

Finance and Property Committee

Monday, 17 June 2013 at 10:30

County Hall, County Hall, West Bridgford, Nottingham NG2 7QP

AGENDA

- | | | |
|----|--|---------|
| 1 | Minutes of the last meeting held on 22 May 2013 | 3 - 6 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Presentation on Property. | |
| 5 | Draft Management Accounts 2012-13 | 7 - 28 |
| 6 | Financial Monitoring Report Period 1 2013-14 | 29 - 46 |
| | ICT Programmes and Performance 2012-13 | 47 - 58 |
| 8a | Deed of Easement for Drainage, Rufford Country Park | 59 - 68 |
| 8b | Hillside Primary School, Hucknall, Academy Conversion | 69 - 74 |
| 9 | Work Programme | 75 - 80 |

Exclusion of the Public

The Committee will be invited to resolve:-

“That the public be excluded for the remainder of the meeting on the grounds that the discussions are likely to involve disclosure of exempt information described in paragraph 3 of the Local Government (Access to Information) (Variation) Order 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

Note

If this is agreed, the public will have to leave the meeting during consideration of the following items.

EXEMPT INFORMATION ITEMS

- 10 Exempt Appendix to Property Transaction Report
Deed of Easement for Drainage, Rufford Country Park.

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Reports in colour can be viewed on and downloaded from the County Council's website (www.nottinghamshire.gov.uk), and may be displayed at the meeting.
- (4) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Paul Davies (Tel. 0115 977 3299) or a colleague in Democratic Services prior to the meeting.

- (5) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.

minutes

Meeting FINANCE AND PROPERTY COMMITTEE

Date 22 May 2013 (commencing at 2.00 pm)

Membership

Persons absent are marked with `A`

COUNCILLORS

David Kirkham (Chair)
Darren Langton (Vice-Chair)
Reg Adair
Nikki Brooks
Richard Butler
Kay Cutts
Stephen Garner
Diana Meale
Liz Plant
Darrell Pulk
Ken Rigby

Ex-officio (non-voting)
Alan Rhodes

OFFICERS IN ATTENDANCE

Sue Blockley, Property Reports Officer
Ian Brearley, Estates Specialist
Lynn Cave, Property Services
Paul Davies, Democratic Services Officer
Andrew Stevens, Group Manager, Property Strategy and Compliance
Tim Gregory, Corporate Director, Environment and Resources
Jas Hundal, Service Director, Transport, Property and Environment
Paul Simpson, Service Director, Finance and Procurement

MINUTES

The minutes of the last meeting held on 22 April 2013 were confirmed and signed by the Chair.

DECLARATIONS OF INTEREST

None

AGENDA ORDER

With the consent of the Committee, the Chair changed the order of the agenda.

PROPERTY TRANSACTIONS

A612 GEDLING TRANSPORT IMPROVEMENT SCHEME: LAND COMPENSATION ACT 1973: COMPENSATION PAYABLE WHERE NO LAND IS TAKEN

RESOLVED: 2013/064

That approval be given to payment of the agreed Part 1 claims as detailed in the exempt appendix to the report.

DISPOSAL OF LAND OFF WEST HILL DRIVE, MANSFIELD

RESOLVED: 2013/065

- (1) That approval be given to the sale by auction by W A Barnes Auctioneers of the surplus Highway land off West Hill Drive, Mansfield;
- (2) That the reserve price be approved by the Service Director, Property and Environment, in consultation with the Chair (or Vice-Chair in his absence) of the Finance and Property Committee in consultation with the nominated agent prior to the auction.

SALE OF LAND ON SANDY LANE MANSFIELD

RESOLVED: 2013/066

That approval be given to the sale by informal tender of the land at Sandy Lane, Mansfield as shown on the plan attached to the report.

ARCHBISHOP CRANMER C OF E PRIMARY SCHOOL, ASLOCKTON: ACADEMY CONVERSION

RESOLVED: 2013/067

- (1) That approval be given to the grant of a 125 year lease on the standard terms set out in the appendix to the report to the Academy Trust for Archbishop Cranmer C of E Primary School, Aslockton, this being subject to subsequent approval of any site specific details;
- (2) That authority be given to the Corporate Director, Environment and Resources (or his nominee) to approve site details and specific conditions in consultation with the Chair (or Vice-Chair in his absence) of the Finance and Property Committee.

ST PETER'S C OF E PRIMARY SCHOOL, EAST BRIDGFORD

RESOLVED: 2013/068

- (1) That approval be given to the grant of a 125 year lease on the standard terms set out in the appendix to the report to the Academy Trust for St Peter's C of E Primary School, East Bridgford, this being subject to subsequent approval of any site specific details;

- (2) That authority be given to the Corporate Director, Environment and Resources (or his nominee) to approve site details and specific conditions in consultation with the Chair (or Vice-Chair in his absence) of the Finance and Property Committee.

PRESENTATION ON FINANCE AND PROCUREMENT

Paul Simpson, Service Director, Finance and Procurement gave a presentation on the finance and procurement functions and answered members' questions. There would be presentations on ICT and Property at subsequent meetings.

RESOLVED: 2013/068

That the presentation be received.

WORK PROGRAMME

RESOLVED: 2013/069

That the work programme be noted.

EXCLUSION OF THE PUBLIC

RESOLVED: 2013/070

That the public be excluded from the remainder of the meeting on the grounds that discussions are likely to involve the disclosure of exempt information described in paragraph 3 of the Local Government (Access to Information) (Variation) Order 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

EXEMPT INFORMATION ITEM

EXEMPT APPENDIX TO PROPERTY TRANSACTION REPORT

A612 GEDLING TRANSPORT IMPROVEMENT SCHEME: LAND COMPENSATION ACT 1973: COMPENSATION PAYABLE WHERE NO LAND IS TAKEN

RESOLVED: 2013/071

That the exempt appendix be noted.

The meeting closed at 2.35 pm.

CHAIR

REPORT OF THE SERVICE DIRECTOR - FINANCE & PROCUREMENT

DRAFT MANAGEMENT ACCOUNTS 2012/13

Purpose of the Report

- 1.1 To inform the Committee of the year end position for the 2012/13 management accounts
- 1.2 To request that the Committee:
 - a) Recommend the carry forward of £1.4m of underspends into 2013/14 for approval by County Council
 - b) Recommend the transfer to County Fund Balances of £12.4m, for approval by County Council
- 1.3 To inform the Committee of the position on other reserves of the authority
- 1.4 To inform the Committee on the year end position for the 2012/13 capital programme and its financing
- 1.5 To request approval of variations to the capital programme.

Information and Advice

2. Background

- 2.1 The financial position of the County Council has been monitored throughout the financial year, with monthly reports to Corporate Leadership Team and this Committee providing an update of progress, thus ensuring decision makers had access to financial information on a timely basis. At Finance and Property Committee 22 April 2013, Members were informed of the forecasts as at period 11. This report is the draft out-turn for 2012/13, the final figures will be confirmed at the County Council meeting on the 11th July.

3. Summary Financial Position

- 3.1 Through continued prudent financial management, Committee budgets have achieved a net underspend of £3.8m or 0.7% of net Committee budgets (corresponding figures for 2011/12 were £34m and 6.3%). Carry Forward requests totalling £1.4m have been submitted to support key areas as detailed in Appendix B (£1.7m in 2011/12).
- 3.2 The net total for restructuring costs is £2.9m of which £0.7m relates to restructuring within the Committees, £1.5m is a contribution to School's restructuring costs, and the remainder relates to trading services. In line with accounting practice, each year a provision is made for estimated costs that are due to fall in the following year based on published Section 188 notices. The figure for 2011/12 that was released into 2012/13 was £5.2m, the corresponding figure accounted for in 2012/13 is £1.3m.
- 3.3 The initial underspend has been apportioned between the Council's Redundancy reserve, Capital Projects reserve and General Fund Balances. This will ensure resources are earmarked to support the Capital programme, thereby reducing future borrowing costs, as well as providing further support for the County Council's requirement to deliver future savings.

- 3.4 The overall Schools Reserve has decreased by £6.2m to £33m. Within the total, school accumulated balances have decreased by £11m to £25m, of which £4.8m is to fund capital schemes (further information is provided in section 5 and 7.2).
- 3.5 The level of County Fund balances, subject to approval by County Council, will increase by £12.43m to £42.1m.
- 3.6 The relevant figures are summarised in Appendix A, showing details for Committee Budgets, Schools, Central items and Use of Reserves and Balances.
- 3.7 Table 1 shows the summary revenue position of the County Council.

Table 1 – Summary Financial Position

Committee	Final Budget £'000	Draft Out-turn £'000	Draft Variance £'000
Children & Young People	160,648	161,315	667
Adult Social Care & Health	195,009	194,948	(61)
Transport & Highways	61,193	60,635	(558)
Environment & Sustainability	27,596	26,975	(621)
Community Safety	4,163	4,088	(75)
Culture	14,382	13,892	(490)
Policy	26,929	25,805	(1,124)
Finance & Property	30,290	29,944	(346)
Personnel	4,697	3,579	(1,118)
Economic Development	898	799	(99)
Net Committee total before restructuring costs	525,805	521,980	(3,825)
Restructuring costs*	0	2,902	2,902
Schools Budgets	1,306	7,486	6,180
Central Items	(30,188)	(49,761)	(19,573)
Forecast prior to use of reserves	496,923	482,607	(14,316)
Carry Forwards from 2011/12	(1,689)	(1,689)	0
Proposed Carry Forwards to 2013/14	0	1,350	1,350
School Statutory Reserve	0	(6,178)	(6,178)
PFI Reserves:			
East Leake PFI	245	185	(60)
Bassetlaw PFI	274	4	(270)
Waste PFI	1,493	1,598	105
Improvement Programme	(8,130)	(6,547)	1,583
Pay Review Reserve	1,000	1,000	0
Earmarked Underspending reserve	3,100	3,100	0
Life Cycle Maintenance	500	500	0
DSO Capital Financing	517	503	(14)
Capital Projects Reserve	0	7,500	7,500
Redundancy Reserve	0	2,801	2,801
Transfer to / (from) reserves	(2,690)	4,127	6,817
Transfer to / (from) General Fund	4,930	12,430	7,500
Net County Council	499,163	499,163	0

*Restructuring costs actually incurred in year were £6.8m. A provision of £5.2m was set aside in 2011/12 to meet this cost. A similar provision has been set aside from 2012/13 to cover the costs of existing Section 188 redundancy notices that will fall in 2013/14. This totals £1.3m.

4. Committee & Central Items

The overall net underspend within the Committees is £3.8m, which is 0.7% of the net Committee budgets. The principal reasons for the variations are detailed below.

4.1 Children & Young People (£0.7m overspend, 0.4% of Committee budget)

There is a net overspend of £3.6m in Children's Social Care, consisting of the following:

- £1.5m on external placements for Looked After Children
- £1.5m on staffing in social work teams and the Safeguarding and Independent Review Service, due to the need to use agency staff to cover vacancies
- £0.7m on legal fees
- Net underspend of £0.1m across all other areas of the division

This is offset by an underspend in Youth Families & Culture of £1.5m, the net result of:

- £2.6m underspend due to savings around the new commissioning arrangements for the Early Years and Early Intervention Service
- £0.2m overspend on Young People's Service due to the refurbishment of youth centres
- £0.6m overspend relating to the non-achievement of business case savings & under provision in staffing budgets, all of which have been addressed for 2013-14 as part of the Base Budget Review
- Net overspend of £0.3m across all other areas of the division

There is also an underspend within Education Standards & Inclusion on the preferred travel scheme.

4.2 Adult Social Care and Health (£0.1m underspend, 0.03% of Committee budget)

- The Corporate Director Division is reporting an underspend of £0.05m due to several small underspends.
- The Promoting Independence Division is reporting an underspend of £0.7m due to an underspend on Intermediate Care as a result of paying on spot usage rather than having the running costs of the homes.
- The Joint Commissioning Division is reporting an overspend of £2.2m. This is comprised of a shortfall of £3.2m in Client Contribution Income compared to this year's budget, a £0.7m overspend on Supported Employment and a £0.1m overspend on the ICES Pooled Budget. These overspends are partially offset by a £0.7m underspend on Business Support and a £1.1m underspend on Commissioning.
- The Younger Adults Division is reporting an underspend of £0.3m. This is primarily due to underspends within the Service Director's budget, within Day Services, and Learning Disability Residential Units. These underspends are offset by a shortfall on Continuing Health Care income and overspends in Learning Disability, Mental Health and Physical Disability.
- The Older Adults Division is reporting an underspend of £1.3m. This is primarily due to an underspend of £0.5m on the Refurbishment of the Care and Support Centres and an underspend of £1.0m on the Service Directors development budget, offset by overspends elsewhere.

Earmarked Reserves

The budget contained a planned net use of £7.9m of earmarked reserves to fund specific projects and posts within the department. There has been some delay and slippage with these projects and posts, so the actual net use of these reserves is £4.7m.

In addition the County Council received additional income of £11.6m from Health partners in the form of Section 256 agreements for specific purposes. This has been transferred into earmarked reserves, resulting in an overall net addition of £6.9m into earmarked reserves.

4.3 Transport & Highways (£0.6m underspend, 0.9% of Committee budget)

- There is an under-spend within Highways caused by vacancy savings in relation to posts in the Highways Division, together with additional Section 38 income towards the cost of inspecting new developments and Traffic and Parking Schemes – (together amounting to an under-spend of £2.2m). This has been offset by additional costs on winter service of £0.9m due to the exceptional weather conditions requiring additional salt use and out of hours delivery of service. Additional costs have also been incurred on Road Lighting energy and works of £0.6m due to higher tariff costs being incurred; along with additional expenditure on verges and hedges £0.2m including the A57 project; repairs following accidents and vandalism £0.5m.
- Within Transport & Travel Services savings on Concessionary Travel of £0.2m were delivered due to scheme running costs and reduced payments to Transport Operators; along with lower than anticipated expenditure on Service Development £0.2m. This offset additional bus service costs of £0.2m due to re-tendering services when Premiere Travel went into administration; putting on some additional services which used to be commercial, and lower than forecast ERDF income. There was also an additional cost of £0.1m due to the re-location of the Fleet from Riverside Way to Abbey Road depot in November 2012.
- Further savings were achieved in Business Support of £0.2m due to reduced staffing costs caused by vacant posts.

4.4 Environment and Sustainability (£0.6m underspend, 2.3% of Committee budget)

- Within Waste Management & Energy above budgeted costs on Composting Services through HWRC of £0.1m were incurred; and direct delivery to Landfill of £0.1m partly due to the processing of an additional 8,000 tonnes of waste through the PFI Contract due to the temporary closure of the Eastcroft Incinerator resulting in savings of £0.1m in the Eastcroft Gate Fee.
- The Eastcroft capital works charge was £0.2m lower than anticipated as the value of capital expenditure actually carried out was below that which was forecast due to timing issues.

4.5 Community Safety (£0.1m underspend, 1.8% of Committee budget)

- Coroners & Emergency Planning Division is reporting an underspend of £0.09m due to an over accrual last year.
- Registrars Division is reporting an overspend of £0.16m due to an overspend on employee costs.

- Trading Standards Division is reporting an underspend of £0.11m primarily due to the correct accounting treatment of the Buy with Confidence income and other additional income received.

4.6 Culture (£0.5m underspend, 3.4% of Committee budget)

Youth Families & Culture underspend of £0.5m, consisting of:

- £0.8m underspend in the Sports & Arts service, of which £0.7m is Olympic Legacy funding for which a carryforward has been requested
- £0.2m overspend on Country Parks, largely due to loss of income & emergency repairs caused by bad weather
- £0.1m overspend on ICT equipment in the Library Service

4.7 Policy (£1.1m underspend, 4.2% of Committee budget)

- An overspend of £0.8m occurred in the Business Support Centre due to the additional cost of BMS support. This has been addressed for 2013/14 in the Base Budget Review.
- Communications & Marketing delivered underspends of £0.2m due to higher than expected income in March and savings on Publications.
- Within the Customer Services Centre an overspend of £0.1m was incurred due to the CSC taking on additional services in 2012/13. This has been addressed for 2013/14 in the Base Budget Review.
- Democratic Services achieved savings of £0.1m on County Hospitality and Member Development.
- The Improvement Programme underspent by £1.6m due to delays in the Ways of Working programme.

