

AGENDA ITEM: 7

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Meeting	Cabinet Resources Committee
Date	27 July 2006
Subject	Monitoring 2006/07
Report of	Leader and Cabinet Member for Resources
Summary	To consider a report on monitoring in the current year and instruct officers to take appropriate action.

Officer Contributors	Chief Finance Officer Head of Strategic Finance
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	Appendix A – 2006/07 General Fund Forecast Revenue Outturn Appendix B – Capital Programme Summary Appendix C – 2006/07 General Forecast Capital Outturn Appendix D – 2006/07 Housing Revenue Account Capital Outturn Appendix E – Capital Funding Summary Appendix F – Prudential Indicators Appendix G – Outstanding Debt by Service Appendix H – Outstanding Debt by Age
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Jonathan Bunt (020 8359 7249).

1. RECOMMENDATIONS

- 1.1 That the General Fund budget monitoring position be noted.**
- 1.2 That the following virement to the 2006/07 budget be approved :-**
 - (i) Decrease of the Dedicated Schools Grant income budget and reduction of budget for grants to nurseries by £257,000;**
 - (ii) Reduction of the contribution to balances of the Special Parking Account of £815,000 and a reduction of expenditure on planned maintenance (£500,000), responsive maintenance (£100,000), street lighting PFI deal (£135,000) and car park non-domestic rates (£80,000)**
- 1.3 That the projected capital outturn position be noted.**
- 1.4 That the following external grant monies and revenue contributions are added to the approved capital programme:**
 - a) Improving Information Management (£0.172m)**
 - b) Waste Performance Efficiency Grant (£0.364m in 2006/07 and 0.381m in 2007/08)**
 - c) Neighbourhood Renewal Fund (£0.500m in 2006/07 and 2007/08)**
 - d) London Marathon Trust Grant (£0.160m) and revenue contribution from Leisure (£0.020m)**
 - e) Youth Capital Fund additional allocation (£0.041m)**
- 1.5 That the changes to the approved capital programme outlined in Appendix B are approved resulting in a net reduction to the programme of £0.881m.**
- 1.6 That the Prudential Indicators are noted.**
- 1.7 That the outstanding debt position for the Council is noted.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 Council 7 March 2006 (Annual Budget Setting)
Delegated Powers Report 15 April 2006 – NDS Primary and Secondary Modernisation Programmes (2006-7)
Cabinet Resources Committee 28 June 2006 (Outturn 2005/06)**

3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Robust revenue monitoring is essential to ensure that resources support the Council's priorities as set out in the Corporate Plan.**
- 3.2 The need to ensure that the authority's capital expenditure plans are affordable and capital resources maximised. The Prudential Framework**

requires the monitoring of the capital programme and the impact on resources.

4 RISK MANAGEMENT ISSUES

- 4.1 The risks posed by budget pressures are addressed in Section 8 below. Management action is being taken to contain forecast overspends within service budgets to avoid having to call on balances.

5 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 Financial implications are covered in section 8.
- 5.2 There are no specific staffing, ICT or property implications.

6 LEGAL

- 6.1 None.

7 CONSTITUTIONAL

- 7.1 This committee is responsible for monitoring the council's budgets.

8 BACKGROUND INFORMATION

- 8.1 Due to the requirement to close the council's accounts and obtain approval for the Statement of Accounts by 30 June, budget monitoring has only fully commenced at the end of month three (June).
- 8.2 It should be noted that to enable this report to be produced in time for this committee attention has had to be focused on the most significant or volatile budgets and further work will be required over the coming financial periods to complete the detailed monitoring of all income and expenditure items. These updates will be provided to future meetings of this committee.
- 8.3 Nonetheless, budgets that have previously been identified as high risk, for example parking income, has been monitored since the start of the financial year and potential areas of concern were included in the 2005/06 Outturn report that was considered by this committee last month.

General Fund Revenue

- 8.4 As in previous years, the greatest budget risk in 2006/07 that was identified at the start of the financial year was parking income and this budget has consequently been monitored on a weekly basis since April. In addition to the regular service monitoring, a specific Finance & Performance Review was held in June to consider the position on the Special Parking Account.
- 8.5 Taking account of forecast variations set out in Appendix A, the forecast of balances at 31 March 2006 is £10.851m.

- 8.6 Significant variations to date are commented on in the following paragraphs, along with items not yet reflected in the forecast variations but which need to be brought to Members attention.

Adult Social Services

Client Care Costs – as reported in previous years, these are volatile demand led budget with the potential for significant fluctuation within the year.

Staffing Costs – further work is required to fully establish the position on agency staffing within the service and this will be included in the update to future committees.

Central Expenses

Interest Earnings & Cost of Borrowing – early indications are that there will be a net benefit from the overall investment and borrowing position of the authority. Further analysis of interest rates, daily cash balances and forecast capital borrowing (supported and unsupported) will be required throughout the year.

Children & Families

External & Other Placements – as with Adult services, these are highly volatile demand led budgets which will be monitored closely throughout the year. Whilst the reported position is an underspend, this will need to be kept under review regarding assumptions made around any additional placements in the remainder of the year.

Leaving Care Costs – as a result of clearer management information, the potential costs arising from children leaving the authority's care has become clearer than when the budget was originally set.

Grant Income – a management decision has been taken to hold back on spending against certain grants within the service to offset potential overspends that have been identified.

Education

Standards & Inclusion – the figures included in Appendix A are based on pupil numbers as at June 2006 but the actual position for the year will not become clear until the start of the academic year in September.

Transport – the original budget for this area was set on different assumptions relating to routes and child numbers resulting in an overspend on the service. Dedicated Schools Grant – as reported last month, the final calculation of the Dedicated Schools Grant (DSG) for 2006/07 is £257,000 less than anticipated, due to an over-estimation by Government of the numbers of children in private and voluntary nurseries. The effect of this can be controlled by reducing the budget for grants to private and voluntary

nurseries, so there should be no net impact on the council and approval for a virement to formalise this is requested.

