

From: John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement
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Corporate Directors

To: CABINET - 28 April 2014

Subject: (1) **REVENUE AND CAPITAL BUDGET MONITORING FOR 2013-14 - JANUARY**
(2) **KEY ACTIVITY MONITORING FOR 2013-14 - JANUARY**

Classification: **Unrestricted**

1. SUMMARY

1.1 This report provides the budget monitoring position for January 2013-14 for both revenue and capital budgets, including an update on key activity data. As explained in the report to Cabinet in October, this report is presented in the pre-election portfolio structure, and will be for the remainder of the financial year.

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
- There are eight annexes to this executive summary report, as detailed below:
 - **Annex 1** **Education, Learning & Skills Directorate** incl. Education, Learning & Skills portfolio
 - **Annex 2** **Families & Social Care Directorate - Children's Services** incl. Specialist Children's Services portfolio
 - **Annex 3** **Families & Social Care Directorate - Adult Services** incl. elements of Adult Social Care & Public Health portfolio
 - **Annex 4** **Enterprise & Environment Directorate** incl. Environment, Highways & Waste portfolio and elements of Regeneration & Economic Development portfolio
 - **Annex 5** **Customer & Communities Directorate** incl. Customer & Communities portfolio
 - **Annex 6** **Business Strategy & Support Directorate - Public Health** incl. elements of Adult Social Care & Public Health portfolio
 - **Annex 7** **Business Strategy & Support Directorate (excl. Public Health)** incl. elements of Regeneration & Economic Development, Finance & Business Support, Business Strategy, Performance & Health Reform and Democracy & Partnerships portfolios
 - **Annex 8** **Financing Items** incl. elements of Finance & Business Support, Business Strategy, Performance & Health Reform and Democracy & Partnerships portfolios

2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the latest monitoring position on both the revenue and capital budgets.
- ii) **Note** and **agree** the changes to the capital programme as detailed in the actions column in table 2 of the annex reports.

3. SUMMARISED REVENUE MONITORING POSITION

- 3.1 The net projected variance against the combined portfolio revenue budgets is an underspend of -£14.119m. However, it has been agreed that funding for Social Fund awards is ringfenced for the period 2013-14 to 2014-15 and there is some re-phasing of projects, detailed in section 3.6, which will require roll forward to 2014-15, therefore this changes the position to an underspend of -£9.793m as shown in the headline table below. However, since budget managers submitted their January forecasts, it has become apparent that the waste and transport forecasts have deteriorated as a result of increased waste tonnages in the last quarter of the year and more up to date information on operator payments and journey numbers from our external provider, MCL transport services. The headline table below has therefore been updated to include the estimated impact of these changes, but these are not reflected in the annexes to this report as further work is required to verify this data. The annexes to this report provide the detail, which is summarised in Tables 1a and 1b below.
- 3.2 This new style of reporting 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 £4.103m increase in the forecast underspend (excluding schools), as shown in table 1a. This is mainly due to: **ASC&PH** - a general improvement in the overall position, specifically within residential care for both learning disability and older people; **C&C** - there is a general improvement in the position of many units particularly Youth, mainly as a result of the release of unrealised creditors, further underspending on the Social Fund, lower contract values within the Local Healthwatch and Complaints Advocacy service and additional Registration income; **F&BS** - the position now reflects a drawdown from the flood repairs reserve to cover the costs of the recent storms and floods; **BSP&HR** - capitalisation of security costs within Property and the release of contingencies which are now known not to be required this year; **D&P** - there is some further re-phasing of Facing the Challenge costs into 2014-15, as well as the release of the residual balance in the County Council elections reserve now that the final costs of the May elections have been confirmed.

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

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action	Last Report	Movement
Portfolio Totals	+976,392	-14,119	-	-14,119	-10,016	-4,103
Adjustments: - Committed roll forward/ re-phasing <i>(see section 3.7 for detail)</i>		+4,326	-	+4,326	+3,174	+1,152
Underlying position	+976,392	-9,793	-	-9,793	-6,842	-2,951
- estimated revisions to waste & transport forecasts based on latest information <i>(see sections 3.6f & 3.6g)</i>		+1,200	-	+1,200	-	+1,200
Revised position	+976,392	-8,593	-	-8,593	-6,842	-1,751

3.4 **Table 1a** Portfolio position - net revenue position **before and after** management action together with comparison to last report

Portfolio	Budget	Net Variance (before mgmt action)	Proposed Management Action	Net Variance (after mgmt action)	Last Report	Movement
	£'000	£'000	£'000	£'000	£'000	£'000
Education, Learning and Skills (ELS)	55,766.0	-977	-	-977	-1,088	+111
Specialist Children's Services (SCS)	152,464.9	+2,891	-	+2,891	+2,906	-15
Specialist Children's Services - Asylum	280.0	+346	-	+346	+349	-3
Adult Social Care & Public Health (ASC&PH)	335,281.8	-652	-	-652	-417	-235
Environment, Highways & Waste (EH&W)	151,689.9	+1,092	-	+1,092	+1,170	-78
Customer & Communities (C&C)	76,032.6	-4,738	-	-4,738	-3,531	-1,207
Regeneration & Economic Development (R&ED)	3,882.2	-	-	-	-	-
Finance & Business Support (F&BS)	136,000.0	-10,390	-	-10,390	-8,805	-1,585
Business Strategy, Performance & Health Reform (BSP&HR)	56,924.2	-385	-	-385	+83	-468
Democracy & Partnerships (D&P)	8,069.9	-1,306	-	-1,306	-683	-623
TOTAL (excl Schools)	976,391.5	-14,119	-	-14,119	-10,016	-4,103
<i>Schools (ELS Portfolio)</i>	-	+9,252	-	+9,252	+9,304	-52
TOTAL	976,391.5	-4,867	-	-4,867	-712	-4,155

3.5 **Table 1b** Portfolio/Directorate position - gross revenue position **before** management action

Portfolio	Budget £'000	Variance £'000	Directorate					
			ELS	FSC	E&E	C&C	BSS	FI
			£'000	£'000	£'000	£'000	£'000	£'000
			annex 1	annexes 2&3	annex 4	annex 5	annexes 6&7	annex 8
Education, Learning and Skills (ELS)	55,766.0	-977	-977					
Specialist Children's Services (SCS)	152,464.9	+2,891		+2,891				
Specialist Children's Services - Asylum	280.0	+346		+346				
Adult Social Care & Public Health (ASC&PH)	335,281.8	-652		-237			-415	
Environment, Highways & Waste (EH&W)	151,689.9	+1,092			+1,092			
Customer & Communities (C&C)	76,032.6	-4,738				-4,738		
Regeneration & Economic Development (R&ED)	3,882.2	-			-		-	
Finance & Business Support (F&BS)	136,000.0	-10,390					-262	-10,128
Business Strategy, Performance & Health Reform (BSP&HR)	56,924.2	-385					-385	-
Democracy & Partnerships (D&P)	8,069.9	-1,306					-1,240	-66
TOTAL (excl Schools)	976,391.5	-14,119	-977	+3,000	+1,092	-4,738	-2,302	-10,194
<i>Schools (ELS Portfolio)</i>	-	+9,252	+9,252					
TOTAL	976,391.5	-4,867	+8,275	+3,000	+1,092	-4,738	-2,302	-10,194

3.6 The **Revenue** Budget Monitoring headlines are as follows:

- a) The reported forecast includes emergency costs relating to the autumn and winter storms and flooding of approximately £2.3m, within the EH&W and C&C portfolios. The emergency conditions reserve balance of £0.809m has been drawn down to offset these costs and this draw down is reflected within the F&BS portfolio. Since the last report we have received £8.6m from the Department of Transport in the form of a grant. This grant is split between capital and revenue, £3.2m is for capital expenditure incurred by 31 March 2014 and £5.4m is for revenue, which is reflected within the E&E annex 4 and will be transferred to the flood repairs reserve for funding the existing response to severe wet weather damage. The current forecast assumes £1.524m is drawn down in 2013-14 into Financing Items to offset the forecast costs currently reflected within EH&W and C&C, leaving approximately £3.9m for costs incurred in 2014-15. This grant is our allocation relating to the severe weather recovery grant of £70m and the additional highways funding of £103.5m. In his budget speech, the Chancellor announced that an additional £200m (£168m for England) would be used to set up a potholes challenge fund. The guidance on this should be available within the next few weeks. This will be a competitive bidding process. We are currently estimating that our Bellwin claim, which has to be submitted before the 30th June, will be in the region of £3m, this will provide £1.2m above the threshold of £1.8m.
- b) The reported underspend after allowing for roll forward/re-phasing commitments, is now -£8.593m, after allowing for the anticipated change to the waste and transport forecasts. The approved 2014-15 budget assumes that £4m underspend from this financial year is used to support next years budget, so we are on track to exceed this target.
- c) Specialist Children's Services still have significant financial pressures being highlighted in 2013-14, with a net overspend of £3.237m (incl Asylum) now being reported. There are pressures both in relation to agency staff and costs relating to looked after children.
- d) The position reflected in this report for Asylum is a pressure of £0.346m, however this assumes that we invoice the Home Office for £2.166m of costs deemed as ineligible against the current grant rules.
- e) The underspend reported for Adult Social Care of -£0.237m assumes a drawdown from the NHS Support for Social Care reserve of £6.554m to fund the ongoing impact of 2012-13 winter pressures and investment in services to deliver the transformation savings.
- f) There is a £2.6m underspend as a result of lower than budgeted waste tonnage, reflecting a continuation of the impact of the new operating policies implemented in October 2012 at Household Waste Recycling Centres to stop accepting commercial waste at sites, however this reduces to a £1.854m underspend due to other pressures on the waste budgets. However, this is based on tonnages up to December but provisional tonnages for January to March are high and suggest that this underspend will reduce, with initial estimates of a reduction in the underspend of in the region of £1m, and if verified this will be reflected in the outturn report.
- g) Within the EH&W portfolio, costs of the find and fix programme of pot hole repairs (£4.139m), together with the emergency response costs (£1.706m) and additional spend on pot hole repairs (£0.5m) resulting from the storms and flooding are being partially offset by underspending on other services, predominately waste (-£1.854m), transport services (-£1.077m), particularly concessionary fares and subsidised bus routes, highways management budgets (-£0.9m) and an underspend on the winter salting runs budget as a result of the mild winter. However, latest figures suggest that the underspending on transport services is reducing by approx £0.2m mainly as a result of increased operator payments relating to the Freedom Pass. If verified this will be reflected in the outturn report.

- h) The forecast currently assumes unused Public Health grant of £1.730m will be transferred to a new Public Health reserve for use in future years, in line with Government guidelines. This is largely as a result of a delay in some new projects within the Kent Drug and Alcohol Service and an underspend on public health staffing due to vacancies and delays in recruitment. However, there are ongoing discussions with NHS England regarding liability for dispensing costs and if we are successful in recovering these from NHS England then the underspend and consequent transfer to reserves will increase by approx. £0.6m.
- i) An underspend of £1.375m is forecast against the Kent Support & Assistance Service budget for awards (the Social Fund responsibilities which transferred from the DWP from 1 April 2013), which will be required to roll forward to 2014-15 in line with key decision 12/01939 which agreed that funding for this scheme should be ringfenced for the period 2013-15. This reflects initial take up of the new scheme in the first ten months, which is steadily increasing as expected.
- j) There has been a further large improvement in the forecast against the DSG budget this month, with a significant contribution to the DSG reserve of £2.234m now forecast for 2013-14, a movement since last month of £2.5m. This is largely as a result of the re-phasing of some School Improvement projects into the summer term of 2014-15.
- k) The overall reported position includes £6.006m of additional Government funding announced since the budget was set. However, a shortfall of £0.497m against the Education Services Grant is anticipated as a result of schools converting to academies during this financial year, resulting in an underspend of £5.509m reported against the unallocated financing items budget within the F&BS portfolio.

3.7 Details of Committed Roll Forward/Re-phasing requirements

The headline table on page 2 shows that within the current forecast revenue position there is a requirement to roll forward £4.326m to 2014-15. This relates to:

- | | |
|---|----------|
| ▪ re-phasing of Kent Youth Employment programme in to 2014-15 and 2015-16 (see annex 1) | +1,376 k |
| ▪ re-phasing of Vulnerable Learners placements in to 2014-15 (see annex 1) | +126 k |
| ▪ re-phasing of Kent Safeguarding Children Board spend in to 2014-15, reflecting our base budget commitment to the partnership agreement (see annex 2) | +273 k |
| ▪ re-phasing of EU ROCK (Regions of Connecting Knowledge) project in to 2014-15, to provide match funding to fulfil our obligation to the partnership agreement. This is a transport links project to enhance rail services in Europe (see annex 4) | +46 k |
| ▪ re-phasing of purchase of specialist equipment for Kent Scientific Services for testing of cargo at Manston airport. This equipment is required in order to increase the income of the unit as reflected in the 2014-17 MTFP, however this is now dependent on the future of Manston airport, hence why the purchase has been delayed (see annex 5) | +110 k |
| ▪ underspend on Kent Support & Assistance budget for awards (see annex 5) | +1,375 k |
| ▪ re-phasing of the Government funded project to integrate Ghurkhas and their dependents into the community and to improve their English language skills (see annex 5) | +153 k |

▪ re-phasing of Kent Drug & Alcohol Service, reflecting our base budget commitment to the pooled partnership budget (see annex 5)	+56 k
▪ re-phasing of Health Reform budget (to support the development of seven new Health and Wellbeing Boards to be aligned with the NHS Clinical Commissioning Groups) (see annex 7)	+87 k
▪ re-phasing of costs of expert advisors regarding Property litigation work into 2014-15 (see annex 7)	+27 k
▪ re-phasing of training programmes funded from the Independent Sector rolled forward from 2012-13, which is to be spent over the period July 2013 to January 2015 (see annex 7)	+141 k
▪ re-phasing of Facing the Challenge costs (see annex 7)	+556 k
	<hr/> +4,326 k

3.8 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/portfolios.

4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the Capital Programme 2013-14 is £256.220m. This has been adjusted to reflect the 2014-17 capital budget set by County Council on 13 February 2014. The forecast outturn against this budget is £224.917m giving a variance of -£31.303m. The annexes to this report provide the detail, which is summarised in table 2 below.

4.2 **Table 2** Portfolio/Directorate capital position

Portfolio	3 Year Cash Limit £'000	2013-14 Working Budget £'000	2013-14 Variance £'000	Real Variance £'000	Re-phasing Variance £'000	Annex
Education, Learning and Skills	210,018	121,184	-13,867	-1,061	-12,806	1
Specialist Children's Services	1,325	1,925	-	-	-	2
Adult Social Care & Public Health	92,858	4,398	-24	+808	-832	3
Environment, Highways & Waste	193,789	62,193	-3,579	+62	-3,641	4
Customer & Communities	11,263	4,469	-664	-86	-578	5
Regeneration & Economic Development	103,407	29,649	-4,167	-	-4,167	7
Finance & Business Support	-	-	-	-	-	N/A
Business Strategy, Performance & Health Reform	46,534	32,402	-9,002	-650	-8,352	7
Democracy & Partnerships	-	-	-	-	-	N/A
TOTAL	659,194	256,220	-31,303	-927	-30,376	

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

- a) The majority of schemes are within budget and on time.
- b) £30.376m of the £31.303m variance is due to rephasing expenditure into future years. The main projects comprising the rephasing are:
 - ELS** - £7.1m on the basic need programme and £2.8m on the Special Schools Review Programme to reflect a more realistic profiling of costs, and £1m on the Annual Planned Enhancement Programme.
 - EHW** - £1m on Integrated Transport Schemes due to further detailed design work required and £1m on Member Highway Fund to account for commitments finalised in the latter part of the financial year.
 - BSP&HR** - £3.5m on New Ways of Working (NWOW) due to reprofiling to reflect the strategy, £3.3m on Modernisation of Assets due to the complexity of some projects and linking in with the NWOW programme, and £1.1m on Sustaining Kent - Maintaining the Infrastructure due to technical difficulties.
 - R&ED** - £3.3m on LIVE Margate as a strategic review was undertaken, £1.6m on Broadband to reflect the payment profile and £1m on TIGER, together with bringing forward £2.9m on the Regional Growth Fund due to updated forecasts to align with loans committed.
- c) The remaining £0.927m of the £31.303m variance relates to anticipated real overspends and underspends on a number of projects, all of which are funded, or the most appropriate funding options are being considered.

4.4 Capital budget virements/changes to budgets

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

5. CONCLUSIONS

- 5.1 The position has improved by £2.951m since the last report, and after taking into account the requirements to roll forward, a £9.793m underspend is currently forecast. In addition, the revenue headlines above have highlighted an expected worsening in the position on the waste and transport budgets within EH&W to the tune of approx. £1.2m, which would reduce this position to an underspend of £8.593m. If verified this will be reflected in the outturn. The 2014-15 budget assumes that a £4m underspend will be delivered in the current year to support next years budget, and although this forecast shows that we are on track to exceed this target we must bear in mind that this forecast position assumes the Home Office meet the costs of Asylum (£2.166m), and includes £5.509m of additional Government funding notified since the budget was set.
- 5.2 There are a number of ongoing emerging issues that have been addressed in the 2014-17 MTFP and these are highlighted in the annexes to this report and/or in the headlines above.

6. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the latest monitoring position on both the revenue and capital budgets.
- ii) **Note** and **agree** the changes to the capital programme as detailed in the actions column in table 2 of the annex reports.

7. BACKGROUND DOCUMENTS

None

8. CONTACT DETAILS

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EDUCATION, LEARNING & SKILLS DIRECTORATE SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. **REVENUE**

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Total (excl Schools) (£k)	+55,766	-977	-	-977
	Schools (£k)	-	+9,252	-	+9,252
	Directorate Total (£k)	+55,766	+8,275	-	+8,275

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		
Education, Learning & Skills portfolio						
Delegated Budget:						
Schools & Pupil Referral Units Delegated Budgets	734,866.9	-734,866.9	0.0	+9,252	+1,904 +7,348	Drawdown from school reserves for 26 expected academy converters and 2 school closures Expected drawdown of reserves for remaining Kent schools based on schools nine month monitoring
TOTAL DELEGATED	734,866.9	-734,866.9	0.0	+9,252		
Non Delegated Budget:						
Strategic Management & Directorate Support budgets	6,931.7	-7,382.1	-450.4	-781	+598 -1,000 -151 -214 -14	New Kent Integrated Adolescent Support Service managed by ELS but covering services across directorates <i>DSG variance for contingency held to cover additional redundancy costs for academy conversions and PRU reorganisations which have now been delayed until 2014-15</i> <i>DSG variance - directorate wide supplies and services</i> <i>DSG variances over a number of headings, all less than £100k in value</i> Other minor variances

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000	£'000		
Children's Services - Education & Personal							
- 14 - 19 year olds	4,778.0	-1,335.8	3,442.2	-1,559	-1,376	Kent Youth Employment programme placements - this underspend will need to be rolled forward to be spent on placements which straddle the financial year, with the scheme continuing until 2015-16. -126 Vulnerable Learner placements - this underspend will need to be rolled forward to cover placements which extend beyond the end of the 2013-14 financial year -57 Other minor variances	
- Attendance & Behaviour	3,833.9	-2,671.4	1,162.5	-346	-170	Increased penalty notice income from pupils being absent from school <i>(includes a DSG variance of -£121k)</i> -125 <i>DSG variance - underspend on individual tuition</i> -51 Other minor variances	
- Connexions	5,696.6	0.0	5,696.6	0			
- Early Years & Childcare	7,376.4	-5,991.6	1,384.8	-531	-284	Graduate Leader staff vacancies, reduction in courses and additional income for the provision of training <i>(DSG variance -£267k)</i> -183 <i>DSG variance - reduced demand for sustainability grants paid to Early Years settings</i> -127 <i>DSG variance - Quality and Outcomes team staff vacancies and general non staff spend</i> +63 Other minor variances	
- Early Years Education	50,900.0	-50,900.0	0.0	+723	+1,206	<i>DSG variance - additional week of provision for 3 & 4 year olds falling in the 2013-14 financial year which has not been funded within the DfE DSG settlement.</i>	There will be an increase in DSG for 2014-15 as it will be based on a more up to date count of children in early years settings and this increase has been reflected in the 2014-17

ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross £'000	Income £'000	Net £'000	Net £'000			
					+1,527 -2,010	<i>DSG variance - greater than budgeted number of hours being provided for 3 & 4 year olds due to increased parental demand</i> <i>DSG variance - reduced demand for 2 year old placements</i>	
- Education Psychology Service	3,004.4	-400.0	2,604.4	-440	-234 -166 -40	Traded income from schools for non statutory psychology services Staff vacancies Other minor variances	This additional income has been reflected in the 2014-17 MTFP
- Individual Learner Support	8,642.4	-7,579.0	1,063.4	-262	-98 -65 -99	Head of Inclusion and Support budget part year vacancies and general non staffing underspends (<i>includes a DSG variance of -£67k</i>) Minority Community Achievement Service (MCAS) income from schools in excess of costs Other minor variances	
- Statemented Pupils	5,491.1	-5,491.1	0.0	-934	-681 -253	<i>DSG variance - budget allocated for statemented support is not required for 2013-14 and offsets the reported pressure on independent and non maintained special school placements (reported below)</i> <i>DSG variance - changes to provision of some statemented support services and to numbers of pupils receiving support</i>	
	89,722.8	-74,368.9	15,353.9	-3,349			
Children's Services - Other Children's							
- Safeguarding	310.2	-87.5	222.7	-49			
School Budgets:							
- Independent Special School Placements	20,841.0	-20,841.0	0.0	+386	+386	<i>DSG variance - Increased number of pupils in independent and non maintained special school placements</i>	This pressure has been addressed in the 2014-17 MTFP
- PFI Schools Schemes	23,810.0	-23,810.0	0.0	0			

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
- Exclusion Services	1,835.7	-1,835.7	0.0	-106	-106 <i>DSG variance - Underspend on non-delegated pupil referral units</i>	
	46,486.7	-46,486.7	0.0	+280		
<u>Schools Services:</u>						
- Non Delegated Staff Costs	2,742.2	-2,639.2	103.0	+12		
- Other Schools Services	7,595.1	-7,189.8	405.3	-74		
- Redundancy Costs	1,188.7	-1,188.7	0.0	+564	+564 <i>DSG variance - Expected increase in school based staff redundancy costs and DSG funded central staff</i>	
- School Improvement	11,034.8	-8,719.0	2,315.8	-1,417	+678 Costs of intervention and prevention work with schools in or at risk of going into special measures, together with costs associated with maintaining and improving school Ofsted ratings +69 Higher costs for the provision of training and development courses in excess of additional income generated -1,047 <i>DSG variance - Expected drawdown of reserves for school improvement projects will now be required in 2014-15 financial year as projects extend into the summer term</i> -494 Release of unspent non ringfenced grant income from previous financial years -394 <i>DSG variance - Underspend on School Improvement collaboration projects which will continue into the summer term</i> -83 Increase in income generated by the Improving Together Network scheme -146 Other minor variances, all less than £100k in value	
- Teachers & Education Staff Pension Costs	7,954.0	-2,684.0	5,270.0	+175	+241 Increase in annual capitalisation payments -66 Other minor variances	This pressure has been addressed in the 2014-17 MTFP
	30,514.8	-22,420.7	8,094.1	-740		

ANNEX 1

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	3,174.2	-1,720.0	1,454.2	-425	+493	SEN pupils receiving Home to College transport	A net saving has been reflected in the 2014-17 MTFP
					-918	Income from the 16+ travel card in excess of costs	
- Mainstream HTST	11,517.3	-20.0	11,497.3	-1,054	-1,054	Lower than budgeted numbers of pupils travelling, the full year impact of transport policy changes and price rises following the renegotiation of contracts being less than expected	Further savings related to the transport policy changes have been reflected in the 2014-17 MTFP
- SEN HTST	17,207.5	0.0	17,207.5	+2,143	+3,043	Higher than budgeted numbers of pupils travelling with overall costs also influenced by other factors (see section 2.2) including an increase in re-negotiated contracts due to fuel price rises	Additional funding for increased demand has been provided in the 2014-17 MTFP
					-900	Recoupment income for transport provided for other local authority pupils with special needs to Kent schools	
	31,899.0	-1,740.0	30,159.0	+664			
<u>Assessment Services</u>							
- Assessment & Support of Children with Special Education Needs	7,319.1	-4,932.4	2,386.7	+764	+551	<i>DSG variance - recoupment expenditure for Kent children with special education needs in other local authority schools</i>	
					+294	<i>DSG variance - prior year hospital recoupment claims from other local authorities for Kent children who received education whilst in hospital</i>	
					-81	Other minor variances	
TOTAL NON DELEGATED	213,184.3	-157,418.3	55,766.0	-3,211			
- <i>Transfer to(+)/from(-) DSG reserve</i>				+2,234	+2,234	<i>transfer to DSG reserve to offset - £2,218k of DSG variances explained above, together with other smaller DSG variances</i>	

ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
TOTAL NON DELEGATED after tfr to/from DSG reserve	213,184.3	-157,418.3	55,766.0	-977		
Total ELS portfolio	948,051.2	-892,285.2	55,766.0	+8,275		
Assumed Mgmt Action						
- ELS portfolio				0	After allowing for roll forward requirements of £1,502k, the directorate has a residual underlying pressure of £525k (excluding schools). The directorate will try to balance this position by investigating the possibility of rebadging expenditure already incurred, against grant funding, where it is eligible and there is scope to do so.	
Total Forecast <u>after</u> mgmt action	948,051.2	-892,285.2	55,766.0	+8,275		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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

	2010-11	2011-12	2012-13	2013-14
	as at 31-3-11	as at 31-3-12	as at 31-3-13	projection
Total number of schools	538	497	463	436
Total value of school reserves	£55,190k	£59,088k	£48,124k	£38,872k
Number of deficit schools	17	7	8	19
Total value of deficits	£2,002k	£833k	£364k	£2,367k

Comments:

- The information on deficit schools for 2013-14 has been obtained from the schools 9 month monitoring and show 19 schools predicting a deficit at the end of the year. 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. School's Financial Services will be working with these 19 schools to reduce the risk of a deficit in 2013-14 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.
- It should be noted that, based upon the three year planning returns submitted by schools in May/June, the number of schools in deficit is forecast to reduce to eight in 2014-15 (with a value of £6.3m) and then rise to 24 in 2015-16 (with a value of £12.6m). However, all of this is before any management action. In line with existing policies, Finance staff, together with colleagues in ELS are now working to draw up recovery plans with each of these schools in order to avoid the deficit position from arising, whilst maintaining or improving standards of attainment. The position currently forecast by these schools is largely a reflection of the impact of four years of flat cash settlements for schools, and for some, the impact of falling rolls.
- 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 26 schools (including 6 secondary schools and 20 primary schools) will convert to academies before the 31st March 2014. In addition, 2 schools are closing and 1 new school is opening.
- The estimated drawdown from schools reserves of £9,252k includes a drawdown of £1,904k relating to an assumed 26 schools converting to academy status and 2 schools closures, together with a drawdown of £7,348k for the remaining Kent schools, as reflected in their 9 month monitoring returns.

