

Cabinet	<b>CAB / 011 / 10</b>
Date: 15 June 2010	

## 2009/10 PROVISIONAL OUTTURN REPORT

Report by Deputy Leader and Cabinet Member with responsibility for Finance and Transformation

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### Purpose and recommendations

The purpose of this report is to present and provide commentary on the 2009/10 provisional outturn position prior to formal closure of the accounts.

The Audit Commission, the Council's external auditor, will carry out the annual audit of the accounts during the summer, and it is possible that further changes may be made to the accounts during this period. The results of the external audit review will be reported to the Audit Committee in September 2010.

### Recommendations

- (i) That Cabinet Members note the forecast outturn position, which is summarised in the Executive Summary, which commences on page 4, and explained in more detail within the appendices to the Report.
- (ii) That approval is given to reallocate under spends between portfolios (as summarised within the 'transfers between portfolios' column of **Appendix B**).
- (iii) That revenue over spends of **£1.913m** are financed from the General Balance in 2009/10, and that **£314,000** of this total will repaid into the General Balance in 2010/11.
- (iv) That **£6.888m** is returned to the General Balance. This takes account of savings that have been achieved by services in 2009/10 and under spends that are not required to support carry forward requests.

- (v) That **£10.669m** is appropriated into earmarked revenue reserves, and **£22.239m** is withdrawn, as follows:

<b>Appropriations (to) / from Earmarked Revenue Reserves</b>			
<b>Earmarked revenue reserve</b>	<b>Appropriations from reserves</b>	<b>Appropriations to reserves</b>	<b>Net total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Schools reserves	6,826	-	6,826
ExDRA partnership reserve	29	-	29
Service improvement reserve	133	(105)	28
IMT reserve	-	(1,735)	(1,735)
Capital receipts pump priming	-	(8)	(8)
Life raft pledges reserve	87	-	87
Newton reserve	-	(18)	(18)
Insurance reserve	2,795	-	2,795
Essex Transport reserve	44	-	44
LAA performance reward reserve	10,549	-	10,549
Waste reserve	836	-	836
Quadrennial elections reserve	71	-	71
Partnerships reserve	65	-	65
Health and safety reserve	-	(207)	(207)
Severe weather reserve	-	(252)	(252)
Carbon Reduction reserve	-	(57)	(57)
Trading activities	804	-	804
Future capital funding	-	(1,765)	(1,765)
<b>Sub total</b>	<b>22,239</b>	<b>(4,147)</b>	<b>18,092</b>
Carry forwards reserve	-	(6,044)	(6,044)
Trading activities (financed from General Balance)	-	(478)	(478)
<b>Total</b>	<b>22,239</b>	<b>(10,669)</b>	<b>11,570</b>

- (vi) That the revenue carry forward requests, which it is proposed (in recommendation (v) above) are appropriated into the Carry Forwards reserve, are subject to further business case review by the Deputy Leader and Cabinet Member for Finance and Transformation; further, as part of this review, that the Deputy Leader will determine the release of funds from the Carry Forwards reserve.
- (vii) That obsolete stock totalling **£66,000**, which is held by the Heritage, Culture and Arts portfolio, is written off.
- (viii) That capital payments guideline, and associated capital financing, of **£35.539m** is re-profiled into subsequent financial years in respect of slippage in schemes.

- (ix) That capital payments guideline, and associated capital financing, of **£6.571m** is brought forward from 2010/11 in respect of schemes that have progressed ahead of schedule.
- (x) That Portfolios' 2010/11 capital payment guidelines are reduced by **£344,000** in order to release capital financing resources to compensate for the additional amounts applied to finance over spends in 2009/10.
- (xi) That Portfolios' 2009/10 payment guidelines are retrospectively increased by **£3.549m** on the basis that specific capital financing is available to finance the additional expenditure.
- (xii) That capital programme starts provision for 2009/10 is retrospectively increased for the following purposes:

<b>Increases to Capital Programme 'starts'</b>			
	<b>Total Starts Provision £000</b>	<b>Payments profile</b>	
		<b>2009/10 £000</b>	<b>2010/11 £000</b>
Hadleigh Fire Station Acquisition	830	496	334
A414 dualling	1,670	1,670	-
Real time passenger transport info	301	301	-
Economic Participation	26	26	-
<b>Total</b>	<b>2,827</b>	<b>2,493</b>	<b>334</b>

The increase in the capital payments guideline for these schemes for 2009/10 is included within the amount referred to in recommendation (xi) above.

These projects all have specific funding streams (ie. they are funded from government grants or contributions from developers).

- (xiii) That the financing of capital payments in 2009/10 is approved on the basis set out within **Appendix E** to the report.

## EXECUTIVE SUMMARY




REVIEW	COMMENTARY	RAG STATUS
<b>Revenue</b>	<p>The provisional outturn position on the Revenue Budget is an underlying net under spend for the year of <b>£4.975m</b>. This position takes account of proposals for withdrawing <b>£22.239m</b> from earmarked revenue reserves and for appropriating <b>£10.669m</b> into reserves.</p> <p>Of the amount that it is proposed to appropriate to earmarked reserves, <b>£6.044m</b> relates to under spends that Services have indicated that they wish to carry forward for use in 2010/11. It is proposed that these amounts are appropriated into the Carry Forwards reserve, pending further consideration of the business cases presented as justification for adding these amounts to the 2010/11 budget. An analysis of the 'carry forward' requests is presented in <b>Appendix C</b>.</p> <p>It is proposed that the underlying net under spend of <b>£4.975m</b> is repaid into the General Balance. This takes account of under spends amounting to <b>£6.888m</b>, largely resulting from positive actions to achieve efficiency savings, partially offset by a withdrawal of <b>£1.913m</b> to finance various over spends. Of the amount being withdrawn to finance over spends, <b>£314,000</b> will be repaid in 2010/11.</p>	●
<b>Trading activities</b>	<p>Collectively, the Council's trading activities achieved a net surplus of <b>£927,000</b> in 2009/10. <b>£606,000</b> of this total (including proposals within this report) has been appropriated to the General Fund balance. The remaining <b>£321,000</b> has been added to the Trading Activities' own revenue reserves.</p> <p>As a consequence of these movements, Trading Activities' revenue reserves have increase from <b>£2.564m</b>, at 1st April 2009 to <b>£2.885m</b> as at 31st March 2010.</p>	●
<b>Capital</b>	<p>Capital payment approvals for 2009/10 originally amounted to <b>£302.718m</b>. The capital payments guideline was subsequently increased to take account of payments slippage from 2008/09 (<b>£16.945m</b>) and other additions (<b>£28.411m</b>), and then reduced as a consequence of payments slippage into 2010/11 (<b>£42.918m</b>) and other reductions (<b>£21.755m</b>). The final approved capital payments guideline amounted to <b>£283.401m</b>.</p> <p>Actual capital expenditure was <b>£32.099m</b> below the final approved payments guideline.</p>	●

<b>Capital (continued)</b>	<p>In relation to this under spend, approval is sought to:</p> <ul style="list-style-type: none"> <li>▪ Re-profile capital payment guidelines of <b>£35.539m</b> from 2009/10 and into 2010/11 as a consequence of slippage in schemes;</li> <li>▪ Retrospectively increase scheme and payment approvals by <b>£3.549m</b> in respect of self financed schemes;</li> <li>▪ Bring capital payments guideline of <b>£6.571m</b> forward from 2010/11 in respect of schemes that have progressed ahead of schedule; and</li> <li>▪ Carry over spends of <b>£344,000</b> forward to be addressed in 2010/11.</li> </ul> <p>The underlying position, after taking account of these requests, is an under spend of <b>£7.024m</b>.</p>	
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<b>Reserves and balances</b>	<p><b>General Balance</b></p> <ul style="list-style-type: none"> <li>▪ The General Balance stood at <b>£32.683m</b> at 1 April 2009.</li> <li>▪ During the year, <b>£4.588m</b> was withdrawn from the General Balance, reducing the budgeted balance, as at 31 March 2010, to <b>£28.095m</b>.</li> <li>▪ It is proposed, within this report, that <b>£6.888m</b> is added to the General Balance. This takes account of savings that have been sought from services in 2009/10 and under spends that are not required to support carry forward requests.</li> <li>▪ Partially offsetting this additional contribution, it is proposed that <b>£1.913m</b> is withdrawn to finance over spends. <b>£314,000</b> of this total will be repaid into the General Balance in 2010/11.</li> <li>▪ As a consequence of these movements, the General Balance stands at <b>£33.070m</b> as at 31 March 2010.</li> </ul>	
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<b>Reserves and balances</b>	<p><b>Earmarked revenue reserves</b></p> <ul style="list-style-type: none"> <li>▪ The Council maintains various earmarked reserves which are set aside for specific policy purposes. A number of the earmarked reserves can be drawn upon to fund revenue costs satisfying predetermined criteria.</li> <li>▪ Proposals are contained within this report for appropriating funds to or from several of the earmarked revenue reserves. The proposals are brought together within the Operating Costs section of <b>Appendix I</b> (which commences on page 89 of the report); the resultant levels of reserves are set out within <b>Appendix F</b>.</li> </ul>	
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<b>Reserves and balances</b>	<p><b>Emergency Contingency</b></p> <ul style="list-style-type: none"> <li>▪ The Emergency Contingency, which was set at <b>£8.0m</b>, was fully utilised during the year.</li> <li>▪ It was utilised to provide additional funding for flu pandemic planning, an IBM data centre and for Children’s Services.</li> <li>▪ Usage of the emergency contingency is detailed in <b>Appendix F</b>.</li> </ul>	
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RAG status	
	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget

## REVENUE

## SUMMARY

2008-09 Actual		2009-10					Variance £000	RAG status
		Original Budget £000	Budget Movements		Final Budget £000	Provisional Outturn £000		
			B/fwd from 2008-09 £000	Other £000				
317,310	Adults, Health and Community Wellbeing	346,642	2,422	(3,751)	345,313	341,437	(3,876)	●
	Children's Services							
(3,147)	Dedicated Schools Budget	(3,132)	-	(2,110)	(5,242)	(3,996)	1,246	◆
133,518	Non Dedicated Schools Budget	130,114	-	25,219	155,333	154,548	(785)	●
	Education and 2012 Games							
1,197	Dedicated Schools Budget	801	-	6,414	7,215	12,795	5,580	◆
43,588	Non Dedicated Schools Budget	54,399	-	(21,694)	32,705	32,901	196	●
2,395	Lee Valley Park and 2012 Games	2,516	50	(101)	2,465	2,548	83	●
74,463	Highways and Transportation	73,689	-	110	73,799	72,638	(1,161)	●
62,827	Chief Whip and Environment and Waste	61,233	390	1,504	63,127	62,179	(948)	●
22,134	Heritage, Culture and the Arts	23,553	(47)	(1,511)	21,995	21,815	(180)	■
9,528	Leader	12,284	508	5,099	17,891	17,290	(601)	●
6,618	Communities and Planning	5,283	26	(125)	5,184	4,932	(252)	■
(56)	Major Projects and Commercial Services	25	-	(42)	(17)	(30)	(13)	●
7,092	Deputy Leader, Finance and Transformation	4,002	-	(121)	3,881	3,734	(147)	■
	Recharged Support Services							
	Highways and Transportation							
1,375	Transport Coordination Centre	1,475	-	(153)	1,322	1,304	(18)	■
	Chief Whip and Environment and Waste							
881	Democratic Services	1,029	15	(139)	905	904	(1)	■
	Leader							
2,263	Communications & Customer Relations	2,050	-	201	2,251	1,877	(374)	●
1,664	Customer Contact Centre	1,954	-	(315)	1,639	1,483	(156)	●
	Major Projects and Commercial Services							
14,192	Facilities Management Service	13,672	24	1,047	14,743	14,847	104	●
4,113	Essex Legal Services	3,715	-	(306)	3,409	4,344	935	◆
4,863	Asset Management	4,492	-	(1,520)	2,972	2,765	(207)	●
2,354	Procurement & Car Provision Scheme	1,915	-	957	2,872	3,118	246	◆
	Deputy Leader, Finance and Transformation							
8,768	Human Resources	9,253	242	132	9,627	8,348	(1,279)	●
24,604	Information Services	24,269	-	9,126	33,395	30,553	(2,842)	●
14,975	Finance	12,150	1,135	7,993	21,278	21,719	441	●
2,279	Transformation Support Unit	2,717	-	(426)	2,291	2,072	(219)	●
1,554	Insurance Cost Recovery Account	5,377	-	(327)	5,050	7,845	2,795	◆
5,129	Building Maintenance	4,681	-	1,482	6,163	5,939	(224)	■
<b>766,481</b>	<b>Net cost of services (Portfolios)</b>	<b>800,158</b>	<b>4,765</b>	<b>26,643</b>	<b>831,566</b>	<b>829,909</b>	<b>(1,657)</b>	<b>●</b>
	Operating costs							
47,122	Appropriations	4,477	(4,988)	(16,501)	(17,012)	(28,582)	(11,570)	●
33,989	Other operating costs	50,121	-	12,282	62,403	60,573	(1,830)	●
<b>847,592</b>	<b>Net Cost of Services</b>	<b>854,756</b>	<b>(223)</b>	<b>22,424</b>	<b>876,957</b>	<b>861,900</b>	<b>(15,057)</b>	<b>●</b>
(51,416)	General government grant	(57,584)	-	(17,837)	(75,421)	(65,339)	10,082	◆
<b>796,176</b>	<b>Net Expenditure</b>	<b>797,172</b>	<b>(223)</b>	<b>4,587</b>	<b>801,536</b>	<b>796,561</b>	<b>(4,975)</b>	<b>●</b>
(12,467)	General balance - contribution / (withdrawal)	6,000	223	(4,587)	1,636	6,611	4,975	◆
-	Net savings required to offset pressures	-	-	-	-	-	-	■
-	Under spends earmarked for future spend	-	-	-	-	-	-	■
<b>783,709</b>	<b>Budget Requirement</b>	<b>803,172</b>	<b>-</b>	<b>-</b>	<b>803,172</b>	<b>803,172</b>	<b>-</b>	<b>■</b>
	Financed by							
(28,456)	Revenue Support Grant	(44,800)	-	-	(44,800)	(44,800)	-	■
(204,415)	National non-domestic rates	(194,095)	-	-	(194,095)	(194,095)	-	■
(547,316)	Council tax precept	(561,419)	-	-	(561,419)	(561,419)	-	■
(3,522)	Collection fund surpluses	(2,858)	-	-	(2,858)	(2,858)	-	■
<b>(783,709)</b>	<b>Total Financing</b>	<b>(803,172)</b>	<b>-</b>	<b>-</b>	<b>(803,172)</b>	<b>(803,172)</b>	<b>-</b>	<b>■</b>

## REVENUE

## VARIANCE PLAN

	Provisional Outturn Variance	Transfers between Portfolios	Returns (to) / from General Balance	Over spends carried forward to 2010/11	Under spends carried forward to 2010/11	Appns (to) / from earmarked reserves	Total Variance Plan
	£000	£000	£000	£000	£000	£000	£000
Adults, Health and Community Wellbeing	(3,876)	(572)	(478)	-	(2,874)	48	(3,876)
Children's Services							
Dedicated Schools Budget	1,246	-	-	-	-	1,246	1,246
Non Dedicated Schools Budget	(785)	-	(785)	-	-	-	(785)
Education and 2012 Games							
Dedicated Schools Budget	5,580	-	-	-	-	5,580	5,580
Non Dedicated Schools Budget	196	39	(608)	-	(39)	804	196
Lee Valley Park and 2012 Games	83	86	(3)	-	-	-	83
Highways and Transportation	(1,161)	(270)	(322)	-	(361)	(208)	(1,161)
Chief Whip and Environment and Waste	(948)	(91)	(709)	-	(220)	72	(948)
Heritage, Culture and the Arts	(180)	(176)	-	-	(73)	69	(180)
Leader	(601)	648	(397)	-	(1,014)	162	(601)
Communities and Planning	(252)	(93)	18	-	(88)	(89)	(252)
Major Projects and Commercial Services	(13)	(13)	-	-	-	-	(13)
Deputy Leader, Finance and Transformation	(147)	(3)	(324)	180	-	-	(147)
Recharged Support Services							
Highways and Transportation							
Transport Coordination Centre	(18)	-	-	-	(18)	-	(18)
Chief Whip and Environment and Waste							
Democratic Services	(1)	-	(9)	22	(14)	-	(1)
Leader							
Communications & Customer Relations	(374)	-	(19)	-	(355)	-	(374)
Customer Contact Centre	(156)	-	(156)	-	-	-	(156)
Major Projects and Commercial Services							
Facilities Management Service	104	172	(164)	96	-	-	104
Essex Legal Services	935	1	934	-	-	-	935
Asset Management	(207)	(77)	(146)	16	-	-	(207)
Procurement & Car Provision Scheme	246	349	(103)	-	-	-	246
Deputy Leader, Finance and Transformation							
Human Resources	(1,279)	-	(569)	-	(710)	-	(1,279)
Information Services	(2,842)	-	(1,107)	-	-	(1,735)	(2,842)
Finance	441	219	(336)	-	(278)	836	441
Transformation Support Unit	(219)	(219)	-	-	-	-	(219)
Insurance Cost Recovery Account	2,795	-	-	-	-	2,795	2,795
Building Maintenance	(224)	-	(17)	-	-	(207)	(224)
<b>Net cost of services (Portfolios)</b>	<b>(1,657)</b>	<b>-</b>	<b>(5,300)</b>	<b>314</b>	<b>(6,044)</b>	<b>9,373</b>	<b>(1,657)</b>
Operating costs							
Appropriations	(11,570)	-	478	-	6,044	(18,092)	(11,570)
Other operating costs	(1,830)	-	-	-	-	(1,830)	(1,830)
<b>Net Cost of Services</b>	<b>(15,057)</b>	<b>-</b>	<b>(4,822)</b>	<b>314</b>	<b>-</b>	<b>(10,549)</b>	<b>(15,057)</b>
General government grant	10,082	-	(467)	-	-	10,549	10,082
<b>Net Expenditure</b>	<b>(4,975)</b>	<b>-</b>	<b>(5,289)</b>	<b>314</b>	<b>-</b>	<b>-</b>	<b>(4,975)</b>



## REVENUE

## CARRY FORWARD REQUESTS

	<b>Total £000</b>
<b>Adults, Health and Community Wellbeing</b>	
Workflow support system	650
SAFE Project	543
Telecare	495
Other projects (including keeping people safe project and transformation)	1,186
<b>Adults, Health and Community Wellbeing</b>	<b>2,874</b>
<b>Education and 2012 Games</b> (Home to school transport)	<b>39</b>
<b>Highways and Transportation</b>	
Youth concessionary fares - pilot scheme	79
Transport asset management plans	132
Highways transformation	150
<b>Highways and Transportation</b>	<b>361</b>
<b>Chief Whip, Environment and Waste</b>	
Community safety, community policing and anti social behaviour initiatives	143
Emergency Planning	16
Gateways to Essex projects	61
<b>Total Chief Whip, Environment and Waste</b>	<b>220</b>
<b>Heritage, Culture and the Arts</b> (Essex Ancesters system, arts and libraries projects)	<b>73</b>
<b>Leader:</b>	
International development - external funding team	327
Performance information	283
Other projects (including employee volunteering and Essex apprenticeship schemes)	404
<b>Total Leader</b>	<b>1,014</b>
<b>Communities and Planning</b> (Weald tree nursery and Essex grazing scheme)	<b>88</b>
<b>Recharged Support Services:</b>	
Communications & customer relations (EssexWorks publication & various initiatives)	355
Democratic Services - civic duties and functions	14
Finance (restructuring, software development and finance improvement programme)	278
Human Resources (ISA statutory requirements, employee communications etc)	710
Transport Coordination Centre - monitoring performance of tendering	18
<b>Total Recharged Strategic Support Services</b>	<b>1,375</b>
<b>Total</b>	<b>6,044</b>

