

NORTH LINCOLNSHIRE COUNCIL

CABINET

Finance and Performance Outturn 2012-13 Budget Review 2013-14

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 This paper reports the Council's financial performance for the year 2012-13. It also makes proposals to carry forward funding for specific purposes into 2013-14 and provides the first review of the budget for the new financial year.
- 1.2 The report also brings together finance and performance information allowing a broad judgement to be made of the impact of budget reductions on service delivery. The reports finding are generally positive with most measures showing improvement or achievement of targets during a time when the Council has been faced with real-term spending cuts.
- 1.3 The outturn position shows:
 - Net service spending was within budget by £1.8m or 1.5%
 - Capital Investment was £29m, £7.8m or 21% below approved programme spend.
 - 85% of key performance indicators showed performance above target or within tolerance and 65% showed improvement on the previous year.
- 1.4 Cabinet is invited to consider
 - The financial outturn and performance for 2012-13
 - The rephasing of the capital programme
 - The carry forward of the approved 2013-14 revenue and capital budget
 - The reallocation of 2013-14 capital and revenue budgets to realign for known savings and pressures.

2. BACKGROUND INFORMATION

- 2.1 This is the year end report for 2012-13. It compares actual spending for the financial year ended 31st March 2013 to the Councils approved

budget and gives an overview of performance. It also considers the implications for the new financial year and proposes a number of adjustments to directorate budgets.

- 2.2 The Council manages its spending on services within a statutory framework and makes sure spending stays within cash limits:
- The cost of providing services on a day to day basis is paid for from government grant, business rates, council tax and service charges. This is **revenue** spending
 - Investment in long term assets such as roads and buildings is paid for through borrowing, external finance, receipts from the sale of Council assets and the revenue budget. This is the **capital** programme.
- 2.3 The council also has **reserves** or balances and a strategy for setting the appropriate level and when they will be used. These include:
- General reserves to meet unforeseen expenditure pressures
 - Earmarked reserves for specified purposes
 - School reserves under local management arrangements, and
 - A reserve for the balance on the council tax collection fund.
- 2.4 This report explains changes to reserves as a result of the 2012-13 outturn position.

3. **OPTIONS FOR CONSIDERATION**

The Financial Position 2012-13

Revenue

- 3.1 Appendix 1 shows revenue expenditure by Directorate; Appendix 2 explains the key features of the outturn position.
- 3.2 Net directorate expenditure was £118.3m, £1.8m or 1.5% below budget, after carry forward of earmarked sums. In the People directorate extra spending on specialist children's services was offset by savings in commissioning, mainly on school transport. The underspend in Places directorate was primarily due to delays caused by the weather, such as pothole repairs, and extra income in a number of areas. In Policy and Resources savings were made in the taxation and benefits shared service and on audit costs.
- 3.3 Other elements of the budget are shown separately, which when combined with directorate spending give a total cost picture. These are
- The Property Trading Account, which made a small surplus

- Spending on schools funded from Dedicated Schools Grant, where schools plan to carry forward £3.2m
 - Savings on the financing costs of the capital programme through lower lease costs and extra interest
 - An unapplied balance of £205k on the contingency fund.
- 3.4 The lower part of Appendix 1 also shows the use made of reserves, grants and council tax to fund this expenditure. This includes extra grant from government of £311k.
- 3.5 It was reported to Council in February that following the January 2013 budget review directorates spending in 2012/13 would be contained within budget. While this position was achieved the prudent approach taken by directorates particularly with regard to issues that could not be resolved until the end of the financial year and the impact of unforeseen events has resulted in a more substantial expenditure saving than was envisaged. The key elements are detailed below;
- People Directorate (-£168k); Demand led budgets posed a substantial pressure to the directorate. To compensate, savings from the homes to schools transport contract were retained and restrictions were made on expenditure across the directorate. The directorate were effective in this strategy and slightly overachieved on required savings. Due to an unforeseen delay in implementation of the YOS database upgrade however further savings of £129k were made.
 - Policy & Resources Directorate (-£466k); The treatment of redundancy payments and welfare set-up costs in the Shared Taxation & Benefits service were resolved with North East Lincolnshire council towards the end of the financial year and resulted in a saving of £0.2m. Savings from the new external audit contract were expected but were only confirmed at £0.1m towards the end of March when a refund of fees was made. Further savings were achieved from additional income, a deferred IT development and vacancy savings.
 - Places Directorate (-£701k); A major element effecting the outturn position has been the extended winter conditions which effected highways maintenance work in March. There has also been a significant upturn in the level of income achieved towards the year end particularly from the Bereavement services, Traffic team fees, Trading Standards, Planning applications and licensing fees.
 - Central Services (-£424k); These are primarily savings from the new Insurance contract and lower insurance liabilities which could not be fully quantified until fully known.