Environment & Transport

Special Parking Account – as in previous years the reduced levels of income for parking are being offset by reduced expenditure and savings in other areas of the service. Approval is sort to formalise this via a virement outlined in 1.2.

Housing

Benefits Payments – the implementation of Pericles was such that there was no live housing benefit system for a period. Inevitably, backlogs have resulted which will take some time to clear. The effects of this for 2006/07 are very difficult to predict at this early stage but it appears inevitable that the level of local authority error will be higher. For the year as a whole, taking current trends into account and allowing for the higher LA error, an additional cost of £250k is projected. This will be refined over the coming weeks

Temporary Accommodation – this reflects the continuation of the trend from 2005/06 which results from the good progress in moving away from nightly purchased stock towards private sector leasing, continued tight control over cases accepted as homeless and reduced management fees payable to RSL providers.

Resources

Departmental Restructure – whilst progress has been made in completing the restructure that will result in the new Resources department, the delay in completing some areas and the need to continue to provide key services is likely to result in an overspend against staffing budgets across all services.

NLBP Rent – following the Delegated Powers Report to approve the new lease for the site, the financial implications of that decision are included in this report.

- 8.7 Cabinet Members are aware of the impact that non-achievement of budgeted savings and new emerging pressures could have on balances, and are working with Heads of Service to contain these costs.

Housing Revenue Account

- 8.8 Although a full HRA monitor has not been included with this report, it is important to make Members aware of the potential risks associated with the overall HRA balances.
- 8.9 At 31 March 2006, the retained HRA balance stood at £3.704m (subject to audit) against a forecast position of £5.100m as reported to this committee in March. The forthcoming regeneration projects at West Hendon, Grahame Park and Stonegrove, for which the Principal Development Agreements are

due to be signed before the end of this financial year, will result a reduction in the liability which arises from the underwriting agreements. In total this amounts to £4.300m which exceeds the current level of HRA balances and therefore presently represents a significant risk to the Council.

- 8.10 In addition the fourth regeneration area, Dollis Valley, is a subject to an underwriting agreement of £1.3m, increasing the total exposure to £5.6m. Accordingly it is essential that the PDAs are signed off on schedule to mitigate this risk.

Capital – General Fund

- 8.11 The current approved budget of £56.977m includes slippage from 2005/06 and additional approvals by members since the capital programme was approved by Council in March. Approval is requested to increase the 2006/07 capital programme by £1.182m and by £0.881m in 2007/08 as detailed in 1.4 and 1.5 above.
- 8.12 The latest position can be seen in Appendix C. The latest projected outturn for 2006/07 of £52.461m is £4.516m less than the budget and crosses a range of services. Projected Outturn excludes the budget earmarked for Primary Schools Capital Investment Programme.
- 8.13 Funding decisions on the programme are generally taken at the end of the year to ensure all possible external funding is utilised and maximised where possible. Capital receipts will be applied to finance capital expenditure incurred in 2006/07. The greater the amount of capital receipts applied to finance capital expenditure the lower the amount that will need to be financed from borrowing. This means there needs to be continued close monitoring of the assets disposal programme as slippage will directly impact on the financing of the capital programme and hence the revenue budget.
- 8.14 The reasons for the major variances are given below:

Adult Social Services

Adult Re-provisioning – as previously reported to Members, due to delays in the reprovisioning of care services, the council potentially faces a liability due to the deficits incurred by the contractor. Even if a liability is established, this is not anticipated to occur in the immediate future but does need to be recorded as a contingent liability on the authority.

Education

Various – the overall under spend on Education capital schemes includes amounts totalling £3.371m which have been set aside for Primary Schools Capital Investment Programme. The year of use depends on when the scheme is implemented. Most of the remaining balance is for Secondary Schools Modernisation and residual budgets from completed schemes.

Resources

Modernising Core Systems – as a result of the decision to capitalise the majority of the costs incurred during the implementation phase, this project has exceeded its budget. Whilst this is technically an overspend against the approved capital programme, all costs had been properly approved through revenue but were treated as capital items in line with central government regulations.

Copthall - the approved capital programme includes a budget of £0.195m for Copthall stadium. The scheme was put on hold until a more comprehensive survey was undertaken by Materials Science Consultants Limited. A grant application was made to London Marathon Trust for a further sum of £0.160m to cover the extra costs required to refurbish the track and ancillary facilities. The Council was successful with the application and a further £0.020m will be made available from the Leisure Service budget to cover consultants fees during the project period. A total budget of £0.375m is now available for the refurbishment and approval is required to increase the capital budget for Copthall stadium to £0.375m.

Environment & Transport

Recycling & CCTV – variances currently show against these schemes as the budgets exclude the allocations for Neighbourhood Renewals Fund and Waste Performance Efficiency Grant.

Capital – Housing Revenue Account

- 8.15 The latest position and the projected outturn can be seen in Appendix C. The appendix also reflects spend to 30th June.
- 8.16 The total approved budget for the current year is £30.982m. The projected outturn is £30.982.

Prudential Indicators

- 8.17 The budgeted and forecasted prudential indicators are shown in Appendix F.
- 8.18 Currently the only variation to the indicators set as part of the annual budget in March relates to the slippage on general fund capital expenditure from 2005/06 into 2006/07.

Debt Management

- 8.19 The reporting of the council's overall debt position is being included for the first time in this report and members views are sought on the content and format of the information provided.
- 8.20 At 30 June 2006, the level of outstanding debt owed to the council was £24.486m.
- 8.21 The service with the highest level of outstanding monies owed was Adult Social Services with £9.340m of outstanding bills, though this is a reduction from the £12.701m at 31 April.