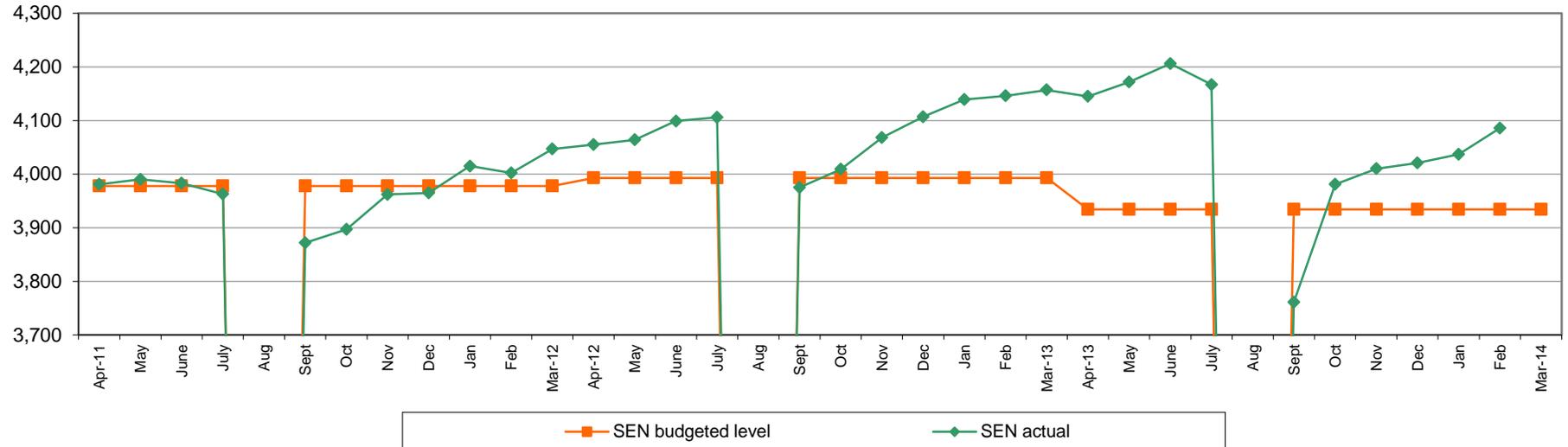
2.2 Number of children receiving assisted SEN and Mainstream transport to schools

	2011-12				2012-13				2013-14			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual										
Apr	3,978	3,981	18,982	17,620	3,993	4,055	17,342	16,757	3,934	4,145	14,667	14,119
May	3,978	3,990	18,982	17,658	3,993	4,064	17,342	16,788	3,934	4,172	14,667	14,119
Jun	3,978	3,983	18,982	17,715	3,993	4,099	17,342	16,741	3,934	4,206	14,667	14,106
Jul	3,978	3,963	18,982	17,708	3,993	4,106	17,342	16,695	3,934	4,167	14,667	14,093
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sep	3,978	3,872	18,982	16,282	3,993	3,975	17,342	13,698	3,934	3,761	14,667	10,300
Oct	3,978	3,897	18,982	16,348	3,993	4,009	17,342	13,844	3,934	3,981	14,667	11,258
Nov	3,978	3,962	18,982	16,553	3,993	4,068	17,342	13,925	3,934	4,010	14,667	11,267
Dec	3,978	3,965	18,982	16,556	3,993	4,107	17,342	13,960	3,934	4,021	14,667	11,296
Jan	3,978	4,015	18,982	16,593	3,993	4,139	17,342	13,985	3,934	4,037	14,667	11,314
Feb	3,978	4,002	18,982	16,632	3,993	4,146	17,342	14,029	3,934	4,086	14,667	11,368
Mar	3,978	4,047	18,982	16,720	3,993	4,157	17,342	14,051	3,934		14,667	

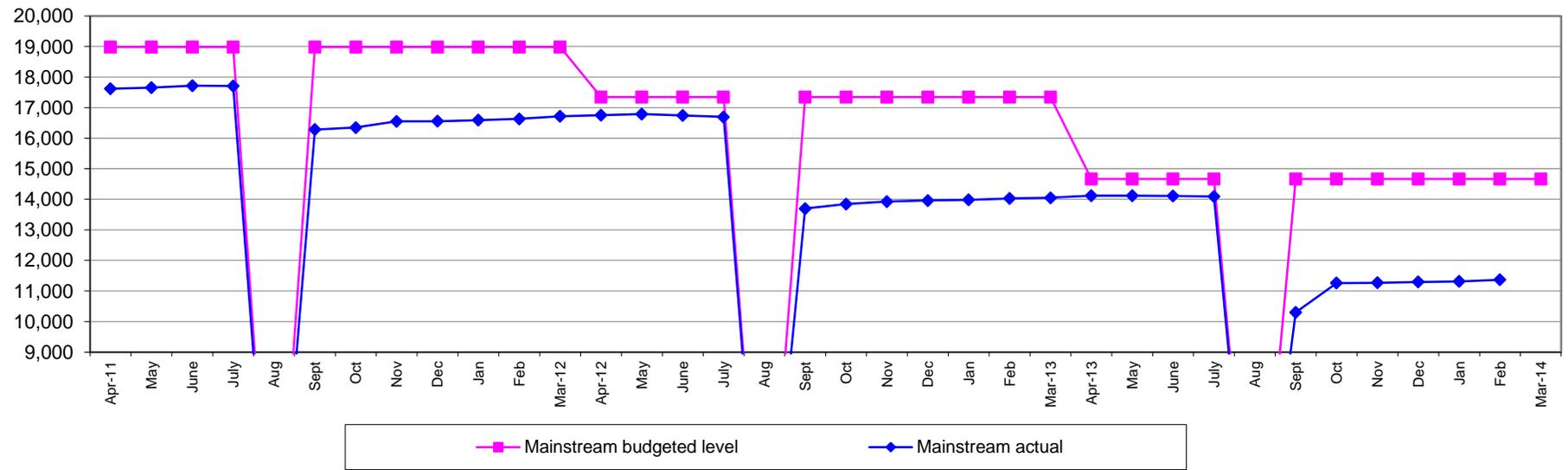
Comments:

- **SEN HTST** – The number of children travelling is higher than the budgeted level and there are also a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel. A pressure of +£3,043k is therefore reported in table 1, which is offset by £900k recoupment income from other local authorities for the 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 -£1,054k is reported in table 1

Number of children receiving assisted SEN transport to school



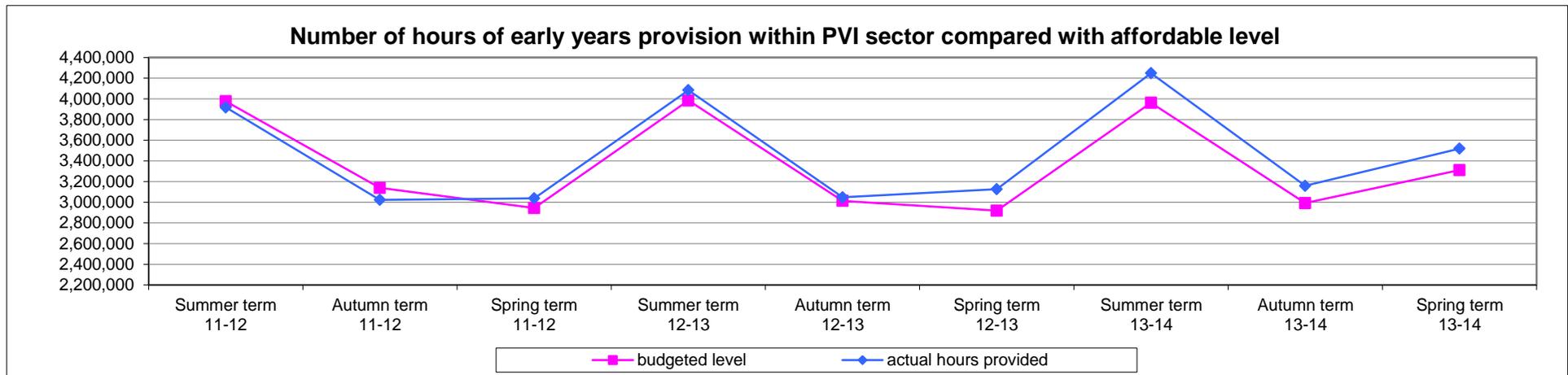
Number of children receiving assisted Mainstream transport to school



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:

	2011-12		2012-13		2013-14	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided *
Summer term	3,976,344	3,917,710	3,982,605	4,082,870	3,961,155	4,247,461
Autumn term	3,138,583	3,022,381	3,012,602	3,048,035	2,990,107	3,158,318
Spring term	2,943,439	3,037,408	2,917,560	3,125,343	3,310,417	3,518,673
TOTAL	10,058,366	9,977,499	9,912,767	10,256,248	10,261,679	10,924,452

* 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 current activity suggests a pressure of £2.733m, which is due to an additional week of provision for 3 and 4 years olds falling in the 2013-14 financial year which has not been funded within the DfE DSG settlement and additional hours as a result of increased parental demand. 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 this pressure will be transferred to the schools unallocated DSG reserve at year end, as reflected in table 1 of this annex.
- 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, Learning & Skills Directorate has a working budget - excluding schools - for 2013-14 (which has now been updated to reflect the 2014-17 budget set by County Council on 13th February 2014) of £121,184k. The forecast outturn against the 2013-14 budget is £107,317k giving a variance of - £13,867k.

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

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Annual Planned Enhancement Programme	24,255	12,498	-932	-932	-£1000k Rephasing +£68k Real - grant	Rephasing on the Schools Access Initiative programme for works which will be completed in 2014-15. Tendering timescales have led to rephasing on projects. Real variance due to transfer back of grant for reduced mobile hire costs at St Johns/Kingsmead.	Green		Increase cash limit by £68k
Devolved Formula Capital Grants for Pupil Referral Units	537	200					Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status 1	Explanation of Project Status	Actions
Individual Projects									
Basic Need Schemes - to provide additional pupil places:									
Future Basic Need Schemes	43,506	31,097	-7,053	-7,053	Rephasing	Additional time is being spent on planning applications to ensure robustness. This is delaying project start dates but will ensure delays are not encountered at a later stage. Completion dates remain unaffected.	Green		
Dunton Green	800	0				Project now included in Future Basic Need Schemes (above).	Green		
Goat Lees Primary	2,194	2,951	-94	-94	Rephasing		Green		
Repton Park Primary School, Ashford	19	210	-210	-210	Rephasing	Awaiting agreement of final accounts.	Green		
Ryarsh Primary	169	169					Green		
Modernisation Programme - Improving and upgrading school buildings including removal of temporary classrooms:									
Modernisation Programme - Wrotham	8	4					Green		
Modernisation Programme - Future Years	5,992	201					Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status 1	Explanation of Project Status	Actions
St Johns / Kingsmead Primary School, Canterbury	1,544	1,513	-68	-68	Real - grant	Transfer back of grant for reduced mobile hire costs to Annual Planned Enhancement.	Green		Reduce cash limit by £68k
Special Schools Review - major projects supporting the special schools review									
Special Schools Review phase 1	24	664					Green		
Special Schools Review phase 2	40,330	3,780	-2,780	-2,780	Rephasing	Re-profiling of the SSR budget to reflect latest forecasts.	Green		
The Wyvern School, Ashford (Buxford Site)	1	2					Green		
Primary Improvement Programme	85	236					Green		
Academy Projects:									
Academies Unit Costs	778	1,183	-733	-733	Rephasing	Re-profiling of costs to reflect the revised profile of Academy build costs.	Green		
Maidstone New Build, New Line Learning	0	31					Green		
Longfield New Build	0	358					Green		
Maidstone New Build, Cornwallis	0	67					Green		
Spires New Build	0	2					Green		
Marsh Academy, New Romney	888	887					Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status 1	Explanation of Project Status	Actions
The John Wallis C of E Academy	7,615	6,217					Green		
The Knowle Academy Sevenoaks	13,557	12,248					Green		
Dover Christ Church	10,119	500	-500	-500	Rephasing	Delays to pre-contract agreement, contracts not yet signed.	Green		
Astor of Hever (St Augustine's Academy), Maidstone	9,236	10,049					Green		
Duke of York	21,816	19,424					Green		
Wilmington Enterprise College	7,387	6,898					Green		
Isle of Sheppey Academy	6,108	2,234					Green		
Skinner's Kent Academy, Tunbridge Wells	489	1,278	62	62	Real - grant		Green		
Building Schools for the Future Projects:									
BSF Wave 3 Build Costs	2,104	905	-300	-300	Real - capital receipt	There is no refresh of ICT equipment therefore budget to support this is no longer required.	Green		
BSF Unit Costs (including SecTT)	0	669					Green		
Other Projects:									
Nursery Provision for Two Year Olds	2,468	100					Green		
Schools Self Funded projects - Quarryfield / Aldington Eco Centre	0	32					Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status 1	Explanation of Project Status	Actions
Specialist Schools	0	140					Green		
Platt CEPS	0	101					Green		
One-off Schools Revenue to Capital	1,881	1,999	-288	-288	Rephasing	Remaining projects span financial years.	Green		
Unit Review	1,108	1,258	-823	-823	Real - prudential	Good design and cost management reduced overall project costs.	Green		
Vocational Education Centre Programme	0	148	-148	-148	Rephasing	Budget rephased while awaiting outcome of potential joint venture between Swan Valley vocational centre and Paramount.	Green		
Sevenoaks Grammar Schools annexe	5,000	731					Green		
Hartsdown Academy - contribution to 3G pitch		200					Green		
Total	210,018	121,184	-13,867	-13,867					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

FAMILIES & SOCIAL CARE DIRECTORATE SUMMARY
CHILDREN'S SERVICES SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. REVENUE

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Total excl Asylum (£k)	+152,465	+2,891	-	+2,891
	Asylum (£k)	+280	+346	-	+346
	Total (£k)	+152,745	+3,237	-	+3,237

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	
Specialist Children's Services portfolio						
Strategic Management & Directorate Support budgets	5,979.8	-175.0	5,804.8	-480	-121 -308 -51	underspend on staffing budgets Reduction in commitments against the improvement budget (previously shown against Safeguarding line in error) Other minor variances
Children's Services - Children in Care (Looked After)						
- Fostering	38,164.1	-336.0	37,828.1	+722	+391 +283 -52	In House: Forecast 1,025 weeks above affordable level In House: Forecast unit cost £5.18 above affordable level In House: management action to reduce pressure Management action is in place to speed up and increase the number of adoptions which will reduce the demand on in house fostering.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 +470 Independent Sector (IFA): Forecast 495 weeks above affordable level +112 Independent Sector (IFA): Forecast unit cost £10.37 above affordable level -153 Fostering: further management action to reduce pressure -55 Independent sector (IFA): other minor variances -67 Staffing underspend -133 Small reduction in fostering related payments and Kinship placements -74 Other minor variances	<p>The recent in-house fostering recruitment campaign is resulting in more in-house and fewer independent sector placements, which will reduce costs. Also, new IFA placements are being purchased under a new framework contract which should result in new placements being at lower cost. However due to the transfer of lower need placements to in-house providers, the average unit cost for IFA placements is likely to increase. The impact of this management action has started to be reflected in the forecast activity shown in sections 2.2 & 2.3 but further management action is still expected to be delivered and the effects of this will be seen in the outturn report.</p>
- Legal Charges	7,345.4	0.0	7,345.4	+1,193	+804 Increase in legal fees and court charges, due to an increase in number of proceedings.	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000			
					+389	Increase in court fee pricing	This demand pressure has been addressed in the 2014-17 MTFP, together with a saving expected as a result of reduced demand from alternative delivery models
- Residential Children's Services	15,371.2	-1,799.9	13,571.3	+33	+574	Independent residential care: Forecast 196 weeks above affordable level	
					-780	Independent residential care : Forecast unit cost -£322.24 below affordable level of £3,249.20	
					+148	Independent residential care: reduction in income	
					-102	Secure Accommodation: reduction in placements	
					+352	Increase in the number of independent residential placements for disabled children	
					-98	Saving on in-reach nursing due to reduction in charges from district health authority	
					-61	Other minor variances	
- Virtual School Kent	2,163.6	-718.9	1,444.7	+119	+151	Staffing pressure due to additional agency workers to undertake the Electronic Personal Education Plan (ePEP) project	
					-32	Other minor variances	
	63,044.3	-2,854.8	60,189.5	+2,067			
Children's Services - Children in Need							
- Children's Centres	15,957.4	-112.6	15,844.8	-1,171	-1,171	Minor variances spread across the 97 centres	
- Preventative Services	16,098.0	-1,559.0	14,539.0	+689	+536	Pressure on commissioned services	
					+167	Additional children receiving support through disability day care	
					+92	Increase in direct payments	
					-106	Other minor variances	
	32,055.4	-1,671.6	30,383.8	-482			

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Children's Services - Other Social Services						
- Adoption	11,088.7	-3,707.5	7,381.2	+229	-745 Underspend due to rebadging of eligible spend to the Adoption Reform Grant. +300 Increase in number of adoption payments as a result of the management action, referred to in Fostering above, to speed up and increase the number of adoptions. +497 Increase in number of guardianship payments partly due to a reduction in Kinship placements reported in Fostering above, together with a general increase in the number of guardianship payments. +177 Increased costs of commissioned management service	
- Asylum Seekers	11,883.3	-11,603.3	280.0	+346	+975 Pressure relating to under 18 UASC due to costs exceeding grant payable +319 Pressure relating to under 18 UASC due to ineligibility +1,133 Pressure relating to over 18's due to ineligibility, of which £730k relates to All Rights Exhausted (ARE) clients +1,082 Pressure relating to over 18's due to costs exceeding grant payable (see activity section 2.6 below), of which £255k relates to ARE clients -997 Gateway grant not required for infrastructure costs and therefore available to offset other pressures	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 -2,166	Invoice to Home Office for net pressures outlined above, excluding costs for the first 25 care leavers, naturalised clients, care leavers age 21 and over not in education and care leavers age 24 and over (as these clients either fall within KCC's social care responsibilities or we should no longer be supporting them at all)
- Leaving Care (formerly 16+)	4,555.1	0.0	4,555.1	+941	+219 +722	Pressure on staffing budgets Additional young people requiring this service, in order to provide stability and continuity whilst they continue their education.
- Safeguarding	4,401.9	-440.7	3,961.2	-499	-227 -273 +1	Underspend on staffing Underspend on Kent Safeguarding Children Board (KSCB) - this represents KCC's share of the underspend of the KSCB Board, and will need to be rolled forward in 2014-15 to fund our commitment to the partnership agreement Other minor variances
	31,929.0	-15,751.5	16,177.5	+1,017		
<u>Assessment Services</u>						
- Children's social care staffing	45,247.8	-5,058.5	40,189.3	+1,115	+1,115	Pressure on staffing budgets. Partly due to appointment of agency staff to bridge the gap until new cohort of social workers take up posts
Total SCS portfolio	178,256.3	-25,511.4	152,744.9	+3,237		
Assumed Mgmt Action						
- SCS portfolio						
Total Forecast <u>after</u> mgmt action	178,256.3	-25,511.4	152,744.9	+3,237		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Looked After Children (LAC) :

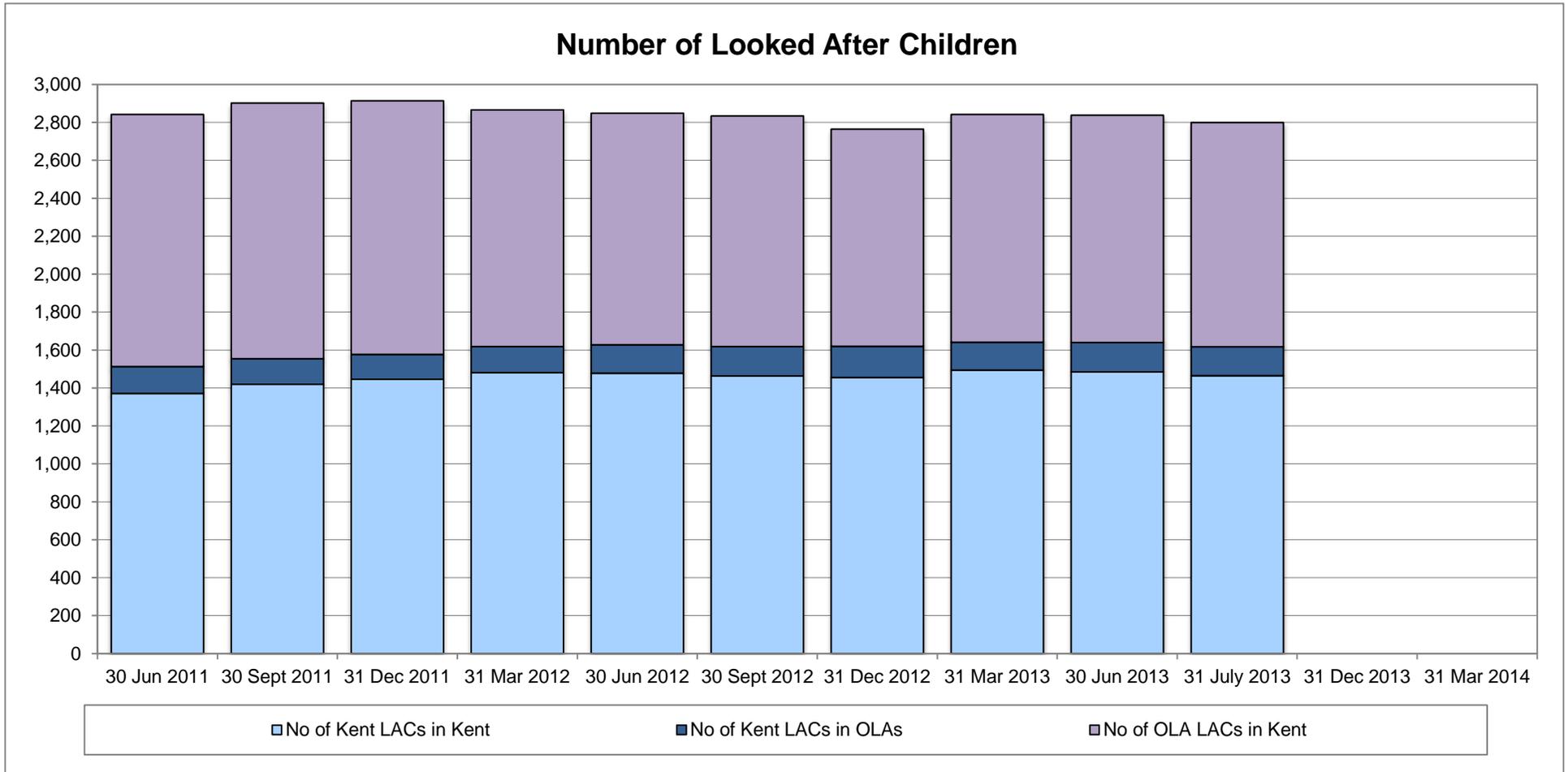
		No. of Kent LAC placed in Kent	No. of Kent LAC placed in OLAs	TOTAL NO. OF KENT LAC (excluding Asylum)	No. of OLA LAC placed in Kent	TOTAL NUMBER OF LAC IN KENT
2011-12	30-Jun	1,371	141	1,512	1,330	2,842
	30-Sep	1,419	135	1,554	1,347	2,901
	31-Dec	1,446	131	1,577	1,337	2,914
	31-Mar	1,480	138	1,618	1,248	2,866
2012-13	30-Jun	1,478	149	1,627	1,221	2,848
	30-Sep	1,463	155	1,618	1,216	2,834
	31-Dec	1,455	165	1,620	1,144	2,764
	31-Mar	1,494	147	1,641	1,200	2,841
2013-14	30-Jun	1,485	155	1,640	1,197	2,837
	30-Sep	1,465	152	1,617	1,182	2,799
	31-Dec *					
	31-Mar					

* Numbers of Children in Care, and the breakdown by categories previously provided to Cabinet, are not available for the 3rd quarter reporting. A new IT system has been implemented for Children's Social Care and figures have not yet been released as they are still pending validation following the migration of data from the previous system (ICS) to the new system (Liberi). This data will be provided within the outturn report.

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 had reduced by 23 as at quarter 2 of this financial year, there could have been more (or less) during the period.
- The generally higher number of looked after children since the 2013-14 budget was set (Q3 12/13) has placed additional pressure on the services for looked after children, including fostering and residential care. £1.5m of rolled forward underspending from 2012-13 was approved by Cabinet on 15 July to address this issue.

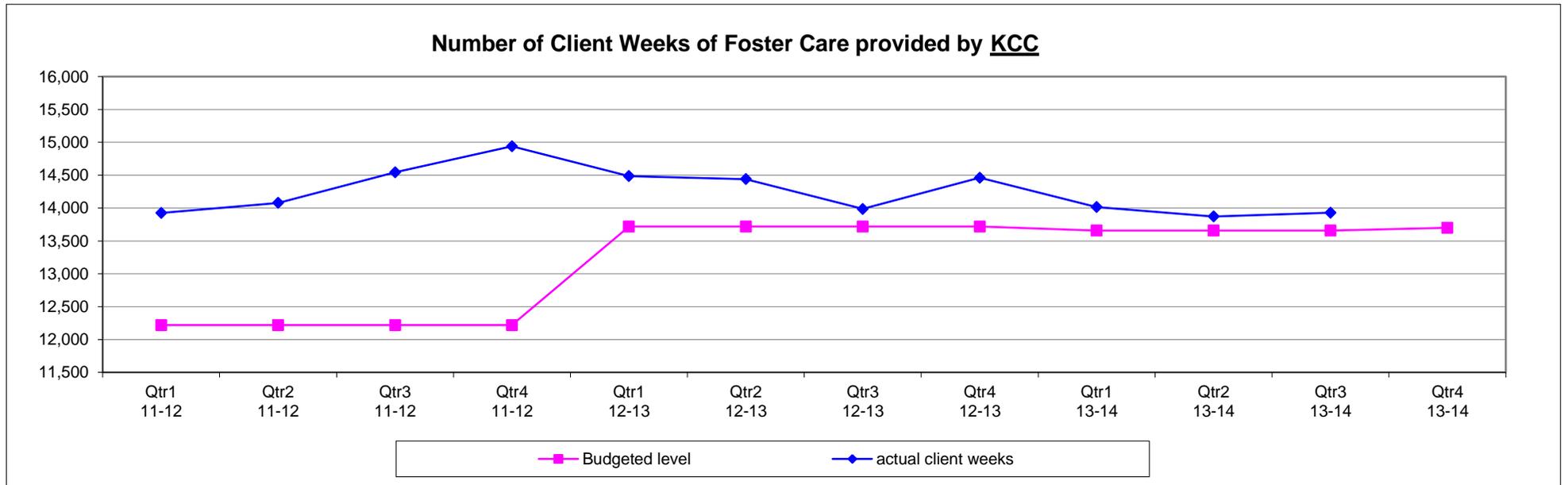
- The OLA LAC information has a confidence rating of 70% (as at quarter 2) and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are 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 FSC Directorate.

