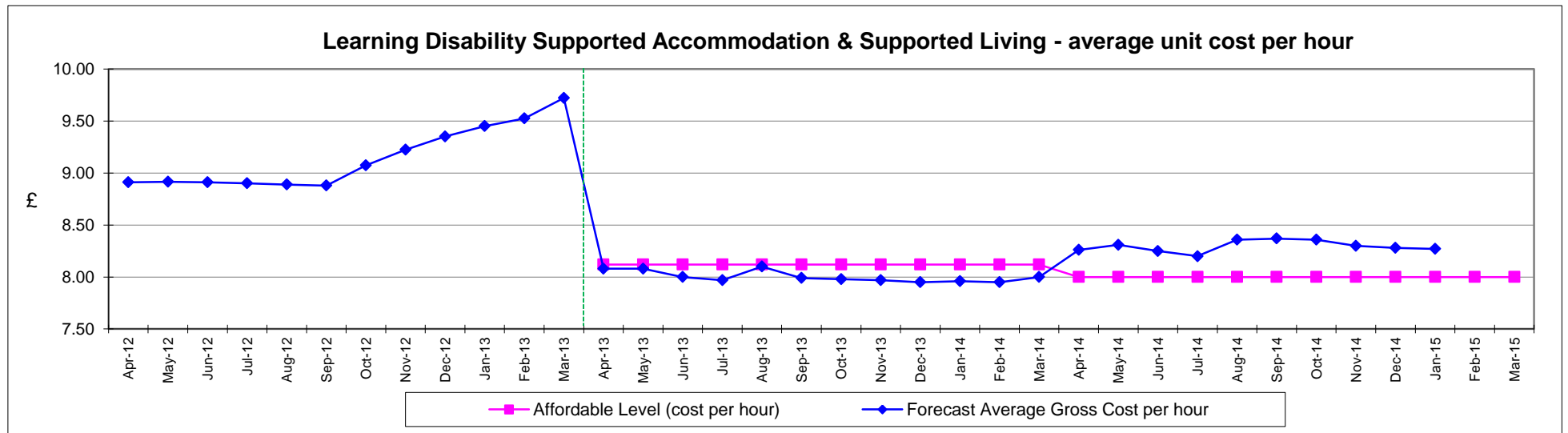
**Comments:**

- This indicator changed in 2013-14 to include the Supporting Independence Service contract. This measure now incorporates 3 different supported accommodation/living arrangements; the adult placement scheme, supported accommodation (mainly S256 clients) and Supporting Independence Service. The level of support required by individual clients can vary from a few hours a week to 24 hours a day therefore to better reflect the activity related to this indicator, the service is now recorded in hours rather than weeks. In addition, the details of the number of clients in receipt of these services is given on a monthly basis.
- The Supporting Independence Service Contract was introduced in October 2012-13 and involved the transfer of specific clients previously in receipt of services categorised as domiciliary care, extra care sheltered housing and supported accommodation to this new contract. As part of this transfer, some clients chose to receive a direct payment instead. The result of this transfer was an overall net increase in the total number of clients categorised as receiving a supported accommodation/living support service however the average number of hours provided per client reduced. **A black dotted line is shown on the graphs above to illustrate the introduction of the new Supporting Independence Service, and the consequent transfer of clients, as the data presented either side of the dotted line is not on a consistent basis and is therefore not directly comparable.**

- Services provided are recorded in terms of weeks, sessions or hours before all being converted into hours for this activity indicator. Prior to April 2014, sessions were treated as either 8 hours each for Supported Living contracts or 1 hour for Supporting Independence Service contracts but, in the July monitoring to Cabinet in October was revised upwards to 9 hours, based on updated information provided by Commissioning. Both the 2014-15 affordable level and the 2013-14 data were restated on the same basis in order to show a comparable position. **A green dotted line has been added to the graph at April 2013 to indicate that the data either side of the line is not on a comparable basis** i.e. 2012-13 data is based on 8 hour sessions for Supported Living contracts and 1 hour sessions for Supporting Independence Service contracts, whereas from April 2013 the data is now based on 9 hour sessions for both of these contracts. This has also impacted on the unit cost reported in 2.11 below.
- The spike in activity shown for March 2014 is due to backdated hours for transitional and provisional clients being recorded on the activity system but relating to activity undertaken throughout 2013-14.
- Hours provided from April 2014 onwards were revised in the Quarter 2 report, reported to Cabinet in December, to remove hours relating to the Better Homes Active Lives PFI night support block contract, as the spend on this support should not be included in this activity indicator.
- The current forecast is 4,132,520 hours of care against an affordable level of 3,996,038, a difference of +136,482 hours. Using the forecast unit cost of £8.27, this additional activity increases the forecast by +£1,129k, as shown in Table 1.
- To the end of January 3,426,181 hours of care have been delivered against an affordable level of 3,321,569, a difference of +104,612 hours. The forecast number of hours reflects an increase in activity expected in future months which is also reflected in the profile of the budgeted level. The January year to date activity suggests a slightly lower level of activity for the year than currently forecast. This is due to a delay in the recording of transitional and provisional clients on the activity database, meaning that the year to date activity is currently understated. Delays in the recording of transitional and provisional clients on the activity database are intrinsic to this service as a result of the channels through which referrals take place, i.e. ordinary residence cases, where complex negotiations are involved to determine the point at which different local authorities have responsibility for clients, in addition to the number of bespoke contracts that have to be agreed individually with providers.

2.11 Average gross cost per hour of Supported Accommodation/Supported Living service compared with affordable level:

	2012-13		2013-14		2014-15	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr		8.91	8.12	8.08	8.00	8.26
May		8.92	8.12	8.08	8.00	8.31
Jun		8.91	8.12	8.00	8.00	8.25
Jul		8.90	8.12	7.97	8.00	8.20
Aug		8.89	8.12	8.10	8.00	8.36
Sep		8.88	8.12	7.99	8.00	8.37
Oct		9.07	8.12	7.98	8.00	8.36
Nov		9.22	8.12	7.97	8.00	8.30
Dec		9.35	8.12	7.95	8.00	8.28
Jan		9.45	8.12	7.96	8.00	8.27
Feb		9.53	8.12	7.95	8.00	
Mar		9.72	8.12	8.00	8.00	



## Comments:

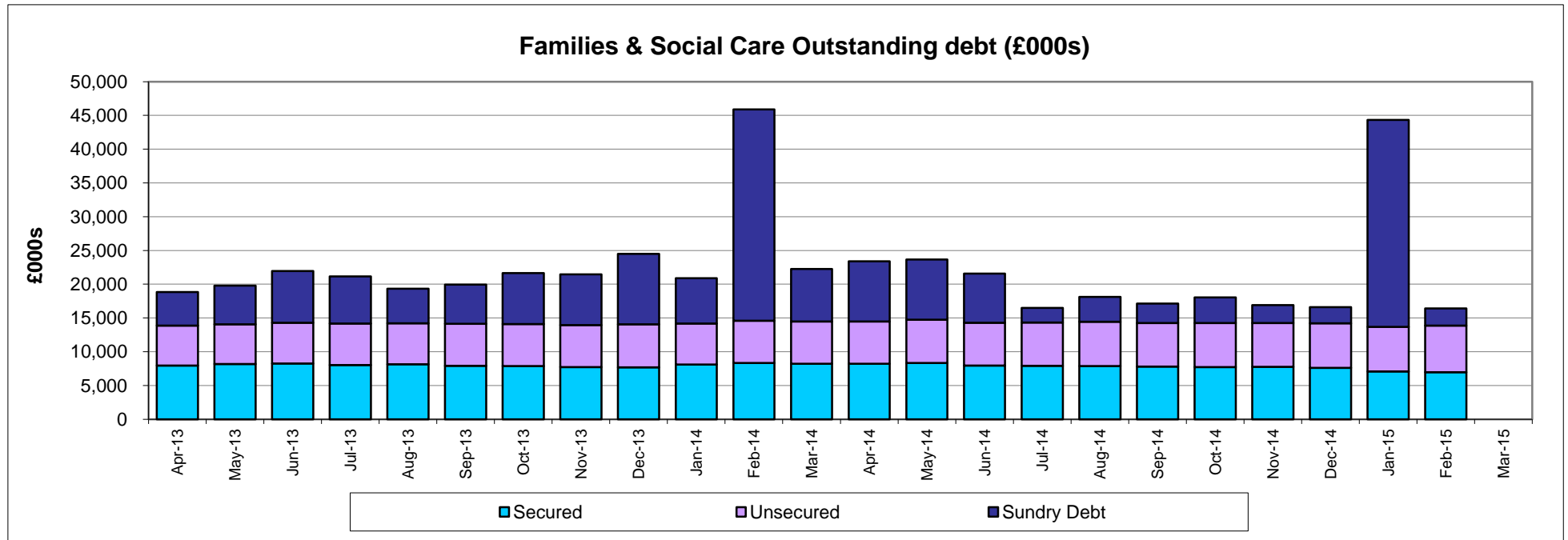
- This measure comprises 3 distinct client groups and each group has a very different unit cost, which are combined to provide an average unit cost for the purposes of this report.
- The costs associated with these placements will vary depending on the complexity of each case and the type of support required in each placement. This varies enormously between a domiciliary type support to life skills and daily living support.
- The forecast unit cost of +£8.27 is higher than the affordable cost of +£8.00 and this difference of +£0.27 adds +£1,079k to the position when multiplied by the affordable hours, as shown in Table 1. Prior to April 2014, sessions were treated as either 8 hours each for Supported Living contracts or 1 hour for Supporting Independence Service contracts but this estimate was revised upwards to 9 hours in the July monitoring report to Cabinet in October, based on updated information provided by Commissioning. Both the 2014-15 affordable level and the 2013-14 data have been restated on the same basis in order to show a comparable position. **A green dotted line has been added to the graph at April 2013 to indicate that the data either side of the line is not on a comparable basis** i.e. 2012-13 data is based on 8 hour sessions for Supported Living contracts and 1 hour sessions for Supporting Independence Service contracts, whereas from April 2013 the data is now based on 9 hour sessions for both of these contracts.

## 2.12 SOCIAL CARE DEBT MONITORING

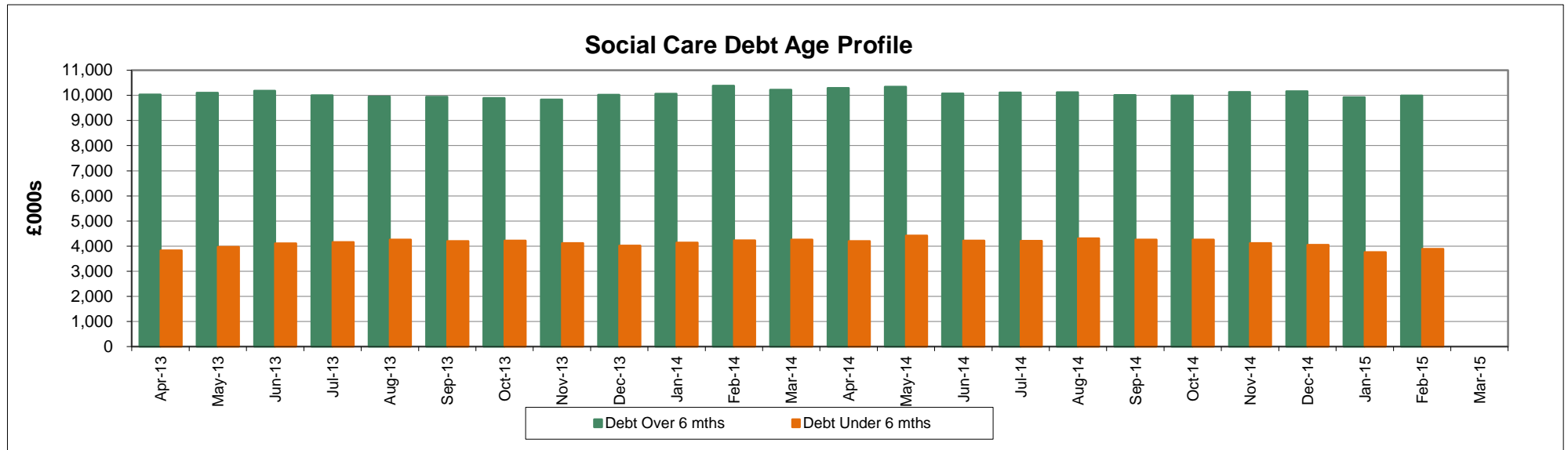
The outstanding debt as at the end of February was £16.425m compared with January's figure of £44.315m (reported to Cabinet in March) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £2.538m of sundry debt compared to £30.632m in January. This reduction is entirely due to one large invoice to Health which had only just become overdue at the end of January, but was settled in February. It is not uncommon for the amount of sundry debt to fluctuate for large invoices to Health. Also within the outstanding debt is £13.887m relating to Social Care (client) debt which is an increase of £0.204m from the last reported position to Cabinet in March. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. The sundry debt figures are based on calendar months.