- 8.22 The most significant increase in monies owed to the council for the year is within Human Resources which relates to outstanding reimbursement of externally provided payroll services and is merely a timing issue with the payments yet to be received from schools thus distorting the true position.
- 8.23 Of the outstanding £24.486m, over £9.268m relates to invoices raised within the last two months. £7.890m of debts are older than one year though a proportion of these are secured against property or other assets.
- 8.24 Appendices G and H illustrate the outstanding level of debt by service and by age at the end of each financial period for 2006/07.

9 LIST OF BACKGROUND PAPERS

- 9.1 None.

Legal: JEL

CFO: JB

	FORECAST VARIATIONS	
	July CRC	
	£000	£000
<u>Adult Social Services</u>		
Client Care - these are volatile, demand led budgets with potential for significant fluctuation during the year.	(219)	
Staffing Costs - includes an estimate for agency costs as actuals are yet to be entered onto SAP.	(118)	
		(337)
<u>Central Expenses & Contingency</u>		
Net interest from timing of borrowing and investments	(1,500)	
		(1,500)
<u>Children & Families</u>		
Internal & External Placements & Adoption	(140)	
Leaving Care client	498	
Social Worker Salaries	(26)	
Translation and Interpretation	111	
Grants and central costs held to offset potential overspends	(316)	
		127
<u>Education</u>		
<u>Resources & Performance</u>		
Overall projection is an underspend due to vacancies but this should not be relied upon to offset an overspend due to service pressures within Human Resources of £133K. (Outturn report 2005/2006 paragraph 8.6.23)	(57)	
<u>Standards & Inclusion</u>		
Overspend on Placements and Support - Based on June 2006 Pupil numbers taking no account of future leavers or new starters.	48	
Overspend on Transport	316	
<u>LEA Retained Budgets</u>		
Budget underspending on School milk	(14)	
<u>Early Years Families & Play</u>		
3 & 4 year old funding - Virement of £257K required due to final calculation of Dedicated Schools Grant - may lead to overspend if take up of funding exceeds adjusted budget.	-	
<u>Libraries</u>		

	FORECAST VARIATIONS	
	July CRC	
	£000	£000
Libraries Network - Efficiency saving based on implementation prior to end of summer. Delay in replacement of existing system as part of Modernising Our Infrastructure project beyond October places planned Budget Efficiency saving at risk at £10K per month or potentially £50K to year end	10	
South Friern Library - Predicted saving based on 9 months running costs with July closure. Closure now likely September / October due to plans for development taking longer than expected with additional Library running costs of £24K to £36K.	36	
		339
<u>Environment & Transport</u>		
Special Parking Account - reduced income from PCNs (net)	1,000	
Car Parks - rates adjustment	(80)	
Highways Planned Maintenance - planned deferral of schemes	(500)	
Highways Responsive Maintenance - decrease in activity	(100)	
Churchyards - additional redundant Churchyard	12	
Golf courses - revision to leasing arrangements	40	
Green Spaces - control spend to meet golf course overspend	(40)	
Public Lighting PFI - saving from new contract	(135)	
		197
<u>Housing</u>		
Housing Benefits - HBIS / Pericles changeover.	250	
Temporary Accommodation (estimated)	(590)	
		(340)
<u>Planning & Environmental Protection</u>		
Building Control - income	50	
		50
<u>Resources</u>		
Staffing Delay in Resources Restructure	800	
NLBP Rent	300	
		1,100
Total (net forecast overspend)	(364)	(364)
General Fund Balances @ 1.4.2006	(10,487)	
Contribution to Balances		(10,487)

	FORECAST VARIATIONS	
	July CRC	
	£000	£000
Forecast Balances @ 31.3.2007	(10,851)	(10,851)

Appendix B

SUMMARY OF SPENDING VARIATIONS

GENERAL FUND CAPITAL PROGRAMME 2006/07

Service	2006-07		Variation from Budget £000
	Budget £000	Projection £000	
Adults Services	3,459	3,419	(40)
Central Expenses	0	0	0
Children & Families Services	311	307	(4)
Education	23,346	18,276	(5,070)
Environmental Services	1,728	2,069	341
Highways & Design	12,294	12,012	(282)
Law and Probity	77	76	(1)
Resources	4,203	5,090	887
Strategic Development	505	98	(407)
Housing - General Fund	11,054	11,054	0
Total - General Fund	56,977	52,401	(4,576)

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2006/07

Service	2006/07		Variation from Budget £000
	Budget £000	Projection £000	
Cash Incentives	500	500	0
Housing Renovation Programme	30,068	30,068	0
HRA Regeneration	414	414	0
Total - Housing Revenue Account	30,982	30,982	0

Total - GF and HRA	87,959	83,383	(4,576)
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Variations requested for 2006/07 Programme

Improving Information Management Grant	172
Waste Performance Efficiency Grant	364
Neighbourhood Renewal Fund	500
London Marathon Trust Grant	160
Leisure Budget Contribution to Cophall Stadium	20
Youth Capital Fund	41
Surestart - Underhill Ward budget no longer required	(75)