4.8 Finance and Property (£0.3m overspend, 1.1% of Committee budget)

- An overspend of £0.5m occurred in IT Services due to the acceleration of the equipment replacement programme. The additional expenditure has been funded from the equipment replacement reserve.
- Staff savings in Finance & Procurement resulted in an underspend of £0.4m.

4.9 Personnel (£1.1m underspend, 23.8% of Committee budget)

- The underspend is due to savings within Corporate HR on training costs in the Workforce and Organisational Development budget and vacancies held within the HR service to ensure early delivery of the savings for 2013/14.

4.10 Economic Development (£0.1m underspend, 11% of Committee budget)

- The main under-spend of £84k related to the balance of funding on Rural Broadband which will be carried forward to 2013/14 to complete the project and match expected levels of expenditure.

4.12 Carry Forwards

The Council has a carry forward protocol which enables planned savings to be carried forward into the following financial year to support Committee priorities. This approach encourages rigorous financial management and budgetary control whilst at the same time providing a degree of flexibility for budget managers.

In accordance with this protocol, carry forwards of £1.4m have been requested to support priority areas within Committee budgets in 2013/14. The details are set out in Appendix B.

5 Schools Budgets (£6.2m deficit)

5.1 Schools have transferred a net £6.2m from the accumulated balances within the Schools Statutory Reserve. This is broken down as follows:

- £11m from Schools balances
- £4.4m into the Non-Individual Schools Budget (ISB) balances
- £0.4m in repayment of loans

6 Central Items (£19.6m underspend)

Central Items primarily consists of interest and payments on cash balances and borrowing, together with various grants and contingency. Key variances are outlined below.

6.1 Contingency (£18.8m underspend)

The 2012/13 contingency budget was originally set at £16.5m, as summarised in the table below:

Table 2 – Contingency Summary

Budget adjustment	£'000	£'000
Redundancy Contingency	10,000	
General Contingency	4,893	
Non-delivery of savings	1,572	
Original Budget		16,465
Net Departmental Transfers	5,250	
Total Budget		21,715
Approved requests required in year	(2,900)	
Contingency Underspend		18,815

Requests of £2.96m received approval through the budget monitoring report, of which £2.9m was required in 2012/13 and £0.06m is subject to a carry forward request. A full list of individual schemes is included at Appendix C.

6.2 Interest (£4.5m underspend)

The underspend is partly due to a net reduction in interest payable as a result of delays in the phasing of the capital programme, which has reduced the need to undertake additional borrowing in the current year.

In addition, close monitoring of interest rates throughout the year has ensured borrowing was undertaken at optimum points of interest rate fluctuations. Similarly, careful management of the Council's cashflow, has ensured that the Council has achieved an investment rate of 1.19%. This is above the benchmark 7 day rate of 0.3%.

6.3 Statutory Provision for Debt Redemption (£1.4m overspend)

Page 12 of 30

The budget included an estimate of the Minimum Revenue Provision (MRP) that was based on the assumption that the mix of assets types on which capital expenditure would be incurred would be similar to that of previous years. This was not the case and as a result MRP was £1.4m more than had been forecast.

6.4 Government grants (£0.7m overspend)

The variance is due to minor changes across several smaller grants compared to assumptions made at budget setting, ahead of final confirmation.

6.5 Net Other (£1.6m overspend)

The remaining overspend relates to additional costs of ongoing pension enhancements of £0.4m, central write offs £0.3m and the funding of a new reserve to cover the costs of Ash Tree Disease as outlined in the Departmental Reserves section below.

7 Movements on Balances and Reserves (for detail please refer to Appendix D)

7.1 County Fund Balances

Subject to Council approval, County Fund Balances will increase by £12.43m, which represents the planned contribution of £4.93m plus a further £7.5m due to the net underspends set out above. This takes the closing balance to £42.118m.

7.2 Schools Reserve

The Schools Reserve has reduced by £6.2m, which brings the balance at the end of 2012/13 to £33m, analysed in Table 3 below.

Table 3 – Schools Statutory Reserve

Description	Balance £'000
Accumulated schools balances (held by Governors)	25,047
Adjustments:	
Non-Individual Schools Budget Balances	8,795
Internal borrowing against the Reserve (school loans scheme – repayable by schools)	(869)
Schools Statutory Reserve	<u>32,973</u>

The movement in school balances by sector is shown in Table 4.

Table 4 – School Balances by Sector

Sector	01/04/12 £'000	Movement £'000	31/03/13 £'000
Nursery	238	(238)	-
Primary	24,814	(4,841)	19,973
Secondary	8,978	(5,819)	3,159
Special	2,046	(131)	1,915
Total	36,076	(11,029)	25,047

The number of primary and secondary schools with budget deficits has decreased, largely due to some becoming Academies. The total amount owed by schools in deficit is £0.129m and recovery plans have been put in place to address these deficits. Where schools have surpluses above a level regarded acceptable for contingency purposes (5%

for secondary schools and 8% for all other schools) these are also monitored and challenged.

7.3 Other Earmarked Reserves

At the end of 2012/13 the total of other 'earmarked' reserves stood at £148.2m, which consists of the following:

- **PFI Reserves**

£32.2m of reserves are held for PFI schemes, this equates to 21.7% of other earmarked reserves. The arrangements for calculating PFI grant result in more grant being received in the early years of a PFI scheme than is needed to meet the payments to providers of the service. These surpluses need to be kept in an earmarked reserve to cover the corresponding deficits in later years. The amounts set aside at the end of 2012/13 are shown in Table 5 below.

Table 5 – PFI set aside as at 31/03/2013

PFI Scheme	£'000
East Leake Schools	2,983
Bassetlaw Schools	860
Waste	28,337
Total	32,180

- **Insurance Reserve**

The Authority operates a self-insurance scheme and covers risks up to an agreed amount. External insurers cover risks in excess of this figure. The Insurance Reserve is set aside to cover possible insurance claims losses that are not yet known about.

Following an assessment of the amount required in this reserve, £2.3m has been transferred, giving a balance of £10.4m as at the 31 March 2013.

- **Capital Projects Reserve**

The Capital Projects Reserve has been built up to support future capital commitments, thereby reducing reliance on borrowing and the associated repayment costs. As identified in Table 1 above, contributions from in year revenue underspends of £7.5m have been made. This is in line with the proposals contained in the Council's Budget report (28/02/2013). As at the 31 March 2013, the balance on the Capital Projects Reserve is £30.1m.

- **Improvement Programme**

When it was initially approved, the Improvement Programme had a revenue allocation of £21.3m over the five years between 2009/10 and 2013/14. Since then additional funding has been set aside for one off schemes, primarily Ways of Working, and the spending profile of the Programme has been extended to 2015. Permanent funding of £0.5m was approved as part of the Budget Process (Council 28/02/2013).

Expenditure to date has totalled £18.3m with an underspend against budget of £1.6m in 2012/13. For this reason, there was a reduction in the use of the Improvement Programme reserve, as this has been slipped to 2013/14. The budget monitoring report elsewhere on this agenda seeks approval to realign the use of the reserve over the next two years, in

line with expenditure projections. The closing balance on the reserve for 2012/13 is therefore £11.4m, and is predicted to be £5.2m at the end of 2013/14.

- **Life Cycle Maintenance**

The Life Cycle Maintenance Reserve was established to spread the cost of maintaining new buildings. An annual contribution is usually made to the reserve in the earlier years which will be gradually offset by increasing maintenance costs as the new buildings become older. A contribution of £0.5m was provided for in the 2012/13 budget which takes the total in the reserve to £4.2m at the end of 2012/13. Due to the Council's savings requirement, a contribution has not been included in the 2013/14 budget but contributions are intended to resume from 2014/15 onwards.

- **Trading Activities**

The principal purpose of the Trading Activities Reserve is to accumulate funds for asset replacement, and after contributions to, and uses of the reserve during 2012/13, there was £3.5m in this reserve at the year end.

- **Redundancy Reserve**

A Redundancy Reserve of £3.1m was created in 2009/10. In addition a redundancy contingency was provided in each budget to help meet the costs of restructuring. Prudent financial management has ensured that the reserve has not yet been required although future years contingency allocation has reduced. A contribution from the current years underspend of £2.8m is proposed to help meet restructuring costs for future years. Subject to approval, the closing balance of this reserve for 2012/13 will be £5.9m.

- **Pay Review Reserve**

In line with the planned budget, a contribution of £1m to the Pay Review Reserve has been made. The remaining reserve is earmarked for the future costs of the job evaluation team and any additional costs associated with the Pay Review for Schools. Future review may allow for part of this balance to be released to general fund balances if it is no longer required.

- **Departmental Reserves**

All departments have reserves for identified purposes. In addition, Financial Reporting Standards require grant income to be carried on the Balance Sheet until the conditions of the grant have been satisfied. During the year, these departmental balances increased by a net £7.3m to £39.2m. This is primarily due to funding from the NHS relating to Section 256 funding and the transfer of Public Health.

Following the "Implications of the Ash Tree Disease" report to Transport & Highways Committee (21/03/2013) approval is sought to create a new reserve. This will ensure resources are earmarked to enable the potential effects to be managed in a measured and holistic manner. Although there are a number of unknown factors over an uncertain timescale, current estimates suggest £500,000 will be required. This figure has been included in Table 1 above and Appendix A and D.

8 Capital Expenditure

- 8.1** Capital Expenditure in 2012/13 totalled £104.941m. Table 6 shows the final 2012/13 Capital Programme broken down by Committee.

Table 6 – 2012/13 Capital Expenditure

Committee	Original Budget £'000	Revised Budget £'000	Total Out-turn £'000	Variance £'000
Children & Young People's Services	41,268	39,854	33,389	(6,465)
Adult Social Care & Health	5,341	4,418	3,952	(466)
Transport & Highways	37,240	38,602	38,939	337
Environment & Sustainability	4,920	5,171	4,779	(392)
Culture	7,457	5,147	4,303	(844)
Policy	6,370	8,902	6,511	(2,391)
Finance & Property	9,206	18,080	12,951	(5,129)
Community Safety	0	3	11	8
Personnel & Performance	520	88	106	18
Contingency	6,000	0	0	0
Total	118,322	120,265	104,941	(15,324)

Note: These figures exclude any expenditure from the Schools Devolved Formula Capital Grant of £2.1m and schools' capital expenditure of £6.4m funded from their own revenue budgets.

- 8.2** Appendix E gives a more detailed breakdown of capital expenditure in 2012/13. Some major areas of investment in 2012/13 are listed in Table 7 below.

Table 7 – Major investment areas 2012/13

Committee	Scheme	2012/13 Capital Expenditure £'000
CYPS	School Capital Refurbishment Programme	22,676
	School Basic Need Programme	2,708
	Special Schools Programme	3,800
	Chuter Ede Primary	1,282
	School Access Initiative	752
ASCH	Day Services Modernisation	2,527
	Bassetlaw Specialist Day Centre	1,425
Transport & Highways	Road Maintenance & Renewals	15,311
	Local Transport Plan	8,402
	Mansfield Public Transport Interchange	6,034
	Street Lighting Renewal	2,411
	Transport and Travel Services	2,037
Environment & Sustainability	Local Improvement Schemes	3,861
Culture	West Bridgford Library	4,014
Committee	Scheme	2012/13 Capital Expenditure £'000
Policy	Ways of Working Programme	6,454
Finance & Property	Building Works	5,817
	Various IT Capital Projects	2,380
	Business Management System	1,522

Capital Programme Variations

- 8.3** The changes in the gross Capital Programme for 2012/13, since its approval at Council (28/02/12) are summarised in Table 8 below.

Table 8 2011/12 Capital Programme

	2012/13	
	£'000	£'000
Approved per Council (Budget Book 2012/13)		118,622
Incorporated in Budget report (Council 28/02/13)		
Net slippage from 2011/12 and financing adjustments	13,635	
Approved variations to February Council	4,601	
Re-phasing/slippage from 2012/13 to future years	(16,593)	
Subsequent to Budget Report (Council 28/02/13)		
Variations requiring F&P committee approval (see below)	(2,662)	
Net re-phasing/slippage from 2012/13 to future years	(12,662)	
		(13,681)
Final revised gross Capital Programme		<u>104,941</u>

- 8.4** The following variations to the Capital Programme require approval by Finance & Property Committee.

- It is proposed that the 2012/13 Capital Programme for Transport & Highways is varied to reflect that:-
 - £1.320m less external funding than forecast was received for Transport and Highways schemes.
 - Additional works at both the Highways Depot Rationalisation Programme (£0.378m) and the Gamston Depot Salt Barn (£0.078m) have been funded from capital allocations that were originally approved against the Termination of MOPs project.
 - The completion of the Rights of Way scheme has been completed at a cost of £0.002m less than budget.
- It is proposed that the 2012/13 Capital Programme for Environment and Sustainability is varied to reflect that:-
 - revenue funding required to fund expenditure on the Eastcroft Incinerator was £0.238m less than estimated.

- £0.100m less external funding than forecast was received for Environment and Highways scheme.
- It is proposed that the 2012/13 Capital Programme for Adult Social Care and Health is varied down to reflect underspends following the completion of the Sheltered Employment programme (£0.087m) and the Social Care Transformation Programme (£0.015m)
- It is proposed that the 2012/13 Capital Programme for Finance and Property Committee is varied down to reflect that the £900k grant to Nottinghamshire County Cricket Club has been treated as revenue in nature.
- It is proposed that the 2013/14 Capital Programme for Finance and Property Committee is varied to include additional borrowing of £650k which will be used to fund an extension to the County Council's Microsoft Enterprise Agreement.
- It is proposed that the 2013/14 Capital Programme for Culture Committee is varied to reflect that:-
 - In conjunction with planned maintenance funding already approved, revenue underspends totalling £0.090m in the Young People's Service are used in 2013/14 to fund a refurbishment project at Balderton Young Peoples Centre.
 - Revenue underspends totalling £0.075m in the Young People's Service are used in 2013/14 to fund a refurbishment project at Bingham Young People's Centre.
- It is proposed that the 2013/14 Capital Programme for Children and Young People's Committee is varied down to reflect that:-
 - The confirmed School Basic Need Grant is £0.260m lower than the estimate that was included in the Budget Report and approved by County Council on 28th February 2013.
- The confirmed School Capital Maintenance Grant is £1.988m lower than the estimate that was included in the Budget Report and approved by County Council on 28th February 2013.

8.5 Maximising the use of grants in 2012/13

Sometimes when there is slippage on a scheme funded by grant, rather than slipping the grant funding for use in the next year, it is possible to use the grant to finance the expenditure on a different scheme in the current year. This does not affect the total expenditure on individual schemes, nor their phasing, but delays the use of prudential borrowing and the consequent impact on the revenue budget of having to set aside a minimum revenue provision (MRP).

Grant funding unapplied totalling £3.2m has been used to fund capital expenditure on the School Capital Refurbishment Programme in 2012/13 that would otherwise have been funded from borrowing.

Slippage/re-phasing of Capital Schemes

- 8.6 In addition to the slippage and re-phasing of schemes incorporated into the Budget Report 2013/14 there has been £12.7m of further net slippage/re-phasing on a number of schemes, of which £10.4m relates to schemes funded by capital allocations (borrowing). The main areas of this further slippage/re-phasing are:

Slippage

- Schools Capital Refurbishment Programme (£3.0m slippage)
- Ways of Working Programme (£1.5m)
- Business Management System (£1.5m)

Acceleration

Acceleration of £2.6m in the Roads Maintenance Programme / Local transport Plan has followed the planned over-programming of schemes.

Capital Financing

- 8.7 The following Table outlines how the 2012/13 capital expenditure has been financed.

