

MEETING

CABINET RESOURCES COMMITTEE

DATE AND TIME

THURSDAY 21 APRIL 2011

AT 7.00PM

VENUE

HENDON TOWN HALL, THE BURROUGHS, HENDON NW4 4BG

TO: MEMBERS OF THE COMMITTEE (Quorum 3)

Chairman: Councillor Daniel Thomas

Councillors:

Brian Coleman
Lynne Hillan

Richard Cornelius
Robert Rams

Andrew Harper

**You are requested to attend the above meeting for which an agenda is attached.
Aysen Giritli – Head of Governance**

Democratic Services contact: Andrew Charlwood, 020 8359 2014

Media Relations contact: Sue Cocker, 020 8359 7039

To view agenda papers on the website: <http://committeepapers.barnet.gov.uk/democracy>

CORPORATE GOVERNANCE DIRECTORATE

ORDER OF BUSINESS

Item No.	Title of Report	Pages
1.	MINUTES	-
2.	ABSENCE OF MEMBERS	-
3.	DECLARATION OF MEMBERS' PERSONAL AND PREJUDICIAL INTERESTS	-
4.	PUBLIC QUESTION TIME (If any)	-
	Reports of the Cabinet Member for Resources and Performance	
5.	Provisional Outturn 2010/11	1 – 18
6.	Treasury Management Activity for the part year ended 28 March 2011	19 - 25
	Report of the Cabinet Member for Adults	
7.	Procurement of Contracts for Day Opportunities for People with Mental Ill-health and for Respite and Support Services for Carers	26 – 33
	Report of the Cabinet Member for Environment	
8.	Variation of Contract with Civica UK Ltd to Provide an Unattended Bus Lane Enforcement Solution	To Follow
9.	ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT	-

FACILITIES FOR PEOPLE WITH DISABILITIES

Hendon Town Hall has access for wheelchair users including lifts and toilets. If you wish to let us know in advance that you will be attending the meeting, please telephone Jonathan Regal on 020 8359 2012. People with hearing difficulties who have a text phone, may telephone our minicom number on 020 8203 8942. All of our Committee Rooms also have induction loops.

FIRE/EMERGENCY EVACUATION PROCEDURE

If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by Committee staff or by uniformed porters. It is vital you follow their instructions.

You should proceed calmly; do not run and do not use the lifts.

Do not stop to collect personal belongings.

Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions.

Do not re-enter the building until told to do so.

AGENDA ITEM: 5	Pages 1 – 18
Meeting	Cabinet Resources Committee
Date	21 April 2011
Subject	Provisional Outturn 2010/11
Report of	Cabinet Member for Resources and Performance
Summary	To consider the Monitoring 2010/11 report and instruct officers to take appropriate action.
Officer Contributors	Maria G. Christofi – Assistant Director, Financial Services Catherine Peters – Head of Finance, SAP Systems, Closing & Monitoring Anisa Darr – Finance Manager, Closing & Monitoring
Status (public or exempt)	Public
Wards affected	Not applicable
Enclosures	Appendix A – Revenue Monitoring Directorate Appendix B – Capital Monitoring Analysis Appendix C – Capital Programme Adjustments
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable
Contact for further information:	Anisa Darr, Finance Manager, Closing & Monitoring, 020 8359 7106

1. RECOMMENDATIONS

- 1.1 That Directors take appropriate action to ensure costs are kept within budget and income targets are met. (Paragraph 9.1.2)**
- 1.2 That Directors ensure that capital projects in their services are managed closely to ensure they are delivered within budget and in accordance with the agreed timeframe. (Paragraph 9.7.1)**
- 1.3 That the following drawdown from contingency be approved:**
 - £47k to finance Local Involvement Network (LINK) hosting services contract for services from Oct 2010 to Mar 2011. (Paragraph 9.3.2)**
 - £200k which is a grant contribution to fund projects for Preventing Violent Extremism. (Paragraph 9.3.3)**
- 1.4 That the virement to central expenses be approved from the following services. (Paragraph 9.4.1)**
 - £694k – Environment & Operations**
 - £59k – Commercial Services**
 - £66k – Children’s Service**
- 1.5 That the Council’s financial contribution towards the improvement of the proposed Wood Street Coroner’s Court and related final inter-authority agreement (subject to the necessary officer clearances) sent by the Lead Authority (Haringey) be approved. (Paragraph 9.5.1)**
- 1.6 That the Children’s Service Capital Modernisation 2011/12 individual project allocation that has been approved as part of the budget process be noted. (Paragraph 9.6.1)**
- 1.7 That the proposed Capital additions/deletions of £0.669m and slippage of £7.358m reprofiled from 2010/11 to 2011/12, as set out in Appendix B and C and the related funding implications summarised in Table 4 be approved.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Council, 2 March 2010 (Decision item 145) – approved the Council Budget and Council Tax 2010/11.**
- 2.2 Cabinet Resources Committee, 17 June 2010 (Decision item 18) – approved the Outturn 2009/10.**
- 2.3 Cabinet Resources Committee, 19 July 2010 (Decision item 11) – approved Monitoring 2010/11.**
- 2.4 Cabinet Resources Committee, 2 September 2010 (Decision item 10) – approved Monitoring 2010/11.**
- 2.5 Cabinet, 6 September 2010 (Decision item 12) – approved the Investment Strategy to meet Primary School Places.**
- 2.6 Cabinet Resources Committee, 30 November 2010 (Decision item 8) – approved Monitoring 2010/11.**

- 2.7 Cabinet, 10 January 2010 (Decision item 7) – approved virements over £1m.
- 2.8 Council, 25 January 2010 (Decision item 5.1) – approved virements over £1m.
- 2.9 Council, 1 March 2011 (Decision item 5.1.2) – approved the Council Budget and Council Tax 2011/2012
- 2.10 Cabinet Resources Committee, 2 March 2011 (Decision item 15) – approved Monitoring 2010/11.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Robust budget and performance monitoring are essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximised.
- 3.2 'Maximise improvements and savings in 'back office' functions' and 'Make sure we get best value from resources across the public sector, including our people and assets' represent two of the eight key objectives underlying the corporate priority 'Better services with less money' and the strategic objectives.
- 3.3 Relevant Council strategies and policies include the following:
- Corporate Plan 2010/11;
 - Medium Term Financial Strategy;
 - Treasury Management Strategy;
 - Debt Management Strategy;
 - Insurance Strategy;
 - Risk Management Strategy; and
 - Capital, Assets and Property Strategy.

4. RISK MANAGEMENT ISSUES

- 4.1 The revised forecast level of balances needs to be considered in light of the risks identified in 4.2 below.
- 4.2 Various projects within the Council's revenue budget and capital programme are supported by time-limited grants. Where there are delays to the implementation of these projects, there is the risk the associated grants will be lost. If this occurs either the projects will be aborted or a decision to divert resources from other Council priorities will be required.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Financial monitoring is important in ensuring resources are used to deliver equitable services to all members of the community.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance and Value for Money, Staffing, ICT, Property, Sustainability)

- 6.1 Robust budget and performance monitoring plays an essential part in enabling an organisation to deliver its objectives efficiently and effectively.

6.2 Use of Resources implications are covered within Section 9 of the body of the report and in the attached appendices.

7. LEGAL ISSUES

7.1 None arise over and above those referred to within the body of the report.

8. CONSTITUTIONAL POWERS

8.1 The Council's Constitution, in Part 3, Responsibility for Functions, states in paragraph 3.6 the functions of the Cabinet Resources Committee including:

- (a) Monitor the trading position of appropriate Council services, carry out debt analysis and look at income sources and charging policies;
- (b) To write off debt;
- (c) To determine external or cross-boundary trading limit; and
- (d) Approval of schemes not in performance management plans but not outside the Council's budget or policy framework.

8.2 Financial Regulations section 4.17 states the Chief Finance Officer will report in detail to Cabinet Resources Committee at least four times a year on the revenue and capital budgets and wider financial standing in addition to two summary reports at the beginning and end of the financial year.

9. BACKGROUND INFORMATION

9.1 2010/11 Revenue Monitoring

9.1.1 Table 1 gives a summary of the 2010/11 outturn analysis compared to the revised budget position (excluding schools). There is a net over spend of £0.171m being forecast at the end of February. A breakdown of revenue monitoring by each service directorate is set out in Appendix A.

Table 1: 2010/11 Revenue Outturn Analysis – Summary

Description	Original Budget £000	Revised Budget as at 28/02/11 £000	Forecast Outturn as at 28/02/11 £000	Forecast Outturn Variation as at 28/02/11 £000
Adults	96,232	95,927	96,058	131
Central Expenses	53,659	51,163	47,500	(3,663)
Chief Executive	12,241	11,807	11,864	57
Childrens Services	48,945	47,580	48,459	879
Commercial Services	15,632	15,906	16,387	481
Corporate Governance	5,951	5,897	5,768	(129)
Deputy Chief Executive	11,315	12,675	12,675	-
Environment & Operations	23,351	23,896	26,311	2,415
Planning, Housing & Regeneration	2,028	2,484	2,484	-
Total 2010/11 General Fund Forecast	269,354	267,335	267,506	171
Allocations agreed from GF Balances	-	-	-	-
General Fund Balances as at 01/04/10	-	-	-	(15,780)
Projected General Fund Balances (excluding schools balances) at 31/03/11	-	-	-	(15,609)

Description	Original Budget £000	Revised Budget as at 28/02/11 £000	Forecast Outturn as at 28/02/11 £000	Forecast Outturn Variation as at 28/02/11 £000
Dedicated Schools Grant	(124)	(152)	(1,428)	(1,276)
Housing Revenue Account	-	-	(226)	(226)

9.1.2 Directors are reminded that they are accountable for any budget variations within their services and the associated responsibility to ensure costs and income are managed within agreed budgets. To ensure this is successfully achieved, it is essential that Directors develop action plans for all significant emerging variances, with the aim of ensuring that overall expenditure is kept within the total budget available.

9.2 Commentary about Revenue Outturn

9.2.1 The Council's overall position has improved from the projected over spend of £1.005m at quarter 3. This has been reduced to a projected overspend of £0.171m at the end of month 11. The Council's target level of balances is to remain above £15m, and is currently projected to be £15.609m.

9.2.2 Specific areas for concern are in the Environment and Operations and Children's Service directorate. A severe winter has pushed up the highways maintenance costs and a shortfall of income on the Special Parking Account has compounded the issue in the service. External family assessments, external placements for children in care and agency costs in social care division of Children's Services are the main areas responsible for the overspend in the service. A recovery plan is in place and contact has been made with the courts to find ways to reduce the financial impact on the local authority of decisions relating to family contact. The purchase of additional licences in Information Systems, and over spend on public offices due to 2010/11 revaluation has resulted in Commercial's overspend.

9.2.3 These are high risk areas and while spend needs to be monitored and managed this year, it is important to ensure the situation is managed so it isn't a continuing budget pressure into next years budget.

9.2.4 The Council's commentary for Revenue is set out in Appendix A.

9.3 Drawdown from Contingency

9.3.1 The drawdown from Contingency requested below has been assumed in the Revenue Monitoring in Table 1 and Appendix A.

9.3.2 A drawdown of £47,000 was requested from contingency to finance the Local Involvement Network (LINK) hosting services contract for services provided from October 2010 to March 2011. This was approved via a Delegated Powers Report.

9.3.3 A drawdown of £200,000 is requested from contingency. This is the grant contribution to fund projects for Preventing Violent Extremism.

9.4 Virement

9.4.1 Revenue contributions of £819,000 were previously earmarked to finance capital expenditure incurred by services. A review of the 2010/11 capital programme resulted in a realignment of the capital financing, with the resources being returned to central expenses.

9.5 Improved Coroners Court Accommodation

9.5.1 London Borough of Haringey have prudentially borrowed to finance the repairs, improvement and conversion of the Wood Street premises into the new Coroner's Court and offices for the London North Coroner's Jurisdiction (consisting of Barnet, Brent, Enfield, Haringey and Harrow). It was agreed at meetings with representatives of all boroughs that this borrowing would be repaid over 5 years from 2010/11. The borrowing of £275,000 will be financed by contributions from the five boroughs. Barnet's annual figure is £15,000. An allowance of £7,000 was budgeted in 2010/11 and the additional

expenditure has been included in the Central Expenses forecast. A final inter-authority agreement has been sent by the Lead Authority (Haringey) which needs sealing.

9.6 Children's Service Capital Modernisation 2011/12 allocation

9.6.1 The table below lists the full individual project allocation of the Children's Service Capital Modernisation 2011/12 allocation, as agreed as part of the budget process.

Table 2: Capital Modernisation 2011/12 allocation

Children's Service Modernisation Programme 2011/12	2011/12 £'000's
Building programme (including roofs and windows) allocation	
St Margaret's Roof	145
Moss Hall Infant and Junior roof	120
Bell Lane roof	100
Holly Park roof	100
Danegrove Winsor Drive windows and guttering	100
Oakleigh roof	50
Sunnyfield roof	100
Tudor roof	100
QE Girls dangerous wall	50
Hampden way roof	50
Dollis Infants windows	50
Northside School	50
Foulds structural floor slab issues	35
Total	1,050
Electrical programme allocation	
Freirn Barnet Secondary school	320
Brooklands infant and Junior schools	235
Hendon	245
Total	800
Mechanical programme allocation	
Bell Lane School main boiler room renewal	155
Garden Suburb School main boiler room renewal	170
Summerside Inf boiler room renewal	75
Grasvenor School main boiler room renewal	90
Goldbeaters Sch new flue system (due to condition of brick stack)	45
Summerside Jnr School new controls and oil tank improvements	25
Claremont Sch renewal of shunt pumps, burner, controls and corroded pipework	40
Total	600
DDA allocation	250
Total	250
Kitchen programme allocation	
Courland Primary (defferred from 2010/11)	80
Cromer Road	80
Unallocated	40
Total	200
Emergency Reactive Works	350
Total	350
Children's Centre Maintenance and risk provision	159
Total	159
Suitability/Curriculum improvements allocation	
Danegrove Winsor Drive - replace mobiles	250
Pupil referral Unit - Meadway	200
Summerside - mobile	150
Unallocated	100
Total	700
Overall scheme	4,109
Capital Modernisation 2011/12	(4,109)
Total	-

9.7 2010/11 Capital Programme Monitoring

9.7.1 Directors are reminded they need to continue to ensure that capital projects are closely managed during 2010/11 to ensure that they are delivered within budget and in accordance with the agreed timeframe.

9.8 Capital Monitoring Analysis

9.8.1 The Capital Monitoring summary is set out in table 3. A detailed break down by service directorate is shown in Appendix B.

