
Meeting	Cabinet Resources Committee
Date	24 September 2013
Subject	Quarter 1 Monitoring 2013/14
Report of	Cabinet Member for Resources and Performance
Summary	To consider the Quarter 1 Monitoring 2013/14 report and instruct officers to take appropriate action.
Officer Contributors	Mark Taylor – Assistant Director, Financial Services Catherine Peters – Head of Finance, Closing & Monitoring Nickie Morris – Finance Manager, Closing & Monitoring
Status (public or exempt)	Public
Wards affected	Not applicable
Key decision	Yes
Enclosures	Appendix A – Performance Report Appendix B – Revenue Monitoring by Directorate Appendix C – Capital Programme Adjustments Appendix D – Capital Monitoring Analysis Appendix E – Corporate Risk Register Appendix F – One Barnet Programme
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in	Not applicable
Contact for further information:	Catherine Peters, Head of Finance, Closing & Monitoring, 020 8359 7142

1. RECOMMENDATIONS

- 1.1 That the Performance in Paragraph 9.1 and Appendix A be noted
- 1.2 That Directors take appropriate action to ensure costs are kept within budget and income targets are met. (Paragraph 9.2.2)
- 1.3 That Directors take appropriate action to improve performance against those corporate performance, Human Resources (HR), project, and risk measures where quarter one performance remains a challenge. (Paragraphs 9.1 and Appendix A)
- 1.4 That Directors ensure that those capital projects in their services are managed closely to ensure they are delivered within budget and in accordance with the agreed timeframe. (Paragraph 9.3.10)
- 1.5 That the proposed 2013/14 capital additions/deletions totalling £1.568m and slippage of £20.344m as set out in Table 3 (Paragraph 9.3.11) and Appendix C and the related funding implications summarised in Table 4 (Paragraph 9.3.12) be approved.
- 1.6 That the following virement for this financial year and on-going be approved:
 - £0.196m is requested within Adults and Communities, in order to carry out budget realignments between salaries and non salaries. There is a nil impact on the service budgets. (Paragraph 9.4.1)
- 1.7 That the Agency Costs for the first quarter be noted. (Paragraph 9.5.1)
- 1.8 That the following transfers from contingency for non-pay inflation for this financial year and on-going be approved (Paragraph 9.6.1):
 - £0.846m for Adult and Communities
 - £0.004m for Assurance
 - £0.127m for Children's Education
 - £0.433m for Children's Family Service
 - £0.019m for DRS
 - £0.456m for Housing Needs and Resources
 - £0.312m for Streetscene
 - £0.126m for NSCSO
- 1.9 That the following transfers from contingency for pay inflation related to the Local Government pay award for this financial year and on-going be approved (Paragraph 9.6.2):
 - £0.054m for Adult and Communities
 - £0.011m for Assurance
 - £0.075m for Children's Education
 - £0.212m for Children's Family Service
 - £0.020m for Commissioning
 - £0.081m for DRS
 - £0.074m for Street Scene
 - £0.130m for NSCSO
- 1.10 That the following draw downs from the Service Development Reserve be noted (paragraph 9.7.1):
 - £0.982m for autumn spring cleaning equipment renewal
 - £0.201m for new parking machines

- 1.11 That it be noted that £2.500m is to be drawn down from the Risk Reserve to cover parking refunds and administration of the refunds. (Paragraph 9.8.1)
- 1.12 That it be noted that the further Capital funding of £11.738m that has been approved by the Education Funding Agency for 'Targeted Basic Need Capital Programme' to fund a number of school expansions will be added to the capital programme in quarter 2.. (Paragraph 9.9.1)
- 1.13 That the Corporate Risk Register at Appendix E be noted.
- 1.14 That the One Barnet Programme (Paragraph 9.11 and Appendix F) be noted.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Council, 5 March 2013 (Decision item 8.1.1) – approved the Council Budget and Council Tax 2013/14.
- 2.2 Cabinet Resources Committee, 24 June 2013 (Decision item 7) – approved the Outturn Report 2012/13.

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 Relevant Council strategies and policies include the following:
 - Corporate Plan 2013-14;
 - 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 risk 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 that 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 Under the Equality Act 2010, the Council and all other organisations exercising public functions on its behalf must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender

reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation. With respect to a) the 'protected characteristics' also include marriage and civil partnership.