Table 9 - 2012/13 Capital Financing

	Original Budget £'000	Revised Budget £'000	Total Out-turn £'000	Variance £'000
Funding Source:				
Prudential Borrowing	64,149	67,298	53,684	(13,614)
Capital Grants	50,102	46,162	46,126	(36)
Revenue/Reserves	4,371	6,805	5,131	(1,674)
Gross Capital Programme	118,622	120,265	104,941	(15,324)

- 8.8 Capital receipts for 2012/13 totalled £2.8m, which is close to the £3.6m anticipated in the 2013/14 budget report. These capital receipts have been set against the principal of borrowing in previous years. Analysis has determined that this application of funding sources is optimum in terms of reducing the impact of the Capital Programme on the revenue account.
- 8.9 Total borrowing for the year is £53.7m, which is £10.4m less than the original planned borrowing for 2012/13 of £64.1m. This is primarily as a result of the slippage/re-phasing of capital expenditure to be funded from prudential borrowing. The corresponding funding (capital allocations) will be carried forward and incorporated into the Capital Programme for 2013/14.
- 8.10 The Capital Programme for 2013/14 will be monitored to ensure that borrowing for 2013/14 is managed within the prudential limits for the year. Funding by borrowing in 2013/14 is now projected to be £83.5m. Although this is £11.1m more than the budgeted borrowing figure in the Budget Report 2013/14, any new capital expenditure slippage in 2013/14 will offset this and the Council's overall level of indebtedness is not expected to exceed previous forecasts. The size of the revised Capital Programme for 2013/14 is £145.4m.

- 9.1 The pre-audited Statement of Accounts will be certified by the S151 Officer before 30th June to meet the statutory requirements, and then be presented to the County Council on 11th July. The external audit will take place over the summer months and therefore figures are provisional, pending the completion of the audit.

Statutory and Policy Implications

- 10.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

- 11.1 To note the 2012/13 year end revenue position.
- 11.2 To recommend the year-end carry forwards set out in section 4.12 and Appendix B to County Council.
- 11.3 To recommend the level of County Fund Balances set out in section 7.1 and Appendix D to County Council.
- 11.4 To recommend the contributions to Capital Projects Reserve and Redundancy Reserve set out in section 7.3 and Appendix D to County Council.
- 11.5 To note the movements in reserves as detailed in section 7 and Appendix D.
- 11.6 To approve the capital variations outlined in section 8.4.
- 11.7 To note the capital programme and its financing.

Paul Simpson

Service Director – Finance & Procurement

For any enquiries about this report please contact:

Pauline Moore - Senior Accountant, Financial Strategy & Accounting

Glen Bicknell - Senior Finance Business Partner, Capital & External Funding

Constitutional Comments (KK 05/06/2013)

The proposals in this report are within the remit of the Finance and Property Committee.

Financial Comments (PM 23/05/2013)

The financial implications are set out in the report.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All

MANAGEMENT ACCOUNTS SUMMARY 2012/13

	2012/13 Final Budget £'000	2012/13 Draft Out-turn £'000	Variance £'000
Committee			
Children and Young People	160,648	161,315	667
Adult Social Care and Health	195,009	194,948	(61)
Transport & Highways	61,193	60,635	(558)
Environment & Sustainability	27,596	26,975	(621)
Community Safety	4,163	4,088	(75)
Culture	14,382	13,892	(490)
Policy	26,929	25,805	(1,124)
Finance and Property	30,290	29,944	(346)
Personnel	4,697	3,579	(1,118)
Economic Development	898	799	(99)
Net Committee Total before restructuring	525,805	521,980	(3,825)
Committee Restructuring	-	1,402	1,402
Schools Restructuring	-	1,500	1,500
Net Committee Requirements	525,805	524,882	(923)
Schools Budget (after Dedicated Schools Grant)	1,306	7,486	6,180
Central Items Managed through Finance & Property Committee			
Capital Charges included in Committees	(47,292)	(47,200)	92
Statutory Provision for Debt Redemption	17,399	18,761	1,362
Interest	19,746	15,284	(4,462)
Contingency	18,815	-	(18,815)
Flood Defence Levies	291	265	(26)
Pension Enhancements	1,829	2,236	407
DSO Pension and NJE Costs	801	1,179	377
Write Offs	(218)	114	332
Local Services Support Grant	(1,719)	(921)	798
New Homes Bonus	(1,058)	(972)	86
Early Intervention Grant	(31,062)	(31,098)	(36)
Council Tax Freeze Grant	(7,721)	(7,721)	(0)
Academies funding transfer recoupment grant	-	(186)	(186)
Contribution to Ash Tree Disease	-	500	500
Expenditure before Use of Reserves	496,923	482,607	(14,316)
Reserves and Balances			
Carry Forwards from 2011/12	(1,689)	(1,689)	-
Proposed Carry Forwards to 2012/13	-	1,350	1,350
Schools' Statutory Reserve	-	(6,178)	(6,178)
PFI Reserves:			
East Leake PFI	245	185	(60)
Bassetlaw PFI	274	4	(270)
Waste PFI	1,493	1,598	105
Improvement Programme	(8,130)	(6,547)	1,583
Pay Review	1,000	1,000	-
Earmarked Underspendings	3,100	3,100	-
Life Cycle Maintenance	500	500	-
Capital adjustment with Trading Activities	517	503	(14)
Capital Projects Reserve	-	7,500	7,500
Corporate Redundancy	-	2,801	2,801
Transfer to/(from) County Fund	4,930	12,430	7,500
Funding Required	499,163	499,163	0
Funding			
Council Tax/Surplus on Collection	(309,811)	(309,811)	0
Revenue Support Grant/Business Rates	(189,352)	(189,352)	0
Total Funding	(499,163)	(499,163)	-

PROPOSED BUDGET CARRY FORWARDS BY COMMITTEE 2012/13

	£'000	£'000
Adult Social Care and Health		
Care & Support Centres - to complete refurbishments		478
Culture		
Olympic Legacy		692
Finance and Property		
Councillors Divisional Fund		12
Economic Development		
Start-up Business Support	24	
Broadband	84	
Subtotal Economic Development		108
Central items		
Contingency approved in 2012/13 to be spent in 2013/14		60
Total proposed budget carry forward		<u>1,350</u>

ALLOCATIONS FROM CONTINGENCY

	2012/13	
	£000	£000
Redundancy Contingency Budget	10,000	
General Contingency Budget	4,893	
Non-delivery of savings (net of horizontal savings) Budget	1,572	
Net Contingency Budget	<u>16,465</u>	
Add on departmental transfers:		
ASCH	8,000	
CFCS	4,000	
E&R	1,000	
T&H	-750	
Procurement	-3,000	
CFCS pressure materialised - contingency returned	-4,000	
Subtotal additional transfers	<u>5,250</u>	
Total contingency budget		<u><u>21,715</u></u>
Less approved requests:		
Multi Agency Safeguarding Hub – part year effect	-312	
Increase contribution to Experience Nottinghamshire	-100	
Procurement Team funding	-440	
Consultancy-End to End review of the Debt Recovery Process	-42	
Dilapidations at Riverside Way	-300	
Contribution to the Royal Visit to Nottingham	-24	
Olympic & Paralympic Legacy Fund	-1,000	
Care Home Refurbishment	-300	
Economic Growth & Tourism	-34	
Rufford County Park	-140	
Net realignment of internal recharge budgets	-238	
County Hall mosaic	-30	
Subtotal contingency schemes approved in year	<u>-2,960</u>	
Add back approved schemes subject to carry forward		60
Reported underspend on contingency		<u><u>18,815</u></u>

SUMMARY OF REVENUE RESERVES

	Brought Forward 01/04/2012 £'000	Use (-) in 2012/13 £'000	Contribution (+) 2012/13 £'000	Transfers 2012/13 £'000	Carry Forward 31/03/2013 £'000
County Fund Balances	29,688		12,430		42,118
Schools Reserves	39,151	(6,178)			32,973
Other Earmarked Reserves					
2011/12 Carry Forwards	1,689	(1,689)			-
2012/13 Carry Forwards	-		1,350		1,350
Earmarked for Services	-		3,642		3,642
Pay Review (schools provision transferred in year)	2,059	(309)	1,000	3,994	6,744
Departmental*	31,182	(9,022)	16,520	-	38,680
PFI Reserves:					
East Leake	3,114	(317)	186		2,983
Bassetlaw Schools	1,290	(457)	29		862
Waste	26,739		1,597		28,336
Capital Projects	27,636	(6,391)	8,882		30,127
Improvement Programme	17,997	(6,547)			11,450
Life Cycle Maintenance	3,705		500		4,205
Trading Activities	3,161	(1,509)	1,874		3,526
Redundancy Reserve	3,119		2,799		5,918
Insurance	7,571		2,790		10,361
Subtotal Other Earmarked Reserves	129,262	(26,241)	41,169	3,994	148,184
Total Usable Revenue Reserves	198,101	(32,419)	53,599	3,994	223,275

DEPARTMENTAL RESERVES DETAIL

	Brought Forward 01/04/2012 £'000	Use (-) in 2012/13 £'000	Contribution (+) 2012/13 £'000	Transfers 2012/13 £'000	Carry Forward 31/03/2013 £'000
Adult Social Care and Health & Public Protection					
Asset Replacement	673	(130)			543
Capital	60			(60)	-
Sheltered Employment	977	(290)			687
Other	10,372	(1,489)	13,007	169	22,059
Revenue Grants	5,568	(2,562)	4	(109)	2,901
Children, Families & Cultural Services					
Capital	1,334	(4)			1,330
Other	3,971	(2,079)	1,189		3,081
Revenue Grants	3,172	(1,120)	1,867		3,919
Environment & Resources					
Asset Replacement	691	(558)	150		283
Capital	1,210				1,210
Other	1,965	(571)	203		1,597
Revenue Grants	411	(166)			245
Policy, Planning & Corporate Services					
Asset Replacement	496				496
Other	57		46		103
Revenue Grants	225	(53)	54		226
Total Departmental Reserves	31,182	(9,022)	16,520	-	38,680

FINAL CAPITAL PROGRAMME 2012/13

CHILDREN AND YOUNG PEOPLE'S SERVICE COMMITTEE CAPITAL PROGRAMME 2012/13					
	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Primary Schools					
School Refurbishment Programme	20,421	5,212	25,633	22,676	(2,957)
School Basic Need Programme	9,164	(6,564)	2,600	2,708	108
Special School Programme	3,791	63	3,854	3,800	(54)
School Access Initiative	1,000	187	1,187	752	(435)
Chuter Ede Primary	1,198	113	1,311	1,282	(29)
Brookside Primary	256	(246)	10	1	(9)
Other Projects	2,201	1,350	3,551	1,054	(2,497)
Young People					
Eastbourne Centre	750	-	750	692	(58)
Other Projects	555	(386)	169	38	(131)
Children's Social Care					
Short Breaks Capital Fund	-	355	355	179	(176)
The Big House	1,932	(1,498)	434	207	(227)
Total Committee	41,268	(1,414)	39,854	33,389	(6,465)

ADULT SOCIAL CARE AND HEALTH COMMITTEE CAPITAL PROGRAMME 2012/13					
	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Older Persons					
Aiming for Excellence	2,000	(2,000)	-	-	-
Learning Disability					
Day Services Modernisation	2,243	537	2,780	2,527	(253)
Bassetlaw Specialist Day Centre	1,098	438	1,536	1,425	(111)
Physical Disability					
Sheltered Employment	-	87	87	-	(87)
Other					
Social Care Transformation Capital Grant	-	15	15	-	(15)
Total Committee	5,341	(923)	4,418	3,952	(466)

TRANSPORT AND HIGHWAYS COMMITTEE CAPITAL PROGRAMME 2012/13					
	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Major Schemes					
Mansfield Public Transport Interchange	5,930	(146)	5,784	6,034	250
Gedling Transport Improvement	-	425	425	50	(375)
Other Major Schemes	499	666	1,165	820	(345)
Highways & Roads					
Highway Maintenance	13,039	(26)	13,013	15,311	2,298
Manage & Operate Partnerships-Terminate	1,300	(39)	1,261	649	(612)
Street Lighting Renewal	2,100	(49)	2,051	2,411	360
Flood Alleviation & Drainage	500	5	505	591	86
Road Safety	621	92	713	681	(32)
Highways Depot Rationalisation	345	300	645	1,099	454
Highways Trading	300	150	450	88	(362)
Integrated Transport Measures					
ITM	8,493	(442)	8,051	8,402	351
Other Schemes					
Land Reclamation	95	218	313	228	(85)
Civil Parking Enforcement	-	39	39	24	(15)
Rights of Way	-	3	3	1	(2)
Vehicle Purchase-Gritters	240	273	513	513	-
Transport & Travel Services	1,156	1,196	2,352	2,037	(315)
Transport & Highways External Funding	2,000	(681)	1,319	-	(1,319)
Other Projects	622	(622)	-	-	-
Total Committee	37,240	1,362	38,602	38,939	- 337

ENVIRONMENT AND SUSTAINABILITY COMMITTEE CAPITAL PROGRAMME 2012/13					
	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Local Improvement Schemes					
Local Improvement Schemes	3,245	345	3,590	3,761	171
Environ & Sustainability External Funding	200	-	200	100	(100)
Carbon Management					
Carbon Management	225	351	576	351	(225)
Waste Management					
Waste Management	1,250	(445)	805	567	(238)
Total Committee	4,920	251	5,171	4,779	(392)

CULTURE COMMITTEE CAPITAL PROGRAMME 2012/13					
	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Libraries					
West Bridgford Library	4,466	85	4,551	4,014	(537)
Workshop Library	-	109	109	109	-
Other Projects	2,991	(2,504)	487	180	(307)
Total Committee	7,457	(2,310)	5,147	4,303	(844)

POLICY COMMITTEE CAPITAL PROGRAMME 2012/13					
	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Policy, Planning & Corporate Services					
Customer Services Centre	380	100	480	32	(448)
Strategic Communications Initiatives	-	111	111	6	(105)
Improvement Programme					
EDRMS	-	397	397	19	(378)
Ways of Working	5,990	1,924	7,914	6,454	(1,460)
Total Committee	6,370	2,532	8,902	6,511	(2,391)

**FINANCE AND PROPERTY COMMITTEE
CAPITAL PROGRAMME 2012/13**

	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Property					
Building Works	4,798	949	5,747	5,817	70
Sun Volt Programme	-	340	340	159	(181)
County Supplies	-	604	604	212	(392)
Renewable Heat Programme	-	200	200	-	(200)
County Cricket Club	-	900	900	-	(900)
Property Acquisition & Disposals	500	2,700	3,200	2,790	(410)
Other projects	250	(217)	33	1	(32)
Risk Management					
Risk Management-Security	-	396	396	70	(326)
ICT Schemes					
Network Development	-	107	107	107	-
ICT Infrastructure	1,000	176	1,176	975	(201)
IT Data Centre	-	108	108	108	-
Microsoft Enterprise Agreement	1,227	93	1,320	950	(370)
Other ICT Projects	400	522	922	240	(682)
Business Management System	1,031	1,996	3,027	1,522	(1,505)
Total Committee	9,206	8,874	18,080	12,951	- (5,129)

**COMMUNITY SAFETY COMMITTEE
CAPITAL PROGRAMME 2012/13**

	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Personnel & Performance					
Personnel Projects	-	3	3	11	8
Total Committee	-	3	3	11	8

**PERSONNEL COMMITTEE
CAPITAL PROGRAMME 2012/13**

	Original Budget Budget Report (Council 23/02/12) £'000	Approved Variations £'000	Revised Budget Budget Report (Council 28/02/13) £'000	Actual Expenditure £'000	Variance £'000
Personnel & Performance					
Personnel Projects	520	(432)	88	106	18
Total Committee	520	(432)	88	106	18

Total Capital Programme	112,322	7,943	120,265	104,941	- (15,324)
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**REPORT OF THE SERVICE DIRECTOR – FINANCE & PROCUREMENT
FINANCIAL MONITORING REPORT: PERIOD 1 2013/2014****Purpose of the Report**

- 1.1 To outline the approved revenue and capital budgets for the 2013/14 financial year
- 1.2 To provide a summary of the revenue position of the County Council for the year to date with initial year-end forecasts
- 1.3 To provide a summary of the Procurement Team's current performance
- 1.4 To provide a summary of Capital Programme expenditure to date and initial year-end forecasts
- 1.5 To inform Members of the Council's in year Balance Sheet transactions

Information and Advice**2. Background**

- 2.1 The Council's budget was approved at the Full Council meeting 28 February 2013. As with the previous financial year, progress updates will be reported to this Committee each month; with final outturn confirmed in the June meeting of each year. The 2012/13 Management Accounts are elsewhere on this agenda.