## REVENUE

## TRADING ACTIVITIES

2008-09		2009-10				Rag Status	
Actual		Original Budget	Latest Budget	Provisional Outturn	Variance	Variance	
£000		£000	£000	£000	£000	%	
(26,737)	Income	(20,690)	(18,360)	(20,435)	(2,075)	11.30%	●
25,571	Expenditure	20,657	17,960	19,508	1,548	8.62%	◆
55	Financing Items	-	-	-	-	-	■
<b>(1,111)</b>	<b>(Surplus)/Deficit</b>	<b>(33)</b>	<b>(400)</b>	<b>(927)</b>	<b>(527)</b>	<b>131.75%</b>	●
3,303	Appropriations	(7)	279	606	327	117.20%	◆
<b>2,192</b>	<b>Net (increase) / decrease in revenue reserves</b>	<b>(40)</b>	<b>(121)</b>	<b>(321)</b>	<b>(200)</b>	<b>165.29%</b>	●
<b>Net(increase)/decrease in Trading Activites reserves</b>							
410	School Improvement & Advisory Service	-	(253)	-	253	(100.00%)	●
(55)	School Support - Finance	1	(20)	-	20	(100.00%)	●
-	Schools: Other	(1)	(1)	-	1	(100.00%)	●
329	School staffing insurance scheme	-	194	(399)	(593)	(305.67%)	●
(304)	Essex Equipment Service	-	(1)	83	84	(8400.00%)	●
(4)	Smarte East	(40)	(40)	(5)	35	(87.50%)	●
5	Viking Community Transport	-	-	-	-	-	■
1,625	Essex Transport	-	-	-	-	-	■
-	Information Services infrastructure	-	-	-	-	-	■
186	Reprographics	-	-	-	-	-	■
<b>2,192</b>	<b>Net (increase) / decrease in revenue reserves</b>	<b>(40)</b>	<b>(121)</b>	<b>(321)</b>	<b>(200)</b>	<b>165.29%</b>	●
<b>2008-09</b>		<b>2009-10</b>					
<b>Closing Balance</b>					<b>Opening Balance</b>	<b>Closing Balance</b>	
<b>£000</b>					<b>£000</b>	<b>£000</b>	
<b>(2,564)</b>	<b>Total Reserves Balance</b>				<b>(2,564)</b>	<b>(2,885)</b>	

## CAPITAL

## SUMMARY OF PAYMENTS AND FINANCING

	2009-10			Variance	RAG status
	Original Budget	Final Budget	Provisional Outturn		
	£000	£000	£000		
Adults, Health and Community Wellbeing	5,576	3,566	2,902	(664)	●
Children's Services	17,903	18,963	8,383	(10,580)	●
Education and 2012 Games					
Schools	114,863	111,503	104,944	(6,559)	●
Youth service	4,555	1,179	786	(393)	●
2012 Games	5,050	8,000	8,496	496	◆
Highways and Transportation					
DfT Capital Maintenance	19,361	20,265	20,265	-	■
DfT Integrated Transport	18,407	17,491	16,048	(1,443)	●
DfT Direct Grants	15,412	6,750	6,210	(540)	●
ECC Funded Capital	42,070	35,433	32,998	(2,435)	●
Community Infrastructure Grant	16,591	23,690	21,768	(1,922)	●
All other highways capital schemes	2,343	3,789	3,505	(284)	●
Chief Whip, Environment and Waste	4,592	3,750	3,489	(261)	●
Heritage, Culture and the Arts	4,050	3,574	711	(2,863)	●
Leader	13,691	2,378	1,663	(715)	●
Communities & Planning	4,946	3,668	1,831	(1,837)	●
Major Projects & Commercial Services	2,098	8,945	8,247	(698)	●
Deputy Leader, Finance & Transformation Programme	9,210	8,817	7,293	(1,524)	●
Building Maintenance	2,000	1,640	1,763	123	◆
<b>Total payments to be financed in 2009/10</b>	<b>302,718</b>	<b>283,401</b>	<b>251,302</b>	<b>(32,099)</b>	●
<b>Financed by</b>					
Supported borrowing	(49,616)	(62,829)	(62,829)	-	■
Unsupported borrowing	(64,438)	(59,939)	(47,039)	12,900	◆
Grants and contributions	(174,119)	(151,317)	(133,962)	17,355	◆
Capital receipts	(4,545)	(7,693)	(7,537)	156	●
Reserve for future capital funding	(10,000)	(1,623)	65	1,688	◆
<b>Total Financing</b>	<b>(302,718)</b>	<b>(283,401)</b>	<b>(251,302)</b>	<b>32,099</b>	◆

## CAPITAL

## VARIANCE PLAN

	Outturn Variance	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000	£000
Adults, Health and Community Wellbeing	(664)	-	(276)	-	-	(388)	(664)	388
Children's Services	(10,580)	180	(1,023)	-	16	(9,753)	(10,580)	9,737
Education and 2012 Games								
Schools	(6,559)	841	(1,100)	19	6,510	(12,829)	(6,559)	6,300
Youth Service	(393)	-	(116)	-	-	(277)	(393)	277
2012 Games	496	496	-	-	-	-	496	334
Highways and Transportation								
DfT Capital Maintenance	-	-	-	-	-	-	-	-
DfT Integrated Transport	(1,443)	-	-	-	-	(1,443)	(1,443)	1,443
DfT Direct Grants	(540)	-	(473)	-	-	(67)	(540)	67
ECC Funded Capital	(2,435)	-	-	-	-	(2,435)	(2,435)	2,435
Community Infrastructure Grant	(1,922)	1,670	(3,592)	-	-	-	(1,922)	-
All other highways capital schemes	(284)	301	(83)	-	-	(502)	(284)	502
Chief Whip and Environment and Waste	(261)	3	(7)	147	45	(449)	(261)	257
Heritage, Culture and the Arts	(2,863)	4	(7)	-	-	(2,860)	(2,863)	2,860
Leader	(715)	26	(230)	-	-	(511)	(715)	511
Communities & Planning	(1,837)	-	-	4	-	(1,841)	(1,837)	1,837
Major Projects & Commercial Services	(698)	-	(65)	8	-	(641)	(698)	633
Deputy Leader, Finance & Transformation Programme	(1,524)	28	(52)	43	-	(1,543)	(1,524)	1,500
Building Maintenance	123	-	-	123	-	-	123	(123)
<b>Total Variance</b>	<b>(32,099)</b>	<b>3,549</b>	<b>(7,024)</b>	<b>344</b>	<b>6,571</b>	<b>(35,539)</b>	<b>(32,099)</b>	<b>28,958</b>
<b>Financed by</b>								
Supported borrowing	-	-	-	-	-	-	-	-
Unsupported borrowing	12,900	(1,056)	2,551	(325)	-	11,730	12,900	(11,405)
Grants and contributions	17,355	(2,493)	4,408	(19)	(6,571)	22,030	17,355	(15,774)
Capital receipts	156	-	-	-	-	156	156	(156)
Reserve for future capital funding	1,688	-	65	-	-	1,623	1,688	(1,623)
	<b>32,099</b>	<b>(3,549)</b>	<b>7,024</b>	<b>(344)</b>	<b>(6,571)</b>	<b>35,539</b>	<b>32,099</b>	<b>(28,958)</b>

## RESERVES AND BALANCES

## EARMARKED RESERVES

	2009/10 estimate			Comparison with previous estimate		
	Balance at 1 April 2009	2009/10 movements		Balance at 31 March 2010	Estimated Balance at 31 March 2010 at Third Qtr stage	Movement in estimates since Third Qtr stage
		Contributions to reserves	Withdrawals from reserves			
	£000	£000	£000	£000	£000	£000
<b>General reserves</b>						
Service improvements	(22,365)	(3,384)	20,585	(5,164)	(4,289)	(875)
Essex Pledges	(9,021)	(5,705)	7,200	(7,526)	(7,526)	-
Quadrennial Elections reserve	(1,480)	-	886	(594)	(731)	137
Capital receipts pump priming	(1,357)	(8)	499	(866)	(858)	(8)
IMT development	(6,488)	(1,735)	6,276	(1,947)	(379)	(1,568)
Partnerships	(1,012)	(82)	126	(968)	(1,012)	44
Insurance	(4,514)	-	4,047	(467)	(3,262)	2,795
Pensions Deficit Reserve	(2,627)	-	2,627	-	-	-
Transformation reserve	(773)	(2,273)	3,046	-	-	-
Debt financing reserve	(5,600)	-	5,600	-	-	-
Essex Art Fund	(233)	(25)	-	(258)	(258)	-
LAA Performance	-	(12,962)	11,089	(1,873)	(6,685)	4,812
Health and Safety Reserve	(3,005)	(207)	2,125	(1,087)	(880)	(207)
ExDRA partnership	(3,344)	(1,000)	123	(4,221)	(4,250)	29
Carbon Reduction reserve	(1,521)	(57)	42	(1,536)	(1,479)	(57)
Essex on-line partnership	(352)	-	104	(248)	(248)	-
Children's Reserve	-	(2,000)	2,000	-	-	-
Essex Transport Reserve	(1,482)	-	84	(1,398)	(1,442)	44
Carry Forwards Reserve	(8,223)	(6,044)	8,223	(6,044)	-	(6,044)
Developing Partnerships	(1,500)	-	-	(1,500)	(1,500)	-
Life Raft Pledge reserve	-	(1,000)	272	(728)	(815)	87
Newton bequest reserve	-	(118)	-	(118)	-	(118)
Severe weather reserve	-	(252)	-	(252)	-	(252)
Trending PPP	(430)	-	1	(429)	(430)	1
Trading activities	(2,564)	(403)	82	(2,885)	(2,684)	(201)
	<b>(77,891)</b>	<b>(37,255)</b>	<b>75,037</b>	<b>(40,109)</b>	<b>(38,728)</b>	<b>(1,381)</b>
<b>Future capital funding</b>						
General	(6,370)	(2,422)	-	(8,792)	(4,725)	(4,067)
Bellhouse landfill	(61)	-	-	(61)	(61)	-
Historic Building Reserve	(120)	-	-	(120)	(120)	-
	<b>(6,551)</b>	<b>(2,422)</b>	<b>-</b>	<b>(8,973)</b>	<b>(4,906)</b>	<b>(4,067)</b>
<b>Equalisation reserves</b>						
PFI equalisation reserves						
A130 PFI	(49,532)	(2,331)	-	(51,863)	(51,674)	(189)
Clacton secondary schools' PFI	(4,590)	(95)	-	(4,685)	(4,772)	87
Debden PFI	(5,339)	(194)	-	(5,533)	(5,479)	(54)
Waste reserve	(23,138)	(19,269)	6,979	(35,428)	(38,585)	3,157
Landfill allowances equalisation	-	-	-	-	-	-
	<b>(82,599)</b>	<b>(21,889)</b>	<b>6,979</b>	<b>(97,509)</b>	<b>(100,510)</b>	<b>3,001</b>
<b>Schools</b>	<b>(55,377)</b>	<b>(8,076)</b>	<b>14,902</b>	<b>(48,551)</b>	<b>(55,377)</b>	<b>6,826</b>
<b>Total</b>	<b>(222,418)</b>	<b>(69,642)</b>	<b>96,918</b>	<b>(195,142)</b>	<b>(199,521)</b>	<b>4,379</b>

## Explanation of movement in reserve balances since Third Quarter stage estimates:

- **Service improvement reserve** – additional contribution made in respect of savings on the CAPITA contract, partly offset by withdrawals for Banking on Essex and Provisional Outturn proposals.
- **Quadrennial elections reserve** – additional funds withdrawn to meet residual costs related to the 2009 County Council elections.
- **Capital receipts pump priming reserve** – approval is sought, elsewhere within this report, to return funds previously allocated to finance capital expenditure.
- **IMT development reserve** – the increase largely results from a proposal within this report, to appropriate the under spend on the Information Services budget to this reserve.

- **Partnerships reserve** – funds have been withdrawn to support expenditure by several of the Council's partnership arrangements.
- **Insurance reserve** – withdrawal from this reserve is proposed within this report to mitigate the impact of an increase in the Insurance Provision.
- **LAA performance reward reserve** – balance on this reserve now only represents the revenue proportion of the LAA performance reward grant that remains unspent at 31st March 2010.
- **Health and safety reserve** – approval is sought, elsewhere within this report, to appropriate the under spend on the building maintenance budget to this reserve.
- **ExDRA partnership reserve** – additional funds have been withdrawn from this reserve to meet costs associated with the Council's involvement with ExDRA.
- **Carbon reduction reserve** - approval is sought, elsewhere within this report, to return funds previously allocated to finance capital expenditure.
- **Essex Transport reserve** – approval is sought, elsewhere within this report, to finance residual expenditure associated with the former Essex Transport trading activity.
- **Carry forwards reserve** – approval is sought, within this report, to appropriate unspent budget that Services have requested be carried forward to support existing or net initiatives in 2010/11.
- **Life raft pledges reserve** – additional funds have been withdrawn from this reserve to finance events organised during the latter part of 2009/10.
- **Newton bequest reserve** – this reserve represents the setting aside of funds bequeathed to the Council for use by the Essex Records Office.
- **Severe weather reserve** – approval is sought, elsewhere within this report, for establishing this reserve to help mitigate the impact on the roads and footways budget (Highways and Transportation portfolio) of severe weather.
- **Trading activities** – surpluses of the Education and 2012 Games portfolio's trading activities have been appropriated to the revenue account. These are partly offset by an appropriation to the IS infrastructure trading activity, to offset the loss incurred in 2009/10.
- **Future capital funding** – it is proposed that the under spends on the interest and capital financing budgets are appropriated into this reserve. Also, no amounts have been withdrawn for capital financing purposes.
- **PFI reserves** – increases to these reserves are primarily due to interest being credited that was not taken into account in previous estimates of the reserve balances.
- **Waste reserve** – withdrawals have been made from this reserve to finance transformation costs.
- **Schools** – withdrawals have been made from this reserve to finance additional expenditure in 2009/10 by the schools.

## RESERVES AND BALANCES

## GENERAL BALANCE

	£000
<b>Actual Balance 31 March 2009</b>	<b>(26,460)</b>
Repayment of over spends in 2008/09	(223)
2009/10 planned contribution	(6,000)
<b>Actual Balance 1 April 2009</b>	<b>(32,683)</b>
<b>Subsequent movements</b>	
<b>Contributions:</b>	
Leader: Democratic representation and management	(30)
Communities & Planning - developing partnerships with districts	(412)
Communities & Planning: Area and partnership coordination	(20)
Democratic services	(40)
Transformation Support Unit	(80)
Operating costs - interest payable and receivable	(5,101)
Operating costs - balance of Carry Forwards reserve	(3,235)
Communications - savings arising from centralising service	(335)
	<b>(9,253)</b>
<b>Withdrawals:</b>	
Deputy Leader - Children's services	12,711
Education and 2012 Games - home to school transport	593
Finance - Transformation programme	88
Procurement and Car Provision Scheme	282
Facilities Management - Commercial Services Directorate costs	167
	<b>13,841</b>
<b>Estimated balance at 31st March 2010</b>	<b>(28,095)</b>
<b>Contributions</b> - savings / under spends returned to General Balance	<b>(6,888)</b>
<b>Withdrawals</b>	
Amounts to be repaid in 2010/11	
Deputy Leader, Finance and Transformation - Coroner's Courts	180
Asset Management	16
Facilities Management	96
Democratic Services	22
Other withdrawals	
Communities and Planning - Development management	187
Essex Legal Services	934
IS Infrastructure trading activity	478
	<b>1,913</b>
<b>Actual balance at 31 March 2010</b>	<b>(33,070)</b>

## RESERVES AND BALANCES

## EMERGENCY CONTINGENCY

	£000
<b>Actual Balance 1 April 2009</b>	<b>(8,000)</b>
<b>Approved Withdrawals</b>	
Chief Whip & Environment and Waste: Flu Pandemic Costs	75
Information Services: IBM data centre	1,698
Children's Services	6,227
<b>Actual balance at 31 March 2010</b>	<b>-</b>



## PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT

## PRUDENTIAL INDICATORS

		Approved Indicator	Latest Estimate
<b>1 Affordability</b>			
Incremental impact on Council Tax	£	3.71	n/a
Ratio of financing costs to net revenue streams	%	5.1%	3.9%
<b>2 Prudence</b>			
Net borrowing v Capital Financing Requirement			Net borrowing is well within the medium term forecast of the Capital Financing Requirement.
<b>3 Capital Expenditure</b>			
Capital expenditure	£m	303	251
Capital financing requirement	£m	671	656
<b>4 External Debt</b>			
Authorised limit for external debt	£m	670	n/a
Operational boundary for external debt	£m	560	n/a
Actual external debt ( <b>maximum level of debt during year</b> )	£m	n/a	360
<b>5 Treasury Management</b>			
Interest rate exposures -			
Upper Limit - fixed rates	%	100%	96%
Upper Limit - variable rates	%	100%	26%
Maturity structure of borrowing (upper limit)			
Under 12 months	%	20%	0%
12 months & within 24 months	%	40%	0%
24 months & within 5 years	%	60%	2%
5 years & within 10 years	%	80%	0%
10 years & above	%	100%	99%
Total sums invested for more than 364 days			
Authorised limit	£m	60	n/a
Actual sums invested ( <b>maximum position during year</b> )	£m	n/a	60

**Comments**

- Activities have remained within the boundaries established by the approved prudential indicators.
- The Capital Financing Requirement is only marginally lower than estimated, reflecting the fact that the Council has financed a similar proportion of its capital expenditure from borrowing this year to the amount assumed within the forecast. The increase in the Capital Financing Requirement has largely been financed from internal borrowing.
- As a consequence of a change in accounting practice, the Council is obliged to account for its PFI schemes on balance sheet this year. The impact of doing so is not reflected in the above indicators.

## PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT

## TREASURY MANAGEMENT

	Opening Balance	Raised	Repaid	Balance	Movement	Interest payable / earned
	£000	£000	£000	£000	£000	£000
<b>Borrowing</b>						
Long Term	340,760	15,000	34,016	<b>321,744</b>	(19,016)	13,372
Temporary	1,034	2,676	2,092	<b>1,618</b>	584	5
	<b>341,794</b>	<b>17,676</b>	<b>36,108</b>	<b>323,362</b>	<b>(18,432)</b>	<b>13,377</b>
<b>Investments</b>						
Long Term	60,000	-	50,000	<b>10,000</b>	50,000	1,675
Temporary	150,650	1,679	60,350	<b>91,979</b>	58,671	1,888
	<b>210,650</b>	<b>1,679</b>	<b>110,350</b>	<b>101,979</b>	<b>108,671</b>	<b>3,563</b>
<b>Net indebtedness</b>	<b>131,144</b>	<b>15,997</b>	<b>(74,242)</b>	<b>221,383</b>	<b>90,239</b>	<b>9,814</b>
Average daily cash balance over period (£000)						<b>196,873</b>
Average interest earned over period						<b>1.76%</b>
Average long term borrowing over period (£000)						<b>312,093</b>
Average interest paid over period						<b>4.28%</b>

**Comments**

- Treasury management activities were undertaken in accordance with approved policies and procedures.
- Despite having a significant borrowing requirement this year, **£34m** of Public Works Loans Board (PWLB) loans were prematurely repaid during the early part of the financial year. This action was taken partly to mitigate the impact on the revenue budget of reduced returns on investments but also to reduce the risks associated with holding large sums for investment. **£15m** of new loans were secured in March 2010.
- The temporary borrowing figures shown above include cash lent to Essex Cares Ltd as part of the Council's agreement to provide cash flow management support to the company.

## SAVINGS AND EFFICIENCIES

## National Indicator 179 - Value for Money Gains

In the Comprehensive Spending Review 2007, the Department of Communities and Local Government (CLG) set an ambitious target to achieve efficiency savings of 9% over 3 years from 2008/09 (split as 3% each year) across the local government sector; this was subsequently revised following the Chancellor of the Exchequer's 2009 budget statement to a total of 10%, with the extra 1% to be achieved 2010/11. Savings are expected to be cash releasing and reinvested in front line services. For 2009/10, this equates to a savings target for Essex of **£50.9m**, based on the cumulative effect of ongoing efficiencies from 2008/09 plus new efficiencies for 2009/10.

Schemes designed to generate the efficiency savings were originally agreed as part of the budget setting process for each financial year, along with the subsequent reinvestment. Further opportunities were also identified during each year. Schemes have been monitored on a monthly basis through the Efficiencies Tracker database, with forecasts included as part of the monthly Essex Financials Reports.

Authorities are required to report performance against NI179 to CLG twice a year: In October 2009 we reported forecast full year savings of **£59m**, based on the first six months of the year. We will then be required to submit our actual savings for the year by the 23 July 2010; this stands at **£52.2m**.

Efficiencies contributing to the final total include:

- **£17.2m** achieved by Adults, Health and Community Wellbeing, primarily attributable to roll out of individual budgets, the reablement project and better procurement of care packages;
- **£11.4m** achieved by Environment, Sustainability and Highways, primarily attributable to savings on the waste disposal contracts;
- **£9.3m** achieved by Schools, Children and Families, primarily attributable to, savings on home to school transport & other care related contracts, and savings on staffing budgets;
- **£7m** achieved on Project Havret;
- **£4.4m** achieved on cross cutting schemes, such as excess savings brought forward from 2007/08 Annual Efficiency Statement and county wide procurement projects;
- Balance of **£2.9m** attributable to a number of small savings schemes across all other Directorates.

The change between the mid year forecast and final outturn is primarily attributable to reclassification of one project within Schools, Children and Families, general changes (both positive and negative) in projects across all directorates and general forecast Procurement savings not coming to fruition.

**PORTFOLIO COMMENTARY**

<b>Adults, Health and Community Wellbeing</b>	<b>Cllr Ann Naylor</b>	<b>Pages 21 - 26</b>
<b>Children's Services</b>	<b>Cllr Sarah Candy</b>	<b>Pages 27 - 33</b>
<b>Education and 2012 Games</b>	<b>Cllr Steven Castle</b>	<b>Pages 34 - 43</b>
<b>Highways and Transportation</b>	<b>Cllr Norman Hume</b>	<b>Pages 44 - 50</b>
<b>Chief Whip and Environment &amp; Waste</b>	<b>Cllr Tracey Chapman</b>	<b>Pages 51 - 57</b>
<b>Heritage, Culture and the Arts</b>	<b>Cllr Jeremy Lucas</b>	<b>Pages 58 - 62</b>
<b>Leader</b>	<b>Cllr Peter Martin</b>	<b>Pages 63 - 69</b>
<b>Communities and Planning</b>	<b>Cllr John Jowers</b>	<b>Pages 70 - 73</b>
<b>Major Projects and Commercial Services</b>	<b>Cllr Derrick Louis</b>	<b>Pages 74 - 80</b>
<b>Deputy Leader, Finance and Transformation</b>	<b>Cllr David Finch</b>	<b>Pages 81 - 88</b>

## ADULTS, HEALTH AND COMMUNITY WELLBEING ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p>The Portfolio has under spent by <b>£3.876m</b>, primarily as a consequence of various savings initiatives implemented during 2009/10 and as a consequence of lower levels of demand in respect of some client groups.</p> <p>Approval is sought to carry <b>£2.874m</b> of the under spend forward to enable various projects to be progressed in 2010/11.</p> <p>It is proposed that a further <b>£478,000</b> of the under spend is returned to the General Balance and that the <b>£572,000</b> is utilised to offset an over spend in respect of Adult Community Learning.</p> <p>Partially offsetting the above it is proposed that additional expenditure by the Essex Vulnerable Adults Committee is financed by a withdrawal of <b>£48,000</b> from the Partnerships Reserve.</p>	●
TRADING ACTIVITIES	<p>The Essex Equipment Service incurred a deficit of <b>£83,000</b> as a consequence of trading in the first quarter of 2009/10, after which the activities transferred to Essex Cares Ltd.</p> <p>The deficit has been financed from the Trading Activity's accumulated revenue reserves.</p>	●
CAPITAL	<p>The Portfolio under spent against its approved capital payments guideline by <b>£664,000</b>. Approval is sought to re-profile <b>£388,000</b> of this total into 2010/11 as a consequence of slippage in schemes.</p>	●
RAG status		
■	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget	
●	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	
◆	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	

## ADULTS, HEALTH AND COMMUNITY WELLBEING ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Access, Assessment and Care Management	27,757	26,142	(1,615)	●
Support Facilitated (purchased & provided care)	264,751	263,726	(1,025)	●
Mental Health	19,842	20,770	928	◆
Other Social Care	7,256	7,726	470	◆
Supporting People	2,222	2,114	(108)	■
Service Management costs	23,125	20,599	(2,526)	●
Corporate and Democratic Core	360	360	-	■
<b>TOTAL</b>	<b>345,313</b>	<b>341,437</b>	<b>(3,876)</b>	●

**Access, Assessment and Care Management**

The under spend of **£1.615m** relates to Telecare activity plus savings on non pay budgets.

**Support Facilitated (purchased and provided care)**

An under spend of **£4.050m** resulted from lower activity for residential placements for people with learning disabilities. This was partially offset by over spends on older people (**£3.623m**), as a result of increased activity for nursing and residential care, and other under spends in areas such as domiciliary and community support.

**Mental Health**

An over spend of **£928,000** resulted in higher caseloads and higher unit costs and reduced levels of income, partially offset by savings as a consequence of staff vacancies.

**Other Social Care**

An over spend of **£470,000** relates to staffing and the AES Advocacy project.

**Supporting People**

An under spend of **£108,000** results from lower expenditure on IT development, for which a carry forward has been requested, and on the Handy person scheme.

## Service Management Costs

An under spend of **£2.574m** has been achieved as a consequence of various savings initiatives related to staff advertising and engagement budgets, and as a result of lower payments to providers with regard to training grants and staff vacancies.

Partially offsetting this under spend is additional expenditure by the Essex Vulnerable Adults Committee, which it is proposed to finance by a withdrawal of **£48,000** from the Partnerships Reserve.

## VARIANCE PLAN

	Transfers between portfolios £000	Transfers (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
Access, Assessment & Care Management	-	-	(1,615)	-	-	(1,615)
Support Facilitated (purchased & provided care)	-	-	(1,025)	-	-	(1,025)
Mental Health	928	-	-	-	-	928
Other Social Care	470	-	-	-	-	470
Supporting People	-	-	(108)	-	-	(108)
Service Management costs	(1,970)	(478)	(126)	-	48	(2,526)
Corporate and Democratic Core	-	-	-	-	-	-
<b>TOTAL</b>	<b>(572)</b>	<b>(478)</b>	<b>(2,874)</b>	<b>-</b>	<b>48</b>	<b>(3,876)</b>

## ADULTS, HEALTH AND COMMUNITY WELLBEING ... TRADING ACTIVITIES

## Essex Equipment Service

2008-09		2009-10					Rag
Actual		Original Budget	Latest Budget	Provisional Outturn	Variance	Variance	Status
		£000	£000	£000	£000	%	
(10,975)	Income	(8,402)	(2,102)	(4,233)	(2,131)	101.38%	●
10,644	Expenditure	8,402	2,055	4,275	2,220	108.03%	◆
-	Financing Items	-	-	-	-	-	■
<b>(331)</b>	<b>(Surplus)/Deficit</b>	<b>-</b>	<b>(47)</b>	<b>42</b>	<b>89</b>	<b>(189.36%)</b>	●
27	Appropriations	-	46	41	(5)	(10.87%)	●
<b>(304)</b>	<b>Net (increase) / decrease in revenue reserves</b>	<b>-</b>	<b>(1)</b>	<b>83</b>	<b>84</b>	<b>(8400.00%)</b>	●
2008-09					2009-10		
Closing				Opening	Closing		
Balance				Balance	Balance		
				£000	£000		
<b>(756)</b>	<b>Total Reserves Balance</b>			<b>(756)</b>	<b>(673)</b>		●

**Comments:**

The Essex Equipment Service ceased trading after the first quarter of this year and activities transferred to Essex Cares Ltd.

As a consequence of activity during the first quarter of 2009/10, the trading account withdrew **£83,000** from its accumulated revenue reserves.

The remainder of the accumulated revenue reserves (**£673,000**) will be distributed to partners in 2010/11.



## ADULTS, HEALTH AND COMMUNITY WELLBEING ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Nether Priors Re-Provision	300	203	(97)	●
LD Residential Re-provision	300	-	(300)	●
Extra Care Housing - Shaftsbury	2,653	2,653	-	■
Business Objects Upgrade	146	-	(146)	●
Adult Social Care Other - Misc	167	46	(121)	●
<b>TOTAL</b>	<b>3,566</b>	<b>2,902</b>	<b>(664)</b>	●

**Nether Priors re-provision**

The scheme has been completed at **£97,000** less than budgeted.

**Learning disabilities residential re-provision**

This project has been deferred as a consequence of changes in the economic climate and approval is therefore sought to re-profile the capital payment guideline of **£300,000** into 2010/11.

**Business Objects Upgrade**

The funding for this project (**£146,000**) has not been utilised as it is expected that the Oscars project, which is programmed for 2010/11, will address the issues for which the project was created. Therefore the approval is no longer required.

**Adult Social Care – other miscellaneous**

There are various schemes for which approvals are held to cover final payments (**£121,000**). Approval is sought to slip unused approvals of **£88,000** into 2010/11.

## CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Nether Priors Re-Provision	-	(97)	-	-	-	(97)	-
LD Residential Re-provision	-	-	-	-	(300)	(300)	300
Extra Care Housing - Shaftsbury	-	-	-	-	-	-	-
Business Objects Upgrade	-	(146)	-	-	-	(146)	-
Adult Social Care Other - Misc	-	(33)	-	-	(88)	(121)	88
<b>TOTAL</b>	-	<b>(276)</b>	-	-	<b>(388)</b>	<b>(664)</b>	<b>388</b>

## CHILDREN'S SERVICES ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p><b>Non dedicated Schools budget</b></p> <p>A net under spend of <b>£785,000</b> will be returned to the General Balance.</p> <p>This under spend relates to cross service cost reductions that have been partially offset by an over spend of <b>£875,000</b> on Children's Social Care Services that relate to the costs of service improvement.</p>	●
	<p><b>Dedicated Schools budget</b></p> <p>Special Schools have utilised <b>£1.246m</b> of their accumulated balances during 2009/10. This shows as an over spend on the Portfolio's share of the Individual Schools Budget (related to special schools) and will be financed by a withdrawal of <b>£1.246m</b> from the Schools' Reserves.</p> <p>Over spends, totalling <b>£4.342m</b> have been financed by utilising additional Dedicated Schools Grant, including <b>£928,000</b> of the 2010/11 allocation.</p>	◆
CAPITAL	<p>Capital payments were <b>£10.580m</b> less than budgeted, of which <b>£9.053m</b> relates to slippage in the grant funded Children's Centre initiatives and Early Years' schemes. The conditions of the grant funding allow expenditure to be incurred up to March 2011.</p> <p>Approval is sought to re-profile capital payments guideline of <b>£9.753m</b> (which represents <b>51%</b> of the final budget).</p> <p>Approval is also sought to increase the 2009/10 capital payments guideline by <b>£196,000</b> as a consequence of schemes that progressed ahead of schedule and to take account of additional self financed schemes. The under lying position is an under spend of <b>£1.023m</b>.</p>	●
<b>RAG status</b>		
■	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget	
●	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	
◆	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	

## CHILDREN'S SERVICES ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
<b>Dedicated Schools Budget</b>				
Schools Budget	55,192	57,493	2,301	◆
Special educational needs	38,958	42,245	3,287	◆
Dedicated Schools Grant	(99,392)	(103,734)	(4,342)	●
	(5,242)	(3,996)	1,246	◆
<b>Non Dedicated Schools Budgets</b>				
Schools - LA	513	(418)	(931)	●
CYP Strategic Partnerships	67	71	4	◆
Special educational needs (LA)	20,519	20,268	(251)	■
Children's Services	124,313	125,188	875	◆
TASCC teams	8,412	7,930	(482)	●
Youth offending teams	1,509	1,509	-	■
	155,333	154,548	(785)	●
<b>TOTAL</b>	<b>150,091</b>	<b>150,552</b>	<b>461</b>	●

## Dedicated schools budget

- **Schools budget**

Special Schools have utilised **£1.246m** of their accumulated balances during 2009/10. This additional expenditure is therefore offset by an appropriation from the Schools Reserve, which is included within Operating Costs.

A further over spend of **£1.055m** results from more 3 and 4 year olds taking up their entitlement to nursery places and from increased costs associated with special educational needs statements.

- **Special Educational needs**

An over spend of **£3.287m** results from additional costs of children with special educational needs being met from the Independent Special Schools fees budget and as a consequence of restructuring the Children's Support Service.

- **Dedicated schools grant**

Additional Dedicated Schools Grant of **£4.342m** has been applied to offset the above over spends, including **£928,000** of the 2010/11 allocation.

<p><b>Schools - LA</b></p>	<p>An under spend of <b>£931,000</b> results from special education staffing and training efficiencies and from staff vacancies.</p> <p>It is proposed that <b>£785,000</b> of this under spend is returned to the General Balance. The remainder offsets over spends in respect of Children’s Social Care Services and CYP strategic partnerships.</p>
<p><b>CYP strategic partnerships</b></p>	<p>A small over spend of <b>£4,000</b> results from various minor variances.</p>
<p><b>Special educational needs (LA)</b></p>	<p>An under spend of <b>£537,000</b> resulted from staff vacancies within primary behaviour support and from actions taken to achieve savings.</p> <p>This was partially offset by an over spend of <b>£286,000</b>, as a consequence of receiving more applications for home to school transport.</p>
<p><b>Children’s Services</b></p>	<p>Overall, the Service has over spent by <b>£875,000</b>. This is primarily related to:</p> <ul style="list-style-type: none"> <li>▪ Care management and assessment - <b>£1.182m</b> over spend This resulted from employing a high number of agency workers to social work teams to address service improvement priorities, additional placement costs for children in the leaving and aftercare service and increased costs on preventative services. These additional costs were partially offset by savings arising from re-phasing of grants to voluntary organisations.</li> <li>▪ Children looked after - <b>£652,000</b> under spend This resulted from a change in the placement mix between internal and external provision towards the end of the financial year and as a consequence of additional income from occupancy of the internal secure unit.</li> <li>▪ Other social care budgets - <b>£345,000</b> over spend This mainly results from additional costs of supporting asylum seekers.</li> </ul> <p>It is proposed that under spends against the remainder of the Non Dedicated Schools budget are applied to offset this position.</p>
<p><b>TASCC teams</b></p>	<p>An under spend of <b>£482,000</b> results from a large number of staff vacancies being carried whilst a restructuring of the teams was undertaken.</p>

## VARIANCE PLAN

	Transfers between portfolios £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
<b>Dedicated Schools Budget</b>						
Schools Budget	1,055	-	-	-	1,246	2,301
Special educational needs	3,287	-	-	-	-	3,287
Dedicated Schools Grant	(4,342)	-	-	-	-	(4,342)
	-	-	-	-	1,246	1,246
<b>Non Dedicated Schools Budgets</b>						
Schools - LA	(146)	(785)	-	-	-	(931)
CYP Strategic Partnerships	4	-	-	-	-	4
Special educational needs (LA)	(251)	-	-	-	-	(251)
Children's Services	875	-	-	-	-	875
TASCC teams	(482)	-	-	-	-	(482)
Youth offending teams	-	-	-	-	-	-
	-	(785)	-	-	-	(785)
<b>TOTAL</b>	-	<b>(785)</b>	-	-	1,246	461

## CHILDREN'S SERVICES ... CAPITAL

## CAPITAL – PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Early Years				
Early Years 08/09 and 09/10	9,089	1,445	(7,644)	●
Children Centre Initiatives	2,476	1,067	(1,409)	●
Special Schools				
Woodlands Special School	91	271	180	◆
Basildon - Pioneer Special School	742	704	(38)	●
School Access Improvements	2,689	2,271	(418)	●
Other Special Needs Projects	1,155	835	(320)	●
Other Schools Capital Projects	632	324	(308)	●
Children & Families				
IS Related Schemes	895	812	(83)	●
Playbuilder Grant	496	496	-	■
Minor Works	321	129	(192)	●
Construction	377	29	(348)	●
<b>TOTAL</b>	<b>18,963</b>	<b>8,383</b>	<b>(10,580)</b>	●

## Early years provision

## Early Years

Allocations of capital grants to Early Year's providers were lower than anticipated in 2009/10. Approval is sought to re-profile capital payment guideline of **£7.644m** into 2010/11 to enable the Sure Start grant funding to be fully utilised.

## Children Centre Initiatives

An under spend of **£1.409m** resulted from slippage in several of the planned initiatives. Approval is therefore sought to re-profile the capital payments guideline into 2010/11.

