

APPENDICES FOR ITEM NO: 11

APPENDIX 1

GENERAL FUND REVENUE OUTTURN 2009/10

Revised Budget £000's		Working Budget £000's	Final Outturn £000's	(Under) / Over Spend £000's
48,651	Adult Social Care & Health	49,141	50,279	1,138
29,387	Children's Services	31,541	32,019	478
3,789	Economic Development	3,779	3,752	(27)
24,684	Environment & Transport	27,003	24,955	(2,048)
11,576	Housing & Local Services	11,576	11,242	(334)
5,190	Leader's Portfolio	5,200	4,839	(361)
7,850	Leisure Culture & Heritage	7,865	7,662	(203)
35,820	Resources & Workforce Planning	36,790	35,061	(1,729)
166,947	Sub-total (Net Controllable Spend) for Portfolios	172,895	169,810	(3,085)
19,154	Non-Controllable Portfolio Costs	19,154	19,152	(2)
(50)	Environment Trading Areas	(36)	(15)	21
4,272	Risk Fund	208		(208)
190,322	Portfolio Total	192,221	188,947	(3,274)
	Levies & Contributions			
36	Southern Seas Fisheries Levy	36	42	6
42	Flood Defence Levy	42	43	
450	Coroners Service	450	509	59
529		529	593	65
	Capital Asset Management			
7,893	Capital Financing Charges	7,893	6,891	(1,002)
(21,584)	Capital Asset Management Account	(21,584)	(21,270)	315
(13,691)		(13,691)	(14,379)	(688)
	Other Expenditure & Income			
1,791	Direct Revenue Financing of Capital	1,579	32	(1,547)
(852)	Net Housing Benefit Payments	(852)	(836)	17
1,500	Contribution to Interest Equalisation Reserve	1,500	1,500	
300	Contribution to Transformation Fund	300	300	
2,426	Revenue Development Fund	1,110	879	(231)
527	Open Space and HRA	527	527	
(150)	LPSA Contribution	(150)	(150)	
(185)	Other Miscellaneous Expenditure & Income	(185)	(2,752)	(2,567)
250	Contingencies	250		(250)
5,606		4,078	(499)	(4,578)
182,766	NET GF SPENDING	183,137	174,663	(8,474)
	Draw from Balances:			
(1,632)	(Draw from) / Addition to Balances (General)	(1,356)	5,571	6,927
(148)	Draw from Strategic Reserve (Pensions/Reds)	(1,007)	(1,007)	
(1,791)	To fund the Capital Programme	(1,579)	(32)	1,547
(3,570)		(3,942)	4,533	8,474
179,196	Budget Requirement	179,196	179,196	

MAIN VARIANCES ON CONTROLLABLE PORTFOLIO SPENDING

ADULT SOCIAL CARE AND HEALTH PORTFOLIO

The Portfolio is over spent by **£1,138,300** at year-end, which represents a percentage over spend against budget of **2.3%**.

ASCH 1 – Adult Disability Care Services (favourable variance £10,800)

There has been a draw on the Risk Fund of £350,000 to manage a variance of £402,200 on Nursing & Residential Care.

There is unbudgeted expenditure on Nursing & Residential Care, after allowing for a draw on the Risk Fund of £350,000, of £52,200. This is due to demand for Nursing outstripping the budget by the equivalent of twenty two clients.

Offsetting this is in part is an under spend on Domiciliary Care caused by an unbudgeted increase in income arising from the new charging policy (that now includes Capital assets within client's financial assessments for the first time). It should be noted that this additional income will be budgeted for in 2010/11 and therefore will not be available to offset pressures in Nursing Care in 2010/11.

It should be noted that there have been minor variances on Day Care and Direct Payments spend which are also being offset by the under spend on Domiciliary Care.

The overall position on Adult Disability Care Services has worsened by £348,700, before a draw on the Risk Fund, since the last reported position. This is mainly due to the higher than anticipated value of invoices in dispute from Care Providers (£200,000) now expected to be paid in full and higher than forecast costs for domiciliary extra care services (£125,000).