3. Summary Financial Position

- 3.1 At the beginning of the current financial year, the Corporate Leadership Team reviewed the budget pressures that had been approved during the 2013/14 budget cycle. This was informed by the 2012/13 outturn position. The resulting decision to hold back an element of the base budget, in a central contingency, amounts to £2m. Should this money be required to offset in-year spending pressures, it will be released back to the relevant departments.
- 3.2 After the budgeted use of £15.1m of General Fund balances, the forecast out-turn position overall for the County Council is a underspending of £1.1m as summarised in Table 1 below.

Table 1 – Summary Revenue Position

Committee	Annual Budget £'000	Actual to Period 1 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
Children & Young People	169,387	7,794	169,387	-
Adult Social Care & Health	216,346	13,946	218,346	2,000
Transport & Highways	63,367	4,181	63,367	-
Environment & Sustainability	29,027	(1,960)	29,027	-
Community Safety	4,096	(531)	4,096	-
Culture	13,268	838	13,268	-
Policy	24,860	1,761	28,420	3,560
Finance & Property	29,477	2,357	29,477	-
Personnel	2,535	(180)	2,535	-
Economic Development	1,116	587	1,116	-
Public Health	35,103	313	35,103	-
Net Committee (under)/overspend	588,582	29,106	594,142	5,560
Central items	(51,434)	(4,891)	(54,559)	(3,125)
Forecast prior to use of reserves	537,106	24,215	539,583	2,435
Transfer to / (from) Corporate reserves	(9,872)	-	(13,432)	(3,560)
Transfer to / (from) General Fund	(15,138)	-	(15,138)	-
Net County Council	512,138	24,215	511,013	(1,125)

4. Committee and Central Items

- 4.1 The main variations that have been identified are explained in the following section.

Children and Young People (forecast in line with budget)

- 4.2 In response to the budget challenge process referred to in section 3.1 above, this Committee has returned £2m of its allocated pressures funding to the Corporate contingency. This is attributable entirely to the activity in external placement of Looked After Children (LAC) within Children's Social Care.
- 4.3 The growth in numbers of LAC between December 2012 (the latest data available when the budget pressure was calculated) and March 2013 was slower than anticipated. Estimates suggest that this is still continuing towards the national average and assume that growth will continue at the previously forecasted rate albeit with a lower starting point for April 2013. Previously forecast numbers, therefore, will be reached, but at a later date. Should the rate of change, or mix of placement types utilised, vary significantly from forecast, so will the costs, and this will be reported through this monthly monitoring report.

Adult Social Care & Health (forecast £2m net overspend)

- 4.4 This is due to an anticipated shortfall in client contribution income, comprising £1.6m from personal budgets and £0.4m from residential and nursing income. These pressures will be investigated further and monitored closely throughout the year.

Policy

(forecast £3.6m net overspend, met by Improvement Programme reserve)

- 4.5 The 2012/13 Management Accounts confirm slippage of £1.6m within the Improvement Programme. The spending profile of the programme has been reviewed and latest estimates predict expenditure for the year will be £7.8m, which is £3.6m more than budgeted. Funding of the Programme is held in a central reserve which will be adjusted accordingly to ensure a net nil variance for the financial year.

Central Items (forecast £3.1m net underspending)

- 4.6 Central Items primarily consists of interest and payments on cash balances and borrowing, together with various grants, contingency and movements on reserves.
- 4.7 Interest payments are currently forecast to be £1.7m less than the original budget. This is primarily due to slippage of the 2012/13 capital programme, resulting in a reduction in the Council's borrowing requirement.
- 4.8 The 2012/13 Contingency budget was originally set at £5m, of which, £3m was earmarked for redundancy. Following realignment adjustments at the conclusion of the base budget review, and the budget challenge process as reported at paragraph 3.1, the total contingency budget now stands at £6.6m.
- 4.9 As in previous years, and in accordance with accounting practice, a provision was set aside in 2012/13 to meet the costs of expected redundancies that will fall in 2013/14. This was based on outstanding Section 188 notices at the time and totalled £1.3m. Redundancy payments made in the current financial year to date total £0.2m. It is expected that the remaining provision will be required later in the year. As yet it is not possible to estimate the current year's redundancy costs, but should the budget not be required in full, it is likely that the underspend will be transferred to the Councils redundancy reserve. Therefore the figures included in Table 1 assume nil variance against this budget.
- 4.10 There has been one request to date against the general contingency, being £62,500 for the current and following financial year as a contribution towards the costs of administering the D2N2 core funding. Members are requested to approve this use of contingency. It is likely that further contingency requests will be made throughout the year, and the figures in Table 1 assume that the original allocation for general contingency will be required. The remaining £1.5m is reflected as an underspend and will be used to reduce the use of County Fund Balances at year end if Committee budgets remain to forecast.

- 4.11 At the time of setting the 2013/14 budget, several funding allocations had not been confirmed and therefore assumptions about certain grants were made, based on the best information available at the time. Since then, the 'Education Services Grant' (ESG) and the 'Localisation of Council Tax Support Funding' (LCTSF) grant have been announced, resulting in a net shortfall of £104,405 in 2013/14. The (LCTSF) grant is a one off grant to aid local authorities during the transitional period, and the additional funding cannot be expected in future years. The ESG will vary in future due to further academy conversions and this was built in when the Medium Term Plan was constructed.

Transfer to/from Reserves (forecast £3.6 net overspend)

- 4.12 Due to slippage in 2012/13 within the Improvement Programme, £3.6m additional funding from the Corporate Improvement Programme reserve will be required in 2013/14, as referred to in paragraph 4.6 above.

Transfer to/from General Fund (forecast in line with budget)

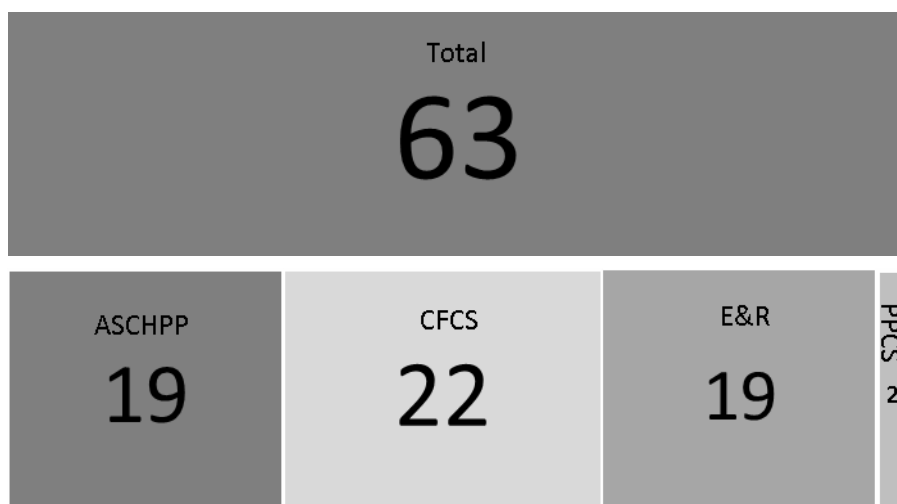
- 4.13 The latest forecast assumes the budgeted £15.1m contribution from General Fund balances will be drawn upon. Given the forecast underspend, this may not all be required, which will allow a degree of protection to the Council's savings plans given the challenging economic outlook over the forthcoming years.

5. Progress with savings and risks to the forecast

- 5.1 Since 2010/11 the Council has delivered savings of over £100m with a further £10m expected in the current year. The base budget review identified some movement in the savings and realignments were made to 2013/14 budgets where appropriate. Officers monitor the deliverability of individual schemes and targets as part of the budget monitoring process and reflect achievability in the forecast outturn. The funding shortfall over the medium term will require further savings to be found and work has commenced in drafting proposals to deal with this as part of the Council's Medium Term Financial Strategy refresh.

6. Procurement Performance

- 6.1 As an organisation NCC has spent £63m year to date with external suppliers which is an increase of £6m from the same period in 2012/13.
- 6.2 The diagram below shows how the total amount spent is divided across the Portfolios, with 67% of all expenditure going through ASCHPP & CFCS and 26% through Highways and Property (E&R).



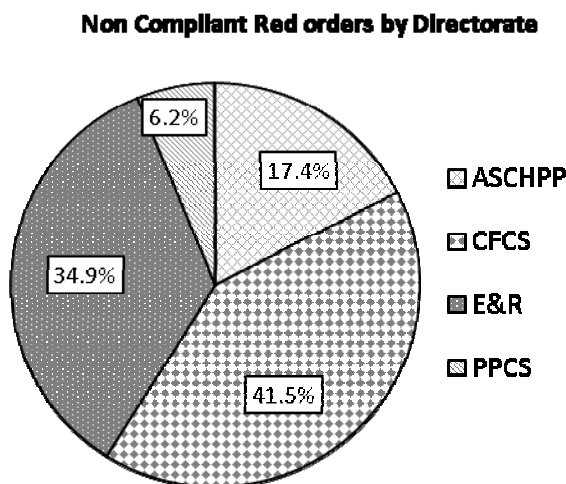
- 6.3 Operational Purchasing is responsible for activities that enable the organisation to order and pay for goods and services. These activities control the efficiency with which items are procured and also ensure compliance with Council Financial Regulations as well as EU and UK Directives and Law. This leads to greater savings and reduced risk. The following sections describe key measures for this aspect of Procurement activity.
- 6.4 Payment and Ordering routes are defined by the way the business raises orders with suppliers. The preferred route is to use BMS which has been a major investment in the last few years. Orders which use BMS are classified as Compliant Purchase Orders (Compliant), Non Purchase Orders (Semi or Non-Compliant) and Interface (Out of Scope - integrated systems that make payment only e.g. Frameworki – no other order details are retained on SAP).
- 6.5 Purchase Orders are beneficial to the organisation as they provide visibility of what we spend which in turn provides a financial benefit through savings and maximises return on investment in SAP.

Currently:-

- Compliant ordering is increasing (currently 39% of the total)
 - Non-compliant ordering is decreasing
 - Interface is stagnant (gradual decrease expected over time as we maximise the use of BMS)
- 6.6 Purchase orders themselves are split into Green and Red orders. Green orders are those which are raised with the Procurement Centre's pre-arranged agreements or contracted suppliers.
- 6.7 An increase in Green ordering leads to:

- A reduction in the average number of days taken to raise an order with suppliers
- Reduced lead time to order and receive delivery of goods/ services
- Reduction in supply chain risk
- Increased department productivity
- Decreased processing costs

6.8 The chart below identifies Red orders year to date by Directorate. Although CFCS has the highest number of Red orders year to date, they also have the largest reduction with a 4% reduction in the last month.



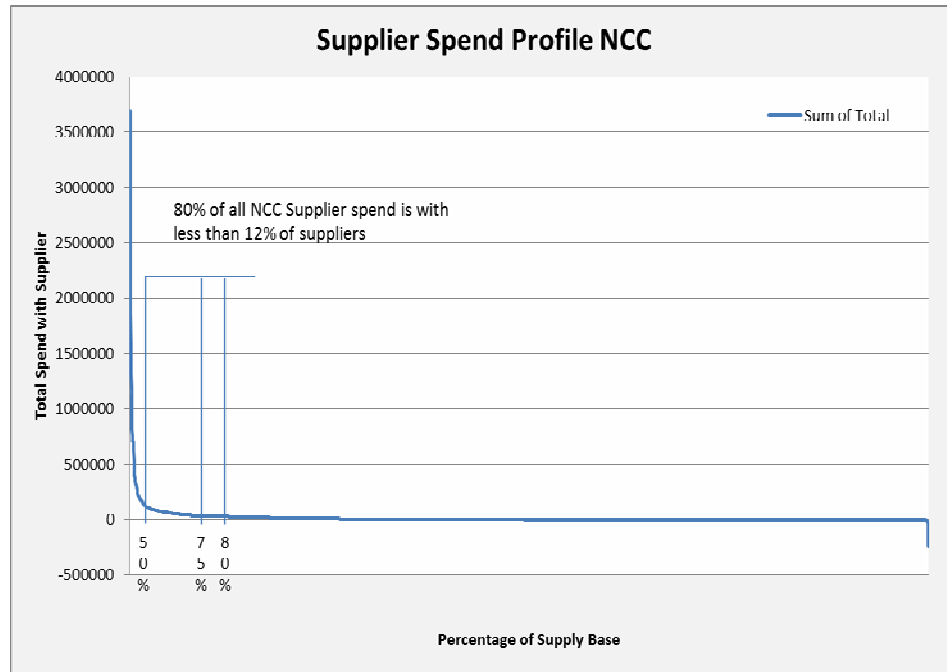
6.9 Chart below shows suppliers ranked by the amount NCC spends with them over the last month. There are a high number of suppliers with whom NCC spends less than £5k.

6.10 The top 12% (499) of suppliers account for 80% of the total supplier spend. The remaining 78% (2,915 suppliers) have a total expenditure of £12.5m with an average spend of £4,400. A high number of suppliers with a low average order value creates several distinct issues:-

- Reduced control over purchasing activity
- Higher processing costs (the cost of raising an order or processing an invoice remains the same regardless of order value)
- High risk to the organisation due historical lack of commercial auditing i.e. continuity of supply and financial robustness

6.11 Reducing the number of suppliers will allow more efficient ordering, fewer FTE hours processing the orders, reduced risk to the organisation and greater

control of spend. The Procurement Centre has worked extensively with departments to reduce these risks/ issues by implementing catalogues and contracts and 'vetting' suppliers to ensure the widest possible product/ service availability to the organisation.



6.12 The strategy for the Procurement Centre is based on the Balanced Scorecard approach. This has four aspects:

- Financial: this looks at how we can create value by working with internal stakeholders and supply markets – cost savings is just one measure.
- Customer: to achieve our vision, how should we appear to the departments that we work with?
- Internal business processes: to satisfy our stakeholders and customers we need to focus on the things that add value and eliminate or streamline the rest
- Learning and growth: to achieve our vision, how will we sustain our ability to change and improve?