5.2 Having 'due regard' means: (i) consciously thinking about the three aims as part of the decision-making process; (ii) that an incomplete or erroneous appreciation of the duties will mean that due regard has not been given to them; and (iii) that the duty must be exercised in substance, with rigour and with an open mind.

5.3 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.

6.3 The projected overspend of £2.384m is forecast to reduce General Fund balances from £15.830m to £13.446m. The General Fund balances are therefore forecast to fall below the recommended target level of £15m.

7. LEGAL ISSUES

7.1 Section 151 of the Local Government Act 1972 states that: "without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 111 of the Local Government Act 1972, relates to the subsidiary powers of local authorities.

7.2 Section 28 of the Local Government Act 2003 (the Act) imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the authority must take such action as it considers necessary to deal with the situation. Definition as to whether there is a deterioration in an authority's financial position is set out in sub-section 28(4) of the Act.

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 The Council's Constitution, Part 4, Financial Regulations Part 1 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 Quarter 1 Performance Monitoring

9.1.1 This is the first time that information on the 2013/14 Corporate Plan indicators will be reported. A total of 20 indicators out of 40 indicators were required to report in quarter 1. Of the indicators that reported, the balance of met and missed targets was 65% met (13 targets rated as green) and 35% missed (7 targets rate as red, red-amber, or green-amber). 14 CPIs show a positive or neutral direction of travel, 5 CPIs demonstrate a negative direction of travel.

9.1.2 Successes

A total of 13 indicators achieved their target for quarter 1 2013/14. There are a number of areas which have reported strong performance:

- There was a reduction in the number of younger adults in residential and nursing care from 322 to 304.
- Community Safety showed good performance with a reduction in the level of domestic burglaries from 25.4 last year to 24.8 per 1,000 households in quarter 1 13/14.
- In quarter 1 Family Services reported a 9% reduction in the number of first time entrants to the youth justice system with 408 (4% below the target).
- Street Scene saw use of both paid on-street and car parks has increased. On-street parking has increased by 4% to 420,445 transactions and car park usage has increased by 13% to 80,761 transactions in Barnet.

9.1.3 Established challenges

There are a number of performance issues in quarter 1 that have been subject to challenge previously:

- The number of households placed in emergency accommodation remains above target, in quarter 1 2013/14 there were 630 households in emergency accommodation. This is 26% above target (500), although there was a slight improvement since quarter 4 2012/13.
- The amount of waste being recycled, composted and reused was 27.8% in quarter 4 2012/13, compared to 29.5% in quarter 4 2011/12 (please note these figures are reported a quarter in arrears). The year-end total for 2012/13 is 33%. A lower than usual level of green waste was collected, and composted, which primarily led to the decline in the lower rate of recycled, composted and reused waste. Changes to Barnet's recycling service in October 2013 will make recycling easier for residents- performance will need to significantly improve to achieve the 2013/14 target of 40%.
- Overall Customer Service performance remains a challenge, with the percentage of calls answered within 20 seconds at 61.3%, a decline from 65% in quarter 4 2012/13. Customer satisfaction with the contact centre has also declined by 22.4% (from 58% in quarter 4 2012/13 to 45% in quarter 1 2013/14). Quarter 1 is a historically busy period in customer services as a result of annual billing and performance improved during May and June.
- The Planning Service performance has improved by 41.7% since the last outturn (74.3% compliance with statutory timescales for quarter1, up from 52.4% in quarter4 2012-13). There is a remaining issue of the major developments applications and the compliance against the 13-week target. This plan should ensure the service exceeds the 2-year 30% of applications determined within statutory timescales performance level to avoid Special Measures in October 2013.

- Staff absence levels remains above the 6 days rolling target at 7.6 days, although it should be noted that there has been a slight improvement from the previous outturn.