Table 1

	09/10 Net Budget	09/10 Unit Prices	09/10 Budgeted Units	09/10 Outturn	09/10 Outturn Units	Difference (units)	Variance to Budget
Day Care	267,000	£57 Per Day	4,684	229,700	4,030	-654	-37,300
Direct Payments	2,333,000	£9.38 Per Hour	248,721	2,420,300	258,028	9,307	87,300
Domiciliary	4,736,900	£12.85 Per Hour	370,186	4,613,900	359,058	-11,128	-113,000
Nursing	4,394,100	£46.26 Per Day	94,987	4,434,100	95,852	865	40,000
Residential	5,064,500	£36.86 Per Day	136,584	5,076,700	137,729	1,145	12,200
Total	16,785,500			16,774,700			-10,800

Note to Table 1: The draw on the Risk Fund has been adjusted against the outturn position for Nursing and Residential Care.

ASCH 2 – Learning Disabilities (adverse variance £1,254,100)

This adverse variance is due to various issues including; increases in the cost of existing client packages, a net increase in packages during the year, the full year effect in 2009/10 of new packages during 2008/09, and a withdrawal in funding by Southampton Primary Care Trust, (SCPCT) for clients previously assessed to have a Continuing Health Care need. The position includes a draw on the Risk Fund of £150,000 for clients transferring from Children's Services.

A draw of £150,000 will be made on the Risk Fund to manage in part the additional expenditure of £166,700 incurred for clients transferring into this client group from Children's Services, giving a net adverse position of £16,700.

In addition, the cost in 2009/10 for new clients at the end of the previous year and new clients in 2009/10 is £886,900, whilst savings from clients no longer receiving a service is £185,000. This generated a net pressure in the year of £701,900. This has increased from the previously reported position by £144,900. This is due to the cost of care for clients where their care was not anticipated to commence in 2009/10.

Also, SCPCT are reducing funding for clients after a shift in view of what levels of care should be categorised as Health. At the start of the year it was understood the SCPCT would look to review approximately £1.7M of expenditure relating to Learning Disability (LD) clients. Included within the outturn position are additional costs for sixteen clients relating to this issue at a total additional cost to SCC in 2009/10 of £476,000 and a late agreement has been reached to meet the costs of a further seven clients at a cost of £219,000 in 2009/10 giving a total of £695,000. Progress is being made on formalising a new agreement with SCPCT to manage any future changes in care requirements.

Offsetting this is an under spend of £50,900 within the Learning Disability Care Management and Provider Services teams from holding vacant posts. In addition there are various other minor savings within the Service Activity totalling £83,200.

ASCH 3 – In House Care Services (adverse variance £192,700)

Delays in implementing the closure of two residential homes has led to a pressure in year of £360,000.

The variance is the result of delays in the closure of the two homes. Whilst the homes' budgets have been reduced to reflect the transfer of clients to external providers the staffing levels have not reduced as anticipated due to the delays in closure. This has led to a budgeted saving of £360,000 not being achieved. The delay in closure arose whilst waiting the outcome of a judicial review and subsequent Cabinet decisions. It has now been confirmed there are not any legal proceedings ongoing or planned which will further delay the planned closure of the homes. However, the delays that have occurred will have an adverse affect on the ability to achieve the full saving target in 2010/11.

The over spend is offset in part by savings of £189,200 within the City Care team arising from vacant posts being held until the completion of the City Care review.

ASCH 4 – Community Care Policy and Performance (favourable variance £324,700)

Under spends on the Carer's Grant £260,200 and Mental Capacity Grant £88,500

It was budgeted that the under spend of £207,200 of the 2008/09 Carers Grant (£800,000) carried forward into 2009/10 would be used to support activity aimed at providing Carers with respite. There has been a further under spend on this grant of £53,000. In addition there has been an under spend on the Mental Capacity Grant of £88,500. It is not proposed to request a carry forward for this under spend.

CHILDREN'S SERVICES PORTFOLIO

The Portfolio is over spent by **£478,000** at year-end, which represents a percentage over spend against budget of **1.5%**. This percentage over spend can be compared against a 24% increase in the numbers of Children Looked After over the same period.