Capital

- 3.6 The programme of investment in council assets in recent years has been substantial, with a range of projects to build and renew facilities; it also includes grants for community assets and home improvement. Larger schemes take more than one year to complete and the programme is kept under review during the year. Spending in 2012/13 was £29m, £7.8m less than budgeted. Appendix 3 provides the details by directorate; Appendix 4 explains the factors affecting the outturn position.
- 3.7 The main variances are on support schemes, vehicles and major construction projects, with underspends on:
- Regional Growth Fund £2.09m
 - Renewable Heating £0.6m
 - Disabled Facilities grants £0.43m
 - Home Assistance £0.33m
 - Local Transport Plan £0.35m
 - Fleet Replacement Programme £0.32m
 - Building Schools for the future £0.36m
- 3.8 Requests for programme rephasing into 2013-14 of £6.25m have been received from directorates and proposals to bring forward £0.43m from 2013-14 to cover advance spending.
- 3.9 In keeping with established practice for the financing of the 2012-13 capital programme resources have been deployed in the following order (see appendix 3);
- Government grants for individual schemes and programmes
 - External Funding
 - Capital receipts from the sale of council assets
 - Internal borrowing
 - Approved direct revenue funding
- 3.10 The application of capital receipts and the use of internal cash balances to finance capital investment, in line with the council's treasury management strategy, have ensured no need for external borrowing for a further year.

Performance 2012-13

- 3.11 A summary of the Council's performance against key indicators is shown in Appendix 5. The key points are; that 65% of our key performance measures improved year-on-year and 85% of these measures were on target or were within tolerance. In the context of real term reductions of £3.6m in the budget compared to 2011/12 this is again a very positive outcome.

Budget 2013-14

Revenue

3.12 At council on 19th February 2013 members approved a net revenue budget of £144.9m. With regard to the robustness of the approved budget the in year position remains positive, and the approved budget at present remains deliverable.

3.13 Integral to achievement of the approved budget are 73 savings proposals totalling £4.94m included in the base budget. These proposals are currently reviewed monthly as part of the standard monitoring process and early projections suggest that;

- 66 of the schemes are currently forecast to be achieved in full
- 3 further schemes are forecast to be fully achieved in year but with alternative savings included
- A further 3 schemes are projected to slightly under achieve (less than £10k)
- The waste recycling contract is forecast not to achieve its full year saving by £170k. At present other options are being considered to meet the shortfall.

At this point £2.37m of savings have been reported as achieved which represents 48% of the required saving.

3.14 The workforce impact to date is a reduction of 19.8fte posts, with 10fte achieved through redundancy and retirements, 4.8fte through removal of vacant posts and 1fte from redeployment. A further reduction of 4fte is imminent. This represents 26.7% of the target 2013/14 reduction.

3.15 Directorates deal with a range of spending pressures during the financial year which they are expected, where possible, to accommodate within their cash-limited budgets. Saving opportunities are also identified during the year and can be applied to offset spending pressures. Monitoring to the end of May has highlighted a number of issues which cabinet are asked to consider;

- To formalise the use of other corporate savings to cover the balance of training savings not achieved in 2012-13 (£50k)
- To approve a technical adjustment to the budget to convert £165k from capital to revenue spending for invest to save work at Hewson House
- To note that capital financing savings of £440k are now expected in 2013-14 following reduced capital spending in 2012/13 and the early payment of capital receipts from North Lincolnshire Homes

- To transfer the vehicle leasing budget from Community Services (Places) to the Capital Financing budget to consolidate vehicle acquisition costs in one place on a permanent basis (£478k), and
- To apply funding previously withheld for New Homes Bonus in the 2013-14 Financial Settlement but no longer required, and other non ring-fenced government grant. This increases the council's 2013-14 funding by £320k.