	Social Care Debt						
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Total Social Care Due Debt £000s	Debt Over 6 months £000s	Debt Under 6 months £000s	Secured £000s	Unsecured £000s
Apr-13	18,859	4,995	13,864	10,037	3,827	7,969	5,895
May-13	19,789	5,713	14,076	10,106	3,970	8,197	5,879
Jun-13	21,956	7,662	14,294	10,183	4,111	8,277	6,017
Jul-13	21,146	6,978	14,168	10,005	4,163	8,015	6,153
Aug-13	19,320	5,116	14,204	9,950	4,254	8,141	6,063
Sep-13	19,950	5,814	14,136	9,943	4,193	7,931	6,205
Oct-13	21,646	7,533	14,113	9,896	4,217	7,867	6,246
Nov-13	21,471	7,524	13,947	9,830	4,117	7,728	6,219
Dec-13	24,480	10,436	14,044	10,026	4,018	7,694	6,350
Jan-14	20,879	6,685	14,194	10,060	4,134	8,103	6,091
Feb-14	45,888	31,278	14,610	10,380	4,230	8,321	6,289
Mar-14	22,238	7,753	14,485	10,226	4,259	8,213	6,272
Apr-14	23,374	8,884	14,490	10,288	4,202	8,220	6,270
May-14	23,654	8,899	14,755	10,342	4,413	8,353	6,402
Jun-14	21,579	7,289	14,290	10,071	4,219	7,944	6,346
Jul-14	16,503	2,187	14,316	10,108	4,208	7,927	6,389

	Social Care Debt						
	Total Due Debt (Social Care & Sundry Debt)	Sundry Debt	Total Social Care Due Debt	Debt Over 6 months	Debt Under 6 months	Secured	Unsecured
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Aug-14	18,138	3,707	14,431	10,122	4,309	7,882	6,549
Sep-14	17,119	2,849	14,270	10,015	4,255	7,805	6,465
Oct-14	18,060	3,808	14,252	9,992	4,260	7,709	6,543
Nov-14	16,907	2,658	14,249	10,131	4,118	7,777	6,472
Dec-14	16,612	2,406	14,206	10,160	4,046	7,624	6,582
Jan-15	44,315	30,632	13,683	9,926	3,757	7,079	6,604
Feb-15	16,425	2,538	13,887	9,996	3,891	6,973	6,914
Mar-15							







With regard to Social Care debt, the tables below show the current breakdown and movement since the last report to Cabinet in March of secured, unsecured and health debt, together with a breakdown of unsecured debt by client group.

<b>Social Care debt by Customer Credit Status</b>	<b>January £000s</b>	<b>February £000s</b>	<b>Movement £000s</b>
Secured	7,079	6,973	-106
Unsecured - Deceased/Terminated Service	1,947	1,956	9
Unsecured - Ongoing	4,595	4,897	302
Caution/Restriction (Unsecured)	59	60	1
Health (Unsecured)	3	1	-2
<b>TOTAL</b>	<b>13,683</b>	<b>13,887</b>	<b>204</b>

<b>Unsecured debt by Client Group</b>	<b>January £000s</b>	<b>February £000s</b>	<b>Movement £000s</b>
Older People/Physical Disability	6,152	6,416	264
Learning Disability	341	384	43
Mental Health	111	114	3
<b>TOTAL</b>	<b>6,604</b>	<b>6,914</b>	<b>310</b>

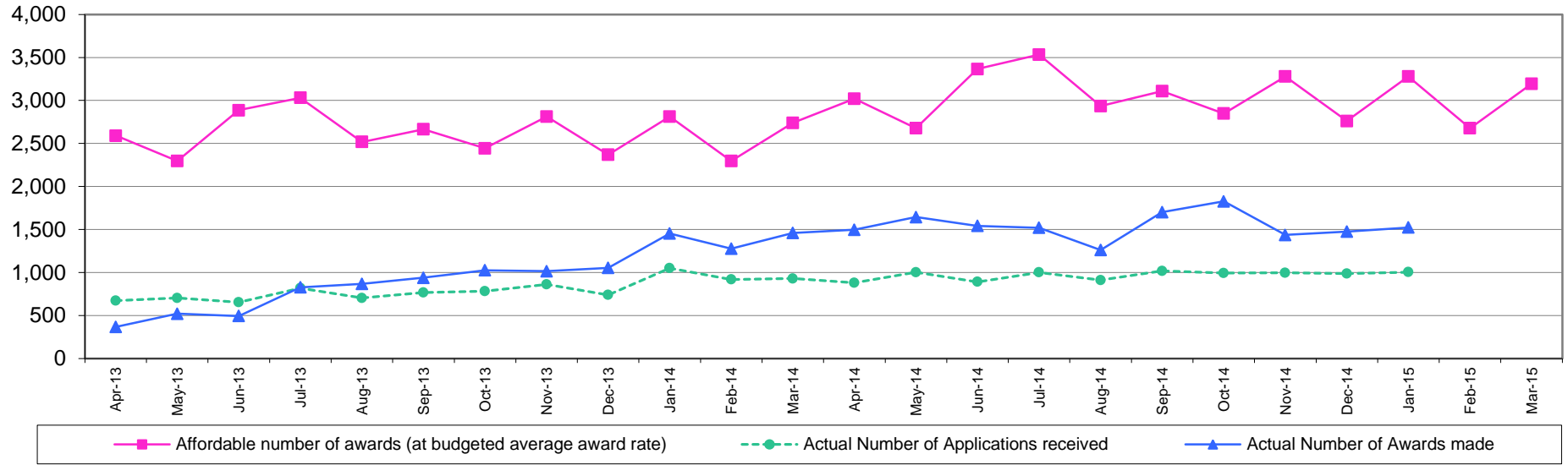
## 2.13 Number and Value of Social Fund awards made

		(a) *	(b)	(c)	(d) *	(e)	(d) / (a)	(e) / (c)
		Affordable number of awards (at budgeted average award rate)	Actual number of applications received	Actual number of awards made	Affordable profile of awards (£)	Value of awards made (£)	Budgeted average award (£)	Actual average award (£)
2013-14	Apr	2,591	673	368	235,800	42,620	91	116
	May	2,296	704	520	208,900	65,907	91	127
	Jun	2,887	655	494	262,700	68,201	91	138
	Jul	3,031	818	828	275,800	114,188	91	138
	Aug	2,518	704	869	229,100	115,811	91	133
	Sep	2,666	766	939	242,600	108,237	91	115
	Oct	2,443	783	1,025	222,300	115,778	91	113
	Nov	2,813	861	1,015	256,000	138,738	91	137
	Dec	2,369	738	1,054	215,600	137,748	91	131
	Jan	2,813	1,050	1,453	256,000	183,774	91	126
	Feb	2,296	918	1,278	208,900	143,813	91	113
	Mar	2,739	930	1,460	249,300	175,416	91	120
			<b>31,462</b>	<b>9,600</b>	<b>11,303</b>	<b>2,863,000</b>	<b>1,410,231</b>	<b>91</b>
2014-15	Apr	3,021	880	1,496	377,600	145,043	125	97
	May	2,677	1,003	1,644	334,600	160,674	125	98
	Jun	3,366	891	1,541	420,700	151,071	125	98
	Jul	3,534	1,001	1,520	441,700	145,708	125	96
	Aug	2,935	911	1,261	366,900	132,206	125	105
	Sep	3,108	1,018	1,701	388,500	166,819	125	98
	Oct	2,848	994	1,826	356,000	184,200	125	101
	Nov	3,280	996	1,436	410,000	125,165	125	87
	Dec	2,762	988	1,474	345,300	137,907	125	94
	Jan	3,280	1,004	1,523	410,000	141,708	125	93
	Feb	2,677			334,600		125	
	Mar	3,194			399,300		125	
			<b>36,682</b>	<b>9,686</b>	<b>15,422</b>	<b>4,585,200</b>	<b>1,490,501</b>	<b>125</b>

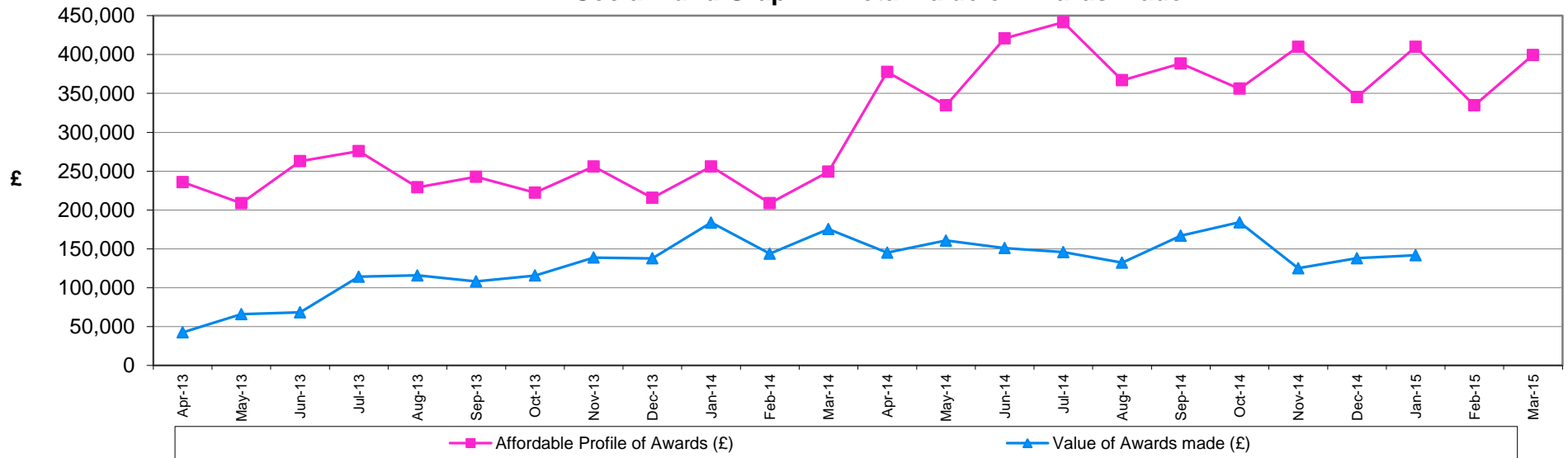
\* Columns (a) and (d) are based on available funding which has been profiled by month and type of award (excluding cash awards) in the same ratio as the previous DWP scheme. As the criteria and awards for this pilot scheme differ to the DWP scheme, this does not represent the anticipated demand for the pilot scheme, but represents the maximum affordable level should sufficient applications be received which meet the criteria. (As the data for 2013-14, the first year of our pilot scheme, includes increasing levels of activity as the service commenced, it will not represent a typical year and therefore has not been used to profile the 2014-15 budget in column d of the table)

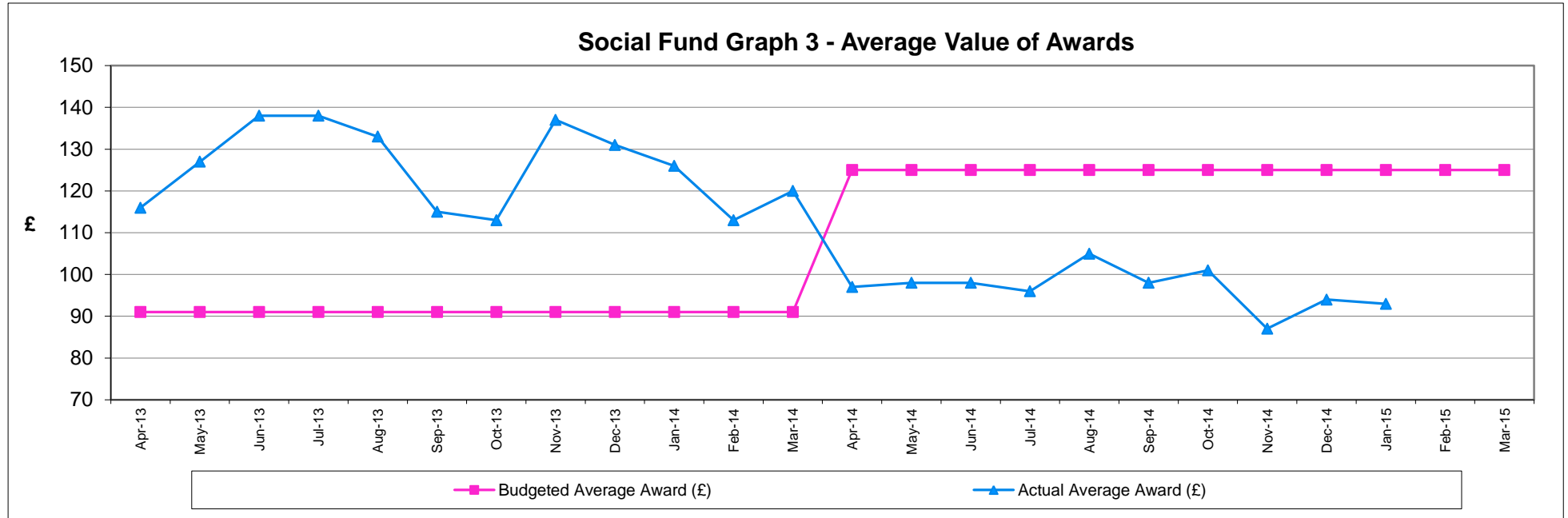
One application may result in more than one award, e.g. an award for food & clothing and an award for utilities, hence the number of awards in column (c) may exceed the number of applications in column (b).

Social Fund Graph 1 - Number of Awards made



Social Fund Graph 2 - Total Value of Awards made





**Comments:**

- This is a pilot scheme that commenced in Kent on 1 April 2013 and differs from the Social Fund scheme, previously administered by DWP, in that cash awards are only given in very extreme circumstances e.g. where an individual may be at risk. This scheme offers 4 types of award including food & clothing, white goods, energy vouchers and furniture & equipment and more importantly signposts the individual, whether an award is given or not, to the appropriate service so that they can receive ongoing support. This is an emergency fund to help support the most vulnerable in society. The figures provided in the table and represented in the graphs above reflect a combined average of these 4 types of award.
- Applications are immediately prioritised with the intention that high priority applications should receive the award within 24 hours. However, approval of awards for lower priority cases e.g. applications for furniture from low risk households may be slower. Therefore, actual awards made in any month can exceed the number of applications for the month, either due to the processing of low priority cases from previous months, or as a result of individual applications resulting in multiple awards being granted, as referred to above.