<b>Special schools</b>	
<b>Chelmsford Woodlands Special School</b>	This project has over spent by <b>£180,000</b> in 2009/10. It is proposed that this over spend is offset by under spends on other schemes within the Portfolio's budget.
<b>Basildon Pioneer Special School</b>	Approval is sought to re-profile capital payments guideline of <b>£38,000</b> into 2010/11 to meet any residual costs arising in relation to this project.
<b>Schools Access Improvements</b>	The under spend of <b>£418,000</b> results from late agreement of priorities and slow progress on some projects. Approval is sought to re-profile the remainder of the unspent payments guideline ( <b>£274,000</b> ) into 2010/11.
<b>Other Special Needs Projects</b>	The majority of the funding in this programme has been allocated to individual schools for them to manage the associated expenditure and capital schemes. Spending on these schemes was slower than anticipated though. It is proposed that <b>£75,000</b> of the under spend is applied to partially offset the over spend on the Chelmsford Woodlands Special School project. Approval is sought to re-profile the remainder of the unspent payments guideline ( <b>£245,000</b> ) into 2010/11.
<b>Other Schools Capital Projects</b>	An under spend of <b>£252,000</b> results from completing various minor schemes at less than anticipated. It is proposed that the balance of the under spend ( <b>£56,000</b> ) is used to partially offset an over spend on the Chelmsford Woodlands Special School project.
<b>Children and Families</b>	
<b>IS related schemes</b>	The Integrated Children's System was completed at <b>£83,000</b> less than budgeted.








<b>Minor works</b>	<p><b>£143,000</b> of the under spend results from slippage in a number of children's residential homes and family centres. Approval is therefore sought to re-profile the capital payment guideline for these schemes into 2010/11.</p> <p>The remainder of the under spend (<b>£49,000</b>) relates to minor works projects which cost less to complete than budgeted.</p>
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<b>Other construction projects</b>	<p>An under spend of <b>£364,000</b> results from the completion of various schemes which were completed below budget, and from schemes it was decided not to progress.</p> <p>Partially offsetting this position, an over spend of <b>£16,000</b> resulted from awarding a greater proportion of the Aiming High for Disabled Children's grant in 2009/10 than budgeted. Approval is sought to bring forward capital payments guideline from 2010/11 to cover this.</p>
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## CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Early Years							
Early Years 08/09 and 09/10	-	-	-	-	(7,644)	<b>(7,644)</b>	7,644
Children Centre Initiatives	-	-	-	-	(1,409)	<b>(1,409)</b>	1,409
Special Schools							
Woodlands Special School	180	-	-	-	-	<b>180</b>	-
Basildon - Pioneer Special School	-	-	-	-	(38)	<b>(38)</b>	38
School Access Improvements	-	(144)	-	-	(274)	<b>(418)</b>	274
Other Special Needs Projects	-	(75)	-	-	(245)	<b>(320)</b>	245
Other Schools Capital Projects	-	(308)	-	-	-	<b>(308)</b>	-
Children & Families							
IS Related Schemes	-	(83)	-	-	-	<b>(83)</b>	-
Playbuilder Grant	-	-	-	-	-	-	-
Minor Works	-	(49)	-	-	(143)	<b>(192)</b>	143
Construction	-	(364)	-	16	-	<b>(348)</b>	(16)
<b>TOTAL</b>	<b>180</b>	<b>(1,023)</b>	<b>-</b>	<b>16</b>	<b>(9,753)</b>	<b>(10,580)</b>	<b>9,737</b>

## EDUCATION AND 2012 GAMES ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
<b>REVENUE</b>	<p><b>Dedicated Schools budget</b></p> <p>Primary and secondary schools have utilised <b>£5.580m</b> of their accumulated balances during 2009/10. This shows as an over spend on the Portfolio's share of the Individual Schools Budget and is financed by a withdrawal from the Schools' Reserve (included within Operating Costs).</p> <p>An under spend on the centrally retained budgets, totalling <b>£2.515m</b> is offset by applying less Dedicated Schools Grant than assumed in the budget.</p>	
	<p><b>Non Dedicated Schools budget</b></p> <p>A small over spend of <b>£196,000</b> includes a significant Home to School transport pressure of <b>£1.986m</b>, partly offset by under spends across the School Improvement and Youth services.</p> <p><b>£804,000</b> has been withdrawn from the accumulated revenue reserves of the Portfolio's trading activities to offset the over spend on the Non Dedicated Schools budget. The balance of <b>£608,000</b> has been returned to the General Balance to reflect the savings target applied to the Portfolio.</p>	
	<p><b>Lee Valley Park and 2012 Games</b></p> <p>It is proposed that an over spend of <b>£83,000</b> will be financed from under spends within the Leader portfolio.</p>	
<b>TRADING ACTIVITIES</b>	<p>Of a total surplus of <b>£1.442m</b>, <b>£804,000</b> has been appropriated to the Revenue Account (as referred to above).</p>	
<b>CAPITAL</b>	<p>Capital payments were <b>£6.456m</b> less than budgeted. Of this total under spend, <b>£6.047m</b> relates to amounts devolved to schools to manage.</p> <p>Approval is sought to re-profile capital payments guideline of <b>£13.106m</b> as a consequence of slippage in schemes (equivalent to 11% of the finally approved budget). This includes slippage in respect of amounts held by schools for capital purposes and Academy schemes which are subject to ring fenced funding.</p> <p>Partially offsetting this, approval is sought to bring capital payments guideline of <b>£6.529m</b> forward to take account of schemes progressing ahead of schedule and to add scheme and payment approvals of <b>£1.337m</b> in respect of self-financed schemes. The underlying position is an under spend of <b>£1.216m</b>.</p>	

RAG status	
	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget

## EDUCATION AND 2012 GAMES ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
<b>Dedicated Schools Budget</b>				
Dedicated schools budget	670,462	673,527	3,065	◆
Dedicated schools grant	(663,247)	(660,732)	2,515	◆
	<u>7,215</u>	<u>12,795</u>	<u>5,580</u>	◆
<b>Non Dedicated School budgets</b>				
Schools - LA	22,148	23,093	945	◆
Youth Service	10,973	10,307	(666)	●
Children's Services	(416)	(499)	(83)	●
	<u>32,705</u>	<u>32,901</u>	<u>196</u>	●
<b>Lee Valley Park and 2012 Games</b>				
Olympics and Sports Development				
Sports Development	766	852	86	◆
Hadleigh Castle Country Park	78	77	(1)	■
Precepts - Lee Valley Regional Park	1,621	1,619	(2)	■
	<u>2,465</u>	<u>2,548</u>	<u>83</u>	●
<b>TOTAL</b>	<b>42,385</b>	<b>48,244</b>	<b>5,859</b>	◆

## Dedicated schools budget

- **Schools budget**

Primary and secondary schools have utilised **£5.580m** of their accumulated balances during 2009/10. This additional expenditure is therefore offset by an appropriation from the Schools Reserve, which is included within Operating Costs.

In addition to this expenditure there were under spends of **£2.205m** in relation to centrally retained budgets, including:

- Capital expenditure from revenue (**£602,000**);
- Contingency for reorganising schools (**£976,000**);
- Termination of employment costs (**£311,000**);
- Supply cover costs (**£186,000**); and
- Various smaller under spends (**£130,000**).

- **Dedicated schools grant**

As a consequence of the under spend on the centrally retained budgets, the amount of Dedicated Schools Grant applied in 2009/10 was **£2.515m** less than budgeted.

<b>Schools - LA</b>	<p>The home to school / college transport budget was over spent by <b>£1.986m</b> as a result of receiving more transport applications and transporting more children. This over spend was offset by under spends in relation to broadband connectivity costs (<b>£551,000</b>), school improvement (<b>£762,000</b>), minor variances (<b>£28,000</b>) and other under spends within the Non Dedicated Schools Budget.</p> <p>In addition, the Building School for the Future programme was over spent by <b>£219,000</b>, primarily due to higher legal costs in the run up to financial (contractual) close.</p>
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<b>Youth Service</b>	<p>The Youth Service's budget was under spent by <b>£666,000</b> as a consequence of lower Connexions-related IT costs, staff vacancies and holding back on non essential spend.</p>
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<b>Children's Services</b>	<p>An under spend of <b>£83,000</b> related to Connexions services.</p>
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<b>Sports development</b>	<p>An over spend of <b>£86,000</b> results from additional legal fees in respect of the Hadleigh Olympic Mountain Bike event. It is proposed that an under spend in relation to LAA Pooled Funds (Leader portfolio) is applied to offset this over spend.</p>
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## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
<b>Dedicated Schools Budget</b>						
Dedicated schools budget	(2,515)	-	-	-	5,580	3,065
Dedicated schools grant	2,515	-	-	-	-	2,515
	-	-	-	-	5,580	5,580
<b>Non Dedicated School budgets</b>						
Schools - LA	788	(608)	(39)	-	804	945
Youth Service	(666)	-	-	-	-	(666)
Children's Services	(83)	-	-	-	-	(83)
	39	(608)	(39)	-	804	196
<b>Lee Valley Park and 2012 Games</b>						
Olympics and Sports Development						
Sports Development	86	-	-	-	-	86
Hadleigh Castle Country Park	-	(1)	-	-	-	(1)
Precepts - Lee Valley Regional Park	-	(2)	-	-	-	(2)
	86	(3)	-	-	-	83
<b>TOTAL</b>	<b>125</b>	<b>(611)</b>	<b>(39)</b>	<b>-</b>	<b>6,384</b>	<b>5,859</b>

## EDUCATION AND 2012 GAMES ... TRADING ACTIVITIES

### School Improvement and Advisory Service

2008-09 Actual		Original Budget	Latest Budget	2009-10 Provisional Outturn	Variance	Variance	Rag Status
		£000	£000	£000	£000	%	
(9,542)	Income	(7,469)	(9,520)	(9,835)	(315)	3.31%	■
8,594	Expenditure	7,465	9,076	8,897	(179)	(1.97%)	■
-	Financing Items	-	-	-	-	-	■
<b>(948)</b>	<b>(Surplus)/Deficit</b>	<b>(4)</b>	<b>(444)</b>	<b>(938)</b>	<b>(494)</b>	<b>111.26%</b>	●
1,358	Appropriations	4	191	938	747	391.10%	◆
<b>410</b>	<b>Net (increase) / decrease in revenue reserves</b>	<b>-</b>	<b>(253)</b>	<b>-</b>	<b>253</b>	<b>(100.00%)</b>	●
<b>2008-09 Closing Balance</b>					<b>2009-10</b>		
					<b>Opening Balance</b>	<b>Closing Balance</b>	
					£000	£000	
<b>(332)</b>	<b>Total Reserves Balance</b>				<b>(332)</b>	<b>(332)</b>	●

#### Comments:

**£752,000** of the surplus achieved by the School Improvement and Advisory Service in 2009/10 has been appropriated into the Revenue Account to offset an over spend on the Non Dedicated Schools budget and to reflect the savings target applied to the portfolio.

### School Support - Finance

2008-09 Actual		Original Budget	Latest Budget	2009-10 Provisional Outturn	Variance	Variance	Rag Status
		£000	£000	£000	£000	%	
(1,542)	Income	(1,156)	(1,549)	(1,549)	-	-	■
1,235	Expenditure	1,168	1,487	1,444	(43)	(2.89%)	■
-	Financing Items	-	-	-	-	-	■
<b>(307)</b>	<b>(Surplus)/Deficit</b>	<b>12</b>	<b>(62)</b>	<b>(105)</b>	<b>(43)</b>	<b>69.35%</b>	●
252	Appropriations	(11)	42	105	63	150.00%	◆
<b>(55)</b>	<b>Net (increase) / decrease in revenue reserves</b>	<b>1</b>	<b>(20)</b>	<b>-</b>	<b>20</b>	<b>(100.00%)</b>	●
<b>2008-09 Closing Balance</b>					<b>2009-10</b>		
					<b>Opening Balance</b>	<b>Closing Balance</b>	
					£000	£000	
<b>(449)</b>	<b>Total Reserves Balance</b>				<b>(449)</b>	<b>(449)</b>	●

#### Comments:

**£52,000** of the surplus achieved by the School Support (Finance) Service in 2009/10 has been appropriated into the Revenue Account as partial repayment of the supplementary estimate awarded to the Portfolio during 2009/10.

### School staffing insurance scheme

2008-09		2009-10					Rag Status
Actual		Original Budget	Latest Budget	Provisional Outturn	Variance	Variance	
£000		£000	£000	£000	£000	%	
(4,191)	Income	(3,437)	(4,963)	(4,526)	437	(8.81%)	●
4,520	Expenditure	3,437	5,157	4,127	(1,030)	(19.97%)	●
-	Financing Items	-	-	-	-	-	■
<b>329</b>	<b>(Surplus)/Deficit</b>	<b>-</b>	<b>194</b>	<b>(399)</b>	<b>(593)</b>	<b>(305.67%)</b>	●
-	Appropriations	-	-	-	-	-	■
<b>329</b>	<b>Net (increase) / decrease in revenue reserves</b>	<b>-</b>	<b>194</b>	<b>(399)</b>	<b>(593)</b>	<b>(305.67%)</b>	●
<b>2008-09</b>					<b>2009-10</b>		
<b>Closing Balance</b>					<b>Opening Balance</b>	<b>Closing Balance</b>	
£000					£000	£000	
(1,023)	<b>Total Reserves Balance</b>				(1,023)	(1,422)	●

#### Comments:

The surplus resulted from a lower than forecast call on the insurance scheme resulting in reduced costs.

## EDUCATION AND 2012 GAMES ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
<b>Schools</b>				
Little Dunmow - Flitch Green Primary	86	553	467	◆
Hutton Willowbrook Primary School	1,156	204	(952)	●
Epping Primary School	4,488	4,195	(293)	●
Essex Academies - Witham	8,000	6,954	(1,046)	●
Basildon - Academies	25,037	26,442	1,405	◆
Replacement of Relocatables	4,137	3,252	(885)	●
Secondary Schools Sports Facilities	364	18	(346)	●
School Kitchens & Dining Accommod.	1,755	946	(809)	●
Post 16 Provision Block	917	519	(398)	●
School capital cash	5,761	(286)	(6,047)	●
Other Schools Capital Projects	59,199	61,525	2,326	◆
Building Schools for the Future	603	622	19	●
<b>Youth Service</b>				
Mersea Outdoors Site Facility	75	24	(51)	●
Danbury Extension	75	25	(50)	●
Youth Capital Fund	660	630	(30)	■
Other youth schemes	369	107	(262)	●
<b>2012 Games</b>				
Basildon Sporting Village	8,000	8,000	-	■
Former Hadleigh Fire Station	-	496	496	●
<b>TOTAL</b>	<b>120,682</b>	<b>114,226</b>	<b>(6,456)</b>	●

**Little Dunmow – Flitch Green Primary**

An over spend of **£467,000** results from making provision for a loss and expenses claim, and from the acquisition of land. It is proposed that under spends against other schemes within the Portfolio's budget are applied to offset this over spend.

**Hutton Willowbrook Primary School**

The under spend of **£952,000** results from a delay in completion of negotiations with the Borough Council. Approval is therefore sought to re-profile capital payments guideline for this project into 2010/11.






<p><b>Epping Primary School</b></p>	<p>Delays to the project have resulted in an in-year under spend of <b>£293,000</b>. The latest assessment of the project by the Council's consultant suggests a total over spend of <b>£722,000</b> over the life of the project. A proportion of this will be funded by the schools and it proposed that the remainder is funded from the provision for school meals accommodation and replacement of re-locatable classrooms.</p> <p>Approval is sought to slip <b>£601,000</b> into 2010/11, of which <b>£293,000</b> relates to the in-year under spend on this project and <b>£308,000</b> relates to an under spend on the replacement of re-locatable classrooms.</p>
<p><b>Essex Academies – Witham</b></p>	<p>The under spend on this project results from a delay in agreeing the design and build contract. Approval is therefore sought to re-profile capital payments guideline for this project of <b>£1.046m</b> into 2010/11.</p>
<p><b>Essex Academies - Basildon</b></p>	<p>Work on the Lower Academy is progressing ahead of schedule. Approval is therefore sought to bring forward capital payments guideline of <b>£1.405m</b> for this project from 2010/11.</p>
<p><b>Replacement of re-locatable class rooms</b></p>	<p>Approval is sought to allocate <b>£885,000</b> of the scheme and payment approvals to the following projects:</p> <ul style="list-style-type: none"> <li>▪ Queen Boudica Phase I (<b>£159,000</b>);</li> <li>▪ Primary School Halls (<b>£418,000</b>);</li> <li>▪ Epping Primary School (<b>£308,000</b>).</li> </ul>
<p><b>Secondary Schools sports facilities</b></p>	<p>Approval is sought to re-profile capital payments guideline of <b>£346,000</b> into 2010/11 to enable strategic priorities to be reviewed.</p>
<p><b>School kitchens and dining accommodation</b></p>	<p>The funding for this programme is in the form of a targeted capital grant; this has been fully allocated to individual schools for them to manage the associated expenditure and capital schemes. The expenditure can be incurred up to August 2011. Approval is sought to re-profile capital payments guideline of <b>£809,000</b> into 2010/11.</p>
<p><b>Post 16 provision</b></p>	<p>Approval is sought to re-profile capital payments guideline of <b>£398,000</b> into 2010/11 in order to provide financial support for the development of new vocational provision.</p>
<p><b>Schools' capital cash</b></p>	<p>Approval is sought to re-profile capital payments guideline of <b>£6.047m</b> into 2010/11 in respect of funds devolved to schools in 2009/10 for projects that will not be undertaken until 2010/11.</p>




<p><b>Other schools capital projects</b></p>	<p>Approval is sought to re-profile capital payments guideline of <b>£2.630m</b> into 2010/11 in relation to slippage in the following projects:</p> <ul style="list-style-type: none"> <li>▪ Extended schools - <b>£1.116m</b>;</li> <li>▪ Capitalised building maintenance - <b>£886,000</b>; and</li> <li>▪ Other minor projects - <b>£628,000</b>.</li> </ul> <p>Approval is also sought to bring forward capital payments guideline of <b>£5.105m</b> from 2010/11 for the following projects which have progressed ahead of schedule:</p> <ul style="list-style-type: none"> <li>▪ Works carried out by schools which are funded from devolved formula capital grant - <b>£3.506m</b>;</li> <li>▪ Harlow Passmores - <b>£1.074m</b>;</li> <li>▪ Queen Boudica Phase II - <b>£166,000</b>;</li> <li>▪ Primary Capital Programme - <b>£153,000</b>;</li> <li>▪ Various other schemes - <b>£206,000</b>.</li> </ul> <p>The Capital Programme included budget of <b>£215,000</b> for a floodlit artificial football pitch at the Sible Hedingham School, on the basis that this scheme would be funded from government grant. The school received the grant funding direct, and so the capital programme budget for this scheme was not required.</p> <p>Various other projects were over spent by <b>£66,000</b>. It is proposed that under spends on other schemes within the Portfolio's capital programme are applied to offset this position.</p>
<p><b>Building schools for the future</b></p>	<p>This scheme has progressed ahead of schedule and approval is therefore sought to bring <b>£19,000</b> of the capital payment guideline forward from 2010/11.</p>
<p><b>Mersea outdoors / Danbury Extension</b></p>	<p>Approval is sought to re-profile capital payments guideline of <b>£51,000</b> (Mersea) and <b>£50,000</b> (Danbury) into 2010/11 due to delays in the feasibility studies for these interlinked schemes.</p>
<p><b>Youth Capital Fund</b></p>	<p>The under spend of <b>£30,000</b> was due to successful bids approved by Youth Forums being less than the awarded grant. Approval is sought to re-profile <b>£15,000</b> of the capital payments guideline into 2010/11.</p>