It is proposed that the capital financing saving be used to cover the cost of works at Hewson House and that the balance of this saving and the increase in government funding be used to reduce the Council's call on reserves.

- 3.16 On 15th October 2012 the People Directorate received approval from cabinet member for the next stage of their service review. The Directorate have begun the process of implementing the budgetary changes for 2013-14 with the redesignation of service divisions and a redistribution of budget provision. Approval is now required for the implementation of these budgetary changes, primarily enabling budgets to follow the functions of Adult Services that transfer to the Prevention and Commissioning Division. The total net budget for transfer is £1,732k.
- 3.17 The proposed changes to the revenue budget are shown in Appendix 6
- 3.18 Appendix 6A details requests from services for the carry forward of **revenue** budget savings from 2012-13 which are for cabinet to consider. The £514k of earmarked carry forward commitments mentioned at paragraph 3.2 are already included in the proposed budget for 2013/14 shown at Appendix 6.

Capital

- 3.19 The realigned capital budget is shown in summary along with funding implications in Appendix 7 and by scheme in Appendix 7A. This shows the impact of approving the capital carry forward requests outlined at paragraph 3.8.
- 3.20 In addition the proposed programme includes a scheme for the relocation of the highways depot to Billet Lane at a cost of £605k. Budget has been made available for this scheme through the amalgamation of the highways salt barn project £350k which will form part of the project, with the use of slippage of £180k in the Places repairs and maintenance budget. The balance of £75k can be funded from a revenue contribution which has been included as part of the service's carry forward commitments.

4. ANALYSIS OF OPTIONS

4.1 The outturn position on revenue, capital and performance are matters of fact and therefore there are no options to consider.

4.2 There are however choices about;

- The treatment of revenue underspends
- The treatment of capital underspends
- Adjustments to the 2013-14 revenue & capital budgets

Carry Forwards

4.3 There is a requirement to carry forward underspends on ring-fenced funding. This has been applied to funding raised through the special expense in Scunthorpe not utilised in year as well as funding earmarked for playground equipment, depot relocation and highways maintenance totalling £514k.

4.4 Requests to carry forward other directorate underspends of £1.66m are for cabinet to determine. These are shown at appendix 6A and allow for one-off spending on identified priorities.

4.5 All approved carry forwards can be met from reserves resulting from the 2012-13 budget underspend.

Revenue 2013-14

4.6 The proposed alterations detailed in points 3.15 to 3.17 would strengthen the robustness of the 2013-14 revenue budget if supported for approval by cabinet.

Capital spending

4.7 The re-phasing of the capital programme between 2012/13 and later years is necessary to allow schemes to progress to completion and to cover existing commitments.

Performance

4.8 Proposed performance measures *North Lincolnshire Strategy 2013/17* are addressed in separate paper on this agenda.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Financial Implications are covered in sections 3 and 4

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 Not applicable

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 Not applicable

8. RECOMMENDATIONS

8.1 To note the revenue ,capital and performance outturn for 2012/13 at appendices 1 to 5

8.2 To approve the proposed revenue budgets at Appendix 6 and the addition of agreed carry forward of funds from 2012/13

8.3 To approve the revised capital programme at Appendix 7 and 7A.

DIRECTOR OF POLICY & RESOURCES

Civic Centre
Ashby Road
SCUNTHORPE
North Lincolnshire
DN16 1AB
Author: Mike Pollard / Peter Fijalkowski
Date:05-06-2013