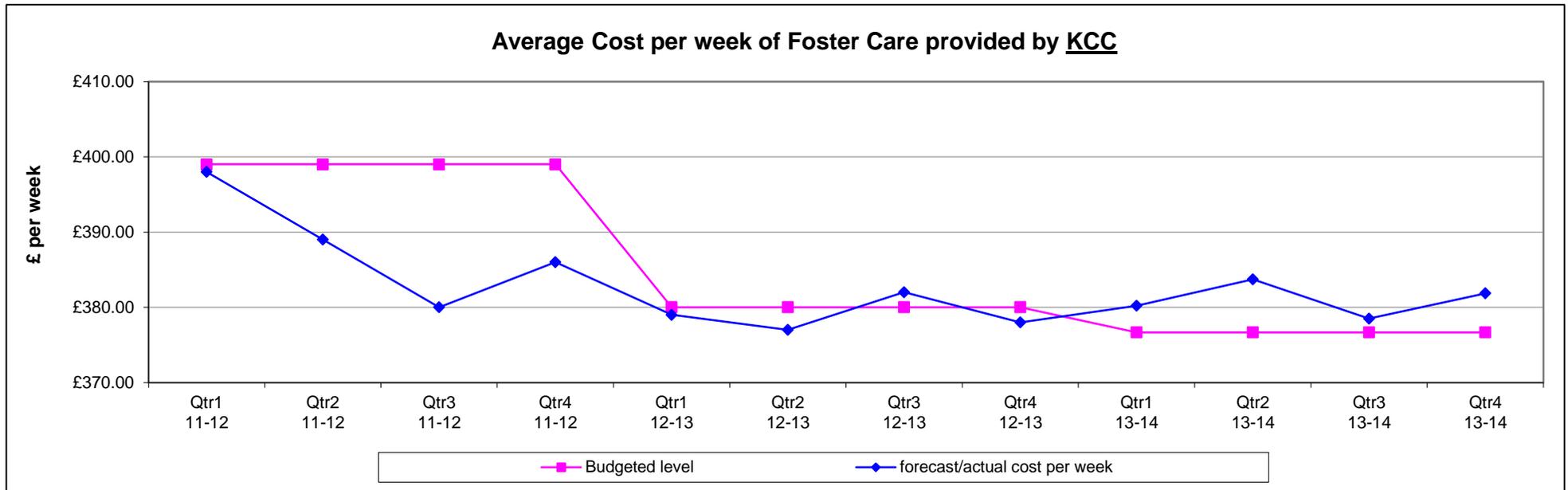


2.2 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC:

	2011-12				2012-13				2013-14			
	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	12,219	13,926	£399	£398	13,718	14,487	£380	£379	13,659	14,014	£376.67	£380.22
Jul to Sep	12,219	14,078	£399	£389	13,718	14,440	£380	£377	13,658	13,871	£376.67	£383.72
Oct to Dec	12,219	14,542	£399	£380	13,718	13,986	£380	£382	13,658	13,929	£376.67	£378.50
Jan to Mar	12,219	14,938	£399	£386	13,718	14,462	£380	£378	13,700	4,759	£376.67	£381.85
	48,876	57,484	£399	£386	54,872	57,375	£380	£378	54,675	46,573	£376.67	£381.85

January position





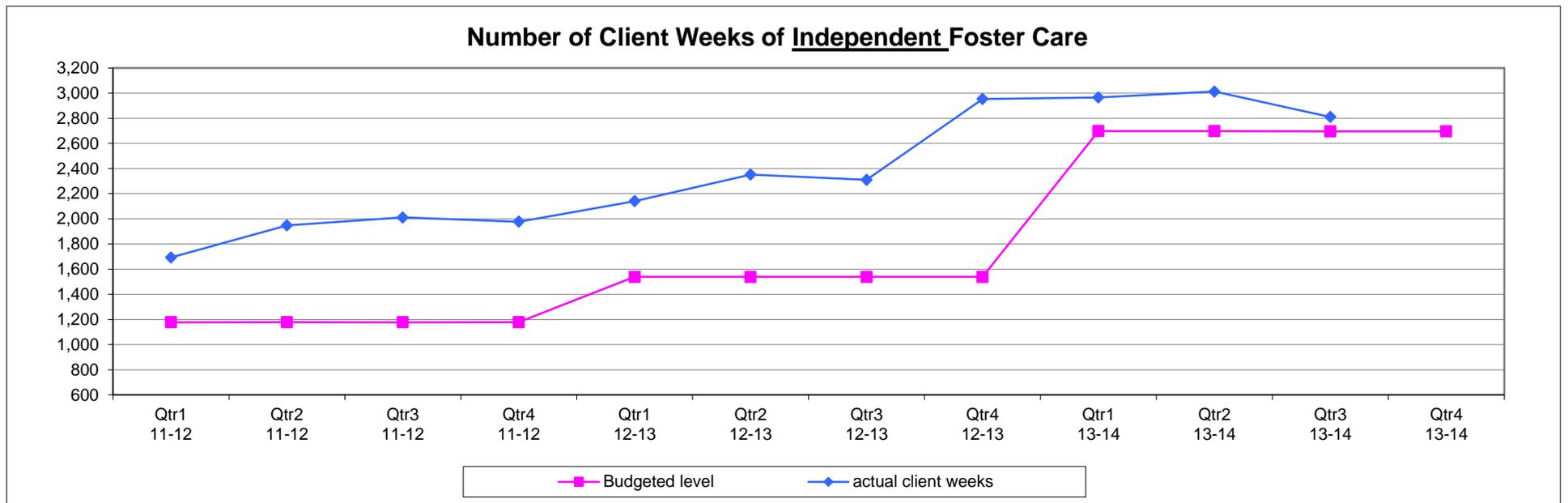
Comments:

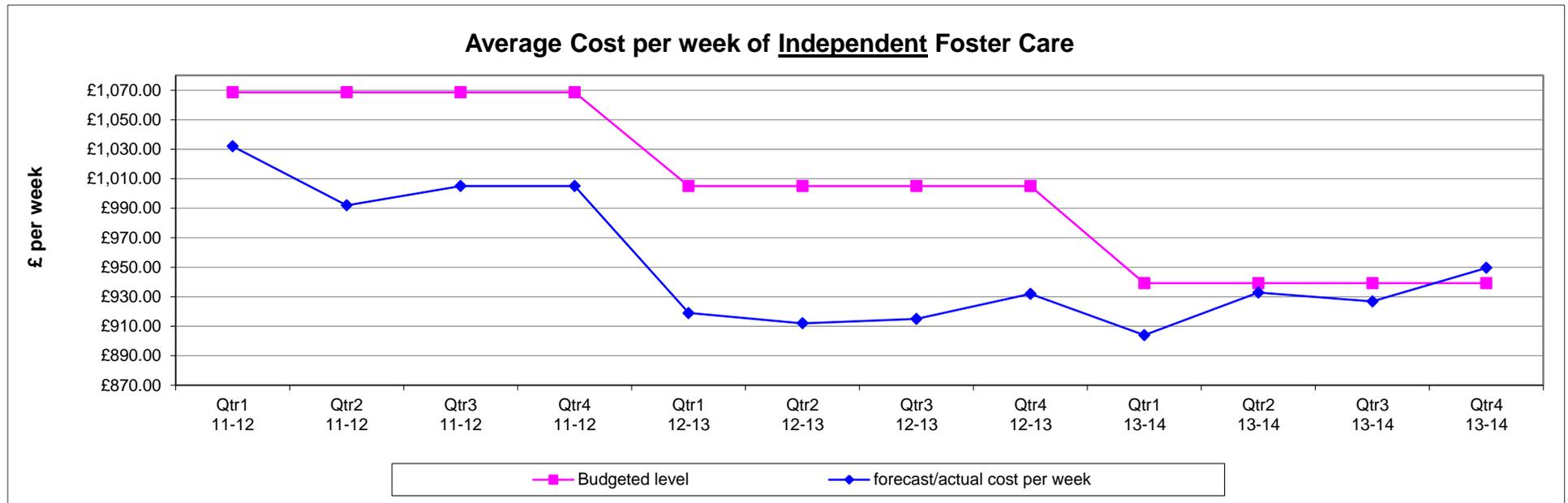
- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the average weekly cost. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.
- The 2013-14 budgeted level has changed from what was reported to Cabinet on 15 July in the 2012-13 outturn report, reflecting the realignment of budgets reported to Cabinet on 16 September.
- The forecast number of weeks is 55,700 (excluding asylum), which is 1,025 weeks above the affordable level. At the forecast unit cost of £381.85 per week, this increase in activity gives a pressure of £391k, as shown in table 1.
- The forecast unit cost of £381.85 is +£5.18 above the budgeted level and when multiplied by the budgeted number of weeks, gives a pressure of +£283k, as shown in table 1.
- Overall therefore, the combined gross pressure on this service is £674k (£391k + £283k).

2.3 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care:

	2011-12				2012-13				2013-14			
	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	1,177	1,693	£1,069	£1,032	1,538	2,141	£1,005	£919	2,697	2,964	£939.19	£904.01
Jul to Sep	1,178	1,948	£1,069	£992	1,538	2,352	£1,005	£912	2,697	3,012	£939.19	£932.83
Oct to Dec	1,177	2,011	£1,069	£1,005	1,538	2,310	£1,005	£915	2,696	2,810	£939.19	£926.83
Jan to Mar	1,178	1,977	£1,069	£1,005	1,538	2,953	£1,005	£932	2,696	861	£939.19	£949.56
	4,710	7,629	£1,069	£1,005	6,152	9,756	£1,005	£932	10,786	9,647	£939.19	£949.56

January position





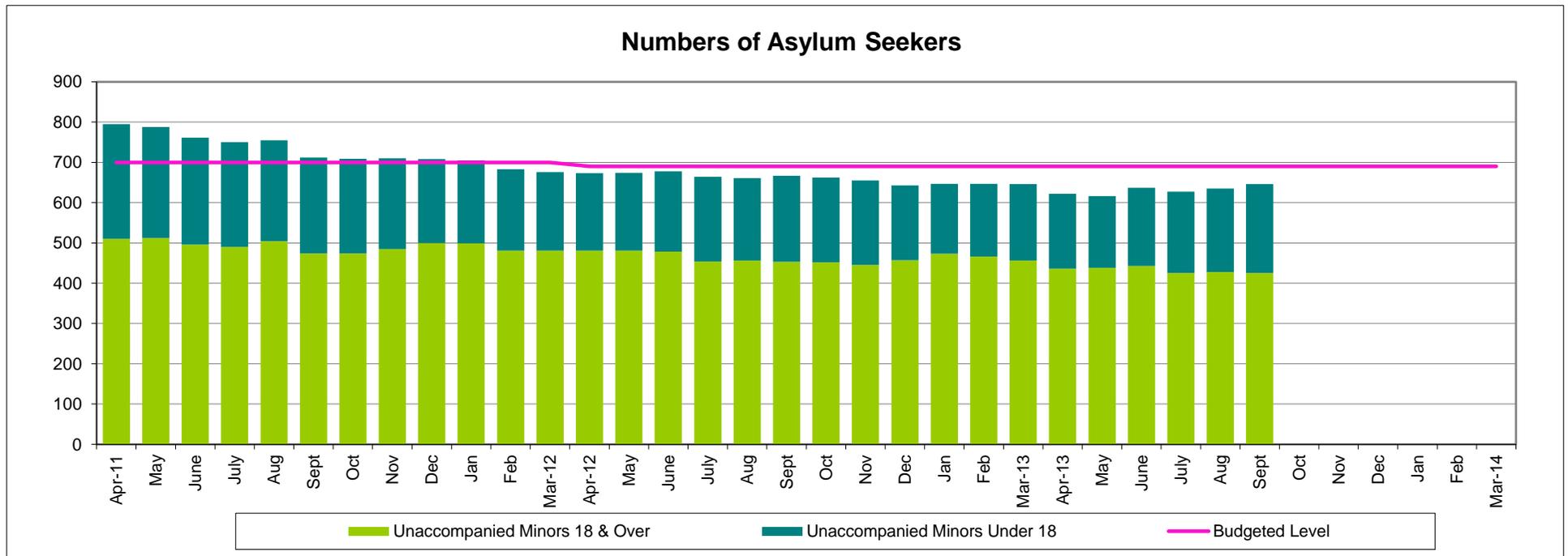
Comments:

- 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 average weekly cost. The average weekly cost is also an estimate based on financial information and estimates of the number of client weeks and may be subject to change.
- The 2013-14 budgeted level has changed from what was reported to Cabinet on 15 July in the 2012-13 outturn report, reflecting the realignment of budgets reported to Cabinet on 16 September.
- The forecast number of weeks is 11,281 (excluding asylum), which is 495 weeks above the affordable level. At the forecast unit cost of £949.56 per week, this increase in activity gives a pressure of £470k as shown in table 1.
- The forecast unit cost of £949.56 is £10.37 above the budgeted level and when multiplied by the budgeted number of weeks, gives a pressure of +£112k as shown in table 1.
- Overall therefore, the combined gross pressure on this service is £582k (£470k + £112k)
- The forecast average unit cost of £949.56 includes some mother and baby placements, which are subject to court orders. These placements often cost in excess of £1,500 per week.
- The IFA Framework contract commenced in June 2013 and unit costs were expected to reduce as a result of this, which is evidenced by the lower unit cost for October - December. In January the average unit cost has risen again, this is due to a number of lower cost IFA placements moving to In House and the higher need placements remaining in IFA resulting in a higher average unit cost.

2.4 Number of Unaccompanied Asylum Seeking Children (UASC):

	2011-12			2012-13			2013-14		
	Under 18	18 & Over	Total	Under 18	18 & Over	Total	Under 18	18 & Over	Total
Apr	285	510	795	192	481	673	186	436	622
May	276	512	788	193	481	674	178	438	616
Jun	265	496	761	200	478	678	194	443	637
Jul	260	490	750	210	454	664	202	425	627
Aug	251	504	755	205	456	661	207	428	635
Sep	238	474	712	214	453	667	221	425	646
Oct *	235	474	709	210	452	662			
Nov*	225	485	710	210	445	655			
Dec*	208	500	708	186	457	643			
Jan	206	499	705	174	473	647			
Feb	202	481	683	181	466	647			
Mar	195	481	676	190	456	646			

* This data is not available for the January reporting. A new IT system has been implemented for Children’s Social Care and figures have not yet been released as they are still pending validation following the migration of data from the previous system (ICS) to the new system (Liberi). This data will be provided within the outturn report.



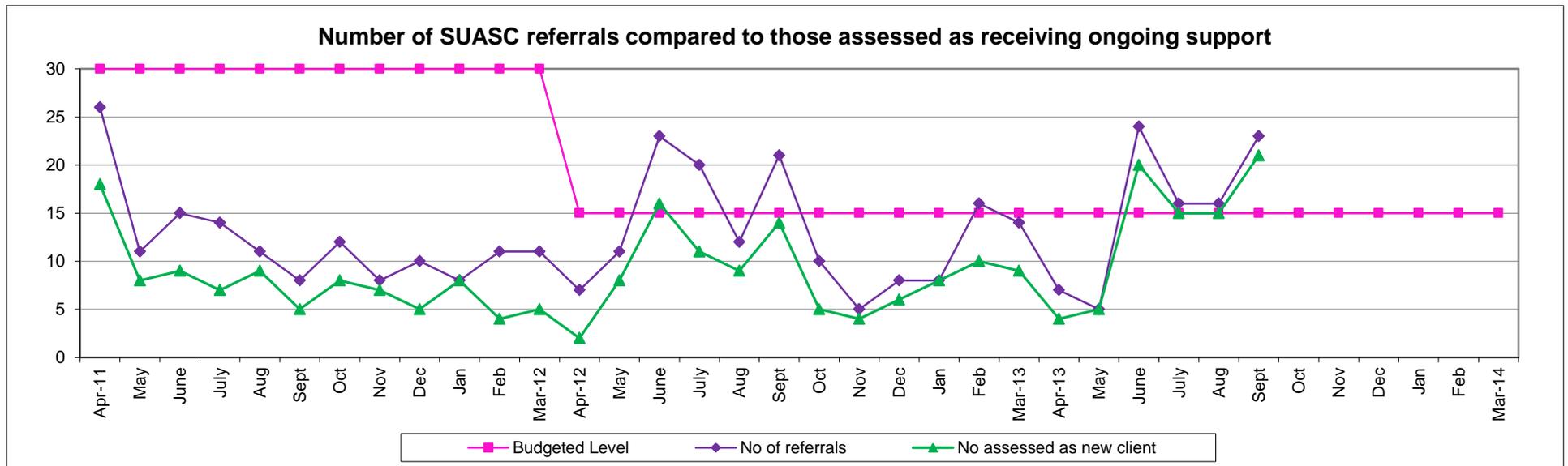
Comments:

- The overall number of children has remained fairly static in the first half of this year, with a small increase in September. The number of clients supported, as at quarter 2, is below the budgeted level of 690.
- The budgeted number of referrals for 2013-14, as at quarter 2, 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.
- Under 18 clients include both Looked After Children and 16 and 17 year old Care Leavers.

2.5 Number of Unaccompanied Asylum Seeking Children (UASC):

	2011-12			2012-13			2013-14		
	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	26	18	69%	7	2	29%	7	4	57%
May	11	8	73%	11	8	73%	5	5	100%
Jun	15	9	60%	23	16	70%	24	20	83%
Jul	14	7	50%	20	11	55%	16	15	94%
Aug	11	9	82%	12	9	75%	16	15	94%
Sep	8	5	63%	21	14	67%	23	21	91%
Oct *	12	8	67%	10	5	50%			
Nov*	8	7	88%	5	4	80%			
Dec*	10	5	50%	8	6	75%			
Jan*	8	8	100%	8	8	100%			
Feb	11	4	36%	16	10	63%			
Mar	11	5	45%	14	9	64%			
	145	93	64%	155	102	66%	91	80	88%

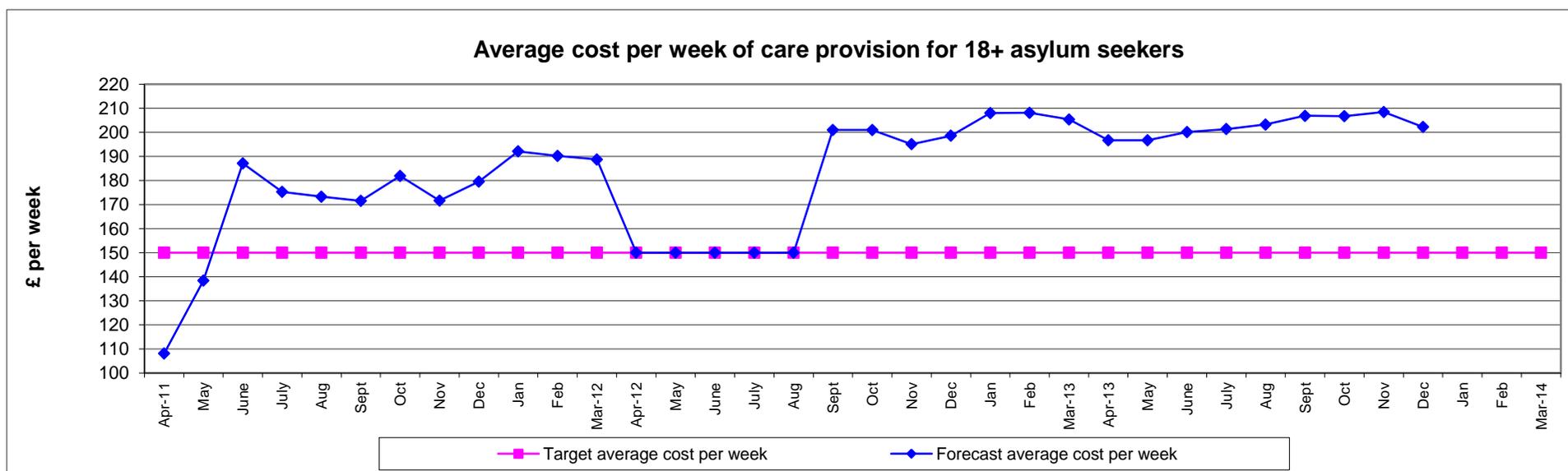
* This data is not available for the January reporting. A new IT system has been implemented for Children's Social Care and figures have not yet been released as they are still pending validation following the migration of data from the previous system (ICS) to the new system (Liberi). This data will be provided within the outturn report.



Comments:

- The average number of referrals per month is 15.2, as at quarter 2, which is slightly 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 number assessed as new clients, as at quarter 2, is 88%.
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month, as at quarter 2, is 13.3 i.e. a 48% 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.
- UASC Referrals are assumed to be new clients until an assessment has been completed, therefore the number of UASC assessed as new clients shown in the table above may change once the assessment has taken place.

	2011-12		2012-13		2013-14	
	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	108.10	150	150.00	150	196.78
May	150	138.42	150	150.00	150	196.78
Jun	150	187.17	150	150.00	150	200.18
Jul	150	175.33	150	150.00	150	201.40
Aug	150	173.32	150	150.00	150	203.29
Sep	150	171.58	150	200.97	150	206.92
Oct	150	181.94	150	200.97	150	206.74
Nov	150	171.64	150	195.11	150	208.51
Dec	150	179.58	150	198.61	150	202.25
Jan	150	192.14	150	208.09	150	
Feb	150	190.25	150	208.16	150	
Mar	150	188.78	150	205.41	150	



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.
 - We are still receiving damages claims relating to closed properties.
- 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.
- The current forecast average weekly cost for 2013-14 is £202.25, £52.25 above the £150 claimable under the grant rules. This adds £1,082k to the forecast outturn position. We are invoicing the Home Office for the majority of this shortfall in grant income each month and negotiations are ongoing regarding payment.

3. CAPITAL

3.1 The Families and Social Care Directorate - Children's Services has a working budget for 2013-14 (which has now been updated to reflect the 2014-17 budget set by County Council on 13th February 2014) of £1,925k. The forecast outturn against the 2013-14 budget is £1,925k giving a variance of £0k.

3.2 **Table 2** below details the FSC CS Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Individual Projects									
Transforming Short Breaks	1,074	1,674	0	0			Green		
Service Redesign (Reprovision of Family Centre)	251	251	0	0			Green		
Total	1,325	1,925	0	0					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

FAMILIES & SOCIAL CARE DIRECTORATE SUMMARY
ADULTS SERVICES SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. REVENUE

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Total (£k)	+334,898	-237	-	-237

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	
Adult Social Care & Public Health portfolio						
Strategic Management & Directorate Support budgets	7,050.6	-957.8	6,092.8	-138	+193	Legal Charges
					-136	Release of contingencies to support "Transformation" and "New Ways of Working" initiatives not required during 2013-14
					-129	Reduced spend on Health and Safety and No Recourse to Public Funds due to lower than anticipated demand for these services
					-229	Impact of a drive to reduce all other general back office running costs
					+163	Other minor variances including higher than anticipated demand for the Occupational Health Support Line and redundancy costs
Support to Frontline Services:						
- Adults Social Care Commissioning & Performance Monitoring	3,720.3	-325.7	3,394.6	-64		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
<u>Adults & Older People:</u>						
- Direct Payments						
- Learning Disability	15,865.8	0.0	15,865.8	+897	-71 Forecast -255 weeks below affordable level of 60,327 weeks +904 Forecast average unit cost +£14.98 above affordable level of £262.50 +747 One-off direct payments -683 Recovery of unspent funds from clients	Demographic pressures & savings have been addressed in the 2014-17 MTFP
- Mental Health	817.2	0.0	817.2	+24	-71 Forecast -928 weeks below affordable level of 10,803 weeks +52 Forecast average unit cost +£4.77 above affordable level of £71.40 +43 Other minor variances	Demographic pressures & savings have been addressed in the 2014-17 MTFP
- Older People	6,797.2	0.0	6,797.2	+347	-786 Forecast -4,437 weeks below affordable level of 45,113 weeks +1,192 Forecast average unit cost +£26.43 above affordable level of £150.67 +397 One-off direct payments -560 Recovery of unspent funds from clients +104 Costs relating to 2012-13 where insufficient creditors were set up	Demographic pressures & savings have been addressed in the 2014-17 MTFP
- Physical Disability	10,586.9	0.0	10,586.9	-320	-711 Forecast -3,671 weeks below affordable level of 56,463 weeks +342 Forecast average unit cost +£6.05 above affordable level of £187.50 +619 One-off direct payments -649 Recovery of unspent funds from clients +79 Costs relating to 2012-13 where insufficient creditors were set up	Demographic pressures & savings have been addressed in the 2014-17 MTFP
Total Direct Payments	34,067.1	0.0	34,067.1	+948		

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Domiciliary Care						
- Learning Disability	4,237.6	-679.2	3,558.4	-701	-132 Independent Sector: forecast -10,215 hours below affordable level of 94,500 hours -83 Independent Sector: forecast average unit cost -£0.88 below affordable level of £13.80 -466 Unrealised creditors raised in 12-13 -20 Other minor variances	Demographic pressures & savings have been addressed in the 2014-17 MTFP
- Older People	42,899.5	-1,662.7	41,236.8	-406	-717 Independent Sector: forecast -47,598 hours below affordable level of 2,240,067 hours +269 Independent Sector: forecast average unit cost +£0.12 above affordable level of £14.95 +177 Independent sector: costs incurred relating to 2012-13 where insufficient creditors were set up -201 Underspend on Independent Sector Enablement replaced by increased usage of the Kent Enablement at Home Service (KEAH) (see below) +111 Increased activity on the Older People KEAH service due to reduced usage of Independent Sector Enablement and delivery of transformation plans -217 Use of alternative funding sources to finance the programme of spend for hand held devices for the Older People KEAH service, such as use of reserves or capitalisation where eligible +172 Other minor variances each below £100k	Demographic pressures & savings have been addressed in the 2014-17 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Physical Disability	7,576.3	0.0	7,576.3	-149	-478 +161 +179 -11	Independent Sector: forecast -35,522 hours below affordable level of 518,335 hours Independent Sector: forecast average unit cost +£0.31 above affordable level of £13.15 Pressure on Physical Disability Kent Enablement at Home Service (KEAH) Other minor variances	Demographic pressures & savings have been addressed in the 2014-17 MTFP
Total Domiciliary Care	54,713.4	-2,341.9	52,371.5	-1,256			
- Non Residential Charging							
- Learning Disability	0.0	-2,569.3	-2,569.3	-238	-238	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	Realignment of budget with other community based service headings has been reflected in the 2014-17 MTFP along with demographic pressures & savings.
- Older People	0.0	-11,627.0	-11,627.0	+1,708	+1,708	The forecast under-recovery of client contributions towards non-residential care services is in part linked to the current underspend being forecast on other older people community based services highlighted in this report. In addition, this budget was set based on certain assumptions around activity & unit contributions. It is now apparent a realignment of this budget is required which has been addressed in the 2014-17 MTFP.	Realignment of budget with other community based service headings has been reflected in the 2014-17 MTFP along with demographic pressures & savings.