- **Graph 1** above represents the number of individual awards granted, (there could be multiple awards arising from an individual application), compared to (i) the number of applications received and (ii) the affordable number of awards, as calculated using the budgeted average award rate, which is the maximum number of awards that can be afforded, not the anticipated level of demand. In the early months of 2013-14 the number of applications received was higher than the number of awards made, which predominately reflected that applications for cash awards were being received in line with the old DWP scheme, but this type of award is not generally offered as part of this pilot scheme. Initially there were also a number of inappropriate referrals being made whereby the applicant did not qualify. However, the number of awards made is now higher than the number of applications received illustrating that some applications result in more than one award e.g. an award for food and clothing and an award for energy vouchers. There is an admin cost involved in assessing the applications received, irrespective of whether they result in an award being made. The gross budget for this service, as shown in Table 1 is £5.140m, with £0.555m being the cost of administering the scheme including signposting applicants to alternative appropriate services, and £4.585m available to award where appropriate (column d in the table above). Because of the uncertainty at the time about both future levels of demand and government funding, the funding for awards in 2013-14 was ring-fenced and rolled forward to 2014-15 to provide some stability to the service. **This roll forward of £1,722.2k was approved by Cabinet in July and is reflected in the cash limits and the affordable level for this indicator.** *(The table above shows an underspend of £1,452.8k in 2013-14 (column d - column e), which is based on the number of awards approved during the financial year. Although awards are approved for individuals in dire need, these awards are not always taken up for a variety of reasons. During 2013-14 £269.4k of approved awards, mainly for furniture and equipment, were not taken up by clients. Therefore the financial underspend as a consequence of the value of awards actually paid (taken up) in 2013-14 was £1,722.2k).*
- **Graph 2** represents the value of awards made against the maximum profiled funding available. The number and value of awards made is significantly lower than the affordable level and reflects the current take up of this scheme being low in comparison to the old DWP scheme (which is what the funding, and affordable level, is based upon). The graph illustrates that the value of awards made is generally showing a steadily increasing trend since the inception of this pilot scheme, reflecting the increasing communication about what the scheme provides. However, if applicants are successfully signposted to alternative appropriate services to receive sustained support, and an award is not made, then this will be beneficial to the applicant and would result in an underspend against this scheme, which is still a positive outcome for the pilot.

- **Graph 3** compares the budgeted average award value, based on the anticipated mix and value of awards, to the actual average award. Using DWP data, and excluding cash awards, it was anticipated that the majority of awards for this pilot would be for food & clothing, high volume & low value, and therefore the budgeted average award for 2013-14 was set with this in mind at £91. The affordable average award value was revised for 2014-15 to match the actual average award value for 2013-14 of £125. This increase in the budgeted average award value from £91 to £125 reflects a higher than expected number of awards in 2013-14 for furniture & equipment which have a higher award value.

To the end of January, on average, award values in 2014-15 have been lower with an average of £97 currently reported. In the first ten months of 2014-15, 42% of the number of awards have been for food & clothing, compared to 49% for 2013-14. Furniture & equipment (incl white goods) accounts for 41% of the number of awards but 54% of the value of awards (the percentages were 19% and 54% respectively for 2013-14, indicating an increasing number falling into this category, but also a shift to lower value items of furniture and equipment). As a result, the actual average award is lower than budgeted due to the apportionment of the award types being different to what was anticipated.

The awards figures for December 2013-14 include the impact of both energy and food awards being issued for 14 days rather than the normal 7 days to cover the Christmas period. Also, there was a higher number (and value) of cash awards made in January 2014, which included emergency payments to households evacuated because of the flooding.

### 3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Adult Services has a working budget for 2014-15 (which has now been updated to reflect the 2015-18 budget set by County Council on 12th February 2015) of £25,463k (£6,756k excluding PFI). The forecast outturn against the 2014-15 budget is £23,621k (£4,914k excluding PFI) giving a variance of -£1,842k (-£1,842k excluding PFI).

3.2 **Table 2** below details the Adults Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Rolling Programmes</b>									
Home Support Fund	6,600	2,480	-280	-280	Rephasing - grant	Rephasing of grant to 15/16 to cover adaptations/equipment, where works are postponed whilst decisions on start dates are agreed with clients/contractors.	Green	Rolling programme	
Telecare		1,015	0	0			Green		
<b>Individual Projects</b>									
<b>Kent Strategy for Services for Older People (OP):</b>									
Community Care Centre - Ebbsfleet	0	0	0	0			Green		
Community Care Centre - Thameside Eastern Quarry	0	0	0	0			Green		
Think Autism	0	0	19	19	Real - grant		Green		Increase 14-15 cash limit by £18.5k grant

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
OP Strategy - Transformation / Modernisation	6,978	500	400	400	Rephasing - capital receipt	£400k rephased from 15/16 to 14/15 to cover asbestos removal discovered on various PFI sites.	Green		
<b>Kent Strategy for Services for People with Learning Difficulties/Physical Disabilities:</b>									
Learning Disability Good Day Programme-Community Hubs	2,182	1,580	-1,436	-1,436	Rephasing - grant	Various small projects now to complete in 15/16.	Amber	Projects have been rephased to allow additional time for partners to generate additional external funding as this has been difficult to achieve in the current economic climate.	
Learning Disability Good Day Programme-Community Initiatives	679	622	-545	-545	Rephasing - grant	Various small projects now to complete in 15/16.	Amber	Projects have been rephased to allow additional time for partners to generate additional external funding as this has been difficult to achieve in the current economic climate.	
<b>Active Care / Active Lives Strategy:</b>									
PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent	63,000	18,707	0	0			Green		



Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Developing Innovative and Modernising Services:</b>									
Information Technology Projects	2,507	549	0	0			Green		
Lowfield St (formerly Trinity Centre, Dartford)	972	10	0	0			Amber	Project on hold due to development of site not progressing. In further negotiations with all parties on how to proceed.	
<b>Total</b>	82,918	25,463	-1,842	-1,842					

1. Status: Green - on time and within  
Amber - either delayed completion date or over budget  
Red - both delayed completion and over budget

**SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE**  
**PUBLIC HEALTH**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before transfer to Public Health Reserve	Transfer to Public Health Reserve	Net Variance after transfer to Public Health Reserve
	<b>Total (£k)</b>	-	-167	+167	-

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000			
<b>Social Care, Health &amp; Wellbeing - Public Health</b>							
Strategic Management & Directorate Support Budgets	170.1	-170.1	0.0	+52	+52	<i>Public health grant variance: Other minor variances</i>	
<u>Public Health:</u>							
- Children's Public Health Programmes	5,924.5	-5,924.5	0.0	+4	+4	<i>Public health grant variance: Other minor variances</i>	
- Drug & Alcohol Services	18,555.7	-18,555.7	0.0	+130	+1,663	Contracts have been varied to increase service delivery in a number of targeted areas (to be funded from the Kent Drug and Alcohol reserve - see below). These contract arrangements will continue into 2015-16 and the service will be looking at ways to manage this within available resources.  -213 Young persons contract cost is less than originally anticipated -343 Saving on staffing costs within the KDAAT team +120 Reduction in income as no contribution from probation service this year +24 Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 -1,251 Draw down from KDAAT reserve to fund overall net pressures on the KDAAT service detailed above +172 <i>Public health grant variance: Pressure on prescribing costs</i> -42 <i>Public health grant variance: Other minor variances</i>	
- Obesity & Physical Activity	2,794.8	-2,794.8	0.0	+201	+201 <i>Public health grant variance: due to increased activity levels across several programmes which cover obesity (tier 3 morbidly obese)</i>	
- Public Health - Mental Health Adults	912.1	-912.1	0.0	-34	-34 <i>Public health grant variance: Other minor variances</i>	
- Public Health Staffing, Advice & Monitoring	4,897.4	-4,897.4	0.0	-1,360	-1,360 <i>Public health grant variance: Staffing underspend due to vacancies being held during restructure and appointment of Director of Public Health</i>	
- Sexual Health Services	11,996.7	-11,996.7	0.0	+1,044	+605 <i>Public Health grant variance: Pressure on sexual health testing and treatment of STIs</i> +253 <i>Public health grant variance: Pressure relating to contraception costs, in particular Long Acting Reversible Contraception (LARC) costs</i> +186 <i>Public health grant variance: one-off pressure due to GP training</i>	
- Targeting Health Inequalities	6,116.1	-6,116.1	0.0	+33	+830 <i>Public health grant variance: Pressure relating to health inequalities</i> -187 <i>Public health grant variance: Lower expenditure overall on health checks and invites, with a reduction in the number attending a health check but an increase in the number of invites sent</i>	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-175	Public health grant variance: Lower expenditure than expected on outreach activity
					-100	Public health grant variance: spend relating to communications and campaigns lower than expected
					-321	Public health grant variance: Reduced costs of Health Trainers and Healthy Living Pharmacies
					-14	Public health grant variance: Other minor variances
- Tobacco Control & Stop Smoking Services	4,013.4	-4,013.4	0.0	-237	-170	Public health grant variance: Prescribing costs lower than anticipated
					-67	Public health grant variance: Other minor variances
	55,380.8	-55,380.8	0.0	-167		
- <i>trf to(+)/from(-) Public Health reserve</i>				<b>+167</b>		<i>net transfer to the Public Health reserve to offset the public health variances of -167k explained above</i>
<b>Total SCH&amp;W (Public Health)</b>	<b>55,380.8</b>	<b>-55,380.8</b>	<b>0.0</b>	<b>0</b>		
<b>Assumed Mgmt Action</b>						
<b>Total Forecast <u>after</u> mgmt action</b>	<b>55,380.8</b>	<b>-55,380.8</b>	<b>0.0</b>	<b>0</b>		

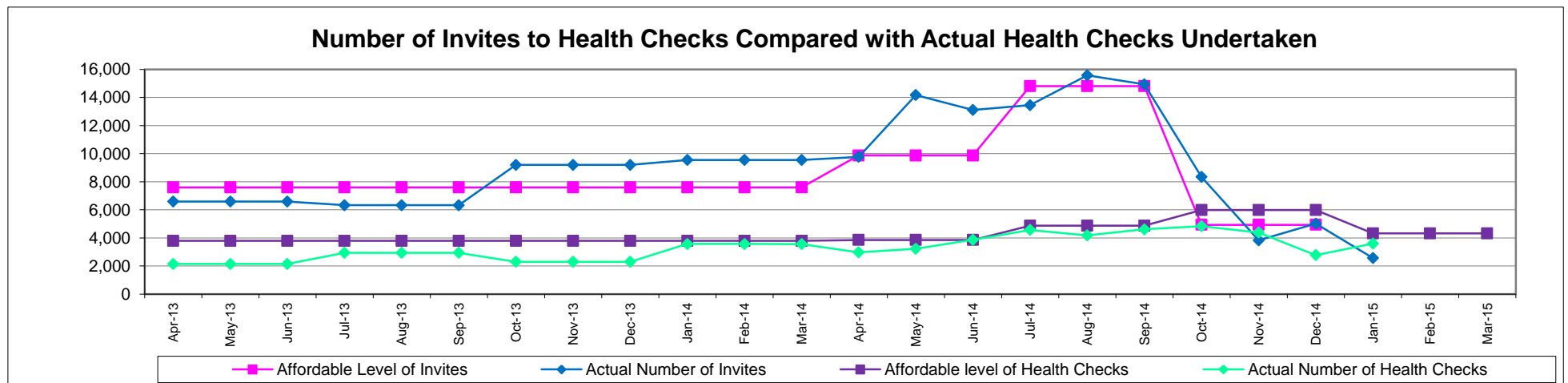
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Health Check invites compared to number of Health Checks undertaken

	2013-14				2014-15			
	Invites		Checks		Invites		Checks	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr					9,877	9,776	3,860	2,984
May	22,810	19,761	11,405	6,455	9,877	14,169	3,860	3,225
Jun					9,878	13,108	3,862	3,865
Jul					14,816	13,457	4,874	4,572
Aug	22,810	18,996	11,405	8,836	14,816	15,577	4,875	4,179
Sep					14,816	14,933	4,876	4,613
Oct					4,939	8,345	5,987	4,837
Nov	22,810	27,608	11,405	6,924	4,939	3,831	5,988	4,389
Dec					4,938	5,014	5,989	2,782
Jan					0	2,568	4,324	3,594
Feb	22,811	28,639	11,406	10,709	0		4,325	
Mar					0		4,325	
TOTAL	91,241	95,004	45,621	32,924	88,896	100,778	57,145	39,040

Comments:

- As can be seen from the difference in total budgeted activity for invites and checks, not all people invited for a health check attend a check and there is often a delay between the invite and the health check taking place.
- The invites planned activity is weighted towards the early part of the year to give time for the follow-up process to maximise the number of people attending a health check.
- The planned number of invites is based on 20% of eligible population (as it is a 5 year programme) and was based on DoH estimates, but more recent GP data shows an increase in the eligible population. This activity is therefore anticipated to be above budget for the year.