Background Papers used in the preparation of this report

REVENUE OUTTURN STATEMENT 2012-13

	Budget £000's	Actual £000's	Variance £000's	%
PEOPLE SERVICES				
Education	3,416	3,431	15	0.4%
Prevention & Commissioning	5,829	5,366	-463	-7.9%
Childrens Services	16,266	16,603	337	2.1%
Adult Services	37,173	37,116	-57	-0.2%
Total People services	62,684	62,516	-168	-0.3%
PLACES				
Customer Services	6,560	6,576	16	0.2%
Community Services	21,390	20,469	-921	-4.3%
Technical and Environmental Services	5,349	5,222	-127	-2.4%
Planning & Regeneration	6,257	6,074	-183	-2.9%
Service Carry Forward Commitments	0	514	514	0.0%
Total Places	39,556	38,855	-701	-1.8%
POLICY & RESOURCES				
Human Resources	2,001	1,945	-56	-2.8%
Legal Services	3,449	3,432	-17	-0.5%
Financial Services	3,598	3,215	-383	-10.6%
Business Support	3,918	3,908	-10	-0.3%
Total Policy & Resources	12,966	12,500	-466	-3.6%
Corporate Budgets And Levies	4,467	4,043	-424	-9.5%
Net Directorate Expenditure	119,673	117,914	-1,759	-1.5%
Other items				
Non-School				
Property Trading Account	-1,343	-1,358	-15	1.1%
Capital Financing	13,845	13,546	-299	-2.2%
Contingency Reserve	641	436	-205	-32.0%
Total Other Non-Schools	13,143	12,624	-519	-3.9%
Total Non-Schools Expenditure	132,816	130,538	-2,278	-1.7%
Schools				
Schools Block -ISB	72,710	69,545	-3,165	-4.4%
Schools - Central & Early Years	14,699	15,182	483	3.3%
Dedicated Schools Grant & Other Grants	-87,409	-87,409	0	0.0%
Total Schools	0	-2,682	-2,682	0.0%
Total Cost	132,816	127,856	-4,960	-3.7%
Use of Reserves				
Non-Schools				
Revenue Support & Earmarked Reserve Accounts	-1,871	-997	874	
Property Trading Account Reserve	0	15	15	
Scunthorpe Special Expenses Reserve	0	37	37	
Carry Forward from 2011-12	-1,986	-1,986	0	
Proposed Carry Forward from 2012-13	0	1,666	1,666	
Total Non-Schools Reserves	-3,857	-1,265	2,592	
Schools				
Schools Block -ISB	0	3,165	3,165	
Schools - Central & Early Years	0	-483	-483	
Total School Reserves	0	2,682	2,682	
Total Use of Reserves	-3,857	1,417	5,274	
Total	128,959	129,273	314	
Formula Grant	-59,593	-59,904	-311	
New Homes Bonus	-640	-640	0	
Collection Fund Surplus	-306	-306	0	
Council Tax Freeze Grant	-1,670	-1,673	-3	
Council Tax	-66,750	-66,750	0	
Total Financing	-128,959	-129,273	-314	
Balance at Year end	0	0	0	

REVENUE BUDGET OUTTURN STATEMENT 2012-13**1. Net Service Spending**

For the seventeenth consecutive year net service expenditure is within budget. The net underspend is £1.8m or 1.5%. This results in a net contribution to reserves after allowing for carry forward commitments of £514k from 2012/13 to 2013/14.

2. Service Analysis**People Service (-£168k)**

- a. Prevention & Commissioning (-£463k, -7.9%): The main element of the underspend relates to home to school transport contract savings.
- b. Children's Services (£337k, 2.1%); Due to the increased complexity of court proceedings legal fees have overspent by £193k. An increased demand for inter-agency adoption placements (£115k), special guardianship orders (£82k) and social care residential agency placements (£53k) have contributed a further £255k to the overspend. These are partially offset by savings within the Youth Offending service arising from a delay in a new data base being implemented.
- c. Adult Services (-£57k, -0.2%); The service has overspent by £560k on residential, homecare and day care services. This is offset by savings across the service primarily relating to safeguarding, vacancy management, carers' support, direct payments, transport charges and external contracts.

Policy & Resources (-£466k)

- a. Human Resources (-£56k, -2.8%); The service overachieved on commercial income recovery from schools by £167k due to increased service provision. In addition there were vacancy and budget management savings of £54k, partially offset by redundancy and strain costs.
- b. Financial Services (-£383k, -10.6%); the Local Taxation & Benefits shared service underspent by £200k as redundancy costs budgeted for 2012-13 were met from savings in 2011-12. There were savings on the new audit contract of £95k and vacancy savings in the audit and risk team.

