

**Forward Plan Reference Number: FP/383/03/19**

<b>Report title:</b> 2019/20 Financial Overview as at the First Quarter Stage	
<b>Report to:</b> Corporate Policy and Scrutiny Committee	
<b>Report author:</b> Nicole Wood, Executive Director for Finance and Technology	
<b>Date:</b> 30 July 2019	<b>For:</b> Information
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<b>County Divisions affected:</b> All Essex	

**1. Purpose of report**

- 1.1 The purpose of this report is to set out the forecast financial position of Essex County Council's (ECC) revenue and capital budgets as at the first quarter stage of the 2019/20 financial year. There is a forecast under spend of **£4.6m** (0.5%) against a net budget of **£939.3m**.
- 1.2 This assumes full commitment of the Emergency Contingency (**£4m**). Whilst there is a forecast under spend, it is early in the financial year and there are known costs and both risks and opportunities which are likely to change the position.
- 1.3 There is an under spend of **£336,000** (0.1%) on capital against the current budget of **£253.3m**. After taking account of budget change requests in this report there will be an over spend of **£66,000**.

**2. Recommendations**

Approval is sought for the following:

- 2.1 To draw down funds from reserves as follows:
- i. **£5.2m** from the Reserve for Future Capital Funding to the Deputy Leader and Infrastructure portfolio in relation to Department of Transport additional Highways funding (section 5.9.ii).
  - ii. **£5m** from the Adults Digital Programme reserve to the Health and Adult Social Care portfolio to fund digital schemes in 2019/20 (section 5.8.iii).
  - iii. **£241,000** from the Community Initiatives Fund reserve to the Customer, Communities, Culture and Corporate Services portfolio to support expenditure incurred to date in relation to local projects and grants to third parties for community improvements (section 5.2.ii).

- iv. **£215,000** from the Community Initiatives Fund Reserve to the Reserve for Future Capital Funding (via the Customer, Communities, Culture and Corporate portfolio), to match expenditure incurred to date in the final quarter of 2018/19 and first quarter of 2019/20) in relation to the Community Initiatives project (section 7.4.ii).
- v. **£205,000** from the Transformation reserve to Customer, Communities, Culture and Corporate Recharged Strategic Support Service (RSSS) portfolio for Organisation Design project funding (section 5.13.ii).
- vi. **£69,000** from the Transformation reserve to the Environment and Waste portfolio in support of development of an energy and low carbon agenda (section 5.6.i).
- vii. **£21,000** from the Transformation reserve to the Reserve for Future Capital Funding (via the Children and Families portfolio) in relation to Children's capital projects.
- viii. **£156,000** from the Transformation Reserve to Performance, Business Planning and Partnerships RSSS to support the Future Gov contract (Essex Transformation Partners) (section 5.16.ii).

2.2 To appropriate funds to reserves as follows:

- i. **£1.4m** to the Waste reserve from Environment and Waste portfolio following a favourable pricing movement (section 5.6.i).
- ii. **£4.6m** to the Transformation reserve from Children and Families portfolio relating to the Children's Sustainability programme (section 5.1.iii).

2.3 To approve the following adjustments:

- i. Vire **£167,000** from Health and Adult Social Care portfolio to Economic Development portfolio in relation to Independent Living posts (section 5.3.ii).
- ii. Vire **£56,000** from Education and Skills Non Dedicated Schools Grant (DSG) portfolio to Customer, Communities, Culture and Corporate portfolio for two posts transferring from the Employment and Licencing Service to Corporate and Customer Services as part of Organisation Design (section 5.2.ii).
- iii. Vire **£20,000** from Customer, Communities, Culture and Corporate RSSS Services to Education and Skills Non DSG portfolio for School Organisation and Place Planning (section 5.5.ii).
- iv. Vire **£2.5m** to Finance, Property and Housing RSSS from other portfolios to reflect early delivery of savings across the Customer and

Corporate Services function. Budget to be transferred from Customer, Communities, Culture and Corporate (£1.1m); Customer, Communities, Culture and Corporate RSSS (£1m); Education and Skills Non DSG (£260,000); Health and Adult Social Care (£93,000) (section 5.14.ii).

- v. **£60,000** from the Place Services Traded reserve to Place Services Traded budget to fund investment in their office environment (section 6.4).
- vi. Close the Digital Infrastructure reserve and transfer the residual balance (**£3.1m**) to the Transformation reserve (section 9.2).
- vii. To amend the capital budget as shown in Appendices C (i) and C (ii) which allows for capital slippage of **£13.1m**, capital budget additions of **£13.1m**, capital budget reductions of **£1.6m** and advanced works of **£1.2m** (see section 7.2).