6.13 The following is an outline of the projects to be implemented as defined by the Balance Scorecard.

Customer Focus

- Customer Satisfaction - feedback from our client base on our performance.
- Marketing plan – marketing what we will do and how we will do it.
- Communications plan – How are we to communicate with our customers

Learning and Growth

- Skills audit and Gap analysis - to identify a structured and tailored training programme
- Renew and rationalise policies and procedures – optimising the way the department works
- Upskill Procurement Centre and the wider organisation in commercial skills

Business Processes

- Vendor Performance Management /SRM - Understand supply chain risks, market analysis
- Supplier spend analysis – improve knowledge of spend and analytics
- Design/improve processes – process improvement, making the department more efficient

Financial Objectives

- Cost savings – make transformational savings to support corporate objectives
- Demand Management – understanding and challenging the demand and the need for goods and or services
- Risk management - more consistent approach to analysing supply chain failure

7. Capital Programme

Approved Capital Programme

- 7.1 Table 2 summarises changes in the gross Capital Programme for 2013/14 since approval of the original programme in the Budget Report (Council 28/02/13):

Table 2 – Revised Capital Programme for 2013/14

	2012/13	
	£000	£000
Approved per Council (Budget Report 2013/14)		132,956
Variations funded from County Council Allocations: Net slippage/variations from 2012/13 and financing adjustments	9,766	9,766
Variations funded from other sources: Net slippage/variations from 2012/13	2,866	2,866

Revised Gross Capital Programme	145,588
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Capital Monitoring

7.2 Table 3 shows actual capital expenditure to date against the forecast outturn at period 1.

Table 3 – Capital Expenditure and Forecasts as at Period 1

Committee	Revised Capital Programme £'000	Actual Expenditure to Period 1 £'000	Forecast Outturn £'000	Expected Variance £'000
Children & Young People	60,759	-4	60,759	-
Adult Social Care & Health	6,468	-104	6,468	-
Transport & Highways	41,611	-717	41,611	-
Environment & Sustainability	4,908	183	4,908	-
Community Safety	289	-	289	-
Culture	7,941	54	7,941	-
Policy	7,466	-138	7,466	-
Finance & Property	14,999	696	14,999	-
Personnel	68	0	68	-
Contingency	1,079	0	1,079	-
TOTAL	145,588	-30	145,588	-

7.3 No significant variances have yet been reported on the 2013/14 capital programme.

Financing the Approved Capital Programme

7.4 Table 4 summarises the financing of the overall approved Capital Programme for 2013/14.

Table 4 – Financing of the Approved Capital Programme for 2013/14

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People	41,842	18,342	0	575	60,759
Adult Social Care & Health	4,440	1,891	45	92	6,468
Transport & Highways	7,966	21,685	0	11,960	41,611
Environment & Sustainability	3,682	726	500	0	4,908
Community Safety	289	0	0	0	289
Culture	2,365	1,465	172	3,939	7,941
Policy	7,466	0	0	0	7,466

Finance & Property	14,396	0	0	603	14,999
Personnel	0	0	0	68	68
Contingency	1,079	0	0	0	1,079
TOTAL	83,525	44,109	717	17,237	145,588

- 7.5 It is anticipated that borrowing in 2013/14 will increase by £11.1m from the forecast in the Budget Report 2013/14 (Council 28/02/13). This increase is a primarily as a consequence of net slippage of expenditure from 2012/13 to 2013/14.

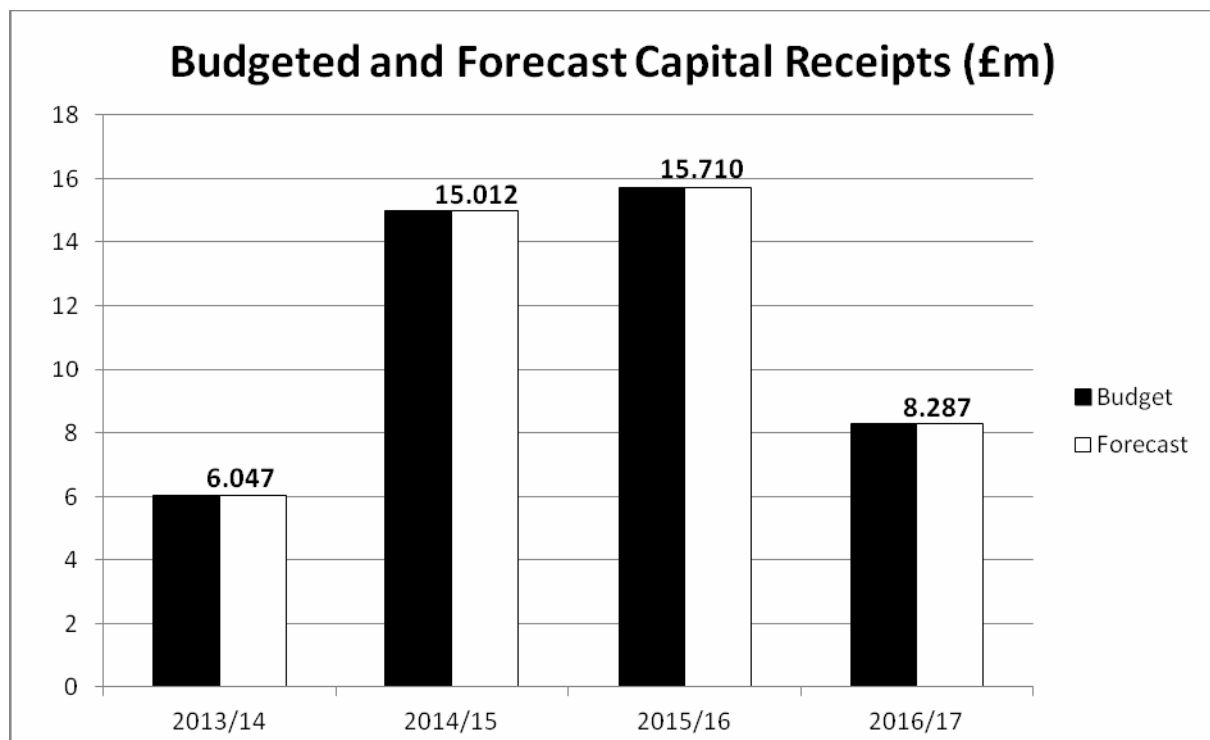
Prudential Indicator Monitoring

- 7.6 Performance against the Council's Prudential Indicators will be regularly monitored to ensure that external debt remains within both the Operational Boundary and the Authorised Limit.

Capital Receipts Monitoring

- 7.7 Anticipated capital receipts are regularly reviewed. Forecasts are currently based on estimated sales values of identified properties and prudently assume a slippage factor based upon a review of risk associated with each property. They also include an estimated £50k of vehicle receipts.

- 7.8 The chart below shows the budgeted and forecast capital receipts for the four years to 2016/17.



- 7.9 The dark bars in the chart show the budgeted capital receipts included in the Budget Report 2013/14 (Council 28/02/2013). These capital receipts budgets

prudently incorporated slippage, giving a degree of “protection” from the risk of non-delivery. The bars also incorporate anticipated slippage.

- 7.10 The forecast for 2013/14 is currently estimated to be equal to the budgeted capital receipts.
- 7.11 The number and size of large anticipated receipts increase the risk that income from property sales will be even lower than the revised forecasts over the next three years. Although the revised forecasts incorporate an element of slippage, a delay in receiving just two or three large receipts could result in sales being lower than these forecasts. For example, a scenario in which £4m of capital receipts are realised in 2012/13 and £9m of capital receipts are realised in 2013/14 would not be considered unlikely. This would represent a reduction of £36m from the budgeted level of capital receipts for 2012-14.
- 7.12 Current Council policy (Budget Report 2013/14) is to set capital receipts against the principal of previous years' borrowing. This reduces the amount of Minimum Revenue Provision (MRP) to be set aside each year.
- 7.13 As highlighted in the Budget Report 2013/14, the Council's medium-term forecasts were predicated on an ambitious level of capital receipts. Given current concerns about further revenue reductions, it is important to regularly monitor capital receipt forecasts and their effect on the overall revenue impact of the Capital Programme.

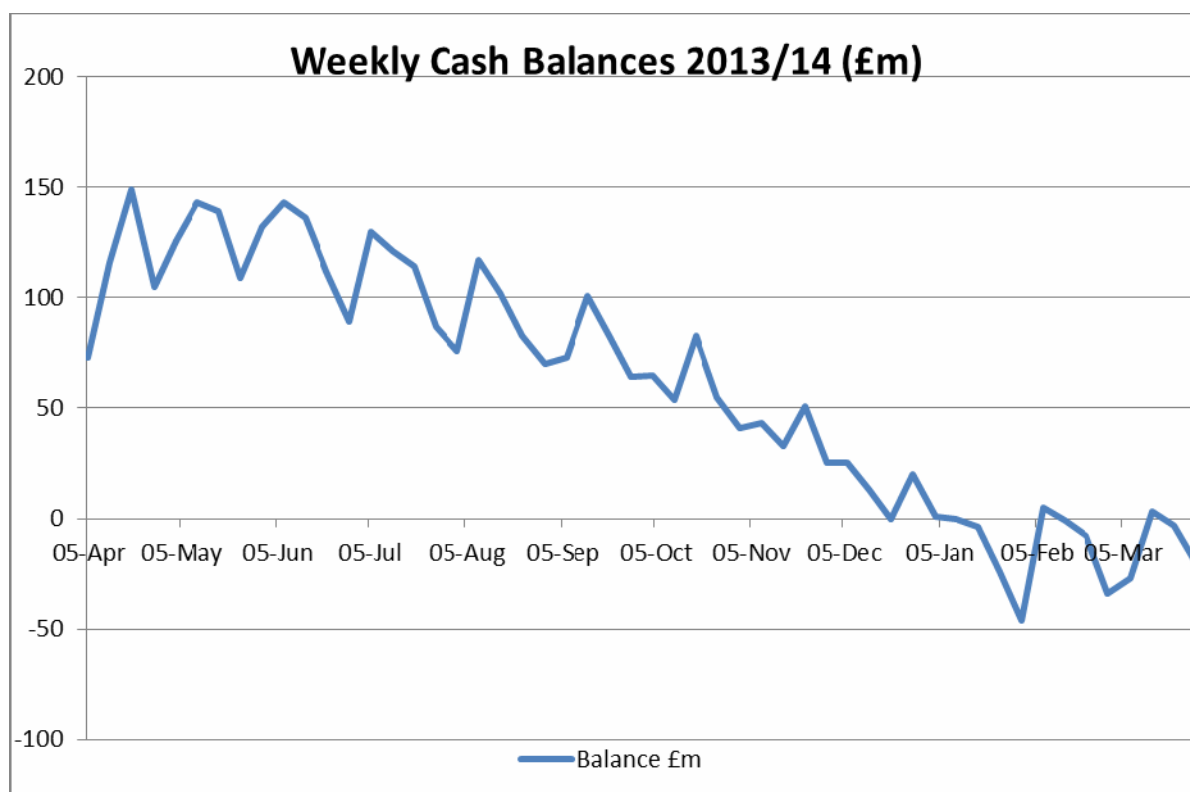
8. Balance Sheet

Impact on County Fund Balances

- 8.1 Subject to Member approval of the 2012/13 Management Accounts Report, County Fund Balances will be increased by £12.4m giving a closing balance for the 2012/13 financial year of £42.1m. The 2013/14 budget approves utilisation of £15.1m of balances which will result in a closing balance of £27m at 31/03/2014, which is just over 5% of the Budget Requirement.

Treasury Management

- 8.2 Cash flow is kept under constant monitoring by the Senior Accountant (Pensions & Treasury Management) with the overall position reviewed quarterly by the Treasury Management Group. The following graph shows the actual cash balances to date and the forecasts for the remainder of the year. Cash inflows are typically higher at the start of the year due to the front loading receipt of Central Government grants, and the payment profile of precepts. However, cash outflows, in particular capital expenditure, tend to occur later in the year. The peaks and troughs in the graph reflect the temporary investment and repayment of surplus cash balances. The Council aims to keep cash balances relatively low as part of its approach to managing treasury risks. This works to minimise borrowing costs and reduce exposure to counterparty risk.

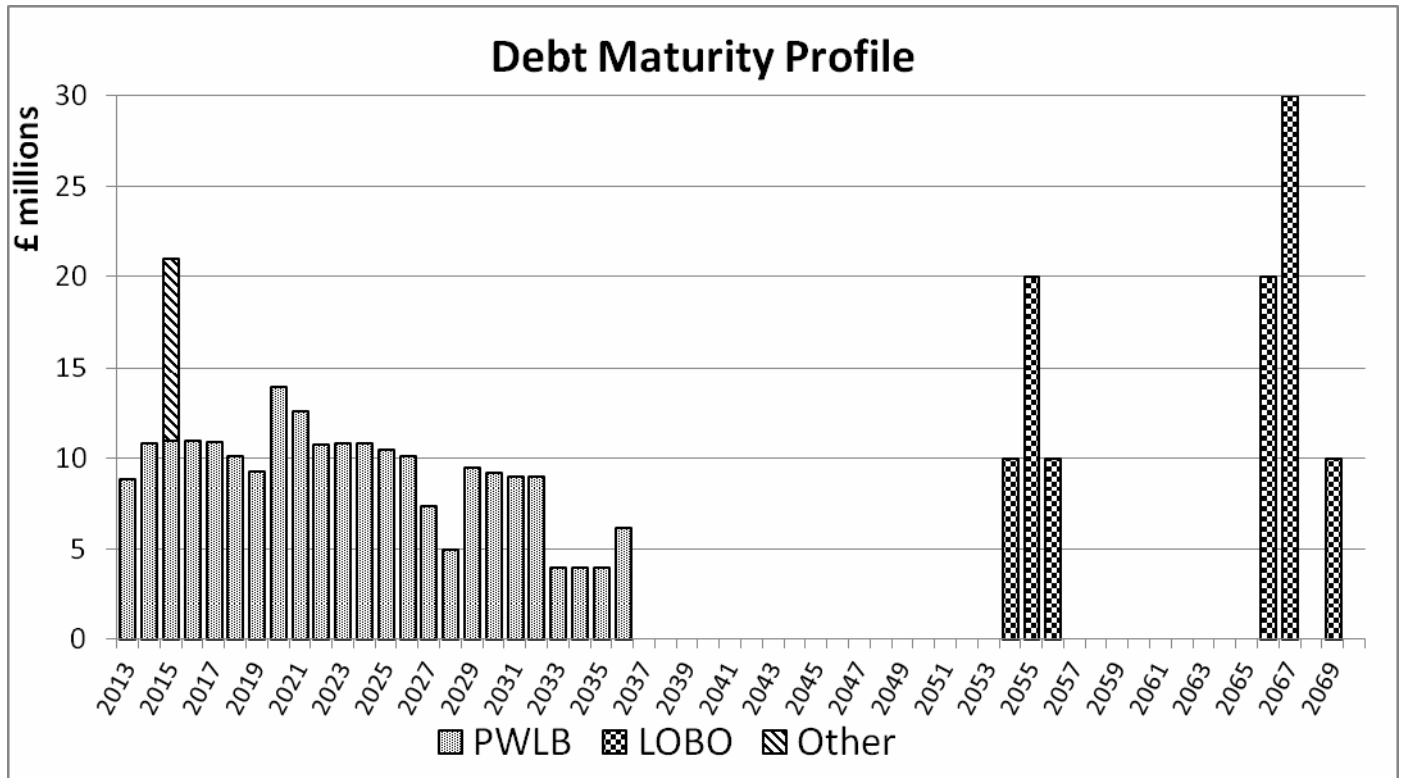


8.3 The treasury strategy for 2013/14 identified a need for additional borrowing of £10m to replenish cash reserves and £30m to fund the capital programme. The chart above indicates that sufficient cash balances will be maintained for much of the year without recourse to external borrowing.

8.4 Borrowing decisions take account of a number of factors including:

- Current interest rates and recent trends
- The impact of new debt on revenue budgets
- The maturity profile of existing debt

8.5 The maturity profile of the Council's debt portfolio is shown in the table below. The PWLB loans are reasonably well distributed and have a maximum duration of 23 years. Longer-term borrowing (maturities up to 56 years) was obtained from the market some years ago in the form of 'Lender's Options, Borrower's Options' loans (LOBOs). The 'other' loans denote the recent borrowing from the money markets where the main objective was to minimise interest costs. These loans will be refinanced in the coming years for terms of up to 2 years, provided short-term rates continue to look favourable.