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Physical Disability / Mental Health	0.0	-1,459.5	-1,459.5	-127	-164	The forecast over-recovery of client contributions towards physical disability community based services suggests the average unit income is greater than budgeted and is offsetting the under-recovery of client income linked to the current underspend being forecast on other physical disability services highlighted in this report	
					+37	Other minor variances	
Total Non Residential Charging Income	0.0	-15,655.8	-15,655.8	+1,343			
- Nursing & Residential Care							
- Learning Disability	76,895.0	-6,219.8	70,675.2	+651	+1,254	Independent Sector: forecast +990 weeks above affordable level of 40,086 weeks	Demographic pressures & savings have been addressed in the 2014-17 MTFP
					-88	Leading to an increase in client contributions	
					+794	Independent Sector: forecast average unit cost +£19.81 above affordable level of £1,247.27	
					-207	Independent Sector: forecast average unit client contribution -£5.17 above affordable level of -£83.24	
					-1,668	Preserved Rights Independent Sector: forecast -1,782 weeks below affordable level of 27,124 weeks	
					+166	Leading to a shortfall in client contributions	
					+613	Preserved Rights Independent Sector: forecast average unit cost +£22.59 above affordable level of £913.28	
					+38	Preserved Rights Independent Sector: forecast average unit client contribution +£1.41 below affordable level of -£94.37	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-264	Unrealised creditors raised in 2012-13
					+13	Other minor variances
- Mental Health	7,380.2	-768.4	6,611.8	+748	+898	Independent Sector: forecast +1,453 weeks above affordable level of 9,895 weeks
					+118	Forecast average unit cost +£11.88 above affordable level of £605.75
					-161	Additional income for clients part funded by health
					-107	Other minor variances including lower than budgeted spend on Preserved Rights clients
- Older People - Nursing	48,639.6	-24,371.0	24,268.6	-724	-1,401	Independent Sector: forecast -2,876 weeks below affordable level of 83,374 weeks
					+525	Leading to a shortfall in client contributions
					+429	Independent Sector: forecast average unit cost +£5.15 above affordable level of £481.80
					-890	Independent Sector: forecast average unit client contribution -£10.68 above affordable level of -£171.97
					+456	Contribution to Health & Social Care Village Model (short term beds commissioned by health)
					+120	Costs relating to 2012-13 where insufficient creditors were set up
					+37	Other minor variances
- Older People - Residential	81,853.1	-32,757.8	49,095.3	+358	+720	Independent Sector: forecast +1,773 weeks above affordable level of 146,064 weeks
					-309	Leading to an increase in client contributions

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 +806 Independent Sector: forecast average unit cost +£5.52 above affordable level of £400.60 -957 Independent Sector: forecast average unit client contribution -£6.55 above affordable level of -£167.74 +213 Costs relating to 2012-13 where insufficient creditors were set up +107 Staff costs for new in-house dementia unit at Kiln Court. +201 Higher contributions towards unitary charge and greater nursing costs than anticipated for Gravesham Place Integrated Care Centre (ICC) -117 Recharges for use of staff time by CCG for Westbrook and Westview ICCs -182 Lower staff costs through reduced need for cover for in-house units where demand has fallen and improved utilisation of permanent relief staff rather than agency workers -124 Other minor variances each under £100k	
- Physical Disability	12,691.6	-1,752.0	10,939.6	+346	+548 Independent Sector: forecast +635 weeks above affordable level of 12,902 weeks -72 Leading to an increase in client contributions -77 Independent Sector: forecast average unit cost -£5.93 below affordable level of £868.96 -53 Independent Sector: forecast average unit client contribution -£4.13 above affordable level of -£108.53	Demographic pressures & savings have been addressed in the 2014-17 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+115 Costs relating to 2012-13 where insufficient creditors were set up	
					-115 Other minor variances including lower than budgeted spend on Preserved Rights clients	
Total Nursing & Residential Care	227,459.5	-65,869.0	161,590.5	+1,379		
- Supported Accommodation						
- Learning Disability	32,870.0	-1,425.0	31,445.0	+289	+442 Independent Sector: forecast +43,838 hours above affordable level of 3,168,734 hours	Demographic pressures & savings have been addressed in the 2014-17 MTFP
					+665 Forecast average unit cost +£0.21 above affordable level of £9.87	
					-484 Unrealised creditors raised in 2012-13	
					-137 Underspend following the restructure of in-house services in the Shepway locality. This underspend partially offsets the pressure on in-house day care services (see below).	
					-166 Drawdown from ordinary residence reserve as this part of the reserve is no longer required	
- Older People	4,540.1	-4,350.0	190.1	-4	-31 Other minor variances	
- Physical Disability / Mental Health	3,430.9	-248.9	3,182.0	+33	-3 Physical Disability Independent Sector: forecast -411 hours below affordable level of 238,011 hours	Demographic pressures & savings have been addressed in the 2014-17 MTFP
					+226 Physical Disability Independent Sector: forecast average unit cost +£0.95 above affordable level of £6.46	
					-87 Mental Health Independent Sector: forecast -8,040 hours below affordable level of 151,107 hours	
					-45 Mental Health Independent Sector: forecast average unit cost -£0.30 below affordable level of £11.09	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-58	Other minor variances	
Total Supported Accommodation	40,841.0	-6,023.9	34,817.1	+318			
- Other Services for Adults & Older People							
- Contributions to Vol Orgs	18,513.7	-4,889.2	13,624.5	+498	+498	Various contracts with voluntary organisations continue to be reviewed/re-negotiated or re-commissioned along with investment in new services to support the transformation agenda (including expansion of care navigators programme, a service to explore options with older people to enable them to live independently within their community).	
- Community Support Services for Mental Health	1,265.3	-34.3	1,231.0	-94			
- Day Care							
- Learning Disability	12,723.4	-182.4	12,541.0	+955	+279	Unachievable savings target on in-house day care services following the day services review. The underspend following the restructure of day care services in the Shepway locality (see LD Supported Accommodation above) is partially offsetting this pressure	
					+474	Current demand for services provided by the independent sector	
					+202	Other minor variances relating to in-house services (each below £100k)	
- Older People	2,430.4	-63.1	2,367.3	-87	-135	In-house service staffing, predominately related to reduced usage	
					-9	Other minor in-house service variances, predominately related to reduced usage	

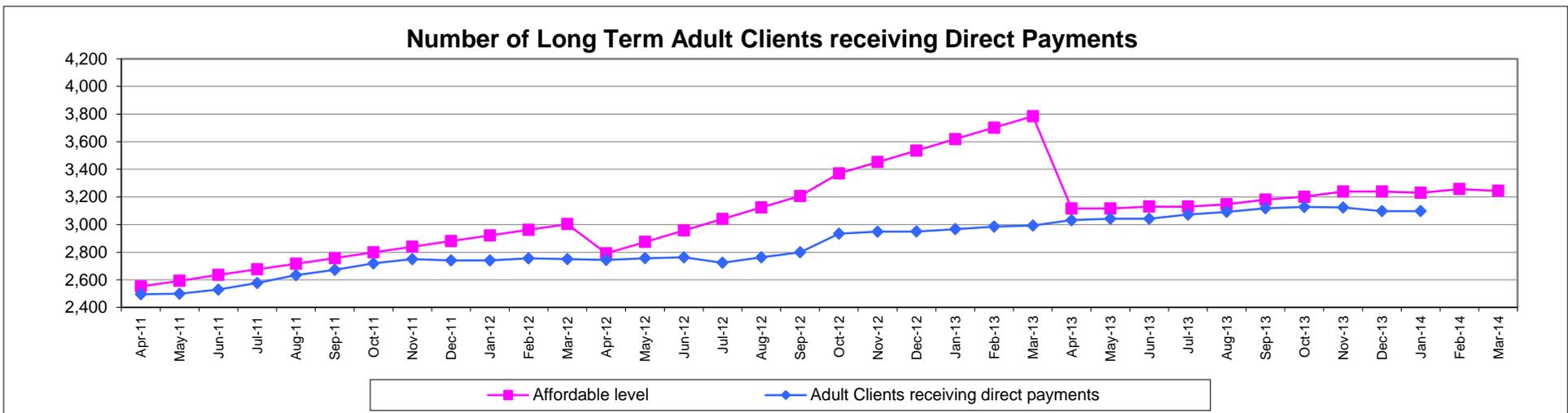
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+57	Current demand for services provided by the independent sector
- Physical Disability	1,040.0	-4.7	1,035.3	+165	+165	Current demand for services provided by both the independent sector and the resource centre
Total Day Care	16,193.8	-250.2	15,943.6	+1,033		
- Other Adult Services	3,085.5	-14,591.1	-11,505.6	-2,704	-1,370	This budget line holds both transformation savings and some of the NHS support for social care monies, including funds required for additional winter pressures. Plans continue to be developed and implemented with the NHS to ensure that health outcomes are being met from the investments. Pressures are being shown against their respective budget lines and the compensating funding stream is reflected here.
					-392	The Telecare Service Level Agreement cost was lower than initially anticipated, due to reduced staffing and premises charges
					-502	Capitalisation of Telecare programme of installations (where elements meet the criteria for capital spend)
					-377	Capitalisation of Home Support Fund adaptations and installations (where elements meet the criteria for capital spend)
					-271	Reduced demand for Home Support Fund adaptations and installations
					+254	Contribution to Bad Debt provision based on current debt levels.
					+104	Increased take-up of Lifeline Monitoring System within Telecare, with 2,800 units issued as opposed to 2,000 units initially anticipated

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-127	The number of hot meals provided to older people continues to fall as clients chose alternative methods to receive this service
					-23	Other minor variances
- Safeguarding	1,135.2	-261.6	873.6	-170	-170	Net effect of delays in the recruitment to vacancies as well as the recommissioning and reduction in the level of training to be delivered through the Mental Health Capacity Act (MCA) contract
Total Other Services for A&OP	40,193.5	-20,026.4	20,167.1	-1,437		
<u>Assessment Services</u>						
- Adult Social Care Staffing	41,946.0	-3,893.4	38,052.6	-1,330	-901	Net effect of delays in the recruitment to vacancies within the older people and physical disability assessment teams and usage of locum/agency staff
					-441	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
					+12	Other minor variances
Total ASC&PH portfolio	449,991.4	-115,093.9	334,897.5	-237		
Assumed Mgmt Action						
- ASC&PH portfolio						
Total Forecast <u>after</u> mgmt action	449,991.4	-115,093.9	334,897.5	-237		

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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

	2011-12			2012-13			2013-14		
	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	2,553	2,495	137	2,791	2,744	169	3,116	3,032	165
May	2,593	2,499	89	2,874	2,756	147	3,116	3,043	166
Jun	2,635	2,529	90	2,957	2,763	133	3,130	3,042	119
Jul	2,675	2,576	125	3,040	2,724	156	3,130	3,072	171
Aug	2,716	2,634	141	3,123	2,763	167	3,147	3,092	154
Sep	2,757	2,672	126	3,207	2,799	147	3,181	3,118	131
Oct	2,799	2,719	134	3,370	2,933	185	3,201	3,127	170
Nov	2,839	2,749	122	3,453	2,949	119	3,240	3,123	129
Dec	2,881	2,741	111	3,536	2,950	109	3,240	3,098	136
Jan	2,921	2,741	130	3,619	2,967	117	3,231	3,097	92
Feb	2,962	2,755	137	3,702	2,986	127	3,257		
Mar	3,003	2,750	117	3,785	2,992	105	3,244		
			1,459			1,681			1,433

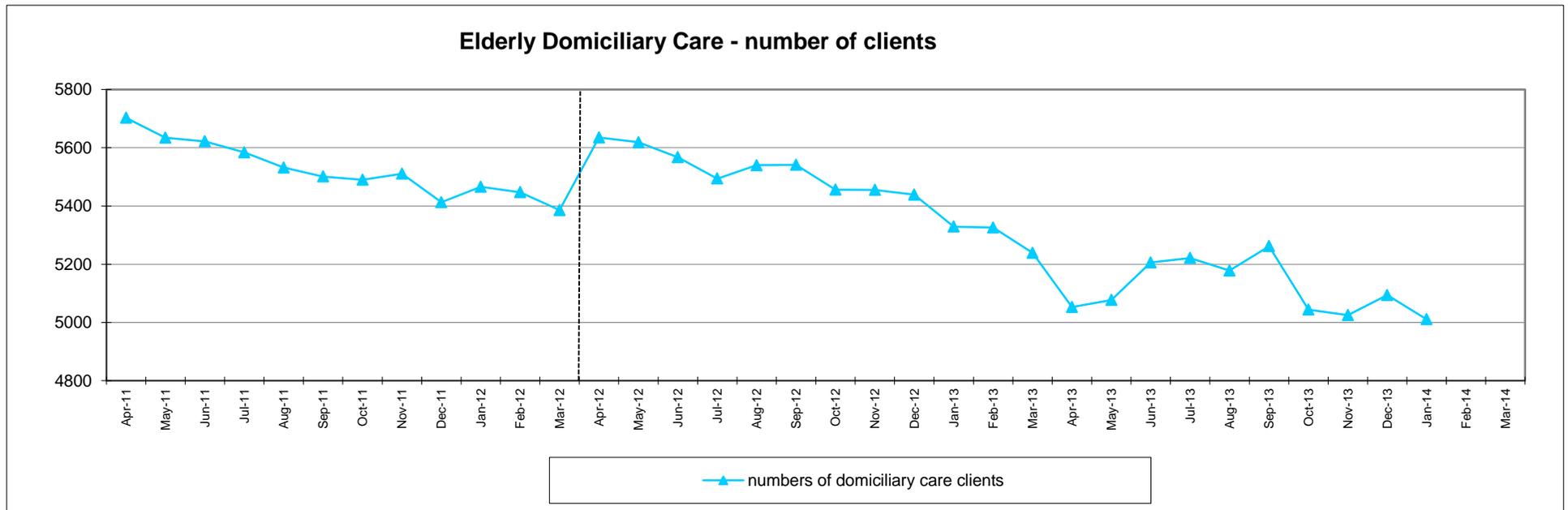


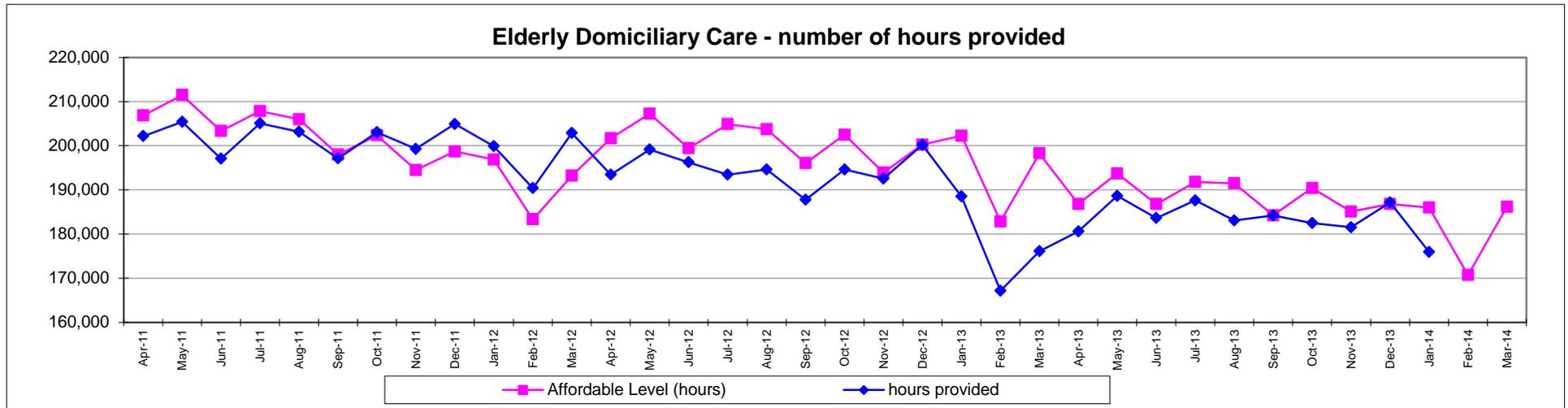
Comments:

- 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. It is anticipated that the one-off payments for January in particular will increase as a result.
- Current activity would suggest an underspend on this service, but increased unit costs have negated the impact of this, the overall effect of which is reflected in table 1 across individual client groups, with an overall pressure of £948k currently forecast on the Direct Payments budget.

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

	2011-12			2012-13			2013-14		
	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	206,859	202,177	5,703	201,708	193,451	5,635	186,809	180,585	5,053
May	211,484	205,436	5,634	207,244	199,149	5,619	193,717	188,656	5,077
Jun	203,326	197,085	5,622	199,445	196,263	5,567	186,778	183,621	5,206
Jul	207,832	205,077	5,584	204,905	193,446	5,494	191,791	187,621	5,221
Aug	206,007	203,173	5,532	203,736	194,628	5,540	191,521	183,077	5,178
Sep	198,025	197,127	5,501	196,050	187,749	5,541	184,242	184,208	5,262
Oct	202,356	203,055	5,490	202,490	194,640	5,456	190,446	182,503	5,044
Nov	194,492	199,297	5,511	193,910	192,555	5,455	185,082	181,521	5,025
Dec	198,704	204,915	5,413	200,249	200,178	5,439	186,796	187,143	5,094
Jan	196,879	199,897	5,466	202,258	188,501	5,329	186,006	175,916	5,011
Feb	183,330	190,394	5,447	182,820	167,163	5,326	170,695		
Mar	193,222	202,889	5,386	198,277	176,091	5,239	186,184		
	2,402,516	2,410,522		2,393,092	2,283,814		2,240,067	1,834,850	





Comments:

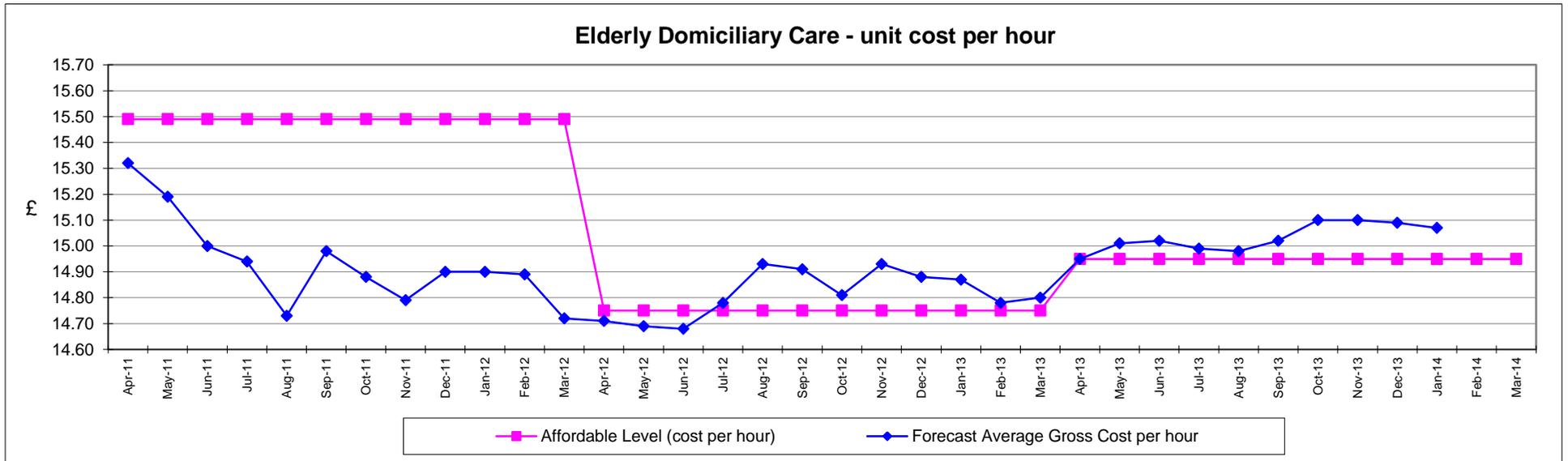
- Figures exclude services commissioned from the Kent Enablement At Home Service.
- Please note, from April 2012 there has been a change in the method of counting clients to align with current Department of Health guidance, which states that suspended clients e.g. those who may be in hospital and not receiving a current service should still be counted. This has resulted in an increase in the number of clients being recorded. For comparison purposes, using the new counting methodology, the equivalent number of clients in March 2012 would have been 5,641. 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.
- The current forecast is 2,192,469 hours of care against an affordable level of 2,240,067, a difference of -47,598 hours. Using the forecast unit cost of £15.07 this reduction in activity reduces the forecast by -£717k, as shown in table 1.
- To the end of January 1,834,850 hours of care have been delivered against an affordable level of 1,883,188, a difference of -48,338 hours. Current activity suggests that the forecast should be slightly lower on this service as the budgeted level assumes a continual reduction in client numbers in line with previous years' trends, but the current forecast now assumes that the reduction will not be as significant as assumed in the budget. The fall in hours recorded in January is partly due to a general decrease in client numbers, but also reflects a number of backdated reductions to client packages.
- 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. For 2013-14, the current actual average hours per client per week is 8.2.

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

	2011-12		2012-13		2013-14	
	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	15.49	15.32	14.75	14.71	14.95	14.95
May	15.49	15.19	14.75	14.69	14.95	15.01
Jun	15.49	15.00	14.75	14.68	14.95	15.02
Jul	15.49	14.94	14.75	14.78	14.95	14.99
Aug	15.49	14.73	14.75	14.93	14.95	14.98
Sep	15.49	14.98	14.75	14.91	14.95	15.02
Oct	15.49	14.88	14.75	14.81	14.95	15.10
Nov	15.49	14.79	14.75	14.93	14.95	15.10
Dec	15.49	14.90	14.75	14.88	14.95	15.09
Jan	15.49	14.90	14.75	14.87	14.95	15.07
Feb	15.49	14.89	14.75	14.78	14.95	
Mar	15.49	14.72	14.75	14.80	14.95	

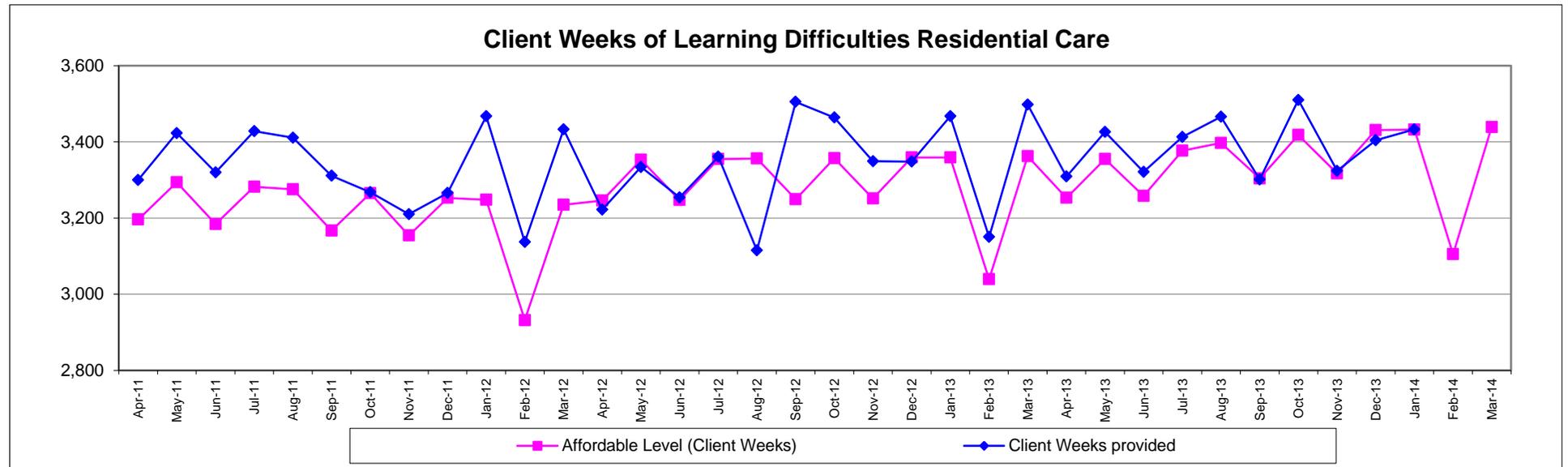
Comments:

- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The forecast unit cost of +£15.07 is higher than the affordable cost of +£14.95 and this difference of +£0.12 adds +£269k to the position when multiplied by the affordable weeks, as shown in table 1.



2.4 Number of client weeks of learning disability residential care provided compared with affordable level (non preserved rights clients):

	2011-12		2012-13		2013-14	
	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	3,196	3,300	3,246	3,222	3,253	3,309
May	3,294	3,423	3,353	3,334	3,355	3,426
Jun	3,184	3,320	3,247	3,254	3,258	3,321
Jul	3,282	3,428	3,355	3,361	3,377	3,413
Aug	3,275	3,411	3,356	3,115	3,397	3,466
Sep	3,167	3,311	3,249	3,505	3,304	3,301
Oct	3,265	3,268	3,357	3,464	3,418	3,510
Nov	3,154	3,210	3,251	3,349	3,317	3,324
Dec	3,253	3,266	3,359	3,348	3,431	3,404
Jan	3,248	3,467	3,359	3,467	3,432	3,433
Feb	2,932	3,137	3,039	3,150	3,105	
Mar	3,235	3,433	3,362	3,498	3,439	
	38,485	39,974	39,533	40,067	40,086	33,907

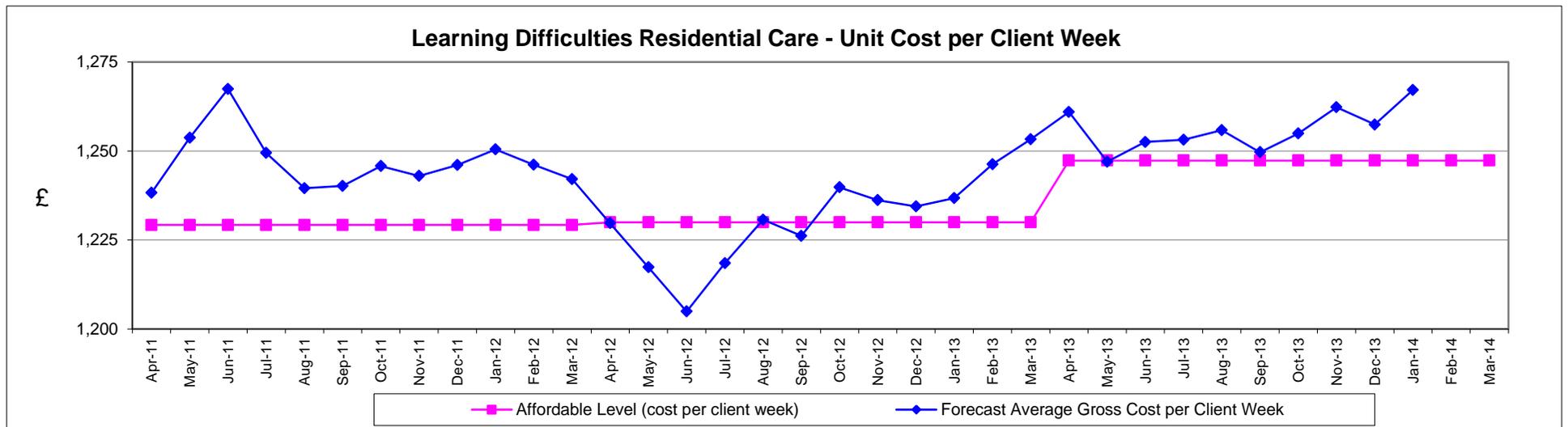


Comments:

- 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 at the end of 2011-12 was 746, at the end of 2012-13 it was 764 and at the end of January 2014 it was 763. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The current forecast is 41,076 weeks of care against an affordable level of 40,086, a difference of +990 weeks. Using the forecast unit cost of £1,267.08, this additional activity increases the forecast by +£1,254k, 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 33,907 weeks of care have been delivered against an affordable level of 33,542, a difference of +365 weeks. The current year to date activity suggests a lower level of activity than forecast, however, this is mainly due to delays in the recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated. In addition, 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 (non preserved rights clients):

	2011-12		2012-13		2013-14	
	Affordable Level (Cost per Week)	Forecast Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Forecast Average Gross Cost per Client Week	Affordable Level (Cost per Week)	Forecast Average Gross Cost per Client Week
	£p	£p	£p	£p	£p	£p
Apr	1,229.19	1,238.24	1,229.93	1,229.69	1,247.27	1,260.92
May	1,229.19	1,253.68	1,229.93	1,217.30	1,247.27	1,246.97
Jun	1,229.19	1,267.40	1,229.93	1,204.91	1,247.27	1,252.50
Jul	1,229.19	1,249.41	1,229.93	1,218.46	1,247.27	1,253.14
Aug	1,229.19	1,239.50	1,229.93	1,230.65	1,247.27	1,255.80
Sep	1,229.19	1,240.17	1,229.93	1,226.14	1,247.27	1,249.63
Oct	1,229.19	1,245.76	1,229.93	1,239.77	1,247.27	1,254.86
Nov	1,229.19	1,242.97	1,229.93	1,236.19	1,247.27	1,262.27
Dec	1,229.19	1,246.05	1,229.93	1,234.39	1,247.27	1,257.40
Jan	1,229.19	1,250.44	1,229.93	1,236.77	1,247.27	1,267.08
Feb	1,229.19	1,246.11	1,229.93	1,246.23	1,247.27	
Mar	1,229.19	1,242.08	1,229.93	1,253.27	1,247.27	

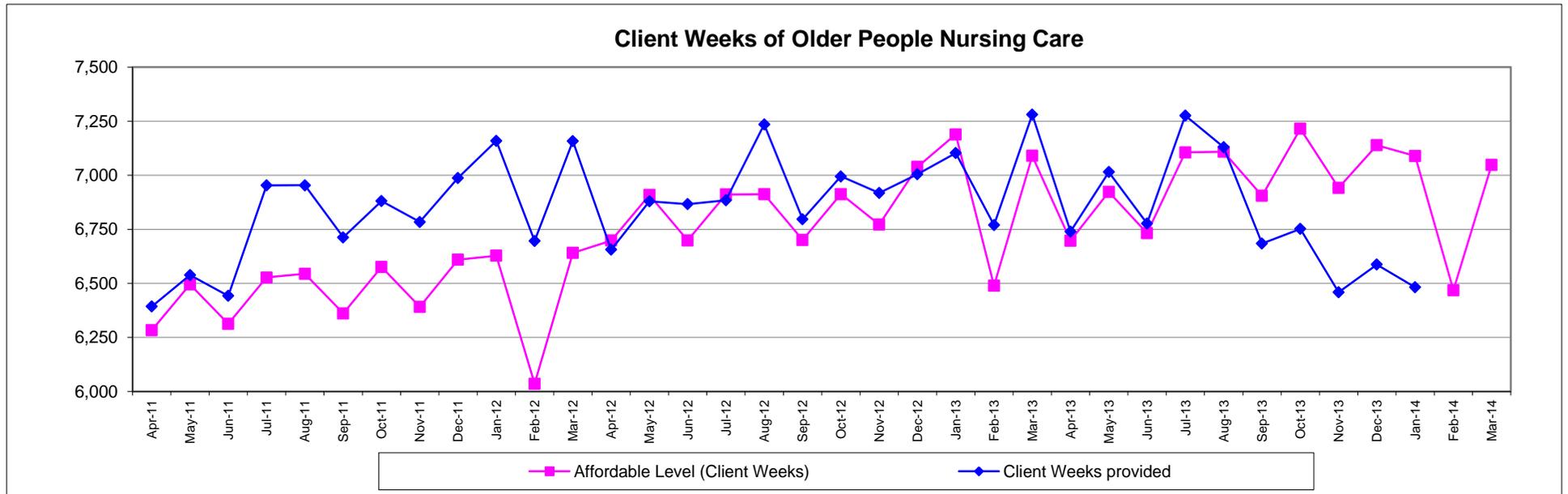


Comments:

- 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 £1,200 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 +£1,267.08 is higher than the affordable cost of +£1,247.27 and this difference of +£19.81 adds +£794k to the position when multiplied by the affordable weeks, as shown in table 1.