CS 1 – Multi Agency Resource Panel (MARP) and Out of City (adverse variance NIL)

The costs of MARP and Out of City placements, can be very expensive, and due to the nature of the service, difficult to predict with any certainty. In addition, the budget was reduced by **£437,000** as part of Children's Services 2009/10 savings. This led to an over spend of **£1,251,800** in 2009/10 and the variance which has been anticipated and closely monitored throughout the year has been managed through the Risk Fund.

The position is summarised by activity in the table below:

Service Area	Previous Months Variance £000's	Actual Variance £000's	Increase/ (Decrease) £000's
Children with Disabilities	238.6 A	87.6 A	(151.0)
Independent Fostering Agencies	671.6 A	676.0 A	4.4
Out of City Residential Social Care Placements	471.7 A	474.6 A	2.9
Intake Residential Annexe	0.0 A	13.6 A	13.6
Out of City Educational Placements	44.9 A	22.9 A	(22.0)
Total	1,426.8 A	1,274.7 A	(152.1)
Funded from Dedicated Schools Grant	44.9 F	22.9 F	23.2
Total General Fund	1,381.9 A	1,251.8 A	(130.1)

Out of City Residential Social Care Placements

Expenditure on out of city residential social care placements over spent by £474,600, due to an increase in the numbers of children requiring expensive placements over and above the budgeted position.

The over spend is due to the following:

- a nine and a half month placement costing £161,000,
- two three month placements costing £58,000 each,
- two six week crisis intervention placements costing £30,000 and £34,000,
- a 17 week placement costing £51,000,
- a 14 week placement costing £62,000 and
- a new placement from March 2010 costing £21,500.

Independent Fostering Agency (IFA) Placements

Expenditure on independent fostering agency placements exceeded budget by £676,000. The budget for IFA placements was reduced by £437,000 in 2009/10, to accommodate an anticipated change from external placements to in-house, where feasible. The current climate has resulted in an increase in the numbers of children entering care, which has meant that there has been a continued need for external placements. Work has, however, been undertaken to re-negotiate contracts on such placements, and this has resulted in some contract sums being reduced.

The table below compares the numbers of children requiring support as reflected in the budget, with the actual for the year.

Annual Cost Band £		0 to 999	1,000 to 9,999	10,000 to 59,999	60,000 to 99,999	Over 100,000
<u>Out of City Social Care Placements</u>	Budget	0	0	0	0	3
	Actual	0	0	9	1	4
<u>IFA Social Care Placements</u>	Budget	0	0	19	0	0
	Actual	0	0	37	3	0

CS 2 – Children in Care (adverse variance £557,500)

An increase in the need for civil secure accommodation and an increasing number of children in foster care placements has led to additional expenditure.

Civil secure accommodation is only used as a last resort measure if it is considered that the child poses a serious risk to him/herself or others by remaining within the community. The budget for civil secure accommodation allowed for one six month placement per year. However, during 2009/10, there has been the need for seven placements, including two current civil secure placements. This has resulted in a variance against budget of £254,900.

The numbers of fostering allowances has increased from a budgeted 160 to a current average of 219. Whilst this resulted in an over spend of over £290,000 on standard allowances, this is consistent with the Council's commitment to invest in local foster care rather than more expensive Independent Fostering provision, which would have resulted in even higher expenditure.

CS 3 – Safeguarding Management (adverse variance £176,400)

Temporary staff cover arrangements within the Safeguarding Division led to an over spend of £176,400.

This variance mainly relates to the cover arrangements for the Safeguarding Head of Service and the recruitment and cover arrangements of the Principal Officer for Inclusion. Extra Independent Reviewing Officers (IROs) were temporarily employed for absence cover and to improve performance.

CS 4 – Children in Need (adverse variance £742,800)

A review of the social care function highlighted the need for more social care staff and an additional £806,000 was allocated last financial year. The quicker than anticipated recruitment of both permanent and temporary agency staffing has led to an additional expenditure of £517,000.

In addition, expenditure incurred to prevent children entering care overspent by £183,000, whilst legal costs were £54,000 higher than anticipated.