2.2 Cost of Health Check invites and Health Checks undertaken compared to budget

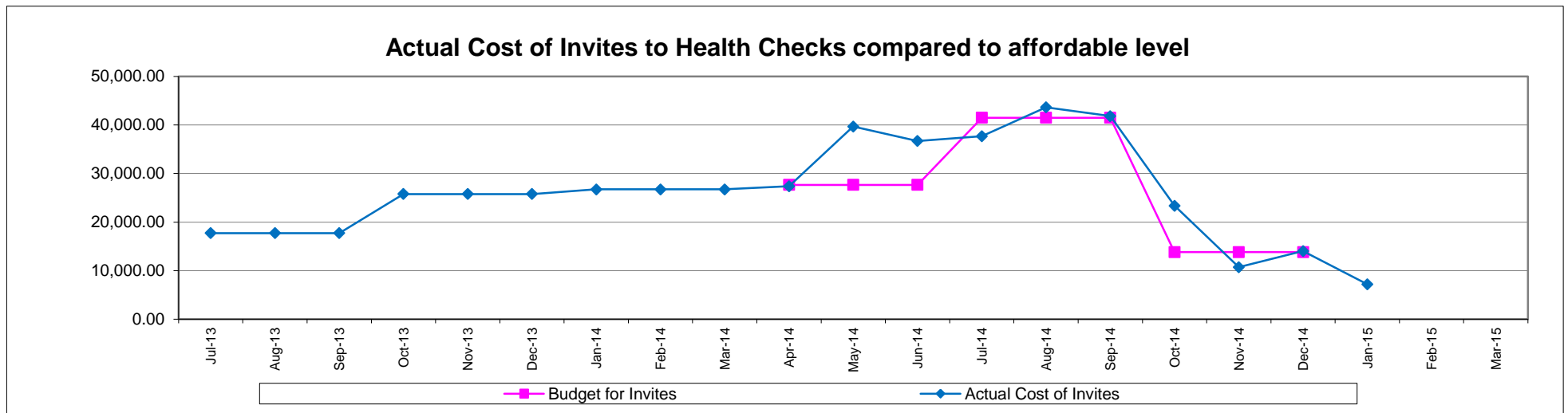
	2013-14 *		2014-15			
	Invites	Checks	Invites ~		Checks #	
	actual cost (£)	actual cost (£)	Budget (£)	actual cost (£)	Budget (£)	actual cost (£)
Apr			27,656	27,373	92,700	77,081
May	0	0	27,656	39,673	92,700	79,696
Jun			27,658	36,702	92,748	95,130
Jul			41,485	37,680	117,052	112,119
Aug	53,189	210,746	41,485	43,616	117,076	104,137
Sep			41,485	41,812	117,100	113,424
Oct			13,829	23,366	143,781	116,768
Nov	77,302	175,920	13,829	10,727	143,805	110,779
Dec			13,826	14,039	143,829	66,666
Jan			0	7,190	103,843	89,540
Feb	80,189	266,524	0		103,869	
Mar			0		103,869	
<b>TOTAL</b>	<b>210,680</b>	<b>653,190</b>	<b>248,909</b>	<b>282,178</b>	<b>1,372,372</b>	<b>965,340</b>

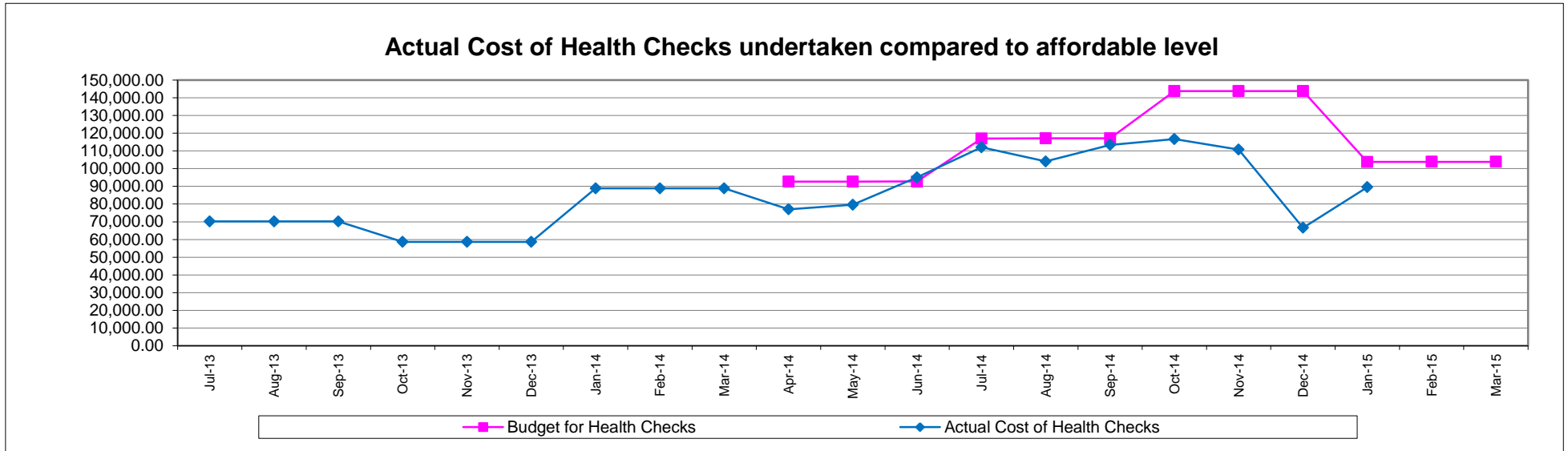
\* In 2013-14 the service was initially commissioned on a block contract basis. From the second quarter this was amended to a performance basis, with specific activity budgets set for the year, with payments being related to the level of activity provided.

# Health check activity for the first ten months of 2014-15 is below budget and is expected to remain below budgeted levels this financial year.

~ The health check invites activity for the first ten months of 2014-15 is above budget. We are expecting some further invite costs in the last two months of the year as not all practices had submitted their data by the end of January.

As a result of # and ~ above, a net £187k underspend is forecast on health checks & invites, as reflected against Targeting Health Inequalities in table 1 of section 1.2 above.





**Comments:**

- The NHS Health Checks programme is monitored closely with a focus on performance and contract management. The targets for 2014-15 are more stretching, providers are expected to deliver significantly more checks during the year. The target for invites is weighted towards the first part of the year to give time for the follow-up process to maximise the number of health checks that are delivered in year.
- The budget for Health Checks is made up of a fixed cost element £465,756 and a performance element £1,621,281. The performance element is shown in the activity data above, with a budget of £248,909 for invites and £1,372,372 for health checks (totalling £1,621,281).
- The budgeted activity level for invites is based on the eligible population. The budgeted activity level for health checks is higher in 2014-15 as the provider is expected to make up for the underperformance in the previous year. It is now anticipated that the number of health check invites will be greater than budgeted due to an increase in eligible population. Any pressure as a result of this will be offset by a saving on checks.

**GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	<b>Directorate Total (£k)</b>	<b>+180,041</b>	<b>-80</b>	<b>-</b>	<b>-80</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<b>Growth, Environment &amp; Transport</b>						
Strategic Management & Directorate Support budgets	4,782.4	-93.6	4,688.8	+183	+415 Savings held centrally but being more than achieved through underspends within other budget headings (primarily in Community Wardens, Sports Development, and Development Planning within Highways Management).  -179 This results from a number of vacancies as well as some staffing costs being covered by the Facing the Challenge budget (see annex 6).  -53 Other minor variances	This pressure is expected to be on-going and realignment of budgets has been reflected in the 2015-18 MTFP  Part of this saving is expected to be ongoing and has been reflected in the 2015-18 MTFP
<u>Children's Services - Education &amp; Personal</u>						
- 14 - 19 year olds	111.9	-59.3	52.6	0		
<u>Community Services:</u>						
- Arts Development (incl. grant to Turner Contemporary)	2,435.8	-300.7	2,135.1	-17		
- Community Safety	443.3	-61.2	382.1	-29		
- Community Wardens	2,689.8	0.0	2,689.8	-221	-315 Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).  +94 Other minor variances	This saving is expected to be ongoing and realignment of budgets has been reflected in the 2015-18 MTFP



Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Gypsies & Travellers	666.1	-430.0	236.1	-69		
- Libraries, Registration & Archives (LRA)	18,526.2	-5,256.7	13,269.5	-1,171	-554 Increased Registration Service income primarily from ceremonies and nationality checking service -470 Staffing vacancies and reductions in sessional staff costs -155 Increased Libraries & Archives income primarily from audio visual hire, fines and sale of old stock -100 Rebate received in respect of costs incurred in prior years related to the cash management system. +108 Other minor variances, each below £100k	This additional income is expected to be on-going and has been reflected in the 2015-18 MTFP
- Sports Development	2,725.5	-1,925.3	800.2	-139	-121 Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets). -18 Other minor variances	This saving is on-going and realignment of budgets between these A to Z lines has been reflected in the 2015-18 MTFP
	27,486.7	-7,973.9	19,512.8	-1,646		
<u>Environment:</u>						
- Country Parks	1,532.9	-1,023.7	509.2	-41		£25k of this underspend will be requested as a roll-forward to support additional marketing required to enable the service to deliver its savings target in 2015-16.
- Countryside Access (incl. Public Rights of Way)	2,642.1	-885.1	1,757.0	-26		
- Environment Management	4,752.7	-2,414.6	2,338.1	-115	-115	A number of minor variances, each below £100k
	8,927.7	-4,323.4	4,604.3	-182		
<u>Highways:</u>						
- Highways Maintenance						
- Adverse Weather	3,214.9	0.0	3,214.9	+1		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
- Bridges & Other Structures	2,242.3	-221.9	2,020.4	-124	-124	A number of minor variances each below £100k
- General maintenance & emergency response	12,397.0	-475.8	11,921.2	+385	+151	Traffic management costs at junctions on high speed roads where additional grass cutting and weed control has been required as a result of the favourable growing conditions (mild & moist) and high water table.
					+273	Additional safety critical maintenance work
					-178	Income from highways consultancy and maintenance contractors where performance measures have not been met. This is normally reinvested into reactive maintenance on the highway but given the mild winter we have not seen the normal levels of carriageway damage caused by ice, thus these funds are surplus.
					+139	Other minor variances
- Highway drainage	2,962.4	0.0	2,962.4	+215	+107	Late billing of storm damage costs from 2013-14 for which no creditor provision was set up in last year's accounts.
					+60	Increased soakaway cleansing costs
					+48	Other minor variances
- Streetlight maintenance	3,831.5	-154.0	3,677.5	-73		
	24,648.1	-851.7	23,796.4	+404		
- Highways Management:						
- Development Planning	2,117.5	-2,135.2	-17.7	-63	-157	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).
					+94	Other minor variances
- Highways Improvements	1,596.7	-33.3	1,563.4	-161	-161	A number of minor variances, each below £100k, including some staffing vacancies.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Road Safety	3,059.8	-2,146.4	913.4	-438	-352 Lower than budgeted average cost per attendee for Speed Awareness courses -7 Reduced costs of Speed Awareness courses due to lower than budgeted number of attendees +16 Reduced income for Speed Awareness courses due to fewer attendees -95 Other minor variances	This net saving is expected to be on-going and has been reflected in the 2015-18 MTFP
- Streetlight energy	5,689.5	0.0	5,689.5	-297	-140 Greater than budgeted savings achieved from part night switch-off energy saving initiative, partially offset by costs of additional streetlights at new developments. -157 Lower than budgeted impact of electricity price increase	This saving is expected to be on-going and has been reflected in the 2015-18 MTFP
- Traffic management	5,304.7	-3,363.2	1,941.5	-245	-249 Increased permit scheme income +4 Other minor variances	
- Tree maintenance, grass cutting & weed control	3,361.5	0.0	3,361.5	-49	+148 Additional weed treatment. The budget only provides for one treatment but two treatments have been undertaken this year due to the mild and moist conditions leading to favourable growing conditions. -118 Procurement saving on grass cutting -94 Underspend within High Speed Roads due to termination of works to offset High Speed Roads traffic management pressures reported within the General Maintenance & Emergency Response A-Z budget line above. +15 Other minor variances	This saving is expected to be on-going and has been reflected in the 2015-18 MTFP
	21,129.7	-7,678.1	13,451.6	-1,253		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
<u>Planning &amp; Transport Strategy:</u>						
- Planning & Transport Policy	1,121.7	-60.0	1,061.7	-67		
- Planning Applications	1,094.4	-600.0	494.4	0		
	2,216.1	-660.0	1,556.1	-67		
<u>Regeneration &amp; Economic</u>						
- Regeneration & Economic Development Services	5,739.3	-1,777.8	3,961.5	-13		
<u>Regulatory Services</u>						
- Coroners	3,664.4	-1,032.7	2,631.7	-257	-171 Long Inquest costs lower than expected -87 Fixtures, fittings and IT costs of setting up the coroners officers in KCC accommodation are considerably less than expected -70 This underspend has arisen because the implementation of the new structure has been delayed until the new financial year. The service is therefore requesting roll-forward to cover the re-phasing of the expected costs of restructuring. +71 Other minor variances	
- Emergency Planning	761.8	-169.0	592.8	-92		
- Trading Standards (incl. Kent Scientific Services)	3,812.8	-945.6	2,867.2	+15		
	8,239.0	-2,147.3	6,091.7	-334		
<u>Schools Services</u>						
- Other Schools Services	445.4	0.0	445.4	0		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
<u>Transport Services:</u>						
- Concessionary Fares	17,006.0	-27.0	16,979.0	+156	<p>-376 The budget to fund the bulk renewal of the bus passes, which happens every five years, is £376k; this was last done in 2012-13 meaning that aside from passes for new applicants, this budget will remain underspent this year.</p> <p>+150 It has been agreed that it is now more appropriate to set up a smoothing reserve with a fixed annual contribution, which is then fully drawn down every five years to fund the bulk renewal of passes. The annual contribution to reserves required is £75k and the renewal takes place in four years time. For this year only a £150k transfer to reserves is required, representing a two year contribution for 2013-14 and 2014-15.</p> <p>+482 Increased bus operator costs due to increased journeys being taken.</p> <p>-100 Other minor variances.</p>	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Freedom Pass / Young Person's Travel Pass	13,301.5	-4,596.0	8,705.5	+2,307	+2,159	The Young Person's Travel Pass (YPTP) is a new scheme and a number of assumptions were made when setting the 2014-15 budget around the number of passes as well as the usage, both in terms of number of journeys and distance travelled. Reconciliations have now been provided by our concessionary travel consultant, MCL Transport Services, for the first three quarters of the year, and as can be seen from the activity table in 2.3, journey numbers are significantly above budgeted levels. Both the old Freedom Pass scheme and the new YPTP scheme have experienced higher journey numbers, which in part is due to some of the assumptions around the reductions expected from the weekend and evening restrictions not being fully achieved. In addition, the full impact from reductions in additional capacity bus payments has not been realised and bus operators have increased their fares between 2-5%, which is recognised in the reimbursement method of calculating the payments to bus operators – to ensure they are no better or worse off – and hence has added to the pressure on this budget.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					+148	A shortfall in income is projected because the current number of passes issued for the new scheme is below expected levels and also there is a different mix of full price, half price and free passes than assumed in the budget model (students in receipt of free school meals pay half price, and students in care, care leavers or young carers pay nothing).
- Subsidised Bus Routes	10,093.8	-2,185.7	7,908.1	-853	-640	Additional savings from negotiation of lower than budgeted prices and greater contract efficiencies.
					-213	Other minor variances primarily resulting from reduced staffing costs.
- Transport Operations	1,271.4	-214.5	1,056.9	+87		
- Transport Planning	562.8	-228.0	334.8	0		
	42,235.5	-7,251.2	34,984.3	+1,697		
<u>Waste Management</u>						
- Waste Commissioning & Contract Management	1,353.9	0.0	1,353.9	-89		
- Recycling & Diversion from Landfill:						
- Household Waste Recycling Centres	7,897.2	-1,982.0	5,915.2	-123	-312	Underspend due to contract changes at household waste recycling centres
					-208	The amounts to be paid in recycling bonuses to contractors are expected to be lower than budget primarily as a result of a change of contractor at two sites, where under the terms of the new contract no bonuses are payable.
					+130	Reduced income primarily resulting from reduced volumes of recyclable metals.
					+167	Reduction in income primarily in relation to the sale of recycled textiles
					+100	Other minor variances