### 3. Executive Summary: Revenue

3.1 Appendix A summarises the revenue budgets and forecast outturn for each portfolio. There is a full year forecast under spend of **£4.6m**, which is due to:

- i. Finance, Property and Housing RSSS **£2.6m** which is due to holding staff vacancies and some delays in recruitment across the Corporate and Customer function;
- ii. Finance, Property and Housing **£917,000** mainly due to changes in the council tax sharing agreement;
- iii. Customer, Communities, Culture and Corporate **£582,000** due to Technology Services vacancies following a delay in recruitment to some key posts.

3.2 However, whilst the above are resulting in a forecast under spend there are some known pressures and costs which may impact the position notably (i) meeting the costs of the full implementation of Essex Pay across the workforce (the social care workforce pay is being reviewed by August 2019) (ii) early indications of volatility on childrens placements (section 5.1 ii) and (iii) the need to bridge the savings across Strategic Support Services which go into 2020/21.

3.3 The under spend represents a variance of **0.5%** against a net budget of **£939.3m**. The position assumes full commitment of the emergency contingency of **£4m**. Further detail can be found in Section 5.

3.4 The position includes a forecast under spend against Minimum Revenue Provision (MRP) of **£3.2m**. MRP is the setting aside of revenue resource to repay borrowing. The under spend is due to reduced borrowing assumptions, in significant part as the cash balances at the start of the financial year have been higher than originally forecast. This will be transferred to the Reserve for

Future Capital Funding to help fund future capital costs, risks and liabilities on the capital programme.

- 3.5 **£4.6m** is requested to be drawn down from the Reserve for Future Capital Funding to address Highways pressures, including £1m for additional pothole redress activity and £444,000 to be devolved to Local Highway Panels. This is following receipt of additional local roads capital funding from the Department for Transport (DfT) (see section 4.2).
- 3.6 Since this position, sale of EES for Schools traded service has been concluded (gross receipt £16m) and final accounting arrangements will be concluded over the coming weeks (see section 6.3).
- 3.7 The position reported in section 5 is after proposed adjustments in this report, set out in sections 2.1 to 2.3.

#### **4. Executive Summary: Capital**

- 4.1 The original capital programme for 2019/20 as set by Full Council in February 2019 was **£249m**. The forecast outturn is **£252.9m**, before adjustments proposed within this report. This represents an under spend of **£336,000** against latest budget of **£253.3m**. After taking account of budget change requests in this report, there is a residual over spend of **£66,000**. More detail is set out in Section 7.
- 4.2 Additional funding of **£10.9m** for Local Roads by the Department for Transport (DfT) is being incorporated into the Capital Programme. Of this sum, **£6.3m** is an addition to the capital programme, requested within this report;
- £2.4m Roads Maintenance
  - £1.6m Footways Maintenance
  - £1.3m Bridges
  - £1m Street Lighting Replacement

The residual **£4.6m** may be released to revenue from the Reserve for Future Capital Funding, to address Highways pressures (see section 3.5).

- 4.3 Appendix C (i) summarises current year forecasts and changes to the Capital Programme for 2019/20 since approval of the original programme in the Budget Report to Council in February 2019. Appendix C (ii) contains the detail of the budget adjustments seeking approval.

#### **5. Revenue Position**

##### **5.1 Children and Families - £319,000 (0.3%) over spend**

- i. The forecast over spend is **£319,000** against a budget of **£124.6m**.
- ii. This over spend is mainly due to higher than expected placement costs relating to the number of children in residential homes **£1.6m**, and external

fostering placements **£1m**. These are partially offset by under spends on internal fostering fees (**£758,000**) and Special Guardianship Orders (**£653,000**), where both placement numbers and average fees are lower than anticipated, together with staffing under spends.

- iii. The budget includes **£4.6m** of one-off funding that has specifically earmarked for use in setting the outcomes and critical success factors for the Children's Sustainability programme. Approval is sought in this report to transfer the **£4.6m** into the Transformation reserve. Funding will be drawn down from the reserve to meet the costs of the Children's Sustainability programme as they are incurred.