Places (-£701k)

- a. Community Services (-£921k, -4.3%); Bereavement service underspent by £207k due to over recovery of income and reduced premises costs. Highways underspent by £415k predominantly due to adverse weather conditions preventing completion of the programme of pothole and carriage way repairs and as a result of additional fees being achieved by the traffic section. Building cleaning and catering services made savings of £257k from a reduction in costs and higher than anticipated income recovery.
- b. Technical & Environmental Services (-£127k, -2.4%); Savings were primarily from reduced severance costs, on employee and supplies and service costs in the housing team, and extra licensing income.

- c. Planning & Regeneration (-£183k, -2.9%); Savings were made in staff budgets due to timing on the enhanced apprenticeship scheme £92k, vacancy savings in the BDUK team £67k, and extra income towards administrative costs from the Regional Growth Fund. There was extra income from planning fees, recovery of costs from the sale of council assets and from small holdings £255k. Further savings of £126k were made from the car parking service due to vacancy savings and extra income. These savings offset additional spending on Construction services of £276k relating to the re-designation of capital expenditure to revenue and increased energy and NNDR charges. The security centre overspent by £131k primarily due to the loss of the North Lincolnshire Homes contract.
- d. Carry forward commitments of £514k represent earmarked sums for pothole and other road repairs £415k; for the development of Billet Lane Depot £75k; and for playground equipment funded from Scunthorpe special expenses (£24k).

Corporate Services (-£424k)

- a. Corporate Budget & Levies (-£424k, -8.8%); A saving of £336k was achieved as a result of the new insurance contract and a reduced level of outstanding claims. Further savings were achieved in the Executive Management Team budget through miscellaneous savings including reduced subscription costs.

3. Other Items

- a. The capital financing budget (-£299k, -2.2%) and contingency reserve (-£205k, 32%) were not required in full. Finance and leasing costs were under by £224k and income from investments over by £75k. Of the original £2.8m contingency provision £641k of budget remained unallocated. There were however additional calls on this funding totaling £436k primarily relating to; a 15% claw back of insurance claims settled with predecessor authorities following the wind up of MMI.
- b. School funding is ring fenced and any underspend carries forward into future years. Individual schools manage their own budgets and collectively set aside £3,165k in reserves. Services provided by the council overspent by £483k due to increased demand for SEN independent school provision, statements and early years take up. This overspend will be met from earmarked reserves.

4. Sources of Financing

Appendix 1 also shows how the council's net budget has been financed, through grant, council tax and reserves. A grant refund of £311k was received and applied after government finalised the top-slice taken for academy funding.

5. Carry forward

In line with established practice services have been invited to submit bids to carry forward savings made in 2012/13 to 2013/14. The provisional list is at appendix 6A and is for cabinet to determine.

APPENDIX 3

Capital Programme 2012-13

Planned programme	Budget 2012/13 £000's	Actual 2012/13 £000's	Difference 2012/13 £000's	%	Rephasing £000's
People Service	14,142	13,425	-717	-5%	776
Policy & Resources	495	424	-71	-14%	72
Place Service	22,251	15,215	-7,036	-32%	4,971
Total	36,888	29,064	-7,824	-21%	5,819

Funding Analysis

Grant Funding	21,735	19,769	-1,966	-9%	2,259
External Funding	14	321	307	2193%	0
Property Trading Account	327	566	239	73%	25
Capital Receipts	2,000	4,716	2,716	136%	0
Internal Borrowing	12,329	3,598	-8,731	-71%	3,535
Revenue Funding	483	94	-389	-81%	0
Total	36,888	29,064	-7,824	-21%	5,819

APPENDIX 4

CAPITAL PROGRAMME OUTTURN 2012/13

Programme expenditure was **£29.1m** or 78.8% of the £36.9m approved budget.

There were combined overspends of £0.64m and underspends of £8.47m. This is largely an issue of the timing of expenditure, with some schemes progressing ahead of plan, and others needing to rephase spending into a later year.