9.1.4 Emerging challenges

There were a number of new and emerging challenges in quarter 1:

- Quarter 1 financial reporting identifies a projected budget variation of £2.384m, the majority deriving from street scene (£2.163m) due to income shortfall from parking and cost pressure on the NSL contract.
- In Family Services, the proportion of young offenders in education training or employment has deteriorated from 70% to 60.7% in quarter 1, 19% below the target.
- Number of children adopted or placed permanently through another route for Q1 was 5 compared to a target 10 this quarter. The target for 2013/14 is 42 children

9.1.5 Key projects, including One Barnet programme

Within the One Barnet programme (10 projects); one project (NSCSO) was flagged as red at the end of quarter 1 with risks related to delivery to the agreed schedule, owing to the Judicial Review appeal hearing. This has since been resolved. Progress has been made across a number of Wave 2 projects, including Waste transformation, CCTV, and the review of Sports and Physical Activity.

Across the capital programme, all 19 projects are all on track to deliver on time, aside from the red-rated Depot relocation project owing to delays in completing the options appraisal to secure a site for 2015 onwards, and two school projects where some risks of delay remains.

Finally, across the Regeneration programme (8 projects) there are no red-rated projects. The size and complexity of individual projects, and dependencies external development partners result in 'amber' ratings for the majority of the projects.

Three projects managed by Delivery Units have reported as red:

- North London Waste Authority procurement
- Travel assistance project
- Develop proposal for Studio School

9.2 Summary of Financial and Performance Monitoring

9.2.1 Revenue Monitoring

The Council's overall position has declined since setting the Budget. The quarter 1 forecast has resulted in a projected overspend of £2.384m. The Council's General Fund Balances are forecast to fall below the recommended level of £15m, and are currently projected to be £13.446m.

9.2.2 Capital Monitoring

The Council's 2013/14 Capital Programme is showing slippage of £20.344m and additions/deletions of £1.568m against a budget of £170.225m at the end of quarter 1.

9.2.3 Corporate Performance Indicators

A total of 20 out of 40 indicators were required to report in quarter 1. Of the indicators that reported, the balance of met and missed targets was 65% met (13 targets rated as green) and 35% missed (7 targets rate as red, red-amber, or green-amber).

9.2.4 Areas of concern

There are three areas of concern identified during officer challenge sessions:

- Homelessness prevention
- Households in emergency accommodation
- Average time spent in nightly purchased accommodation

These are covered under a single improvement plan.

9.2.5 Risks

Existing risks covering welfare and benefit reform, waste, information management, resident engagement and housing supply have been updated this quarter. This is the first quarter that partner risks (The Barnet Group, Public Health and HB Public Law) were reported as part of quarterly performance.

9.2.6 Value for Money Benchmarking

At the end of 2012/13, 50% of services are reported as being in the High Performance, Low Spend quadrant. Barnet ranks 1st overall of the authorities with the same number of services. Of all the 32 authorities, Barnet ranks joint 3rd place. Services not in HP/LS are Planning and Economic Development, Secondary Education, Adults and Children Social Care and Corporate Health/ Central Services.

9.2.7 Customer Experience

- Number of calls answered in 20 seconds deteriorated by 4% from 65% to 61%, this was generally due to high call volumes in April 2013, following the billing period.
- Mystery shopping has highlighted low scores for attitude and information quality.

9.3 Quarter 1 Financial Monitoring

9.3.1 2012/13 Revenue Monitoring

Table 1 below provides a summary of the 2013/14 outturn analysis compared to the revised budget position. As at the end of Quarter 1 the actual net General Fund spend was £41.892m. This represents 14% of the revised budget (21% excluding Housing Benefit where Grants income and expenditure are not yet aligned). The position for the end of the year is currently anticipated to be forecast at an overspend of £2.384m. Please note that this includes the pay inflation bids as set out at paragraph 9.6.1. A breakdown of revenue monitoring by each service directorate is set out in Appendix B.

Note that the overall overspend projected at quarter 1 in the prior year 2012/13 was £2.738m. The final overspend in the prior year 2012/13 in the final outturn was £0.690m.