1,182

89,141

Capital Monitoring Month 3 2006/07								
Ref	Service / Scheme Description	Slippage from 2005/06	Approved Budget 2006/07	2006-07			Variation from Budget £000	Remarks
				Spend £000	Adj Budget £000	Projection £000		
	Adults Services							
AS01	Mental Health - 0506 & 0607 allocations	163	159	0	322	322	0	Awaiting project details from Commissioning Manager
AS02	Adults Personal Social Services - 2004-05 (DoH)	210	0	0	210	210	0	Various projects including the implementation and procurement of IT improvements such as eSAP and EDRMS (ESCR solution)
AS02	Adults Personal Social Services - 0506 & O607 (DoH)	214	213	0	427	427	0	As above.
AS03	Adult re-provisioning Programme - Older Adults Care Home	2460	0	0	2460	2,460	0	Cabinet Resources Committee 26 Sept 2005 - Football Stadium & adjoining lands - exempt item, subject to negotiations with contractor. There is a potential claim from the contractor of approximately £3.4million resulting from programme delays. Consultants have been appointed to review the contractor's business plan.
AS99	Outstanding commitments on completed schemes	40	0	0	40	0	(40)	Spend dependent on contractors submitting claim forms
	Total - Adults Services	3087	372	0	3,459	3,419	(40)	
	Central Services							
CE02	Local Public Service Agreements	0	0	(105)	0	0	0	Reversal of 2005/06 accruals
	Total - Central Services	0	0	(105)	0	0	0	
	Childrens Services							
CF01	Childrens PSS - Looked after Children's IT	36	71	26	107	107	0	
CF02	SWIFT - Social Care Information Upgrade	66	0	16	66	66	0	
CF03	Integrated Childrens Services Capital Grant (DoH)	20	114	6	134	134	0	
CF99	Outstanding commitments on completed schemes	4	0	0	4	0	(4)	Spend is dependent on contractors submitting claims
	Total - Children and Families Services	126	185	48	311	307	(4)	
	Education							
ED01	School Access Initiatives - 2003-04 to 2005-06	48	197	21	245	245	0	
ED01	School Access Initiatives - 2006/07 allocation	0	416	0	416	216	(200)	PSCIP allocation of £200k to be spent in later years
ED04	NDS - Building Condition programme 2003-04	79	0	1	79	79	0	
ED05	LEA Liability at VA Schools re major capital schemes	24	0	0	24	24	0	
ED09	The Compton School - expansion	(150)	130	(114)	(20)	(20)	0	Project complete; Spend includes creditor for £213k, accounts to be resolved
ED10	Frith Manor	906	793	776	1699	1,699	0	Project substantially complete
ED12	Modernisation - all schools need - 04/05	108	584	4	692	213	(479)	PSCIP allocation of £339k to be spent in later years+Compton concrete repairs delay
ED12	Modernisation - all schools need - 05/06	321	290	59	611	605	(6)	
ED13	Modernisation - primary school need - 05/06	195	6	0	201	187	(14)	
ED13	Modernisation - primary school need - 06/07	0	2081	11	2081	1,791	(290)	PSCIP allocation of £295k to be spent in later years
ED14	New pupil places - formulaic (SCER)	1352	850	0	2202	0	(2,202)	PSCIP allocations to be spent in later years
ED15	Modernisation - Secondary	0	2165	0	2165	1,003	(1,162)	Work re Hendon Electrical rewire and phased school expansion
ED16	Surestart - Underhill ward	75	0	0	75	0	(75)	£75k budget no longer required.

Capital Monitoring Month 3 2006/07								
Ref	Service / Scheme Description	Slippage from 2005/06	Approved Budget 2006/07	2006-07			Variation from Budget £000	Remarks
				Spend £000	Adj Budget £000	Projection £000		
ED16	Surestart - Wingfield Children and Families Centre	(4)	4	0	0	0	0	
ED16	Surestart - Capital Allocation	0	3,323	0	3323	3,323	0	Detailed proposed use of grant in preparation
ED17	Big Lottery Fund Schemes - Bell Lane Sports Hall	0	5	18	5	5	0	
ED17	BLFund Schemes - Moss Hall Jun - Changing Room Refurb	0	255	0	255	255	0	
ED17	BLFund Schemes - Oak Lodge school MUGA	0	240	0	240	240	0	Scheme delayed due to planning permission challenge
ED17	BLFund Schemes - Borough Playground Scheme - 7 sites	0	151	0	151	151	0	
ED17	Big Lottery Fund Schemes - Whitings Hill MUGA	(2)	230	0	228	228	0	
ED19	Underhill Infants - Childrens Centre	0	10	0	10	10	0	Scheme being re-designed to tender stage
ED20	Dollis Infants - Reprovisioning & Nursery Expansion	0	10	0	10	112	102	Scheme programming being discussed with school
ED21	PSCIP - Hyde School Stage 1 - Childrens Centre	5	1275	5	1280	1,280	0	
ED21	PSCIP - Hyde School Stage 2 - Redevelopment of School	90	250	0	340	340	0	
ED22	Parkfield School - Stage 1 Childrens Centre	227	424	109	651	605	(46)	
ED22	Parkfield School - Stage 2 Redevelopment of School	58	500	0	558	551	(7)	
ED23	PSCIP - Consultants costs	97	250	37	347	250	(97)	
ED23	PSCIP - Procurement costs	238	732	0	970	732	(238)	
ED23	Youth Capital Funding	0	132	0	132	132	0	
ED99	Outstanding Commitments on completed schemes	356	0	0	356	0	(356)	Residual budget to meet liabilities on completed schemes. Spend is dependent on contractors chasing up
	Total excl DFC	4,023	15,303	927	19,326	14,256	(5,070)	
	New Deals for Schools Devolved Formula	0	3809	0	3809	3,809	0	Details of spend against grant not available with accounts
	Specialist Schools (capital grant)	211	0	0	211	211	0	Details of spend against grant not available with accounts
	Total - Education	4,234	19,112	927	23,346	18,276	(5,070)	
	Environmental Services							
EN02	Recycling - green bins, paper and can recycling banks	90	0	0	90	375	285	Additional spend over the 2006/7 budget is to be funded by the WPEG £363k allocation
EN03	Parks Infrastructure - Old Courthouse Rec catering facilities	4	0	14	4	14	10	Project to be completed within budget in 2006/7
EN03	Parks Infrastructure - security of park boundaries	30	0	0	30	20	(10)	Project to be completed within budget in 2006/7
EN07	Darlands Lake / Stonegrove Park	(11)	224	8	213	223	10	Balance of the contingency included in the projected outturn will be used to contribute towards the purchase of Darlands Farm (ENV/00016)
EN08	Watling Park (S106)	15	0	0	15	31	16	Overspend likely due to additional CCTV costs.
EN09	Woodfield Park Pavilion	26	0	0	26	26	0	Project 95% complete - awaiting final accounts from contractors
EN10	Glebelands Open Space - Sports Pitches	(7)	75	0	68	68	0	Currently obtaining quotes - 2006/7 Project spend should be in line with budget.
EN11	Environmental Officer - capitalisation of salary	0	40	0	40	40	0	Revenue spend capitalised against DFG - ongoing
EN12	CCTV in Town Centres - radio communications system	50	32	0	82	82	0	Proposal to spend in 2006/7, however spending programme has not been outlined yet
EN12	CCTV in Town Centres - 2004-05 programme	210	0	0	210	0	(210)	2005/6 Slippage to cover ENV/00014 projects
EN12	CCTV in Town Centres - 2005-06 programme	453	417	25	870	925	55	Additional expenditure in 2006/7 to be funded by £160k NRF Grant
EN14	CCTV Installation - New Barnet Town Centre	(2)	0	32	(2)	32	34	Project 95% complete - awaiting final accounts from contractors
EN14	CCTV Installation - Apex Corner	(4)	0	135	(4)	135	139	Project 95% complete - awaiting final accounts from contractors
EN14	CCTV Installation - Finchley Town centre	(3)	0	33	(3)	33	36	Project 95% complete - awaiting final accounts from contractors