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Partnership & development	500.7	-168.0	332.7	-38		
- Payments to Waste Collection Authorities (DCs)	6,241.0	-102.0	6,139.0	+302	+193 The Church Marshes Waste Transfer Station is currently not able to take food waste, meaning that Swale Borough Council's contractor must dispose of this at a different site and is incurring additional costs in doing so. KCC has agreed to reimburse these costs until problems at the site are resolved, which should be by the end of the financial year.  +150 Additional tipping away payments for Canterbury City Council following the end of a temporary arrangement to tip dry recyclable material within the council's boundary; the material is now tipped outside of the Canterbury area.  +89 Increased recycling credit payments to Waste Collection Authorities and third party recyclers resulting from the higher volume of waste (+1,400 tonnes).  -99 Underspend on lease costs of Refuse Collection Vehicles in Shepway, net of reduced recharge to Shepway District Council.  -31 Other minor variances	
- Recycling Contracts & Composting	8,111.0	-992.0	7,119.0	-526	+610 Forecast increase of +10,900 tonnes of hardcore, wood, garden and food waste, and other materials; the higher volume of waste has generated a small amount of additional income which is also included within this variance.  -1,038 Savings resulting from the new Materials Recycling Facilities contract  -102 Actual price of in-vessel composting is lower than budgeted	Additional funding to address pressures resulting from increased waste tonnage has been reflected in the 2015-18 MTFP.  The full year effect of savings from new waste contracts has been reflected in the 2015-18 MTFP



Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross £'000	Income £'000	Net £'000	Net £'000			
					£'000 +4	Other minor variances	
	22,749.9	-3,244.0	19,505.9	-385			
- Waste Disposal:							
- Closed Landfill Sites & Abandoned Vehicles	568.0	-30.0	538.0	-54	+172	Insufficient creditor provision set up for Southern Water charges in 2013-14, plus an increase in the metered water charges at North Farm	Approx. £90k of this pressure is expected to be ongoing and has been addressed in the 2015-18 MTFP
					-168	Small underspends within Pollution Control Schemes.	
					-58	Other minor variances	
- Disposal Contracts	31,131.0	-156.0	30,975.0	+976	+845	An additional net +7,000 tonnes of residual waste dealt with at Allington Waste to Energy plant (due to an additional +40,000 tonnes of residual waste, offset by -33,000 tonnes being diverted to landfill due to down time).	Additional funding to address pressures resulting from increased waste tonnage has been reflected in the 2015-18 MTFP.
					+469	An additional net +21,000 tonnes of residual waste sent to landfill (due to +33,000 tonnes following re-direction of waste due to down time at the Allington Waste to Energy Plant, and a reduction in overall residual waste sent for landfill of -12,000 tonnes).	
					-401	Income from Trade Waste at North Farm and Dunbrik	
					+63	Other minor variances	This is expected to be ongoing and has been reflected in the 2015-18 MTFP

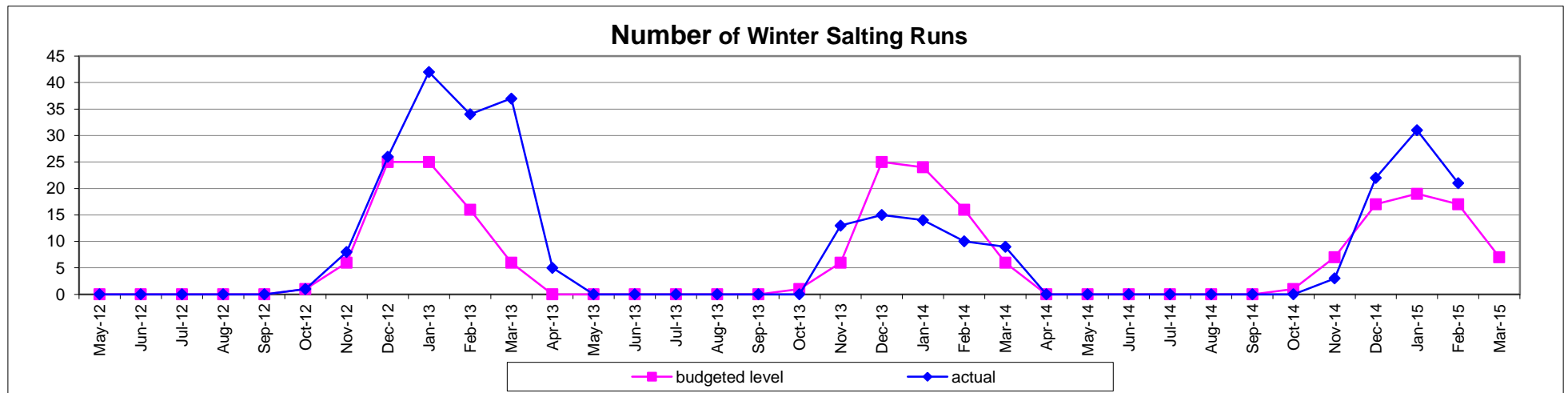
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
- Haulage & Transfer Stations	9,947.0	-75.0	9,872.0	-1,029	-823 Underspend due to contract changes at transfer stations -215 Reduced volume of waste at certain sites that are outside of the new contracts has resulted in an underspend. With the advent of the new contracts some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore a corresponding increase in volume at the sites which are included in the new contracts, has not attracted an offsetting additional cost. +9 Other minor variances	
- Landfill Tax	4,651.0	0.0	4,651.0	+1,712	+1,712 A net +21,000 tonne increase in the volume of waste sent to landfill due to down time at the Allington Waste to Energy plant (+33,000 tonnes), together with a -12,000 tonne reduction in residual waste sent for landfill.	Additional funding to address pressures resulting from increased waste tonnage has been reflected in the 2015-18 MTFP.
	46,297.0	-261.0	46,036.0	+1,605		
<b>Total GE&amp;T</b>	<b>216,362.6</b>	<b>-36,321.3</b>	<b>180,041.3</b>	<b>-80</b>		
<b>Assumed Mgmt Action</b>						
<b>Total Forecast <u>after</u> mgmt action</b>	<b>216,362.6</b>	<b>-36,321.3</b>	<b>180,041.3</b>	<b>-80</b>		

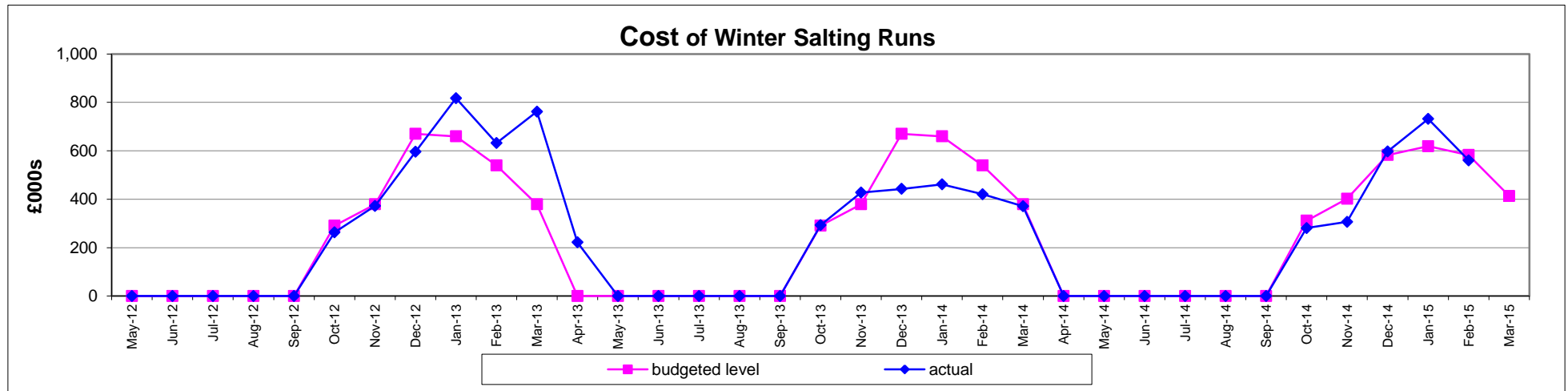
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs

	2012-13				2013-14				2014-15			
	No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs	
	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000
Apr	-	1	-	12	-	5	-	222	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-
Oct	1	1	291	263	1	-	291	293	1	-	311	281
Nov	6	8	379	372	6	13	379	428	7	3	402	306
Dec	25	26	670	596	25	15	670	443	17	22	583	597
Jan	25	42	660	817	24	14	660	462	19	31	619	732
Feb	16	34	540	632	16	10	540	421	17	21	583	561
Mar	6	37	379	762	6	9	379	371	7	-	414	-
	<b>79</b>	<b>149</b>	<b>2,919</b>	<b>3,454</b>	<b>78</b>	<b>66</b>	<b>2,919</b>	<b>2,639</b>	<b>68</b>	<b>77</b>	<b>2,911</b>	<b>2,478</b>

The budgeted number of salting runs assumes county wide coverage but in some cases, the actual number includes salting runs for which only part county coverage was required.





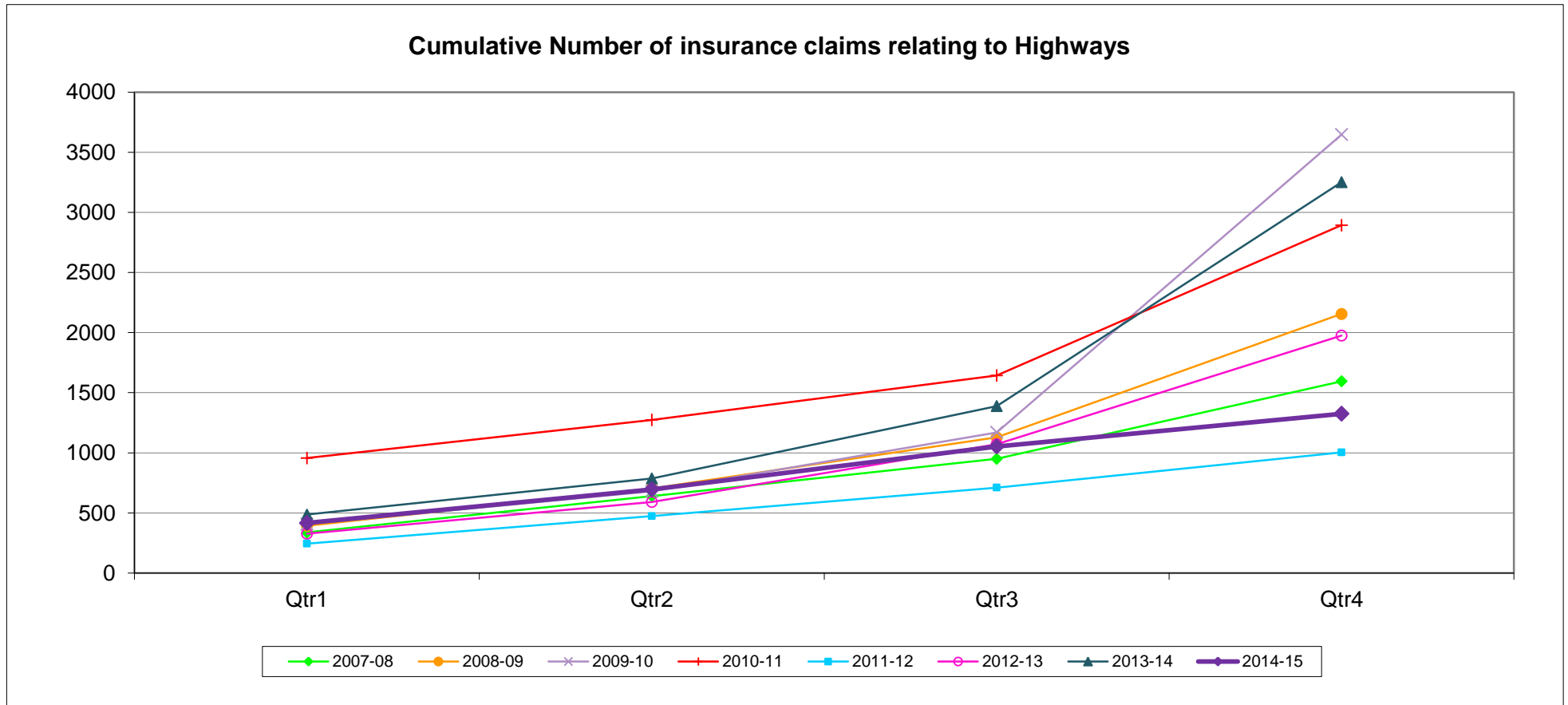
**Comments:**

- As a result of the prolonged hard winter which extended into April 2013, unbudgeted salting runs were required at the start of last financial year resulting in additional expenditure of £222k. However the actual number of salting runs was below budgeted levels due to the mild winter of 2013-14. Overall there was a net underspend of -£176k on the adverse weather budget in 2013-14 which was due to an underspend of -£280k on winter salting runs (as shown in the table above), an overspend of £146k due to insufficient provision being made for 2012-13 salting costs and an underspend of £42k of other costs associated with adverse weather, not directly attributed to salting runs. The 2014-15 budgeted level of runs is lower than either of the last two years as the contract has changed with a greater proportion of the total cost per run now being fixed, resulting in fewer overall runs being affordable.
- The actual number of salting runs in 2012-13 was above the budgeted levels, however, the budgeted cost of salting runs was calculated using the worst case scenario in terms of the rate of spread of salt. As the actual spread of salt was at a lower rate than assumed, this resulted in the costs of salting runs not being as high as the number of salting runs may suggest. Overall there was a net overspend of £1.669m on the adverse weather budget in 2012-13, which was due to an overspend of £0.535m on winter salting runs (as shown in the table above) and an overspend of £1.134m of other costs associated with adverse weather, not directly attributed to salting runs, such as costs of snow clearance, maintenance costs of farmers' ploughs, salt bins & weather stations.
- 2014-15 year to date activity is 16 salting runs above the affordable level but £19k below budget as at February. Many of the runs have required a lower spread of salt than assumed in the budget and also on a number of occasions the whole county has not been treated, which again results in reduced costs. Together, this has resulted in the costs of salting runs not being as high as the number of runs may suggest. This small variance does not show in Table 1 of section 1.2 as it is offset by other minor variances.