Table 1: 2013/14 Revenue Quarter 3 Analysis – Summary

Description	Original Budget	Revised Budget as at 30/06/2013	Forecast Outturn as at 30/06/2013	Forecast Outturn Variation as at 30/06/2013
	£'000	£'000	£'000	£'000
Adults and Communities	96,055	97,172	97,286	114
Assurance	3,611	4,035	4,008	(27)
Children's Education	8,227	8,008	8,578	570
Children's Family Service	49,590	50,363	50,158	(205)
Commissioning Group	6,802	6,629	6,762	133
Streetscene	14,899	15,212	17,375	2,163
Public Health	13,799	13,766	13,766	-
HB Public Law	1,908	1,932	2,186	254
Barnet Group	3,447	3,903	4,146	243
DRS	820	955	955	-
NSCSO	24,178	24,416	24,416	-
Central Expenses	69,736	66,637	65,776	(861)
Total 2012/13 General Fund Forecast	293,072	293,028	295,412	2,384
Allocations agreed from GF Balances	-	-	-	-
General Fund Balances as at 01/04/13	-	-	-	(15,830)
Projected General Fund Balances (excluding schools balances) at 31/03/13	-	-	-	(13,446)

Description	Original Budget	Revised Budget as at 30/06/13	Forecast Outturn as at 30/06/13	Forecast Outturn Variation as at 30/06/13
	£'000	£'000	£'000	£'000
Housing Revenue Account	-	-	640	640

9.3.2 Directors 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 their total budget available.

9.3.3 Commentary about Revenue Outturn

The Council's overall position has declined since setting the Budget. The quarter 1 forecast has resulted in a projected overspend of £2.384m. The Council's General Fund Balances are forecast to fall below the recommended level of £15m, and are currently projected to be £13.446m. Service recovery plans should be aiming to ameliorate any significant budget variances and bring the forecast level of balances back up to the recommended level. Specific areas for concern are Street Scene, Children's Education, HB Public Law and Barnet Group.

9.3.4 The Street Scene Directorate is forecasting an overspend of £2.163m which includes:

- An overspend of £1.081m in the Special Parking Account. This is due to cost pressure on the NSL contract of £0.800m plus shortfalls in income of £0.378m.
- The Parking service is forecasting an overspend of £0.434m, due to shortfalls in off street parking.
- An overspend of £0.380m in the Waste service is a result of domestic refuse staff cost pressures, however it is anticipated that the May Gurney contract negotiation should bring this back in line.

- An overspend of £0.170m in Street Lighting is as a result of budgeted savings that will now not be achieved during the year.
- A Highway Maintenance overspend of £0.246m is a result of winter maintenance pressures.

9.3.5 The Children's Education Service is forecasting an overspend of £0.570m. There are shortfalls in savings that will not be fully achieved during the financial year, these relate primarily to Transport.

9.3.6 HB Public Law is forecasting an overspend of £0.254m due to the cost of additional hours purchased in quarter 1 and a shortfall on income recovery such as Section 106.

9.3.7 The Barnet Group is forecasting an overspend of £0.243m. This is as a result of cost pressures on temporary accommodation.

9.3.8 Specific areas for concern (highlighted above) are high risk areas and it is important to ensure the budget and performance of the service is managed so that it does not continue to be a budget pressure next year.

9.3.9 The Council approved saving of £13.727m as part of the 2013/14 budget setting process. Of this total, £1.273m shown in Table 2 below, is still being identified as high risk. The remainder have been implemented or are on course to being implemented in line with original timescales. For the high risk savings, alternative proposals or action plans have been developed by services.

Table 2: Savings Monitor – key risks and remaining issues outstanding

Service	Service area	Savings Type	Description of saving	2013/14 £'000
Children's Services	Libraries	Efficiencies	Libraries Strategy	(158)
Children's Services	Integration with adults	Efficiencies	Integration of safeguarding boards and function.	(25)
Children's Services	Safeguarding	Efficiencies	Efficiencies from new model for case conferences.	(60)
Children's Services	Transport	Efficiencies	Achieve efficiencies within transport costs for children in care and children with Special Educational Need through improved contracting and demand management.	(500)
Development and Regulatory Services (DRS)	Streetscene	Service Reduction	Other savings to be identified through DRS, NSOCSO and Streetscene.	(112)
Streetscene	SPA	Efficiencies	Savings resulting from alternative service provision.	(349)
Streetscene	Parking	Efficiencies	Savings resulting from alternative service provision.	(69)

9.3.10 2013/14 Capital Programme Monitoring

Directors will need to closely monitor and manage capital projects during 2013/14, to ensure that they are delivered within budget and in accordance with the agreed timeframe.