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

	2011-12		2012-13		2013-14	
	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	6,283	6,393	6,698	6,656	6,697	6,740
May	6,495	6,538	6,909	6,880	6,923	7,015
Jun	6,313	6,442	6,699	6,867	6,733	6,777
Jul	6,527	6,953	6,911	6,884	7,106	7,276
Aug	6,544	6,954	6,912	7,235	7,109	7,130
Sep	6,361	6,713	6,701	6,797	6,905	6,684
Oct	6,576	6,881	6,913	6,995	7,215	6,752
Nov	6,391	6,784	6,772	6,918	6,942	6,459
Dec	6,610	6,988	7,039	7,005	7,139	6,587
Jan	6,628	7,159	7,189	7,103	7,089	6,482
Feb	6,036	6,696	6,489	6,770	6,468	
Mar	6,641	7,158	7,090	7,281	7,048	
	77,405	81,659	82,322	83,391	83,374	67,902

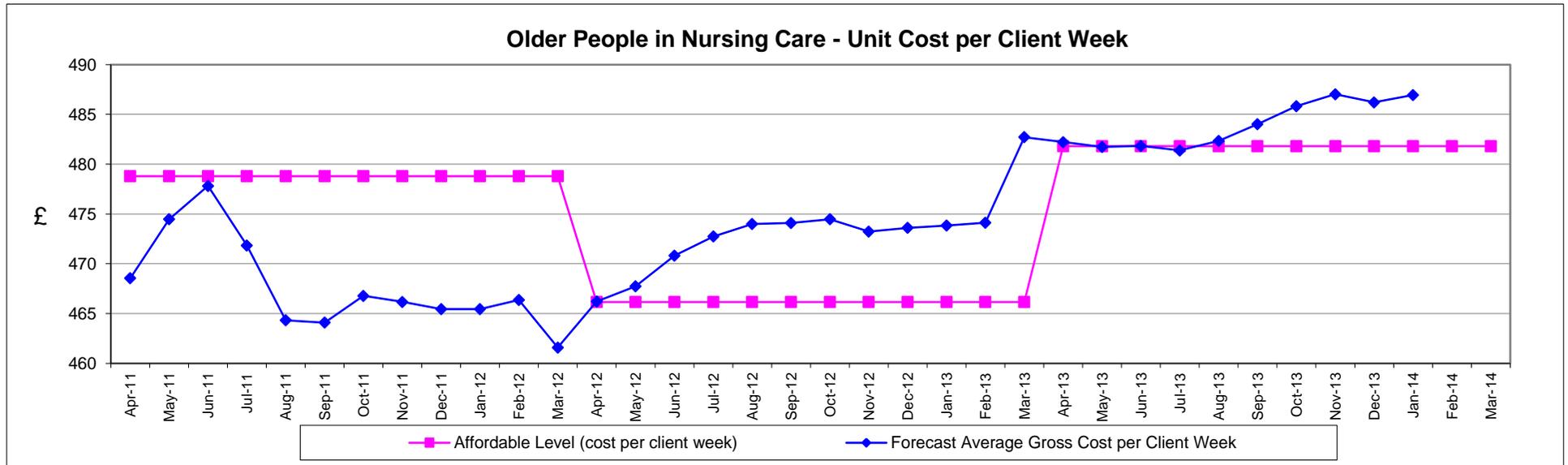


Comments:

- 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 2011-12 was 1,479, at the end of 2012-13 it was 1,469 and at the end of January 2014 it was 1,422.
- The current forecast is 80,498 weeks of care against an affordable level of 83,374, a difference of -2,876 weeks. Using the forecast unit cost of £486.95, this reduced activity decreases the forecast by -£1,401k, as shown in table 1.
- To the end of January 67,902 weeks of care have been delivered against an affordable level of 69,858, a difference of -1,956 weeks. The current year to date activity suggests a higher level of activity than forecast. However, the forecast assumes a continuation of the lower than anticipated client numbers requiring nursing care in the final quarter of the year, in line with current activity trends, along with an anticipated reduction in the purchase of short-term beds towards the end of the year.
- 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:

	2011-12		2012-13		2013-14	
	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	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr	478.80	468.54	466.16	466.20	481.80	482.22
May	478.80	474.48	466.16	467.74	481.80	481.73
Jun	478.80	477.82	466.16	470.82	481.80	481.83
Jul	478.80	471.84	466.16	472.74	481.80	481.38
Aug	478.80	464.32	466.16	473.99	481.80	482.33
Sep	478.80	464.09	466.16	474.09	481.80	484.02
Oct	478.80	466.78	466.16	474.47	481.80	485.82
Nov	478.80	466.17	466.16	473.23	481.80	487.02
Dec	478.80	465.44	466.16	473.61	481.80	486.21
Jan	478.80	465.44	466.16	473.84	481.80	486.95
Feb	478.80	466.36	466.16	474.13	481.80	
Mar	478.80	461.58	466.16	482.71	481.80	

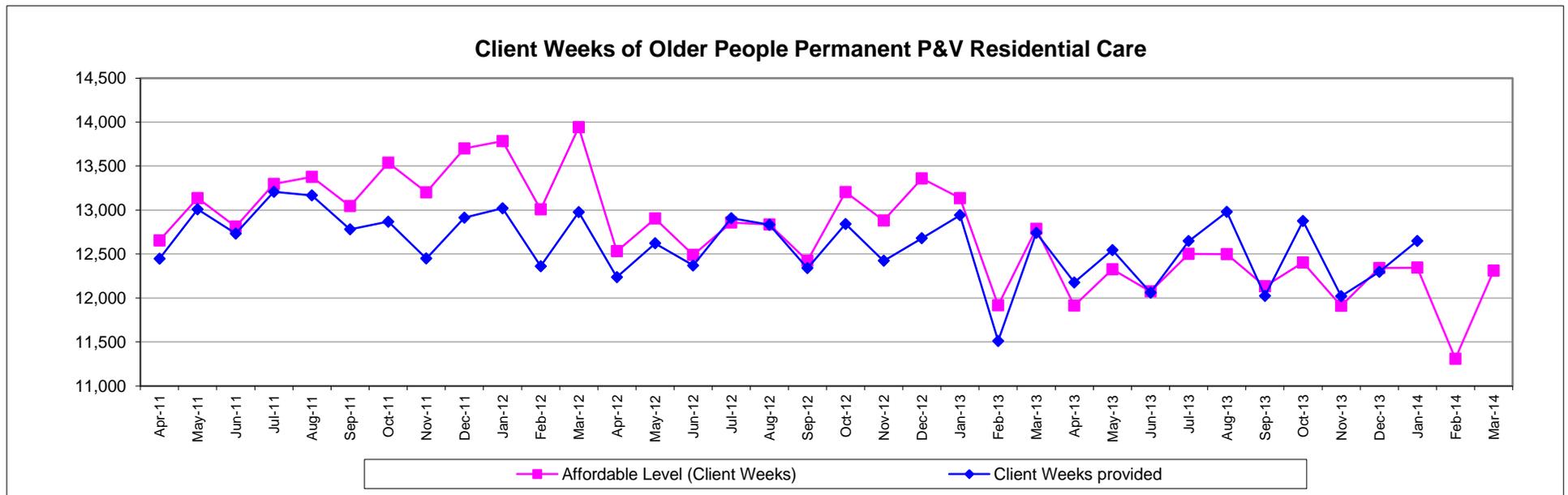


Comments:

- 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 forecast unit cost of +£486.95 is higher than the affordable cost of +£481.80 and this difference of +£5.15 adds +£429k to the position when multiplied by the affordable weeks, as shown in table 1. The general increase in the unit cost since August is primarily due to the forecast weeks reflecting the actual level of usage of short term block bed contracts, rather than assuming full occupancy.

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

	2011-12		2012-13		2013-14	
	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	12,655	12,446	12,532	12,237	11,914	12,176
May	13,136	13,009	12,903	12,621	12,326	12,545
Jun	12,811	12,731	12,489	12,369	12,074	12,061
Jul	13,297	13,208	12,858	12,908	12,501	12,647
Aug	13,377	13,167	12,836	12,832	12,498	12,980
Sep	13,044	12,779	12,424	12,339	12,132	12,022
Oct	13,538	12,868	13,203	12,842	12,403	12,875
Nov	13,200	12,448	12,880	12,422	11,910	12,019
Dec	13,700	12,914	13,358	12,679	12,341	12,296
Jan	13,782	13,019	13,135	12,941	12,345	12,649
Feb	13,007	12,361	11,916	11,512	11,310	
Mar	13,940	12,975	12,786	12,741	12,310	
	159,487	153,925	153,320	150,443	146,064	124,270

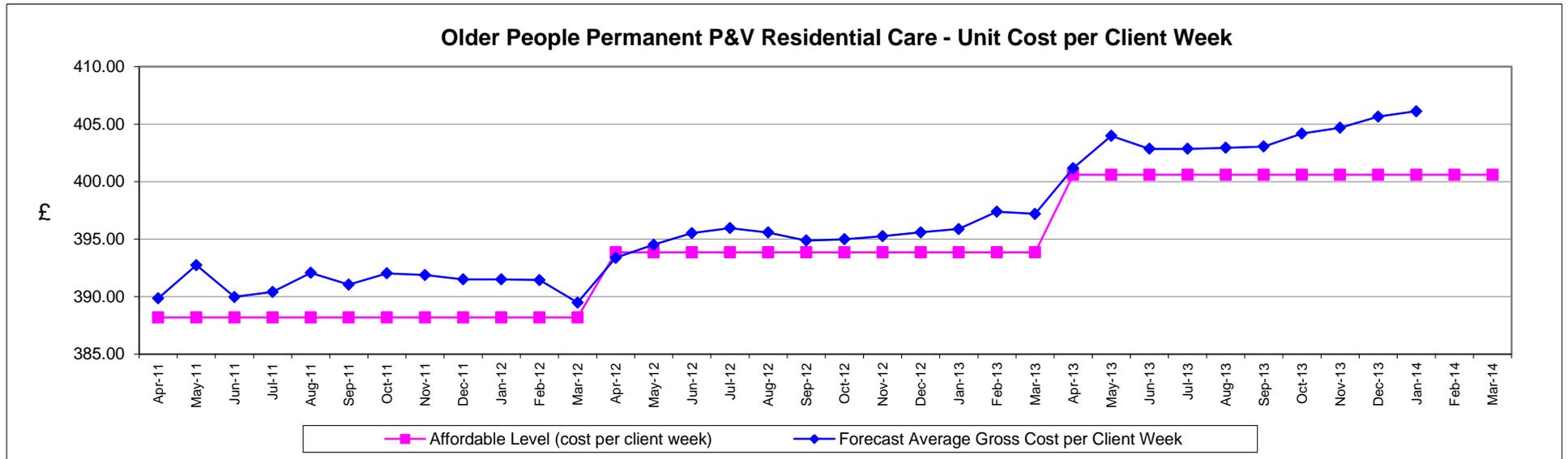


Comments:

- 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 2011-12 was 2,736, at the end of 2012-13 it was 2,653 and at the end of January 2014 it was 2,644. 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 147,837 weeks of care against an affordable level of 146,064, a difference of +1,773 weeks. Using the forecast unit cost of £406.12, this additional activity increases the forecast by +£720k, as shown in table 1.
- To the end of January 124,270 weeks of care have been delivered against an affordable level of 122,444 a difference of +1,826 weeks. The current year to date activity suggests that the forecast should be slightly higher on this service, however the long term trend for this service assumes a slight reduction in residential activity in the forthcoming months and this has been reflected in the forecast.
- Previously forecast 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, have been deferred to 2014-15.

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

	2011-12		2012-13		2013-14	
	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	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr	388.18	389.85	393.85	393.37	400.60	401.17
May	388.18	392.74	393.85	394.52	400.60	403.98
Jun	388.18	389.97	393.85	395.52	400.60	402.85
Jul	388.18	390.41	393.85	395.95	400.60	402.85
Aug	388.18	392.07	393.85	395.58	400.60	402.94
Sep	388.18	391.04	393.85	394.88	400.60	403.05
Oct	388.18	392.02	393.85	394.99	400.60	404.18
Nov	388.18	391.87	393.85	395.26	400.60	404.68
Dec	388.18	391.50	393.85	395.59	400.60	405.65
Jan	388.18	391.50	393.85	395.88	400.60	406.12
Feb	388.18	391.44	393.85	397.38	400.60	
Mar	388.18	389.48	393.85	397.20	400.60	

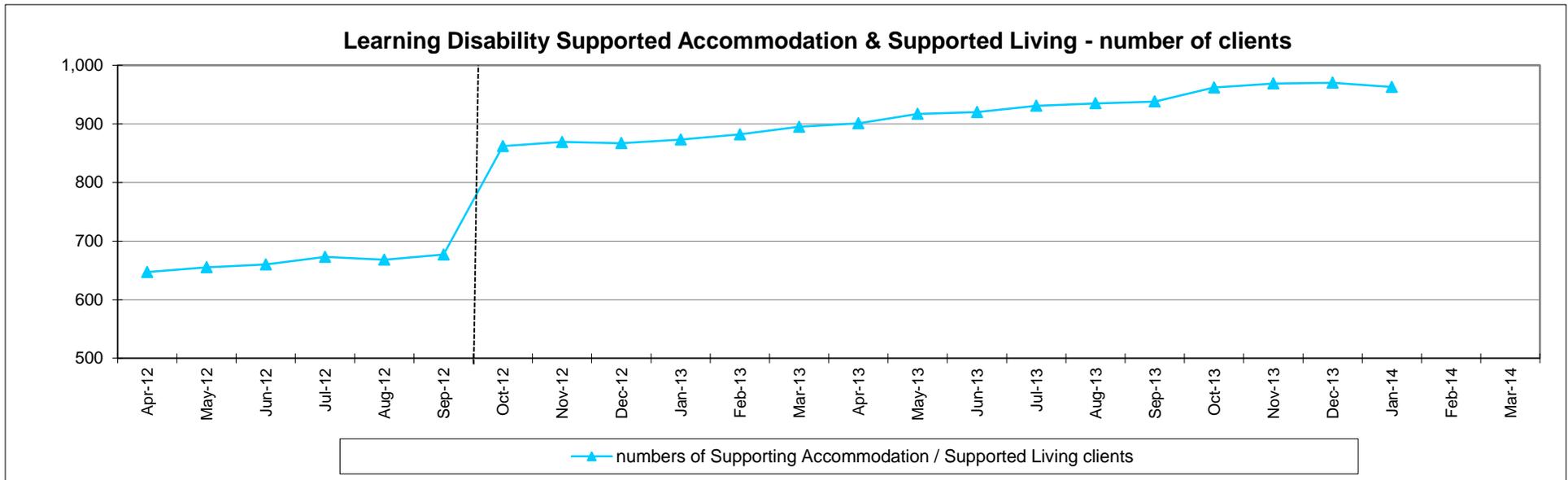


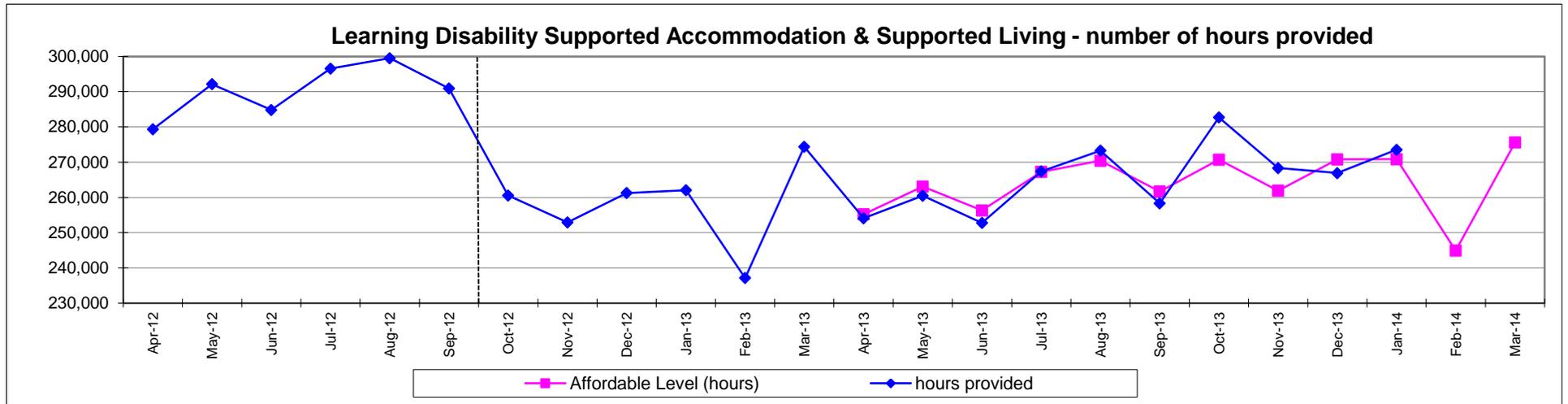
Comments:

- The forecast unit cost of +£406.12 is higher than the affordable cost of +£400.60 and this difference of +£5.52 adds +£806k to the position when multiplied by the affordable weeks, as shown in table 1. This higher 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. The general increase in unit costs is partly due to the increasing trend for new cases 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		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr		279,365	647	255,228	254,067	901
May		292,122	655	263,089	260,503	917
Jun		284,835	660	256,321	252,761	920
Jul		296,532	673	267,255	267,384	931
Aug		299,521	668	270,414	273,259	935
Sep		290,914	677	261,697	258,323	938
Oct		260,574	862	270,697	282,706	962
Nov		252,932	869	261,922	268,324	969
Dec		261,257	867	270,798	266,913	970
Jan		262,070	873	270,874	273,530	963
Feb		237,118	882	244,883		
Mar		274,334	895	275,556		
		3,291,574		3,168,734	2,657,770	





Comments:

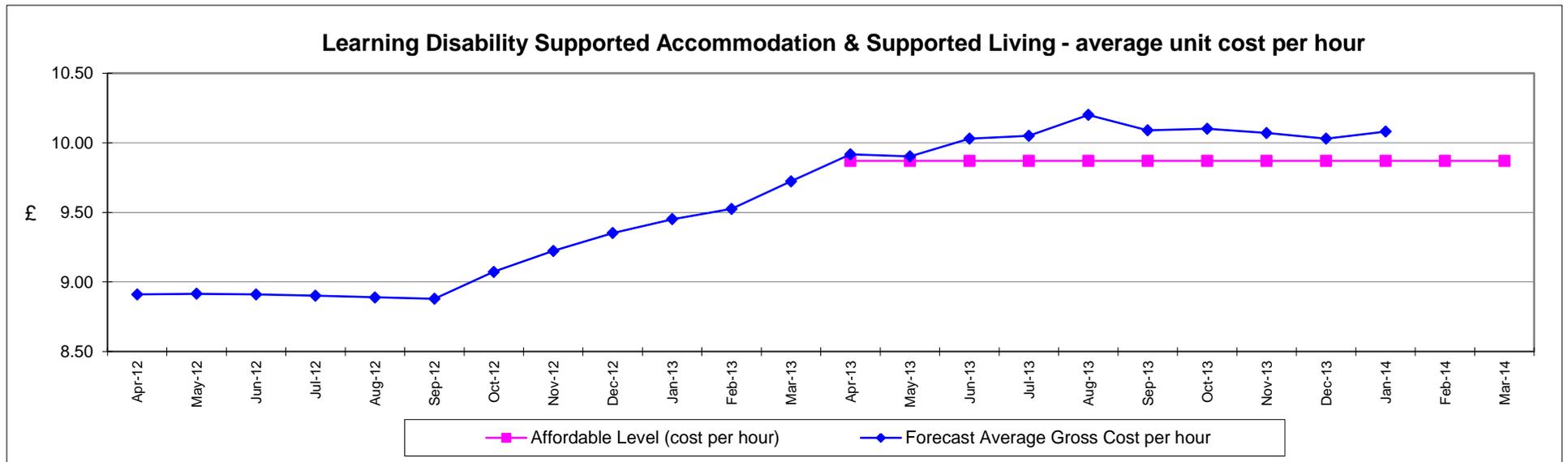
- This indicator has changed from 2013-14 to include the Supporting Independence Service contract. This measure now incorporates 3 different supported accommodation/living arrangements; the adult placement scheme, supported accommodation (mainly S256 clients) and Supporting Independence Service. The 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 will be 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 dotted line has been added to 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.**
- The current forecast is 3,212,572 hours of care against an affordable level of 3,168,734, a difference of +43,838 hours. Using the forecast unit cost of £10.08, this additional activity increases the forecast by +£442k, as shown in table 1.
- To the end of January 2,657,770 hours of care have been delivered against an affordable level of 2,648,295, a difference of +9,475 hours. The forecast number of hours reflects an increase in activity expected in future months that is also reflected in the profile of the budgeted level. However, the current year to date activity still suggests a lower level of activity than forecast, which is mainly due to a delay in the recording of transitional and provisional clients on the activity database. Such delays 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	
	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	9.87	9.92
May		8.92	9.87	9.90
Jun		8.91	9.87	10.03
Jul		8.90	9.87	10.05
Aug		8.89	9.87	10.20
Sep		8.88	9.87	10.09
Oct		9.07	9.87	10.10
Nov		9.22	9.87	10.07
Dec		9.35	9.87	10.03
Jan		9.45	9.87	10.08
Feb		9.53	9.87	
Mar		9.72	9.87	

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 +£10.08 is higher than the affordable cost of +£9.87 and this difference of +£0.21 adds +£665k to the position when multiplied by the affordable hours, as shown in table 1.



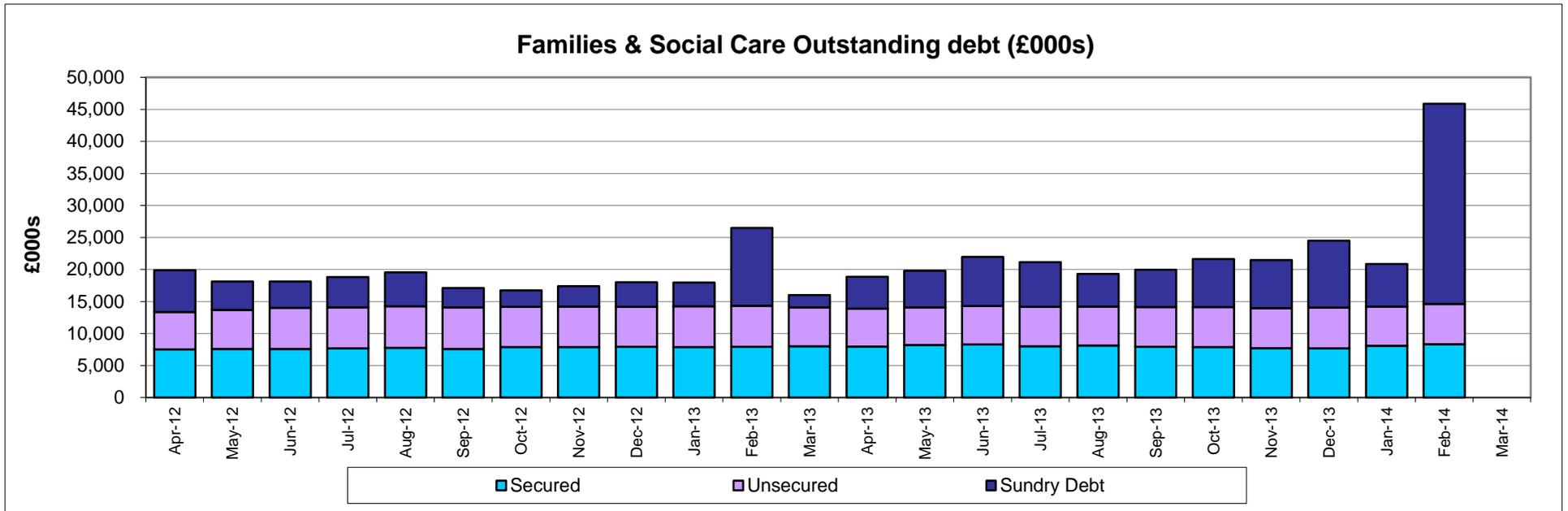
2.12 SOCIAL CARE DEBT MONITORING

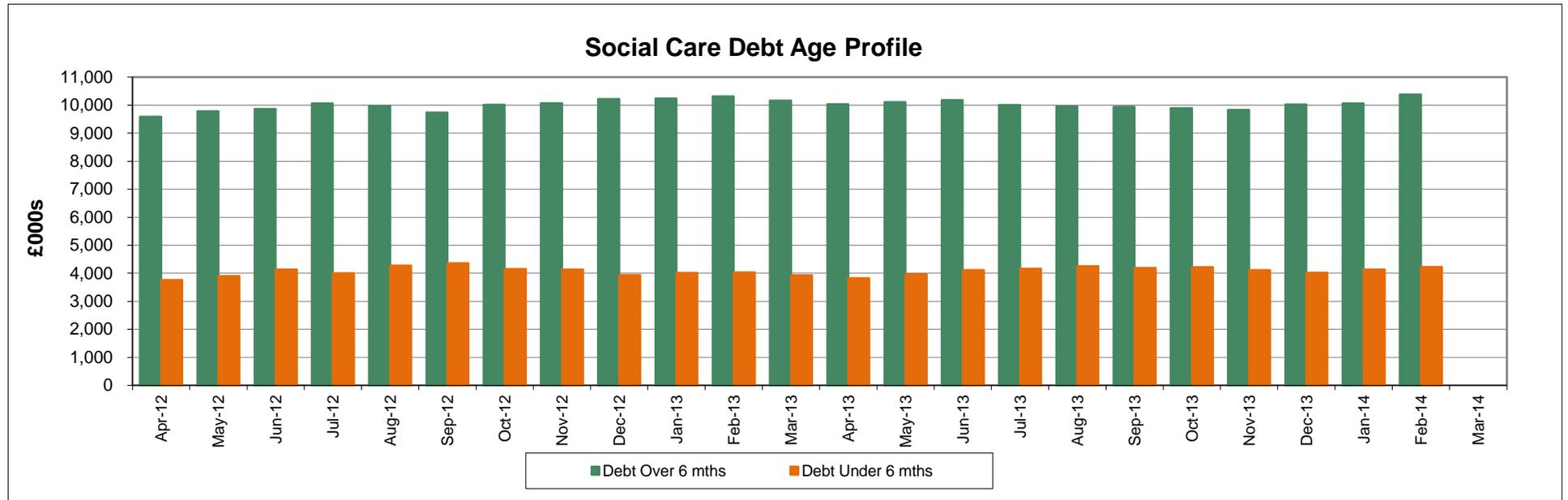
The outstanding debt as at the end of February was £45.888m compared with January's figure of £20.879m (reported to Cabinet in March) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £31.278m of sundry debt compared to £6.685m in January. This increase is almost entirely due to three large invoices to Health which had only just become overdue at the end of February, however these three invoices have now been settled so will not show in the March outstanding debt figures. It is not uncommon for the amount of sundry debt to fluctuate for large invoices to Health. Also within the outstanding debt is £14.610m relating to Social Care (client) debt which is a small increase of £0.416m 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)	Sundry Debt	Total Social Care Due Debt	Debt Over 6 months	Debt Under 6 months	Secured	Unsecured
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Apr-12	19,875	6,530	13,345	9,588	3,757	7,509	5,836
May-12	18,128	4,445	13,683	9,782	3,901	7,615	6,068
Jun-12	18,132	4,133	13,999	9,865	4,134	7,615	6,384
Jul-12	18,816	4,750	14,066	10,066	4,000	7,674	6,392
Aug-12	19,574	5,321	14,253	9,977	4,276	7,762	6,491
Sep-12	17,101	3,002	14,099	9,738	4,361	7,593	6,506
Oct-12	16,747	2,574	14,173	10,020	4,153	7,893	6,280
Nov-12	17,399	3,193	14,206	10,069	4,137	7,896	6,310
Dec-12	17,996	3,829	14,167	10,226	3,941	7,914	6,253
Jan-13	17,965	3,711	14,254	10,237	4,017	7,885	6,369
Feb-13	26,492	12,153	14,339	10,312	4,027	7,903	6,436
Mar-13	15,986	1,895	14,091	10,165	3,926	8,025	6,066
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

	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-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							

In addition the previously reported secured and unsecured debt figures for April 2012 to July 2012 were amended slightly between the 2012-13 Quarter 1 and Quarter 2 reports following a reassessment of some old debts between secured and unsecured.