2.2 Number of insurance claims arising related to Highways

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
Apr to Jun	337	393	408	956	245	327	486	416
Jul to Sep	640	704	680	1,273	473	590	786	695
Oct to Dec	950	1,128	1,170	1,643	710	1,072	1,388	1,053
Jan to Mar	1,595	2,155	3,647	2,893	1,003	1,975	3,251	1,325

claims to February



## Comments:

- Numbers of claims will continually change as new claims are received relating to incidents occurring in previous quarters. Claimants have three years to pursue an injury claim and six years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 28 February 2015.
- Claims were high in each of the years 2008-09 to 2010-11 largely due to the particularly adverse weather conditions and the consequent damage to the highway along with some possible effect from the economic downturn. These claim numbers may increase further as more claims are received for incidents which occurred during the period of the bad weather.
- Claims were lower in 2011-12 which could have been due to many factors including: an improved state of the highway following the find and fix programmes of repair, an increased rejection rate on claims, and a mild winter. However, claim numbers increased again in 2012-13, which was likely to be due to the prolonged hard winter and the consequent damage to the highway, but claim numbers did not increase to the levels experienced during 2008-09 to 2010-11, probably due to the continuation of the find and fix programmes of repair. Claim numbers were again high in 2013-14, probably due to the particularly adverse wet weather conditions and the consequent damage to the highway. However, additional funding has been made available to address this.
- The Insurance section continues to work closely with Highways to try to reduce the number of claims and currently the Authority is managing to achieve a rejection rate on claims received over the past 12 months where it is considered that we do not have any liability, of just over 92%.

2.3 Young Persons Travel Pass (formerly Freedom Pass)

The data for this activity indicator is only provided on a quarterly basis from our concessionary travel consultant, MCL Transport Services.

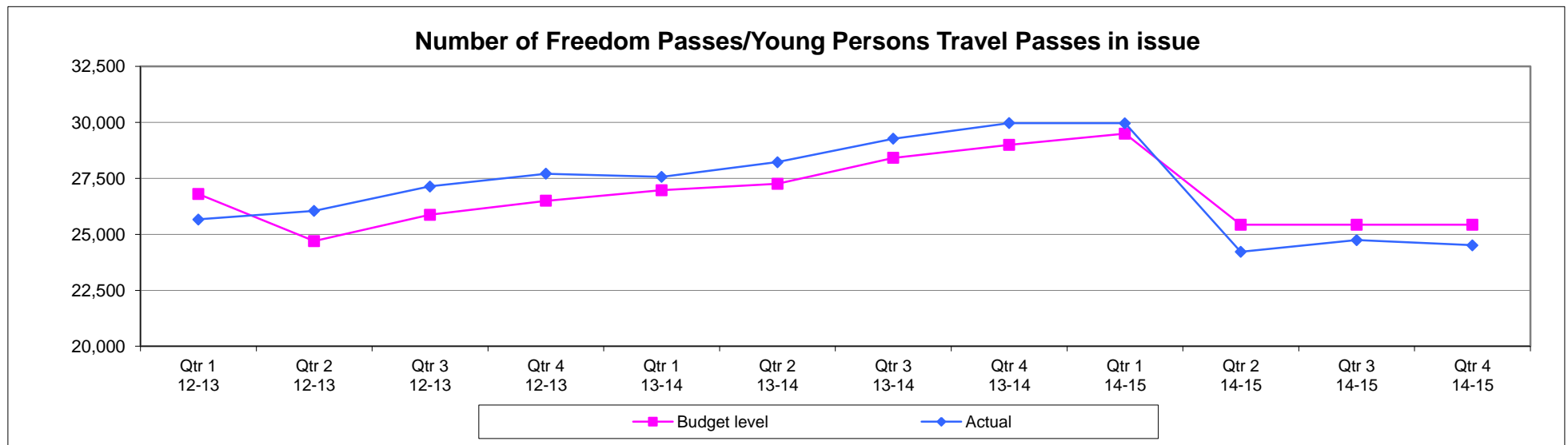
	2012-13				2013-14				2014-15			
	Passes		Journeys travelled		Passes		Journeys travelled		Passes		Journeys travelled	
	Budget level	Actual	Budget level (000's)	Actual (000's)	Budget level	Actual	Budget level (000's)	Actual (000's)	Budget level	Actual	Budget level (000's)	Actual (000's)
Qtr 1	26,800	25,668	2,108	2,136	26,970	27,571	2,263	2,361	29,500	29,966 <sup>^</sup>	2,210	2,407 <sup>#</sup>
Qtr 2	24,703	26,051	1,333	1,621	27,260	28,227	1,719	1,832	25,430 <sup>*</sup>	24,223	1,512	1,705
Qtr 3	25,877	27,141	2,137	2,464	28,420	29,272	2,534	2,627	25,430 <sup>*</sup>	24,747	1,789	2,076
Qtr 4	26,500	27,711	2,498	2,431	29,000	29,972	2,534	2,765	25,430 <sup>*</sup>	24,512 <sup>~</sup>	1,922	
			<b>8,076</b>	<b>8,652</b>			<b>9,050</b>	<b>9,585</b>			<b>7,433</b>	<b>6,188</b>

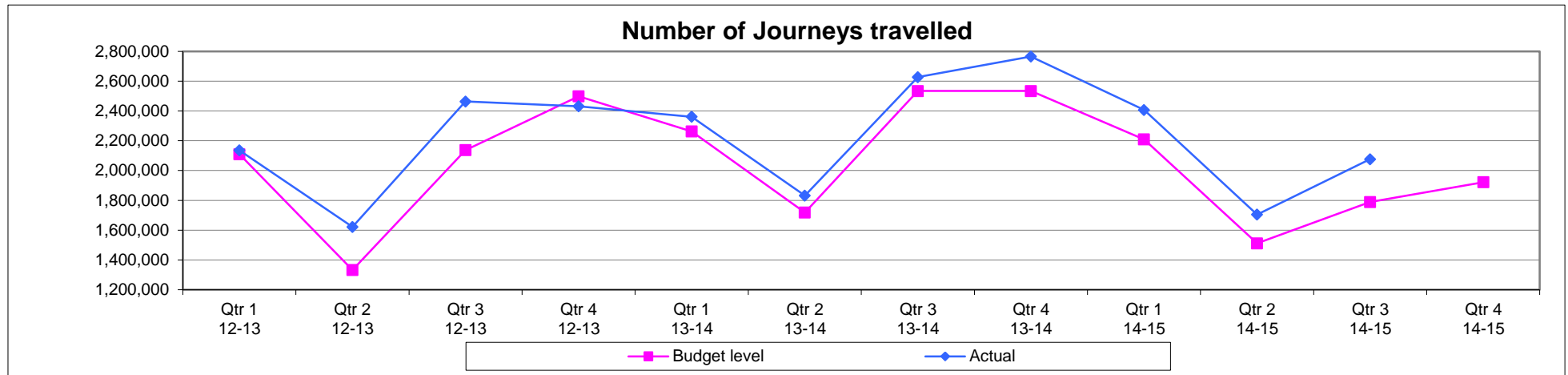
\* 2014-15 budget costings have been reviewed and the affordable number of passes for YPTP has changed as a result.

<sup>^</sup> The number of Qtr 1 Freedom Passes was revised in the quarter 3 report as it previously excluded, in error, young people who had upgraded from a Home to School Transport pass.

<sup>~</sup> This reflects the known number of valid passes for March 15, as at mid March. Further applications are still being received, so this figure will be updated in future reports to provide the snapshot of passes as at 31 March 2015.

<sup>#</sup> The Qtr 1 actual journeys was revised in the quarter 3 report following reconciliation by our concessionary travel consultant, MCL Transport Services.





**Comments:**

- Freedom Pass applications steadily increased from quarter one of 2012-13 to when the old scheme ceased in Quarter 1 2014-15, due in part to changes in education transport policy, and the continued popularity of the scheme, resulting in a pressure on this budget in 2012-13, hence Cabinet, at the 15 July 2013 meeting, agreed to allocate £800k of rolled forward 2012-13 underspending to support this budget in 2013-14. Despite this, there was still a pressure on this budget in 2013-14 also.
- The figures for actual journeys travelled are regularly reviewed and updated as further information is received from the bus companies, so may be subject to change.
- The above figures do not include journeys travelled relating to free home to school transport as these costs are met from the Education & Young People Directorate budget and not from the Young Persons Travel Pass budget.
- The reduction in the budgeted number of journeys for 2014-15 is as a result of the introduction of a new scheme, agreed by County Council in February 2014, restricting travel to between the hours of 6am and 7pm, Monday to Friday, between 1 September and 31 July, meaning the pass is no longer valid during the school summer holidays or at weekends. As a result of these changes it was anticipated that the number of passes in issue will reduce and this is reflected in the 2014-15 budgeted number of passes shown in the table above.
- The above figures show that the number of passes for the old scheme in issue in Quarter 1 was above the budgeted number, as were the number of journeys being travelled. Following implementation of the changes to the scheme, YPTP pass numbers remain short of budgeted levels: 24,223 new passes were issued as at 30 September 2014 for the new academic year; this increased to 24,747 as at 31 December 2014, but the figure as at 10 March has reduced to 24,512. This reduction is as a result of a number of half year passes not yet being renewed for the second half of the academic year (applications were due by early January, although a number of requests for renewals are continuing to come in).

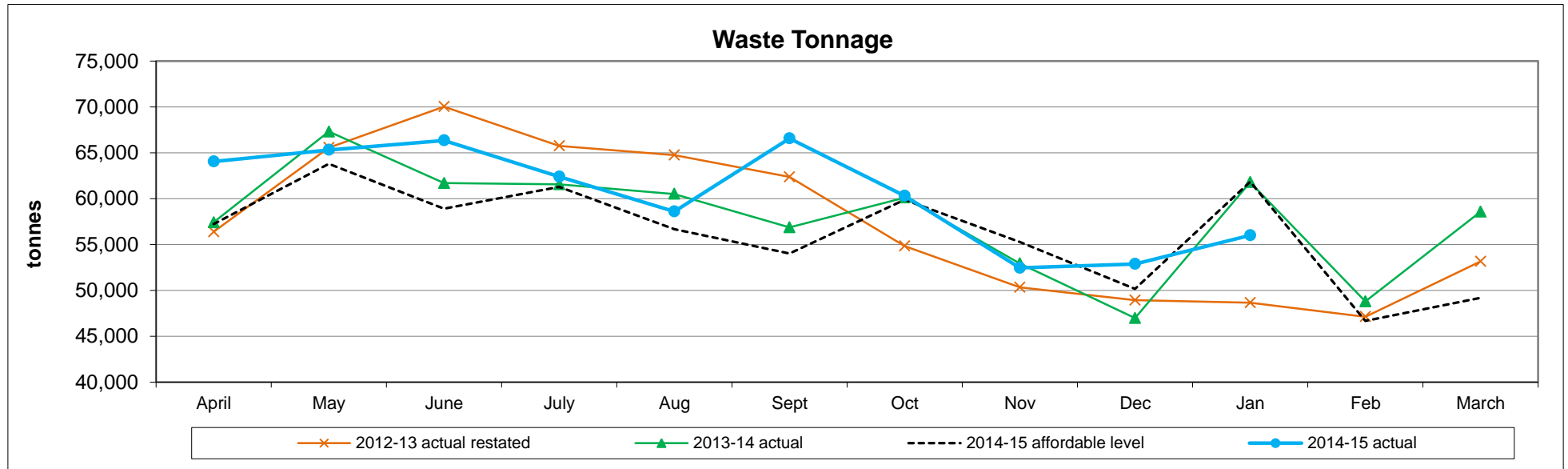


2.4 Waste Tonnage

	# 2012-13 restated	2013-14 restated	2014-15	
	Waste Tonnage	Waste Tonnage	Affordable Level ^	* Waste Tonnage
Apr	56,390	57,423	57,246	64,047
May	65,562	67,314	63,802	65,319
Jun	70,033	61,701	58,899	66,356
Jul	65,764	61,563	61,282	62,410
Aug	64,760	60,519	56,684	58,595
Sep	62,377	56,884	54,032	66,569
Oct	54,837	60,127	59,881	60,300
Nov	50,344	52,934	55,294	52,448
Dec	48,925	46,979	50,167	52,888
Jan	48,668	61,791	61,844	56,016
Feb	47,135	48,801	46,682	
Mar	53,150	58,583	49,187	
	<b>687,945</b>	<b>694,619</b>	<b>675,000</b>	<b>604,948</b>

- ^ Historically contracts with service providers have been on the basis of a four/four/five week cycle of accounting periods (with weeks ending on a Sunday), rather than on calendar months, and reported waste tonnages have reflected this. From April 2013, due to changes in managing waste contracts, all service providers have transferred on to a calendar month basis .
- # The 2012-13 actual waste tonnage data has been restated on a calendar month basis to ease comparison with 2013-14.
- \* Note: waste tonnages are subject to slight variations between reports as figures are refined and confirmed with Districts.

These waste tonnage figures include residual waste processed either through Allington Waste to Energy plant or landfill, recycled waste and composting.