Capital Monitoring Month 3 2006/07								
Ref	Service / Scheme Description	Slippage from 2005/06	Approved Budget 2006/07	2006-07			Variation from Budget £000	Remarks
				Spend £000	Adj Budget £000	Projection £000		
EN14	CCTV Installation - Mill Hill	0	0	0	0	0	0	Project 95% complete - awaiting final accounts from contractors
EN16	Darlands Farm	0	0	65	0	65	65	Unplanned expenditure on the surrender of an existing lease
EN99	Outstanding commitments on completed schemes	89	0	0	89	0	(89)	Residual budget to meet liabilities on completed schemes. Spend is dependent on contractors chasing up
	Total - Environmental Services	940	788	312	1,728	2,069	341	
	Highways							
HD01	Structural Maintenance of Bridges - 2005-06 Programme	3	0	0	3		(3)	
HD01	Structural Maintenance of Bridges - 2006-07 Programme	0	185	0	185	179	(6)	
HD02	Street Lighting	56	0	0	56		(56)	Residual budget need to be transferred to the 2006/7 Highways Investment Programme - see addnl notes below
HD03	Local Safety Schemes - 0405 & 0506 Programmes	84	0	197	84	196	112	variances are contained within overall programme allocations
HD03	Local Safety Schemes - 2006-07 Programme	0	655	3	655	543	(112)	
HD04	Carriageway Reconstruction - Principal Roads - 0405 & 0506	67	0	0	67	127	60	variances are contained within overall programme allocations
HD04	Carriageway Reconstruction - Principal Roads - 0607 alloc	0	1271	262	1271	1,211	(60)	
HD07/08	Road Traffic Act - Controlled Parking Zones	0	345	0	345	225	(120)	Underspend can be attributed to a revision in programme funding and will be utilised in supporting the SPA revenue account
HD09	Edgwarebury Brook Flood Alleviation	0	56	0	56	56	0	
HD10	Footway Reconstruction - Borough Roads (Barnet funding)	2	0	0	2	0	(2)	
HD10	Footway Reconstruction - TFL funding	0	0	0	0	0	0	
HD11	London Bus Priority Network - 2006-07 Programme	0	1795	0	1795	1,795	0	
HD12	Cycling	(21)	43	7	22	22	0	
HD14	Pursley Rd - Traffic Management	0	48	0	48	48	0	
HD15	Safer Routes to Schools - 0405 & 0506 Programme	27	0	17	27	18	(9)	
HD15	Safer Routes to Schools - 2006-07 Programme	0	200	0	200	200	0	
HD16	Silkstream Flood Alleviation	0	1100	0	1100	1,100	0	
HD18	Regeneration and Access Corridors	9	0	24	9	0	(9)	
HD19	Cartwright Memorial, St Mary's Church	0	37	0	37	37	0	
HD17	Highways Investment 2004-05	138	0	0	138	0	(138)	
HD21	Highways Investment 2005-06	146	0	201	146	203	57	Underspend relates to internal fees still to be processed, value of which cannot be determined at this stage
HD21	Highways Investment 2006-07	0	3000	2	3000	3,004	4	
HD25	Bus Stop Accessibility	46	80	0	126	126	0	
HD33	Colindale Development Area	0	2745	14	2745	2,745	0	
HD34	Minor TFL allocations	0	100	0	100	100	0	
	Outstanding Commitments on completed schemes	0	77	0	77	77	0	Spend dependent on contractors submitting claim forms
	Total - Highways	557	11,737	728	12,294	12,012	(282)	