Table 3: 2010/11 Provisional Capital Outturn – Summary

Service	2010/11 Latest Approved Budget	Additions/ Deletions recommended to April CRC	Slippage / Accelerated Spend recommended to April CRC	2010/11 Budget (including April CRC)	Spend to date	Forecast to year end	Variance from Revised Budget
	£000	£000	£000	£000	£000	£000	£000
Adult Social Services	627	-	-	627	296	627	-
Central Expenses	4,500	-	-	4,500	-	4,500	-
Children's Service	42,511	-	(5,204)	37,307	34,839	37,307	(5,204)
Corporate Governance	1	-	(1)	0	-	0	(1)
Chief Executive Services	268	-	(177)	91	63	91	(177)
Deputy Chief Executive Services	485	-	(169)	316	292	316	(169)
Commercial Services	3,816	-	(1,542)	2,274	1,647	2,274	(1,542)
Environment & Operations	15,800	(669)	(1,720)	13,411	7,269	13,411	(2,389)
Planning, Housing and Regeneration	8,357	-	(405)	7,952	3,198	7,952	(405)
General Fund Programme	76,364	(669)	(9,218)	66,477	47,604	66,477	(9,887)
HRA Capital	18,261	-	1,860	20,121	12,592	20,121	1,860
Total Capital Programme	94,625	(669)	(7,358)	86,598	60,196	86,598	(8,028)

9.9 Proposed changes to the Capital Programme

9.9.1 Appendix C gives details of the proposed changes to the Capital Programme. These include proposed additions and deletions of £0.669m as well as budget movements - slippage of £7.358m re-profiled from 2010/11 to 2011/12.

Table 4: Capital Funding Changes

	Grants	S106 / Other	Capital Receipts	Revenue	Borrowing	Total
	£000	£000	£000	£000	£000	£000
Adult Social Services	-	-	-	-	-	-
Central Expenses	-	-	-	-	-	-
Chief Executive	-	(50)	(127)	-	-	(177)
Children's Service	(1,168)	(925)	(1,488)	-	(1,623)	(5,204)
Corporate Governance	-	-	(1)	-	-	(1)
Commercial Services	-	-	(1,121)	-	(421)	(1,542)
Deputy Chief Executive	-	-	(169)	-	-	(169)
Environment & Operations	(616)	(221)	(773)	-	(780)	(2,390)
Planning, Housing and Regeneration	-	-	(405)	-	-	(405)
General Fund Programme	(1,784)	(1,196)	(4,084)	-	(2,824)	(9,888)
HRA Capital	779	-	-	(487)	1,568	1,860
Total Capital Programme	(1,005)	(1,196)	(4,084)	(487)	(1,256)	(8,028)

10. LIST OF BACKGROUND PAPERS

10.1 None.

Legal – MM

CFO – MC/JH

Adults

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Care Services - Learning Disabilities	25,639	36,280	36,357	77	Significant purchasing budget pressures offset by Section 256 resources. Work programme undertaken with providers to reduce costs.	0.2%
Care Services - Mental Health	7,742	7,296	7,643	347	Pressures from Continuing Care and Forensic Service transfers some offset by holding vacant posts. Work being undertaken with Health on improved commissioning and move on from Residential Care to Supported Living	4.8%
Care Services - Older Adults - Physical Disabilities	48,389	47,530	48,531	1,001	Greater demand in line with demography, and in particular cost shunts from the PCT around Continuing Care have caused pressures within the budget some offset by Homecare contract savings. Net increase of 28 older people requiring care home placements.	2.1%
Performance & Supply Management	5,465	4,222	4,102	(120)	Reduced spend on training events to create savings 20k, vacancies held reducing spend in preparation for restructure and reduced agency use.	-2.8%
Strategic Commissioning & Transformation	11,107	12,906	12,101	(805)	Preparation for implementation of 2011/12 savings plan achieved in year and Voluntary Sector spend reduced.	-6.2%
Government Grant Income	(2,110)	(12,307)	(12,676)	(369)		-3.0%
Total	96,232	95,927	96,058	131		0.1%

Central Expenses

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Corporate Subscriptions	314	314	333	19		6.0%
Levies	24,443	24,443	24,509	66	Overspend includes additional coroners accommodation costs	0.3%
Central Contingency	5,528	3,325	889	(2,436)	Unallocated general contingency to be utilised to support in year service pressures that can not be contained	-73.3%
Rate Relief	433	433	433	-		0.0%
Capital Financing	15,719	15,719	11,843	(3,876)	Underspend in the main attributed to realignment of the borrowing requirements in the capital programme and reduction in external borrowing	-24.7%
Early Retirement costs	7,004	7,004	9,890	2,886	Additional redundancy / early retirement costs associated to 2011-12 budget savings	41.2%
FRS17 Adjustment	-	-	-	-		0.0%
Car Leasing	2	2	-	(2)		-100.0%
Corporate Fees & Charges	599	599	469	(130)		-21.6%
Miscellaneous Finance	(383)	(676)	(741)	(65)		-9.6%
CRC Corporate Management	-	-	(125)	(125)		
Total	53,659	51,163	47,500	(3,663)		-7.2%

Chief Executive

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Executive Office	744	893	829	(64)	Underspend on salaries	-7.2%
Chief Executive's Service	2,508	2,179	2,368	189	Salary overspend	8.7%
Grants	1,319	1,182	1,179	(3)		-0.3%
Library Services	6,017	5,985	6,079	94	Project management costs for the strategic library review (to be covered by virement from customer services budget) and unplanned emergency library repairs.	1.6%
Customer Services, Registration & Organisation Development	1,653	1,568	1,409	(159)	Lower than expected telephony costs. Exceeded planned income for nationality checking and Burnt Oak rental income.	-10.1%
Total	12,241	11,807	11,864	57		0.5%

Children's Services

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
CHILDREN'S SERVICE - GENERAL FUND						
Management Team	1,260	1,007	1,035	28		2.8%
Social Care Division	25,760	25,477	27,360	1,883	The demand for children's social care remains at unprecedented levels. The most significant areas of financial pressure continue to be external family assessments, external placements for children in care and agency costs. A recovery plan is in place and contact has been made with the courts to find ways to reduce the financial impact on the local authority of decisions relating to family contact etc. To increase social work capacity, we are using external funding to undertake the more routine information and data inputting tasks, releasing social work time to increase face to face contact with families. Other areas of financial pressure include adoption, special guardianship and leaving care services.	7.4%
Asylum Seekers	-	-	103	103	Costs exceed the government grant	
BRSI	1,536	753	128	(625)	Vacancies continue to be held to offset overspends elsewhere in the Children's Service;	-83.0%
Safeguarding	982	1,027	1,149	122	Increased volume of Safeguarding Board activity	11.9%
SEN Transport	5,538	5,530	5,332	(198)	Underspend on cost of escorts	-3.6%
Youth and Connexions	4,340	4,319	4,083	(236)	Vacancies continue to be held to offset overspends elsewhere in the Children's Service	-5.5%
Other Children's Service Budgets	9,529	9,467	9,269	(198)	Vacancies continue to be held to contain pressures	-2.1%
Total	48,945	47,580	48,459	879		1.8%

Commercial Services

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Corporate Programmes & Consultancy	92	618	521	(97)	Part Year Vacancy	-15.7%
Property Services & Asset Management	7,951	7,960	8,288	328	Overspend on public offices rates due to 2010/11 revaluation and service charges. However these have been offset by utilities underspend across all public offices and general underspends across the service. Action is being taken to manage the estate and the service more effectively and opportunities exist to improve the financial position going forward.	4.1%
Corporate Procurement	495	413	375	(38)	Forecasts include one-off income from contracts	-9.2%
Information Systems	7,094	6,915	7,203	288	Additional cost of SAP licences and MS licences partly offset by earmarked reserve.	4.2%
One Barnet Programme	-	-	-	-	Forecast Spend to be met centrally	
Total	15,632	15,906	16,387	481		3.0%

Corporate Governance

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Legal Services	1,848	1,831	2,005	174	Influx in care proceedings and increased no. of employment cases resulting in higher than budgetted counsel fees as well as court fees in both Advocacy and Community divisions	9.5%
Democratic Services	831	823	803	(20)	Underspend from Vacant post (£15k), Printing costs (£34k) offset by overspend on Postage (£14k) and general running costs (£15k)	-2.4%
Members	1,697	1,686	1,552	(134)	Savings achieved from revised scheme to Members Allowances	-7.9%
Corporate Anti Fraud Team	189	182	185	3	Overspend due to cost of airwave radio's £26k) and counsel fees for HB prosecution case (£50k) offset by underspend on salaries (£63k) and general running costs.	1.6%
Elections	535	520	478	(42)	Underspend due to vacant posts within Elections Project team offset by overspend in Canvassing and Software licensing costs in electoral Registration	-8.1%
Civil Protection	204	197	133	(64)	Underspend due to vacant post and reduced forecasts for any possible emergencies.	-32.5%
Performance and Organisation Development	255	321	361	40	Overspend on salaries and training costs to be offset against underspend in other areas in directorate	12.5%
Corporate Governance Directors	316	313	237	(76)	Underspend on salaries	-24.3%
Leaders Office	10	10	8	(2)	Underspend on general running costs	-20.0%
Insurance	66	14	6	(6)	Savings from vacant post	-57.1%
Total	5,951	5,897	5,768	(129)		-2.2%

Deputy Chief Executive

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Finance	3,746	4,414	4,416	2	Finance is forecasting to come in on budget.	0.0%
Human Resources	2,174	2,264	2,353	89	The overspend on HR budgets is due to the Unison budget being transferred into HR mid-year. This budget has historically been centrally held and the overspend this year is a legacy of commitments unknown to HR crystallising at the year end. For 2011/12 HR has taken full monitoring role of the budget and is in active discussion with the TUs about how this budget will be managed and brought in on budget in 2011/12	3.9%
Revenues and Benefits	5,395	5,997	5,906	(91)	No processing since Dec 2010. Therefore no CoC assessments etc. System live 14.3.11, by 31.3.11 we will have a more realistic provisional outturn figure.	-1.5%
Total	11,315	12,675	12,675	-		0.0%

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Management and performance	993	1,055	1,298	243	Overspend relates to re-profiling work across the directorate of budgets and establishment. Part of overspend relates to temporary cover for AD post.	23.0%
Highways Inspection/Maintenance	4,377	4,622	5,049	427	Planned Maintenance shortfall due to revenue capitalisation in previous financial year not returned to the revenue budget this year and Winter Maintenance budget assuming a medium winter whereas this winter has been severe (as last year). Projected outturn similar to last year. Budget includes a £100k drawdown from contingency to reflect severe weather. In addition a pressure has arisen due to commitment to divert funds to PEP Phase 1.	9.2%
Highways income budgets incl. NRSWA Greenspaces	(368)	(376)	(572)	(196)	Increased income due to Permit charges	-52.1%
Cleansing	4,778	4,723	4,812	89	Pressure relating to cleaning and repair costs for King George Playing Field and unbudgeted utility costs at Copthall estate	2.6%
Refuse (domestic and trade waste)	3,012	3,846	3,727	(119)	Overspend relates to increase in agency, overtime over Christmas period and water licenses for mechanical sweepers though partially offset by savings on transport costs	1.9%
Parking	(659)	(919)	(722)	197	Lower than expected transport recharges and increased Trade Waste income forecast.	-3.1%
Transport	84	42	(157)	(199)	Parking income under pressure. High proportion of machines out of order. Move to cashless parking in 11/12 will address this issue.	21.4%
Recycling	4,679	3,787	3,601	(186)	Net surplus derived from fleet costs being fully recharged to fleet users. Surplus potentially allocated for new fleet and costs arising from GPL contract award.	-473.8%
Street Lighting	3,116	3,111	3,111	-	High material income and staff vacancies offsetting increased contract price resulting from additional flats and inflation. Improvement on M9 due to favourable materials reforecast and running cost savings.	-4.9%
Community Safety	477	401	376	(25)	Lower reserve drawdown required resulting from programme behind schedule and performance adjustments which have negated the impact of higher energy costs this year	0.0%
Community Protection	1,363	1,375	1,345	(30)	In year vacancies following budget reductions 10/11	-6.2%
Leisure	1,787	1,798	1,798	-	In year vacancies and running cost savings	-2.2%
WOM	-	-	-	-		0.0%
E&O General Fund	28,443	28,206	28,532	326		1.2%
Special Parking Account	(5,092)	(4,310)	(2,221)	2,089	Pressure on income throughout the year. Recent weeks showing improvement	48.5%
E&O Total (inc SPA)	23,351	23,896	26,311	2,415		10.1%

Planning, Housing & Regeneration

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Land Charges	(932)	(663)	(684)	(21)	Income shortfall in charging for Personal Searches, as well as property market decline and tightening mortgage availability has necessitated drawdown from contingency. Changes from Month 9 Forecast £30k due to lower income projection offset by a £34k grant from CLG to cover potential restitutionary claims and loss of fees foregone in 10/11.	-3.2%
Environmental Health/ Cem & Crem	1,373	1,334	1,274	(60)	Vacancy and running cost savings in EH Management offsetting pressures on Care and Repair budget and favourable variance on Cem and Crem income.	-4.5%
Planning	192	664	1,106	442	Shortfall on mainstream planning fees due to flat property market and running costs particularly, additional legal costs in respect of Edgwarebury Lane Cemetery lost appeal. Vacancy rates and salary costs under review alongside Lean Systems programme. Forecast includes a drawdown from contingency to reflect income pressure.	66.6%
Strategy (Planning & Housing)	668	613	677	64	Budget reduced through in year savings by £69k on basis of alternative income streams to cover overspend, however unlikely to be achieved.	10.4%
Building Control	(243)	(170)	(251)	(81)	Street, naming and numbering fee income has outperformed the budget. Contingency the draw down has mitigated the pressure on Building Control fees.	-47.6%
Housing	713	653	567	(86)	Outperformance in Private Sector Leasing and TA income offsetting previously flagged losses at Barbara Langstone House and the cost of running Home Choice. Change from Month 9 Forecast due to £150k increase in B&B rental payments offset by lower Home Choice costs due to lower than anticipated take up of the insurance scheme.	-13.2%
Regeneration Service	257	53	(205)	(258)	Rental income maximisation from PSL buyback properties awaiting regeneration, re-alignment of salaries between GF & HRA and recovery of consultant fees. Change since Month 9 Forecast due to £86k S106 funding now included in projection as well as additional recovery from developers Month 9 Forecast.	-486.8%
Total	2,028	2,484	2,484	-		0.0%

Dedicated Schools' Grant

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
CHILDREN'S SERVICE - DSG	£000	£000	£000	£000		
SEN Placements, Recoupment & Therapies	9,685	9,273	8,680	(593)	One-off underspend due to finalising agreements with other local authorities and providers over outstanding prior year payments	-6.4%
Pupil Referral Unit	1,514	1,514	1,526	12		0.8%
Other Centrally Retained Schools Budgets	10,860	12,659	11,964	(695)	Underspend on 3&4 year olds free educational entitlement;	-5.5%
ISB	213,809	214,463	214,463	-		0.0%
DSG & LSC Grant	(235,992)	(238,061)	(238,061)	-		0.0%
Total	(124)	(152)	(1,428)	(1,276)		-839.5%