The cost of additional social work staff has increased over and above the original budget, due firstly to the successful recruitment of social workers at an earlier rate than was originally anticipated, and secondly to the additional cost of recruiting agency social workers over and above the cost of employing our own staff.

Expenditure on measures to prevent children from entering the care system, for example by providing financial support or regular child minding, over spent by £183,000. Included within this is expenditure of £69,000 in respect of payments to families without recourse to public funds. It should be noted that a recent 'test case' was undertaken, where the client was advised that we were planning to withdraw funding on the basis that she was unlikely to be granted leave to remain. As a result, we were issued with a notice of judicial review, and after seeking legal advice, were informed that by pursuing this action, we would be failing in our duties under Section 17. Financial and service monitoring procedures have, however, been improved over the last few months, in order to ensure that no unnecessary expenditure is incurred in future. Legal costs were £54,000 higher than anticipated due to increased expenditure on external legal fees.

CS 5 – Inclusion Support Services (favourable variance £585,800)

The under spend has mainly arisen on recouplement for children with special educational needs, coupled with proactive measures to keep vacant posts unfilled in order to offset the overall adverse financial position.

There has been a significant under spend on recouplement of £123,800 resulting from a reduction in children from Southampton attending schools outside of the City boundaries, coupled with an increase in children from outside of Southampton attending the City's Special Schools. Hospital recouplement also under spent by £73,600.

In addition, savings were made on SEN transport of £51,000 as a result of lower take up of transport than originally anticipated, as well as on personal expenditure plans of £57,000.

Savings were also made from the delayed recruitment to the following posts:

- Behaviour and Attendance Consultant (£48,000).
- Deputy Education Psychologist (£52,000).
- Speech and Language Advisor (£31,600).
- Inclusion Manager (£20,500)
- Recruitment freeze within Inclusion Services on non essential posts – approx £100,000.

CS 6 – Children & Youth Support (favourable variance £362,900)

Proactive action has been taken to delay recruitment to vacant posts in order to offset in part the overall adverse financial position.

Savings have been made within staffing budgets and also through various management decisions remedial action had been taken to reduce expenditure which has resulted in savings being achieved within supplies and services budgets.

ECONOMIC DEVELOPMENT PORTFOLIO

The Portfolio is under spent by **£27,100** at year-end, which represents a percentage under spend against budget of **0.7%**.

EDEV 1 – Regeneration and Renewal (favourable variance £96,300)

Under spend of pump priming budget

A carry forward request has been made for £40,000 for the under spend of the pump priming budget for the Future Jobs Fund.

ENVIRONMENT & TRANSPORT PORTFOLIO

The Portfolio has under spent by **£2,047,600** at year-end, which represents a percentage under spend against the budget of **7.6%**.

E&T 1 – Off Street Car Parking (adverse variance £41,000)

This variance is after a draw on the Risk Fund of £1,279,000 due to previously identified parking pressures.

There is an adverse variance in car parking income of £1,279,000, due to significantly lower season ticket sales and reduced ticket machine income against a challenging target. Officers developed a series of remedial actions, focussing on new ways of increasing income from off street car parking. These were approved by Cabinet on 28th September 2009 and included the reduction of parking charges in selected car parks where demand has dropped off and the introduction of discounted 'pay as you park' cards. Although individual initiatives generated additional business, this has not had a significant impact on overall income levels. A draw on the Risk Fund of £1,279,000 will be required for off street car parking, as a result of the economic downturn.

E&T 2 – Development Control (favourable variance £149,000)

This variance is after a draw on the Risk fund of £398,000 due to a shortfall on planning application fees. In addition, there is a carry forward request of £313,000 for Housing and Planning Delivery Grant.

Planning application income was significantly lower than budget with a shortfall of £398,000. A sum was added to the Risk Fund for the effects of the economic downturn, which will need to be drawn down.

In addition, other income, including funding from S.106 fees in respect of administration costs, is £41,000 adverse. There are additional unbudgeted costs to fund service delivery, including legal and advertising of costs of £58,000 and employees costs of £62,000.

There is an under spend on the services funded by the Housing and Planning Delivery Grant, due to the rescheduling of some projects and a carry forward request of £313,000 has, been identified for this service.