The main programme variances

a. People Service (£0.72m , 5.06% underspent)

Underspends

- Building Schools for the future (£0.36m); There are later than anticipated financial close dates on the final 3 schemes due to commercial issues with the delivery partner which are outside the Council's control.
- School & Children's Centre Investment (£0.16m); The underspend was due to delays in work being completed at the Willoughby Road and Bowmandale sites.
- Children's Campus (£0.12m) Progress on site was slower than anticipated up to year end. Still on target to be completed in September 2013.
- CareFirst Developments (£0.1m); Further development has been placed on hold.

Overspends

- Formula Capital Devolved To Schools (£0.15m); This budget is managed by individual schools and therefore not one that the council controls. In addition to the programmed expenditure schools contributed a further £59k to schemes, the remaining £94k requires forward rephasing from 2013/14.

b. Places Service (£7.04m , 31.62% Underspent)

Underspends

- Regional Growth Fund (£2.09m); The timing of expenditure is reliant on when successful applicants claim funding. This can vary due to the need for due diligence processes and when applicants start and complete projects.
- Airport Land Transfer (£0.64m); There is no actual expenditure on this scheme. Adjustments to reflect the transfer have been made in the final accounts.
- Renewable Heating (£0.6m); Progress on these schemes has been delayed due to the requirement for complex feasibility studies to be undertaken for each scheme.
- Disabled Facilities Grants (£0.43m); Schemes were delayed due to adverse weather.
- Baths Hall (£0.43m); The criteria for release of retention monies has not yet been satisfied
- New Homes Bonus Investment (£0.4m); Costs incurred have been accounted for as revenue.
- Local Transport Plan (£0.35m); Delays were incurred due to adverse weather conditions. Programme rephasing will be required to complete work in 2013/14.
- Home Assistance (£0.33m); Progress on schemes was delayed due to adverse weather.
- Fleet Replacement Programme (£0.32m); delays in vehicle procurement.
- Capitalised Property Enhancement (£0.25m); Costs incurred have been accounted for as revenue.

Overspends

- Crowle Market Place Redevelopment (£0.26m) ; This represents the claw back of grant funding, under agreed terms, following the disposal of property previously funded from Yorkshire Forward grant.

North Lincolnshire Council

Performance Scorecard: Outturn 2012-13

North Lincolnshire council is committed to improving its services and outcomes for the people of North Lincolnshire. We measure this improvement with a set of indicators which are linked to the council's priorities. This makes certain that we concentrate our resources on the things that matter to the people of North Lincolnshire.

This report details how we have performed in 2012-13 and identifies our key successes.

◆ Performance Summary 2012-13

- 85% of our key performance indicators performed above target or within tolerance
- 65% of our key performance indicators showed improvement from 2012-13
- 100% of our strategic plan actions are on track to be delivered within timescale
- The council realised 98% of its planned financial efficiencies (over £9m)
- The council's revenue budget was underspent by £1.8m

▪ Key council successes during 2012-13:

▪ Excellence in Customer Service

- North Lincolnshire Council's Adult Community Learning service Graded GOOD by Ofsted
- The council launched customer self-service portal allowing the public to more easily report and track issues
- The council won the 'Macro Employer of the year' category of the National Apprenticeship awards 2012
- Neighbourhood Services were nominated for 'APSE Best Performer Award in Parks, Open Spaces and Horticulture'
- The Pods received the "Winner of Winners" and Best Community Project award and were a finalist in the National LABC Building Excellence Awards
- North Lincolnshire Museum has been successful in achieving the Charter mark award for Communication and Interaction. This is a ground-breaking achievement as it's the first achieved outside of the education sector
- Waters' Edge Visitor Centre retained its Visitor Attraction Quality Assurance Scheme status
- Council's tourism team won the Constance Eastwood Challenge Cup for best non-agricultural stand at the Lincolnshire show
- North Lincolnshire's 'moment to shine' was organised in June with 37,000 people watching the Olympic torch
- The central library was picked to be one of only 24 on the English and Welsh leg of the Children's Laureate UK Libraries Tour
- Library Facebook account established and live to the public, with 11,026 hits since its launch in May
- Public wifi was installed at the Central Library and Barton and Brigg Libraries
- The council achieved its 13th consecutive Royal Society for the Prevention of Accidents gold award
- An innovative website was launched allowing the public easy access to transparent performance information
- A new council publication was launched to all households in North Lincs
- The Electoral Commission validated the council's election arrangements