Housing Revenue Account

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
Housing Revenue Account	£000	£000	£000	£000		
LBB Retained	1,532	1,532	1,555	23		1.5%
HRA Regeneration	1,091	1,091	977	(114)	Anticipated recovery of consultants costs from developers	-10.4%
HRA Other Income and Expenditure (net)	(3,555)	(3,555)	(3,810)	(255)	Improved dwelling rent forecast and subsidy position offsetting additional void refurbishments and higher debt management costs.	-7.2%
Support Service recharges	576	576	696	120	Accommodation recharge at BH Level 2 and 3	20.8%
Interest on Balances	(80)	(80)	(80)	-		0.0%
HRA Surplus/Deficit for the year	436	436	436	-		0.0%
Total	-	-	(226)	(226)		

	2010/11 Latest Approved Budget	Additions/ Deletions recommended to April CRC	Slippage / Accelerated Spend recommended to April CRC	2010/11 Budget (including April CRC)	Spend to date (as per SAP)	Forecast to year-end	Variance from Approved Budget	% slippage of 2010/11 Approved Budget
	£000	£000	£000	£000	£000	£000	£000	%
Mental Health and Adults Personal Social Services Allocation	627	-	-	627	296	627	-	0%
Adult Social Services	627	-	-	627	296	627	-	0%
Capitalised Redundancies	4,500	-	-	4,500	-	4,500	-	0%
Central Expenses	4,500	-	-	4,500	-	4,500	-	0%
Schools Access Initiatives	489	-	-	489	182	489	-	0%
Schools Modernisation & Access Improvement Programme	3,939	(397)	(1,442)	2,100	1,672	2,100	(1,839)	-37%
Urgent Primary Places	1,043	-	(653)	390	1,083	390	(653)	-63%
Surestart Programme	1,547	-	-	1,547	1,012	1,547	-	0%
Major School Rebuild Total	403	-	(252)	151	152	151	(252)	-62%
Primary Schools Capital Investment Programme	9,662	-	(116)	9,546	8,915	9,546	(116)	-1%
East Barnet Schools Rebuild	5,878	-	(69)	5,809	5,737	5,809	(69)	-1%
Other Schemes	19,549	397	(2,672)	17,274	16,086	17,274	(2,275)	-14%
Children's Service	42,511	-	(5,204)	37,307	34,839	37,307	(5,204)	-12%
Capital Schemes Managed by Schools	5,546	-	-	5,546	312	5,546	-	0%
Capital Schemes Managed by Schools	5,546	-	-	5,546	312	5,546	-	0%
Corporate Governance Projects	1	-	(1)	-	-	-	(1)	-78%
Corporate Governance	1	-	(1)	-	-	-	(1)	-78%
Chief Executive Services	268	-	(177)	91	63	91	(177)	-66%
Chief Executive Services	268	-	(177)	91	63	91	(177)	-66%
Deputy Chief Executive Services	485	-	(169)	316	292	316	(169)	-35%
Deputy Chief Executive Services	485	-	(169)	316	292	316	(169)	-35%
Commercial Services	3,816	-	(1,542)	2,274	1,647	2,274	(1,542)	-40%
Commercial Services	3,816	-	(1,542)	2,274	1,647	2,274	(1,542)	-40%
Recycling Schemes	156	-	-	156	-	156	-	0%
Closed Circuit Television in Town Centres	84	-	(83)	1	-	1	(83)	-98%
Other Environment & Transport Schemes	480	(1)	(261)	217	56	217	(262)	-54%
Highways Schemes	15,080	(668)	(1,376)	13,036	7,213	13,036	(2,044)	-9%
Environment & Operations	15,800	(669)	(1,720)	13,411	7,269	13,411	(2,389)	-11%
Housing Association Programme	691	-	-	691	691	691	-	0%
General Fund Regeneration	5,410	-	(300)	5,110	859	5,110	(300)	-6%
Disabled Facilities Projects	1,423	-	-	1,423	1,273	1,423	-	0%
Housing Management System	20	-	5	25	-	25	5	25%
Other Projects	813	-	(110)	703	375	703	(110)	-14%
Planning, Housing and Regeneration	8,357	-	(405)	7,952	3,198	7,952	(405)	-5%
General Fund Programme	76,364	(669)	(9,218)	66,477	47,604	66,477	(9,887)	-12%
HRA Capital	18,261	-	1,860	20,121	12,592	20,121	1,860	10%
Total Capital Programme*	94,625	(669)	(7,358)	86,598	60,196	86,598	(8,028)	-8%

*Excludes Capital Schemes Managed by Schools

Capital Programme Adjustments

Appendix C

Proposed Changes to the Capital Programme

Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/ Accelerated Spend	Explanation for request
				(£'000)	(£'000)	
CE	2010-11	Plantech	Capital receipts		(21)	
CE	2011-12	Plantech	Capital receipts		21	
CE	2010-11	GIS	Capital receipts		(12)	
CE	2011-12	GIS	Capital receipts		12	
CE	2010-11	Libraries Strategy	Section 106		(50)	
CE	2011-12	Libraries Strategy	Section 106		50	
CE	2010-11	Libraries Strategy	Capital receipts		(4)	
CE	2011-12	Libraries Strategy	Capital receipts		4	
CE	2011-12	CRM	Capital receipts		(423)	
CE	2010-11	CRM	Capital receipts		423	
CE	2010-11	CRM	Capital receipts		(48)	
CE	2011-12	CRM	Capital receipts		48	
CE	2010-11	CRM	Capital receipts	(465)		
CE	2010-11	Customer Transformation Services	Capital receipts	465		
CE	2010-11	Customer Transformation Services	Capital receipts		(465)	
CE	2011-12	Customer Transformation Services	Capital receipts		465	
Children Services	2010-11	BSF	Grants	397		Request approval for the BSF Contingency budget to be realigned to cover BSF costs.
Children Services	2010-11	Modernisation 2010/11	Grants	(397)		Request approval for the BSF Contingency budget to be realigned to cover BSF costs.
Children Services	2010-11	Modernisation 2008/09	Grants	15		Request approval for the BSF Contingency budget realigned to increase Childs Hill Budget.
Children Services	2010-11	Modernisation 2008/09	Grants	(15)		Request approval for the BSF Contingency budget realigned to increase Childs Hill Budget.
Children Services	2010-11	Urgent Primary Places	Capital receipts	(58)		Request approval to distribute the Temporary Expansions Budget to Woodbridge Modular Building and Wessex Garden.
Children Services	2010-11	Urgent Primary Places	Capital receipts	45		Request approval to distribute the Temporary Expansions Budget to Woodbridge Modular Building and Wessex Garden.
Children Services	2010-11	Urgent Primary Places	Capital receipts	13		Request approval to distribute the Temporary Expansions Budget to Woodbridge Modular Building and Wessex Garden.
Children Services	2010-11	East Barnet Rebuild - Faraday	Grants	(22)		Request approval to realignment the Project Faraday Budget To East Barnet.
Children Services	2010-11	East Barnet Rebuild	Grants	22		Request approval to realignment the Project Faraday Budget To East Barnet.
Children Services	2010-11	Major Schools Rebuild - Parkfield	Borrowing		(117)	Request approval of slippage amount into 2011/12 to realign to current project profile of Parkfields project
Children Services	2011-12	Major Schools Rebuild - Parkfield	Borrowing		117	Request approval of slippage amount into 2011/12 to realign to current project profile of Parkfields project
Children Services	2010-11	PCP - Colindale	Borrowing		627	Request approval to accelerate spend on Colindale and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2011-12	PCP - Colindale	Grants		(350)	Request approval to accelerate spend on Colindale and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2011-12	PCP - Colindale	Grants		(277)	Request approval to accelerate spend on Colindale and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2010-11	PSCIP	Borrowing		76	Request approval to accelerate spend On Northway/Fairway and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2011-12	PSCIP	Borrowing		(76)	Request approval to accelerate spend On Northway/Fairway and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2010-11	East Barnet Rebuild	Borrowing		46	Request approval to accelerate spend on East Barnet and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2011-12	East Barnet Rebuild	Borrowing		(46)	Request approval to accelerate spend on East Barnet and reprofile 2011/12 Budget to cover expenditure in 2010/11
Children Services	2010-11	Modernisation 2008/09	Borrowing		(6)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for Cromer Road Knotweed project
Children Services	2011-12	Modernisation 2008/09	Borrowing		6	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for Cromer Road Knotweed project
Children Services	2010-11	PCP - Goldbeaters	Borrowing		(9)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on Goldbeaters project
Children Services	2011-12	PCP - Goldbeaters	Grants		9	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on Goldbeaters project
Children Services	2010-11	Major Schools Rebuild - Underhill	Borrowing		(14)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on Underhill Childrens centre project
Children Services	2011-12	Major Schools Rebuild - Underhill	Borrowing		14	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12

Capital Programme Adjustments

Appendix C

Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/ Accelerated Spend	Explanation for request
				(£'000)	(£'000)	
Children Services	2010-11	Modernisation 2010/11	Grants		(20)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 Woodcroft Primary Moving Lift Equipment project
Children Services	2011-12	Modernisation 2010/11	Grants		20	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 Woodcroft Primary Moving Lift Equipment project
Children Services	2010-11	Modernisation 2010/11	Borrowing		(28)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 Dollis Infant Windows project
Children Services	2011-12	Modernisation 2010/11	Borrowing		28	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 Dollis Infant Windows project
Children Services	2010-11	Urgent Primary Places	Capital receipts		(38)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on Monkfrith Windows Project
Children Services	2011-12	Urgent Primary Places	Capital Receipts		38	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on Monkfrith Windows Project
Children Services	2010-11	Modernisation 2009/10	Borrowing		(20)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on the Monkfrith Kitchen Refurbishment project
Children Services	2011-12	Modernisation 2009/10	Borrowing		20	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on the Monkfrith Kitchen Refurbishment project
Children Services	2010-11	Modernisation 2009/10	Grants		(20)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on the Monkfrith Kitchen Refurbishment project
Children Services	2011-12	Modernisation 2009/10	Grants		20	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on the Monkfrith Kitchen Refurbishment project
Children Services	2010-11	PCP	Borrowing		(42)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on the Menorah Foundation project
Children Services	2011-12	PCP	Grants		42	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 on the Menorah Foundation project
Children Services	2010-11	PSCIP	Borrowing		(47)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Wave 1 - Whitting Hill project
Children Services	2011-12	PSCIP	Borrowing		47	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Wave 1 - Whitting Hill project
Children Services	2010-11	Targetted Capital 14-19 SEN	Borrowing		(215)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Hasmonean project
Children Services	2011-12	Targetted Capital 14-19 SEN	Capital receipts		35	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Hasmonean project
Children Services	2010-11	Targetted Capital 14-19 SEN	Capital receipts		(57)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Whitefields Project
Children Services	2011-12	Targetted Capital 14-19 SEN	Capital receipts		57	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Whitefields Project
Children Services	2010-11	East Barnet - Faraday	Grants		(45)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the East Barnet - Faraday project
Children Services	2011-12	East Barnet - Faraday	Grants		45	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the East Barnet - Faraday project
Children Services	2010-11	East Barnet Rebuild	Borrowing		(70)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the East Barnet project
Children Services	2011-12	East Barnet Rebuild	Borrowing		70	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the East Barnet project
Children Services	2010-11	Modernisation 2008/09	Borrowing		(28)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 at QE girls
Children Services	2011-12	Modernisation 2008/09	Borrowing		28	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 at QE girls
Children Services	2010-11	Urgent Primary Places	Capital receipts		(100)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 at the Broadfields perm project
Children Services	2011-12	Urgent Primary Places	Capital Receipts		100	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 at the Broadfields perm project
Children Services	2010-11	Modernisation 2010/11	Borrowing		(105)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 in the urgent responsive work budget
Children Services	2011-12	Modernisation 2010/11	Borrowing		105	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 in the urgent responsive work budget
Children Services	2010-11	Major Schools Rebuild	Borrowing		(121)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for he Hyde project
Children Services	2011-12	Major Schools Rebuild	Borrowing		121	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for he Hyde project
Children Services	2010-11	PSCIP	Borrowing		(145)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Broadfields project
Children Services	2011-12	PSCIP	Borrowing		145	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Broadfields project
Children Services	2010-11	Modernisation 2010/11	Grants		(150)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Ravenscroft project

Capital Programme Adjustments

Appendix C

Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/ Accelerated Spend	Explanation for request
				(£'000)	(£'000)	
Children Services	2011-12	Modernisation 2010/11	Grants		150	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Ravenscroft project
Children Services	2010-11	Urgent Primary Places	Section 106		(150)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Graham Park School project
Children Services	2011-12	Urgent Primary Places	Section 106		150	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Graham Park School project
Children Services	2010-11	Urgent Primary Places	Grants		(167)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 with in the Urgent Primary Places budgets
Children Services	2011-12	Urgent Primary Places	Grants		167	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 with in the Urgent Primary Places budgets
Children Services	2010-11	Modernisation 2010/11	Borrowing		(175)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 of the East Barnet project
Children Services	2011-12	Modernisation 2010/11	Borrowing		175	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 of the East Barnet project
Children Services	2010-11	Modernisation 2010/11	Borrowing		(195)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Dollis expansion project
Children Services	2011-12	Modernisation 2010/11	Borrowing		195	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Dollis expansion project
Children Services	2010-11	Extended Schools	Grants		(224)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 in the Extended Schools Project
Children Services	2011-12	Extended Schools	Grants		224	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 in the Extended Schools Project
Children Services	2010-11	Targetted Capital 14-19 SEN	Capital receipts		(440)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Oakleigh project
Children Services	2011-12	Targetted Capital 14-19 SEN	Borrowing		215	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Oakleigh project
Children Services	2010-11	Modernisation 2009/10	Borrowing		(250)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the East Barnet project
Children Services	2011-12	Modernisation 2009/10	Borrowing		250	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the East Barnet project
Children Services	2010-11	PCP	Borrowing		(251)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Foulds Primary project
Children Services	2011-12	PCP	Grants		251	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Foulds Primary project
Children Services	2010-11	Urgent Primary Places	Capital receipts		(198)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Woodridge Modular building
Children Services	2011-12	Urgent Primary Places	Capital Receipts		198	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Woodridge Modular building
Children Services	2010-11	Targetted Capital 14-19 SEN	Capital receipts		(300)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Hendon Autistic Resource Centre project
Children Services	2011-12	Targetted Capital 14-19 SEN	Capital receipts		300	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Hendon Autistic Resource Centre project
Children Services	2010-11	Targetted Capital 14-19 SEN	Capital receipts		(320)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12
Children Services	2011-12	Targetted Capital 14-19 SEN	Capital receipts		320	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12
Children Services	2010-11	Targetted Capital 14-19 SEN	Capital receipts		(35)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Hendon 6th form project
Children Services	2011-12	Targetted Capital 14-19 SEN	Capital receipts		440	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Hendon 6th form project
Children Services	2010-11	PCP	Borrowing		(60)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Childs Hill Resrce & Chldrn's project
Children Services	2011-12	PCP	Grants		60	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Childs Hill Resrce & Chldrn's project
Children Services	2010-11	PCP	Borrowing		(200)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Childs Hill Resrce & Chldrn's project
Children Services	2011-12	PCP	Grants		200	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Childs Hill Resrce & Chldrn's project
Children Services	2010-11	Modernisation 2010/11	Borrowing		(250)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the H & S budget for this project
Children Services	2011-12	Modernisation 2010/11	Borrowing		250	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the H & S budget for this project
Children Services	2010-11	Modernisation 2010/11	Section 106		(161)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the H & S budget for this project
Children Services	2011-12	Modernisation 2010/11	Section 106		161	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the H & S budget for this project