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

Social Care debt by Customer Credit Status	January £000s	February £000s	Movement £000s
Secured	8,103	8,321	218
Unsecured - Deceased/Terminated Service	1,647	1,721	74
Unsecured - Ongoing	4,446	4,570	124
Health (Unsecured)	-2	-2	0
TOTAL	14,194	14,610	416

Unsecured debt by Client Group	January £000s	February £000s	Movement £000s
Older People/Physical Disability	5,658	5,879	221
Learning Disability	329	296	-33
Mental Health	106	116	10
Health	-2	-2	0
TOTAL	6,091	6,289	198

3. CAPITAL

3.1 The Families and Social Care Directorate - Adult Services has a working budget for 2013-14 (which has now been updated to reflect the 2014-17 budget set by County Council on 13th February 2014) of £4,398k. The forecast outturn against the 2013-14 budget is £4,374k giving a variance of -£24k.

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

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Asset Modernisation	0	0	0	0			Green		
Home Support Fund	6,600	2,474	200	200	Real	Overspend reflects legitimate capitalisation of equipment to be funded by banked grant.	Green		
Individual Projects									
Kent Strategy for Services for Older People (OP):									
Community Care Centre - Ebbsfleet	544	0	0	0			Green		
Community Care Centre - Thameside Eastern Quarry	500	0	0	0			Green		
OP Strategy - Transformation / Modernisation	7,800	724	-652	-650	Rephasing	Wyllie Court development with Amicus Horisons delayed due to finalisation of legal documentation.	Amber		
				-2	Real - capital receipt and developer contributions		Amber		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Kent Strategy for Services for People with Learning Disabilities/Physical Disabilities:									
Learning Disability Good Day Programme-Community Hubs	3,318	807	-184	-184	Rephasing	Various schemes - looking at consultation 3rd quarter of 2013 therefore rephasing spend to 14/15.	Green		
Learning Disability Good Day Programme-Community Initiatives	2,430	183	2	2	Rephasing		Green		
Rusthall (Tunbridge Wells Respite)	0	0	0	0					
Mental Health Strategy	264	0	0	0		Budget surrendered			
Active Care / Active Lives Strategy:									
PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent	66,800	0	0	0			Green		
Developing Innovative and Modernising Services:									
Lowfield St (formerly Trinity Centre, Dartford)	1,073	100	0	0			Green		
Information Technology Projects e.g. Swift Development / Mobile Working	2,477	110	610	610	Real	Overspend reflects legitimate capitalisation of equipment to be funded by banked grant and developer contributions.	Green		
Public Access Development	1,052	0	0	0		Budget surrendered			

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Total	92,858	4,398	-24	-24					

1. Status:

Green – on time & within budget;

Amber – either delayed completion date or over budget;

Red – both delayed completion & over budget.

ENTERPRISE & ENVIRONMENT DIRECTORATE SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. REVENUE

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Directorate Total (£k)	+151,690	+1,092	-	+1,092

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		
Environment, Highways and Waste portfolio							
Strategic Management & Directorate Support budgets	4,878.8	-21.0	4,857.8	-642	-233	Saving on contractor annual management charge	This saving has been reflected in the 2014-17 MTFP
					-175	Underspend on the central E&E directorate budget due to a number of reasons including reduced TRP costs, scanning project to be completed in 2014-15 and other projects absorbed elsewhere in the directorate	
					-120	An historic budget for a revenue contribution to capital remains but there is no requirement within the capital programme for 2013-14 for this funding	
					-114	Other minor variances all less than £100k in value	This saving has been reflected in the 2014-17 MTFP
Community Services:							
- Gypsies & Travellers	714.0	-430.0	284.0	-65			
Environment:							
- Environment Management	4,000.8	-1,481.9	2,518.9	-41			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
<u>Highways:</u>							
- Highways Maintenance							
- Adverse Weather	3,299.9	0.0	3,299.9	-215	+222	Costs of April salting runs beyond normal winter season	
					+146	Balance of 2012-13 costs including snow emergency costs for which insufficient provision was made	
					-560	Underspend on 2013-14 winter salting runs due to mild winter	
					-23	Other minor variances	
- Bridges & Other Structures	2,588.1	-182.0	2,406.1	-100	-100	Other minor variances all less than £100k in value	
- General maintenance & emergency response	13,591.3	-475.8	13,115.5	+6,269	+4,139	Find and fix repair of pot holes	
					+1,706	Emergency response costs in relation to storms and flooding during the autumn and winter of 2013-14 including costs associated with drainage, fallen trees, damaged power cables etc	
					+500	Additional expenditure on the repair of pot holes in relation to the damage caused by storms and flooding	
					-5,446	Department for Transport grant for Severe Weather Recovery scheme	
					+5,446	Contribution to flood repairs reserve of Severe Weather Recovery scheme grant	
					+433	Increase in maintenance on high speed roads, and type of maintenance being undertaken, as a consequence of find and fix activity	
					-273	Underspend on depot maintenance	Part of this underspend is contributing to the 2014-17 MTFP savings targets
					-84	Underspend on leased vehicles	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					-80 Underspend on safety barrier repairs/ replacement as some of the work undertaken has been of a capital nature and therefore charged to the capital programme	
					-72 Other minor variances	
- Highway drainage	3,265.8	0.0	3,265.8	0		
- Streetlight maintenance	4,050.3	-154.0	3,896.3	-150	-131 Insurance recharge income relating to incidents occurring in 2012-13	
					-19 Other minor variances	
	26,795.4	-811.8	25,983.6	+5,804		
- Highways Management:						
- Development Planning	2,110.9	-1,310.0	800.9	-192	-72 Additional income from developers -120 Other minor variances all less than £100k in value	
- Highways Improvements	1,875.3	-82.0	1,793.3	-540	-200 Temporary staff no longer required for Member Highway Fund as the backlog has been cleared -168 An historic budget for a revenue contribution to capital remains but there is no requirement within the capital programme for 2013-14 for this funding. -83 Saving on asset management support due to contractor changes -89 Other minor variances	This saving has been reflected in the 2014-17 MTFP This saving has been reflected in the 2014-17 MTFP
- Road Safety	3,257.6	-2,234.0	1,023.6	+62		
- Streetlight energy	4,795.0	0.0	4,795.0	+690	+548 Price increase for 2013-14 +382 Delay in part night switch off savings being achieved -200 Rebate on 2012-13 costs following final volume and price reconciliation -40 Other minor variances	This pressure has been reflected in the 2014-17 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Traffic management	5,870.7	-3,421.1	2,449.6	-627	-215 Increased permit scheme income -105 Recharge of costs of road closures, when required for capital works, to the capital budget -161 Additional income from roadworks and enforcements -60 Saving on traffic systems contract -86 Other minor variances	
- Tree maintenance, grass cutting & weed control	3,252.8	0.0	3,252.8	-287	+150 Additional weed control treatment required following complaints from District Councils in particular concerning weeds causing a trip hazard +70 Removal of tree stumps -183 Duplicate orders raised and receipted in error in 2012-13 -146 Savings from bringing inspection services back in-house -125 Procurement savings on grass cutting -53 Other minor variances	This saving has been reflected in the 2014-17 MTFP
	21,162.3	-7,047.1	14,115.2	-894		
<u>Planning & Transport Strategy:</u>						
- Planning & Transport Policy	1,491.9	0.0	1,491.9	-140	-105 Staffing underspend -86 Capitalisation of lorry park costs -46 Re-phasing of EU ROCK project - which will be required to roll forward to 2014-15 to provide match funding to fulfil our obligation to the partnership agreement +97 Other minor variances	
- Planning Applications	1,079.9	-600.0	479.9	+1	-82 Staffing underspend +98 Reduction in income for planning applications due to the current economic climate -15 Other minor variances	
	2,571.8	-600.0	1,971.8	-139		

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>						
- Concessionary Fares	16,672.0	-27.0	16,645.0	-621	-376 Fewer replacement bus passes expected to be issued in 2013-14 than budgeted -250 Reduced bus operator costs due to reduced journeys being taken +5 Other minor variances	
- Freedom Pass	15,643.0	-2,459.0	13,184.0	+109	+320 Increased contractor payments due to higher than budgeted number of journeys travelled using the Freedom Pass (as illustrated in the activity section 2.3 below) and an increase in contract price -250 Increase in income from the sale of freedom passes +39 Other minor variances	The underlying pressure on this budget, due to £800k funding provided from the 2012-13 roll forward being one-off and the impact of the change in education transport policy of the next cohort of students transferring to the secondary sector, has been addressed in the 2014-17 MTFP. In addition, savings as a result of changes to the scheme from September 2014 have also been reflected.
- Subsidised Bus Routes	8,960.1	-1,454.0	7,506.1	-609	-510 Funding awarded for price rises has proved to be in excess of what is required and contracts re-tendered in year have generally not increased. -166 Kick Start invest to save project (to assist some subsidised bus routes to become self supporting) deferred until 2014-15 -144 Staff vacancies -100 Impact of higher usage of these bus services on the revenue guarantee contract, which reduces operator costs as passenger fare income increases.	This saving has been addressed in the 2014-17 MTFP

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+250	Reduced income from ELS due to fewer entitled scholars using the subsidised bus routes
					+112	Additional costs of service provision due to an existing contractor going into liquidation
					-51	Other minor variances
- Transport Operations	1,127.4	-214.5	912.9	+67		
- Transport Planning	558.4	-228.0	330.4	-23		
	42,960.9	-4,382.5	38,578.4	-1,077		
<u>Waste Management</u>						
- Waste Operations	1,736.0	0.0	1,736.0	-134	-134	Minor variances which individually are all below £100k
- Recycling & Diversion from Landfill:						
- Household Waste Recycling Centres	8,240.2	-1,982.0	6,258.2	-622	-536	Forecast lower volumes of materials managed at sites resulting in reduced haulage fees
					+239	Management and contract fees for Richborough site expected to be closed for 2013-14 but remains open
					-334	Haulage and management costs associated with the new combined Ashford HWRC and transfer station now included in the Haulage & Transfer Stations A-Z line
					-132	Reduced recycling bonus payments due to reduced waste volumes at HWRC
					+65	Reduced income from the sale of recyclable materials due to reduced volume -3,000 tonnes
					-107	Reduced site maintenance costs
					+135	Pressure forecast due to the reduction in volume and price received for metal
					+108	Forecast pressure on rent and rates
					-60	Other minor variances

The underlying pressures and savings within the Waste forecast have been addressed in the 2014-17 MTFP

ANNEX 4

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
- Partnership & Waste Co-ordination	606.0	-168.0	438.0	-116	-84 Staff vacancies -32 Other minor variances	
- Payments to Waste Collection Authorities (DCs)	6,068.0	-102.0	5,966.0	-297	-327 Reduction in waste collection authority support payments due to delayed start of new contract -6 Reduced recycling credit payments to WCAs -2,600 tonnes +36 Other minor variances	
- Recycling Contracts & Composting	9,030.0	-1,571.0	7,459.0	-391	+525 Price increases for hardcore due to changes in legislation -372 Forecast reduction of 19,100 tonnes in hardcore, wood, garden waste and other materials offset by an increase in food waste +474 Reduced income from the East Kent Contract due to changes in market prices +302 East Kent Contract: Forecast reduction of 4,900 tonnes of saleable material, (together with an increase of 7,500 tonnes of co-mingled materials due to changes in collected services, at zero cost) +176 Income expected to be generated from the new Mid Kent Contract has not materialised +381 Additional costs of processing mixed materials, including glass at the new Materials Recycling Facility (MRF) for Mid and West Kent	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					-1,692	Savings due to the closure of the MRF and the opening of a Transfer Station at the Allington site to manage materials from the Mid Kent Contract, which offset the pressure on the new Mid and West Kent MRF and additional costs on disposal contracts
					-137	Price variance on food waste due to new food waste processing contract
					-48	Other minor variances
	23,944.2	-3,823.0	20,121.2	-1,426		
- Waste Disposal:						
- Closed Landfill Sites & Abandoned Vehicles	864.0	-180.0	684.0	-248	-114	Net saving on the termination of the Operation Cubit contract
					-96	Reduced contract costs due to a change in contract management
					-38	Other minor variances
- Disposal Contracts	28,836.0	-156.0	28,680.0	-1,362	-308	Forecast reduced tonnage of residual waste to be sent to landfill (-16,000 tonnes)
					+939	Additional landfill costs incurred due to the plant shutdown at the Allington Facility (+48,900 tonnes)
					-4,616	Saving on contracted payments to Allington Waste to Energy plant due to less waste (-48,900 tonnes) being processed via the facility to date, as a result of the planned plant shutdown for maintenance in Quarter 1 and further plant outages of the various processing lines at the facility during the last seven months
					-504	Saving on landfill disposal costs due to a planned diversion of waste to the Allington facility (-26,300 tonnes)

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 +2,480 Planned increase of tonnage throughput at the Allington Waste to Energy facility as a result of a planned diversion from landfill (+26,300 tonnes) <i>- also see the savings against the Landfill Tax A-Z budget line below</i> -581 Release of contingency in respect of Allington Waste to Energy Plant +1,213 Allington Waste to Energy contractual changes due to the closure of the MRF and the opening of a Transfer Station at the Allington site which has resulted in a pressure which is offset by savings on the Recycling and Composting budget reported above -126 Saving on managing hazardous and clinical waste +141 Other minor variances	
- Haulage & Transfer Stations	9,562.0	-75.0	9,487.0	+982	+323 Delays in the closure of the Hawkinge transfer station +104 Haulage and management costs associated with the new combined Ashford HWRC and transfer station together with reduced expenditure at the Ashford transfer station due to the delays in the closure of the Hawkinge site -375 Forecast reduced tonnage managed at sites +248 New arrangements at Allington transfer station to enable the receipt of food and dry recyclable waste +628 East Kent Contract Haulage fee budget set only for January to March but payments are being incurred for the whole financial year	

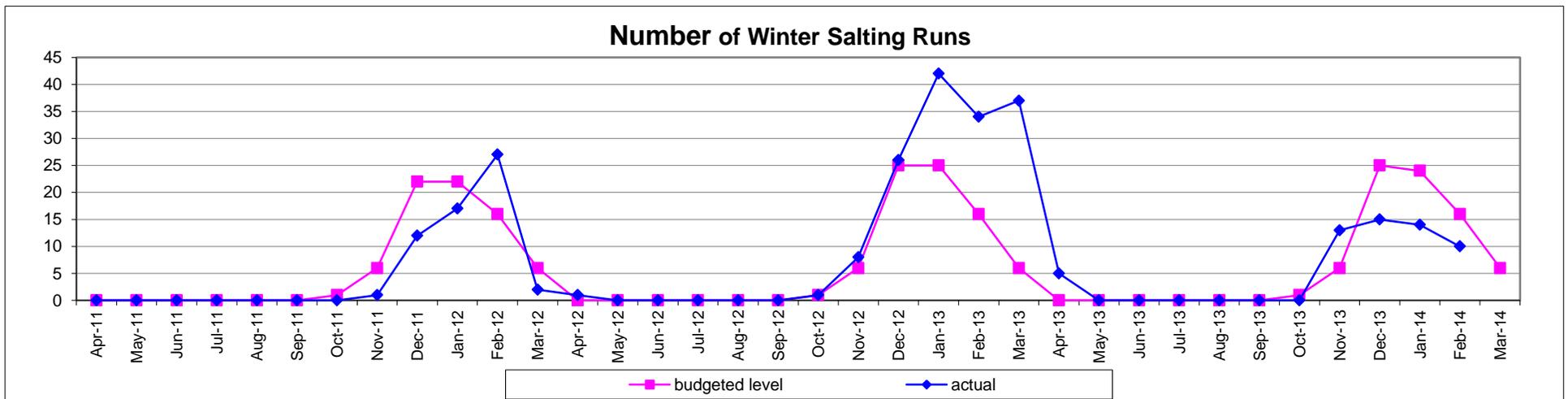
Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
					+259	Extra contract payments for managing waste in Thanet and Canterbury under the East Kent Contract as the new service is being rolled out
					-152	Reduced haulage of residual waste from Canterbury and Thanet to Allington due to extended maintenance at the Allington Waste to Energy Facility
					-53	Other minor variances
- Landfill Tax	7,571.0	0.0	7,571.0	+334	-1,894	Saving due to planned diversion of waste to be processed at the Allington Waste to Energy facility (-26,300)
					+3,518	Pressure due to increase in waste diverted to landfill due to extended maintenance at Allington Waste to Energy facility (+48,900 tonnes)
					-1,155	Forecast reduction in the volume of waste sent to landfill due to an overall reduction in residual waste (-16,000 tonnes)
					-150	Sale of previous year landfill allowances, under the Landfill Allowance Trading Scheme, to another local authority
					+15	Other minor variances
	46,833.0	-411.0	46,422.0	-294		
- Commercial Services	0.0	-4,899.0	-4,899.0			
Total E,H & W portfolio	175,597.2	-23,907.3	151,689.9	+1,092		
Regeneration & Enterprise portfolio						
Development Staff & Projects	656.6	-656.6	0.0	0		
Total E&E controllable	176,253.8	-24,563.9	151,689.9	+1,092		

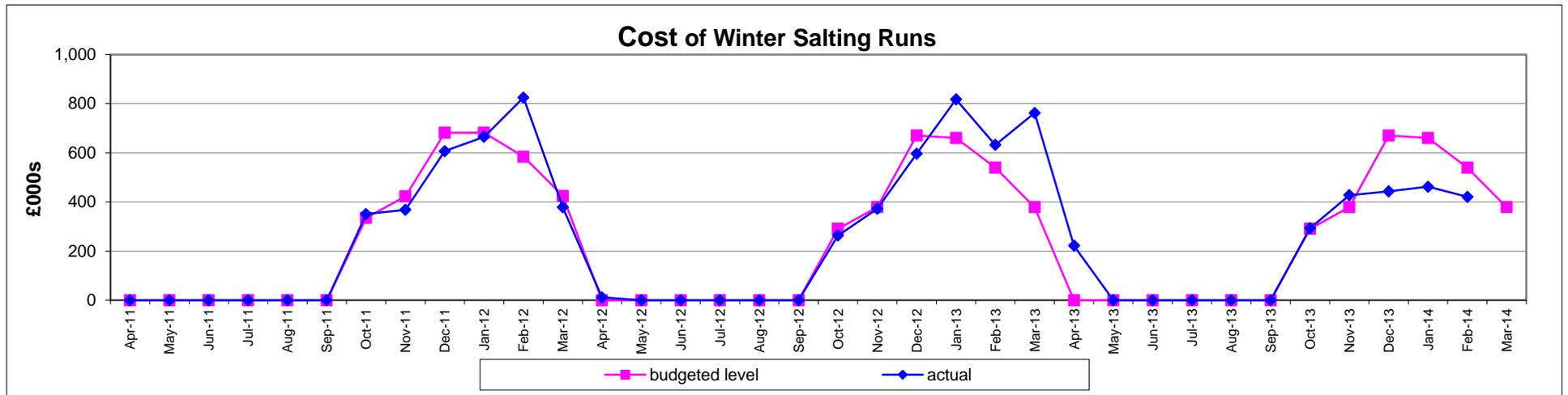
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs

	2011-12				2012-13				2013-14			
	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	-	335	351	1	1	291	263	1	-	291	293
Nov	6	1	423	368	6	8	379	372	6	13	379	428
Dec	22	12	682	607	25	26	670	596	25	15	670	443
Jan	22	17	682	665	25	42	660	817	24	14	660	462
Feb	16	27	584	825	16	34	540	632	16	10	540	421
Mar	6	2	425	378	6	37	379	762	6	-	379	-
	73	59	3,131	3,194	79	149	2,919	3,454	78	57	2,919	2,268

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.





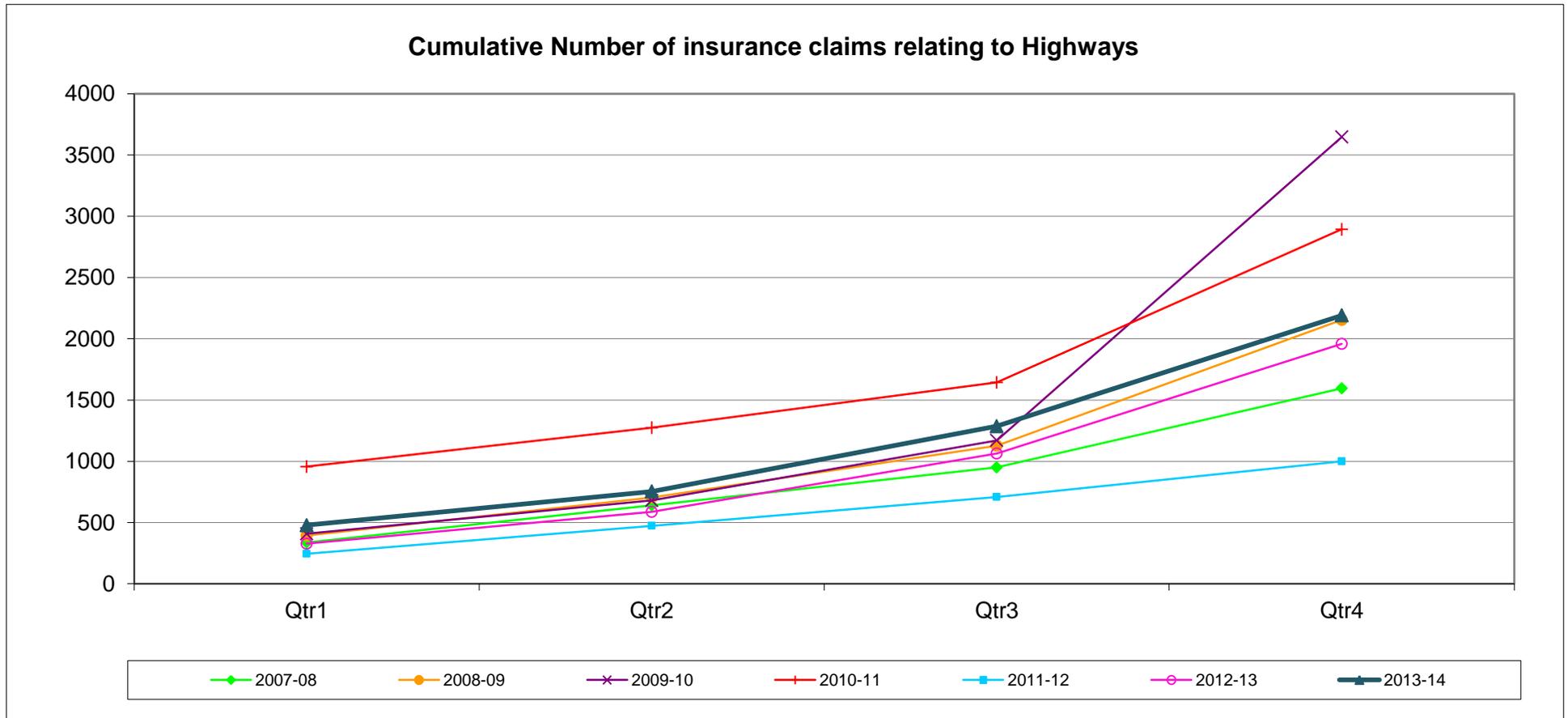
Comments:

- As a result of the prolonged hard winter which extended into April 2013, unbudgeted salting runs were required at the start of this financial year, resulting in a forecast pressure against the adverse weather budget of £0.222m, as shown above and in table 1. Although the current number of salting runs and costs suggest an underspend for the period October-February of £0.494m, the relatively mild conditions have continued into March and a forecast underspend of £0.560m is included in table 1.
- Although the budgeted number of salting runs was higher in 2012-13 than in 2011-12, the budgeted cost was lower because 2011-12 was a transition year due to the change in contractor from Ringway to Enterprise and 2012-13 included the full year efficiency savings, hence the reduction in the budgeted costs.
- It had been anticipated that the generally mild winter in 2011-12 would mean that the number and cost of salting runs would be below budget. However, the snow emergency in February 2012 required emergency salting runs, which were more expensive than the routine salting runs due to a higher rate of spread of salt than originally budgeted. Also, additional costs were incurred as part of the new Winter Policy introduced for 2011-12, as smaller vehicles needed to be leased in order to service parts of the routes that were inaccessible to the larger vehicles (approx £140k) and some of the salting routes were extended in order to meet local needs. This resulted in outturn expenditure of £3.194m against a budget of £3.131m, despite the number of salting runs being below the budgeted level.
- 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.