E&T 3 – Waste Disposal (favourable variance £893,000)

A reduction in the amount of amenity and other waste has reduced disposal costs by £432,000 and there are further net savings, as a result of contract negotiations and extra income, of approximately £283,000. Provisions of £142,000, mainly for the old Marchwood Incinerator, will not be required.

The Council is currently processing less Civic Amenity, Dry Recyclable and Household waste through the waste disposal contract than was budgeted for. This had led to a saving of £432,000 over the course of the year.

There are vacancies within the service, saving £28,000 this year. Additionally, the provisions in the accounts of £142,000 in respect of the likely costs of demolition and the residual value of land of the old Marchwood Incinerator and the Waste Electrical Electronic Equipment (WEEE) claim will not be required.

The refinancing of the waste disposal contract has led to a saving of £122,000 in 2009/10. There are further savings, as a result of the agreement to fund the pass through costs for the new Marchwood Incinerator via prudential borrowing, amounting to an on going saving of £78,000. The waste disposal contract allows for the commercial use of any spare capacity within the incinerators with any profits being shared between the Waste Disposal Authorities and Veolia. The final settlement for the period January 2007 to December 2008 has recently been agreed at £83,000 more income than was provided for in previous years' accounts.

E&T 4 – Public Transport (favourable variance £132,000)

There is a draw on the Risk Fund of £350,000 in relation to a new bus shelters contract. There is an under spend of £121,000 on Concessionary Fares, mainly due to a provision of £72,000 for a judicial review on the 2008/09 scheme not being required.

There was an agreed savings proposal for £350,000, built into the estimates, from a combination of reduced maintenance costs and increased sponsorship income from a new bus shelters contract. However, in the current economic climate it was decided not to let the proposed contract as it was felt that it would not deliver the expected financial benefits or value for money for the Council. A draw on the Risk Fund of £350,000 will therefore be required.

There is an under spend of £49,000 on Concessionary Fares as the 'average fare' was lower than estimated and this has more than offset the costs arising from additional journeys. In addition, a provision of £72,000 for the cost of preparing for a judicial review on the 2008/09 Concessionary Fare methodology for payment to the operator was not required.

E&T 5 – Waste Collection (favourable variance £535,000)

Savings have been made across a number of budget headings. Recycling sales income is significantly better than anticipated but Trade Waste income is down as a result of the economic downturn. A carry forward request of £205,000 is required to complete the Tracking System Project in 2010/11.

The majority of the variance is due to savings on vehicles, container purchase, storage and other supplies and services including fuel, which are partially offset by an overspend on staffing, totalling £330,000. In addition, there is a favourable variance of £99,000 due to the recycling sales market holding up better than anticipated during the economic downturn. There is an adverse variance of £103,000, due to a fall in income from the Trade Waste service, which has been partially offset by a reduction in the associated tipping charges. The Tracking System project has been delayed due to partnership and procurement negotiations and a carry forward request of £205,000 is sought.

HOUSING & LOCAL SERVICES PORTFOLIO

The portfolio is under spent by **£333,900** at year-end, which represents a percentage under spend against budget of **2.9%**.

HLS 1 – Housing Needs, Housing Strategy and Parks & Open Spaces (favourable variance £176,500)

Under spend achieved by keeping posts vacant longer than budgeted, additional grant funding and delays in the construction of the mini golf course at East Park.

In Housing Needs £41,400 of savings were achieved due to posts being recruited to later than expected and the unbudgeted Supporting People grant being received for the Homeless outreach/Mediation Officer. Savings of £127,300 in Housing Strategy were achieved by keeping posts vacant pending a service review. There was an adverse variance of £49,400 on the Trading Arm due to the anticipated work programme not being completed in year.

£55,000 was not spent on the mini golf course at East Park. This was due to delays in getting a response to the request to the Planning Inspectorate on behalf of the Secretary of State for a change of use of common land. The application was made in June 2009 but approval was not given until the 5th May 2010 so the work could not be undertaken in 2009/10. Now that approval has been granted contracts can be let for the work once approval for the requested carry forward has been granted

HLS 2 – Grants Stronger Communities & Equalities and Grants to Voluntary Organisations (favourable variance £119,300)

Under spend resulted from not utilising all of the grant funding and carry forward request have been made to roll the grants forward.