Capital Programme Adjustments

Appendix C

Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/ Accelerated Spend	Explanation for request
				(£'000)	(£'000)	
Children Services	2010-11	Modernisation 2010/11	Grants		(34)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the H & S budget for this project
Children Services	2011-12	Modernisation 2010/11	Grants		34	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the H & S budget for this project
Children Services	2010-11	Kitchen and Dining	Section 106		(511)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Kitchen and Dining project
Children Services	2011-12	Kitchen and Dining	Section 106		475	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Kitchen and Dining project
Children Services	2010-11	Kitchen and Dining	Borrowing		(24)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Kitchen and Dining project
Children Services	2011-12	Kitchen and Dining	Borrowing		200	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Kitchen and Dining project
Children Services	2010-11	Kitchen and Dining	Grants		(508)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Kitchen and Dining project
Children Services	2011-12	Kitchen and Dining	Grants		368	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Kitchen and Dining project
Children Services	2010-11	PCP	Section 106		(103)	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Childs Hill Resrce & Chldrn's project
Children Services	2011-12	PCP	Section 106		103	Request approval to realign budgets in line with current project profile of spend and Slip the remaining budget from 2010/11 into 2011/12 for the Childs Hill Resrce & Chldrn's project
Commercial	2010-11	Art Depot Lift	Capital receipts		(2)	
Commercial	2011-12	Art Depot Lift	Capital receipts		2	
Commercial	2010-11	NLBP -relocation of staff	Borrowing		(39)	
Commercial	2011-12	NLBP -relocation of staff	Borrowing		39	
Commercial	2010-11	EDRMS	Capital receipts		(540)	
Commercial	2011-12	EDRMS	Capital receipts		540	
Commercial	2010-11	Business system Disaster System	Capital receipts		(160)	
Commercial	2011-12	Business system Disaster System	Capital receipts		160	
Commercial	2010-11	Shared Service Centre	Capital receipts		(50)	
Commercial	2011-12	Shared Service Centre	Capital receipts		50	
Commercial	2010-11	Swift	Capital receipts		(66)	
Commercial	2011-12	Swift	Capital receipts		66	
Commercial	2010-11	Energy Efficiency	Capital receipts		(19)	
Commercial	2011-12	Energy Efficiency	Capital receipts		19	
Commercial	2010-11	Office Consolidation	Capital receipts		(179)	
Commercial	2011-12	Office Consolidation	Capital receipts		179	
Commercial	2010-11	Modernising the way we work	Borrowing		(382)	
Commercial	2011-12	Modernising the way we work	Borrowing		382	
Commercial	2010-11	Depot Relocation	Capital receipts		(105)	
Commercial	2011-12	Depot Relocation	Capital receipts		105	
Corporate Governance	2010-11	Emergency Command centre	Capital receipts		(1)	
Corporate Governance	2011-12	Emergency Command centre	Capital receipts		1	
DCE	2010-11	Pericles	Capital receipts		(169)	
DCE	2011-12	Pericles	Capital receipts		169	
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Capital receipts	(96)		Brought forward allocation not re-directed for use as a result of changing priorities
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Capital receipts	(128)		Brought forward allocation not re-directed for use as a result of changing priorities
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Capital receipts	(30)		Reprofiled works
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Capital receipts	(107)		Brought forward allocation not re-directed for use as a result of changing priorities
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Capital receipts	(154)		Reprofiled works
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106	154		Brought forward allocation not re-directed for use as a result of changing priorities
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106		(27)	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2011-12	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106		27	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106		(3)	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2011-12	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106		3	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2010-11	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106		(12)	Allocation slipped forward as works will be carried out in 2011

Capital Programme Adjustments

Appendix C

Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/ Accelerated Spend	Explanation for request
				(£'000)	(£'000)	
Environment & Operations	2011-12	Road Traffic Act - Controlled Parking Zones- 2009/10 Programme	Section 106		12	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2011-12	Road Traffic Act - Controlled Parking Zones- 2009/10	capital receipts	(184)		Substitution of funding
Environment & Operations	2011-12	Road Traffic Act - Controlled Parking Zones- 2009/10	s106	184		Substitution of funding
Environment & Operations	2010-11	Footway Reconstruction - 2009/10 allocation	Section 106		(5)	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2011-12	Footway Reconstruction - 2009/10 allocation	Section 106		5	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2010-11	Footway Reconstruction - 2009/10 allocation	Section 106		(5)	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2011-12	Footway Reconstruction - 2009/10 allocation	Section 106		5	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2010-11	Footway Reconstruction - 2009/10 allocation	Section 106		(5)	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2011-12	Footway Reconstruction - 2009/10 allocation	Section 106		5	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2010-11	Footway Reconstruction - 2009/10 allocation	Section 106		(10)	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2011-12	Footway Reconstruction - 2009/10 allocation	Section 106		10	Allocation slipped forward as works will be carried out in 2011
Environment & Operations	2010-11	Footway Reconstruction - 2009/10 allocation	Section 106		(11)	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2011-12	Footway Reconstruction - 2009/10 allocation	Section 106		11	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2010-11	Cycling LCN Schemes	Grants	(99)		Reduction in TfL allocation on a completed scheme
Environment & Operations	2010-11	Highways Investment - 2009/10 HIP Programme	Borrowing	(1)		Residual allocation to be removed from programme
Environment & Operations	2010-11	Highways Investment - 2009/10 HIP Programme	Section 106		(34)	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2011-12	Highways Investment - 2009/10 HIP Programme	Section 106		34	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2010-11	Highways Investment - 2009/10 HIP Programme	Section 106		(5)	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2011-12	Highways Investment - 2009/10 HIP Programme	Section 106		5	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2010-11	LIP - Road Maintenance	Grants	(4)		Reduction in TfL allocation
Environment & Operations	2010-11	LIP - Corridors	Grants	2,501		Programme reference transfer. Nil effect across the three categories Corridors, Smarter Travel &
Environment & Operations	2010-11	LIP - Smarter Travel	Grants	(776)		Transfer from Smarter Travel to Corridors
Environment & Operations	2010-11	LIP - Neighbourhoods	Grants	(1,725)		Transfer from Neighbourhoods to Corridors
Environment & Operations	2010-11	LIP - Corridors	Grants	(14)		Reduction in TfL allocation
Environment & Operations	2010-11	LIP - Corridors	Grants	3		Increase in funding from TfL
Environment & Operations	2010-11	LIP - Neighbourhoods now Corridors	Grants	(94)		Reduction in TfL allocation
Environment & Operations	2010-11	LIP - Local Transport Funding	Grants	(100)		Reduction in TfL allocation
Environment & Operations	2010-11	CCTV in Town Centres Programme - 2004/05 & 2005/06 programme	Capital Receipts		(62)	Retention funding carried forward
Environment & Operations	2010-11	CCTV in Town Centres Programme - 2007/08 programme	Capital Receipts		(21)	Retention funding carried forward
Environment & Operations	2011-12	CCTV in Town Centres Programme - 2004/05 & 2005/06	Capital Receipts		62	Retention funding carried forward
Environment & Operations	2011-12	CCTV in Town Centres Programme - 2007/08 programme	Capital Receipts		21	Retention funding carried forward
Environment & Operations	2010-11	Fairplay Playbuilders	Grants	(2)		Residual allocation to be removed
Environment & Operations	2010-11	Colindale Development Area - Reconstruction of Railway	Borrowing		(621)	Remaining contractor payments expected to be made in 2011
Environment & Operations	2011-12	Colindale Development Area - Reconstruction of Railway	Borrowing		621	Remaining contractor payments expected to be made in 2011
Environment & Operations	2010-11	A41 Aerodrome Road junction improvement works	Section 106		(186)	Works to be concluded in 2011
Environment & Operations	2011-12	A41 Aerodrome Road junction improvement works	Section 106		186	Works to be concluded in 2011
Environment & Operations	2010-11	Cophall Roof	Borrowing		(47)	Carry forward capital funding
Environment & Operations	2011-12	Cophall Roof	Borrowing		47	Carry forward capital funding
Environment & Operations	2010-11	CCTV Installation	Capital Receipts		(176)	Carry forward capital funding
Environment & Operations	2011-12	CCTV Installation	Capital Receipts		176	Carry forward capital funding
Environment & Operations	2010-11	Victoria Park Pavillion Rebuild	Borrowing		(38)	Carry forward capital funding
Environment & Operations	2011-12	Victoria Park Pavillion Rebuild	Borrowing		38	Carry forward capital funding
Environment & Operations	2010-11	Carriageway and Footways - Annual Programme	Borrowing		(40)	Carry forward capital funding
Environment & Operations	2011-12	Carriageway and Footways - Annual Programme	Borrowing		40	Carry forward capital funding
Environment & Operations	2010-11	Travel Plan Implementation	Borrowing		(33)	Carry forward capital funding
Environment & Operations	2011-12	Travel Plan Implementation	Borrowing		33	Carry forward capital funding
Environment & Operations	2010-11	Cycling on Greenways	Grants		(5)	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2011-12	Cycling on Greenways	Grants		5	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2010-11	Walk London	Grants		(40)	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2011-12	Walk London	Grants		40	Allocation partly slipped forward as some works will carry forward into 2011
Environment & Operations	2010-11	Improvements to six of the Borough's Park	Section 106		(11)	Carry forward funding
Environment & Operations	2010-11	Improvements to six of the Borough's Park	Section 106		(30)	Carry forward funding
Environment & Operations	2010-11	Improvements to six of the Borough's Park	Section 106		(14)	Carry forward funding
Environment & Operations	2010-11	Improvements to six of the Borough's Park	Section 106		(10)	Carry forward funding
Environment & Operations	2010-11	Improvements to six of the Borough's Park	Section 106		(2)	Carry forward funding
Environment & Operations	2010-11	Improvements to six of the Borough's Park	Section 106		(5)	Carry forward funding
Environment & Operations	2011-12	Improvements to six of the Borough's Park	Section 106		11	Carry forward funding
Environment & Operations	2011-12	Improvements to six of the Borough's Park	Section 106		30	Carry forward funding
Environment & Operations	2011-12	Improvements to six of the Borough's Park	Section 106		14	Carry forward funding
Environment & Operations	2011-12	Improvements to six of the Borough's Park	Section 106		10	Carry forward funding
Environment & Operations	2011-12	Improvements to six of the Borough's Park	Section 106		2	Carry forward funding

Capital Programme Adjustments

Appendix C

Directorate	Year	Capital Programme	Funding Type	Additions/ Deletions	Slippage/ Accelerated Spend	Explanation for request
				(£'000)	(£'000)	
Environment & Operations	2011-12	Improvements to six of the Borough's Park	Section 106		5	Carry forward funding
Environment & Operations	2010-11	GAF 3 Funding of Transport Projects	Grants		(262)	Carry forward capital funding
Environment & Operations	2011-12	GAF 3 Funding of Transport Projects	Grants		262	Carry forward capital funding
PHR	2010-11	General Fund Regeneration	Capital receipts		(300)	
PHR	2011-12	General Fund Regeneration	Capital receipts		300	
PHR	2010-11	Hostel Refurbishment Programme	Capital receipts		(110)	
PHR	2011-12	Hostel Refurbishment Programme	Capital receipts		110	
PHR	2010-11	Housing Management System	Capital receipts		5	
PHR	2011-12	Housing Management System	Capital receipts		(5)	
PHR - HRA	2010-11	Miscellaneous Works - Including Digital Television & Cavity Wall Insulation	Borrowing	813		
PHR - HRA	2010-11	Regeneration Estates	Borrowing	(813)		
PHR - HRA	2010-11	Cash Incentives	Borrowing		(105)	
PHR - HRA	2011-12	Cash Incentives	Borrowing		105	
PHR - HRA	2010-11	Partnering Packages: Barnet	Revenue Contribution		13	
PHR - HRA	2011-12	Partnering Packages: Barnet	Revenue Contribution		(13)	
PHR - HRA	2010-11	Partnering Packages: Finchley	Revenue Contribution		8	
PHR - HRA	2011-12	Partnering Packages: Finchley	Revenue Contribution		(8)	
PHR - HRA	2010-11	Partnering Packages: Hendon/Edgware	Revenue Contribution		232	
PHR - HRA	2011-12	Partnering Packages: Hendon/Edgware	Revenue Contribution		(232)	
PHR - HRA	2010-11	Partnering Packages: Sheltered Hostels	Revenue Contribution		489	
PHR - HRA	2011-12	Partnering Packages: Sheltered Hostels	Revenue Contribution		(489)	
PHR - HRA	2010-11	Renovations/Modernisation - future years	Revenue Contribution		(1,230)	
PHR - HRA	2011-12	Renovations/Modernisation - future years	Revenue Contribution		1,230	
PHR - HRA	2010-11	Granville Road, Tower Blocks	Grants		779	
PHR - HRA	2011-12	Granville Road, Tower Blocks	Grants		(779)	
PHR - HRA	2010-11	Adaptions	Borrowing		45	
PHR - HRA	2011-12	Adaptions	Borrowing		(45)	
PHR - HRA	2010-11	Regeneration Estates	Borrowing		(319)	
PHR - HRA	2011-12	Regeneration Estates	Borrowing		319	
PHR - HRA	2010-11	Miscellaneous Works - Including Digital Television & Cavity Wall Insulation	Borrowing		1,947	
PHR - HRA	2011-12	Miscellaneous Works - Including Digital Television & Cavity Wall Insulation	Borrowing		(1,947)	
Total				(670)	-	

AGENDA ITEM: 6

Pages 19 – 25

Meeting	Cabinet Resources Committee
Date	21 April 2011
Subject	Treasury Management Activity for the part year ended 28 March 2011
Report of	Cabinet Member for Resources and Performance
Summary	To report on Treasury Management activity in the part year to 28 March 2011.