Capital Monitoring Month 3 2006/07

Ref	Service / Scheme Description	Slippage from 2005/06	Approved Budget 2006/07	2006-07			Variation from Budget £000	Remarks
				Spend £000	Adj Budget £000	Projection £000		
	Law and Probity							
LP01	Local Land Charges	67	0	17	67	67	0	Project anticipated to complete about September 2006.
LP03	Legal case management system	10	0	5	10	9	(1)	
	Total - Law and Probity	77	0	22	77	76	(1)	
	Resources							
BT01	Pericles - Revenues and Benefits System	820	0	77	820	420	(400)	Assumes no further contributions to Anite.
IT01	GIS Internet Project	0	10	0	10	10	0	
IT01	Content Management System (CMS)	91	0	78	91	91	0	
IT03	Modernising Our Infrastructure	(43)	487	420	444	674	230	The original scope of the project has increased
IT04	Modernising Core Sytems	0	0	480	0	1,004	1004	
IT05	Electronic Documents and Records Management System	76	1020	7	1096	1096	0	
	Education Management Information System	71	0	0	71	71	0	
	Mobile Working Strategy Development	80	0	0	80	80	0	
	NLBP - IT costs of additional staff relocated to NLBP	210	200	29	410	410		
	IP Telephony and call management technology	20	0	38	20	20	0	
HE01	NLBP - IT costs	33	0	0	33	33	0	
	Planning - reception area	0	100	0	100	100	0	
HE02	Barnet House	7	47	0	54	54	0	
HE04	Council Offices Security Systems	2	155	0	157	157		
	Fenella Refurbishment	18	0	264	18		(18)	Expenditure was miscoded to MOI in 2005/06. Miscoding corrected in 06/07
	Hendon Town Hall - repair/replacement of heating	0	40	0	40		(40)	Spend no longer justified (re. Middlesex University)
	Barnet House - replacement water tanks	0	50	0	50	50	0	
	Burnt Oak Registry Office - heating replacement	0	50	0	50	50	0	
CE03	Arts Centre Development	(14)	377	0	363	363	0	
CE04	Burnt Oak Leisure Centre	92	0	0	92	92	0	
	Copthall stadium - resurfacing of athletics track	0	195	0	195	375	180	This sum is now committed. Work is due to start in late July / early August 2006 and the work should be completed by mid October 06. Approval is requested to increase the budget by £180k. £160k of the additional budget to be funded from London Marathon Trust Grant and £20k cotribution from Leisure Service budget.
HE99	Outstanding commitments on completed schemes	9	0	0	9		(9)	
	Total - Resources	1,472	2,731	1,394	4,203	5,150	947	
	Strategic Development							
SD01	Watling Shopping Estate	(1)	34	0	33		(33)	
SD02	Town Centre Regeneration & Improvement	0	153	0	153		(153)	

Capital Monitoring Month 3 2006/07

Ref	Service / Scheme Description	Slippage from 2005/06	Approved Budget 2006/07	2006-07			Variation from Budget £000	Remarks
				Spend £000	Adj Budget £000	Projection £000		
SD03	Town Centre Initiatives - Nth Finchley Regeneration	0	221	0	221		(221)	
SD04	Grahame Park Sports Pitch - additional costs	(14)	14	0	0	0	0	
	Building Safer Communities	(10)	108	0	98	98	0	
	Total - Strategic Development	(25)	530	0	505	98	(407)	
	Housing - General Fund							
	Renovation Grants	0	5	0	5	5	0	
	Disabled Facilities Grants	0	1005	247	1005	1,005	0	
	Housing Association Programme	180	3870	172	4050	4,050	0	
	Regeneration:-							
	Stonegrove - site assembly / property acquisition	(220)	3200	420	2980	2,980	0	
	Grahame Park - property acquisition	764	2250	452	3014	3,014	0	
	Total - Housing - General Fund	724	10,330	1,291	11,054	11,054	0	
	Total - General Fund	11,192	45,785	4,616	56,977	52,461	(4,516)	

Capital Monitoring Month 3 2006/07								
Ref	Service / Scheme Description	Slippage from 2005/06 £000	Approved Budget 2006/07 £000	2006-07			Variation from Budget £000	Remarks
				Spend £000	Adj Budget £000	Projection £000		
	Cash Incentives	0	500	136	500	500		
	Transitional Programme	65	1,095	692	1,160	1,160		
	Partnering Packages							
	Barnet	36	7,628	404	7,664	7,664		
	Finchley	290	6,170	129	6,460	6,460		
	Hendon/Edgware	0	8,595	866	8,595	8,595		
	Sheltered/Hostels	0	2,076	287	2,076	2,076		
	Adaptations	0	630	40	630	630		
	Regeneration Estates	26	525	74	551	551		
	Miscellaneous Works	0	2,482	263	2,482	2,482		
	Summers Lane Development	0	450		450	450		
	HRA Regeneration	414			414	414		
	Totals	831	30,151	2,890	30,982	30,982		

2006-07 Capital Funding Summary

CAPITAL PROGRAMME

General Fund	Total Budget	Grants	Other	Revenue / MRA	Capital Receipts	Borrowing	TOTAL
Service	£000	£000	£000	£000	£000	£000	£000
Adults Services	3,459	0	0	0	0	3,459	3,459
Central Expenses	0	0	0	0	0	0	0
Children & Families Service	311	134	0	0	0	177	311
Education Service	23,346	11,622	1,590	0	0	10,134	23,346
Environmental Services	1,728	0	95	0	0	1,633	1,728
Highways & Design	12,294	7,046	293	345	0	4,610	12,294
Housing - General Fund	11,054	605	3,180	-220	4,475	3,014	11,054
Law & Probity	77	0	0	0	0	77	77
Resources	4,203	536	98	200	0	3,369	4,203
Strategic Development	505	108	0	0	0	397	505
Total - General Fund	56,977	20,051	5,256	325	4,475	26,870	56,977
Total - HRA	30,982	0	4,267	4,322	3,774	18,619	30,982
Grand Total	87,959	20,051	9,523	4,647	8,249	45,489	87,959