An under spend of £58,800 on the Prevent Area Based grant was created by incurring less than expected expenditure on planned capacity building, local research, community involvement and communications. The carry forward of the full under spend will enable the above programmes to be completed and more funds to be allocated to community projects in the 2010/11 financial year.

There is an under spend of £41,200 relating to the Grants to Voluntary Organisations New Initiatives Fund and a further under spend of £13,700 has arisen due to the decision not to award inflationary increases for 2009/10. There is considerably more demand on this fund in 2010/11 than the available budget and the carry forward of the full under spend of £54,900 will enable additional grants to be approved.

In addition, there are several other small under spends on grant funding against which requests have been submitted for carry forwards into 2010/11.

LEADERS PORTFOLIO

The portfolio is under spent by **£361,200** at year-end, which represents a percentage under spend against budget of **6.9%**.

LEAD 1 – Corporate Performance and Best Value (favourable variance £174,200)

Under spends within Salaries and Wages

The under spends are due mainly to recruitment to the new Corporate Policy and Performance structure being later than originally anticipated.

LEAD 2 – Land Charges (favourable variance £109,800)

Additional income from fees

Land Charges income estimates were calculated to prudently reflect the potential impact of market conditions during the year and income was higher than originally estimated.

LEISURE, CULTURE & HERITAGE PORTFOLIO

The portfolio is under spent by **£202,700** at year-end, which represents a percentage under spend against budget of **2.6%**.

LCH 1 – Major Projects and Directorate & Portfolio Management (favourable variance £98,100)

An under spend has resulted on a variety of staff headings including internal staff, temporary staff and consultants.

An under spend on staff costs of £62,200 have arisen from Project Management and from Temporary staff budgets for revenue projects that have not been progressed this year. A forecast spend of £28,000 on consultants in respect of the Heritage Centre did not take place. Against this under spend a number of new spending initiatives requiring one-off funding of £142,000 in 2010/11 have been identified and these are:

- Project Support Officer (£42,000).
- Procurement Cost of a Sea City Museum Partner (£50,000)
- The Cenotaph Wall (£50,000).

LCH 2 – Events Externalised Services and Contracts (favourable variance £94,200)

Under spend due to savings on events and reduced cost of Guildhall contract extension.

Under spend of £23,200 across predominantly supplies and services headings due to event organisers covering more direct costs of goods and services. £71,000 of savings from reduced use of contingency budgets held in relation to major external franchises and contracts including savings from reduced procurement costs for the extension of the Guildhall contract with Live Nation. Against this under spend one-off funding of £45,000 in 2010/11 has been identified as follows:

- Queen Elizabeth Launch Events (£25,000).
- Azura Launch Events (£20,000)

RESOURCES AND WORKFORCE PLANNING PORTFOLIO

The Portfolio is under spent by **£1,728,600** at year-end, which represents a percentage under spend against budget of **4.7%**.

RES 1 – Property Portfolio Management (favourable variance £616,300)

Net reduction in expenditure on Investment Properties and Property Management

The Investment Properties account is showing a saving on expenditure of £296,800 due to savings on rental and rates payments. In addition, there has been an increase in income, partially offset by increased vacant property costs resulting in a net favourable position of £78,500.

Furthermore, the Property Management account has a £241,000 saving primarily as a result of reduced Capita Valuation fees. The downturn in the property market since late 2007 has resulted in a significant reduction in the number and value of property disposals. Several properties have been held back pending an improvement in the Property Market. It is anticipated that the number of property transactions will increase during 2010/11. In addition, fewer rent reviews scheduled for the year and a number of tenants chose to vacate properties rather than renew leases. Work will continue to find new tenants for these premises. A restructure programme has commenced, and whilst there is tenant interest, economic conditions are not yet right for some to proceed.