Officer Contributors	John Hooton - Assistant Director of Strategic Finance Karen Bannister – Interim Treasury Manager
Status (public or exempt)	Public
Wards affected	Not applicable
Enclosures	Appendix A – PWLB Rates Appendix B – Deposits as at 28 March 2011 with Credit Ratings Appendix C – Compliance with Prudential Indicators Appendix D – List of School Banking Institutions
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Karen Bannister, Interim Treasury Manager, 020 8359 7119.

1. RECOMMENDATIONS

- 1.1 That the Treasury Management activity for the part year to 28 March 2011 be noted.**
- 1.2 That the Committee consider any areas on which it would like to receive further information.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Cabinet Resources Committee, 25 March 2008 (Decision item 18) – Treasury Management Business Strategy.
- 2.2 Cabinet, 23 October 2008 (Decision item 12) – Council Deposits in Icelandic Banks.
- 2.3 The Leader of the Council and Cabinet Member for Resources approved under delegated powers (DPR 712) on 5 December 2008 the Treasury Management Strategy 2008/09 – Deposit Counterparty Limits.
- 2.4 Cabinet Resources Committee, 19 January 2009 (Decision item 16) – Treasury Management Strategy.
- 2.5 Cabinet Resources Committee, 30 March 2009 (Decision item 13) – Treasury Management Strategy.
- 2.6 Cabinet Resources Committee, 15 June 2009 (Decision item 7) – Outturn 2008/09.
- 2.7 Cabinet Resources Committee, 2 September 2009 (Decision item 15) – Treasury Management Activity in the Quarter to 30 June 2009.
- 2.8 Cabinet Resources Committee, 2 November 2009 (Decision item 14) – Treasury Management Activity to 31 August 2009.
- 2.9 Cabinet Resources Committee, 19 January 2010 (Decision item 9) – Treasury Management Activity to 18 December 2009.
- 2.10 Cabinet Resources Committee, 23 February 2010 (Decision item 10) – Treasury Management Activity to 31 December 2009.
- 2.11 Cabinet Resources Committee, 16 March 2010 (Decision item 9) – Treasury Management Strategy 2010/11.
- 2.12 Special Committee (Constitution Review), 25 March 2010 (Decision item 8) – Amending the Council's Financial Regulations.
- 2.13 Cabinet Resources Committee, 22 April 2010 (Decision item 7) – Treasury Management Activity to 25 March 2010.
- 2.14 Cabinet Resources Committee, 17 June 2010 (Decision item 17) – Treasury Management Outturn for the year ended 31 March 2010.
- 2.15 Cabinet Resources Committee, 19 July 2010 (Decision item 10) – Treasury Management Activity to 31 May 2010.

- 2.16 Cabinet Resources Committee, 2 September 2010 (Decision item 9) – Treasury Management Outturn for the Quarter ended 30 June 2010.
- 2.17 Cabinet Resources Committee, 30 November 2010 (Decision item 5) – Treasury Management Activity for the Half Year Ended 30 September 2010 and (Decision item 6) Amending the Treasury Management Strategy 2010/11.
- 2.18 Council, 1 March 2011 (Decision item 10 – Treasury Management Strategy 2011/12.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Treasury Management Strategy (TMS) ensures effective treasury management supports the achievement of the Council’s corporate priority for 2010-2013, ‘Better services with less money’, through the strategic objective “make sure we get best value from resources across the public sector, including our people and assets”. The TMS is committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

4. RISK MANAGEMENT ISSUES

- 4.1 Borrowing and deposit rates are determined by the market and can be volatile at times. Officers mitigate this volatility by monitoring the interest rate market in conjunction with treasury advisors and brokers, and by actively managing the debt and deposit portfolios.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The management of the Council’s cash flow ensures the availability of adequate monies to pay for the delivery of the authority’s public duties.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance and Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 During the period 1 April 2010 to 28 March 2011, the Council achieved £1.57m of net interest benefit (£1.65m in 2009/2010 financial year).
- 6.2 The wider financial implications for the Council are dealt with in section 9 of this report.

7. LEGAL ISSUES

- 7.1 None other than those mentioned in the body of this report.

8. CONSTITUTIONAL POWERS

- 8.1 Financial Regulations (Part 1, Section 7) within the Council Constitution state:
 - (1) This organisation adopts the key recommendations of CIPFA’s Treasury Management in the Public Services Code of Practice (the Code), as described in Section 4 of that Code.
 - (2) Cabinet Resources Committee will create and maintain a Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities.
 - (3) The Chief Finance Officer will create and maintain suitable Treasury Management Practices (TMPs) setting out the manner in which the Authority will seek to achieve

those policies and objectives, and prescribing how it will manage and control those activities.

- (4) The content of the policy statement and TMPs will predominantly follow the recommendations contained in Section 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of the organisation. Such amendments will not result in the authority materially deviating from the Code's key recommendations.
- (5) Cabinet Resources Committee will receive reports on its treasury management policies, practices and activities, including an annual strategy and plan in advance of the year, and an annual report after its close in the form prescribed in the TMPs. These reports will incorporate the prudential borrowing limits and performance indicators.

8.2 Responsibilities for Function, Section 3.6 states that a function of the Cabinet Resources Committee is to "consider reports on Treasury Management Strategy and activity, including creating and maintaining a Treasury Management Policy Statement."

9. BACKGROUND INFORMATION

9.1 Treasury Management Strategy

9.1.1 The Council's amended Treasury Management Strategy 2010/11 was approved at Cabinet Resources Committee on 30 November 2010. The TMS 2010/11 reflects the Council Budget 2010-2011 Financial Forward Plan and Capital Programme. They set out the timeframes and credit criteria for placing cash deposits and the parameters for undertaking any further borrowing.

9.1.2 The key changes introduced by the amended Treasury Management Strategy 2010/2011 were:

- (i) The extension of the maximum permissible duration of investments from 92 days to 364 days to bring the strategy in line with that of other local authorities and to enable a higher rate of return on investments.
- (ii) The adoption of Arlingclose's (the Council's treasury advisors) counterparty list which includes the Debt Management Account Deposit Facility, T-Bills, UK local authorities, UK and non-UK banks and AAA-rated Money Market Funds.

9.1.3 The Treasury Management Strategy 2011/12 was approved by Council on the 1st of March 2011.

9.1.4 The TMS is under constant review to reflect market conditions and the financing requirements of the Council.

9.2 Icelandic Bank Deposits

9.2.1 The outcome of Icelandic Bank litigation remains the single most important financial risk facing the Council. Our current balance sheet assumes that the Council retains priority status as a creditor of the two banks through the wind-up process. On the 1st of April, the Icelandic District Court ruled that deposits placed by UK wholesale depositors (including Local Authorities) would have priority in the winding up of Glitnir and Landsbanki banks. Whilst this is a positive outcome, the judgement is almost certain to be appealed, so there is likely to be a continued period of uncertainty. The most significant risk for the Council is that ultimately priority status will not be maintained leading to a much lower level of eventual recovery of funds.

- 9.2.2 Each party will have two weeks from the date the judgment is delivered to appeal the decision. The Council's external legal advisers on this matter, Bevan Brittan Solicitors, are of the view the decision is likely to be appealed in the Supreme Court. If an appeal is made to the Supreme Court, judgment is unlikely to be delivered before autumn 2011.
- 9.2.3 The additional potential cost is estimated at £14.1m, and this could crystallise in accordance with events in the judicial process. The Council applied for a capitalisation direction in 2010/11 to provide additional flexibility in dealing with the potential additional cost, but this was declined by government. A key aim of Financial Strategy is therefore to set aside sufficient revenue funding in the risk reserve. Should this risk crystallise prior to sufficient funds being identified in the risk reserve, other reserves would need to be utilised and then replenished as a priority within the Financial Strategy.

9.3 Economic Background for the Part Year to 28 March 2011

- 9.3.1 The Comprehensive Spending Review (CSR) announced on 20 October 2010 set out how the Coalition Government will carry out the UK's deficit reduction plan over the next 4 years with the aim of eliminating the structural deficit by 2015. Departmental budgets (other than health and overseas aid) are to be cut by an average of 19%, with around £81 billion cut from public spending overall, over 4 years resulting in a loss of around 490,000 public sector jobs. The Office of Budget Responsibility's (OBR), the new fiscal watchdog, verdict on the CSR was that there was a better than ever chance of hitting the fiscal mandates and that the rebalancing of the economy could be relatively pain-free.
- 9.3.2 The Bank of England's February Quarterly Inflation Report indicates inflation is likely to rise to between 4% and 5% throughout 2011, before returning to the 2% target. In the Bank's view, the outlook for growth is highly uncertain and the strength of the economic recovery is likely to be effected by high commodity prices and modest wage inflation.
- 9.3.6 The TMS will be kept under review specifically in terms of market conditions, benchmarks and yield.

9.4 Borrowing Performance

- 9.4.1 A borrowing requirement of £25.19m (£10.4m related to the Housing Revenue Account) is currently forecast for 2010/11. The capital programme is kept under constant review and any changes that impact on the external borrowing will be reported to this committee.
- 9.4.2 The total value of long term loans dropped from £214.5m at 31 March 2010 to £202.5 at 28 March 2011. However the average cost of borrowing remained steady at 4.09%.

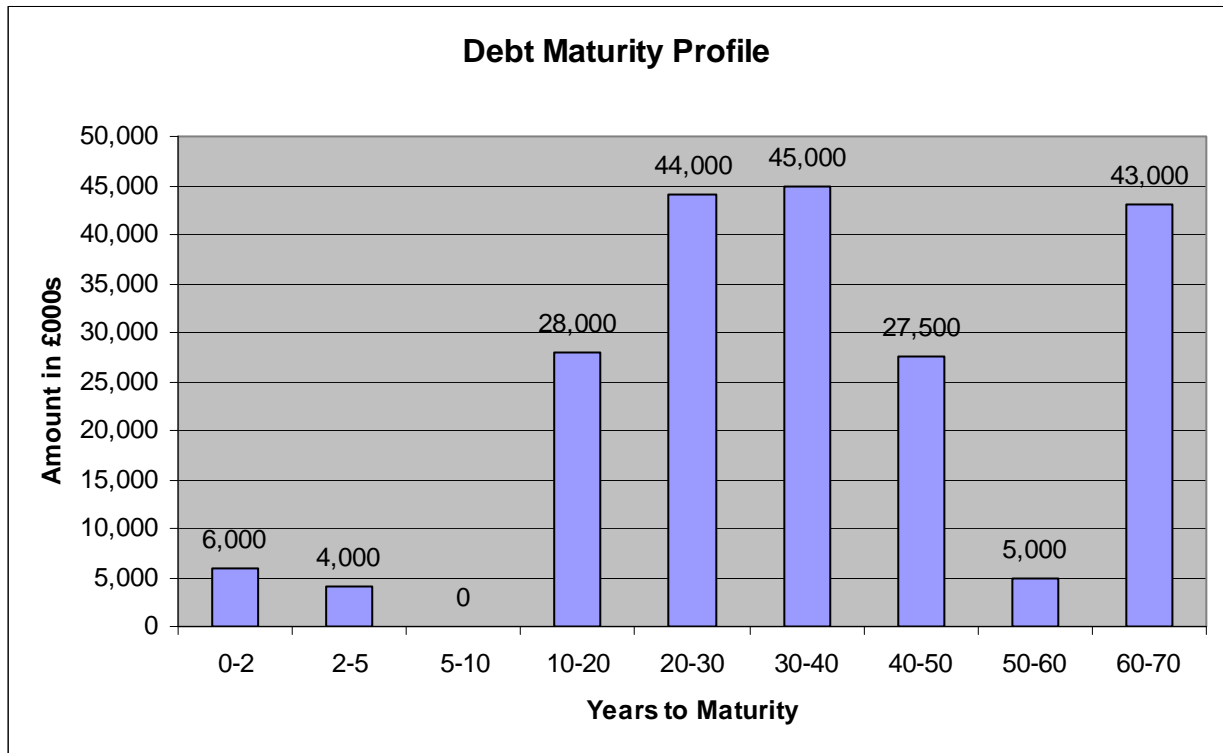
9.5 Current Portfolio

- 9.5.1 The Council's long term debt position at the beginning and end of the part year was as follows:

	28 March 2011		31 March 2010	
	Principal	Average Rate	Principal	Average Rate
PWLB	£140.00m	4.19%	£147.00m	4.21%
Market	£57.50m	3.82%	£62.50m	3.82%
Temporary	£5.00m	4.50%	£5.00m	4.50%
	£202.50m	4.10%	£214.50m	4.09%

9.5.2 The Council’s long-term debt portfolio is a mixture of PWLB and market loans in the form of LOBOs (Lender’s Option Borrower’s Option), loans that are at a fixed interest rate for an initial period, following which the lender can change the interest rate but the borrower has the option to repay the loan if the rate is changed and not considered value for money.

The Council’s current debt maturity profile is outlined in the graph below.



9.5.3 In order to comply with accounting standards for financial instruments, some of the market loans in the debt portfolio have been recalculated on an effective interest rate basis as opposed to being calculated on an amortised cost basis. The total value of loans in question before re-measurement was £9.5m; and additional charge of 0.36m has now been added to the carrying value of these loans.

9.5.4 Money Market data and PWLB rates are attached at Appendix A.

9.6 Investment Performance

9.6.1 Deposits are managed internally. At 28 March 2011, deposits outstanding amounted to £146.65m (including £5.97m of Icelandic impairments), achieving an average rate of return of 0.898% (adjusted for Icelandic deposits) against a benchmark of 0.66%.

9.6.2 The benchmark is the average 7-day LIBID rate (un-compounded), sourced from the Financial Times. The LIBID rate or London Interbank Bid Rate is the rate that a Euromarket bank is willing to pay to attract a deposit from another Euromarket bank in London.

9.6.3 The Council outperformed the benchmark return by 0.23%, which based on the average balance invested for the part year produced some £337,295 additional interest.

9.7 Prudential Indicators

9.7.1 The Local Government Act 2003 requires the Council to set and Affordable Borrowing Limit, irrespective of it's indebted status. This is a statutory limit which should not be breached. The Council's Authorised Limit (also known as the Affordable Borrowing Limit) was set at £334.15m for 2010/11.

9.7.3 The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included with the Authorised Limit. The Council's Operational Boundary for 2010/11 was set at £319.15m.

9.7.4 During the part year to 28 March 2011 there were no breaches of the Authorised Limit and the Operational Boundary.

9.7.5 Further details of compliance with prudential indicators are contained in Appendix C.

9.8 Compliance

9.8.1 The current 2010/2011 TMS was approved by this Committee on 17 March 2010 and subsequently amended on 30 November 2010. The TMS demands regular compliance reporting to this Committee to include an analysis of deposits made during the review period. This also reflects good practice and will serve to reassure this Committee that all current deposits for investment are in line with agreed principles as contained within the corporate TMS.