<b>Other youth capital projects</b>	<p>Of a total under spend of <b>£262,000</b>, approval is sought to re-profile capital payments guideline of <b>£162,000</b> into 2010/11 in respect of the following schemes:</p> <ul style="list-style-type: none"> <li>▪ Harlow outdoor centre - <b>£98,000</b>;</li> <li>▪ DDA compliance schemes - <b>£62,000</b>; and</li> <li>▪ Other smaller schemes - <b>£2,000</b>.</li> </ul>
<b>Hadleigh Fire Station</b>	<p>Retrospective approval is sought to add scheme and payment approval of <b>£830,000</b> to the Capital Programme in respect of the purchase and refurbishment of the former Hadleigh Fire Station, on the basis that this scheme is wholly funded by government grant. 2009/10 capital payments amounted to <b>£496,000</b>, and the balance of <b>£334,000</b> will be incurred in 2010/11.</p>

<b>CAPITAL – VARIANCE PLAN</b>							
	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
<b>Schools</b>							
Little Dunmow - Flitch Green Primary	467	-	-	-	-	467	-
Hutton Willowbrook Primary School	-	-	-	-	(952)	(952)	952
Epping Primary School	308	-	-	-	(601)	(293)	601
Essex Academies - Witham	-	-	-	-	(1,046)	(1,046)	1,046
Basildon - Academies	-	-	-	1,405	-	1,405	(1,405)
Replacement of Relocatables	-	(885)	-	-	-	(885)	-
Secondary Schools Sports Facilities	-	-	-	-	(346)	(346)	346
School Kitchens & Dining Accom.	-	-	-	-	(809)	(809)	809
Post 16 Provision Block	-	-	-	-	(398)	(398)	398
School capital cash	-	-	-	-	(6,047)	(6,047)	6,047
Other Schools Capital Projects	66	(215)	-	5,105	(2,630)	2,326	(2,475)
Building Schools for the Future	-	-	19	-	-	19	(19)
<b>Youth Service</b>							
Mersea Outdoors Site Facility	-	-	-	-	(51)	(51)	51
Danbury Extension	-	-	-	-	(50)	(50)	50
Youth Capital Fund	-	(15)	-	-	(15)	(30)	15
Other youth schemes	-	(101)	-	-	(161)	(262)	161
<b>2012 Games</b>							
Basildon Sporting Village	-	-	-	-	-	-	-
Former Hadleigh Fire Station	496	-	-	-	-	496	334
<b>TOTAL</b>	<b>1,337</b>	<b>(1,216)</b>	<b>19</b>	<b>6,510</b>	<b>(13,106)</b>	<b>(6,456)</b>	<b>6,911</b>

## HIGHWAYS AND TRANSPORTATION ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p>An under spend of <b>£1.161m</b> was achieved despite unavoidable pressures resulting from the severe weather experienced during the winter months.</p> <p>It is proposed that <b>£322,000</b> of the under spend is returned to general balances and that <b>£361,000</b> is carried forward for use in 2010/11. Further, it is proposed that <b>£252,000</b> is appropriated into a 'severe weather' reserve to help mitigate the impact upon future years' budgets of severe weather.</p> <p>It is proposed that <b>£349,000</b> of the Portfolio's under spend is applied to offset an over spend in respect of the Car Provision Scheme. This is partially offset by the allocation of an under spend of <b>£79,000</b> by the Leader portfolio to support a carry forward request in relation to passenger transport.</p> <p>Finally, approval is sought to withdraw <b>£44,000</b> from the Essex Transport Reserve to finance expenditure related to the former Essex Transport trading activity.</p>	
RECHARGED STRATEGIC SUPPORT SERVICES	<p>Approval is sought to carry the under spend of <b>£18,000</b> forward to support projects in 2010/11.</p>	
CAPITAL	<p>The portfolio performed well on capital expenditure in 2009/10. Capital payments were <b>£6.624m</b> below the approved guideline. A significant proportion of this under spend relates to major projects which are externally funded over the entire project life cycle.</p> <p>Approval is sought to re-profile capital payments guideline of <b>£4.447m</b> into 2010/11 as a consequence of slippage in schemes (equivalent to 4% of the finally approved budget). Of this total, <b>£2.435m</b> relates to slippage in ECC funded schemes.</p> <p>Approval is also sought to retrospectively increase the Portfolio's scheme and payments guideline by <b>£1.971m</b> in respect of externally funded schemes.</p> <p>The underlying position is an under spend of <b>£4.148m</b>.</p>	

RAG status	
	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget

## HIGHWAYS AND TRANSPORTATION ... REVENUE

## PROVISIONAL OUTFURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Roads and Footways	26,492	28,249	1,757	♦
Traffic Management Act	25	7	(18)	●
Bridges	1,621	1,479	(142)	●
Street Lighting	10,109	9,275	(834)	●
Congestion	6,779	6,267	(512)	●
Road Safety	6,029	5,918	(111)	■
Strategic development and transportation	4,235	4,192	(43)	■
Response accelerated maintenance initiative	-	-	-	■
Public Rights of Way	3,204	3,170	(34)	■
A130 Private Finance Initiative	(82)	(496)	(414)	●
Passenger Transport	14,415	13,624	(791)	●
Support Services	-	-	-	■
Corporate and democratic core	972	953	(19)	■
<b>TOTAL</b>	<b>73,799</b>	<b>72,638</b>	<b>(1,161)</b>	●

**Roads and footways**

The over spend on roads and footways results from having to incur additional expenditure of approximately **£2m** as a consequence of the severe weather over the winter months. This position was mitigated by actions taken to achieve savings, both within this policy area and across other budget headings within the Highways and Transportation portfolio.

It is proposed that **£132,000** of the Portfolio's net under spend is carried forward to undertake work on Transport Asset Management plans in 2010/11.

It is also proposed that **£252,000** of the Portfolio's under spend is appropriated into a 'severe weather' reserve, to help mitigate the impact upon future years' budgets of severe winter weather.

**Street lighting**

An under spend of **£834,000** resulted from lower energy prices, which fell during the year.

<b>Passenger transport</b>	<p>The under spend of <b>£791,000</b> largely resulted from a one-off saving in respect of concessionary fares.</p> <p>It is proposed that <b>£434,000</b> of the under spend is utilised to mitigate over spends on other budgets and that <b>£322,000</b> is returned to general balances.</p> <p>It is proposed that an under spend by the Leader portfolio of <b>£79,000</b> is utilised to support a carry forward request to undertake a pilot 'youth concessionary fares/BITE' scheme.</p> <p>Included within this figure are additional costs of <b>£44,000</b> related to the former Essex Transport trading activity. Approval is sought to appropriate <b>£44,000</b> from the Essex Transport Reserve to finance this additional expenditure.</p>
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<b>Other headings</b>	<p>The Service worked hard to deliver savings to mitigate the effect of the severe winter upon the Roads and Footways budget, and in relation to the Car Provision Scheme. Most of the savings delivered were of a one off nature and cannot be relied upon going forward.</p> <p>Approval is sought to carry <b>£150,000</b> of the under spend forward to support the Highways transformation programme in 2010/11.</p>
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## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
Roads and Footways	2,141	-	(132)	-	(252)	1,757
Traffic Management Act	(18)	-	-	-	-	(18)
Bridges	(142)	-	-	-	-	(142)
Street Lighting	(834)	-	-	-	-	(834)
Congestion	(512)	-	-	-	-	(512)
Road Safety	(111)	-	-	-	-	(111)
Strategic development and transportation	(43)	-	-	-	-	(43)
Response accelerated maintenance initiative	-	-	-	-	-	-
Public Rights of Way	(34)	-	-	-	-	(34)
A130 Private Finance Initiative	(414)	-	-	-	-	(414)
Passenger Transport	(434)	(322)	(79)	-	44	(791)
Support Services	150	-	(150)	-	-	-
Corporate and democratic core	(19)	-	-	-	-	(19)
<b>TOTAL</b>	<b>(270)</b>	<b>(322)</b>	<b>(361)</b>	<b>-</b>	<b>(208)</b>	<b>(1,161)</b>

## HIGHWAYS AND TRANSPORTATION ... RECHARGED STRATEGIC SUPPORT SERVICES

### PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Transport Co-ordination Centre	1,322	1,304	(18)	■
<b>TOTAL</b>	<b>1,322</b>	<b>1,304</b>	<b>(18)</b>	■

#### Transport Coordination Centre

Approval is sought to carry the under spend of **£18,000** forward to support projects in 2010/11.

### VARIANCE PLAN

	Transfers between portfolios	Returns (to) / from General Balance	Under spends carried forward to 2010/11	Over spends carried forward to 2010/11	Appns (to)/from earmarked reserves	Total Variance Plan
	£000	£000	£000	£000	£000	£000
Transport Co-ordination Centre	-	-	(18)	-	-	(18)
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>(18)</b>	<b>-</b>	<b>-</b>	<b>(18)</b>



## HIGHWAYS AND TRANSPORTATION ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
DFT Capital Maintenance	20,265	20,265	-	■
DFT Integrated Transport	17,491	16,048	(1,443)	●
DFT Direct Grants	6,750	6,210	(540)	●
ECC Funded Capital	35,433	32,998	(2,435)	●
Community Infrastructure Grant	23,690	21,768	(1,922)	●
All other highways capital schemes	3,789	3,505	(284)	●
<b>TOTAL</b>	<b>107,418</b>	<b>100,794</b>	<b>(6,624)</b>	●

**DfT Integrated Transport**

Approval is sought to re-profile capital payment guidelines of **£1.443m** as a consequence of slippage in the following schemes:

- Castle Point A13 Passenger Transport Corridor (**£276,000**);
- A13 / A130 Sadler's Farm (**£705,000**);
- Chelmer Valley Park and Ride (**£168,000**);
- Colchester Cycling Town (**£216,000**); and
- Various other minor schemes (**£78,000**).

**DfT Direct Grants**

Approval is sought to re-profile capital payment guideline of **£67,000** on A13 / A130 Sadler's Farm scheme into 2010/11.

An under spend of **£473,000** has been realised in respect of the Pitsea Flyover scheme.

**ECC Funded Capital**

Approval is sought to re-profile capital payment guidelines of **£2.435m** as a consequence of slippage on:

- Harlow Area Passenger Transport (**£200,000**);
- Harlow Assignment Model (**£231,000**);
- A13/A130 Sadlers Farm (**£524,000**);
- Gt Notley Bypass dualling (**£101,000**);
- Chelmer Valley Park and Ride (**£294,000**); and
- Various other schemes (**£1.085m**).




<b>Community Infrastructure Grant</b>	<p>Approval is sought to retrospectively increase the scheme and payment approval by <b>£1.670m</b> for the A414 dualling scheme, on the basis that the additional expenditure will be financed from government grant.</p> <p>Revised assumptions regarding the payment profiles and/or statutory processes for advancing individual schemes means the following schemes are under spent:</p> <ul style="list-style-type: none"> <li>▪ Roscommon Way extension (<b>£2.912m</b>);</li> <li>▪ Colchester A12 Junction 28 (<b>£218,000</b>);</li> <li>▪ Harlow First Avenue (<b>£410,000</b>); and</li> <li>▪ Basildon Enterprise Corridor (<b>£52,000</b>).</li> </ul>
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<b>Other Highways Capital schemes</b>	<p>Approval is sought to retrospectively increase the scheme and payment approval for the Real Time Passenger Information and Bus Priority Equipment scheme (<b>£301,000</b>), on the basis that the Council has received an additional capital contribution towards the cost of this project.</p> <p>Approval is also sought to re-profile capital payment guidelines of <b>£502,000</b> into 2010/11 as a result of slippage on various schemes.</p> <p>Finally, various minor schemes have been completed at <b>£83,000</b> less than budgeted.</p>
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## CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
DFT Capital Maintenance	-	-	-	-	-	-	-
DFT Integrated Transport	-	-	-	-	(1,443)	(1,443)	1,443
DFT Direct Grants	-	(473)	-	-	(67)	(540)	67
ECC Funded Capital	-	-	-	-	(2,435)	(2,435)	2,435
Community Infrastructure Grant	1,670	(3,592)	-	-	-	(1,922)	-
All other highways capital schemes	301	(83)	-	-	(502)	(284)	502
<b>TOTAL</b>	<b>1,971</b>	<b>(4,148)</b>	<b>-</b>	<b>-</b>	<b>(4,447)</b>	<b>(6,624)</b>	<b>4,447</b>

## CHIEF WHIP, ENVIRONMENT AND WASTE ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p>The portfolio's revenue budget was under spent by <b>£948,000</b>.</p> <p>It is proposed that <b>£91,000</b> of the under spend is attributed to offset additional expenditure by other portfolios, and that <b>£709,000</b> is returned to the General Balance.</p> <p>It is proposed that <b>£17,000</b> is withdrawn from the Partnerships Reserve to fund expenditure by the Drug and Alcohol Action Teams, and that <b>£71,000</b> is withdrawn from the Quadrennial Elections Reserve to finance residual costs associated with the County Council elections in May 2009. Offsetting these requests, it is proposed that <b>£16,000</b> is repaid into the Service Improvement Reserve, in respect of unspent supplementary funding allocated for flu pandemic planning.</p> <p>Finally, approval is sought to carry an under spend of <b>£220,000</b> forward for use in 2010/11.</p>	
RECHARGED STRATEGIC SUPPORT SERVICES	<p>It is proposed that an over spend of <b>£22,000</b>, related to the Schools Appeal Team, is carried forward to be addressed in 2010/11.</p> <p>Offsetting this position, minor under spends amounted to <b>£23,000</b>. Approval is sought to carry <b>£14,000</b> of this under spend forward into 2010/11. It is proposed that the remainder of this under spend (<b>£9,000</b>) is returned to the General Balance.</p>	
CAPITAL	<p>The Portfolio's capital payments guideline was under spent by <b>£261,000</b>, primarily as a consequence of slippage in schemes.</p>	

RAG status	
	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget

## CHIEF WHIP, ENVIRONMENT AND WASTE ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
<b>Environment &amp; Commerce</b>				
Waste management				
Waste disposal	25,861	23,653	(2,208)	●
Trade waste income	(1,672)	(1,384)	288	●
Recycling initiatives	14,085	14,023	(62)	■
Tipping away payments	1,078	1,040	(38)	■
Landfill aftercare	411	301	(110)	●
Civic amenity service	7,883	8,828	945	◆
Exceptional Wastes	184	364	180	◆
Waste Strategy	1,775	1,695	(80)	■
Waste Management and support services	1,671	2,304	633	◆
Trading standards	3,095	3,043	(52)	■
Environmental strategy	408	274	(134)	●
Natural Environment	1,051	960	(91)	●
Management & support services	-	-	-	■
Leisure				
Country Parks	565	381	(184)	●
Marsh Farm	(55)	239	294	●
Contributions to other bodies	93	102	9	◆
<b>Management &amp; support services</b>	-	-	-	■
<b>Corporate &amp; democratic core</b>	176	173	(3)	■
<b>Emergency planning</b>	1,170	1,024	(146)	●
<b>Community safety</b>	1,689	1,580	(109)	●
<b>Community policing</b>	250	250	-	■
<b>Anti-social behaviour</b>	247	129	(118)	●
<b>Members' support</b>	3,162	3,200	38	●
<b>TOTAL</b>	<b>63,127</b>	<b>62,179</b>	<b>(948)</b>	●

**Waste management**

The net under spend of **£452,000** primarily results from reduced waste volumes, which were **3%** lower than budgeted and **5%** lower than the previous year.

There was also a delay to the Waste Strategy programme, which was caused by the requirement to prepare and issue a new OBC for the PFI procurement which delayed the start of the PFI procurement until the second half of the financial year.

It is proposed that this under spend is applied to offset the net over spends in respect of Leisure (this Portfolio), Crossing Temple (Heritage, Culture and Arts portfolio) and Construction Management (Asset Management Recharged Strategic Support Service).

<p><b>Trading standards</b></p>	<p>An under spend of <b>£52,000</b> mainly results from staff vacancies, partly offset by lower income from court cases, verification and stamping and testing for DEFRA.</p>
<p><b>Environmental strategy</b></p>	<p>The under spend of <b>£134,000</b> is due to the receipt of additional income and lower expenditure on an environment initiative.</p>
<p><b>Natural environment</b></p>	<p>The under spend of <b>£91,000</b> results from lower spend on the coastal issues and Gateways to Essex projects, partially offset by an under recovery of income.</p> <p>Approval is sought to carry <b>£61,000</b> of this under spend forward into 2010/11 to fund the Multi for EU project which is part of the Gateways to Essex project.</p>
<p><b>Leisure</b></p>	<p>A net over spend of <b>£119,000</b> results from a shortfall in income combined with over spends on staffing, due to the need to cover for long term absences, additional costs associated with bringing the catering operation at Marsh Farm in house and higher rates bills.</p> <p>It is proposed that this over spend is funded from the under spend on Waste Management.</p>
<p><b>Emergency planning</b></p>	<p>The under spend of <b>£146,000</b> results from staff vacancies and lower expenditure in relation to flood sirens and pandemic flu.</p> <p>Approval is sought to carry <b>£16,000</b> of the under spend forward into 2010/11 to fund telephony works in the County Emergency Response Centre and flood siren repairs.</p> <p>It is proposed that <b>£16,000</b> is appropriated into the Service Improvement Reserve as funding allocated for flu pandemic costs was not fully utilised.</p> <p>It is proposed that the remainder of the under spend (<b>£114,000</b>) is returned to general balances.</p>
<p><b>Community safety</b></p>	<p>An under spend of <b>£109,000</b> results from lower spend on crime and disorder initiatives and from a delay in recruitment to the Drug and Alcohol Action Team (DAAT).</p> <p>Approval is sought to withdraw <b>£17,000</b> from the Essex Drug Action Team partnership reserve to fund costs incurred in 2009/10 in relation to DAAT strategic delivery.</p> <p>Approval is sought to carry <b>£64,000</b> of the under spend forward for use in 2010/11 towards the cost of a 'Strategic Alcohol' post. It is proposed that a further <b>£40,000</b> of the under spend is utilised to support carry forward requests in respect of Community Policing.</p> <p>It is proposed that <b>£22,000</b> is returned to general balances.</p>

<b>Community policing</b>	The outturn position is in line with the finally approved budget. It is however proposed that <b>£40,000</b> of the under spend on Community Safety is carried forward for use in 2010/11 to provide additional funding for Police Community Support Officers.
<b>Anti social behaviour</b>	<p>An under spend of <b>£118,000</b> mainly results from undertaking fewer projects during the year.</p> <p>Approval is sought to carry <b>£39,000</b> of the under spend forward into 2010/11 to fund the re-offending community payback pledge.</p> <p>It is proposed that the <b>£79,000</b> is returned to general balances.</p>
<b>Member support</b>	<p>An over spend of <b>£38,000</b> results from residual expenditure related to the Council elections in 2009. Approval is therefore sought to withdraw <b>£71,000</b> from the Quadrennial Elections Reserve.</p> <p>It is proposed that <b>£33,000</b> is returned to the General Balance.</p>

## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
<b>Environment &amp; Commerce</b>						
Waste management						
Waste disposal	(1,966)	(242)	-	-	-	(2,208)
Trade waste income	288	-	-	-	-	288
Recycling initiatives	(62)	-	-	-	-	(62)
Tipping away payments	(38)	-	-	-	-	(38)
Landfill aftercare	(110)	-	-	-	-	(110)
Civic amenity service	945	-	-	-	-	945
Exceptional Wastes	180	-	-	-	-	180
Waste Strategy	(80)	-	-	-	-	(80)
Waste Management and support services	633	-	-	-	-	633
Trading standards	-	(52)	-	-	-	(52)
Environmental strategy	-	(134)	-	-	-	(134)
Natural Environment	-	(30)	(61)	-	-	(91)
Management & support services	-	-	-	-	-	-
<b>Leisure</b>						
Country Parks	(184)	-	-	-	-	(184)
Marsh Farm	294	-	-	-	-	294
Contributions to other bodies	9	-	-	-	-	9
<b>Management &amp; support services</b>						
Corporate & democratic core	-	(3)	-	-	-	(3)
Emergency planning	-	(114)	(16)	-	(16)	(146)
Community safety	(40)	(22)	(64)	-	17	(109)
Community policing	40	-	(40)	-	-	-
Anti-social behaviour	-	(79)	(39)	-	-	(118)
Members' support	-	(33)	-	-	71	38
<b>TOTAL</b>	<b>(91)</b>	<b>(709)</b>	<b>(220)</b>	<b>-</b>	<b>72</b>	<b>(948)</b>

## CHIEF WHIP, ENVIRONMENT AND WASTE ... RECHARGED STRATEGIC SUPPORT SERVICES

### PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Democratic Services	905	904	(1)	■
<b>TOTAL</b>	<b>905</b>	<b>904</b>	<b>(1)</b>	■

#### Democratic Services

An over spend of **£22,000** arose as a consequence of the Schools Appeal Team generating lower than anticipated income. It is proposed that this over spend is carried forward to be addressed in 2010/11.