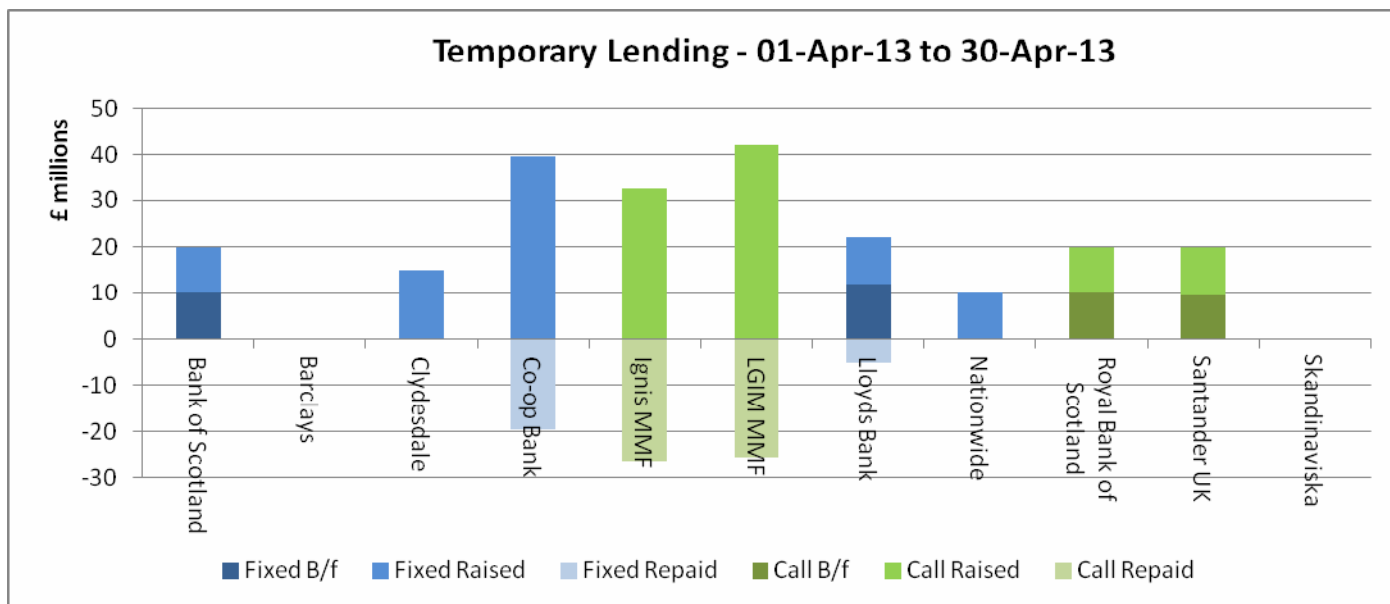


Investments

- 8.6 The Council's TM policy includes criteria for assessing counterparties for investment. Treasury Management Group approves a lending list based on these criteria and also market availability of institutions. The investment activity for 2013/14 to the end of April 2013 is shown in the table and chart below. In light of the forecast cash flow profile for 2013/14, a number of fixed term deals have been placed to take advantage of higher rates available for periods up to 9 months.

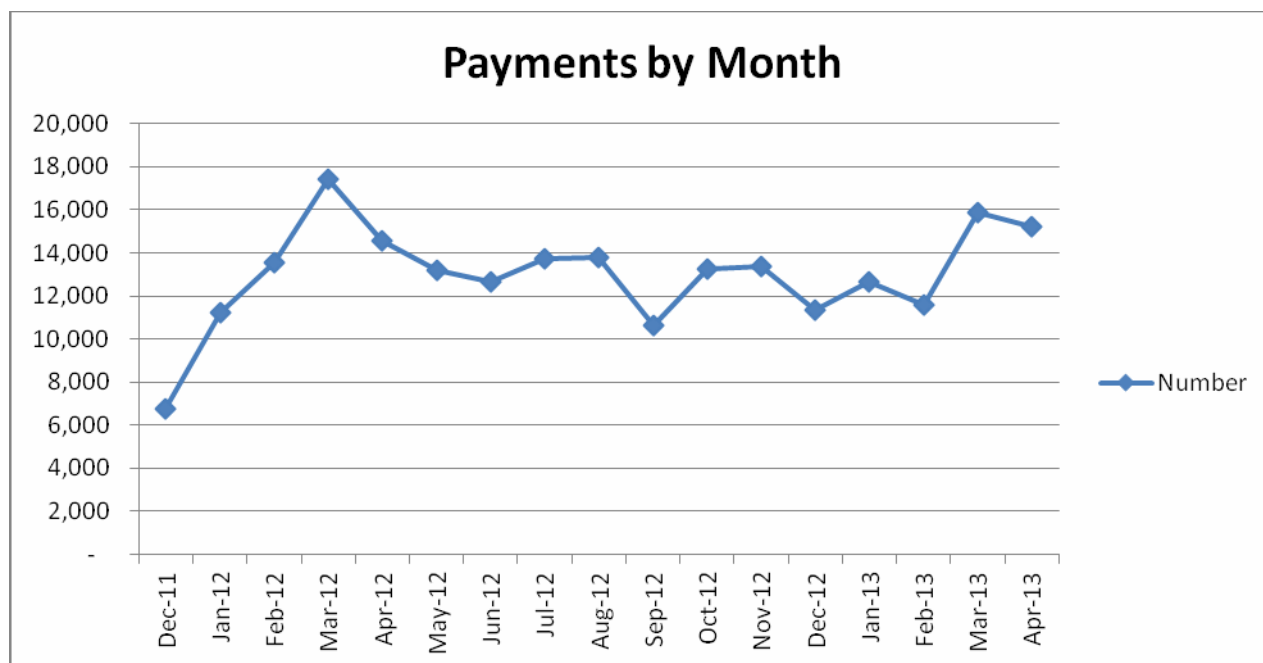
Nottinghamshire County Council								
Temporary Lending:	01-Apr-13	to	30-Apr-13					
	Fixed Term Deals			Call Accounts & Money Market Funds			Outstanding	Outstanding
	Fixed B/f	Fixed Raised	Fixed Repaid	Call B/f	Call Raised	Call Repaid	31-Mar-12	30-Apr-13
Bank of Scotland	10,000,000	10,000,000	0	0	0	0	10,000,000	20,000,000
Barclays	0	0	0	0	0	0	0	0
Clydesdale	0	15,000,000	0	0	0	0	0	15,000,000
Co-op Bank	0	39,750,000	-19,750,000	0	0	0	0	20,000,000
Ignis MMF	0	0	0	0	32,550,000	-26,450,000	0	6,100,000
LGIM MMF	0	0	0	0	42,100,000	-25,700,000	0	16,400,000
Lloyds Bank	12,000,000	10,000,000	-5,000,000	0	0	0	12,000,000	17,000,000
Nationwide	0	10,000,000	0	0	0	0	0	10,000,000
Royal Bank of Scotland	0	0	0	10,000,000	10,000,000	0	10,000,000	20,000,000
Santander UK	0	0	0	9,550,000	10,450,000	0	9,550,000	20,000,000
Skandinaviska	0	0	0	0	0	0	0	0
	22,000,000	84,750,000	-24,750,000	19,550,000	95,100,000	-52,150,000	41,550,000	144,500,000

Note: As at 15 May there were no outstanding balances with Co-op Bank



Debtors and Creditors

- 8.7 Responsibility for both the Accounts Payable (AP) and Accounts Receivable (AR) sits within the Business Support Centre. The graphs below illustrate the total volume of payments processed each month, and the total payments processed within terms since the Council's Business Management System went live in November 2011.



8.8 March and April saw significant number of payments processed as part of the 2012/13 year end work. A total of 31,107 payments were processed over the 2 months. This compares to the long term average of circa 13,000 per month. The percentage of invoices paid within contractual terms has remained around 64% over the last few months. The percentage fell slightly in April due to the impact of Easter, when staff holidays mean there can be delays in approving invoices for payment within business areas.

8.9 Work is underway to improve the number of invoices paid within contractual terms including the following measures:-

- Review and update all payment terms on SAP and confirm these agree to contractual terms per contracts
- Ensure all invoices are sent direct to AP and are not going to business users before being forwarded to payments team
- A programme to move suppliers to providing email invoices rather than sending by post. This is subject to ensuring they only send one copy and that it is in an agreed format
- Regularly update business users with details of invoices in their worklists for action and request feedback on issues / problems
- Ensure business users have SAP substitutes set up so that other staff can provide cover for absences.

8.10 It is anticipated that the above actions will lead to an improvement in the percentage of invoices paid within terms over the next few months. Early data for May indicates that the percentage paid within terms in the first 3 weeks of the month is circa 70%.

8.11 Performance monitoring has also been developed within the Accounts Receivable function and the debt recovery team in particular. The tables below illustrate activity in the current year and the Councils accumulated position.

Period 1 – 2013/14 Invoices raised

	Pd 1
Number	13,681
Value	£10,913,013

Debt Position

	Residential & Domiciliary Care	All Other	Total
Total	£7,417,059	£13,272,829	£20,689,888
Over 6 months	£4,462,730	£864,690	£5,327,420

% over 6 months	60.2%	6.5%	25.7%
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8.12 A recent review of end-to-end Other debt processes has identified a number of improvements that have either been implemented by the Debt Recovery team or will be actioned over the coming months. These include:-

- New methods of enforcement such as the use of Third Party Debt Collection Agencies and Small Claims Court Work, as available to the Council through existing Civil Parking Enforcement arrangements .
- Introduce new reminder and Court Action letters and shorten the dunning (reminder) cycle by 14 days.
- Set up a dedicated Debt Recovery team to concentrate on other debt.
- Develop and pilot corporate invoicing standards. Once reviewed and agreed these will be rolled out across the Council
- Reduce the number of sales offices in use to enable better reporting and control of debt.
- Develop e-invoicing and e-dunning
- Debt recovery policy to be developed, including clear information for insurance companies on what information will be provided by the Council.

8.13 The impact of the above will be assessed over the coming months and targets will be set for the level of debt over 6 months old as a percentage of total debt.

8.14 A “Lean+” service review of Adult Care Financial Services (ACFS) is currently underway. This includes the statutory debt recovery elements of the process and the Debt Recovery team will implement any revised processes arising from the review. In addition a review of how payment is made for NCC services is underway. The aim of this will be to encourage pre-payment where possible to avoid debt arising. Investigations are also on-going in to a possible on line payment solution which would facilitate this.

9. Future developments & strategic issues

- 9.1 Initiatives to improve financial awareness and accountability across the Authority are continuing. Internal candidates for the remaining two tiers of the finance restructure have been appointed and the remaining vacancies will be dealt with in line with the Council’s vacancy protocol.
- 9.2 The Base Budget review has enabled all managers to engage in setting their own budgets for 2013/14 and financial training to managers is also taking place through the Leadership Development Programme.

- 9.3 The 2013/14 budget report highlighted funding shortfalls over the medium term and options to balance the Council's Medium Term Financial Strategy are being drafted for Member consideration. In line with this, officers will be assessing the implications of the Spending Review when the announcement is made later this month (June 26th). Full public consultation will be launched in November when a report to this Committee will outline the proposals in full.

Statutory and Policy Implications

- 10.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

- 11.1 To note the current position regarding monitoring of revenue expenditure.
- 11.2 To note additional use of the Corporate Improvement Programme Reserve to allow certain projects to progress within the current financial year as reported at para 4.5.
- 11.3 To approve the use of contingency as requested at para 4.10.
- 11.4 To note the current procurement team performance.
- 11.5 To note the current position regarding monitoring of capital expenditure.
- 11.6 To note that the current level of borrowing is expected to remain within the Council's prudential limits.
- 11.7 To note the Balance Sheet update.

Paul Simpson
Service Director – Finance & Procurement

For any enquiries about this report please contact:

Pauline Moore - Senior Accountant, Financial Strategy & Accounting
Glen Bicknell - Senior Finance Business Partner, Capital & External Funding
Simon Cunnington – Senior Accountant, Pensions and Treasury Management

Constitutional Comments (KK 03/06/13)

The proposals in this report are within the remit of the Finance and Property Committee.

Financial Comments (PM 25/05/13)

The financial implications are stated in the report and will be taken into account during the refresh of the Council's Medium Term Financial Strategy.

Background Papers

Nil

Electoral Division(s) and Member(s) Affected

All

17 June 2013**Agenda Item: 7****REPORT OF THE SERVICE DIRECTOR, ICT****ICT PROGRAMMES AND PERFORMANCE 2012-13****Purpose of the Report**

1. To provide the Finance and Property Committee with an update on key projects and performance measures for ICT Services for the financial year 2012-13, and to outline the major activities over the next 6 month period.

Information and Advice**Programmes Update**

2. The key programme priorities for ICT Services are shaped by the County Council's ICT Strategy 2011-14 and a progress update was last reported to this committee in February 2013. The main focus of the ICT programmes is to deliver:
 - A modern ICT platform (*ensuring a "one council" approach to the development and use of ICT assets and ensuring a fit for purpose ICT infrastructure*).
 - Modern ICT tools and ways of working (*provide solutions to users to improve efficiency, lead to smarter and more flexible working, streamline business processes etc.*).
 - Modern customer channels (*support the increased use of on-line services for the public*).
 - Departmental business change (*support departments in effectively providing day to day services to the public in a cost effective way*).
3. The initial emphasis of the strategy was to improve the County Council's underlying ICT platform as this provides the foundation on which to provide the technologies that will support business change and modern ways of working.
4. The priority focus is now to deliver the ICT solutions that will support the business change and new ways of working. This is not without significant challenge as the ICT programmes are ambitious and seek to upgrade the e-mail, desktop, server and printing estate at the same time, as well as take advantage of other technology opportunities e.g. BMS, mobile devices and SharePoint. There are technical challenges to each strand of these implementations as well as technical interdependencies between them, so that a coherent and appropriately joined up set of solutions are implemented. There will be a period of

transition and some inevitable disruption for users as a consequence of these significant change programmes.

5. A summary of the key deliverables in 2012-13 is as follows:

- i. The data centre at County Hall was fully refurbished and has contributed to high systems availability, with the project shortlisted for an international award.
- ii. The Microsoft Exchange e-mail solution has been deployed to all 8,000 users, with just some group e-mail accounts that remain outstanding.
- iii. Since May 2012, some 3,000 users have had their ICT equipment updated and been provided with Microsoft Windows 7 and the Office 2010 productivity tools.
- iv. Significant numbers of office moves have been supported as part of the Ways of Working programme, and updated data cabling, Microsoft Lync (communications tool) and IP telephony is being deployed in Trent Bridge House and County Hall.
- v. The OneSpace project has introduced Microsoft SharePoint 2010 as an online collaboration tool for use by teams and project groups to post and share documents, team records, discussions etc.
- vi. Following a successful pilot, new multi-functional print devices (all in one printers, scanners and copiers) are being introduced across County Council sites. These devices utilise smart card technology, enabling users to swipe the card at the printer to access the device and release and collect the print.
- vii. As part of phase 2 of the Business Management System project (BMS), plant maintenance data has been migrated to SAP, external and school payrolls have been transferred and schools have online access to the system.
- viii. A range of business projects with significant ICT components have been supported in their delivery including the Multi Agency Safeguarding Hub (MASH), Mansfield Bus Station, West Bridgford Library, County Supplies re-location to Calverton, election results process and the introduction of a care home bed monitoring system.
- ix. In support of improved workforce mobility and productivity, the iPad has been introduced into the ICT estate, a secure solution for protecting data on mobile devices has been introduced and a pilot project is in progress to mobilise some key systems that could support front-line workers to deliver services much more effectively.
- x. Major systems upgrades in 2012-13 include the public web-site, intranet, Frameworki (social care records system), Lagan customer relationship management system (used by the CSC) and the Highways Asset Management system. Much of the server estate has also been upgraded to Windows 2008 (from Windows 2000 and 2003) and is being rationalised to reduce the numbers of physical servers and make more use of virtualised technology.

- xi. As part of the efficiency programme, remote support software has been deployed to manage and update the Microsoft estate, requiring significantly fewer on-site engineer visits.
6. Over the next 6 months the major focus of activity will be to:
- i. review and refresh the current ICT strategy and direction of travel so that ICT resources remain focussed on the key County Council priorities. This will include a review of staffing and external supplier arrangements to ensure the operating model is fit for purpose over the next few years. The review is being supported by Atos Consulting and Technology Services.
 - ii. further the roll-out of the ICT equipment replacement programme and printer replacement programme, and provide support for the office moves associated with the Ways of Working programme. Project resources will be enhanced to support an acceleration of the roll-out of Windows 7 and Office 2010 to all users by the end of 2013.
 - iii. complete the migration to the Exchange e-mail solution and decommission the Lotus Domino infrastructure.
 - iv. complete the pilot project that is reviewing systems mobilisation that will support workforce mobility and productivity, and recommend the way forward.
 - v. complete the review of the smart phone portfolio that is supported by the County Council and recommend the way forward.
 - vi. support the procurement of a replacement portal system for the Multi Agency Safeguarding Hub (MASH) that supports the business processes of the partners.
 - vii. complete the upgrade of the County Council's wireless solution, which is now "end of life".
 - viii. support a review of opportunities for supporting "channel shift" towards online self-service activities.
 - ix. support the information governance project which is reviewing the management of business information across the County Council in order to reduce risks associated with potential information security breaches.
 - x. implement the technical changes to support a stable ICT platform, e.g. in response to recent e-mail issues.