9.8.2 As at 28 March 2011, the Council had deposits outstanding with a total value of £146.65 (£5.96m of which is Icelandic impairments) of which four Icelandic deposits totalling £27.4m fell outside the TMS as approved on 30 November 2010. A list of deposits outstanding and counterparty credit ratings at 28 March 2011 is attached as Appendix B.

9.8.3 All Deposits placed during the part year ended 28 March 2010 were compliant with the TMS as approved on 30 November 2010.

9.8.4 Treasury management procedures are monitored and reviewed in light of CIFPA guidance and current market conditions.

9.8.5 The Department of Education have recently changed their guidance on schools banking arrangements. The new guidance requires schools to bank with institutions that meet the requirements of approved counterparties as identified in the Treasury Management Strategy. Appendix D contains a list of schools who currently bank with institutions that fall outside the Treasury Management Strategy.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Legal – TE
CFO – JH

APPENDIX A

PWL B

INTEREST RATE NOTICE NUMBER 127/11
FIXED RATES FOR TRANSACTIONS AGREED AFTER 09:15 ON 01 APR 2011

Use yellow arrow (above) to scroll through pages of report. Use the buttons at the bottom of the page to produce csv and PDF formats.

Period (years)	New Loan Rates						Premature Repayment Rates					
	EIP		Annuity		Maturity		EIP		Annuity		Maturity	
	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change
1 year	-		-		1.95	(+0.06)	-		-		0.84	(+0.06)
Over 1 not over 1½	-		-		2.18	(+0.06)	0.84	(+0.06)	0.84	(+0.06)	0.84	(+0.06)
Over 1½ not over 2	2.07	(+0.06)	2.07	(+0.06)	2.42	(+0.07)	0.84	(+0.06)	0.84	(+0.06)	1.07	(+0.06)
Over 2 not over 2½	2.18	(+0.06)	2.19	(+0.06)	2.65	(+0.07)	0.96	(+0.06)	0.96	(+0.06)	1.31	(+0.07)
Over 2½ not over 3	2.30	(+0.06)	2.31	(+0.07)	2.87	(+0.07)	1.07	(+0.06)	1.08	(+0.06)	1.54	(+0.07)
Over 3 not over 3½	2.42	(+0.07)	2.43	(+0.07)	3.08	(+0.07)	1.19	(+0.06)	1.20	(+0.07)	1.76	(+0.07)
Over 3½ not over 4	2.53	(+0.06)	2.54	(+0.06)	3.28	(+0.07)	1.31	(+0.07)	1.32	(+0.07)	1.97	(+0.07)
Over 4 not over 4½	2.65	(+0.07)	2.66	(+0.07)	3.47	(+0.07)	1.42	(+0.06)	1.43	(+0.06)	2.17	(+0.07)
Over 4½ not over 5	2.76	(+0.07)	2.77	(+0.06)	3.65	(+0.08)	1.54	(+0.07)	1.55	(+0.07)	2.36	(+0.07)
Over 5 not over 5½	2.87	(+0.07)	2.89	(+0.07)	3.81	(+0.07)	1.65	(+0.07)	1.66	(+0.06)	2.54	(+0.08)
Over 5½ not over 6	2.97	(+0.06)	3.00	(+0.07)	3.97	(+0.08)	1.76	(+0.07)	1.78	(+0.07)	2.70	(+0.07)
Over 6 not over 6½	3.08	(+0.07)	3.11	(+0.07)	4.11	(+0.08)	1.86	(+0.06)	1.89	(+0.07)	2.86	(+0.08)
Over 6½ not over 7	3.18	(+0.07)	3.22	(+0.08)	4.24	(+0.09)	1.97	(+0.07)	2.00	(+0.07)	3.00	(+0.08)
Over 7 not over 7½	3.28	(+0.07)	3.32	(+0.07)	4.35	(+0.08)	2.07	(+0.07)	2.11	(+0.08)	3.13	(+0.09)
Over 7½ not over 8	3.38	(+0.08)	3.43	(+0.08)	4.46	(+0.08)	2.17	(+0.07)	2.21	(+0.07)	3.24	(+0.08)
Over 8 not over 8½	3.47	(+0.07)	3.53	(+0.08)	4.56	(+0.09)	2.27	(+0.08)	2.32	(+0.08)	3.35	(+0.08)
Over 8½ not over 9	3.56	(+0.07)	3.62	(+0.07)	4.65	(+0.09)	2.36	(+0.07)	2.42	(+0.08)	3.45	(+0.09)
Over 9 not over 9½	3.65	(+0.08)	3.72	(+0.08)	4.73	(+0.09)	2.45	(+0.07)	2.51	(+0.07)	3.54	(+0.09)
Over 9½ not over 10	3.73	(+0.08)	3.81	(+0.08)	4.80	(+0.09)	2.54	(+0.08)	2.61	(+0.08)	3.62	(+0.09)
Over 10 not over 10½	3.81	(+0.07)	3.89	(+0.08)	4.86	(+0.08)	2.62	(+0.08)	2.70	(+0.08)	3.69	(+0.09)
Over 10½ not over 11	3.89	(+0.08)	3.98	(+0.08)	4.92	(+0.09)	2.70	(+0.07)	2.78	(+0.08)	3.75	(+0.08)
Over 11 not over 11½	3.97	(+0.08)	4.06	(+0.08)	4.97	(+0.08)	2.78	(+0.08)	2.87	(+0.08)	3.81	(+0.09)
Over 11½ not over 12	4.04	(+0.08)	4.14	(+0.09)	5.02	(+0.09)	2.86	(+0.08)	2.95	(+0.08)	3.86	(+0.08)
Over 12 not over 12½	4.11	(+0.08)	4.21	(+0.08)	5.06	(+0.09)	2.93	(+0.08)	3.03	(+0.09)	3.91	(+0.09)
Over 12½ not over 13	4.17	(+0.08)	4.29	(+0.09)	5.09	(+0.08)	3.00	(+0.08)	3.10	(+0.08)	3.95	(+0.09)
Over 13 not over 13½	4.24	(+0.09)	4.36	(+0.09)	5.13	(+0.08)	3.06	(+0.08)	3.18	(+0.09)	3.98	(+0.08)
Over 13½ not over 14	4.30	(+0.09)	4.42	(+0.09)	5.15	(+0.07)	3.13	(+0.09)	3.25	(+0.09)	4.02	(+0.08)
Over 14 not over 14½	4.35	(+0.08)	4.48	(+0.09)	5.18	(+0.08)	3.19	(+0.09)	3.31	(+0.09)	4.04	(+0.07)
Over 14½ not over 15	4.41	(+0.09)	4.54	(+0.09)	5.20	(+0.07)	3.24	(+0.08)	3.37	(+0.09)	4.07	(+0.08)
Over 15 not over 15½	4.46	(+0.08)	4.60	(+0.09)	5.22	(+0.07)	3.30	(+0.09)	3.43	(+0.09)	4.09	(+0.07)
Over 15½ not over 16	4.51	(+0.08)	4.65	(+0.09)	5.24	(+0.07)	3.35	(+0.08)	3.49	(+0.09)	4.11	(+0.07)
Over 16 not over 16½	4.56	(+0.09)	4.70	(+0.09)	5.26	(+0.07)	3.40	(+0.08)	3.54	(+0.09)	4.13	(+0.07)
Over 16½ not over 17	4.60	(+0.08)	4.75	(+0.09)	5.27	(+0.07)	3.45	(+0.09)	3.59	(+0.09)	4.15	(+0.07)
Over 17 not over 17½	4.65	(+0.09)	4.79	(+0.09)	5.29	(+0.07)	3.49	(+0.08)	3.64	(+0.09)	4.16	(+0.07)
Over 17½ not over 18	4.69	(+0.09)	4.83	(+0.09)	5.30	(+0.07)	3.54	(+0.09)	3.68	(+0.09)	4.18	(+0.07)
Over 18 not over 18½	4.73	(+0.09)	4.87	(+0.09)	5.31	(+0.07)	3.58	(+0.09)	3.72	(+0.09)	4.19	(+0.07)
Over 18½ not over 19	4.76	(+0.08)	4.91	(+0.09)	5.32	(+0.07)	3.62	(+0.09)	3.76	(+0.09)	4.20	(+0.07)
Over 19 not over 19½	4.80	(+0.09)	4.94	(+0.09)	5.32	(+0.06)	3.65	(+0.08)	3.80	(+0.09)	4.21	(+0.07)
Over 19½ not over 20	4.83	(+0.09)	4.97	(+0.08)	5.33	(+0.06)	3.69	(+0.09)	3.83	(+0.09)	4.21	(+0.06)
Over 20 not over 20½	4.86	(+0.08)	5.00	(+0.08)	5.34	(+0.06)	3.72	(+0.09)	3.86	(+0.08)	4.22	(+0.06)
Over 20½ not over 21	4.89	(+0.08)	5.03	(+0.08)	5.34	(+0.05)	3.75	(+0.08)	3.89	(+0.08)	4.23	(+0.06)

Period (years)	New Loan Rates						Premature Repayment Rates					
	EIP		Annuity		Maturity		EIP		Annuity		Maturity	
	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change
Over 21 not over 21½	4.92	(+0.09)	5.06	(+0.09)	5.35	(+0.06)	3.78	(+0.08)	3.92	(+0.08)	4.23	(+0.05)
Over 21½ not over 22	4.94	(+0.08)	5.08	(+0.08)	5.35	(+0.05)	3.81	(+0.09)	3.95	(+0.09)	4.24	(+0.06)
Over 22 not over 22½	4.97	(+0.08)	5.11	(+0.09)	5.35	(+0.05)	3.83	(+0.08)	3.97	(+0.08)	4.24	(+0.05)
Over 22½ not over 23	4.99	(+0.08)	5.13	(+0.08)	5.36	(+0.06)	3.86	(+0.08)	4.00	(+0.09)	4.24	(+0.05)
Over 23 not over 23½	5.02	(+0.09)	5.15	(+0.08)	5.36	(+0.05)	3.88	(+0.08)	4.02	(+0.08)	4.25	(+0.06)
Over 23½ not over 24	5.04	(+0.09)	5.16	(+0.07)	5.36	(+0.05)	3.91	(+0.09)	4.04	(+0.08)	4.25	(+0.05)
Over 24 not over 24½	5.06	(+0.09)	5.18	(+0.08)	5.36	(+0.05)	3.93	(+0.09)	4.05	(+0.07)	4.25	(+0.05)
Over 24½ not over 25	5.07	(+0.08)	5.20	(+0.08)	5.36	(+0.05)	3.95	(+0.09)	4.07	(+0.08)	4.25	(+0.05)
Over 25 not over 25½	5.09	(+0.08)	5.21	(+0.07)	5.36	(+0.05)	3.96	(+0.08)	4.09	(+0.08)	4.25	(+0.05)
Over 25½ not over 26	5.11	(+0.08)	5.23	(+0.08)	5.36	(+0.05)	3.98	(+0.08)	4.10	(+0.07)	4.25	(+0.05)
Over 26 not over 26½	5.13	(+0.08)	5.24	(+0.07)	5.36	(+0.05)	4.00	(+0.08)	4.12	(+0.08)	4.25	(+0.05)
Over 26½ not over 27	5.14	(+0.08)	5.25	(+0.07)	5.36	(+0.05)	4.02	(+0.08)	4.13	(+0.07)	4.25	(+0.05)
Over 27 not over 27½	5.15	(+0.07)	5.26	(+0.07)	5.36	(+0.05)	4.03	(+0.08)	4.14	(+0.07)	4.25	(+0.05)
Over 27½ not over 28	5.17	(+0.08)	5.27	(+0.07)	5.36	(+0.05)	4.04	(+0.07)	4.15	(+0.07)	4.25	(+0.05)
Over 28 not over 28½	5.18	(+0.08)	5.28	(+0.07)	5.36	(+0.05)	4.06	(+0.08)	4.16	(+0.07)	4.24	(+0.04)
Over 28½ not over 29	5.19	(+0.07)	5.29	(+0.07)	5.35	(+0.04)	4.07	(+0.08)	4.17	(+0.07)	4.24	(+0.04)
Over 29 not over 29½	5.20	(+0.07)	5.30	(+0.07)	5.35	(+0.04)	4.08	(+0.07)	4.18	(+0.07)	4.24	(+0.05)
Over 29½ not over 30	5.21	(+0.07)	5.30	(+0.06)	5.35	(+0.05)	4.09	(+0.07)	4.19	(+0.07)	4.24	(+0.05)
Over 30 not over 30½	5.22	(+0.07)	5.31	(+0.06)	5.36	(+0.05)	4.10	(+0.07)	4.19	(+0.06)	4.23	(+0.05)
Over 30½ not over 31	5.23	(+0.07)	5.32	(+0.06)	5.36	(+0.05)	4.11	(+0.07)	4.20	(+0.06)	4.22	(+0.04)
Over 31 not over 31½	5.24	(+0.07)	5.32	(+0.06)	5.35	(+0.04)	4.12	(+0.07)	4.21	(+0.06)	4.22	(+0.05)
Over 31½ not over 32	5.25	(+0.07)	5.33	(+0.06)	5.35	(+0.05)	4.13	(+0.07)	4.21	(+0.06)	4.22	(+0.05)
Over 32 not over 32½	5.26	(+0.07)	5.33	(+0.06)	5.35	(+0.05)	4.14	(+0.07)	4.22	(+0.06)	4.22	(+0.05)
Over 32½ not over 33	5.27	(+0.07)	5.34	(+0.06)	5.35	(+0.05)	4.15	(+0.07)	4.22	(+0.06)	4.21	(+0.04)
Over 33 not over 33½	5.27	(+0.07)	5.34	(+0.06)	5.34	(+0.04)	4.16	(+0.07)	4.23	(+0.06)	4.21	(+0.05)
Over 33½ not over 34	5.28	(+0.07)	5.35	(+0.06)	5.34	(+0.05)	4.16	(+0.07)	4.23	(+0.06)	4.21	(+0.05)
Over 34 not over 34½	5.29	(+0.07)	5.35	(+0.06)	5.34	(+0.05)	4.17	(+0.07)	4.24	(+0.06)	4.20	(+0.04)
Over 34½ not over 35	5.29	(+0.06)	5.35	(+0.05)	5.33	(+0.04)	4.18	(+0.07)	4.24	(+0.06)	4.20	(+0.04)
Over 35 not over 35½	5.30	(+0.07)	5.35	(+0.05)	5.34	(+0.04)	4.18	(+0.06)	4.24	(+0.05)	4.19	(+0.05)
Over 35½ not over 36	5.30	(+0.06)	5.36	(+0.06)	5.34	(+0.05)	4.19	(+0.07)	4.24	(+0.05)	4.18	(+0.04)
Over 36 not over 36½	5.31	(+0.07)	5.36	(+0.06)	5.33	(+0.04)	4.19	(+0.06)	4.25	(+0.06)	4.18	(+0.04)
Over 36½ not over 37	5.31	(+0.06)	5.36	(+0.05)	5.33	(+0.04)	4.20	(+0.07)	4.25	(+0.06)	4.18	(+0.04)
Over 37 not over 37½	5.32	(+0.07)	5.36	(+0.05)	5.33	(+0.04)	4.20	(+0.06)	4.25	(+0.05)	4.18	(+0.05)
Over 37½ not over 38	5.32	(+0.06)	5.36	(+0.05)	5.33	(+0.05)	4.21	(+0.07)	4.25	(+0.05)	4.17	(+0.04)
Over 38 not over 38½	5.32	(+0.06)	5.36	(+0.05)	5.32	(+0.04)	4.21	(+0.06)	4.25	(+0.05)	4.17	(+0.04)
Over 38½ not over 39	5.33	(+0.06)	5.36	(+0.05)	5.32	(+0.04)	4.21	(+0.06)	4.25	(+0.05)	4.17	(+0.04)
Over 39 not over 39½	5.33	(+0.06)	5.36	(+0.05)	5.32	(+0.04)	4.22	(+0.06)	4.25	(+0.05)	4.17	(+0.05)
Over 39½ not over 40	5.33	(+0.05)	5.36	(+0.05)	5.32	(+0.05)	4.22	(+0.06)	4.25	(+0.05)	4.16	(+0.04)
Over 40 not over 40½	5.34	(+0.06)	5.36	(+0.05)	5.31	(+0.04)	4.22	(+0.05)	4.25	(+0.05)	4.16	(+0.04)
Over 40½ not over 41	5.34	(+0.06)	5.36	(+0.05)	5.31	(+0.04)	4.23	(+0.06)	4.25	(+0.05)	4.16	(+0.04)
Over 41 not over 41½	5.34	(+0.05)	5.36	(+0.05)	5.31	(+0.04)	4.23	(+0.06)	4.25	(+0.05)	4.15	(+0.04)
Over 41½ not over 42	5.35	(+0.06)	5.36	(+0.05)	5.30	(+0.04)	4.23	(+0.05)	4.25	(+0.05)	4.15	(+0.04)
Over 42 not over 42½	5.35	(+0.06)	5.36	(+0.05)	5.30	(+0.04)	4.24	(+0.06)	4.25	(+0.05)	4.15	(+0.04)
Over 42½ not over 43	5.35	(+0.06)	5.36	(+0.05)	5.30	(+0.04)	4.24	(+0.06)	4.25	(+0.05)	4.15	(+0.04)
Over 43 not over 43½	5.35	(+0.05)	5.36	(+0.05)	5.30	(+0.04)	4.24	(+0.06)	4.25	(+0.05)	4.15	(+0.04)
Over 43½ not over 44	5.35	(+0.05)	5.36	(+0.05)	5.30	(+0.04)	4.24	(+0.05)	4.24	(+0.04)	4.14	(+0.04)
Over 44 not over 44½	5.35	(+0.05)	5.35	(+0.04)	5.29	(+0.04)	4.24	(+0.05)	4.24	(+0.05)	4.14	(+0.04)
Over 44½ not over 45	5.36	(+0.06)	5.35	(+0.05)	5.29	(+0.04)	4.24	(+0.05)	4.24	(+0.05)	4.14	(+0.04)
Over 45 not over 45½	5.36	(+0.06)	5.35	(+0.05)	5.30	(+0.04)	4.25	(+0.06)	4.24	(+0.05)	4.13	(+0.04)
Over 45½ not over 46	5.36	(+0.06)	5.36	(+0.05)	5.30	(+0.04)	4.25	(+0.06)	4.23	(+0.05)	4.12	(+0.03)