▪ **Make our Communities Safer & Stronger**

- Public Health has successfully transferred its functions to the council
- The judgement of outstanding for Looked after Children Services had only been achieved by 1 other authority. A letter was received from Tim Loughton (Parliamentary under Secretary for Children & Families) congratulating North Lincolnshire Council
- Fostering services received an outstanding judgement from Ofsted
- The Youth Offending Service inspection outcome is very positive with the Chief Executive of the Youth Justice Board confirming that North Lincolnshire's services is performing in the top 5% of England and Wales.
- The Children's home judgement of Outstanding is only achieved by the top 22% of homes inspected.
- The CQC inspection of the Adults Community Support Team and the 2 care homes produced a judgement of "Compliant" with all the standards inspected. This judgement is highest CQC award
- Adults Workforce Development Team won the regional award for the foundation certificate in rehabilitation and reablement in the macro employer category
- 11 of the 12 Children's Centres in North Lincolnshire have been inspected; all those have achieved a Good judgment. North Lincolnshire is one of 32 authorities to have 100% good or better inspected provision
- Major investment work started on final two BSF projects (Frederick Gough and St Bedes), with Priority Schools Build programme projects to commence at Baysgarth and Vale later in the year.
- 25,140 under-16s attended free swimming in all council Leisure Centres.
- There has been a significant reduction of crime with all targets being met. Targeted work with communities and businesses led to significant reduction in all crime which has resulted in 1320 crimes under target
- The Department of Communities and Local Government highlighted as a national case study our preparedness for Community Right to Challenge
- Recognised in the National Centre for Public Scrutiny publication for work on health and well being and clinical commissioning
- Completed building works at Invenio academy and East Block at St. Lawrence academy
- The office of the Children's Commissioner has identified North Lincolnshire Council as outstanding in working with schools to keep children safe
- Ofsted has published the paper "A group-work approach to consultation with children and young people subject to child protection plans: North Lincolnshire Council". The publication recognizes the value of the innovative approach to engaging with children and young people who are subject to child protection plans through the "Cool Kids Club".
- Work has begun on the new children's campus, which is on target for September 2013
- Increased opportunities for young people to have their voices heard through the election of a Young Mayor and a Member of the Youth Parliament with almost 6000 young people participating in the election.
- The Imagination Library has been launched with over 600 children already registered across the Isle. Over the next year this will help develop a lifelong love of reading for over 5000 children from birth to age 5.
- A new primary School at St Peter's and St. Paul's opened in September 2012.
- New classroom provision at Wrawby primary, Westcliffe Primary, and two new classrooms at Brigg primary and St Luke's
- Funding awarded for six schools to be rebuilt.

▪ **Provide Value for Tax Payers Money**

- A National Fraud Initiative exercise identified £208k savings
- The Carbon Master Standard was achieved for the whole council based upon our year on year energy and carbon reductions

- There was a major change to waste and recycling collections throughout the area to improve the efficiency of collections
- The council successfully took over management of all eight Household Recycling Centres from SITA
- The council generated £85k of new income through contract arrangements
- The council launched the Buy4Northernlincs website to help local businesses successfully bid for council contracts
- The council received unqualified opinion of its accounts and a positive value for money assurance from the external auditors
- The council was a finalist in the 2013 national awards for procurement innovation
- Council-wide procurement savings totalled £1.31m
- The percentage of council tax collected was 98.1% (the first time we have collected over 98%)
- The amount of council services classified as providing poor value for money has reduced to only 3%
- The council realised 98% of its planned financial efficiencies (over £9m)
- The council's revenue budget was underspent by £1.8m