## **5.2 Customer, Communities, Culture and Corporate - £228,000 (1.2%) under spend**

- i. The under spend is primarily attributable to vacant posts in the Customer Enquiries Team (**£161,000**) and the Blue badge scheme (**£70,000**) as legislative changes that widen the blue badge scheme to people with hidden disabilities is being implemented later than assumed in the budget.
- ii. Approval is sought in this report for the following:
  - **£241,000** to be drawn down from the Community Initiatives Fund reserve into the following policy lines; **£97,000** Communities and **£144,000** Community Initiatives Fund (CIF) to fund revenue expenditure on approved schemes.
  - **£56,000** to be transferred to Customer Services and Member Enquiries from Education Non DSG portfolio to fund two posts transferring into the service.

## **5.3 Economic Development - £254,000 (3.9%) under spend**

- i. The under spend is mainly due to the improved recovery of management time from grants and staffing vacancies across the portfolio (**£303,000**). These are being partially offset by an under recovery of income within Tourism (**£49,000**) as subscriptions and membership fees income is anticipated to be 30% lower than assumed within the budget.
- ii. Approval is sought in this report to transfer budget of **£167,000** from Health and Adult Social care portfolio to fund posts for the Independent Living Adults with Disabilities' (AWD) Strategy.

## **5.4 Education and Skills Dedicated Schools Grant (DSG) - £2.5m over spend**

- i. There is an over spend in the High Needs Block of **£3.4m** which is mainly due to the increase in volume and complexity of pupils with Special Educational Needs (SEN) (**£3m**), and placements in independent settings (**£585,000**).

- ii. This is partially offset by Specialist Teachers across all four Quadrants forecasting an under spend due to vacancies held due to the Special Educational Needs and Disabilities (SEND) Organisation Design (**£471,000**).

#### **5.5 Education and Skills Non-Dedicated Schools Grant - £179,000 (0.2%) over spend**

- i. The over spend is caused by minor misalignment of staffing budgets within the Corporate and Customer Services functional budget following changes relating to their new Organisation Design. Budgets are being realigned to rectify this. There is no underlying budget pressure.
- ii. Approval is sought in this report to transfer **£20,000** from Customer, Communities, Culture and Corporate RSSS to the Infrastructure Delivery team for School Organisation and Place Planning.

#### **5.6 Environment and Waste - online**

- i. Approval is sought in this report for:
  - **£1.4m** to be transferred to the Waste reserve in respect of growth built into 2019/20 for Biowaste prices. Actual prices following procurement are lower than budgeted.
  - **£69,000** to be drawn down from the Transformation reserve to Development Management in support of development of an energy and low carbon agenda. Previous approval (now lapsed) FP/948/09/17 – Invest in Renewable Energy.

#### **5.7 Finance, Property and Housing - £917,000 (5.5%) under spend**

- i. The under spend relates mainly to the Council Tax Sharing Scheme (**£671,000**) due to differences between the actual tax base and council tax rates and estimates used to set the budget.

#### **5.8 Health and Adult Social Care – £40,000 (0%) under spend**

- i. The portfolio is forecasting on line (there is an immaterial under spend of **£40,000** or just 0.01% of net budget). Within this position there is an over spends on some budget lines of **£2.8m** offset by additional income of **£2.8m**:
- ii. The drivers of the underlying position are:
  - Whilst the overall number of clients is consistent with budgeted expectations, a greater number of clients have opted for domiciliary care packages instead of receiving cash payments. This has resulted in pressure on the domiciliary care budget (£6.6m), which are offset by under spends on cash payments (£7.8m).
  - There is pressure on the staffing budget (£3.9m) mainly relating to agency costs. Management action is being taken to reduce reliance on agency workers and maximise the number of roles filled by directly

employed staff. Resolution of pay through the Essex Pay framework is in progress.

- There are under spends on Residential placement costs and higher than budgeted income on Continuing Health Care (£1.6m). There is also increased income following national uplifts to the minimum Clinical Commissioning Groups Better Care Fund (CCG BCF) contributions (£1.2m).

- iii. Approval is sought in this report to transfer **£5m** from the Adults Digital Programme reserve to fund commitments for digital schemes in 2019/20.

### **5.9 Deputy Leader and Infrastructure - £190,000 (0.4%) under spend**

- i. The under spend is mainly due to vacancies within Essex Highways Operations.
- ii. Approval is sought in this report for the following:
  - **£4.6m** from the Reserve for Future Capital Funding in relation to the Department for Transport (DfT) additional Highways funding carried forward from 2018/19 to address Highways pressures; **£1m** for additional Potholes redress activity and **£444,000** for Devolution works.
  - **£664,000** from the Reserve for Future Capital Funding to revenue in relation to the DfT Pothole grant.