RES 2 – Capita Property Services (favourable variance £903,000)

Additional income contribution generated from Capita fees

During the year, higher volumes/values of variable work have been placed with Property Capita than were originally estimated. This has resulted in a surplus of income from clients to cover Capita/SCC costs and overheads. This had not been previously forecast due to the inherent difficulties in predicting future demand due to the volatile nature of variable work. In addition, as a result of ongoing negotiations with Capita on a range of property issues, savings have now been secured as part of overall property and accommodation related issues, including the ASAP project.

RES 3 – Central Repairs and Maintenance (favourable variance £362,600)

Under spend on repairs and maintenance budgets

Overall central repairs and maintenance shows a favourable variance of £362,600, with the main area of under spend being planned maintenance. The planned programme for current year works will be completed early in the next financial year. Full Council has agreed to automatically carry forward any surplus/deficit at year-end subject to the overall financial position of the Authority.

RES 4 – Debtors and Creditors (adverse variance £129,100)

Temporary staff for Health and Social Care Billing

The outturn position represents the full year effect of engaging the temporary staff engaged to assist with the additional workload associated with Health & Social Care debt management and billing processes. All are aware of the level and seriousness of the problems associated with these processes. In order to address this problem a three part improvement plan has been agreed:

- 1) Reviewing and simplifying the charging policy for people receiving care.
- 2) Introducing Paris 4.2
- 3) A transformational review of the business processes within CHC

Part 1 of the plan has been achieved. Parts 2 and 3 are ongoing. A permanent team has now been put in place to deal with billing queries in an efficient and effective manner.

RES 5 – Corporate Communications (variance NIL)

This variance is after a draw from the Risk Fund of £81,600 to meet the shortfall in Sponsorship income.

CARRY FORWARD REQUESTS

Carry forward requests will be considered for approval if they are for already approved, one off schemes, which were not completed in year (i.e. re-phasing of one-off spend) and if there are insufficient funds available in the forthcoming year.

The carry forward requests received, relating to 2009/10 outturn positions, are as follows:

ADULT SOCIAL CARE AND HEALTH PORTFOLIO

Local Involvement Networks Grant - £40,000

The Local Involvement Networks Grant (LINKS) is 'sub contracted' to an external organisation (HAP) to manage on behalf of the council and the agreement covers the full value of the grant over a three year period.

ECONOMIC DEVELOPMENT PORTFOLIO

Future Jobs Fund - £40,000

The Future Jobs Fund programme in Hampshire started three months later than planned, and expenditure was re-profiled accordingly. The carry forward request is needed to ensure the programme can expand to reduce youth unemployment in the City and to mitigate risk amongst delivery partners

ENVIRONMENT & TRANSPORT PORTFOLIO

Procurement and Implementation of Waste Collection Tracking System - £205,000

The 'mini budget' report, approved by Council on 15th July 2009, recommended one-off expenditure to implement this GPS based system. It will be used to track waste collection by household and receive information about household collections in real time. The project has been delayed due to partnership and procurement negotiations and a carry forward request will be required to complete the project in 2010/11. This investment will enable waste collection and waste disposal and recycling to work more effectively and provide an improved service to customers. It will enable Waste Operations and Actionline to receive information in real-time and it will help modernise services and at the same time achieve ongoing yearly savings of approximately £50,000. These saving will not be achieved without the new system.

Planning Policy - Project work - £169,000

The funding is required to fulfil the Council's statutory obligation to prepare Local Development Framework documents in 2010/11. The Council's timetable for the production of these documents (the Local Development Scheme) has been approved by GOSE and the Council will be monitored against this programme. The first LDF document (the Core Strategy) was adopted, following formal examination in 2009/10. The delay caused by the examination of the Core Strategy explains a large part of the requirement for the carry forward. Without the carry forward, the two additional documents (the City Centre Action Plan and the Southampton Development Plan) cannot be progressed as planned, since they are dependent on additional survey work (agreed at the Core Strategy Examination) to establish the robust evidence base required by the Government.