9.3.11 2013/14 Capital Monitoring Analysis

Table 3 below summarises the 2013/14 capital programme. The capital monitoring summary and scheme details by service directorate is set out in Appendix D.

Table 3: 2013/14 Capital Quarter 1 Analysis – Summary

Service	2013/14 Latest Approved Budget	Additions/ (Deletions) - Quarter 1	(Slippage) / Accelerated Spend - Quarter 1	2013/14 Budget (including Quarter 1)	Forecast to year-end	Variance from Revised Budget
	£'000	£'000	£'000	£'000	£'000	£'000
Adults and Communities	1,904	477	(239)	2,142	2,142	238
Children's Education	70,465	(1,523)	(4,804)	64,138	64,138	(6,327)
Children's Family Services	3,516	-	(1,387)	2,129	2,129	(1,387)
Commissioning Group	-	14,748	(10,140)	4,608	4,608	4,608
Street Scene	13,525	100	(692)	12,933	12,933	(592)
DRS Delivery Unit	30,046	(146)	(3,082)	26,818	26,818	(3,228)
NSCSO Delivery Unit	22,063	(15,224)	-	6,839	6,839	(15,224)
General Fund Programme	141,519	(1,568)	(20,344)	119,607	119,607	(21,912)
HRA	28,706	-	-	28,706	28,706	-
Total Capital Programme	170,225	(1,568)	(20,344)	148,313	148,313	(21,912)

9.3.12 Proposed changes to the 2013/14 Capital Programme

Table 4 below summarises the proposed funding changes to the Capital Programme. A detailed analysis of the proposed changes including additions, deletions and budget movements is provided in Appendix C.

Table 4: 2013/14 Capital Funding Changes

Service	Grants	S106 / Other	Capital Receipts	Revenue	Borrowing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Adults and Communities	(191)	-	379	-	50	238
Children's Education	(4,089)	(1,420)	444	15	(1,277)	(6,327)
Children's Family Services	-	-	(1,387)	-	-	(1,387)
Commissioning Group	-	-	3,919	-	689	4,608
Street Scene	(182)	(6)	(460)	(6)	62	(592)
DRS Delivery Unit	(578)	(168)	(1,518)	(35)	(929)	(3,228)
NSCSO Delivery Unit	-	-	(14,485)	-	(739)	(15,224)
General Fund Programme	(5,040)	(1,594)	(13,108)	(26)	(2,144)	(21,912)
HRA	-	-	-	-	-	-
Total Capital Programme	(5,040)	(1,594)	(13,108)	(26)	(2,144)	(21,912)

9.3.13 There has been a 13% reduction in the Capital programme this quarter. The main projects affected are as follows:

- Deletions in Children's Education for Schools Modernisation & Access Improvement Programmes (£1.523m).
- Deletions in DRS for Highways non TFL (£0.146m).
- Slippage in the Commissioning Group for depot relocation (£10.140m).
- Slippage in Children's Education for:
 - Schools Modernisation & Access Improvement Programmes (£1.992m).
 - Urgent Primary Places (£2.000m).
 - General Schools Organisations (£0.559m).
 - Other Schemes (£0.253m).
- Slippage in Children's Family Services for the implementation of libraries Strategy (£1.387m).
- Slippage in the DRS Delivery Unit for:
 - General Fund regeneration (£1.050m).
 - Highways TFL (£0.678m).
 - Highways non-TFL (£0.621m).
 - Disabled Facilities Projects (£0.400m).
 - Other EPR projects (£0.300m).

This spend is planned to be incurred in future years and has been re-profiled appropriately.

9.4 Virement

9.4.1. A virement for £0.196m is requested within Adults and Communities in order to carry out budget realignments between salaries and non salaries. There is a nil impact on the service budgets.