Offsetting this position, various minor under spends arose, which totalled **£23,000**. Approval is sought to carry **£14,000** of this under spend forward into 2010/11 to fund the chair and vice chair's civic duties. It is proposed that the remainder (**£9,000**) is returned to the General Balance.

### VARIANCE PLAN

	Transfers between portfolios	Returns (to) / from General Balance	Under spends carried forward to 2010/11	Over spends carried forward to 2010/11	Appns (to)/from earmarked reserves	Total Variance Plan
	£000	£000	£000	£000	£000	£000
Democratic Services	-	(9)	(14)	22	-	(1)
<b>TOTAL</b>	<b>-</b>	<b>(9)</b>	<b>(14)</b>	<b>22</b>	<b>-</b>	<b>(1)</b>

## CHIEF WHIP, ENVIRONMENT AND WASTE ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Country Park Schemes	950	875	(75)	●
Waste Schemes	2,800	2,613	(187)	●
Other schemes	-	1	1	●
<b>TOTAL</b>	<b>3,750</b>	<b>3,489</b>	<b>(261)</b>	●

**Country Parks**

Approval is sought to bring forward capital payments guideline of **£45,000** from 2010/11 for the Thames Chase Forest Centre which has progressed ahead of schedule.

Approval is also sought to re-profile capital payments guideline of **£120,000** into 2010/11 in relation to slippage in the following projects:

- Acquisition of West Wood (**£100,000**);
- Cudmore Grove (**£11,000**); and
- Gateways to Essex (**£9,000**).

**Waste schemes**

Approval is sought to re-profile capital payment guidelines into 2010/11 in respect of slippage in the following schemes:

- Inter authority agreements work by Districts (**£238,000**);
- Braintree RCHW (**£81,000**); and
- Restoration at Shalford (**£10,000**).

An over spend on the Saffron Walden RCHW of **£147,000** results from the anticipated contribution from a developer being deferred.

**Other schemes**






Residual payments related to old schemes have resulted in a net over spend of **£1,000**.



## CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Country Park Schemes	-	-	-	45	(120)	(75)	75
Waste Schemes	-	(5)	147	-	(329)	(187)	182
Other schemes	3	(2)	-	-	-	1	-
<b>TOTAL</b>	<b>3</b>	<b>(7)</b>	<b>147</b>	<b>45</b>	<b>(449)</b>	<b>(261)</b>	<b>257</b>

## HERITAGE, CULTURE AND THE ARTS ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p>The Portfolio's revenue budget was under spent by <b>£180,000</b>.</p> <p>Approval is sought to withdraw <b>£87,000</b> from the Life Raft pledges reserve, to offset expenditure incurred in support to various events. Partially offsetting this, it is proposed that an additional <b>£18,000</b> is appropriated to the Newton Bequest reserve, as the amount bequeathed to the Council exceeded previous estimates.</p> <p>Approval is sought to carry an under spend of <b>£73,000</b> forward for use in 2010/11.</p> <p>It is proposed that the underlying under spend of <b>£176,000</b> is applied to offset over spends by other Portfolios.</p>	
CAPITAL	<p>The Portfolio's capital payments guideline was under spent by <b>£2.863m</b>, primarily as a consequence of slippage in schemes.</p>	
RAG status		
	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget	
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	

## HERITAGE, CULTURE AND THE ARTS ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Crossing Temple	90	101	11	◆
Built Environment	946	903	(43)	■
Heritage & cultural services	2,526	2,636	110	●
Historic environment	412	546	134	◆
Quality of Life	139	141	2	●
Tourism	470	470	-	■
Libraries and Information Services	17,412	17,018	(394)	■
<b>TOTAL</b>	<b>21,995</b>	<b>21,815</b>	<b>(180)</b>	■

**Crossing Temple**

An over spend was brought forward from 2008/09 which has not been fully mitigated in 2009/10. It is proposed that an under spend on waste management (Chief Whip, Environment and Waste portfolio) is applied to offset the over spend of **£11,000** in the current year.

**Built environment**

An under spend of **£43,000** results from staff vacancies, reduced expenditure on staff training undertaken due to workloads and lower expenditure on the provision of historic preservation and Essex design initiative courses.

It is proposed that this under spend is applied to offset an over spend on Historic Environment.

**Heritage and cultural services**

Approval is sought to withdraw **£87,000** from the Life Raft Pledges reserve to finance additional expenditure in the last quarter of 2009/10. Partially offsetting this request, it is proposed that **£18,000** is appropriated into the Newton Bequest reserve.

The underlying position, after allowing for these appropriations, is an over spend of **£41,000**. This includes the write off obsolete stock amounting to **£66,000**. Approval is sought retrospectively to this stock write off.

It is proposed that under spends by the Leader portfolio are applied to offset this over spend, and to support requests to carry forward budget of **£60,000** to fund costs associated with the Seax Digitisers and individual Art projects.

<b>Historic environment</b>	This budget is over spent by <b>£134,000</b> as a consequence of a shortfall in the income generated by the Field Archaeology Unit, which it was not possible to fully mitigate by savings. It is proposed that under spends in respect of the Built Environment (within this portfolio) and Sustainable Development (Communities and Planning portfolio) are applied to offset this over spend.
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<b>Quality of life</b>	It is proposed that an under spend by the Communities and Planning portfolio is applied to offset an over spend of <b>£2,000</b> against this budget.
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<b>Libraries and information services</b>	The cost of undertaking minor improvement work to premises was lower than anticipated and this, combined with lower IT charges, resulted in an under spend of <b>£394,000</b> . It is proposed that the majority of this under spend is applied to offset an over spend in respect of Adult Community Learning (Leader portfolio). Approval is sought to carry <b>£13,000</b> forward for use in 2010/11.
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## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
Crossing Temple	11	-	-	-	-	11
Built Environment	(43)	-	-	-	-	(43)
Heritage & cultural services	101	-	(60)	-	69	110
Historic environment	134	-	-	-	-	134
Quality of Life	2	-	-	-	-	2
Tourism	-	-	-	-	-	-
Libraries and Information Services	(381)	-	(13)	-	-	(394)
<b>TOTAL</b>	<b>(176)</b>	<b>-</b>	<b>(73)</b>	<b>-</b>	<b>69</b>	<b>(180)</b>

## HERITAGE, CULTURE AND THE ARTS ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Built Environment Schemes	426	368	(58)	●
Cressing Temple	11	15	4	◆
Colchester Visual Arts Centre	2,000	-	(2,000)	●
Jaywick Martello Tower	17	17	-	■
Community Services - Self Service in Libraries	530	-	(530)	●
Community Services - Wi-Fi through Libraries	125	112	(13)	●
New Library - Springfield	81	-	(81)	●
Libraries & Information Services - Misc	384	199	(185)	●
<b>TOTAL</b>	<b>3,574</b>	<b>711</b>	<b>(2,863)</b>	●

**Built Environment schemes**

An under spend of **£58,000** results from slippage in the programme of public art schemes. It is proposed that **£4,000** of the under spend is applied to offset an over spend on Cressing Temple. Approval is sought to re-profile the remainder of the under spend (**£54,000**) to enable the public art schemes to be progressed in 2010/11.

**Cressing Temple**

Payments exceed the scheme and payments guideline by **£4,000**. It is proposed that **£4,000** of the under spend on Built Environment schemes is applied to offset this over spend.

**Colchester visual arts centre**

Approval is sought to re-profile capital payment guidelines of **£2m** into 2010/11 as a consequence of slippage in this scheme.

**Self Service in Libraries**

Approval is sought to re-profile capital payment guidelines of **£530,000** into 2010/11 as a consequence of slippage in this scheme.

**Wi-Fi through Libraries**







Approval is sought to re-profile capital payment guidelines of **£13,000** into 2010/11 as a consequence of slippage in this scheme.

<b>New Library scheme</b>	Approval is sought to re-profile capital payment guidelines of <b>£81,000</b> into 2010/11 as a consequence of slippage in this scheme.
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<b>Other Libraries schemes - £185,000</b>	An under spend of <b>£185,000</b> resulted from delays in the Dunmow, Saffron Walden and Rochford Library schemes. Additionally, there are a variety of smaller schemes where final payments are still to be made.
	Approval is sought to re-profile capital payment guidelines of <b>£182,000</b> into 2010/11 in respect of these schemes.

CAPITAL – VARIANCE PLAN							
	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Built Environment Schemes	-	(4)	-	-	(54)	(58)	54
Cressing Temple	4	-	-	-	-	4	-
Colchester Visual Arts Centre	-	-	-	-	(2,000)	(2,000)	2,000
Jaywick Martello Tower	-	-	-	-	-	-	-
Community Services - Self Service in Libr	-	-	-	-	(530)	(530)	530
Community Services - Wi-Fi through Libr	-	-	-	-	(13)	(13)	13
New Library - Springfield	-	-	-	-	(81)	(81)	81
Libraries & Information Services - Misc	-	(3)	-	-	(182)	(185)	182
<b>TOTAL</b>	<b>4</b>	<b>(7)</b>	<b>-</b>	<b>-</b>	<b>(2,860)</b>	<b>(2,863)</b>	<b>2,860</b>

## LEADER ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
<b>REVENUE</b>	<p>The Portfolio's revenue budget was under spent by <b>£601,000</b>. However, it is proposed that other portfolios' under spends of <b>£648,000</b> are also attributed to the Leader portfolio.</p> <p>Approval is sought to withdraw <b>£133,000</b> from the Service Improvement Reserve, to finance additional expenditure in respect of the 'supporting diverse communities project' and to withdraw <b>£29,000</b> from the ExDRA reserve to fund expenditure associated with the European Social Fund.</p> <p>Approval is sought to carry <b>£1.014m</b> forward for use in 2010/11.</p> <p>It is proposed that the underlying under spend of <b>£397,000</b> is returned to the General Balance.</p>	
<b>RECHARGED STRATEGIC SUPPORT SERVICES</b>	<p>The portfolio's Recharged Strategic Support Services were under spent by <b>£530,000</b>. It is proposed that <b>£265,000</b> of this total is returned to the General Balance. Approval is sought to carry the remainder (<b>£265,000</b>) forward for use in 2010/11.</p>	
<b>CAPITAL</b>	<p>The Portfolio's capital payments guideline was under spent by <b>£715,000</b>. Approval is sought to re-profile capital payments guideline as a consequence of slippage of schemes into 2010/11 (<b>£551,000</b>) and to take account of schemes progressing ahead of schedule (<b>£26,000</b>).</p> <p>The underlying position is an under spend of <b>£190,000</b>.</p>	
RAG status		
	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget	
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	

## LEADER ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Democratic Core				
Democratic representation & Management	3,688	3,226	(462)	●
Corporate Management - Leadership	3,808	3,460	(348)	●
Essex Initiatives	169	-	(169)	●
Contributions and subscriptions	346	334	(12)	■
Corporate Management - Resource Management	-	-	-	■
Publications	-	-	-	■
LAA Pooled Funds	350	(59)	(409)	●
LAA performance reward	5,314	5,314	-	■
Adult Community Learning	(272)	681	953	◆
Regeneration	2,501	2,619	118	●
Inward Investment	497	450	(47)	●
International development	321	234	(87)	●
Skills and International	1,169	1,031	(138)	●
<b>TOTAL</b>	<b>17,891</b>	<b>17,290</b>	<b>(601)</b>	●

### Democratic representation and management

An under spend of **£462,000** results from slippage in the performance information architecture and talent management projects, and as a result of staff vacancies.

Approval is sought to carry **£382,000** of the under spend forward into 2010/11 for the following purposes:

- To enable the performance information architecture project to be progressed (**£283,000**).
- To meet costs associated with development of the COMAD decision publishing tool (**£60,000**);
- To support the Colchester Credit Union (**£19,000**); and
- For the development and refresh of the leadership development programme in line with transformation and organisational changes (**£20,000**).

It is proposed that a further **£7,000** of the under spend is attributed to support carry forward requests by the Heritage, Culture and the Arts portfolio, and that the remainder (**£73,000**) is returned to the General Balance.



<p><b>Corporate management – leadership</b></p>	<p>The under spend of <b>£348,000</b> predominantly results from deferring spend on discretionary projects.</p> <p>It is proposed that <b>£309,000</b> of the under spend is returned to general balances and that <b>£39,000</b> is allocated to support a request by the Education and 2012 Games portfolio to carry funds forward for home to school transport.</p>
<p><b>Essex initiatives</b></p>	<p>The under spend of <b>£169,000</b> results from slippage in several initiatives. Approval is therefore sought to carry forward <b>£90,000</b> to fund the Volunteering project in 2010/11. It is proposed that the remainder of the under spend (<b>£79,000</b>) is allocated to the Highways and Transportation portfolio, to support a carry forward request for funding for the Youth Concessionary Fares (BITE) scheme.</p>
<p><b>Contributions and subscriptions</b></p>	<p>It is proposed that the under spend of <b>£12,000</b> is applied to offset an over spend by the Heritage, Culture and the Arts portfolio.</p>
<p><b>LAA pooled funds</b></p>	<p>The under spend of <b>£409,000</b> is the result of funds made available that are not required to support on-going activities.</p> <p>Approval is sought to carry forward <b>£240,000</b> of this under spend, to fund the core external funding team within this portfolio. It is proposed that a further <b>£168,000</b> is allocated to offset over spends on sports development (within the Education and 2012 Games portfolio) and on heritage and cultural services (within the Heritage, Culture and the Arts portfolio).</p>
<p><b>Adult community learning</b></p>	<p>The over spend results from various budget pressures and a greater than anticipated reduction in Learning and Skills Council funding.</p> <p>It is proposed that this over spend is financed from under spends by the Libraries and Information Service and Adult Social Care.</p> <p><i>Note:</i></p> <p><i>With effect from May 2010, responsibility for Adult Community Learning transferred to the Cabinet Member for Heritage, Culture and the Arts.</i></p>
<p><b>Regeneration</b></p>	<p>Approval is sought to withdraw <b>£133,000</b> from the Service Improvement Reserve to finance additional expenditure in respect of the 'supporting diverse communities project' and to withdraw <b>£29,000</b> from the ExDRA reserve to fund expenditure associated with the European Social Fund.</p> <p>The underlying position is an under spend of <b>£44,000</b>, and approval is sought to carry this unspent budget forward into 2010/11 to meet costs associated with the second phase of Banking on Essex.</p>

<b>Inward investment</b>	<b>£47,000</b> was set aside in 2009/10 to enable the service to participate at various exhibitions and events. These events were subsequently deferred until 2010/11 and so approval is sought to carry forward <b>£33,000</b> of the unspent budget into 2010/11. It is proposed that the remainder of the under spend ( <b>£14,000</b> ) is returned to the General Balance.
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<b>International development</b>	The under spend of <b>£87,000</b> is as a result of staff vacancies throughout the year and lower activity spend. Approval is sought to carry this forward to fund the core external funding team in 2010/11.
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<b>Skills and international</b>	An under spend of <b>£138,000</b> results from deferral of apprenticeship schemes and from delays in establishing the office in China.  Approval is sought to carry the unspent budget forward to fund various apprenticeship programmes and costs associated with establishing the office in China.
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## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
Democratic Core						
Democratic representation and Management	(7)	(73)	(382)	-	-	(462)
Corporate Management - Leadership	(39)	(309)	-	-	-	(348)
Essex Initiatives	(79)	-	(90)	-	-	(169)
Contributions and subscriptions	(12)	-	-	-	-	(12)
Corporate Management - Resource Management	-	-	-	-	-	-
Publications	-	-	-	-	-	-
LAA Pooled Funds	(168)	(1)	(240)	-	-	(409)
LAA performance reward	-	-	-	-	-	-
Adult Community Learning	953	-	-	-	-	953
Regeneration	-	-	(44)	-	162	118
Inward Investment	-	(14)	(33)	-	-	(47)
International development	-	-	(87)	-	-	(87)
Skills and International	-	-	(138)	-	-	(138)
<b>TOTAL</b>	<b>648</b>	<b>(397)</b>	<b>(1,014)</b>	<b>-</b>	<b>162</b>	<b>(601)</b>

## LEADER ... RECHARGED STRATEGIC SUPPORT SERVICES

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Communications and customer relations	2,251	1,877	(374)	●
Customer Contact Centre	1,639	1,483	(156)	●
<b>TOTAL</b>	<b>3,890</b>	<b>3,360</b>	<b>(530)</b>	●

**Communications and Customer Relations**

The under spend of **£374,000** mainly results from the events team having generated additional income and as a consequence of a delay in publishing an edition of the Essex Works magazine.

Approval is sought to carry **£355,000** of the under spend forward into 2010/11 to fund future events work, the Essex Works and 'Visit Essex' publications and Safer Essex campaign work.

It is proposed that the remaining **£19,000** is returned to general balances.

**Customer Contact Centre**

An under spend of **£156,000** primarily resulted as a consequence of staff vacancies. It is proposed that the whole of this under spend is returned to general balances.