Public Realm – Surface Water Drainage Mapping - £143,000

As part of the Government response to Sir Michael Pitt's review into the summer 2007 floods, local authorities have been given responsibility for coordinating the management of surface water flooding in their area in partnership with other relevant authorities. The review recommended that Surface Water Management Plans (SWMP) should provide the basis for managing flood risk and a one-off budget of £100,000 was approved, as part of the 2009/10 budget proposals, for a water drainage mapping project, to investigate drainage issues as part of the Surface Water Management plan preparation. This project will now be completed as part of the first phase of the SWMP during 2010/11. A carry forward request of £78,000 will be required to complete this work in 2010/11. In addition, a DEFRA grant of £100,000 (phased £65,000 in 2009/10 and £35,000 in 2010/11) has been awarded to help tackle surface water flooding. As this funding is essential to ensure the City Council completes the SWMP as part of an integrated urban drainage management approach to managing surface water, it is requested that the 2009/10 grant funding of £65,000 is also carried forward.

Planning and Development – Housing & Planning Delivery Grant - £313,000

The use of this grant over a three year period was agreed by COMT in December 2008. There is a need to carry forward £313,000 into 2010/11, due to the rescheduling of some projects (including the City Centre Masterplan, conservation area appraisals, Salix Programme energy surveys and pre-application/historic application scanning facilities) and the need to cover commitments in 2010/11. Further allocations of this Grant are unlikely, following the election. If the funding for the studies, some of which are linked to future Capital projects, is not carried forward and needs to be paid for from 2010/11 budgets, other work that was agreed by COMT will not be able to take place.

HOUSING & LOCAL SERVICES PORTFOLIO

Trees, Allotments & Park Improvements (Invest to save Funding) - £55,000

Parks Improvements were awarded £55,000 in 2009/10 to install a mini golf course at East Park Bowling Green. Confirmation of planning permission from The Secretary of State is still awaited and so the project cannot be completed in this financial year. It is still intended to build the mini golf course so the funding will be required in financial year 2010/11 if the work is to be completed and the income target met.

Prevent ABG Funding- £58,800

The carry forward will enable the planned capacity building, local research, community involvement and communications programmes to be completed in 2010/11 following slower than anticipated progress in the current financial year. The request will also enable more funds to be allocated to community projects in 2010/11. 2010/11 is the last year of the prevent programme and if the carry forward request is not approved this will put greater pressure on the final year's grant and could increase the risk of not being able to complete the programme effectively.

Migration Impact Fund - £13,900

The carry forward is required to cover the multi agency staff training pilot for reducing long term interpreting and translation costs, for the Council, the Police and Job Centre Plus, which have run into 2010/11. In addition, the DCLG has announced a hold on the second year of funding for this programme until after the general election. If the carry forward request is not approved, then the Council will need to fund these costs from current financial resources in 2010/11.

Grants to Voluntary Agencies - £59,900

The carry forward will increase the existing budget in 2010/11 in a way that will provide the administration with more flexibility to meet new demands as a result of increased advertising of our schemes, which will otherwise not be possible.

NEW SPENDING INITIATIVES

New spending initiatives requiring one-off funding of £187,000 in 2010/11 have been identified and the details are as follow:

LEISURE, CULTURE & HERITAGE PORTFOLIO

Project Support Officer - £50,000

A number of initiatives such as the Cenotaph Wall are going to require support from the Portfolio. Currently there is no resource to supply this support and the carry forward would provide the funding for cover for one year.

Procurement Cost of a Sea City Museum Partner - £50,000

If the decision is taken to outsource the running of the Sea City Museum then there will be cost involved with the procurement of a suitable partner. The cost for 2010/11 has been estimated as £50,000.

The Cenotaph Wall - £50,000

The council is committed to contributing £50,000 to the Cenotaph Wall. The original proposal was to fund this from existing budgets. However a carry forward to fund the £50,000 capital element of the budget will take a pressure off revenue budgets.

Queen Elizabeth and Azura Launch Events - £45,000

Funding is required for events associated with the launch of the Queen Elizabeth (£25,000) and the launch of the Azura (£20,000). Both of these events are high profile and likely to attract a lot of media interest. This is particularly the case with the Queen Elizabeth as the launch will involve Royalty. If we do not support these events a valuable opportunity will be lost to promote the City of Southampton. Both of the events are high in terms of prestige and public interest so any investment is likely to see a high return in terms of positive publicity for the city.