Performance Update

7. To provide a balanced assessment of performance ICT Services measures four groups of indicators that cover business activities, customers, staff and finance. Performance for the 12 month period is attached as an appendix.

Business Activity Indicator

8. The business activity indicators measure some of the key day to day operational performance areas, with the two most significant being systems availability and incident resolution. The focus is to ensure that business critical systems are operational during business hours and that any incidents are resolved speedily and within service level agreement (SLA). Systems availability in general remains at very high levels for business critical systems with 99.94% achieved in the fourth quarter. Prior to the investment in the data centre and the ICT platform, availability was below 98%. Incident resolution for the fourth quarter also remains high with an average success rate of 89%. Although the annual figures for incident resolution are below the target of 95%, the trend is continually improving.
9. The County Council is increasingly reliant on its ICT provision and so disruptions to services need to be avoided wherever possible. As reported previously, there has been some disruption to services and during the period there have been two major occurrences as follows:
 - I. Within the ICT platform is a layer of equipment referred to as the “fabric layer”. This layer enables the ICT systems (applications and databases) to connect to the disks that store their data. Each system is connected to its own data disks. A failure of some of the equipment in the “fabric layer” disrupted access to some ICT systems. This had a particular impact on the Business Management System (BMS) during the annual patching process. Following advice and support from IBM, the failing equipment has been replaced and the entire “fabric layer” has been updated and is now operating as normal, although some further testing will be undertaken.
 - II. Within the ICT infrastructure that supports the Outlook e-mail service is a “load balancer” solution that shares the e-mail traffic between a number of servers. This solution supports higher speed e-mail traffic and provides a resilient solution. A failure of this “load balancer” solution was causing disruption to e-mail services, resulting in intermittent access for some users. The “load balancer” was removed from the infrastructure which restored the service, and plans are in place to introduce a replacement solution. Some users also reported e-mails going into the “draft” folder rather than “sent items” and this was reported to Microsoft. This was identified by Microsoft as a “bug” within their system for which they will develop a “fix”.
10. The business activity indicators also show two project performance indicators that ICT Services has adopted for the first time this year. The project delivery index is used by CIPFA (Chartered Institute of Public Finance and Accountancy) to measure conformance to good project management standards, e.g. adoption of PRINCE 2 methodology, business case produced, delivery to timelines, business benefits achieved etc. Performance against this indicator has improved during the year. The second new performance indicator is related to project milestones, and measures the overall percentage of milestones delivered by the planned timelines. Significant progress has been made over the period (77% of milestones delivered) but there has been some slippage associated with a data cabling supplier ceasing trading, technical difficulties within the mobile applications pilot project and competing work pressures.

Customer Indicator

11. As reported previously, the key messages that were fed back from the corporate customer satisfaction survey were speed issues with the network/PC/application and a lack of up to date technologies (e.g. Microsoft Office, Outlook). The ICT strategy was deliberately focussed on improving the underlying ICT platform in the early stages, in order to support the provision of new technologies in the delivery phase. We are now into the delivery phase and this is reflected in the project and programme activities highlighted in this report.
12. The access channel into ICT Services is the Service Desk which receives and handles the incidents, service requests and enquiries. The efficiency and effectiveness of this function is crucial for the user perception of the whole range of services provided. With a high volume of ICT change being delivered into the county council and a number of major incidents, there has been a focus on improving the effectiveness of this service to cope with the breadth and depth of issues. An interim Service Desk Manager from the private sector was appointed for 6 months to review operations which led to a number of changes in how the desk is staffed and to the processes deployed to take, manage and escalate calls. There has also been a training programme to refresh customer care and specialist service desk skills. This review of the Service Desk is starting to pay dividends as there are now significantly fewer dropped calls, calls are being dealt with far more effectively (call times are averaging around 5 minutes now; this was over 15 minutes last September) and a higher proportion of reported incidents are being fixed first time. Users of the Service Desk have recently been contacted for their feedback and the results have been positive:

		Average score 1-5 (1-poor, 5-excellent)		
Wk	Users	Person	Response	Resolution
1	29	4.7	4.6	4.3
2	22	4.7	4.7	4.5
3	21	4.9	4.4	4.8
4	28	4.9	4.6	4.6
5	27	4.9	4.7	4.6
6	25	4.8	4.6	4.2
7	24	4.8	4.8	4.6
8	20	4.7	4.9	4.8

Key:

Users	Number of users contacted
Person	Satisfaction with the person
Response	Satisfaction with the response time
Resolution	Satisfaction with the resolution

Staff Indicator

13. The average number of sick days within ICT Services remains within the annual county council target of seven days per staff member. Training activity for ICT Services staff is crucial to ensuring that the relevant and required skills are available. The average number of staff training days was lower than initially planned but, as reported previously, this is mainly due to the adoption of computer based training (CBT) courses, which cover substantially more activity in less time than the traditional classroom courses. A review of training

activities is currently being undertaken to ensure we continue to keep staff up to date with essential skills training.

Financial Indicator

14. Revenue spending throughout the year was in line with budget plans. Capital budgets for the infrastructure replacement programme, Microsoft Enterprise Agreement and data centre project remained in line with plans, but as previously reported, some re-profiling of other capital budgets was undertaken to reflect project slippage (fixed and mobile telephony, business continuity and Lotus Domino migration).
15. ICT Services provides very favourable cost comparisons with other public sector bodies. The “cost of ICT support per user” and “cost of ICT support per workstation” is currently in the top quartile of the annual CIPFA benchmarking. This benchmarking data will be updated in 2013.

Reason for Recommendation

16. To raise awareness of progress on the key ICT programmes and performance indicators for 2012-13.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

To note the progress against the key programme and performance measures for ICT Services.

Ivor Nicholson
Service Director - ICT

For any enquiries about this report please contact: Ivor Nicholson on 0115 9774006

Constitutional Comments:

This report is for noting only so no constitutional comments are required.

Financial Comments: (MB 12.6.13)

Financial performance is outlined in paragraphs 14-15. ICT Services continues to monitor against key performance indicators to improve value for money.

Background Papers








None







Electoral Division(s) and Member(s) Affected





All



ICT Services Overall Performance: Quarter 4 2012-13




Key symbols table:





Status	Indicators	Trend	Base this on change from same period last year
	Below target by more than 10%		Improving trend
	Below target by up to 10%		Deteriorating trend
	On or above target		No change
	No reported data or no target		





Business Activity Indicator	Performance 2012/13							Comments
	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Target	Status	Trend	
Average availability to users of NCC's business critical services during business hours	99.88	99.98	99.92	99.94	99%			There are 32 services identified as Business Critical to the County Council e.g. e-mail, internet, Framework, BMS, Capita ONE etc. Contributory factors to this high level of availability are the investment in the ICT infrastructure (such as the network, servers and cabling, the refurbished data centre and use of Node 4), a proactive approach to infrastructure alerts and monitoring (taking pre-emptive action where necessary) and the rapid response of technical staff should issues occur.
% Incidents resolved within agreed service levels	84%	87.91%	88.08%	89.17%	95%			This indicator assesses the performance of the ICT function in restoring service and responding to incidents within our Service Level Agreement (SLA). We are not yet performing at the SLA target of 95%. Some of this is related to staff absences on the Service Desk, but the trend shows continuous improvement. In this quarter there were 8,874 incidents reported (8,614 last quarter).
% of ICT changes successfully	98.5%	99.45%	97.12%	99.62%	97%			The ICT change management process aims to ensure that upgrades and new services are









completed								implemented without any negative impact on service provision and ensure that all changes to business critical services have been comprehensively planned, tested and authorised before being carried out. In this quarter there were 524 changes (601 last quarter).
Compliance to CIPFA project delivery index	5.4	7.5	8.2	8.1	7			This indicator assesses the effectiveness of ICT project management and delivery by assessing approved projects completed in the quarter against a set of 9 defined criteria established by CIPFA and based around PRINCE 2. This is a new indicator that we are now measuring against.
% of project milestones delivered	68%	78%	81%	77%	90%			Each approved ICT project incorporates a series of milestones (both for ICT Services and for the business) that are the basis for assessing progress. These can be updated by Project Boards to reflect revisions to scope, priorities etc. Major milestones completed include CERP roll-out, updating of wireless access points, data cabling of comms rooms, mobile device management solution approval, e-mail users migrated to Outlook, completion of floors at TBH, school payrolls migrated to SAP, printing pilot completed. There was slippage on the application mobilisation pilot due to technical complexities, with data cabling due to the supplier ceasing trading and with PSA compliance documentation due to competing work pressures.

Customer Indicator	Performance 2012/13				Comments
	Actual	Target	Status	Trend	
The number of ICT incidents per user	3.93	2.5			The annual target is 2.5 and set against CIPFA benchmarking standards and would put us in the current top quartile of our peer group. The variance is due to both an increased number of incidents and a reduction in the number of active users (following a recent audit of user numbers).

User satisfaction feedback	63%				<p>In the evaluation surveys from 97 schools in October 2011 99% rated the overall ICT Service as satisfactory or better and 83% as good or better.</p> <p>In the evaluation surveys from 374 corporate users in June/July 2012 90% rated the overall service as satisfactory or better and 63% as good or better. This is at the same level as the previous survey in 2009.</p>

Staff Indicator	Performance 2012/13				Comments
	Actual	Target	Status	Trend	
Average Number of sick days per staff member	6.59	7			This level of staff sickness is within the annual county council target of 7 days per member of staff.
Average number of professional training days per member of staff	3.03	5			This is currently based on an annual target of 5 days per member of staff. We now undertake significant levels of computer based training activities, rather than traditional classroom courses, covering more activity in less time which has contributed to a lower amount of training activity. We are currently reviewing both the current target and our training needs.

Financial Indicator	Performance 2012/13				Comments
	Actual	Target	Status	Trend	
Expenditure against revenue	100%	100%			Planned budget reductions of £560k have been delivered for 2012-13 (£2.5 million annual savings over the last 4 years).
Expenditure against capital	66%	100%			Capital spending is aligned to the ICT Strategy and is in line with plans for the infrastructure replacement project, data centre refurbishment and Microsoft licensing. As previously reported capital budgets need to be re-profiled for the Domino migration project (to reflect the delays in implementing SharePoint), fixed and mobile telephony project (the roll-out of Lync has been delayed within the

					Ways of Working programme) and the business continuity project (slippage associated with resourcing issues).
Cost of ICT support per user	£178	£170			Our current cost of £178 per user puts us in the top quartile of CIPFA benchmarking. This will be updated in the next round of benchmarking. The target of £170 represents a stretch target based on our medium term budget efficiency savings.
Cost of ICT support per workstation	£231	£220			Our current cost of £231per workstation already puts us in the top quartile of CIPFA benchmarking. This will be updated in the next round of benchmarking. The target of £220 represents a stretch target based on our medium term budget efficiency savings.
Acquisition cost of desktop PC	£557	£525			This includes the cost of procurement and installation as well as the cost of the device and software. We currently perform at the median in CIPFA benchmarking but have secured 28% savings in 2012 through a recent e-procurement exercise.
Acquisition cost of laptop	£732	£700			This includes the cost of procurement and installation as well as the cost of the device and software. We currently perform in the top quartile in CIPFA benchmarking and secured further savings in 2012 through a recent e-procurement exercise.

17 June 2013

Agenda Item: 8(a)

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****DEED OF EASEMENT FOR DRAINAGE, RUFFORD COUNTRY PARK****Purpose of the Report**

1. To seek the approval of the Finance & Property Committee to enter into a Tri-Partite Deed of Easement with the owners of two properties adjacent to Rufford Country Park in order to upgrade the respective owner's foul water drainage systems required to prevent raw sewage from the properties discharging directly into the Country Park.

Information and Advice

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.

Background

3. The two properties known as the Garden House and the Brewhouse (the Two Properties) are located adjacent to Rufford Country Park. Currently the sewage from both properties flows into an old brick culvert located beneath them. The culvert then runs into the park where it is discharged into the existing old sewage system and a settlement pond. The old sewage system is not connected to a main sewer and therefore it has to be periodically cleaned out. A new system is currently being installed within the park which includes a small pumping station which will be connected to an adopted Severn Trent sewer. Once the new system is complete it is proposed for the drainage authority, Severn Trent to adopt it.
4. It is proposed that in order to prevent the problems of untreated sewage flowing from the Two Properties into the park, the existing drainage within the back gardens of the properties is altered and diverted away from the culvert and into the new system within the park.
5. The Brewhouse benefits from an existing deed of grant which permits it to discharge into the culvert whilst the Garden House curtilage was once part of the park and was therefore historically connected to the old sewage system and was sold with rights to discharge into it.
6. The proposal is for the three parties to enter into a deed which will allow the Garden House to connect its drainage into the new system within the park, and in turn for the Brewhouse to connect its drainage into the Garden House drainage. NCC is to undertake the works and the Two Properties will contribute towards the cost – as detailed in the Exempt Appendix.

7. In addition the Two Properties will each pay an annual fee in lieu of a contribution towards the maintenance of the new system, until such time as the new system is adopted when any charges will become directly payable to Severn Trent. Once the drainage within the Two Properties is complete, ownership will transfer to the Two Properties accordingly and NCC's obligations under the deed will cease.

8. All parties are to bear their own legal costs.

Other Options Considered

9. Not to undertake the works and deal with any consequences periodically.

Reason/s for Recommendation/s

10. In order to prevent further contamination within the country park.

Statutory and Policy Implications

11. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1. That approval is given to enter into a Tri-Partite Deed of Easement with the owners of two properties adjacent to Rufford Country Park in order to upgrade the respective owner's foul water drainage systems required to prevent raw sewage from the properties discharging directly into the Country Park.