### **5.10 Leader - £8,000 (0.1%) over spend**

- i. There is no material variance to budget.

### **5.11 Other Operating Costs – online**

- i. This on-line position is reported after a proposed adjustment of **£3.2m** relating to under spend against the budget for Minimum Revenue Provision (MRP) due to reduced borrowing assumptions, in significant part as the cash balances at the start of the financial year have been higher than originally forecast. A transfer to the Reserve for Future Capital Funding will be requested when realised to help offset future risks and liabilities on the capital programme.

### **5.12 Performance, Business Planning and Partnerships – online**

- i. This online position includes an under spend of **£100,000** for teleconferencing developments to be transferred to Technology Services in the Customer, Communities, Culture and Corporate portfolio and an over spend of **£245,000** in Strategic Partnerships relating to the Transformation Challenge Award which will be offset by a draw down from the Grant Equalisation reserve.

### **5.13 Customer, Communities, Culture and Corporate Recharged Support Services - £582,000 (0.9%) under spend**

- i. This is mainly due to delay in recruitment to some posts within Technology Services (**£685,000**) following implementation of their new organisational structure at April 2019.
- ii. Approval is sought in this report to draw down **£205,000** from the Transformation Reserve to fund Organisational Design projects costs in Human Resources, as previous approvals have now expired.

### **5.14 Finance, Property & Housing Recharged Support Services - £2.6m (13.2%) under spend**

- i. The under spend is due to earlier delivery of savings within the Corporate and Customer Services function where staff vacancies are being held and there has been some delays in recruitment.
- ii. It is proposed that the functional under spend is transferred to this portfolio and approval is sought in this report to transfer **£2.5m** from the following portfolios: Customer, Communities, Culture and Corporate (£1.1m); Customer, Communities, Culture and Corporate RSSS (£1m); Education and Skills Non DSG (£260,000); Health and Adult Social Care (£93,000).

### **5.15 Leader Recharged Support Services - £61,000 (2.9%) under spend**

- i. This position comprises an under spend of **£228,000** within the Equality and Partnership team where vacancies are being held to mitigate pressures in other areas of the service. This is partially offset by a forecast over spend of **£167,000** in Communications and Customer Relations pending consultation.

### **5.16 Performance, Business Planning and Partnerships Recharged Support Services - £90,000 (1.1%) under spend**

- i. This position includes an over spend of **£48,000** attributable to staffing expenditure within the Data and Analytics and Research and Citizen Insight teams, and a forecast over spend of **£113,000** in the Transformation Support Unit. This is offset by **£95,000** to be transferred from Technology Services to support staffing expenditure in Essex Centre for Data and Analytics.
- ii. Approval is sought in this report to draw **£156,000** from the Transformation reserve to support Essex Transformation Partners.

## **6. Trading Activities**

- 6.1 Trading activities are reporting an over achievement of **£1.3m** against the budgeted surplus.

- 6.2 The services have challenging income and profit targets for 2019/20 and there has been a strong start to the new financial year with no reported risks to the targets being achieved.
- 6.3 EES for Schools are forecast to over achieve income by **£1.3m** as no appropriation target was set in 2019/20 due to its potential sale. Since this position, sale of the service has been concluded (gross receipt £16m) and final accounting arrangements will be concluded over the coming weeks.
- 6.4 Approval is sought in this report to draw down **£60,000** from the Place Services Traded reserve to Place Services Traded budget to fund investment in their office environment.
- 6.5 Appendix B shows the position by each Trading Activity.

## 7. Capital

- 7.1 An under spend of **£336,000** (0.1%) is forecast against the latest capital budget of **£253.3m**. After taking account of budget change requests in this report there is a residual over spend of **£66,000**.
- 7.2 Approval is sought for:
- i. Slippage of **£13.1m**
  - ii. Budget additions of **£13.1m**
  - iii. Budget reductions of **£1.6m**
  - iv. Advanced works of **£1.2m**
- 7.3 The key points to note are listed below, and the detailed requests are shown at Appendix C(ii).
- 7.4 **Customer, Communities, Culture and Corporate - £291,000 under spend**
- i. **Travellers**; Approval is sought in this report for a reduction of **£311,000** where budget is no longer required.
  - ii. **Community Initiatives**; Approval is sought to draw down **£215,000** from the Community Initiatives Fund Reserve to cover expenditure incurred to date in the final quarter of 2018/19 and first quarter of 2019/20) in relation to the Community Initiatives project.
- 7.5 **Economic Development – £369,000 over spend**
- i. **Chelmsford College High Need scheme**; An addition of **£369,000** is being sought relating to transforming its classrooms with completion expected in the summer in readiness for the September 2019 term.
- 7.6 **Education and Skills - £4.7m under spend**