Table 5: Virement request

Cost Centre	Account Group	Amount £'000
10468 LD Assessment & Care Management	Supplies and Services	(162)
10585 Drugs and Alcohol Team	Employee Related	(34)
10584 Drugs and Alcohol Team	Income	13
10583 Drugs and Alcohol Team	Income	21
10468 LD Assessment & Care Management	Employee Related	162
Total		0

9.5 Agency Costs

9.5.1 The table below details all agency staff costs incurred for quarter 1 of 2013/14.

Table 6: Agency Costs to 30 June 2013

Service	2012/13	Quarter 1		
	Total Agency & Consultants expenditure	Agency Spend	Consultants Spend	Total Q1 Agency and Consultants Expenditure
	£'000	£'000	£'000	£'000
Adults and Communities	4,413	874	37	911
Assurance	63	15	-	15
Children's Education	4,897	276	517	793
Children's Family Service	2,446	594	16	610
Commissioning Group	6,175	457	180	637
Streetscene	1,417	296	463	759
Public Health	-	-	8	8
HB Public Law	234	-	-	-
Barnet Group	189	-	-	-
DRS	1,730	241	628	869
NSCSO	4,549	1,412	181	1,593
Central Expenses	152	-	-	-
HRA	1,714	66	989	1,055
Total	27,979	4,231	3,019	7,250

* Data as at 30th June 2013 includes revenue (£5.731m) and capital spend (£1.519m)

** Commercial includes "One Barnet" project expenditure £0.153m (Agency) and £0.064m (Consultants) for 2013/14.

9.6 Transfers from Contingency for Inflation

9.6.1 Table 7 details the on-going non-payroll inflation requests submitted by services (Recommendation 1.8).

Table 7: Inflation per service area

Service Area	£'000
Adults	846
Assurance	3
Children's Education	127
Children's Family Service	433
DRS	19
Housing Needs and Resources	456
Street Scene	312
NSCSO	126
Total	2,322

9.6.2 As a result of the Local Government pay award Table 8 details the on-going payroll inflation requests submitted by services (Recommendation 1.9).

Table 8: Inflation per service area

Service Area	£'000
Adults	54
Assurance	11
Children's Education	75
Children's Family Service	212
Commissioning	20
DRS	81
Street Scene	74
NSCSO	130
Total	657

9.7 Service Development Reserve Drawdown

9.7.1 The following drawdowns are to be made from the Service Development Reserve and should be noted:

- £0.982m for autumn spring cleaning equipment renewal
- £0.201m for new parking machines

9.8 Risk Reserve Drawdown

That it be noted that £2.500m is to be drawn down from the Risk Reserve to cover parking refunds and administration of the refunds.

9.9 Target Basic Need Capital Programme

9.9.1 Further Capital funding of £11.738m (including Project Support Funding) has been approved by the Education Funding Agency for 'Targeted Basic Need Capital Programme' to fund a number of school expansions. A breakdown of the funding is detailed in table 8 below. This funding will be added to the capital programme in quarter 2.

Table 8: Target Basic Need Capital Programme

School	Provisional Funding total £'000	Provisional Funding 2013-14 £'000	Provisional Funding 2014-15 £'000	Project Support Funding £'000
St Joseph's RC Junior and St Joseph's RC Infant School	1,860	452	1,408	150
Osidge Primary School	1,860	452	1,408	150
Wren Academy	4,297	1,044	3,253	150
London Academy	3,721	904	2,817	150
Total	11,738	2,852	8,886	600

9.10 Corporate Risk Register

9.10.1 The Corporate Risk Register is a summary of the main risks that the Council faces and describes the Control Actions put in place to mitigate these risks. The Corporate Risk Register can be found as Appendix E to this report.

9.11 One Barnet programme

9.11.1 Following the successful conclusion of the Judicial Review process against the decision to award the New Support and Customer Services (NSCSO) and the Development and Regulatory Services (DRS) contracts Barnet has now signed these two contracts with Capita.

9.11.2 The costs associated with the successful defence of the Judicial Review challenge are expected to be within the £500,000 allocated budget.

9.11.3 The tables in Appendix F give the current financial performance of the One Barnet Programme. As of the end of quarter1, spend on 'Wave 1' of the One Barnet Programme, which includes the projects to deliver the NSCSO and DRS contracts, is projecting to be in-line with the allocated budget of £11.58m.

9.11.4 The projected cumulative savings to be delivered by 'Wave 1' of the One Barnet Programme between 2010-19 is £156.01m

9.11.4 'Wave 2' of the One Barnet Programme is currently projecting to be delivered £283k under the allocated budget of £7.766m.

10. LIST OF BACKGROUND PAPERS

10.1 None.

Cleared by Finance (Officer's initials)	JH
Cleared by Legal (Officer's initials)	SW