Jas Hundal
Service Director, Transport, Property & Environment

For any enquiries about this report please contact: Eamonn Harnett 0115 9772029
email:eamonn.harnett@nottsgov.uk

Constitutional Comments (CEH 23-May-2013)

12. The recommendation falls within the remit of the Finance and Property Committee.

Financial Comments (TR 23-May-2013)

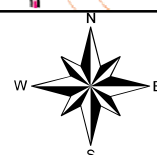
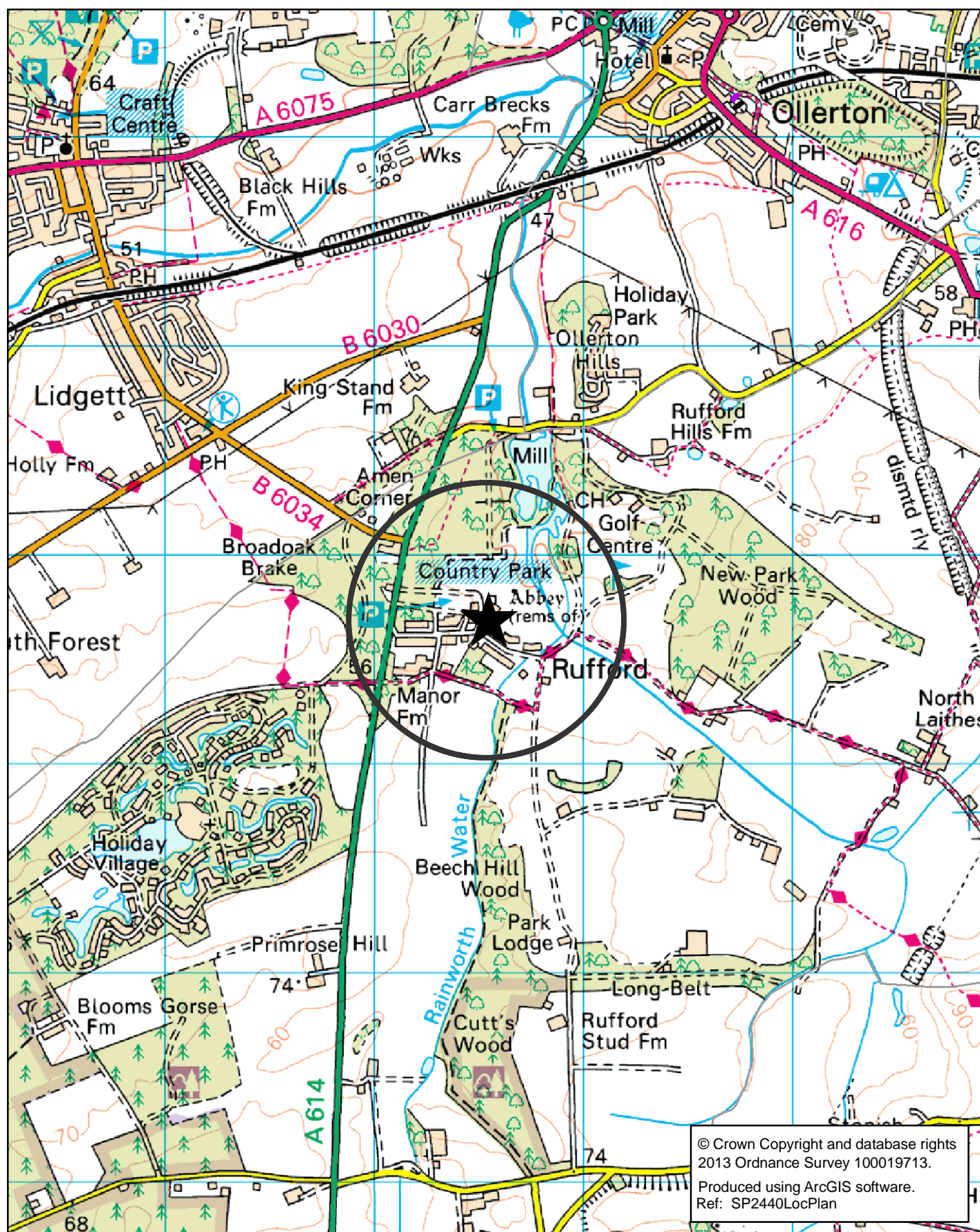
13. The financial implications are set out in the exempt appendix to the report.

Background Papers

14. None.

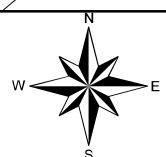
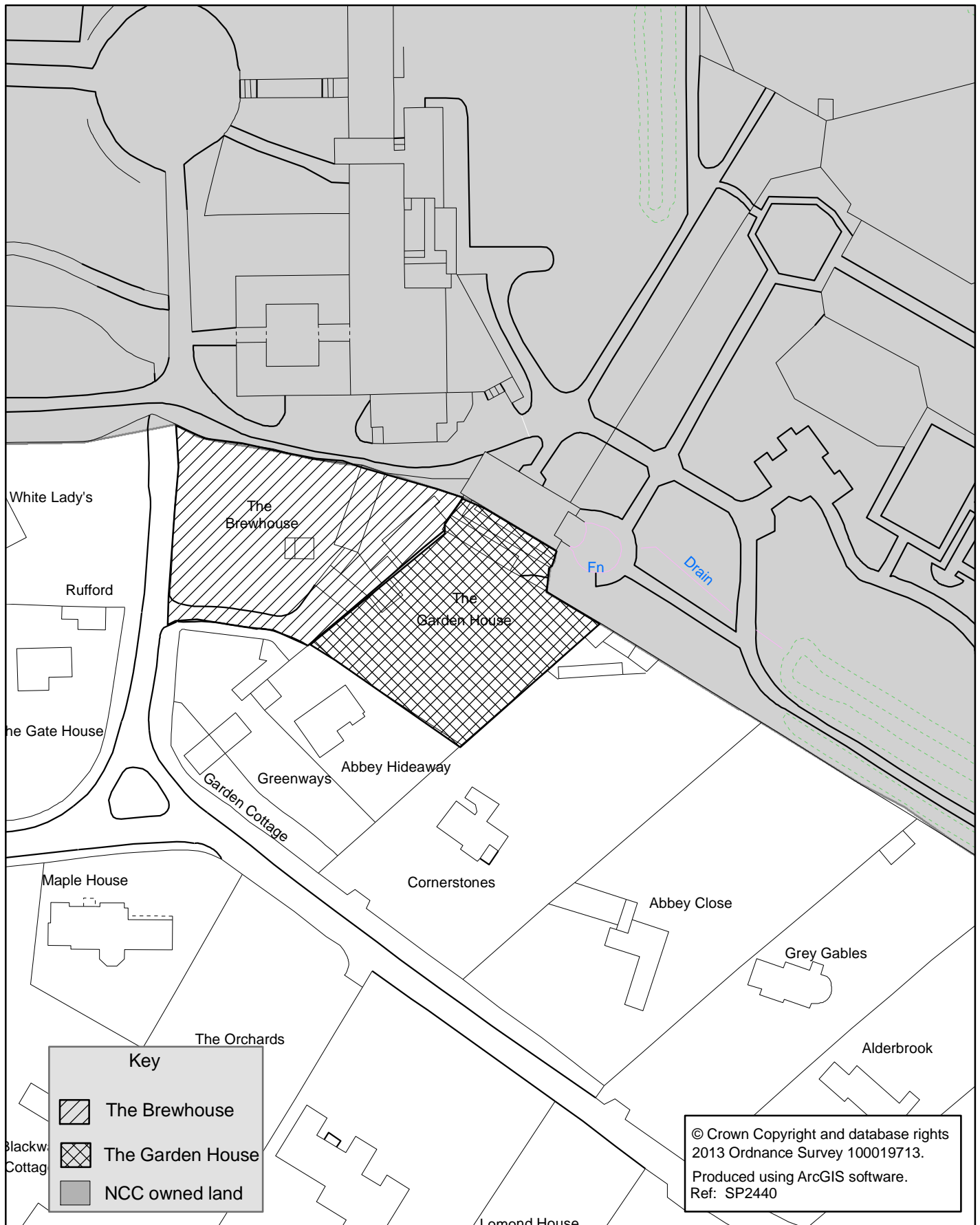
Electoral Division(s) and Member(s) Affected

15. Ward(s) Rufford
Councillor(s) Councillor John Peck



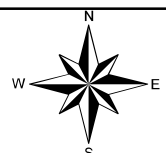
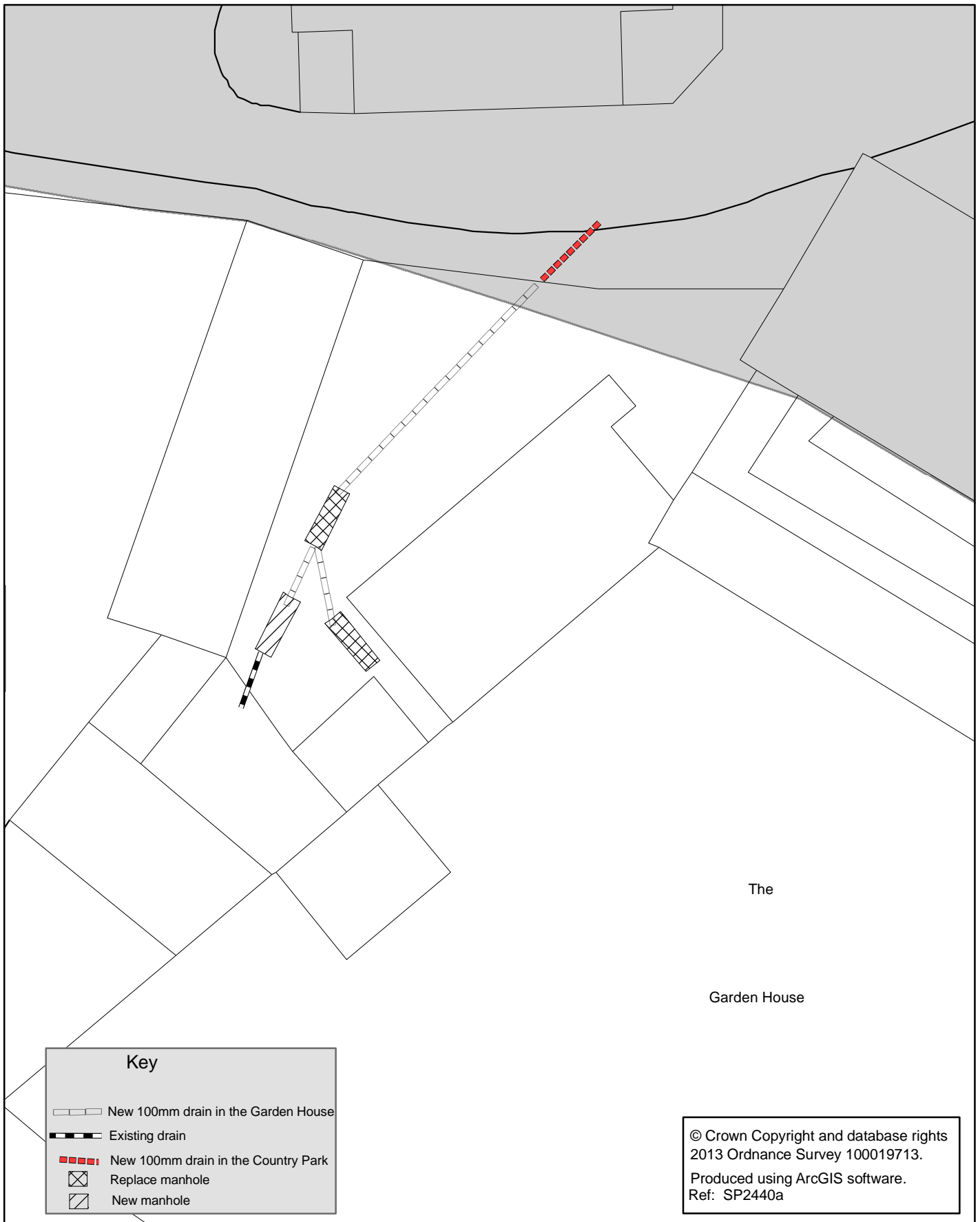


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17 June 2013

Agenda Item: 8(b)

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****HILLSIDE PRIMARY SCHOOL, ROBERTS LANE, HUCKNALL****Purpose of the Report**

1. To seek approval of the Finance and Property Committee to the grant of a 125 year lease on the standard terms set out in the attached appendix to the Academy Trust for Hillside Primary School, Roberts Lane, Hucknall, Nottingham, NG15 6LW this being subject to subsequent approval of any site specific details.
2. To authorise the Corporate Director, Environment & Resources, (or his nominee) to approve site details and specific conditions in consultation with the Chair (or Vice Chair in his absence) of the Finance and Property Committee.

Information and Advice**Background**

3. Councillors are probably aware that the Academies Act 2010 allows maintained schools to become Academies by applying to the Secretary of State for Conversion.
4. Once the conversion order has been granted it requires all parties to enter into a Transfer Agreement.
5. As a part of the Transfer Agreement the County Council is required to transfer the relevant assets currently held by the County Council or the existing governing body to the Academy Trust.
6. On a related matter, Councillors should note that other aspects of Academy Transfer will be reported to the Children & Young People's Committee as appropriate.
7. Hillside Primary School is shortly to acquire Academy status and as part of the conversion process, governing bodies of Academy Schools are entitled to 125 year full repairing and insuring leases at a peppercorn rent of any Council owned land, forming part of the principal operational School site subject to rights to be reserved and leaseback of Council facilities where appropriate.
8. This report seeks approval to the granting of a 125 year lease to the Academy Trust on the Heads of Terms set out in the attached Appendix.

Other Options Considered

9. The Academies Act 2010 does not allow the Authority any options as regards the transfer and therefore no other options have been explored.

Reason/s for Recommendation/s

10. To comply with statutory requirements.

Statutory and Policy Implications

11. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Recommendation

That approval is given to: -

1. The grant of a 125 year lease on the standard terms set out in the attached appendix to the Academy Trust for Hillside Primary School, Roberts Lane, Hucknall, Nottingham, NG15 6LW this being subject to subsequent approval of any site specific details.
2. Authorise the Corporate Director, Environment & Resources, (or his nominee) to approve site details and specific conditions in consultation with the Chair (or Vice Chair in his absence) of the Finance and Property Committee.

Jas Hundal

Service Director, Transport, Property and Environment

For any enquiries about this report please contact: Peter Grinnell on 07753 625269

Constitutional Comments (CEH 21-May-2013)

12. The recommendations fall within the remit of the Finance and Property Committee.

Financial Comments (TR 21-May-2013)

13. The granting of the lease to the academy will reduce the assets held on the council's balance sheet. This is not a charge against council tax.

Background Papers

14. None.

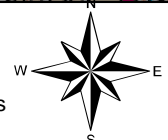
Electoral Division(s) and Member(s) Affected

15. Ward(s): Hucknall
Member(s): Councillor John Wilmott, Councillor Alice Elizabeth Grice, Councillor John Hartley Wilkinson

File ref.: /PG/SB/01277

SP: 2442

Properties affected: 01277 - Hillside Primary School



17 June 2013**Agenda Item: 9****REPORT OF CORPORATE DIRECTOR, POLICY, PLANNING AND
CORPORATE SERVICES****WORK PROGRAMME****Purpose of the Report**

1. To consider the Committee's work programme for 2013/14.

Information and Advice

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme has been drafted in consultation with the Chair and Vice-Chair, and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
4. As part of the transparency introduced by the revised committee arrangements from 2012, committees are expected to review day to day operational decisions made by officers using their delegated powers. It is anticipated that the committee will wish to commission periodic reports on such decisions. The committee is therefore requested to identify activities on which it would like to receive reports for inclusion in the work programme.

Other Options Considered

5. None.

Reason/s for Recommendation/s

6. To assist the committee in preparing its work programme.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such

implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the committee's work programme be noted, and consideration be given to any changes which the committee wishes to make.

Jayne Francis-Ward
Corporate Director, Policy, Planning and Corporate Services

For any enquiries about this report please contact: Paul Davies, x 73299

Constitutional Comments (HD)

1. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (PS)

2. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All

FINANCE & PROPERTY COMMITTEE - WORK PROGRAMME

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
17 June 2013				
Draft Management Accounts 2012/13	Draft management accounts for previous year	Decision	Paul Simpson	Pauline Moore
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
ICT Programmes and Performance	Update on projects and performance	Info	Ivor Nicholson	
Property Transactions	Various	Decision	Jas Hundal	Various
Property Presentation		Info	Jas Hundal	
15 July 2013				
Property Transactions	Various	Decision	Jas Hundal	Various
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Group Restructuring	Proposals for the staffing structure of the Property Group	Decision	Jas Hundal	Andrew Stevens
Procurement Presentation		Info	Paul Simpson	Steve Carter
9 September 2013				
Local Authority Mortgage Scheme	Progress report after first 6 months	Info	Paul Simpson	Nigel Stevenson
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
ICT Programmes and Performance	Update on projects and performance for Q1	Info	Ivor Nicholson	
Property Transactions	Various	Decision	Jas Hundal	Various
14 October 2013				

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
11 November 2013				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
16 December 2013				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
ICT Programmes and Performance	Update on projects and performance for Q2	Info	Ivor Nicholson	
20 January 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
24 February 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
ICT Programmes and Performance	Update on projects and performance for Q3	Info	Ivor Nicholson	
24 March 2014				
Monthly Budget & Capital	Budget Capital Monitoring, Capital Receipts, Capital	Decision	Paul Simpson	Pauline Moore

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
Monitoring Report 2013/14	Variations			
Property Transactions	Various	Decision	Jas Hundal	Various
28 April 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
19 May 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
ICT Programmes and Performance	Update on projects and performance for Q4	Info	Ivor Nicholson	

Proposed Future Items

Future ICT Strategy