As a % of total

23%

11%

5%

9%

52%

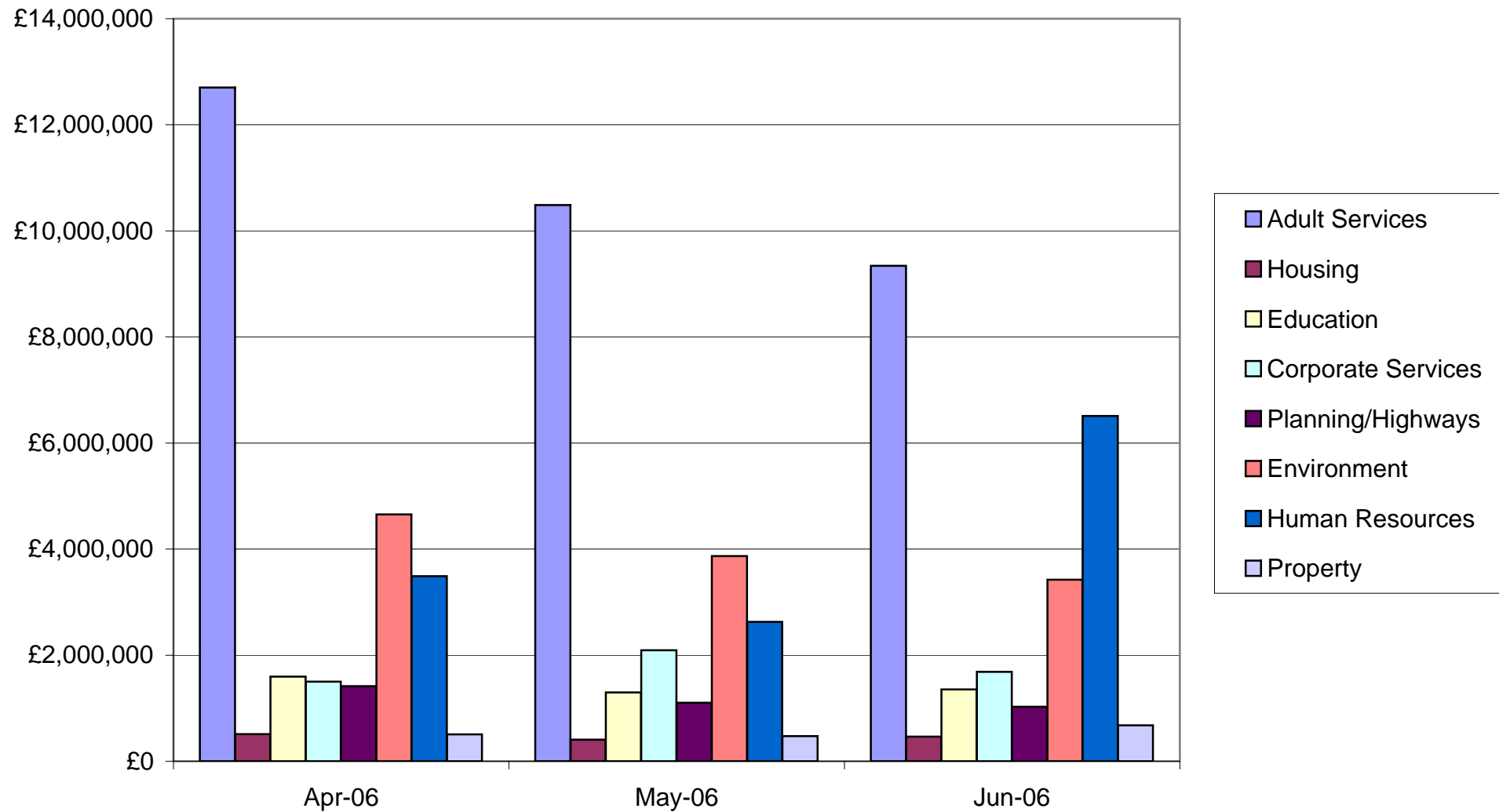
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Appendix F

Prudential Indicator Monitoring	2006/07 Budget £'000	2006/07 Forecast £'000
Capital Expenditure		
Non – HRA	40,530	56,977
HRA (applies only to housing authorities)	30,151	30,982
Ratio of financing costs to net revenue stream	%	%
Non – HRA	1.31%	0.69%
HRA (applies only to housing authorities)	41.00%	41.00%
Incremental Impact on Band D Council Tax	-£15.44	-£27.50
Capital Financing Requirement	£'000	£'000
Non – HRA	100,265	104,466
HRA (applies only to housing authorities)	42,857	43,274
Authorised limit for external debt -	£'000	£'000
Borrowing	144,481	144,481
Other long term liabilities	31,000	31,000
Total	175,481	175,481
Operational boundary for external debt -	£'000	£'000
Borrowing	148,122	148,122
Other long term liabilities	0	0
Total	148,122	148,122
Upper limit for fixed rate exposure		
Net principal re fixed rate borrowing / investments	100%	100%
Upper limit for variable rate exposure		
Net principal re variable rate borrowing / investments	30%	30%

Maturity structure of fixed rate borrowing during 2006/07	Upper limit Budget book	Lower limit Budget book	Upper limit forecast	Lower limit forecast
Under 12 months	70%	70%	70%	70%
12 months and within 24 months	25%	25%	25%	25%
24 months and within 5 years	30%	30%	30%	30%
5 years and within 10 years	50%	50%	50%	50%
10 years and above	95%	95%	95%	95%