## VARIANCE PLAN

	Transfers between portfolios	Returns (to) / from General Balance	Under spends carried forward to 2010/11	Over spends carried forward to 2010/11	Appns (to)/from earmarked reserves	Total Variance Plan
	£000	£000	£000	£000	£000	£000
Communications and customer relations	-	(19)	(355)	-	-	(374)
Customer Contact Centre	-	(156)	-	-	-	(156)
<b>TOTAL</b>	<b>-</b>	<b>(175)</b>	<b>(355)</b>	<b>-</b>	<b>-</b>	<b>(530)</b>

## LEADER ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Economic Participation	1,507	1,533	26	●
Jaywick Regeneration	154	57	(97)	●
Chelmsford Innovation Centre	300	-	(300)	●
Aeronautical Apprenticeships	50	50	-	■
Adult Community Learning	344	79	(265)	●
Other Leader schemes	23	(56)	(79)	●
<b>TOTAL</b>	<b>2,378</b>	<b>1,663</b>	<b>(715)</b>	●

**Jaywick regeneration**

An under spend on this scheme results from Tendring District Council incurring expenditure of **£97,000** themselves, as a consequence of receiving grant funding from DEFRA.

Approval is sought to re-profile capital payment guideline of **£97,000** into 2010/11.

**Chelmsford Innovation Centre**

An under spend of **£300,000** results from slippage in the project, whilst finalising contributions from the East of England Development Agency and European Regional Development Fund. Approval therefore sought to re-profile the capital payment guideline of **£300,000** into 2010/11.

**Economic participation**

Retrospective approval is sought to increase the scheme and payment guideline for this project by **£26,000**. The additional capital expenditure will be financed from additional grant funding.

<b>Adult community learning</b>	<p>There is an under spend on Wilson Marriage as a result of creditors raised at year end in 2008/09 not being fully utilised.</p> <p>Approvals of <b>£98,000</b> for Capital Grants to Voluntary Organisations, and <b>£10,000</b> for the upgrade of TERMS database, have not been utilised in year.</p> <p>The North Essex Adult Community college scheme has also under spent by <b>£6,000</b>.</p> <p>Approval therefore sought to re-profile the capital payment guideline of <b>£114,000</b> into 2010/11.</p> <p><i>Note:</i></p> <p><i>With effect from May 2010, responsibility for Adult Community Learning transferred to the Cabinet Member for Heritage, Culture and the Arts.</i></p>
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<b>Other Leader schemes</b>	<p>The Corporate Complaints system scheme has not been progressed during 2009/10 and it is proposed that the scheme and payment approvals are removed from the capital programme.</p>
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### CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Economic Participation	26	-	-	-	-	26	-
Jaywick Regeneration	-	-	-	-	(97)	(97)	97
Chelmsford Innovation Centre	-	-	-	-	(300)	(300)	300
Aeronautical Apprenticeships	-	-	-	-	-	-	-
Adult Community Learning	-	(151)	-	-	(114)	(265)	114
Other Leader schemes	-	(79)	-	-	-	(79)	-
<b>TOTAL</b>	<b>26</b>	<b>(230)</b>	<b>-</b>	<b>-</b>	<b>(511)</b>	<b>(715)</b>	<b>511</b>

## COMMUNITIES AND PLANNING ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p>The Portfolio's budget was under spent by <b>£252,000</b>.</p> <p>It is proposed that <b>£93,000</b> of the under spend is applied to offset over spends by other services and to carry <b>£88,000</b> forward to support projects in 2010/11. It is further proposed that <b>£89,000</b> is repaid into the Service Improvement Reserve in respect of the Stansted Inquiry.</p> <p>It is proposed that <b>£187,000</b> is withdrawn from the General Balance to finance additional expenditure related to the Colchester northern approaches. Partially offsetting this, it is intended to return <b>£169,000</b> to the General Balance in relation to savings achieved by several of the Portfolio's services.</p>	■
CAPITAL	<p>The Portfolio's capital payments guideline was under spent by <b>£1.837m</b>, primarily as a consequence of slippage in schemes.</p>	●

## RAG status

■	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget
●	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget
◆	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget

## COMMUNITIES AND PLANNING ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Area and partnership coordination	501	450	(51)	●
Developing partnerships with Districts	899	904	5	●
Making the link	242	243	1	●
Rural issues	386	268	(118)	●
Travellers	35	27	(8)	●
Sustainable development	1,181	970	(211)	●
Development management	901	1,026	125	◆
Environmental planning	1,039	1,044	5	●
<b>TOTAL</b>	<b>5,184</b>	<b>4,932</b>	<b>(252)</b>	■

**Area and partnership coordination**

An under spend of **£51,000** primarily results from staff vacancies. It is proposed that **£5,000** of this under spend is applied to offset an over spending on Developing Partnerships and Districts and that a further **£1,000** is applied to offset an over spend on Making the Links. It is proposed that the remainder of the under spend (**£45,000**) is returned to general balances.

**Developing partnerships with Districts**

It is proposed that **£5,000** of the under spend on Area and Partnership Co-ordination is applied to offset a minor over spend on developing partnerships with Districts.

**Making the link**

It is proposed that **£1,000** of the under spend on Area and Partnership Co-ordination is applied to offset a minor over spend on Making the Link.

**Rural issues**

The under spend of **£118,000** is primarily as a result of making reduced contributions to external bodies.

Approval is sought to carry **£88,000** of the under spend forward into 2010/11 to fund the North Weald tree nursery and Essex grazing schemes.

It is proposed that a further **£2,000** of the under spend is applied to offset an over spend by the Heritage, Culture and the Arts portfolio, in relation to Quality of Life and Heritage and Cultural Services.

It is proposed that the remainder of the under spend (**£28,000**) is returned to the General Balance.

<b>Travellers</b>	An under spend of <b>£8,000</b> results from the generation of additional income. It is proposed that <b>£5,000</b> of this under spend is applied to offset an over spend on Environmental Planning.
<b>Sustainable development</b>	<p>An under spend of <b>£211,000</b> results from slippage in the programme of consultancy work related to the Stansted M11 corridor and other regional planning studies.</p> <p>It is proposed that <b>£91,000</b> of this under spend is applied to offset an over spend in relation to Historic Environment (Heritage, Culture and the Arts portfolio).</p> <p>In addition, it is proposed that <b>£89,000</b> is appropriated into the Service Improvement Reserve, to repay funds allocated for the Stansted Enquiry, and that <b>£31,000</b> is returned to the General Balance.</p>
<b>Development management</b>	<p>Approval is sought to withdraw <b>£187,000</b> from the General Balance to finance costs associated with the Colchester northern approaches.</p> <p>Partially offsetting this, it is proposed that <b>£62,000</b> is returned to the General Balance in relation to efficiency savings achieved by the Service.</p>
<b>Environmental planning</b>	An over spend of <b>£5,000</b> results from a shortfall in planning application income and additional expenditure on the Rivenhall and Widdington inquiries. It is proposed that the under spend on travellers is utilised to mitigate this position.

## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance  £000	Under spends carried forward to 2010/11  £000	Over spends carried forward to 2010/11  £000	Appns (to)/from earmarked reserves  £000	Total Variance Plan  £000
Area and partnership coordination	(6)	(45)	-	-	-	(51)
Developing partnerships with Districts	5	-	-	-	-	5
Making the link	1	-	-	-	-	1
Rural issues	(2)	(28)	(88)	-	-	(118)
Travellers	(5)	(3)	-	-	-	(8)
Sustainable development	(91)	(31)	-	-	(89)	(211)
Development management	-	125	-	-	-	125
Environmental planning	5	-	-	-	-	5
<b>TOTAL</b>	<b>(93)</b>	<b>18</b>	<b>(88)</b>	<b>-</b>	<b>(89)</b>	<b>(252)</b>



## COMMUNITIES AND PLANNING ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Travellers Schemes	236	182	(54)	●
Community Initiatives Fund	1,666	691	(975)	●
Youth Community Initiatives Fund	1,766	958	(808)	●
<b>TOTAL</b>	<b>3,668</b>	<b>1,831</b>	<b>(1,837)</b>	●

**Community Initiatives Fund**

An under spend of **£975,000** results from fewer requests being received for funding in 2009/10 than anticipated. As further bids for funding are anticipated, approval is sought to re-profile the capital payment guideline into 2010/11.

**Youth Community Initiatives Fund**

An under spend of **£808,000** results from fewer requests being received for funding in 2009/10 than anticipated. As further bids for funding are anticipated, approval is sought to re-profile the capital payment guideline into 2010/11.





**Travellers**

An under spend of **£58,000** results from slippage in work on the Sandiacres travellers' site. Approval is sought to re-profile the capital payments guideline for this project into 2010/11.




## CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Travellers Schemes	-	-	4	-	(58)	(54)	54
Community Initiatives Fund	-	-	-	-	(975)	(975)	975
Youth Community Initiatives Fund	-	-	-	-	(808)	(808)	808
<b>TOTAL</b>	-	-	<b>4</b>	-	<b>(1,841)</b>	<b>(1,837)</b>	<b>1,837</b>

## MAJOR PROJECTS AND COMMERCIAL SERVICES ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
<b>REVENUE</b>	The Portfolio's revenue budget is under spent by <b>£13,000</b> . It is proposed that this under spend is applied to partially offset an over spend by the Facilities Management Service.	
<b>RECHARGED STRATEGIC SUPPORT SERVICES AND BUILDING MAINTENANCE</b>	<p>Overall, the Portfolio's Recharged Strategic Support Services and Building Maintenance budgets were overspent by <b>£854,000</b>.</p> <p>It is proposed that an over spend of <b>£934,000</b> by Legal Services is financed by a withdrawal from the General Balance.</p> <p>It is further proposed that over spends by Facilities Management and Procurement and the Car Provision Scheme are partly mitigated by use of under spends by other services (<b>£445,000</b>), with <b>£112,000</b> being carried forward to be addressed in 2010/11.</p> <p>It is proposed that <b>£413,000</b> is returned to the General Balance and that <b>£207,000</b> is appropriated into the Health and Safety Reserve.</p>	
<b>TRADING ACTIVITIES</b>	The Portfolio's trading activity achieved a surplus of <b>£5,000</b> , which has been added to the trading activity's accumulated revenue reserve.	
<b>CAPITAL</b>	<p>The Portfolio's capital payments guideline was under spent by <b>£575,000</b>. Approval is sought to re-profile capital payments guideline as a consequence of slippage of schemes into 2010/11 (<b>£518,000</b>) and to take account of schemes progressing ahead of schedule (<b>£8,000</b>).</p> <p>The underlying position is an under spend of <b>£65,000</b>.</p>	

### RAG status

	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or Under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget
	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget

## MAJOR PROJECTS AND COMMERCIAL SERVICES ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Shared use buildings	(17)	(30)	(13)	●
<b>TOTAL</b>	<b>(17)</b>	<b>(30)</b>	<b>(13)</b>	●

**Shared use buildings**

It is proposed that the under spend of **£13,000** is applied to partially offset an over spend by Facilities Management.

## VARIANCE PLAN

	Transfers between portfolios	Returns (to) / from General Balance	Under spends carried forward to 2010/11	Over spends carried forward to 2010/11	Appns (to)/from earmarked reserves	Total Variance Plan
	£000	£000	£000	£000	£000	£000
Shared use buildings	(13)	-	-	-	-	(13)
<b>TOTAL</b>	<b>(13)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13)</b>

## MAJOR PROJECTS AND COMMERCIAL SERVICES ... RECHARGED STRATEGIC SUPPORT SERVICES AND BUILDING MAINTENANCE

### PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
<b>Recharged Strategic Support Services</b>				
Facilities Management Service	14,743	14,847	104	●
Essex Legal Services	3,409	4,344	935	◆
Asset Management	2,972	2,765	(207)	●
Procurement and Car Provision Scheme	2,872	3,118	246	◆
<b>Building Maintenance</b>	6,163	5,939	(224)	■
<b>TOTAL</b>	<b>30,159</b>	<b>31,013</b>	<b>854</b>	◆

#### Facilities Management

An over spend of **£104,000** results from delayed implementation of project Barracuda and higher utility bills.

The majority of this over spend (**£96,000**) will be carried forward and addressed in 2010/11. The remainder is offset by under spends elsewhere.

#### Essex Legal Services

The over spend results from the service dealing with an increased number of childcare cases and commercial work on projects such as BSF and the Olympics.

It is proposed that **£934,000** of the over spend is financed by a withdrawal from the General Balance. It is proposed that the remainder is offset by under spends elsewhere.

As the Service now undertakes a significant amount of work for a number of external bodies, it is proposed that it is operated as a trading activity with effect from 2010/11.

<b>Asset Management</b>	<p>A net under spend of <b>£207,000</b> was realised. However, included within this total was an over spend of <b>£96,000</b> as a consequence of a claim related to the Basildon Pioneer School project. It is proposed that <b>£80,000</b> of the under spend on Waste Management (Chief Whip, Environment and Waste portfolio) is applied to help mitigate this over spend. The remainder (<b>£16,000</b>) will be carried forward and addressed in 2010/11.</p> <p>It is proposed that <b>£157,000</b> of the underlying under spend is applied to offset an over spend by the Facilities Management Service and that <b>£146,000</b> is returned to the General Balance.</p>
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<b>Procurement and Car Provision Scheme</b>	<p><b>£103,000</b> of the under spend results from staff vacancies and the generation of additional income. It is proposed that this sum is returned to general balances.</p> <p>The Car Provision scheme was over spent by <b>£349,000</b>. It is proposed that the Highways and Transportation portfolio under spend is applied to offset this position.</p>
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<b>Building Maintenance</b>	<p>It is proposed that <b>£207,000</b> of the under spend on building maintenance is appropriated into the health and safety reserve, and that the remainder (<b>£17,000</b>) is returned to general balances.</p>
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## VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
<b>Recharged Strategic Support Services</b>						
Facilities Management Service	172	(164)	-	96	-	104
Essex Legal Services	1	934	-	-	-	935
Asset Management	(77)	(146)	-	16	-	(207)
Procurement and Car Provision Scheme	349	(103)	-	-	-	246
<b>Building Maintenance</b>	-	(17)	-	-	(207)	(224)
<b>TOTAL</b>	<b>445</b>	<b>504</b>	<b>-</b>	<b>112</b>	<b>(207)</b>	<b>854</b>

## MAJOR PROJECTS AND COMMERCIAL SERVICES ... TRADING ACTIVITIES

## Smarte East

2008-09		2009-10				Rag Status	
Actual		Original Budget	Latest Budget	Provisional Outturn	Variance		Variance
£000		£000	£000	£000	£000	%	
(109)	Income	(166)	(166)	(221)	(55)	33.13%	●
105	Expenditure	126	126	216	90	71.43%	◆
-	Financing Items	-	-	-	-	-	■
(4)	<b>(Surplus)/Deficit</b>	<b>(40)</b>	<b>(40)</b>	<b>(5)</b>	<b>35</b>	<b>(87.50%)</b>	●
-	Appropriations	-	-	-	-	-	■
(4)	<b>Net (increase) / decrease in revenue reserves</b>	<b>(40)</b>	<b>(40)</b>	<b>(5)</b>	<b>35</b>	<b>(87.50%)</b>	●
<b>2008-09</b>		<b>2009-10</b>					
<b>Closing</b>		<b>Opening</b>		<b>Closing</b>			
<b>Balance</b>		<b>Balance</b>		<b>Balance</b>			
£000		£000		£000			
(4)	<b>Total Reserves Balance</b>			(4)	(9)		●

**Comments:**

A surplus of **£5,000** was achieved, although this was lower than anticipated as a consequence of projects being commissioned earlier than anticipated.

## MAJOR PROJECTS AND COMMERCIAL SERVICES ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Facilities Management Schemes	869	695	(174)	●
Asset Management Schemes	8,076	7,544	(532)	●
Legal Services	-	8	8	●
Building Maintenance	1,640	1,763	123	◆
<b>TOTAL</b>	<b>10,585</b>	<b>10,010</b>	<b>(575)</b>	●

**Facilities Management schemes**

Approval is sought to re-profile capital payment guidelines of **£117,000** into 2010/11 as a consequence of slippage in relation to Brentwood library, air conditioning in County Hall 'B' block and minor works.

Provision for carbon reduction schemes remained unspent and it is therefore proposed that **£57,000** is repaid, via the Reserve for Future Capital Funding, to the Carbon Reduction Reserve.

**Asset Management schemes**

**£524,000** of the under spend results from slippage in the Harlow Hub office development and Coptfold House exit strategy. Approval is sought to re-profile the capital payment guideline for these projects into 2010/11.

It is proposed that a further under spend of **£8,000** is appropriated, via the Reserve for Future Capital Funding, to the Capital Receipts Pump Priming reserve.

**Legal Services**

An over spend of **£8,000** resulted from additional work being undertaken on the New Bridge House offices. It is proposed that this over spend is carried forward, to be addressed in 2010/11.

**Building maintenance**

Capitalised Building Maintenance has overspent by **£123,000** due to a number of emergency works required at the year end due to the severe weather. These included a boiler replacement at Shernbroke Hostel, and roofing repairs at Clacton and Manningtree libraries. It is proposed that the over spend is carried forward to be addressed in 2010/11.

## CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Facilities Management Schemes	-	(57)	-	-	(117)	(174)	117
Asset Management Schemes	-	(8)	-	-	(524)	(532)	524
Legal Services	-	-	8	-	-	8	(8)
Building Maintenance	-	-	123	-	-	123	(123)
<b>TOTAL</b>	-	<b>(65)</b>	<b>131</b>	-	<b>(641)</b>	<b>(575)</b>	<b>510</b>



## DEPUTY LEADER, FINANCE AND TRANSFORMATION ... AT A GLANCE

REVIEW	COMMENTARY	RAG STATUS
REVENUE	<p>The Portfolio's revenue budget was under spent by <b>£147,000</b>.</p> <p>An over spend of <b>£180,000</b> in respect of the Coroner's Court's Service will be carried forward to be addressed in 2010/11.</p> <p>Of the underlying under spend of <b>£327,000</b>, <b>£324,000</b> will be returned to the General Balance and <b>£3,000</b> will be applied to offset overspendings by other portfolios.</p>	■
RECHARGED STRATEGIC SUPPORT SERVICES	<p>Overall, the Portfolio's Recharged Strategic Support Services were under spent by <b>£1.104m</b>.</p> <p>It is proposed that <b>£2.012m</b> is returned to the General Balance and that <b>£988,000</b> is carried forward and <b>£1.735m</b> is appropriated into the IMT Reserve to support projects in 2010/11.</p> <p>Partially offsetting these proposals, approval is sought to withdraw <b>£836,000</b> from the Waste reserve and <b>£2.795m</b> from the Insurance Reserve.</p>	●
TRADING ACTIVITIES	<p>The Portfolio's trading activity incurred a loss of <b>£479,000</b> this year, which it is proposed is financed by a withdrawal from the General Balance.</p>	●
CAPITAL	<p>The portfolio's capital payments guideline was under spent by <b>£1.524m</b>, primarily as a consequence of slippage in schemes.</p>	●
OPERATING COSTS	<p>It is proposed that a net under spend of <b>£1.830m</b> in relation to interest receivable and payable, and in relation to revenue provision for the repayment of debt, is appropriated into the Reserve for Future Capital Funding.</p> <p>Various proposals are contained elsewhere within this report for appropriating funds to / from the Council's earmarked revenue reserves. The net effect of these proposals is to reduce the amount being appropriated into earmarked revenue reserves by <b>£11.680m</b>.</p>	●
<b>RAG status</b>		
■	Under spend of less than <b>£500,000</b> or <b>5%</b> of the Budget	
●	Over spend of less than <b>£500,000</b> or <b>5%</b> of the Budget; or under spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget.	
◆	Over spend equal to, or greater than, <b>£500,000</b> or <b>5%</b> of the Budget	

## DEPUTY LEADER, FINANCE AND TRANSFORMATION ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
<b>Central Services</b>				
Other services	(141)	(614)	(473)	●
Second Homes Discount Scheme	995	1,173	178	◆
Registration of births, death & marriages	293	256	(37)	●
Coroners' courts	1,568	1,748	180	◆
Assets				
Surplus and Managed Properties	(73)	(91)	(18)	●
Other Property Services	63	79	16	◆
<b>Non distributed pension costs</b>				
Past service costs / (gains)	293	293	-	■
Curtailment	1,046	1,046	-	■
Settlement	(1,504)	(1,504)	-	■
<b>Precepts</b>				
Environment Agency	1,126	1,114	(12)	■
Kent & Essex Sea Fisheries	215	230	15	◆
Financial Reporting Council	-	4	4	●
<b>TOTAL</b>	<b>3,881</b>	<b>3,734</b>	<b>(147)</b>	■

**Other services**

The actual employers' pension contributions made to the Pension Fund were slightly higher than necessary; the excess has been refunded to the Council and this accounts for the majority of the under spend of **£473,000**.