2.2 Number of insurance claims arising related to Highways

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	Cumulative no. of claims						
Apr to Jun	337	393	408	956	245	327	478
Jul to Sep	640	704	680	1,273	473	587	753
Oct to Dec	950	1,128	1,170	1,643	709	1,064	1,286
Jan to Mar	1,595	2,155	3,647	2,893	1,000	1,959	2,191

Claims to the end of February



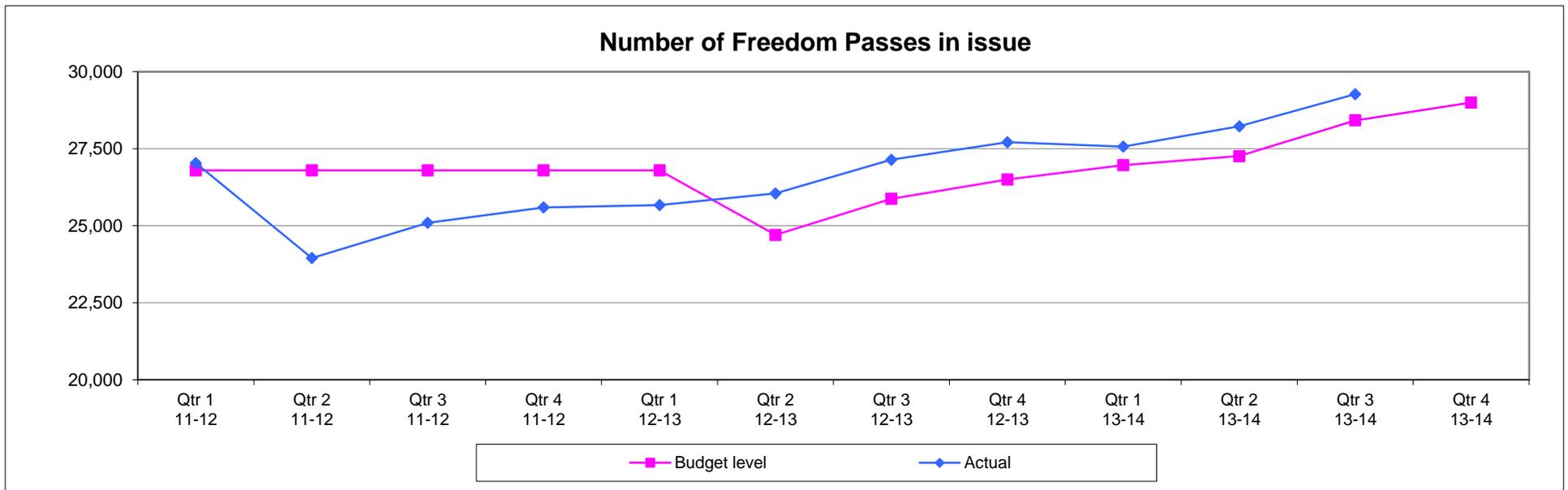
Comments:

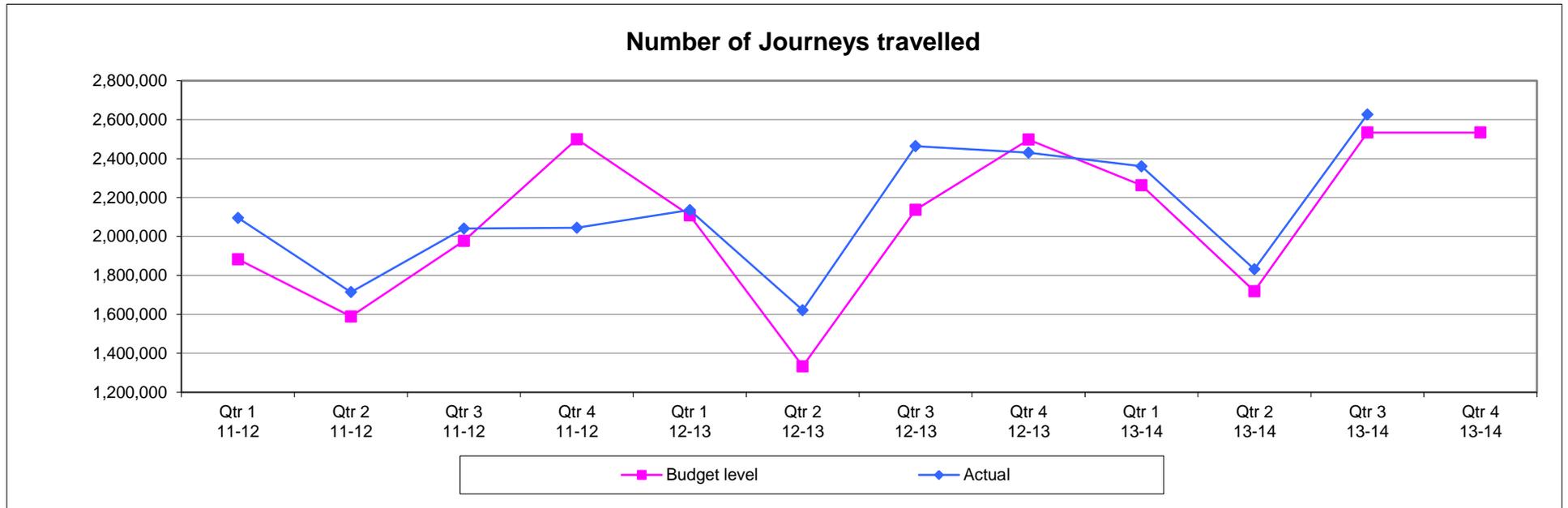
- Numbers of claims will continually change as new claims are received relating to incidents occurring in previous quarters. Claimants have 3 years to pursue an injury claim and 6 years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 28th February 2014.
- 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 are likely to 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. It is likely that claim numbers for both 2011-12 and 2012-13 will increase as new claims are received relating to incidents occurring during these two years, as explained above. Claim numbers are again high in 2013-14, which is probably due to the particularly adverse wet weather conditions and the consequent damage to the highway. However, additional funding has been made available to in order 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 2013-14 claims where it is considered that we do not have any liability, of about 88%.

2.3 Freedom Pass

	2011-12				2012-13				2013-14			
	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	27,031	1,882	2,096	26,800	25,668	2,108	2,136	26,970	27,571	2,263	2,361
Qtr 2	26,800	23,952	1,589	1,714	24,703	26,051	1,333	1,621	27,260	28,227	1,719	1,832
Qtr 3	26,800	25,092	1,977	2,041	25,877	27,141	2,137	2,464	28,420	29,272	2,534	2,627
Qtr 4	26,800	25,593	2,499	2,045	26,500	27,711	2,498	2,431	29,000		2,534	
			7,947	7,896			8,076	8,652			9,050	6,820

The data for this activity indicator is only provided on a quarterly basis from our external provider MCL Transport Services.





Comments:

- As predicted the number of Kent Freedom Passes was lower in the first quarter of 2012-13 compared to the same quarter in 2011-12 probably due to the fee increase. Applications have steadily increased since quarter one of 2012-13, 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 £0.8m of rolled forward 2012-13 underspending to support this budget in 2013-14.
- 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 2013-14 actual journey numbers for quarters 1 and 2 have been adjusted as they had previously included journeys funded from the Home to School Transport budget. There is a forecast pressure of £109k on the Freedom Pass budget due to the higher than budgeted number of journeys, as reflected in table 1 of this annex.
- The above figures do not include journeys travelled relating to free home to school transport as these costs are met from the Education, Learning & Skills portfolio budget and not from the Kent Freedom Pass budget.

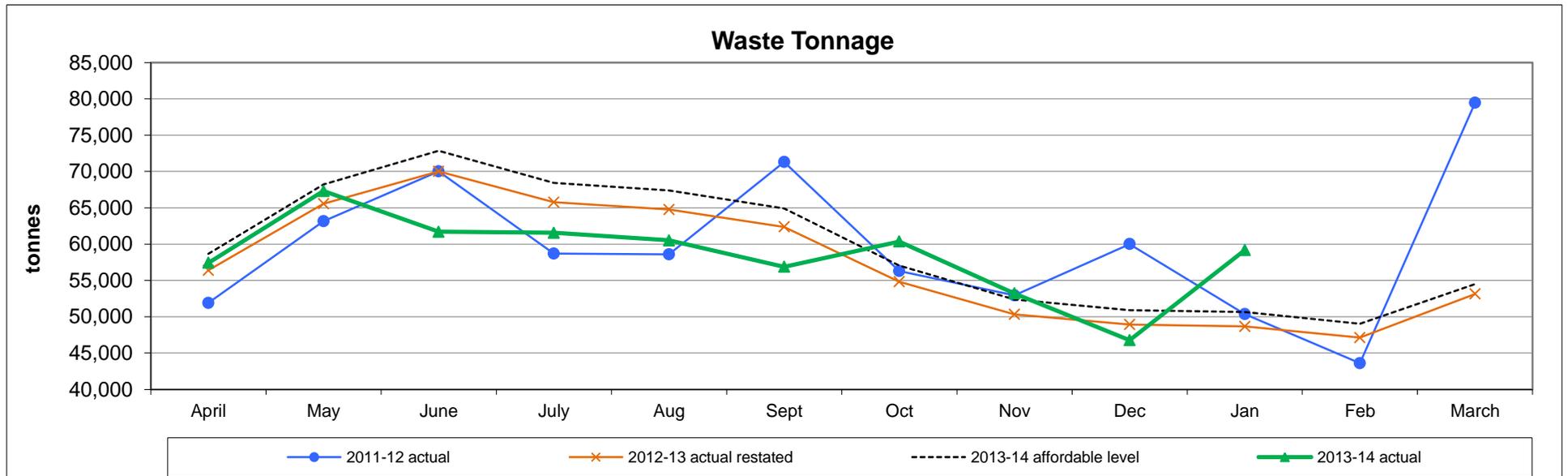
2.4 Waste Tonnage

	2011-12	# 2012-13 restated	2013-14	
	Waste Tonnage	Waste Tonnage	Affordable Level ^	* ^ Waste Tonnage
Apr	51,901	56,390	58,673	57,423
May	63,168	65,562	68,216	67,314
Jun	70,006	70,033	72,869	61,701
Jul	58,711	65,764	68,426	61,563
Aug	58,581	64,760	67,381	60,519
Sep	71,296	62,377	64,902	56,884
Oct	56,296	54,837	57,057	60,367
Nov	52,942	50,344	52,382	53,211
Dec	60,009	48,925	50,906	46,787
Jan	50,366	48,668	50,638	59,177
Feb	43,607	47,135	49,043	
Mar	79,468	53,150	54,507	
	716,351	687,945	715,000	584,946

^ 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 and this is reflected in the monthly affordable levels for 2013-14, hence why the line on the graph representing the affordable level for 2013-14 reflects a different profile to the actuals for 2011-12.

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 quarterly reports as figures are refined and confirmed with Districts. In addition, the 2013-14 figures have been restated this month due to recycling credits and East Kent garden waste previously being omitted from the exercise ^ above.



Comments:

- 2013-14 data was restated in the quarter 2 monitoring reported to Cabinet in December to reflect tonnage based on waste outputs from transfer stations rather than waste inputs to our facilities. This was 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. 2012-13 data and the 2013-14 affordable level have were also restated on this output basis in order to enable comparison.
- These waste tonnage figures include residual waste processed either through Allington Waste to Energy plant or landfill, recycled waste and composting.
- To date, the cumulative tonnage activity for the first ten months of the year is approximately 26,500 tonnes less than the affordable level for the same period, and this reduction is reflected in the current forecast in table 1 of this annex.
- Overall waste volumes are currently 0.5% lower for the first ten months when compared with the same period for last year (based on the restated 2012-13 figures). Waste volumes at Household Waste Recycling Centres continue to show a reduction in waste volumes as a result of implementing new operating policies at these sites.
- Based on the actual waste tonnage for April to January of 2013-14 and forecasts for February to March, the overall volume of waste to be managed this financial year is expected to be approximately 676,900 tonnes, which is 38,100 tonnes below the affordable level and equates to a saving of £2.594m. However this saving on waste volumes is offset by other pressures within the service, as detailed in table 1, giving an overall saving against the waste management budget of £1.854m.
- The figures in Table 1 of section 1.2 are based on actual activity between April and December. **The January activity figure suggests that the overall forecast waste tonnage for the year will increase and therefore the underspend relating to waste tonnage will reduce and if verified, this will be reflected in the next monitoring report.**

3. CAPITAL

3.1 The Enterprise & Environment Directorate has a working budget for 2013-14 (which has now been updated to reflect the 2014-17 budget set by County Council on 13th February 2014) of £62,193k. The forecast outturn against the 2013-14 budget is £ 58,614k giving a variance of -£3,579 k.

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

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Commercial Services Vehicles Plant and Equipment	3,900	1,300	0	0			Green		
Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening	94,872	35,574	0	0			Green		
Weather Damage-Major Patching	0	1,000	-120	-120	Rephasing	Works unable to be carried out as planned due to adverse weather.	Green		
Carriageway Collapse-Emergency works	0	1,200	-600	-600	Rephasing	Works unable to be carried out as planned due to adverse weather.	Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Integrated Transport Schemes under £1 million	12,513	5,324	-718	33	Real - DfT grant/Ex other	Additional grant has been awarded to construct electronic vehicle charge points and some Sustran funded schemes.	Green		
				-1,007	Rephasing	Rephasing due to further detailed design work following consultation responses.			
				224	Real - Ex Developer	Completion of some S106 conditions within the time frame.			
				32	Real - Prudential	Improvement works at Tovil waste site. Funded from underspend on East Kent Joint Waste Project.			
Land compensation and Part 1 claims arising from completed projects	2,834	1,293	-32	-32	Rephasing		Green		
Major Schemes - Preliminary Design Fees	400	350	-317	-317	Rephasing	The spend has been delayed because schemes are dependent on developers. The budget will be used for preliminary works for schemes identified in the Strategic Economic Plan.	Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Old Schemes Residuals	0	-41	102	102	Real - £61k Prudential £41k Creditor Provision	Additional expenditure forecast to complete the old residual land liabilities - funded from the underspend on Ashford Transfer Station.	Green		
Members' Highway Fund	6,600	2,407	-1,025	-1,025	Rephasing	Scheme commitments will be finalised in the latter part of the financial year hence delivery likely to be in 14-15.	Green		
Planning and Environment									
Coldharbour Gypsy Site	672	888	-40	-40	Rephasing	Fencing works are programmed to be carried out in 14-15.	Green		
Energy and Water Efficiency Investment Fund - External	481	253	-144	-144	Rephasing	Due to significant uncertainty over KCC estate buildings, it has been difficult to secure new projects. In addition some street lighting projects have been put on hold pending decisions about the funding of the street lighting strategy. Several projects have recently been identified, but are unable to be delivered this financial year.	Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Energy Reduction and Water Efficiency Investment - KCC	241	111	-57	-57	Rephasing		Green		
Sandwich Sea Defences	2,328	453	0	0			Green		
Growth without Gridlock initiatives	5,000	130	-80	-80	Rephasing		Green		
Household Waste Recycling Centres (HWRCs) and Transfer Stations (TSs):									
East Kent Joint Waste Project	1,576	1,279	-197	-197	Real - Prudential	Review of the contract resulted in changes to the type and number of containers used and consequently a lower price than originally estimated.	Green		
HWRC - Tonbridge and Malling	1,300	0	0	0			Green		
HWRC - Site Improvements-Herne Bay	0	22	-22	-22	Real - Prudential	Scheme completed during last financial year. Surplus creditor provision.	Green		
HWRC-West Kent	600						Green		
Mid Kent Joint Waste Project - Invest to Save	4,440	3,628	0	0			Green		Cash Limit adjustment required
TS/HWRC - Ashford	500	1,665	-150	-150	Real - Prudential	Scheme is now completed. Contingency no longer required.	Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
TS-North Farm		69	0	0			Green		
TS/HWRC - Swale	3,530	250	-150	-150	Rephasing	Site search completed; study to redevelop existing site is underway. Contract work is expected to start in 14-15.	Green		
Highways and Transportation									
Capital Plant & Equipment	0	0	55	55	Real - Revenue	Renewals of weather stations.	Green		
Ashford Ring Road - Major Road Scheme	91	93	-93	-93	Rephasing	The works on the shared space are dependent on the findings of a detailed report from the Ashford Joint Transport Board, which is still to be concluded.	Green		
East Kent Access Phase 2 - Major Road Scheme	3,958	516	0	0			Green		
Cyclopark initiative	0	176	-46	-46	Rephasing		Green		
Kent Thameside Strategic Transport Programme	11,764	158	-62	-62	Rephasing		Green		
Kent Highway Partnership - Co-location Depots	40	48	40	40	Real - Prudential	Funded from the underspend on Ashford Transfer Station.	Green		

ANNEX 4

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Preston Highway Depot	0	0	74	74	Real - Prudential	The construction of extended lagoon and drainage system. Funded from the underspend on East Kent Waste Facilities.	Green		
Rushenden Link (Sheppey) - major road scheme	635	95	-57	-41	Real		Green		
				-16	Rephasing		Green		
Sittingbourne Northern Relief Road - major road scheme	2,799	177	-95	-95	Rephasing		Green		
Street Lighting Column - Replacement Scheme	3,750	1,250	0	0			Green		
Street Lighting Timing - Invest to Save	2,906	1,089	269	269	Rephasing	Delivery of the scheme has started and good progress is anticipated in this financial year, reducing the previously reported rephasing.	Green		
A228 Colts Hill Strategic Link - Major Road Scheme	0	0	0	0			Green		
A228 Leybourne & West Malling Corridor	0	0	0	0					

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
South East Maidstone Strategic Link - Major Road Scheme	0	0	0	0					
Ashford's Future Schemes									
A28 Chart Road	7,600	0	0	0			Green		
Drovers Roundabout junction	220	178	-101	-13	Rephasing	Extension of LCA Part 1 claims due to completion of several major schemes. Noise claims to be considered in line with new industry standard.	Green		
				-88	Real - Grant	Review of the scheme has lead to a reduction in signage and road marking.			
Orchard Way Railway bridge	15,000	0	0	0			Green		
Victoria Way	239	18	7	7	Rephasing		Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
North Farm Development	3,000	725	-13	-13	Rephasing		Red	The forecast total scheme cost has increased by £1.3m following detailed design and information from utility companies for diverting services and review of risk assessments. The increased cost will be met by agreed S106 contributions. The scheme is now anticipated to complete in June 2015.	
Westwood Relief Strategy - Poorhole Lane	0	515	-7	-7	Rephasing		Red	There is a forecast overspend on the overall project of £1.655m. This is due to exceptionally high costs associated with the diversion of underground services and associated feeder pillars which need to be relocated to accommodate the widening of the road and two roundabouts. The most appropriate funding sources are being considered to cover this overspend. The scheme is now anticipated to complete in June 2015.	
Total	193,789	62,193	-3,579	-3,579					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

CUSTOMER & COMMUNITIES DIRECTORATE SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. REVENUE

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Directorate Total (£k)	+76,033	-4,738	-	-4,738

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	
Customer & Communities portfolio						
Strategic Management & Directorate Support budgets	3,112.8	-978.0	2,134.8	-232	-110	re-phasing of purchase of specialist equipment for Kent Scientific Services from the directorate strategic priorities budget, for which roll forward is required.
					-122	Other minor variances individually all below £100k
<u>Support to Frontline Services:</u>						
- Communication & Consultation	3,004.6	-11.0	2,993.6	-29		
<u>Other Services for Adults & Older People</u>						
- Social Fund (Kent Support & Assistance Service - KSAS)	3,469.0	-3,469.0	0.0	-1,400	-1,375	Lower than anticipated demand for awards since inception of this new pilot scheme. In accordance with Key Decision 12/01939, funding for KSAS awards is to be ring fenced for two years (2013-14 & 2014-15), therefore committed roll forward will be requested for any underspend at year end.
					-25	Underspend against administrative support grant

ANNEX 5

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					+134	Other minor variances which are individually below £100k
- Local Healthwatch & Complaints Advocacy	1,340.6	-766.0	574.6	-306	-116	Budgeted retendering costs not incurred as the service is awaiting the Government response to the Francis report on care failures at Mid Staffordshire Foundation Trust, which may have implications for the future requirements of the complaints advocacy service. Instead the existing contract has been extended for 6 months.
					-190	fewer business case applications for funding from Healthwatch Kent than anticipated
- Other Community Services	5,319.1	-5,319.1	0.0	0		
- Sports Development	1,881.3	-1,093.0	788.3	-31		
- Supporting Employment	1,085.9	-335.0	750.9	-159	-159	Minor variances individually all below £100k
	54,674.8	-29,402.7	25,272.1	-1,227		
<u>Environment:</u>						
- Country Parks	1,493.8	-990.7	503.1	-28		
- Countryside Access (incl PROW)	2,670.6	-1,014.4	1,656.2	-33		
	4,164.4	-2,005.1	2,159.3	-61		
<u>Local Democracy:</u>						
- Community Engagement	735.3	0.0	735.3	+34		
- Local Scheme & Member Grants	1,256.0	0.0	1,256.0	0		
	1,991.3	0.0	1,991.3	+34		

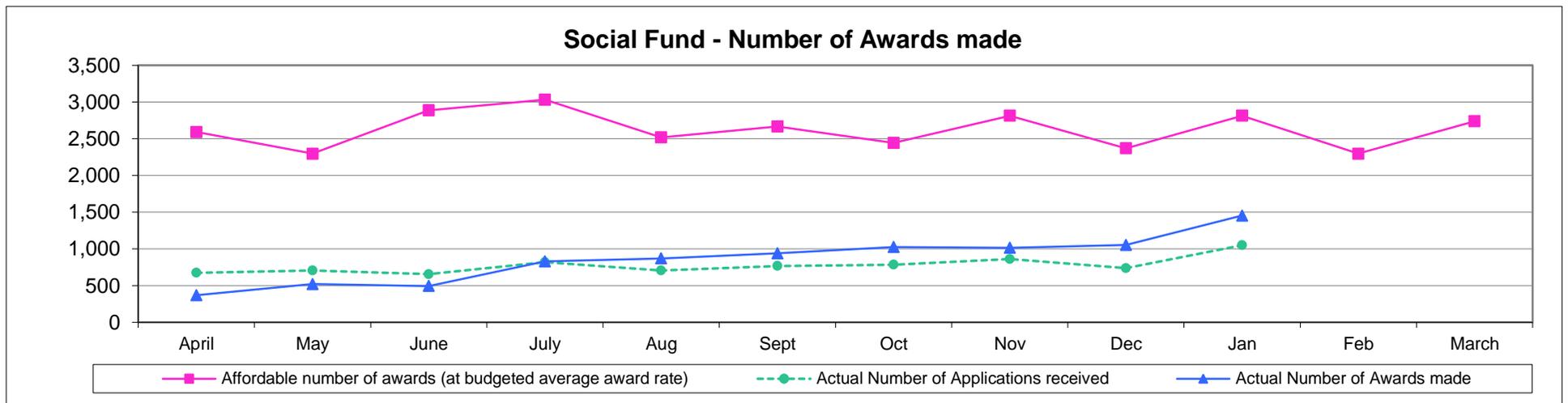
Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Public Health:							
- Drug & Alcohol Services	19,027.3	-17,775.5	1,251.8	-1,000		Delay in commencement of some of the pooled partnership projects. These underspends are treated differently depending on how they are funded, as shown below: -946 - Public health funded element (see transfer to reserves below) -56 - KCC funded element, for which roll forward will be required to fund our obligation to the partnership -20 Local Area Single Assessment & Referral (LASAR) Service +22 Under achievement of income	
- <i>Tfr to(+)/from(-) Public Health reserve</i>				+946	+946	<i>transfer to Public Health reserve of underspending against public health grant</i>	
- Drug & Alcohol Services base funded variance				-54			
Regulatory Services:							
- Coroners	2,867.3	-475.0	2,392.3	-49			
- Emergency Planning	778.5	-169.0	609.5	+28	+115	Flood Emergency costs -87 Other minor variances	
- Trading Standards (incl Kent Scientific Services)	3,916.9	-785.8	3,131.1	-86	-172	Staffing vacancies +86 Other minor variances	
	7,562.7	-1,429.8	6,132.9	-107			
Total C&C portfolio	135,894.1	-59,861.5	76,032.6	-4,738			
Assumed Mgmt Action							
- C&C portfolio							
Total Forecast <u>after</u> mgmt action	135,894.1	-59,861.5	76,032.6	-4,738			

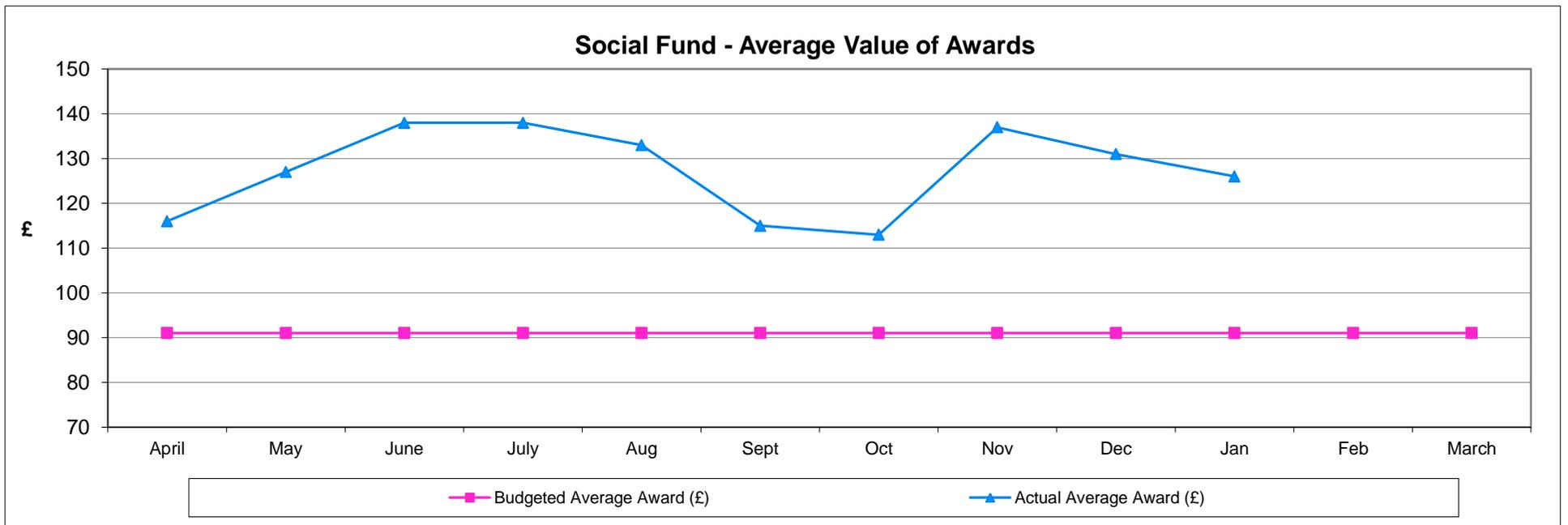
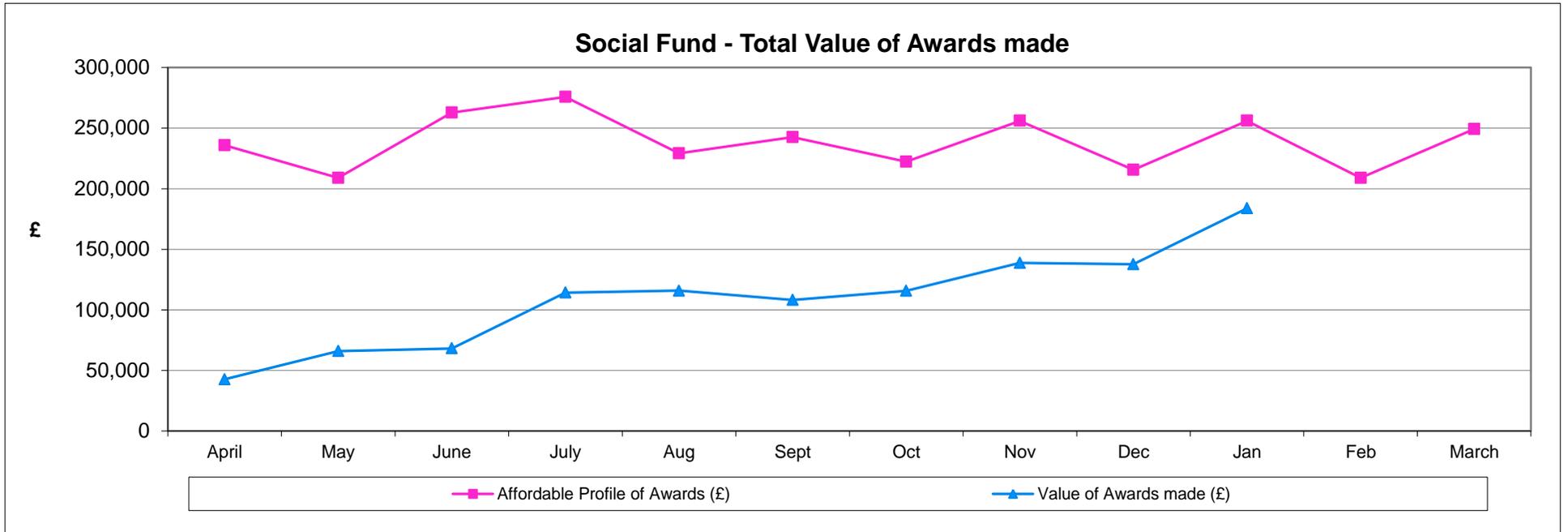
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 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 (£)
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			208,900		91	
Mar	2,739			249,300		91	
	31,462	7,752	8,565	2,863,000	1,091,002	91	127

* 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 new pilot scheme differ to the DWP scheme, this does not represent the anticipated demand for the new pilot scheme (as demand is unknown), but represents the maximum affordable level should sufficient applications be received which meet the criteria. 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).