Appendix G - Outstanding Debt 2005/06



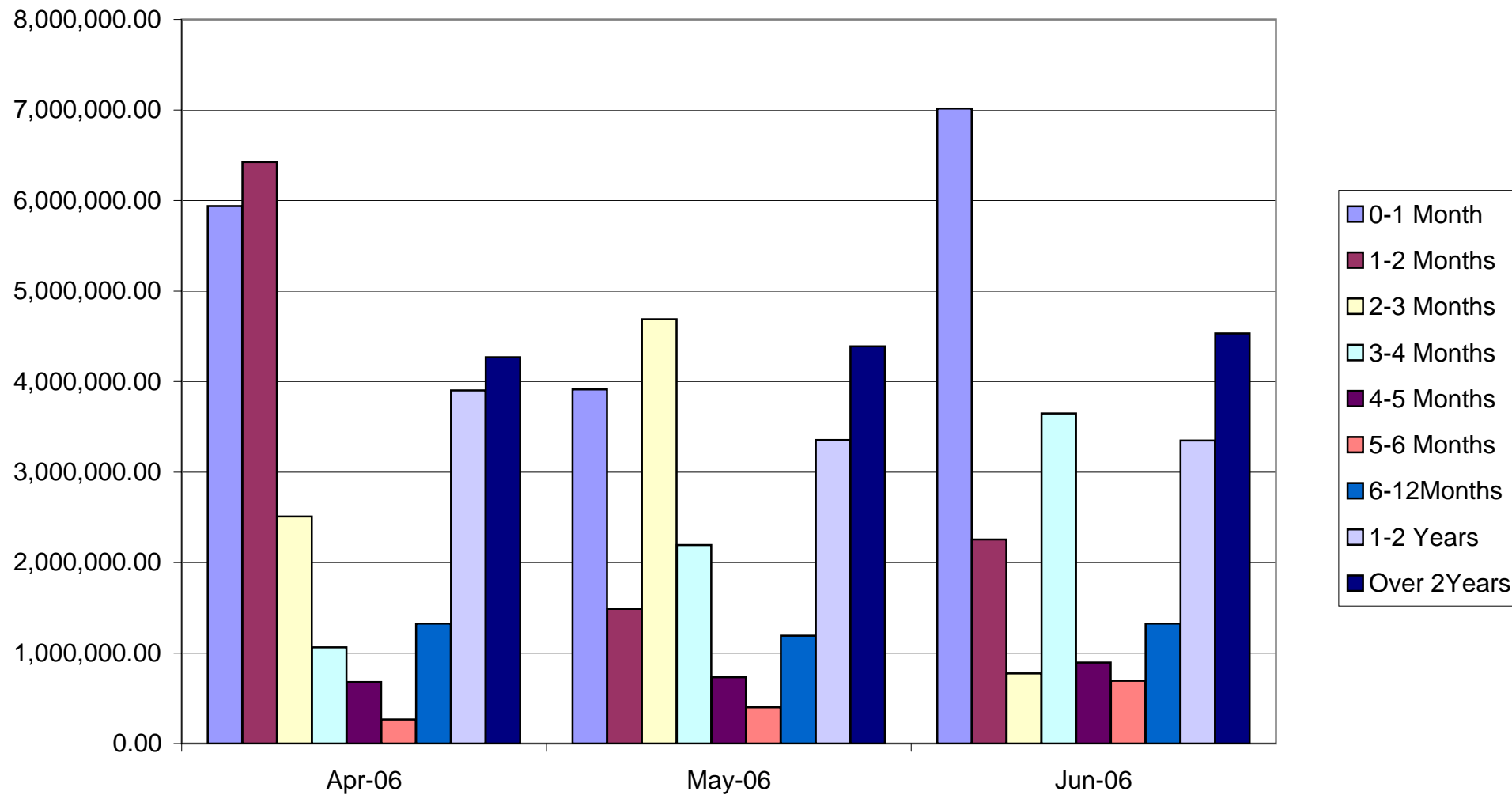
By Service

	Apr-06	May-06	Jun-06
Adult Services	£12,701,002	£10,486,697	£9,339,835
Housing	£511,763	£405,241	£464,437
Education	£1,596,407	£1,297,590	£1,353,671
Corporate Services	£1,500,247	£2,091,090	£1,686,259
Planning/Highways	£1,415,244	£1,103,715	£1,028,639
Environment	£4,654,787	£3,866,385	£3,423,094
Human Resources	£3,490,921	£2,625,600	£6,511,754
Property	£507,015	£475,378	£678,092
Total	£26,377,387	£22,351,695	£24,485,779

By Age

	Apr-06	May-06	Jun-06
0-1 Month	5,938,533.37	3,912,739.93	7,014,080.61
1-2 Months	6,426,082.36	1,489,230.53	2,253,824.44
2-3 Months	2,508,025.66	4,687,470.65	775,905.83
3-4 Months	1,063,860.32	2,194,134.33	3,646,543.27
4-5 Months	681,032.42	733,149.43	896,092.81
5-6 Months	265,168.33	401,138.77	694,685.31
6-12Months	1,325,540.46	1,192,903.96	1,324,659.18
1-2 Years	3,901,191.82	3,353,161.54	3,348,061.08
Over 2Years	4,267,952.38	4,387,765.98	4,531,926.83
Total	£26,377,387	£22,351,695	£24,485,779
	£0	£0	£0

Appendix H - Aged Debt 2005/06



By Service

	Apr-06	May-06	Jun-06
Adult Services	£12,701,002	£10,486,697	£9,339,835
Housing	£511,763	£405,241	£464,437
Education	£1,596,407	£1,297,590	£1,353,671
Corporate Services	£1,500,247	£2,091,090	£1,686,259
Planning/Highways	£1,415,244	£1,103,715	£1,028,639
Environment	£4,654,787	£3,866,385	£3,423,094
Human Resources	£3,490,921	£2,625,600	£6,511,754
Property	£507,015	£475,378	£678,092
Total	£26,377,387	£22,351,695	£24,485,779

By Age

	Apr-06	May-06	Jun-06
0-1 Month	5,938,533.37	3,912,739.93	7,014,080.61
1-2 Months	6,426,082.36	1,489,230.53	2,253,824.44
2-3 Months	2,508,025.66	4,687,470.65	775,905.83
3-4 Months	1,063,860.32	2,194,134.33	3,646,543.27
4-5 Months	681,032.42	733,149.43	896,092.81
5-6 Months	265,168.33	401,138.77	694,685.31
6-12Months	1,325,540.46	1,192,903.96	1,324,659.18
1-2 Years	3,901,191.82	3,353,161.54	3,348,061.08
Over 2Years	4,267,952.38	4,387,765.98	4,531,926.83
Total	£26,377,387	£22,351,695	£24,485,779
	£0	£0	£0