New Loan Rates							Premature Repayment Rates						
		EIP		Annuity		Maturity		EIP		Annuity		Maturity	
Period (years)	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	
Over 46 not over 46½	5.36	(+0.05)	5.36	(+0.05)	5.29	(+0.03)	4.25	(+0.06)	4.22	(+0.04)	4.12	(+0.04)	
Over 46½ not over 47	5.36	(+0.05)	5.35	(+0.04)	5.29	(+0.04)	4.25	(+0.05)	4.22	(+0.04)	4.12	(+0.04)	
Over 47 not over 47½	5.36	(+0.05)	5.35	(+0.04)	5.29	(+0.04)	4.25	(+0.05)	4.22	(+0.05)	4.12	(+0.04)	
Over 47½ not over 48	5.36	(+0.05)	5.35	(+0.05)	5.29	(+0.04)	4.25	(+0.05)	4.22	(+0.05)	4.12	(+0.04)	
Over 48 not over 48½	5.36	(+0.05)	5.35	(+0.05)	5.29	(+0.04)	4.25	(+0.05)	4.22	(+0.05)	4.11	(+0.03)	
Over 48½ not over 49	5.36	(+0.05)	5.35	(+0.05)	5.28	(+0.03)	4.25	(+0.05)	4.21	(+0.04)	4.11	(+0.03)	
Over 49 not over 49½	5.36	(+0.05)	5.34	(+0.04)	5.28	(+0.03)	4.25	(+0.05)	4.21	(+0.04)	4.11	(+0.04)	
Over 49½ not over 50	5.36	(+0.05)	5.34	(+0.04)	5.28	(+0.04)	4.25	(+0.05)	4.21	(+0.05)	4.11	(+0.04)	

Rates determined for residual contractual obligations for periods in excess of 50 years will be:

New Loan Rates							Premature Repayment Rates						
		EIP		Annuity		Maturity		EIP		Annuity		Maturity	
Period (years)	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	
	5.36	(+0.05)	5.34	(+0.05)	5.29	(+0.04)	4.25	(+0.05)	4.21	(+0.05)	4.10	(+0.04)	

APPENDIX B

DEPOSITS OUTSTANDING AS AT 28 MARCH 2011

Deal Number	Counter Party	Deposit Date	Maturity Date	Rate of Interest	Amount Outstanding	Max Limit	Actual Limit	Fitch Rating				Moody's Rating			S&P Ratings			
								L Term	S Term	Indiv	Support	L Term	S Term	Fin Stgth	L Term	S Term		
Debt Management Agency Deposit Facility																		
Local Authorities																		
2000011089	BIRMINGHAM CITY COUNCIL	04-Mar-11	11-Apr-11	0.52	3,500,000	No Limit												
2000011100	LANCASHIRE COUNTY COUNCIL	15-Mar-11	06-Apr-11	0.6	8,000,000	No Limit												
2000011099	LEEDS CITY COUNCIL	15-Mar-11	31-Mar-11	0.45	5,000,000	No Limit												
2000011073	PLYMOUTH CITY COUNCIL	21-Feb-11	31-Mar-11	0.45	3,000,000	No Limit												
2000011098	SOUTHAMPTON CITY COUNCIL	15-Mar-11	15-Apr-11	0.6	4,100,000	No Limit												
2000011018	THURROCK BOROUGH COUNCIL	04-Jan-11	04-Apr-11	0.65	5,000,000	No Limit												
2000011077	THURROCK BOROUGH COUNCIL	23-Feb-11	31-Mar-11	0.5	6,000,000	No Limit												
2000011083	WEST YORKSHIRE F & R AUTH	01-Mar-11	01-Jun-11	0.7	1,000,000	No Limit												
UK Banks & Building Societies																		
2000011027	BANK OF SCOTLAND	11-Jan-11	10-Jan-12	2	4,000,000	15%	13.64%	AA-	F1+	C	1	Aa3	P-1	D+	A+	A-1		
2000011028	BANK OF SCOTLAND	11-Jan-11	11-Oct-11	1.6	5,000,000			AA-	F1+	C	1	Aa3	P-1	D+	A+	A-1		
2000011070	BANK OF SCOTLAND	17-Feb-11	17-Feb-12	2.1	4,500,000			AA-	F1+	C	1	Aa3	P-1	D+	A+	A-1		
2000010341	BANK OF SCOTLAND CORPORA	09-Sep-09	Call Account	0.75	6,500,000			AA-	F1+	C	1	Aa3	P-1	D+	A+	A-1		
2000010527	BARCLAYS COMMERCIAL BANK	11-Feb-10	Call Account	0.45	9,650,000	15%	6.58%	AA-	F1+	B	1	Aa3	P-1	C	AA-	A-1+		
2000011023	NATIONWIDE BUILD. SOC.	05-Jan-11	05-Apr-11	0.65	10,000,000	15%	13.64%	AA-	F1+	B	1	Aa3	P-1	C-	A+	A-1		
2000011036	NATIONWIDE BUILD. SOC.	17-Jan-11	31-Oct-11	1.24	10,000,000			AA-	F1+	B	1	Aa3	P-1	C-	A+	A-1		
2000011000	ROYAL BANK OF SCOTLAND	08-Dec-10	07-Dec-11	1.43	4,000,000	15%	9.55%	AA-	F1+	C/D	1	Aa3	P-1	C-	A+	A-1		
2000011006	ROYAL BANK OF SCOTLAND	15-Dec-10	15-Sep-11	1.22	10,000,000			AA-	F1+	C/D	1	Aa3	P-1	C-	A+	A-1		
2000011001	SANTANDER CORP BANKING	08-Dec-10	Call Account	0.8	20,000,000	15%	13.64%	AA-	F1+	B	1	Aa3	P-1	C-	AA	A-1+		
Non UK Banks & Building Societies																		
Investments outside TMS																		
Icelandic Banks																		
2000005163	GLITNER BANK (ICELAND)	07-Nov-06	frozen		7,000,000													
2000005218	GLITNER BANK (ICELAND)	24-Jan-07	frozen		3,000,000													
2000005226	GLITNER BANK (ICELAND)	07-Feb-07	frozen		2,400,000													
2000005511	LANDISBANKI ISLANDS H.F.	28-Sep-07	frozen		15,000,000													
TOTAL VALUE OF INVESTMENTS					146,650,000												100.00%	
LESS ICELANDIC IMPAIRMENT					-5,969,000													
					140,681,000													
Pension Fund																		
UK Banks & Building Societies																		
5000011101	Santander Corp Banking	16-Mar-11	Call Account	0.8	22,398,318			AA-	F1+	B	1	Aa3	P-1	C-	AA	A-1+		

Appendix C: Prudential Indicator Compliance

Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.
- The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Limits for 2010/11 %
Upper Limit for Fixed Rate Exposure	100
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	40
Compliance with Limits:	Yes

Maturity Structure of Fixed Rate Borrowing

- This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

Maturity Structure of Fixed Rate Borrowing	Upper Limit %	Lower Limit %	Actual Fixed Rate Borrowing as at 28/03/11	% Fixed Rate Borrowing as at 28/03/11	Compliance with Set Limits?
Under 12 months	0	50	5,000,000	2.47%	Yes
12 months and within 24 months	0	50	0	0	Yes
24 months and within 5 years	0	75	4,000,000	1.98%	Yes
5 years and within 10 years	0	75	0	0%	Yes
10 years and above	0	100	193,500,000	95.55%	Yes

Appendix D: List of Schools Banking Institutions

School	Banking
Bishop Douglass	Allied Irish
Finchley Catholic High	Allied Irish
St James' Catholic High	Allied Irish
St Michaels Cath Gram	Allied Irish
Osidge JMI	Barclays
Mill Hill High	Barclays
Akiva	Barclays
All Saints NW2	Co-Operative
All Saints N20	Co-Operative
Annunciation Inf	Co-Operative
Annunciation Jun	Co-Operative
Barnfield	Co-Operative
Beis Yaakov	Co-Operative
Bell Lane	Co-Operative
Blessed Dominic	Co-Operative
Broadfields Primary	Co-Operative
Brookland Inf	Co-Operative
Brookland Jun	Co-Operative
Brunswick Park	Co-Operative
Chalgrove	Co-Operative
Childs Hill	Co-Operative
Christchurch JMI	Co-Operative
Church Hill	Co-Operative
Claremont Primary	Co-Operative
Colindale	Co-Operative
Coppetts Wood	Co-Operative
Courtland	Co-Operative
Cromer Road	Co-Operative
Deansbrook Inf	Co-Operative
Deansbrook Jun	Co-Operative
Dollis Inf	Co-Operative
Edgware Inf	Co-Operative
Edgware Jewish Primary	Co-Operative
Edgware Jun	Co-Operative
Fairway	Co-Operative
Foulds	Co-Operative
Frith Manor	Co-Operative
Garden Suburb Inf	Co-Operative
Garden Suburb Jnr	Co-Operative
Goldbeaters	Co-Operative
Grasvenor Avenue Inf	Co-Operative
Hasmonean Primary	Co-Operative
Hollickwood	Co-Operative
Holly Park	Co-Operative
Holy Trinity	Co-Operative

Hyde	Co-Operative
Independent Jewish	Co-Operative
Livingstone	Co-Operative
Manorside	Co-Operative
Martin Primary School	Co-Operative
Menorah Primary	Co-Operative
Monken Hadley CE	Co-Operative
Monkfrith	Co-Operative
Moss Hall Inf	Co-Operative
Moss Hall Jun	Co-Operative
Northside	Co-Operative
Orion	Co-Operative
Our Lady of Lourdes	Co-Operative
Pardes House	Co-Operative
Parkfield	Co-Operative
Queenswell Inf	Co-Operative
Queenswell Jun	Co-Operative
Rosh Pinah	Co-Operative
Sacred Heart	Co-Operative
St Agnes RC	Co-Operative
St Andrews CE	Co-Operative
St Catherines RC	Co-Operative
St Johns CE N11	Co-Operative
St Johns CE N20	Co-Operative
St Josephs RC Inf	Co-Operative
St Josephs RC Jun	Co-Operative
St Mary's & St Johns Primary	Co-Operative
St Marys CE N3	Co-Operative
St Marys CE EB	Co-Operative
St Pauls CE N11	Co-Operative
St Therasas RC	Co-Operative
St Vincents RC	Co-Operative
Summerside	Co-Operative
Sunnyfields	Co-Operative
Trent	Co-Operative
Tudor	Co-Operative
Underhill Inf	Co-Operative
Underhill Jun	Co-Operative
Wessex Gardens	Co-Operative
Whitings Hill	Co-Operative
Woodcroft Primary	Co-Operative
Woodridge	Co-Operative
Christs College Finchley	Co-Operative
Copthall	Co-Operative
Friern Barnet	Co-Operative
Hasmonean High	Co-Operative
Henrietta Barnett	Co-Operative
JCoSS	Co-Operative

Ravenscroft	Co-Operative
Whitefield	Co-Operative
Mapledown	Co-Operative
Northway	Co-Operative
Oak Lodge	Co-Operative
Oakleigh	Co-Operative
BrookHill Nursery	Co-Operative
Hampden Way Nursery	Co-Operative
Moss Hall Nursery	Co-Operative
St Margaret's Nursery	Co-Operative
Menorah Foundation	HSBC
East Barnet	HSBC
Danegrove	Lloyds TSB
Dollis Junior	Lloyds TSB
Mathilda Marks Kennedy	Lloyds TSB
St Pauls CE NW7	Lloyds TSB
Hendon	Nat West
Queen Elizabeth's Girls'	Nat West
St Mary's C E High	Nat West

AGENDA ITEM: 7 Pages 26 – 33

Meeting	Cabinet Resources Committee
Date	21 April 2011
Subject	Procurement of Contracts for Day Opportunities for People with Mental Ill-health and for Respite and Support Services for Carers
Report of	Cabinet Member for Adults
Summary	This report recommends authorisation of procurement of a contract for day opportunities services for adults with mental ill-health and a contract for respite and support services for carers of adults with disabilities, ill-health or frailty

Officer Contributors	James Taylor, Deputy Head of Strategic Commissioning
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix 1 - Prevention Services funded by Adult Social Services
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: James Taylor, Deputy Head of Strategic Commissioning (Adult Social Services), 020 8359 4886.