## Comments:

- From 2013-14 Waste tonnage data is based on waste outputs from transfer stations rather than waste inputs to our facilities. This is necessary due to the changes in how waste is being presented to KCC by the waste collection authorities, where several material streams are now being collected by one refuse collection vehicle utilising split body compaction. These vehicles are only weighed in once at our facilities, where they tip all of the various waste streams into the separate bays, and then the vehicle is weighed out when empty. The separate waste streams are stored separately at our transfer stations, where these materials are bulked up for onward transfer to various processing plants/facilities. The bulked loads are weighed out, providing data for haulage fees and then are weighed in at the relevant processing plant, providing data for processing fees. All the data presented in the table above has been restated on this output basis in order to enable comparison.
- The overall volume of waste managed in 2013-14 was 694,619 tonnes, which was 20,381 tonnes below the affordable level and equated to a saving of £2.155m. However this saving on waste volumes was offset by other pressures within the service, giving an overall saving against the waste management budget of £0.778m last year.
- The actual tonnage in 2013-14 of 694,619 tonnes was far higher than the forecast figure of 676,900 tonnes based on actuals to January and reported to Cabinet in April. This unexpected increase in volume in the final quarter of 2013-14 has continued into 2014-15, with cumulative tonnage activity for the ten months of the year to date approximately 25,800 tonnes more than the affordable level for the same period; the 2014-15 affordable level is based on the actual activity of the first three quarters of 2013-14. This increase in waste tonnage is reflected in the current financial forecast in table 1 of this annex.
- Based on the actual waste tonnage for April to January, and forecasts for February to March, the overall volume of waste to be managed this financial year is expected to be approximately 715,300 tonnes, which is 40,300 tonnes above the affordable level and equates to a pressure of £3.640m. However with the advent of the new contracts some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore an increase in waste tonnage may not always result in an increased pressure on the waste budget. The pressure on waste volumes is largely offset by other savings within the service, as detailed in table 1, giving an overall net pressure against the waste management budget of +£1.131m. The service believes that the increase in waste tonnage experienced over the last twelve months can be mostly explained by two separate issues. Firstly, climatic: the extraordinarily mild and moist winter of 2013-14 and spring 2014, as well as a markedly high water table, led to a very favourable and advanced growing season, leading to high levels of organic waste. In addition, large volumes of broken fence panels etc were evident in the early part of the financial year as a result of repairs to winter storm damage. Secondly, the growth in the UK economy has led to increased waste arising across the UK, but particularly in the south east, where economic activity is greatest, in particular in house purchases and renovations.
- The figures in Table 1 of section 1.2 are based on actual activity for April to January, with estimates for the remaining two months. Overall waste volumes are currently 3.0% higher for the ten months of the year to date when compared with the same period for last year and the forecast outturn position of 715,300 tonnes is also 3.0% higher than the actual tonnage for 2013-14. Waste tonnage in two of the last three months is below the affordable level, which is encouraging and may suggest that the recent trend of increased waste volumes is starting to reverse and fall more in line with expectations, however waste volumes remain volatile.

### 3. CAPITAL

3.1 The Growth, Environment and Transport Directorate has a working budget for 2014-15 (which has now been updated to reflect the 2015-18 budget set by County Council on 12th February 2015) of £131,198k. The forecast outturn against the 2014-15 budget is £110,869k giving a variance of -£20,329k.

3.2 **Table 2** below details the Growth, Environment and Transport directorate Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Rolling Programmes</b>									
Country Parks Access and Development	180	77	-20	-20	Rephasing: capital receipt		Green	No impact on completion date.	
Library Modernisation Programme	1,095	60	-60	-60	Rephasing: -£41k Real: -£19k both prudential	Remaining budget held to cover pressures elsewhere in capital programme. -£19k underspend to cover overspend on Tunbridge Wells Library.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Management and Modernisation of Assets - Vehicles	430	166	-114	-114	Rephasing: prudential	The Libraries, Registration and Archives Service may need to consider changes to mobile library services as part of the whole service transformation. Decisions about replacement vehicles need to wait until there is a clear direction for the service as this could impact on the type of vehicle needed to deliver the service.	Amber	The Libraries, Registration and Archives Service will decide in 15/16 the way forward regarding the mobile libraries vehicles and such replacements, hence rephasing to 15/16.	
Public Rights of Way	2,505	1,410	-90	-90	Real: External Other +£10k, Grant -£100k	Real variance of -£100k against grant to correct a double count at budget build time.	Green		Increase 14-15 cash limit by £10k external other. Decrease 14/15 cash limit by £100k grant.
Public Sports Facilities Improvement - Capital Grant	300	100	-14	-14	Rephasing: prudential		Green		
Village Halls and Community Centres - Capital Grants	725	325	-60	-60	Rephasing: prudential		Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening	83,582	39,732	-540	-540	Rephasing: -£388k external other; -£487k grant  Real: +£134k grant, +£20k external other and +£181k revenue	-£355k following a recent review of the resurfacing schemes delivery, and several barrier replacement schemes which now require detailed design and public consultation. -£520k due to shortage of specialist resources needed for the street light columns replacement programme.  +£134k uncommitted member grant to fund increased costs relating to final account for resurfacing contracts. +£20k external contribution towards tourism signs and footway repairs. +£181k revenue: £138k for salt bins, snow blowers and enhancement works at weather stations to be funded from a renewal reserve and £43k from Member grant to part fund a resurfacing scheme at Sea Street, Dover.	Green		Increase 14-15 cash limit by +£100k grant (this is to be funded from the underspend against Weather Damage-Major Patching. This will be used in 15-16 to fund increased project costs following the contractor's valuation for North Down Road Margate.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Integrated Transport Schemes under £1 million	11,346	5,871	-344	-344	Real: - £24k grant and +£37k external other: Rephasing: -£66k grant and -£291k developer contributions	-£24k real variance due to a reduction in the level of LSTF grant that can be claimed in 2014-15 following review of the LSTF scheme which will now not be delivered by 31 March 2015. An additional +£37k external contribution towards the enhancement of a Folkestone LSTF scheme. -£357k rephasing comprises a number of schemes reprofiled across the Integrated Transport programme.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Member Highway Fund		1,070	-299	-299	Real: -£134k grant Rephasing:-£165k grant	Real variance of -£134k uncommitted member grant which will be used to settle increased final resurfacing accounts within the Highway Major Enhancement programme. Rephasing of -£165k consists of: -£68k for schemes which have been ordered but where delivery has been delayed following scheme redesign as a result of public consultation and £97k for committed schemes yet to be designed.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Land compensation and Part 1 claims arising from completed projects	1,213	347	-308	-308	Real: -£37k developer contributions Rephasing: -£70k developer contributions and -£201k prudential	Real variance of -£37k as less claims are now being anticipated. Rephasing due to significant delays in mobilising new valuation service tender to the new provider. The forecast has been adjusted to reflect actual completion within the financial year.	Green		
Major Schemes - Preliminary Design Fees	450	680	-480	-480	Rephasing : -£330k prudential and -£150k prudential	Third party funding has now been received that reimburses the expenditure incurred in the early delivery of LEP schemes. The budget is therefore being rephased to 2015-16.	Green		
<b>Individual Projects</b>									
Dartford Library Plus	434	0	0	0			Amber	Project has been rephased to 15/16 and will remain amber status until new completion date agreed.	
Kent History & Library Centre	0	104	-94	-94	Rephasing: -£94k PEF2		Green	There has been no impact on the completion date.	



## ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
New Community Facilities at Edenbridge	0	43	0	0			Green		
Southborough Hub	250	0	0	0			Amber	Project has been rephased to 15/16 and will remain amber status until revised scheme completion date agreed.	
Tunbridge Wells Library	0	10	19	19	Real: +£19k Prudential	Overspend funded by underspend on Library Modernisation.	Amber	Consultants fees received for extended works on original contract.	
Sustainable Access to Maidstone Employment Areas	0	100	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Broadband	21,850	11,618	-3,613	-3,613	Rephasing: -£3,376k grant and -£237k prudential	As a result of the in-life contract management controls, KCC has been working with BDUK to identify potential savings and deployment efficiencies within the broadband programme work. Whilst good progress is being made, and the project deployment remains on track, given that the infrastructure build is now moving into more complex areas, some re-phasing is required.	Green	There has been no impact on the completion date.	
Cyclopark	0	35	0	0			Green	The revised completion date of 30/06/2015 has been previously reported	
Empty Property Initiative	7,500	2,982	-482	-482	Rephasing: external other	Potential loans from this project have been diverted to develop the new NUE (No Use Empty) programme so the product can be developed and tested.	Green	There has been no impact on the completion date.	

**ANNEX 5**

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Eurokent Road (East Kent)	69	9	0	0			Green		
Folkestone Heritage Quarter	300	712	0	0			Green		
Incubator Development	0	401	-17	-17	Rephasing: prudential		Green	There has been no impact on the completion date.	
Marsh Million	200	433	-300	-300	Rephasing: -£200k capital receipt and £100k external other	The take-up of funding for this scheme has been slow. Marketing activity has been ongoing to raise the profile of the fund.	Green	There has been no impact on the completion date.	
No Use Empty - Rented Affordable Homes	250	563	795	795	Real: external funding	Following full project spend the HCA funding is now available and reflected in the forecast.	Green		
Old Town Hall, Gravesend	58	48	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Payers Park	0	500	0	0			Green		
Regeneration Fund Projects	2,006	50	162	162	Real: external other	Part repayment of a loan paid out by the regeneration fund in 2013/14	Green		Increase 14-15 cash limit by £162k external other.
Regional Growth Fund - Expansion East Kent	21,000	23,160	-8,160	-8,160	Rephasing: grant	The forecast has been amended to reflect the applications that are expected to be defrayed this year.	Green		
Regional Growth Fund - Journey Time Improvement (JTI)	4,556	330	23	23	Rephasing: grant		Green		
Rural Broadband Demonstration Project	1,315	159	0	0			Green		
Swale Parklands	0	23	0	0			Green	The revised completion date of 31/03/2015 has been previously reported	
Tram Road/Tontine Street Road Works	0	38	0	0			Green		
TIGER	16,000	10,274	0	0			Green		
Escalate	5,400	5,189	0	0			Green		
Energy and Water Efficiency Investment Fund - External	431	235	-92	-92	Rephasing: revenue	Rephased due to delay in agreeing the Loan Fund Agreements with schools.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Energy Reduction and Water Efficiency Investment - KCC	292	172	-114	-114	Rephasing: revenue	Rephased due to delay in agreeing the Loan Fund Agreements with schools.	Green		
Sandwich Sea Defences	1,875	1,440	0	0			Green		
Coldharbour Gypsy site		75	0	0			Green		
Archaeological Heritage Findings			19	19	Real: grant		Green		
<b>Household Waste Recycling Centres (HWRCs) and Transfer Stations (TSs):</b>									
HWRC - Tonbridge and Malling	300		0	0					
HWRC-West Kent	600	0	0	0					
Richborough Closed Landfill site- Emergency Works	0	200	-140	-140	Rephasing: Prudential	Rephasing due to further structural assessment and geotechnical works required by the contractor for the replacement bailey bridge.	Green		
Sturry Road Closed Landfill site- Emergency Works	0	49	0	0			Green		
TS/HWRC - Ashford	50	50	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
TS/HWRC - Swale	3,380	600	-300	-300	Rephasing: Prudential	Rephasing due to further design and risk assessment activities undertaken by the contractor following difficulties in undertaking various geotechnical and structural bridge works.	Green		
<b>Kent Highway Services</b>									
Weather Damage - Major Patching	0	1,722	-100	-100	Real: +£6k External other and -£106k grant	-£100k adjustment to amend 2014-15 cash limit following 2015-18 budget build.	Green		Decrease 14-15 cash limit by +£100k grant (this is to fund increased project costs following the contractor's valuation for North Down Road Margate in Highway Major Enhancement Programme in 15-16).

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Carriageway Collapse-Emergency works	0	1,069	0	0			Green		
East Kent Access Phase 2 - Major Road Scheme	3,447	637	-295	-295	Rephasing: grant	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
Growth without Gridlock initiatives	350	0	0	0					
Rathmore Road Link		730	-554	-554	Rephasing: grant	Planning consent was received in October 2014 to go ahead. The earlier profile anticipated the voluntary acquisition of a property and this is unlikely to happen in this financial year due to slow progress on negotiation to agree terms with the owner's agent.	Green	There has been no impact on the completion date.	
Kent Thameside Strategic Transport Programme	11,526	0	0	0					
Lorry Park	14,620	10	15	15	Rephasing: prudential		Green	The revised completion date has been previously reported.	

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
North Farm Longfield Road, Tunbridge Wells	4,275	5,673	-868	-868	Rephasing: developer contributions	Predicted completion now June 2015 as a result of unchartered utility services that require diversion or protection.	Green	The revised completion date of June 2015 has been previously reported.	
Rushenden Link (Sheppey) - major road scheme	749	135	-78	-78	Rephasing: prudential	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
Sandwich Highways Depot	3,000	0	0	0			Green		
Sittingbourne Northern Relief Road - major road scheme	2,722	461	-390	-390	Rephasing: developer contributions	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
Street Lighting Column - Replacement Scheme	2,500	1,804	-425	-425	Rephasing: Capital Receipt	The anticipated delivery of the works programme has been delayed due to shortage of specialist resources. The works have been programmed to be done early in the next financial year.	Amber	The revised completion date is now 2015-16	
Street Lighting Timing - Invest to Save	1,817	1,762	9	9	Real: +£9k grant.		Amber	Increased cost following review of final accounts.	



Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
South East Maidstone Strategic Link - Major Road Scheme	0	0	0	0					
Thanet Park Way	2,600	1,142	-1,000	-1,000	Rephasing: prudential	The rephasing is due to delays in the procurement process and the delay in acquiring the land in this financial year. The negotiations are under way, but unlikely to be completed in this financial year.	Green	The revised completion date was reported in June 2014 monitoring.	
Westwood Relief Strategy - Poorhole Lane Improvement	1,727	3,951	-598	-598	Rephasing: prudential	Scheme is expected to be completed in June 2015. The delay is due to unchartered and shallow utility services needing some extra mitigation works.	Green	The revised completion date of June 2015 was reported in the December 2014 monitoring.	
<b>Ashford - Schemes</b>									
A28 Chart Road, Ashford	16,600	660	-376	-376	Rephasing: developer contributions	The initial development works have been delayed until the receipt of funds from developers and significant elements of drainage works have been rephased due to poor value for money quotations.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Victoria Way	468	505	-178	-178	Rephasing: grant	Review of delivery programme due to re tendering of LCA part 1 works.	Green		
Drovers Roundabout junction	192	242	-169	-169	Rephasing -£150k Prudential; -£19k grant	Review of delivery programme due to re tendering of LCA part 1 works.	Green	There has been no impact on the completion date.	
M20 Junction 4 Eastern Over bridge	0	225	50	50	Rephasing: Developer contribution	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed.	Green		
A26 London Rd/Staplehurst Rd/Yew Tree Junction	0	0	26	26	Rephasing: Prudential	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed. Prudential to be repaid in 2015/16.	Green		
A28 Sturry Rural Integrated Transport- Canterbury	0	30	-11	-11	Rephasing: Prudential +£19k; -£30k Developer contributions	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed. Prudential to be repaid in 2015/16.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
Maidstone Gyratory Bypass	0	0	78	78	Rephasing: Prudential	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed. Prudential to be repaid in 2015/16.	Green		
Folkestone Seafront	0	0	12	12	Rephasing: Prudential	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed. Prudential to be repaid in 2015/16.	Green		
Tonbridge Town Centre Regeneration	0	0	118	118	Rephasing: Capital Receipt	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed.	Green		
Kent Sustainable Intervention programme for growth	0	0	28	28	Rephasing: Prudential	Initial development and outline design works are needed in 2014-15 to ensure the scheme delivery starts as programmed. Prudential to be repaid in 2015/16.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
M20 Junction 10a	0	1,000	-1,000	-1,000	Real External Other	The Secretary of State/Highways Agency have decided to advance their programme and promote the full improvement. There is no longer a direct role for KCC in promoting an interim scheme.			
<b>Total</b>	<b>256,535</b>	<b>131,198</b>	<b>-20,329</b>	<b>-20,329</b>					

## 1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

**STRATEGIC & CORPORATE SERVICES DIRECTORATE**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	<b>Total (£k)</b>	<b>+82,700</b>	<b>-2,051</b>	<b>-</b>	<b>-2,051</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
<b>Strategic &amp; Corporate</b>							
Strategic Management & Directorate Support Budgets	3,552.2	-5,089.3	-1,537.1	-180	-171	Staff vacancies, mainly due to secondments to the Facing the Challenge team -9 Other minor variances	
<b>Community Services</b>							
- Contact Centre & Citizens Advice Help Line	3,569.4	-1,524.1	2,045.3	+563	+165	In the current year there has been an increase in the number and duration of calls to the Contact Centre, resulting in a need to increase staffing levels to maintain performance.	Management action has been taken which has improved performance to target whilst delivering some efficiencies and keeping additional staff to a minimum.
					+333	The service transferred to S&CS with a previous year saving of -£573k and a further -£213k saving for 2014-15 in the base budget. Delivery was focussed on reducing staffing levels but has not been entirely possible because of the unanticipated effect on performance/ outputs, as described above.	Management action underway to address the savings targets by reviewing the way these can be delivered. Future strategy is focussed on moving customer contact to a web based solution which will yield further efficiencies.
					+65	Other minor variances	
- Gateways & Customer Relationship	2,940.6	-113.3	2,827.3	-182	-182	Other minor variances each below £100k	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Local Healthwatch & NHS Complaints Advocacy	1,281.5	-706.0	575.5	-276	-213	Reduction in estimated number of Healthwatch business cases which will require funding in 2014-15
					-63	Other minor variances
	7,791.5	-2,343.4	5,448.1	+105		
<u>Local Democracy</u>						
- Community Engagement	415.3	0.0	415.3	+180	+277	The service transferred to S&CS with an existing saving of £327k based on an anticipated service review which should have happened in the previous financial year. The review of this service has now been completed and a revised structure is subject to consultation and further Member scrutiny & agreement.
					-97	Other minor variances, each below £100k, including savings from a moratorium on non critical spend to offset the pressure on this service.
- County Council Elections	570.0	0.0	570.0	0		
- Local Member Grants	2,120.5	0.0	2,120.5	-783	-783	A roll forward will be requested for this underspend.
- Partnership arrangements with District Councils	2,463.2	0.0	2,463.2	-40		
	5,569.0	0.0	5,569.0	-643		
<u>Support to Frontline Services</u>						
- Business Strategy	3,365.5	-82.0	3,283.5	-330	-352	Staff vacancies & maternity leave. A committed roll forward of £14k will be requested for Health Reform monies which is due to be spent in April & May 2015.
					-25	A committed roll forward will be requested for a statutory voluntary & community sector policy consultation project, which launched mid March and will run for 3 months.
					+47	Other minor variances

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Business Strategy (Facing the Challenge & Corporate Portfolio Office)	504.2	0.0	504.2	0	+4,027 Facing the Challenge costs in excess of the gross budget of £484.1k which was rolled forward from 2013-14 -4,027 Drawdown from reserves to meet Facing the Challenge costs in excess of cash limit +599 Corporate Portfolio Office costs in excess of the gross budget of £20.1k which was rolled forward from 2013-14 -599 Drawdown from reserves to meet Corporate Portfolio Office costs in excess of cash limit +252 Corporate/Customer Services Transformation Assessment works +341 Adult Social Care Transformation Phase 2 Assessment works +113 0-25 Children's Services Transformation Assessment works +1,000 0-25 Children's Services Transformation Design works - in accordance with Cabinet Member decision 14/00086 +394 0-25 Children's Services Transformation bridging contract -2,100 Drawdown from reserves to fund Transformation works detailed above	Service transformation costs have been held here as a holding position this year and it is anticipated that these transformation costs, together with the matching drawdown from reserves, will be transferred to the relevant services before the end of the financial year.
- Communications & Consultation	2,805.4	-131.0	2,674.4	-385	-128 Staff vacancies -42 Income from Public Health to fund costs of Press Campaign Officer -215 Other minor variances each below £100k	
- Democratic & Members	3,835.1	-128.7	3,706.4	-53		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Finance & Procurement	19,644.4	-7,761.9	11,882.5	-385	+231 Delay in reduction in Support Services and related activities pending the outcome of Facing the Challenge review -213 Staffing vacancies -210 Reduction in specialist fees within Financial Management -193 Other minor variances each below £100k	
- Human Resources	15,619.4	-6,464.8	9,154.6	-542	-56 Staffing vacancies -365 Revision to the training budget following finalisation of workforce development plans  -146 Additional income for recruitment services provided to schools & academies +25 Other minor variances	The training budget was reviewed as part of the 2015-18 MTFP process and a revised budget set for 2015-16.
- Information, Communications &	34,954.1	-17,351.3	17,602.8	-3	-7	
- Legal Services & Information Governance	9,574.3	-11,725.9	-2,151.6	+122	+75 Reduction in income resulting from market conditions +47 Other minor variances	
- Property & Infrastructure Support	33,024.3	-6,461.2	26,563.1	+243	+243 Property Group budget for 2014-15 has a £300k savings target which depends on service changes and reviews taking place in other parts of the Authority in order to enable the overall property portfolio to reduce. The service reviews are outside the control of Property Group.	Action is being taken to address this through on-going work with service directorates to identify opportunities. The 2015-18 MTFP includes further savings to be delivered from asset rationalisation.
	123,326.7	-50,106.8	73,219.9	-1,333		
<b>Total S&amp;CS</b>	<b>140,239.4</b>	<b>-57,539.5</b>	<b>82,699.9</b>	<b>-2,051</b>		



## 2. CAPITAL

2.1 The Strategic and Corporate Services working budget for 2014-15 is £25,803k (which has now been updated to reflect the 2015-18 budget set by County Council on 12th February 2015). The forecast outturn against the 2014-15 budget is £26,135k giving a variance of +£332k.

2.2 **Table 2** below details the Strategic and Corporate Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Rolling Programmes</b>									
Corporate Property Strategic Capital	5,300	2,650	0				Green		
Disposal Costs	750	250	300	300	Real: capital receipts	Increased forecast reflects the capitalisation of security costs to protect the value of KCC assets.	Amber	Amber status reflects increased forecast.	
Modernisation of Assets	5,626	3,093	200	200	Rephasing: prudential	Reflecting revised forecast as per programme of works.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
<b>Individual Projects</b>									
Building Information Modelling (BIM)	0	58	-58	-58	Rephasing: prudential		Green		
Connecting with Kent	282	651	0	0			Green		
Customer Relationship Management Solution	990	0	0	0			Amber	Amber until completion date agreed.	
Electronic Document Management Solution (EDMS) (known as Electronic Document & Records Management (EDRM))	0	324	0	0			Green		
Enterprise Resource Programme	0	209	10	10	Rephasing: -£50k prudential Real: +£60k revenue		Green	The revised completion date of 30/06/2015 has been previously reported.	
Herne Bay Gateway	296	50	0	0			Green		
HR System Development	160	100	0	0			Green		
Innovative Schemes Fund	2,000	326	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status <sup>1</sup>	Explanation of Project Status	Actions
LIVE Margate	2,656	1,700	0	0			Green		
New Ways of Working	12,400	14,238	0	0			Green		
Property Asset Management System	0	90	0	0			Green	The revised completion date of 31/03/2015 has been previously reported.	
Property Investment & Acquisition Fund	0	0	0	0			Green		
Swanley Gateway	490	770	-120	-120	Rephasing: -£120k developer contributions	Contractor has identified additional works and is seeking extension of time.	Green	The revised completion date of 30/06/2015 has been previously reported.	
Sustaining Kent - Maintaining the Infrastructure	0	1,054	0	0			Green	The revised completion date of 31/01/2015 has been previously reported.	
Web Redevelopment Programme	412	240	0	0			Green		
Winter Gardens Rendezvous site	100	0	0	0					
<b>S&amp;CS Directorate Total</b>	<b>31,462</b>	<b>25,803</b>	<b>332</b>	<b>332</b>					

## 1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

**FINANCING ITEMS**  
**JANUARY 2014-15 MONITORING REPORT**

**1. REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	<b>Total (£k)</b>	<b>+134,322</b>	<b>-2,463</b>	<b>-</b>	<b>-2,463</b>

1.2 **Table 1** below details the revenue position by A-Z budget:

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<b>Financing Items</b>						
Audit Fees	314.0	0.0	314.0	-141	-141	Forecast based on anticipated fees as notified by our external auditors which includes rebates relating to prior years
Carbon Reduction Commitment Levy	1,000.0	0.0	1,000.0	-200	-200	Anticipated underspend based on current purchase of allowances for estimated carbon emissions
Commercial Services (net contribution)	0.0	-7,691.0	-7,691.0	+1,391	+1,391	The revised dividend target set for Commercial Services by the Shareholder Board is £1.391m less than the originally budgeted dividend. Commercial Services remain on track to meet this revised dividend target.
Contribution to IT Asset Maintenance Reserve	2,352.0	0.0	2,352.0	0		
Contribution to/from Reserves	10,020.2	0.0	10,020.2	+2,362	+845 +1,517	Transfer to Insurance reserve of surplus on Insurance Fund (see below) Transfer to the Minimum Revenue Provision (MRP) smoothing reserve of in year saving on MRP to cover potential impact in future years, in line with usual practice (see net debt charges below).

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Insurance Fund	4,679.0	0.0	4,679.0	-845	-845	Forecast surplus on Insurance Fund following negotiations concerning long term exposure/Period of Time claims during RSA insurance policy years 1996-2001, which has achieved a significant reduction in liabilities.
Modernisation of the Council	3,258.5	0.0	3,258.5	0		
Net Debt Charges (incl Investment Income)	128,012.5	-8,514.0	119,498.5	-1,117	+400 -1,517	Impact of continued low interest rates on our cash balances and investments  In year saving on MRP as a result of re-phasing of the 2013-14 capital programme, resulting in fewer assets becoming operational last year. As we have adopted the asset life method of calculating MRP, MRP does not become payable until assets become operational, therefore resulting in an "MRP holiday" this year.
Other	939.0	-36.0	903.0	0		
Unallocated	3,987.9	0.0	3,987.9	-3,913	-1,905 -1,770 -205	Additional Business Rate compensation grant, above the budgeted level, for reimbursement of impact of measures introduced in the 2012 and 2013 Autumn Statements  Increase in Government funding levels from £942.251m to £944.021m following Autumn Budget Statement and more certainty around the number and timing of schools converting to academy status in year.  Increase in Government funding levels from £944.021m to £944.226m following DCLG reconciliation of the Small Business Rate Relief Compensation scheme for 2013-14

**ANNEX 7**

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-983	Bellwin funds received in respect of emergency costs incurred as a result of the 2013-14 autumn and winter storms & flooding
					+983	Transfer of Bellwin funds to the Emergency Conditions reserve
					-33	Business Rates flood relief grant
Underspend rolled forward from previous years	-4,000.0	0.0	-4,000.0	0		
<b>Total Financing Items</b>	<b>150,563.1</b>	<b>-16,241.0</b>	<b>134,322.1</b>	<b>-2,463</b>		
<b>Assumed Management Action</b>						
<b>Total Fin Items Forecast <u>after</u> mgmt action</b>	<b>150,563.1</b>	<b>-16,241.0</b>	<b>134,322.1</b>	<b>-2,463</b>		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil - average monthly price in dollars:

	Price per Barrel of Oil		
	2012-13	2013-14	2014-15
	\$	\$	\$
Apr	103.32	92.02	102.07
May	94.65	94.51	102.18
Jun	82.30	95.77	105.79
Jul	87.90	104.67	103.59
Aug	94.13	106.57	96.54
Sep	94.51	106.29	93.21
Oct	89.49	100.54	84.40
Nov	86.53	93.86	75.79
Dec	87.86	97.63	59.29
Jan	94.76	94.62	47.22
Feb	95.31	100.82	50.58
Mar	92.94	100.80	

Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.
- The dollar price has been converted to a sterling price using exchange rates obtained from the HMRC UK trade info website.
- Fluctuations in oil prices affect many other costs such as heating, travel, and therefore transportation costs of all food, goods and services, and this will have an impact on all services provided by the Council.