- i. **Clacton County High**; Approval is sought to reprofile **£4m** into future years due to on-going discussions with Tendring District Council concerning land transfers.
- ii. **Chatham Free School**; Approval is sought to reprofile **£2m** into future years due to uncontrollable Department of Education (DfE) delays in funding sign off.
- iii. **West Hatch**; Approval is sought to reprofile **£1m** into future years where the appointment of a new contractor is still in process following the removal of the prior contractor.
- iv. **Basildon Primary Basic Need**; Approval is sought to re-profile **£639,000** from 2021/22 into 2019/20 due to the earlier completion of works at Northlands Primary Academy.

#### 7.7 **Finance, Property and Housing Portfolio - £44,000 over spend**

- i. The over spend is due to Essex Outdoors where additional costs have arisen relating to the refurbishment of a shower block and installation of accommodation pods.
- ii. **Goldlay Gardens**; Approval is sought for an addition of **£25,000** from the Essex Housing Programme for Goldlay Gardens relating to the final snagging costs at completion.

#### 7.8 **Health and Adult Social Care - £10,000 under spend**

- i. **Coppins Court**; Approval is sought to re-profile **£10,500** into future years, as the work is expected to start later in the year.

#### 7.9 **Deputy Leader and Infrastructure - £2.2m over spend**

- i. **Major Schemes**; Approval is sought for an addition of **£1.7m** in respect to additional South East Local Enterprise Partnership (SELEP) Local Growth Fund (LGF) funding for Frating roundabout on the A133 Colchester to Clacton; and **£540,000** in relation to Chelmsford North Eastern Bypass, with a corresponding reduction relating to Advanced Scheme Design. Housing Infrastructure Bids (HIF) of **£545m** have been submitted and the decision is due within the next month. Activity has been progressed on schemes at risk assuming the bids are successful. If the bids are unsuccessful and a decision is made to cease activity, costs incurred to date may need to be treated as abortive costs. At the current time there is no indication that bids will be unsuccessful.
- ii. **Highways maintenance**; Approval is sought to add **£6.3m** from the DfT additional Highways funding that was carried forward from 2018/19 relating to: **£2.4m** Roads Maintenance, **£1.6m** Footways Maintenance, **£1.3m** Bridges

and **£1m** Street Lighting Replacement. Approval is also sought to add **£664,000** from the DfT Potholes grant funding for redress activity.

- iii. **BDUK**; Superfast Programme Phase 4b is reporting slippage of **£5.2m** following delays in obtaining grant approval with Department of Environment, Food and Rural Affairs (DEFRA) and subsequent extended procurement timelines. Milestones for delivery are now expected to be in 2020/21.

#### 7.10 **Controlled Elsewhere - £2.1m over spend**

- i. Approval is sought for an addition of **£2.1m** in relation to the Schools Devolved Formula Capital grant, which the Council hold on behalf of Essex Schools and have no control over the spend, for transactions that do not meet the capitalisation criteria.

7.11 **Appendix C** provides a comparison of approved and forecast outturn capital payments by Portfolio and sets out the variance plan which summarise the proposals for addressing the forecast budget variances.

### 8. **Policy context and Outcomes Framework**

This report is an assessment of the financial position of the County Council, which itself is a representation of the corporate plan. The budget and organisation plan were approved in parallel in February 2019.

### 9. **Reserves**

- 9.1 A summary of the forecast balances on reserves is provided in **Appendix D**.
- 9.2 Approval is sought to close the Digital Infrastructure reserve and transfer the residual balance (£3.1m) to the Transformation reserve.

### 10. **Financial Implications**

#### **Finance and Resources Implications (Section 151 Officer)**

- 10.1 The report is provided by the Section 151 Officer. There are no further comments.

### 11. **Legal Implications**

- 11.1 The Council is responsible for setting the budget each year. Once agreed the executive then have to implement the policy framework and keep within the budget, subject to the limits set by Financial Regulations.

### 12. **Equality and Diversity implications**

- 12.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when ECC makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
  - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not
  - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 12.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 12.3 The equality implications are assessed as part of budget setting process and as part of individual schemes.
- 12.4 There are no equality and diversity or other resource implications associated with this report.