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, e.g. 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 previous reports 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 budget for this service, as shown in table 1 is £3.469m, with £0.606m being the cost of administering the scheme including signposting applicants to alternative appropriate services, and £2.863m available to award where appropriate (column d in the table above). Given the uncertainty about both future levels of demand and government funding, there is a need to ring-fence the funding for awards for the period of the pilot scheme (2013-15) to provide some stability to the service.
- **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 initial take up of this new scheme being low in comparison to the old scheme (which is what the funding, and affordable level, is based upon). The value of awards made is expected to increase as the scheme matures and communication increases about what the new scheme provides and evidence of this is visible in the figures in the table above, where the value of awards made has steadily increased throughout the year to date. In addition, it is anticipated that changes to welfare reform may still impact on the value of awards given in this financial year. 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 was set with this in mind. Whilst this has transpired and 48% of the number of awards has been for food & clothing, there has been a higher than expected number of awards for furniture & equipment which have a higher award value, given the nature of the goods. The number of awards for furniture & equipment (incl white goods) accounts for 16% of the number of awards but 54% of the value of awards. Therefore, the actual average award is higher than budgeted due to the apportionment of the award types being different to what was anticipated. The data collected in the current year will inform the allocation of funds to each type of award in future years, should the scheme continue and will provide a meaningful comparison. In December 2013 the service adopted a temporary policy to cope with Christmas demand and the flood emergency. This policy ensured a focus on emergency awards e.g. food, but with a temporary suspension of equipment awards. The cessation of this temporary policy in January has therefore led to an increase in applications and awards, due in part to the impact of processing December applications for equipment in January. The impact of Christmas and the floods has also led to a significant increase in the numbers of the lower value energy awards and food & clothes awards in January, thus the average value of awards has decreased.

3. CAPITAL

3.1 The Customer & Communities Directorate has a working budget for 2013-14 (which has now been updated to reflect the 2014-17 budget set by County Council on 13th February 2014) of £4,469k. The forecast outturn against the 2013-14 budget is £3,805k giving a variance of -

3.2 **Table 2** below details the C&C Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per Budget Book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Country Parks Access and Development	0	193	0	0			Green		
Library Modernisation Programme - adaptations and improvements to existing facilities	1,380	505	-61	-61	Rephasing		Green		
Management and Modernisation of Assets - Vehicles	380	292	13	13	Rephasing		Green		
Public Rights of Way - Structural Improvements	2,449	1,030	-100	-100	Rephasing	Rephasing to 14/15 of several small schemes due to poor weather.	Green		
Public Sports Facilities Improvement - Capital Grant	300	100	0	0			Green		

Budget Book Heading	Three year cash limit per Budget Book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance	Project Status ¹	Explanation of Project Status	Actions
Small Community Projects - Capital Grants	1,500	500	62	62	Real - external	Additional funding received.	Green		Increase 13/14 cash limit by £62k to reflect additional external funding
Village Halls and Community Centres - Capital Grants	600	196	0	0			Green		
Individual Projects									
Community Learning and Skills Service Re-provision	457	0	0	0			Green		
Gateways - Continued Rollout of Programme	2,192	537	-430	-430	Rephasing	Rephasing of Swanley Gateway to 14/15 due to delays in planning conditions.	Green		
New Community Facilities at Edenbridge	0	69	0	0			Green		
Tunbridge Wells Library	0	288	0	0			Green		
Web Platform	0	0	0	0		Project merged with Enhancement of Core Website after approval from the Leader to proceed.	Green		

Budget Book Heading	Three year cash limit per Budget Book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance	Project Status ¹	Explanation of Project Status	Actions
Replacement and Enhancement of Core Website	455	309	0	0			Green		
Gravesend Library	0	0	0	0			Green		
Ashford Gateway Plus	0	1	0	0			Green		
Grant to Cobtree	0	0					Green		
Kent Library and History Centre	0	188	-148	-148	Real - Underspend	Underspend on public realm work.	Green		
Ramsgate Library - Insurance Betterment	0	0	0	0			Green		
Youth Reconfiguration	0	83	0	0			Green		
Cheesemans Green Library, Ashford	350	0	0	0			Green		
Dartford and Gravesham NHS Trust Capital Contribution	0	128	0	0			Green		
Winter Gardens Rendezvous Site - Prelim Works	100	0	0	0			Green		
Integrated Youth Service - Youth Hub Reprovision	1,100	50	0	0			Green		
Total	11,263	4,469	-664	-664					

1. Status:

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

BUSINESS STRATEGY & SUPPORT DIRECTORATE SUMMARY
PUBLIC HEALTH SUMMARY
JANUARY 2013-14 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
	Total (£k)	+384	-1,199	+784	-415

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	
Adult Social Care & Public Health portfolio						
Public Health:						
<p>This is the first year following the transfer of Public Health responsibilities from the Health Service and as such it has very much been a year of transition as the Authority gets to grips with its new duties. Further guidance has been issued throughout the year to clarify these responsibilities, which has also helped to inform discussions with health partners regarding financial obligations for prescribing, as well as issues with the baseline grant allocation. These discussions have been ongoing throughout the year and are now at an advanced stage although not fully resolved, so the financial position could still change. As a consequence, and to be prudent, the service has been cautious in fully committing the budget this year which has resulted in a number of underspends. In addition, although many contracts rolled over from health, there have been delays in the commissioning of some services, which have also resulted in underspends. Finally it should be noted that the A to Z budget analysis remains unchanged from Quarter 1; for example it does not allow for the impact of prescribing costs. Although it is not practical to realign budgets so late in the year, ideally they would reflect the impact of discussions with health, and take into account the knowledge and understanding built up by the team over this first year. The 2014-15 budget does reflect this to a degree, but further realignment will be needed in 2014-15 Quarter 1.</p>						
- Public Health Management & Support	441.3	-57.0	384.3	-415	-340	Underspend against KCC budget as costs are reflected against the grant in the service lines below, mainly Public Health Staffing & Related Costs
					-75	Drawdown of unused reserve
- Children's Public Health Programmes	6,346.4	-6,346.4	0.0	-3	-3	<i>PH grant variance: minor variances</i>

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Drug & Alcohol Services	662.7	-662.7	0.0	+473	+410	<i>PH grant variance: pressure relating to prescribing</i>	
					+63	<i>PH grant variance: Other minor variances</i>	
- Healthy Weight	2,516.4	-2,516.4	0.0	+100	+100	<i>PH grant variance: cost of additional psychological support for severe and morbidly obese patients</i>	
- NHS Health Check Programme	2,321.8	-2,321.8	0.0	-556	-556	<i>PH grant variance: underspend results from a lower than budgeted level of activity commissioned through the Kent Community Health NHS Trust</i>	
- Other Public Health Services	5,746.1	-5,746.1	0.0	-524	-344	<i>PH grant variance: release of contingency</i>	
					-180	<i>PH grant variance: cautious approach to committing budget and delays in commissioning of services</i>	
- Public Health Staffing & Related Costs	4,016.2	-4,016.2	0.0	-988	-988	<i>PH grant variance: slippage on recruitment and vacancy savings</i>	
- Sexual Health Services	12,538.6	-12,538.6	0.0	-115	-115	<i>PH grant variance: cautious approach to committing budget and delays in commissioning of services</i>	
- Stop Smoking Services & Interventions	2,688.0	-2,688.0	0.0	+1,165	+1,162	<i>PH grant variance: pressure relating to prescribing</i>	
					+3	<i>PH grant variance: other minor variances</i>	
- Tobacco Control	600.0	-600.0	0.0	-336	-336	<i>PH grant variance: cautious approach to committing budget and delays in commissioning of services</i>	
	37,877.5	-37,493.2	384.3	-1,199			
- <i>trf to(+)/from(-) Public Health reserve</i>				+784	+784	<i>PH grant variance: Transfer of underspend to reserve</i>	
Total ASC&PH portfolio (Public Health)	37,877.5	-37,493.2	384.3	-415			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

- 2.1** As the majority of services are commissioned from providers on a block contract basis there will be little or no variation in terms of actual expenditure during 2013-14. The decision to commission on a block contract basis was taken to ensure continuity of services in this transitional period. It is expected that the use of block contracts next year will be significantly reduced as services are re-commissioned based on activity and payment by results; the experience gained within the Division during 2013-14 will also inform this process. Until that time no activity indicators are reported for Public Health.

BUSINESS STRATEGY & SUPPORT DIRECTORATE SUMMARY
BUSINESS STRATEGY AND SUPPORT (EXCL. PUBLIC HEALTH) SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. REVENUE

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Total (£k)	+80,239	-1,887	-	-1,887

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	
Regeneration & Enterprise portfolio						
Directorate Management & Support	172.2	0.0	172.2	+3		
Development Staff & Projects	5,043.7	-1,333.7	3,710.0	-3		
Total R&E portfolio	5,215.9	-1,333.7	3,882.2	0		
Finance & Business Support portfolio						
Finance & Procurement	19,009.4	-7,678.1	11,331.3	-260	-521 Appointments to the structure made last year at bottom of grade, budget set at mid-point of grade; the Division is also carrying a number of vacancies. -283 Reduction in specialist fees within Financial Management +129 Increased cost of asset valuations +200 Contribution to reserves to fund further rollout of Collaborative Planning and Business Intelligence in future years +99 Under-recovery of income by Schools Financial Services +116 Other minor variances	
- <i>Transfer to(+)/from(-) DSG reserve</i>				0		

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Local Democracy:							
- Grants to District Councils	703.0	0.0	703.0	0			
- Other Local Democracy costs	741.2	0.0	741.2	+1			
- Support for Local Council Tax Support Schemes	1,253.0	0.0	1,253.0	-3			
Total F&BS portfolio	21,706.6	-7,678.1	14,028.5	-262			
Business Strategy, Performance & Health Reform portfolio							
Strategic Management & Directorate Support budgets	3,093.3	-5,089.3	-1,996.0	-108	-115	Release of Corporate Director's contingency to offset pressures within Corporate Landlord	
					+7	Other minor variances	
Governance & Law	10,245.1	-12,407.9	-2,162.8	+197	+139	Reduction in external income	
					+49	Increased agency costs	
					+9	Other minor variances	
Business Strategy	3,254.1	-56.7	3,197.4	-274	-153	The Division is carrying a number of vacancies.	
					-87	Rolled forward funding from 2012-13 for Health Reform to support the development of seven new Health and Wellbeing Boards to be aligned with the NHS Clinical Commissioning Groups is to be spent over the period June 2013 to May 2015, therefore roll forward will be required.	
					-34	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Property & Infrastructure	31,042.2	-5,258.5	25,783.7	+1,127	+1,665	New external property opportunities together with the need to protect and respond to the requirements of front line services and new service pressures, have resulted in a revised New Ways of Working programme plan. The revised plan, recognising service pressures, encompasses changes to the previously assumed timelines for moving out of some of our larger leasehold buildings, hence creating a pressure within the Corporate Landlord estate.	The revised timelines to the New Ways of Working programme plan including service pressures, have been costed and the related savings have been re-phased in the 2014-17 MTFP.
					+918	Statutory testing (primarily legionella, asbestos and electrical) and additional maintenance costs due to the poor state of repair of the buildings transferred across to Corporate Landlord.	This has been reflected as a pressure in the 2014-17 MTFP.
					+258	Additional overspend against Corporate Landlord budgets, in particular on building maintenance and repairs.	
					-293	Identification of security costs at non-operational buildings within the Corporate Landlord estate that can be capitalised	
					-593	Use of non-ringfenced DfE capital grant to fund revenue expenditure which cannot be capitalised but is within the terms of the grant	The use of this grant will need to be quantified each year dependent on expected eligible spend. The grant has been included in the 2014-15 capital budget at present.
					-357	Additional income from Kent Commercial Services for leasing of property at commercial rates	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					£'000 -507 Additional demands to support the capital programme have resulted in additional capitalisation of staff time (eg ELS Basic Need Programme) -210 Savings realised from the Park and Ride ticket scheme -100 Anticipated savings from rates rebates -27 Re-phasing into 2014-15 of the costs of expert advisors regarding litigation work which will require roll forward +373 Other minor variances, incl. spend on utilities, cleaning, grounds maintenance & agency staff.	
Human Resources	16,663.1	-6,055.0	10,608.1	-1,186	-581 Underspend against training budget as a result of directorates revising their workforce development plans in January. -291 Small underspends primarily resulting from vacancies in a number of units including Health and Safety, Learning and Development, Schools Personnel Service and the Kent Graduate Programme -141 Re-phasing of training programmes funded from the Independent Sector, rolled forward from 2012-13, which is being spent over the period July 2013 to January 2015, therefore roll forward will be required again to 2014-15. -83 Additional income generated through providing recruitment services to schools -90 Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Information & Communication Technology	35,540.9	-16,399.1	19,141.8	-141	+1,875	Costs associated with replacement of the Integrated Children's System (ICS) with the new Liberi system
					-1,875	Drawdown from the IT Asset Maintenance Reserve to fund the costs of replacing ICS
					+429	Pressure resulting from expenditure on Thin Client. Thin client computing essentially moves the point of processing from the end user device to a central server enabling users to access applications via any device capable of displaying an internet browser.
					-429	Drawdown from IT Asset Maintenance Reserve for Thin Client costs.
					-419	One off rebate from BT for changes to circuit use.
					+404	Alternative provision of telephony through unified communications.
					-137	One off refund on circuits spend relating to Unisys contract.
					+11	Other minor variances
- Transfer to(+)/from(-) DSG reserve				0		
Total BSP&HR portfolio	99,838.7	-45,266.5	54,572.2	-385		
Democracy & Partnerships portfolio						
Finance - Internal Audit	1,175.9	-34.0	1,141.9	-122	-155	Taking time to recruit to staffing vacancies due to specialist nature of posts.
					+33	Other minor variances
Business Strategy - Facing the Challenge	1,500.0	0.0	1,500.0	-556	-556	Re-phasing of costs into 2014-15 will require the underspend to be rolled forward.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Business Strategy - International & Partnerships	854.1	-173.0	681.1	-115	-104	Staff vacancies within the unit
					-11	Other minor variances
Democratic & Member Services	3,937.6	-74.7	3,862.9	-233	-86	Schools appeals income
					-147	Other minor variances each under £100k, including small underspends on Member allowances, mileage costs, staffing and income
Local Democracy:				0		
- Other Local Democracy costs: County Council Elections	570.0	0.0	570.0	-214	-214	Release of surplus election reserve following finalisation of the costs of the County Council elections in May
Total D&P portfolio	8,037.6	-281.7	7,755.9	-1,240		
Total BSS Controllable (excl. Public Health)	134,798.8	-54,560.0	80,238.8	-1,887		
Assumed Management						
- R&E portfolio						
- F&BS portfolio						
- BSP&HR portfolio						
- D&P portfolio						
Total Forecast <u>after</u> mgmt action	134,798.8	-54,560.0	80,238.8	-1,887		

3. CAPITAL

3.1 The working budget for 2013-14 (which has now been updated to reflect the 2014-17 budget set by County Council on 13th February 2014) is £62,051k. The forecast outturn against the 2013-14 budget is £48,882k giving a variance of -£13,169k.

3.2 **Table 2a** below details the Business Strategy, Performance & Health Reform Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Rolling Programmes									
Corporate Property Strategic Capital	7,950	2,530	-650	-650	Real - grant	Property group has used £650k of the DFE local authority capital maintenance grant currently shown here, to cover revenue expenditure as the grant rules allow us to do this.	Green		
Disposal Costs	910	250	0				Green		
Modernisation of Assets	9,521	5,488	-3,290	-3,290	Rephasing	Due to the nature and complexity of some projects, the linking of Modernisation Of Assets works with New Ways Of Working (NWOW), plus the implication of the uncertainty of the future use of other premises, this has resulted in delay to completion of some works until after 31 March 2014.	Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Individual Projects									
Connecting with Kent	532	361	-369	-369	Rephasing	ICT has ordered additional firewalls and back end storage to meet on-going Central Government security Code of Connection regulations. Delivery of these items cannot now be made until April 14.	Green		
HR Recruitment Management System	125	125	0				Green		
HR System Development	226	66	0	0			Green		
Innovative Schemes Fund	3,000	0	60	60	Rephasing		Green		
New Ways of Working	24,000	19,934	-3,534	-3,534	Rephasing	Delay due to the forecast being prepared at the start of the year based on broad un-tested assumptions. The NWOW business case, approved in June 2013, developed the strategy and timings of capital expenditure but had not been reflected in an updated capital profile.	Green		

ANNEX 7

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Sustaining Kent - Maintaining the Infrastructure	270	1,917	-1,067	-1,067	Rephasing	Technical difficulties during the unified communications implementation has resulted in significant delays.	Green		
ORACLE Release 12	0	230	0				Green		
ORACLE Self Service Development	0	44	0				Green		
Property Asset Management System	0	297	-76	-76	Rephasing		Green		
Enterprise Resource Programme	0	412	-76	-76	Rephasing		Green		
Integrated Children's Systems	0	748	0				Green		
Total	46,534	32,402	-9,002	-9,002					

3.3 **Table 2b** below details the Regeneration and Economic Development Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Individual Projects									
Broadband	23,500	1,650	-1,567	-1,567	Rephasing	Whilst delivery is currently ahead of schedule, the claim payment process means that the supplier is only entitled to the first agreed milestone payment before the end of this financial year.	Green		
Dover Priory Station Approach Road	0	-3	0				Green		
Empty Property Initiative	7,500	2,710	0				Green		
Escalate	0	100	-100	-100	Rephasing	Awaiting finalisation of full funding agreement.	Green		
Eurokent Road (East Kent)	65	15	0	0			Green		
Folkestone Heritage Quarter	380	102	-102	-102	Rephasing	Re-alignment of budget to agree with updated project plan, this has not affected the completion	Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Incubator Development	0	262	-186	-186	Rephasing	Re-phasing of £100k on one project is due to changes in negotiations with landlords that has led to a review of the proposed property options. We are in the process of securing alternative locations which will give the project a stronger strategic position.	Green		
LIVE Margate	6,800	4,102	-3,302	-3,302	Rephasing	KCC have decided to undertake a strategic review of the project, shifting away from the redevelopment of existing properties to acquiring key sites and promoting those sites for development. This has led to rephasing on the project.	Green		
Managed Work Space - The Old Rectory	160	174	0				Green		
Marsh Million	0	100	-70	-70	Rephasing		Green		
No Use Empty - Rented Affordable Homes	750	750	-360	-360	Rephasing	Projects have been identified but delays in planning, legal and settling finance packages have resulted in the rephasing.	Green		
Old Town Hall	94	25	0				Green		

Budget Book Heading	Three year cash limit per budget book 13-14 (£000)	2013-14 Working Budget (£000)	2013-14 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status ¹	Explanation of Project Status	Actions
Regeneration Fund Projects	5,061	2,055	0				Green		
Regional Growth Fund (Expansion East Kent)	32,200	12,884	2,909	2,909	Rephasing	Forecast adjusted to align with loans committed.	Green		
Regional Growth Fund (Journey Time Improvement JTI)	5,000	0	0	0			Green		
Rural Broadband Demonstration Project	1,897	584	-304	-304	Rephasing	First payments of £35k has been made to all projects. Additional payment of £140k is envisaged this financial year, but unlikely third payment will be achieved due to slippage as a result of UK Power Network needing to deploy resources elsewhere.	Green		
Swale Parklands	0	65	-45	-45	Rephasng		Green		
TIGER	20,000	4,000	-1,000	-1,000	Rephasing	Forecast adjusted to align with loans committed.	Green		
Tram Road/Tontine Street Road Works	0	74	-40	-40	Rephasing		Green		
Total	103,407	29,649	-4,167	-4,167					
BSS Directorate Total	149,941	62,051	-13,169	-13,169					

Green – on time and within budget

Amber – either delayed completion date or over budget

Red – both delayed completion and over budget

FINANCING ITEMS SUMMARY
JANUARY 2013-14 MONITORING REPORT

1. REVENUE

1.1		Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
	Total (£k)	+124,638	-10,194	-	-10,194

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	
Finance & Business Support Portfolio						
Carbon Reduction Commitment Levy	400.0	0.0	400.0	-190	-190	Anticipated underspend in line with 2012-13 outturn
Contribution to/from Reserves	-6,430.0	0.0	-6,430.0	-2,376	+1,870	Council Tax Transitional Support Grant was expected to be received in 2012-13 and transferred to reserves for use in 2013-14, however it was not received until 2013-14, hence shows as income against Other Financing Items below and not a transfer from reserves.
					+1,301	Transfer to Corporate Restructure reserve of DCLG Section 31 Capitalisation Fund allocation to cover future service transformation costs
					-2,275	Drawdown from Prudential Equalisation - Minimum Revenue Provision (MRP) Smoothing Reserve to cover the increase in MRP as a result of more assets being completed in 2012-13 than expected (see net debt charges below).
					-939	Drawdown from Insurance Reserve to cover forecast overspend against the Insurance Fund.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross £'000	Income £'000	Net £'000	Net £'000		
					-809 Drawdown of Emergency Conditions reserve to fund emergency costs reflected in annexes 4 & 5 relating to recent storms and floods -1,524 Drawdown of Flood Repairs reserve to fund emergency costs reflected in annexes 4 & 5 relating to recent storms and floods	
Underspend rolled forward from previous years	-5,000.0	0.0	-5,000.0	0		
Insurance Fund	4,679.0	0.0	4,679.0	+939	+939 An increase in the outstanding claims provision, the majority of which relates to liability claims and property claims, together with an anticipated shortfall in corporate and premium income compared to claims expenditure and premium costs. The stormy winter weather must be recognised as a significant cause of this increase in overall Fund liabilities.	
Modernisation of the Council	1,979.7	0.0	1,979.7	0	£1.5m of this budget has been vired to Business Strategy to cover the initial costs of Facing the Challenge. If other Modernisation of the Council costs in year exceed the remaining budget, these will be met from the Workforce Reduction reserve, in line with usual practice.	
Net Debt Charges (incl Investment Income)	129,106.5	-8,648.0	120,458.5	+492	+1,533 Shortfall in interest on cash balances in view of lower than anticipated interest rates on deposits and lower than anticipated average cash balances as a result of internalising debt i.e no new borrowing taken (see below).	A change to the treasury strategy to expand the range of types of investment which can be made was approved by Cabinet in September, which is expected to increase investment income.

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP	
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-3,316	Savings on debt charges as no new borrowing in first ten months or in foreseeable future	Our MRP policy has been reviewed and the revised MRP policy was approved at County Council in February. There is no impact on this year's spend as a result of this revised policy.
					+2,275	Increase in MRP. In recent years, we have adopted the asset life method of calculating MRP, which provides authorities with the option of applying MRP over the life of the asset once it is in operation. MRP is based on capital expenditure incurred in the previous year and therefore cannot be calculated until the previous year's accounts have been finalised and audited. This very complex calculation has recently been completed and this increase is due to a number of projects being completed earlier than anticipated, which has increased the percentage of MRP to be charged. This includes a number of aborted capital costs which had to be written off last year as there was no asset life to apportion the costs over.	
Other	1,231.8	-36.0	1,195.8	-3,484	-1,870	Council Tax Transitional Support Grant as mentioned above	
					-1,301	DCLG Capitalisation Fund allocation for support to service transformation as mentioned above	
					-313	Underspending following a review of local authority subscriptions & centrally held allocations, together with small underspends on items such as levies.	

Budget Book Heading	Cash Limit			Variance	Explanation	Management Action/ Impact on MTFP
	Gross	Income	Net	Net		
	£'000	£'000	£'000	£'000	£'000	
Unallocated	4,688.5	0.0	4,688.5	-5,509		The majority of this funding is one-off, with the exception of Extended Rights to Free Travel, where we have been notified of an allocation of £1,518k for 2014-15. Cabinet agreed that this funding is held centrally to offset any potential shortfall in meeting our savings target this year and if we do achieve the required position that this is transferred to reserves to help offset anticipated future funding cuts.
					-1,491	Additional unexpected government funding announced since the budget was set, as follows:
						refund in respect of 2012-13 academies funding transfer
					-1,391	New Homes Bonus adjustment grant
					-1,791	Extended Rights to Free Travel
					-1,013	Small Business Rates Compensation grant
					+177	Other smaller changes in funding levels including Council Tax Freeze grant and Education Services Grant (ESG). A shortfall against the revised allocation of ESG is now anticipated as a result of schools converting to academies during the financial year.
Total F&BS portfolio	130,655.5	-8,684.0	121,971.5	-10,128		
Business Strategy, Performance & Health Reform portfolio						
Contribution to IT Asset Maintenance Reserve	2,352.0	0.0	2,352.0	0		
Democracy & Partnerships portfolio						
Audit Fees	314.0	0.0	314.0	-66	-66	Forecast based on anticipated fees as notified by our external auditors
Total Controllable	133,321.5	-8,684.0	124,637.5	-10,194		

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		
	2011-12	2012-13	2013-14
	\$	\$	\$
Apr	109.53	103.32	92.02
May	100.90	94.65	94.51
Jun	96.26	82.30	95.77
Jul	97.30	87.90	104.67
Aug	86.33	94.13	106.57
Sep	85.52	94.51	106.29
Oct	86.32	89.49	100.54
Nov	97.16	86.53	93.86
Dec	98.56	87.86	97.63
Jan	100.27	94.76	94.62
Feb	102.20	95.31	100.82
Mar	106.16	92.94	

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.