It is proposed that **£185,000** of this under spend is applied to offset over spends on the second homes discount scheme and precepts and that **£288,000** is returned to the General Balance.

**Second homes discount scheme**

It is proposed that the over spend on the second homes discount scheme is offset by the under spend on other services.

**Registration of births, deaths and marriages**

The Service has generated additional income as a consequence of conducting a greater number of citizenship ceremonies.

It is proposed that **£36,000** of the under spend is returned to general balances, and that the remaining **£1,000** is applied to help offset an over spend by Essex Legal Services.

<b>Coroner's Courts service</b>	<p>An over spend of <b>£180,000</b> results from undertaking additional inquests and toxicology tests and from higher costs for body storage.</p> <p>It is proposed that this over spend is carried forward to be addressed in 2010/11.</p>
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<b>Assets</b>	<p>Minor variances on surplus and managed and other properties net to an under spend of <b>£2,000</b> which it is proposed to apply to partially offset an over spend by Facilities Management.</p>
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<b>Precepts</b>	<p>It is proposed that <b>£7,000</b> of the under spend on Other Services is applied to offset the net over spend on precepts.</p>
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<b>VARIANCE PLAN</b>						
	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
<b>Central Services</b>						
Other services	(185)	(288)	-	-	-	(473)
Second Homes Discount Scheme	178	-	-	-	-	178
Registration of births, death & marriages	(1)	(36)	-	-	-	(37)
Coroners' courts	-	-	-	180	-	180
Assets						
Surplus and Managed Properties	(18)	-	-	-	-	(18)
Other Property Services	16	-	-	-	-	16
<b>Non distributed pension costs</b>						
Past service costs / (gains)	-	-	-	-	-	-
Curtailment	-	-	-	-	-	-
Settlement	-	-	-	-	-	-
<b>Precepts</b>						
Environment Agency	(12)	-	-	-	-	(12)
Kent & Essex Sea Fisheries	15	-	-	-	-	15
Financial Reporting Council	4	-	-	-	-	4
<b>TOTAL</b>	<b>(3)</b>	<b>(324)</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>(147)</b>

## DEPUTY LEADER, FINANCE AND TRANSFORMATION ... RECHARGED STRATEGIC SUPPORT SERVICES

### PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Information Services	33,395	30,553	(2,842)	●
Finance	21,278	21,719	441	●
Human Resources	9,627	8,348	(1,279)	●
Insurance Cost Recovery Account	5,050	7,845	2,795	◆
Transformation Support Unit	2,291	2,072	(219)	●
<b>TOTAL</b>	<b>71,641</b>	<b>70,537</b>	<b>(1,104)</b>	●

#### Information Services

It is proposed that **£1.107m** of the under spend on Information Services is returned to the General Balance.

Approval is sought to appropriate the remainder of the unspent budget (**£1.735m**) into the IMT Reserve, in order to set funds aside for improving existing infrastructure and disaster recovery arrangements and to start a modernisation programme for the existing service.

#### Finance

Additional expenditure of **£1.055m** has been incurred as a consequence of commencing Procurement, Information Web and Supporting Services projects with IBM. It is proposed that the under spend by the Transformation Support Unit (**£219,000**) is applied to partially offset this additional expenditure. Approval is sought to withdraw **£836,000** from the Waste Reserve to finance the remainder of these costs.

Offsetting this additional expenditure are various under spends, amounting to **£614,000**. They result from a restructuring of the Payroll and Pensions teams, the transfer of the payroll system from BT to Oracle, staff vacancies and from additional income.

Approval is sought to carry **£278,000** of this under spend forward into 2010/11.

It is proposed that **£336,000** is returned to general balances.

<b>Human Resources</b>	<p>The under spend primarily results from slippage in various projects, including the Transition State, People Change and Employee Communication and e-bulk projects, and as a consequence of staff vacancies and the generation of additional income. Approval is sought to carry <b>£626,000</b> of the unspent budget forward to enable these projects to be progressed in 2010/11.</p> <p>Approval is sought to carry a further <b>£84,000</b> forward for the HR Strategic Partnership.</p> <p>It is proposed that the remainder of the under spend (<b>£569,000</b>) is returned to general balances.</p>
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<b>Transformation Support Unit</b>	<p>An under spend of <b>£219,000</b> resulted from holding a number of posts vacant pending a review of the service's staffing structure.</p> <p>It is proposed that this under spend is applied to offset additional expenditure by the Finance Recharged Strategic Support Service.</p>
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<b>Insurance Cost Recovery Account</b>	<p>An over spend of <b>£2.795m</b> resulted from needing to increase the contribution to the Insurance Provision to ensure that it is at a level sufficient to meet the Actuary's assessment of outstanding liabilities. It is proposed that <b>£2.795m</b> is withdrawn from the Insurance Reserve to finance this additional expenditure.</p>
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## VARIANCE PLAN

	Transfers between portfolios	Returns (to) / from General Balance	Under spends carried forward to 2010/11	Over spends carried forward to 2010/11	Appns (to)/from earmarked reserves	Total Variance Plan
	£000	£000	£000	£000	£000	£000
Information Services	-	(1,107)	-	-	(1,735)	<b>(2,842)</b>
Finance	219	(336)	(278)	-	836	<b>441</b>
Human Resources	-	(569)	(710)	-	-	<b>(1,279)</b>
Insurance Cost Recovery Account	-	-	-	-	2,795	<b>2,795</b>
Transformation Support Unit	(219)	-	-	-	-	<b>(219)</b>
<b>TOTAL</b>	<b>-</b>	<b>(2,012)</b>	<b>(988)</b>	<b>-</b>	<b>1,896</b>	<b>(1,104)</b>

## DEPUTY LEADER, FINANCE &amp; TRANSFORMATION ... TRADING ACTIVITIES

## IS INFRASTRUCTURE

2008-09 Actual	2009-10		Provisional Outturn	Variance	Variance	Rag Status
	Original Budget	Latest Budget				
£000	£000	£000	£000	£000	%	
- Income	-	-	(71)	(71)	-	■
- Expenditure	-	-	549	549	-	◆
- Financing Items	-	-	-	-	-	■
- (Surplus)/Deficit	-	-	478	478	-	■
- Appropriations	-	-	(478)	(478)	-	■
- Net (increase) / decrease in revenue reserves	-	-	-	-	-	■
2008-09 Closing Balance			2009-10			
			Opening Balance	Closing Balance		
£000			£000	£000		
- Total Reserves Balance			-	-		■

**Comments:**

This trading activity was established in 2009/10 to account for internal refresh and decommissioning of IT equipment. A deficit of **£478,000** was incurred in 2009/10 but it is expected that the trading activity will be in surplus in three to five years.

It is proposed that **£478,000** is appropriated from the revenue account to offset this loss. This appropriation will be financed by a withdrawal from the General Balance, on the basis that the trading activity will replenish the General Balance in future years.

## DEPUTY LEADER, FINANCE AND TRANSFORMATION ... CAPITAL

## CAPITAL - PROJECTS

	Forecast Outturn			Rag Status
	Latest Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Human Resources Schemes	24	-	(24)	●
Information Services Schemes	8,421	7,293	(1,128)	●
Finance Projects	372	-	(372)	●
<b>TOTAL</b>	<b>8,817</b>	<b>7,293</b>	<b>(1,524)</b>	●

## Human Resources schemes

**Occupational Health System**

This scheme has not been progressed during 2009/10 and it is proposed that the scheme and payment approvals of **£24,000** are removed from the capital programme.

## Information Services schemes

**Contact Centre**

An under spend of **£23,000** results from slippage in this project and approval is therefore sought to re-profile the payment guideline into 2010/11.

**WAN Replacement**

The under spend of **£73,000** results from slippage in this project and approval is therefore sought to re-profile the payment guideline into 2010/11.

**LAN Infrastructure**

The project is dependent on the WAN replacement which, as referred to above, has been delayed. Approval is therefore sought to re-profile the payment guideline of **£787,000** into 2010/11.

**New Service Desk**

Approval is sought to re-profile capital payment guidelines of **£94,000** into 2010/11, as a consequence of slippage in this project. It is anticipated that the scheme will cost less to complete than budgeted, and so it is also proposed that the scheme approval is reduced by **£28,000**.

<b>Information Services schemes (continued)</b>	<p><b>Imagine Centre</b></p> <p>An under spend of <b>£24,000</b> results from slippage in this project and approval is therefore sought to re-profile the payment guideline into 2010/11.</p> <p><b>IBM Data Centre</b></p> <p>This capital scheme has over spent by <b>£28,000</b>. Approval is therefore sought to increase the scheme and payment approvals by <b>£28,000</b>, to be funded from the under spend on the New Service Desk project.</p> <p><b>Other</b></p> <p>Approval is sought to re-profile capital payments approval of <b>£170,000</b> into 2010/11 in respect of slippage in Essex on-line partnership schemes, and to carry an over spend of <b>£43,000</b> to be addressed in 2010/11.</p>
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<b>Finance projects</b>	<p><b>HR – Self Service Project</b></p> <p>The HR - Self Service project has been delayed and approval is sought to re-profile capital payments guideline of <b>£170,000</b> for this scheme into 2010/11.</p> <p><b>Oracle Upgrade Project</b></p> <p>The Oracle upgrade project has been delayed and approval is sought to use the <b>£202,000</b> in 2010/11 for software upgrades including Oracle 12.1 and Abacus Extranet.</p>
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### CAPITAL – VARIANCE PLAN

	Additions	Reductions	Over spend carried fwd	Advanced works	Slippage	2009/10 Changes	2010/11 Changes
	£000	£000	£000	£000	£000	£000	£000
Human Resources Schemes	-	(24)	-	-	-	(24)	-
Information Services Schemes	28	(28)	43	-	(1,171)	(1,128)	1,128
Finance Projects	-	-	-	-	(372)	(372)	372
<b>TOTAL</b>	<b>28</b>	<b>(52)</b>	<b>43</b>	<b>-</b>	<b>(1,543)</b>	<b>(1,524)</b>	<b>1,500</b>



## OPERATING COSTS ... REVENUE

## PROVISIONAL OUTTURN POSITION

	Provisional Outturn			Rag Status
	Final Budget	Provisional Outturn	Variance	
	£000	£000	£000	
Interest receivable	(3,469)	(4,338)	(869)	●
Interest payable	13,046	12,684	(362)	■
Capital financing	23,516	22,917	(599)	●
Retirement benefits	29,310	29,310	-	■
Emergency contingency	-	-	-	■
Appropriations to / from earmarked revenue reserves				
Schools	-	(6,826)	(6,826)	●
Capital Financing	613	2,378	1,765	◆
Equalisation reserves	15,410	14,574	(836)	●
General reserves	(33,035)	(38,708)	(5,673)	●
<b>TOTAL</b>	<b>45,391</b>	<b>31,991</b>	<b>(13,400)</b>	●

**Interest receivable**

The amount of interest received is higher than anticipated as a consequence of earning more in respect of sums invested and as a result of interest charged on late payments.

It is proposed that the under spend of **£869,000** is appropriated into the Reserve for Future Capital Funding.

**Interest payable**

The under spend on interest payable principally resulted from a decision to defer further long term borrowing until 2010/11.

It is proposed that the under spend of **£362,000** is appropriated into the Reserve for Future Capital Funding.

**Capital financing**

Revenue provision for the repayment of debt was lower than budgeted as a consequence of slippage in capital expenditure that it was anticipated would be financed from borrowing.

It is proposed that the under spend of **£599,000** is appropriated into the Reserve for Future Capital Funding.

**Appropriations - Schools**

**£6.826m** has been withdrawn from the Schools Reserves in order to finance additional expenditure by schools.

<p><b>Appropriations – capital financing</b></p>	<p>It is proposed that the under spends on the interest and capital financing budgets <b>£1.830m</b> are appropriated into the Reserve for Future Capital Funding, in order to set additional resources aside for capital financing.</p> <p>Partly offsetting this, it is proposed that <b>£65,000</b> is withdrawn from the Reserve for Future Capital Funding in order to return under spends on the Major Projects and Commercial Services portfolio’s capital programme to the Carbon Reduction reserve (<b>£57,000</b>) and to the Capital Receipts Pump Priming reserve (<b>£8,000</b>).</p>
<p><b>Appropriations - Equalisation reserves</b></p>	<p>It is proposed that <b>£836,000</b> is withdrawn from the Waste Reserve to finance additional expenditure by the Finance Recharged Strategic Support Service on various projects undertaken in conjunction with IBM.</p>
<p><b>Appropriations - General Reserves</b></p>	<p>Proposals are contained elsewhere within this report for making various appropriations to/from the general earmarked revenue reserves, as follows:</p> <ul style="list-style-type: none"> <li>▪ <b>Carry forwards reserve</b>  <p>Services have identified <b>£6.044m</b> of under spends that they wish to carry forward for use in 2010/11. It is proposed that these amounts are appropriated into the Carry Forwards reserve, pending further consideration of each business case.</p> </li> <li>▪ <b>Partnership reserves</b>  <p>Approval is sought to withdraw <b>£17,000</b> from the Essex Drug Action Team partnership reserve to fund costs incurred in 2009/10 in relation to DAAT strategic delivery (Chief Whip, Environment and Waste portfolio).</p> <p>Further, it is proposed that <b>£48,000</b> is withdrawn from the Essex Vulnerable Adults Committee reserve to finance additional expenditure by the Committee in 2009/10 (Adults, Health and Community Wellbeing portfolio).</p> </li> <li>▪ <b>Service improvement reserve</b>  <p>Approval is sought to withdraw <b>£133,000</b> from the Service Improvement Reserve to finance additional expenditure in respect of the ‘supporting diverse communities’ project’ (Leader portfolio).</p> <p>Partially offsetting this, it is proposed that <b>£105,000</b> is returned to the Service Improvement Reserve as funding allocated for the Stansted Enquiry (<b>£89,000</b>) and for flu pandemic planning (<b>£16,000</b>) was not fully utilised.</p> </li> <li>▪ <b>ExDRA reserve</b>  <p>Approval is sought to withdraw <b>£29,000</b> from the ExDRA reserve to fund expenditure associated with the European Social Fund (Leader portfolio).</p> </li> </ul>

**Appropriations -  
General Reserves  
(continued)**

- **Life raft pledges reserve**  
Approval is sought to withdraw **£87,000** from the Life Raft Pledges reserve to finance additional expenditure in the last quarter of 2009/10.
- **Newton bequest reserve**  
It is proposed that an additional **£18,000** is appropriated into the Newton bequest reserve as the amount awarded to the Council (Essex Records Office) was higher than estimated.
- **Insurance Reserve**  
It is proposed that **£2.795m** is withdrawn from the Insurance Reserve to finance an additional contribution to the Insurance Provision to ensure that it is at a level sufficient to meet the Actuary's assessment of outstanding liabilities.
- **Essex Transport Reserve**  
Approval is sought to withdraw **£44,000** from the Essex Transport Reserve to finance expenditure incurred by the Highways and Transportation portfolio in respect of the former Essex Transport trading activity.
- **Health and safety reserve**  
It is proposed that **£207,000** of the under spend on building maintenance is appropriated into the Health and Safety reserve.
- **Quadrennial elections reserve**  
Approval is sought to withdraw **£71,000** from the Quadrennial Elections Reserve to finance residual costs related to the 2009 Council elections (Chief Whip, Environment and Waste portfolio).
- **Severe weather reserve**  
It is also proposed that **£252,000** of the Highways and Transportation portfolio's under spend is appropriated into a 'severe weather' reserve, to help mitigate the impact upon future years' budgets of severe winter weather.
- **Trading activities**  
It is proposed that **£804,000** of the Trading Activities accumulated revenue reserves are appropriated to the revenue account to partially repay the supplementary funding awarded to the Education and 2012 Games portfolio during 2009/10.  
  
Partially offsetting this, it is proposed that **£478,000** is appropriated to the IS Infrastructure trading activity.

**Appropriations -  
General Reserves  
(continued)**

- **LAA Performance Reward reserve**

The budgeted appropriation into the LAA Performance Reward reserve assumed that the grant could be applied fully to finance revenue expenditure. However, 50% of the grant must be applied for capital financing purposes, and has therefore been withdrawn from the LAA Performance Reward reserve (**£10.549m**). The scope for switching capital financing resources in order to replenish this reserve is being considered.

- **IMT Reserve**

It is proposed that the under spend by Information Services (**£1.735m**) is appropriated into the IMT Reserve in order to set funds aside for improving existing infrastructure and disaster recovery arrangements and to start a modernisation programme for the existing service.

- **Capital receipts pump priming**

It is proposed that an under spend of **£8,000** on an Asset Management capital scheme is returned to the Capital Receipts Pump Priming reserve.

- **Carbon reduction**

It is proposed that an under spend of **£57,000** on a Facilities Management capital scheme is returned to the Capital Receipts Pump Priming reserve.

### VARIANCE PLAN

	Transfers between portfolios  £000	Returns (to) / from General Balance £000	Under spends carried forward to 2010/11 £000	Over spends carried forward to 2010/11 £000	Appns (to)/from earmarked reserves £000	Total Variance Plan £000
Interest receivable	-	-	-	-	(869)	(869)
Interest payable	-	-	-	-	(362)	(362)
Capital financing	-	-	-	-	(599)	(599)
Retirement benefits	-	-	-	-	-	-
Emergency contingency	-	-	-	-	-	-
Appropriations to / from earmarked revenue reserves						
Schools	-	-	-	-	(6,826)	(6,826)
Capital Financing	-	-	-	-	1,765	1,765
Equalisation reserves	-	-	-	-	(836)	(836)
General reserves	-	478	6,044	-	(12,195)	(5,673)
<b>TOTAL</b>	-	478	6,044	-	(19,922)	(13,400)