**13. List of Appendices**

Appendix A	Revenue Forecast Outturn
Appendix B	Trading Activities
Appendix C (i)	Capital Forecast Outturn
Appendix C (ii)	Capital Variance Plan
Appendix D	Balance Sheet - Earmarked Reserves

(Available at [www.essex.gov.uk](http://www.essex.gov.uk) if not circulated with this report)

**14. List of Background Papers**  
Budgetary control reports.

## Revenue

## Appendix A

<b>Portfolio</b>	<b>Latest Budget £000</b>	<b>Residual Variance £000</b>	<b>% of Latest Budget</b>
Children and Families	124,621	319	0.3%
Customer, Communities, Culture and Corporate	18,977	(228)	(1.2%)
Economic Development	6,522	(254)	(3.9%)
Education and Skills DSG	(935)	2,521	(269.7%)
Education and Skills Non DSG	78,857	179	0.2%
Environment and Waste	80,715	(0)	(0.0%)
Finance, Property & Housing	16,549	(917)	(5.5%)
Health and Adult Social Care	415,163	(40)	(0.0%)
Infrastructure	44,161	(190)	(0.4%)
Leader	6,447	8	0.1%
Other Operating Costs	51,883	0	0.0%
Performance, Business Planning and Partnerships	2,040	(0)	(0.0%)
Customer, Communities, Culture and Corporate RSSS	63,429	(582)	(0.9%)
Finance, Property & Housing RSSS	19,919	(2,634)	(13.2%)
Leader RSSS	2,116	(61)	(2.9%)
Performance, Business Planning and Partnerships RSSS	7,873	(90)	(1.1%)
<b>Total</b>	<b>938,337</b>	<b>(1,972)</b>	<b>(0.2%)</b>
DSG Offset	935	(2,521)	(269.7%)
<b>Total Excluding DSG</b>	<b>939,272</b>	<b>(4,493)</b>	<b>(0.5%)</b>
Funding		(96)	
<b>Revised Total</b>	<b>939,272</b>	<b>(4,589)</b>	<b>(0.5%)</b>

## Appendix B

### Traded Services

	Revenue reserve 1 April 2019	Income	Budget Expenditure	(Surplus)/ Deficit	Income	Forecast Expenditure	Forecast (Surplus) / deficit	Final Outturn position	To County Revenue Account	To Trading Activity reserve	Variance Plan Proposals to/(from) reserves	Revenue reserve 31 March 2020
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>EDUCATION TRADED</b>												
EES for Schools	-	-	-	-	(2,429)	1,115	(1,314)	(1,314)	-	-	-	(1,314)
<b>FINANCE, PROPERTY &amp; HOUSING</b>												
Information Services infrastructure	-	(6,500)	6,500	-	(6,500)	6,500	0	0	-	-	-	0
Place Services	(483)	(2,682)	2,402	(280)	(2,686)	2,406	(280)	(55)	(225)	(55)	60	(478)
Music Services Traded	(168)	(4,497)	4,384	(113)	(4,497)	4,384	(113)	0	(113)	-	-	(168)
<b>Total</b>	<b>(651)</b>	<b>(13,679)</b>	<b>13,286</b>	<b>(393)</b>	<b>(16,112)</b>	<b>14,406</b>	<b>(1,706)</b>	<b>(1,368)</b>	<b>(338)</b>	<b>(55)</b>	<b>60</b>	<b>(1,959)</b>

Appendix C (i)

Capital

	Year to date			Budget Movement		Full Year		
	Budget	Actuals	Variance	Original Budget	In year approved changes	Revised Budget	Outturn	Variance
	£000	£000	£000	£000	£000	£000	£000	£000
Children and Families	71	21	(50)	900	75	975	975	-
Customer, Communities, Culture and Corporate	1,123	58	(1,065)	7,500	1,535	9,035	8,745	(291)
Economic Development	1,748	445	(1,303)	5,847	1,307	7,154	7,523	369
Education and Skills	13,104	7,795	(5,309)	76,926	6,822	83,748	79,039	(4,709)
Environment and Waste	662	(231)	(893)	3,850	490	4,340	4,340	(0)
Finance, Property and Housing	1,466	376	(1,090)	14,765	467	15,232	15,276	44
Health and Adult Social Care	1	(716)	(717)	421	7	428	418	(10)
Infrastructure	15,717	9,357	(6,360)	137,646	(6,801)	130,845	133,021	2,176
<b>ECC Capital Programme</b>	<b>33,892</b>	<b>17,104</b>	<b>(16,788)</b>	<b>247,855</b>	<b>3,903</b>	<b>251,758</b>	<b>249,338</b>	<b>(2,420)</b>
Schools Cash Balance	296	607	311	-	296	296	296	-
Devolved Formula Capital	155	2,498	2,343	1,113	99	1,212	3,296	2,084
<b>Total School Balances</b>	<b>451</b>	<b>3,105</b>	<b>2,654</b>	<b>1,113</b>	<b>395</b>	<b>1,508</b>	<b>3,591</b>	<b>2,084</b>
<b>Total Capital Programme</b>	<b>34,343</b>	<b>20,209</b>	<b>(14,133)</b>	<b>248,967</b>	<b>4,298</b>	<b>253,265</b>	<b>252,929</b>	<b>(336)</b>