1. RECOMMENDATIONS

1.1 That the Committee authorise the carrying out of a procurement process for:

1.1.1 a contract for day opportunities services for people with mental ill-health

1.1.2 a contract for respite and support services for carers of adults with disabilities, ill-health or frailty

2. RELEVANT PREVIOUS DECISIONS

2.1 Cabinet Resources Committee, 22 July 2008 (Decision item 11) - approved changes to voluntary sector commissioning arrangements

2.2 Cabinet Resources Committee, 8 December 2009 (Decision item 7) - approved the strategic document 'Looking after Yourself – a Prevention Framework for Barnet' as the basis for the commissioning of preventative services by Adult Social Services.

2.3 Cabinet Resources Committee, 13 January 2011 (Decision item 11) - approved a waiver of paragraph 5.6.2 of the Contract Procedure Rules to allow the entry into interim funding agreements for prevention services commissioned by the Council's Adult Social Services subject to a maximum duration of two years.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

3.1 Better services with less money – The proposed contracts will help promote independence for adults with care and support needs in the Borough. They will focus services around the customer to achieve a better customer experience and better value for money through commissioning services differently and through service transformation. The procurement will contribute to managing resources and assets effectively and sustainably across the public sector.

3.2 Sharing opportunities and sharing responsibilities – The proposed contracts together with other re-commissioned contracts for social care and prevention services will support implementation of the Choice and Independence vision for Adult Social Services, by developing a market place which will be able to respond to people self-directing their support through a personal budget. The contract model will allow for increasing use of personal budgets to reduce providers' dependency on Council funding. Services will maximise the effective deployment of volunteering and focus on enabling customers to set up sustainable co-support groups that minimise dependency on Council funding.

4. RISK MANAGEMENT ISSUES

4.1 The application of competitive tendering to the procurement of prevention services currently being provided mainly by voluntary sector organisations is a relatively recent development nationally. The market is undeveloped as compared for example with social care provision including residential care and home care services. Commissioners and providers need to collaborate to manage the transition from a grants-based approach to appropriate compliance with the Council's Contract Procedure Rules to ensure that benefits to customers are realised.

4.2 The change process has the potential to damage the good working relationships which exist between the Council and the third sector, if not handled sensitively and transparently. The Council has been contributing to the funding of many voluntary sector operations through historic grant funding arrangements over a number of years leading

to a legacy of involvement. A Communications Plan is an essential element of procurement projects including those considered in this report.

- 4.3 Implementation of the changes risks losing the involvement of voluntary organisations, particularly smaller ones, whose work is valued by the Council, but who cannot or do not wish to take part in competitive processes. These potential impacts will be identified throughout the procurement process and will be taken into account in recommendations on the award of contracts and in transitional arrangements during the initiation phase of the new contracts.
- 4.4 Risks associated with the proposed procurement projects will be mitigated by:
- ensuring that provision to be procured is consistent with budget resources and savings targets;
 - carrying out advance market-testing with potential providers; and
 - requiring production of detailed service mobilisation and transition plans.
- 4.5 The risk that new contracts tendered out will not achieve value for money will be mitigated by:
- designing service specifications which reflect best practice and experience;
 - ensuring contracts are outcomes focused and related to Barnet's key indicators and objectives; and
 - better use of Council resources as a result of fewer contracts.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The ability for providers to sub-contract or to operate as a consortium has been built into the contract models to facilitate response to specialist areas of demand which may relate to, for example, language or diagnosis which it is not possible to cover within the main contract.
- 5.2 The Council's Equalities policy has been followed in the management of the tender process, including evaluation of tenderers' equalities and diversity policies in terms of employment practice and service delivery. The contract for the new services will include explicit requirements fully covering the Council's duties under equalities legislation.

6. USE OF RESOURCES IMPLICATIONS (Financial, Procurement, Performance & Value for Money, Staffing, IT, Procurement, Sustainability)

- 6.1 Prevention services currently provided by voluntary organisations are funded from community care funding and Formula Grant allocated to the Adult Social Services base budget, and various specific grants allocated directly by the Government.
- 6.3 The Adult Social Services budget for prevention services for the three year period 2011/12 - 2013/14 approved by Council on 1.3.2011 provides for cumulative reductions amounting to £900,000 in the annual budget and equivalent to one-third of budget provision for 2010/11.
- 6.4 The procurement arrangements recommended in this report will support the Council's ability to achieve budget targets. Contracts will be procured within known resources.
- 6.5 The proposed maximum annual budget for re-commissioned mental health day opportunities services is £470K. This amount includes £287K of currently allocated funds from NHS Barnet resources. .

- 6.6 The proposed maximum annual budget for re-commissioned respite and support services for carers is £441K, including £30K of currently allocated funds from NHS Barnet resources.
- 6.7 In relation to the NHS Barnet monies referred to in 6.5 and 6.6, a recommendation to approve the negotiation under section 75 of the National Health Service Act 2006 for the Council to act as lead commissioner for all NHS voluntary sector spend amounting to £900K has been agreed by the NHS Barnet Board on 24 March 2011. The proposed agreement would create a pooled budget to facilitate an integrated approach to commissioning preventative services, reducing duplication and maximising outcomes. A report seeking the approval of Cabinet Resources Committee to the proposed arrangement will be submitted to the June meeting.
- 6.8 A number of current voluntary sector service providers rent premises from the Council and these arrangements may be affected by the proposed procurement. Property implications for the Council and providers will be identified within the procurement process and will be taken into account in recommendations on the award of contracts and in transitional arrangements during the initiation phase of the new contracts.

7. LEGAL ISSUES

- 7.1 The services proposed for procurement will fall under Annex B of Schedule 3 to The Public Contracts Regulations 2006 (as amended) which means that the procurement will not be subject to the full EU tendering rules.
- 7.2 Re-commissioning arrangements may lead to the termination of existing contracts with some organisations and entry into new contracts for similar services to be operated by different providers. It is likely the TUPE would apply in these circumstances. Contracts with new providers will therefore include appropriate obligations in respect of their compliance with TUPE responsibilities, and the Council will facilitate and oversee the supply of appropriate information during the procurement process and following contract award. Any termination of existing contracts must be done in accordance with the provisions of the, relevant contract.

8. CONSTITUTIONAL POWERS

- 8.1 The Council's Constitution, Part 3, Responsibility for Functions, paragraph 3.6 sets out the functions of the Cabinet Resources Committee.

9. BACKGROUND INFORMATION

- 9.1 During the past year, Adult Social Services has analysed its commissioning requirements for preventative services in order to deliver the objectives of *Looking After Yourself – A Prevention Framework for Barnet*, and has reviewed the services that voluntary sector organisations are providing at present. The recommendations of this report address the commitment to take forward procurement following decisions on future budget resources approved by Council on 1.3.2011.
- 9.2 In December 2010, the Council published proposals for re-commissioning prevention services and identified as a priority the re-commissioning of three service groups in early 2011/12
- Carer breaks and support

- Day opportunities for people with mental ill-health
- Information, advice and advocacy

- 9.3 This report is concerned with the first two groups. It is intended to report proposals for re-commissioning information, advice and advocacy services to Cabinet Resources Committee in June 2011, and to report proposals for re-commissioning remaining groups, mainly comprising services for older people and people with learning disabilities, to subsequent meetings in 2011/12.
- 9.4 Detailed discussions have taken place with provider groups concerning the council's proposals and will inform development of service models and the procurement approach. Customer advisory groups are being established to assist in ensuring a customer focus in planning the new services and in the procurement and subsequent transition processes
- 9.5 The prevention framework and associated strategies and reports demonstrate a sound evidence base in terms of the need for prevention services, the financial benefits that are realisable, and the particular drivers for change in Barnet's existing agreements with providers and the services available for customers. The following sections set out brief contextual information about preventative support for carers and for people with mental ill-health

Respite and support for carers

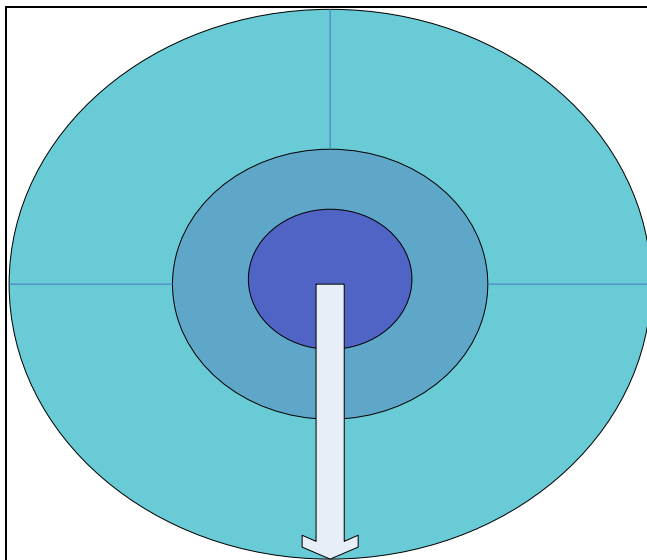
- 9.6 Carers have a vital role in supporting people who are ill, disabled, or frail so they can remain living in the home. It is estimated that 60% of the population will care for someone at some point during their lives. In Barnet, almost 10% of the population are carers, of which at least 2000 are 75 years or older, with nearly 5000 providing 50 hours or more of care per week.
- 9.7 Across England and Wales, the annual replacement costs for informal care has been valued at £38 billion, £30 billion of which is residential care, £7 billion homecare and a further £1 billion community health care. A recent report from the Audit Commission states that carers over the age of 60 provide care worth twice public spending on care services for older people. These valuations highlight the importance of ensuring carers are supported to reduce cost pressures on community care funding.
- 9.8 The service model will reflect the priorities of the approved Barnet Carers Strategy 2009-2012. A Carers Strategy Group is in place and is closely involved in detailed planning. Key elements of the contractors responsibilities defined in the service specification are as follows:
- To act as an assessor to advise AdSS on carers' eligibility for statutory social services
 - To prepare contingency plans and emergency plans for individual caring situations at risk of breakdown
 - To administer an agreed budget for provision of preventative breaks
 - To facilitate a range of social and personal support to carers, including counselling, organisation of peer-support groups and training in the provision of care

Day Opportunities for people with mental ill-health

- 9.9 Over 4,000 Barnet people aged 18 to 64 claim Incapacity Benefit / Severe Disablement Allowance due to mental and behavioural disorders and almost 1000 people in this age

group receive care packages funded by the council. Out of all the younger adult care groups, the mental health client-base is the most transitory, with 27% of Barnet clients entering statutory social care services each year, and a similar proportion leaving. This is understandable as individual mental health problems are more likely to alter radically over time, as circumstances change and disorders are heightened or diminished, compared to problems caused by learning or physical disabilities.

9.10 Significant continuing reductions in hospital provision and in admissions to residential care demonstrate the critical and growing importance of effective support in the community. The graphic presentation below shows the relationship between the proposed community day opportunities services, acute health services and the Network, Barnet's aftercare enablement' service which supports people for a short-term period on discharge from hospital. The prevention services to be re-commissioned offer longer-term support to strengthen and sustain re-engagement back in to the community in order to reduce the likelihood of readmission. Research commissioned, by government from Cap Gemini and published in 2009, indicates net financial benefits of £2.21 for every £1 of expenditure on prevention services as a result of savings in statutory social care and health expenditure.



The procurement approach

9.11 In accordance with Barnet's Third Sector Commissioning Framework, the intention is to re-commission respite and support for carers and day opportunities for people with mental ill-health services through an open tender process. It is expected that recommendations on the appointment of contractors will be made in Autumn 2011 to enable contract commencement before March 2012 in order to meet budget targets effective from April 2012. Existing services funded by AdSS and affected by these arrangements are shown at Appendix 1

Community
Day
Opportunities

9.12 The council's expectation is that future contracts will:

- be operated by partnerships or consortia, in order to improve coordination and reduce overheads
- have a lead organisation that would hold the contracts for each group of services

Employment

Support

The
Network

- be linked to the Centre for Independent Living and the Community Interest Company that will operate the Centre

10. LIST OF BACKGROUND PAPERS

10.1 None.

Appendix 1

Prevention Services funded by Adult Social Services

Main Customer Group	Organisation Name	Service Name	2010/11 Funding, for Service
Carers	Alzheimer's Society	Dementia and carer support	£ 39,844
Carers	Barnet Carers Centre	Support services for carers	£ 501,564
Carers	Barnet Mencap	Asian Families Project	£ 32,810
Carers	Barnet Mencap	Time Out' short breaks	£ 29,000
Carers	Friend in Need Community Centre	Carers Respite	£ 20,819
Carers	Jewish Care	Respite at the Kennedy Leigh Centre	£ 35,316
Mental ill-health	Barnet College	Community Link	£ 18,239
Mental ill-health	Barnet Depression Alliance	Barnet Depression Alliance	£ 678
Mental ill-health	Barnet Voice	Barnet Voice	£ 80,019
Mental ill-health	Jewish Association for Mental Illness	JAMI House day services	£ 24,948
Mental ill-health	Jewish Care	Martin B Cohen Centre	£ 10,629
Mental ill-health	Mind In Barnet	Befriending	£ 42,754
Mental ill-health	Mind In Barnet	Day Centre	£ 111,795
Mental ill-health	North London Eating Disorders Group	Eating Disorders Group	£ 1,591
Mental ill-health	Richmond Fellowship	Day Opportunities	£ 60,361
Mental ill-health	Richmond Fellowship	Quest for Work	£ 6,493