Financed by:

	Budget Movement			Full Year	
	Original Budget	In year approved changes	Revised Budget	Outturn	Variance
	£000	£000	£000	£000	£000
<b>ECC Capital Programme</b>					
Grants	91,401	3,711	95,112	88,054	(7,058)
Reserves	8,268	-	8,268	8,288	20
Developer & Other contributions	12,949	453	13,402	13,464	62
Capital receipts	7,000	(2,000)	5,000	5,000	-
Unsupported borrowing	128,237	2,034	130,271	134,827	4,556
<b>ECC Capital Programme</b>	<b>247,855</b>	<b>4,198</b>	<b>252,053</b>	<b>249,633</b>	<b>(2,420)</b>
Grants	1,112	100	1,212	3,296	2,084
Unsupported borrowing	-	-	-	-	-
<b>School Balances</b>	<b>1,112</b>	<b>100</b>	<b>1,212</b>	<b>3,296</b>	<b>2,084</b>
<b>Total ECC &amp; Schools Capital Funding</b>	<b>248,967</b>	<b>4,298</b>	<b>253,265</b>	<b>252,929</b>	<b>(336)</b>

## Capital Variance Plan

Portfolio	Approved changes					Variance Plan					
	Slippage	Additions	Reductions	Advanced Works	Approved changes	Slippage	Additions	Reductions	Advanced Works	Residual Variance	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children and Families	75	-	-	-	75	-	-	-	-	-	-
Customer, Communities, Culture and Corporate	1,535	-	-	-	1,535	-	20	(311)	-	(0)	(291)
Economic Development	1,326	-	-	(19)	1,307	-	369	-	-	0	369
Education and Skills	987	12,821	(6,321)	(665)	6,822	(7,574)	1,661	(222)	1,178	248	(4,709)
Environment and Waste	490	-	-	-	490	-	-	-	-	(0)	(0)
Finance, Property and Housing	492	-	-	(25)	467	-	25	-	-	19	44
Health and Adult Social Care	7	-	-	-	7	(10)	-	-	-	1	(10)
Infrastructure	1,900	347	(6,535)	(2,513)	(6,801)	(5,555)	8,978	(1,045)	-	(202)	2,176
<b>ECC Capital Programme</b>	<b>6,812</b>	<b>13,168</b>	<b>(12,856)</b>	<b>(3,221)</b>	<b>3,903</b>	<b>(13,139)</b>	<b>11,053</b>	<b>(1,578)</b>	<b>1,178</b>	<b>66</b>	<b>(2,420)</b>
Schools Cash Balance	296	-	-	-	296	-	-	-	-	-	-
Devolved Formula Capital	99	-	-	-	99	-	2,084	-	-	0	2,084
<b>Total Capital Programme</b>	<b>7,207</b>	<b>13,168</b>	<b>(12,856)</b>	<b>(3,221)</b>	<b>4,298</b>	<b>(13,139)</b>	<b>13,136</b>	<b>(1,578)</b>	<b>1,178</b>	<b>66</b>	<b>(336)</b>

## Appendix C(ii) cont'd

Portfolio & Scheme	Slippage	Additions	Reductions	Advanced Works	2019/20 Changes
	£000	£000	£000	£000	Requested
Community Initiatives	-	20	-	-	20
Travellers	-	-	(311)	-	(311)
<b>Customer, Communities, Culture and Corporate</b>	<b>-</b>	<b>20</b>	<b>(311)</b>	<b>-</b>	<b>(291)</b>
A120 Preferred route	-	-	(500)	-	(500)
A133 Colchester to Clacton RBS	-	1,742	-	-	1,742
Advanced Scheme Design	-	-	(540)	-	(540)
BDUK Essex Superfast Programme Phase 4	(5,255)	-	-	-	(5,255)
Bridges	-	1,300	-	-	1,300
Chelmsford Growth Area	-	27	-	-	27
Chelmsford North Eastern Bypass	-	540	-	-	540
Footway maintenance	(300)	1,600	-	-	1,300
Local Highways Panels	-	300	-	-	300
Road Maintenance	-	2,400	-	-	2,400
Street Lighting Replacement	-	1,000	-	-	1,000
Section 106	-	69	(5)	-	64
<b>Deputy Leader and Infrastructure</b>	<b>(5,555)</b>	<b>8,978</b>	<b>(1,045)</b>	<b>-</b>	<b>2,378</b>
Chelmsford College High Needs	-	369	-	-	369
<b>Economic Development</b>	<b>-</b>	<b>369</b>	<b>-</b>	<b>-</b>	<b>369</b>
Basildon Primary Basic Need	-	-	-	639	639
Basildon Secondary Basic Need	-	443	-	-	443
Braintree Primary Basic Need	-	-	-	400	400
Brentwood Primary Basic Need	-	32	-	139	171
Chelmsford Primary Basic Need	(167)	-	-	-	(167)
Epping Forest Secondary Basic Need	(1,000)	-	-	-	(1,000)
Special Schools	(2,000)	493	-	-	(1,507)
Temporary Accommodation	(407)	222	-	-	(185)
Tendring Secondary Basic Need	(4,000)	-	-	-	(4,000)
Uttlesford Primary Basic Need	-	61	-	-	61
Schools Capitalised Building Maintenance	-	410	-	-	410
Early Years	-	-	(222)	-	(222)
<b>Education and Skills</b>	<b>(7,574)</b>	<b>1,661</b>	<b>(222)</b>	<b>1,178</b>	<b>(4,957)</b>
Goldlay Gardens	-	25	-	-	25
<b>Finance, Property and Housing</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>25</b>
Independent Living Older People Coppins Court	(10)	-	-	-	(10)
<b>Health and Adult Social Care</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10)</b>
<b>ECC Capital Programme</b>	<b>(13,139)</b>	<b>11,053</b>	<b>(1,578)</b>	<b>1,178</b>	<b>(2,486)</b>
Devolved Formula Capital	-	2,084	-	-	2,084
<b>Total Capital Programme</b>	<b>(13,139)</b>	<b>13,136</b>	<b>(1,578)</b>	<b>1,178</b>	<b>(403)</b>

## Appendix D

### Reserves

	Balance at 1 April 2019 £000	(Contributions) Withdrawals agreed £000	Adjustments proposed in quarterly report £000	Future commitments £000	Estimated Closing balance £000
Long Term Contractual Commitment					
PFI Reserves					
A130 PFI	(42,136)	3,413			(38,723)
Building Schools for the Future PFI	(2,267)	-		2,267	-
Debden School PFI	(3,633)	-		3,633	-
Clacton Secondary Schools' PFI	(2,518)	-		2,518	-
Waste Reserve	(103,631)	(7,869)	(1,376)		(112,876)
Grant Equalisation Reserve	(12,636)	1,121	245	-	(11,270)
Trading Activities (not available for use)	(653)	338	60	(55)	(310)
Partnerships and Third Party (not available for use)	(1,815)	-		-	(1,815)
Schools (not available for use)	(38,025)	-		-	(38,025)
General Balance	(56,610)	-		-	(56,610)
Reserves earmarked for future use					
Adults Digital Programme	(5,256)	-	5,006	250	-
Capital Receipts Pump Priming	(3,204)	-		500	(2,704)
Carbon Reduction	(2,303)	2,256		-	(47)
Carry Forward	(23,250)	23,250		-	-
Collection Fund Risk	(1,412)	-		-	(1,412)
Community Initiatives Fund	(1,153)	-	456	697	-
Digital Infrastructure	(3,053)	-	3,053	-	-
Emergency Planning	(300)	-			(300)
Future Capital Funding	(12,061)	(6,974)	5,022	3,952	(10,061)
Health and Safety	(881)	-		250	(631)
Insurance	(8,061)	-		-	(8,061)
Property Fund	(326)	(326)		-	(652)
Quadrennial Elections	(618)	(500)		-	(1,118)
Service Improvement	-	(3,970)		-	(3,970)
Tendering PPP	(496)	-		496	-
Transformation	(25,193)	(7,521)	(7,314)	14,893	(25,135)