▪ **Regenerate our area & increase prosperity:**

- 'Wheels 2 Work' officially started in December to hire scooters or bicycles to those having difficulty accessing employment, training or education
- Adult Community Learning became one of the first Healthy FE and Skills providers to gain recognition
- The Learning and Skills Improvement Agency awarded a certificate of achievement to Adult Community Learning as community leaders who have demonstrated strong relationships with partners
- 7 new jobs were created through the attraction of European funding for business support. This will enable a free package of support to be available to eligible Small and Medium Enterprises
- Over 5,900 residents and businesses have registered their demand for better broadband across Northern Lincolnshire since the project commenced.
- 24 new apprentices started work with the council in April 2012. 70% of the April 2012 apprentices have successfully moved on to full-time work
- Brigg Heritage Centre was officially opened
- 101 new jobs have been created through Regional Growth Fund (Subject to Due Diligence)
- The council received approval to commence Lincolnshire Lakes Consultation
- The council successfully defended a High Court challenge to a major retail development
- The council introduced an apprenticeship development programme to support young people to move into long-term employment

▪ **Key performance indicators: Outturn Findings**

- The number of people classed as NEET fell for the 3rd year in a row to 5.5%
- The number of citizens participating at regulatory meetings has risen to over 150
- The percentage of non-principal roads requiring maintenance has reduced to 9%
- The percentage of community grant applications approved at cabinet was 97%
- No Permanent exclusions from school in the last two years
- The value of general fund disposals in 2012-13 was £1.26m
- 44% of contracts let (over £10k) went to local companies
- The audience for the council's social media presence has doubled over the past 12 months
- 94% of children received their first choice of school admission
- 100% of looked after children's' cases were received within timescale
- 100% of child protection cases which were reviewed within required timescales
- 100% of regulated children's services were judged good or better through external inspection
- 71% of Social Care Clients Received Self Directed Support (Direct Payments and Personal Budgets)

- There were no delayed transfers of care from hospital which are attributable to adult social care
- The proportion of older people who were still at home 91 Days After Discharge from Hospital into Reablement/Rehabilitation Services rose to 92.2%
- The number of first time entrants to the youth justice system fell to 320

APPENDIX 6

Budget 2013-14

	Approved Budget 2013-14 £000's	Revised Budget 2013-14 £000's	Adjustment £000's
<u>PEOPLE SERVICES</u>			
Education	5,863	5,880	17
Prevention & Commissioning	8,949	10,681	1,732
Childrens Services	13,458	13,441	-17
Adult Services	37,491	35,759	-1,732
Total People services	65,761	65,761	0
<u>PLACES</u>			
Customer Services	5,916	5,940	24
Community Services	25,282	25,282	0
- Highways Carry Forwards	0	490	490
- Vehicle Leasing Budget Transfer	0	-478	-478
Technical and Environmental Services	4,698	4,698	0
Planning & Regeneration	2,668	2,668	0
BSF & Waste	1,261	1,261	0
Total Places	39,825	39,861	36
<u>POLICY & RESOURCES</u>			
Human Resources	1,908	1,908	0
Legal Services	3,230	3,230	0
Financial Services	3,302	3,302	0
Business Support	3,994	3,994	0
Total Policy & Resources	12,434	12,434	0
<u>CENTRAL BUDGETS</u>			
Corporate Budgets & Levies	14,025	14,190	165
Capital Financing	13,463	13,463	0
-Reduced Capital Financing Costs	0	-440	-440
-Vehicle Leasing Budget Transfer	0	478	478
Contingency	1,670	1,670	0
Total Central Budgets	29,158	29,361	203
Total Net Budget	147,178	147,417	239
Funding	144,869	144,869	0
Additional Government Grants	0	320	320
Use of reserves	2,309	2,228	-81
Total Funding	147,178	147,417	239
Variance	0	0	0

Revenue Requests for Carry Forwards

Service Request	Underspend	Requested Carry Forward
	£000's	£000's
<u>Places</u>		
Customer Services	16	
Anticipated redundancy/retirement to facilitate savings		50
Community Services	-921	
Health & Safety equipment for Neighbourhood Services & Rural Youth Initiative		29
Kerbside recycling (reduced income & higher handling charges)		100
Reassessed gas bill at the Crematorium		66
Technical & Environmental Services	-127	
Veterans housing scheme		30
Pollution monitoring/assessment of former Landfill Sites		150
Planning & Regeneration	-183	
Administration to distribute the Regional Growth Fund		50
BDUK match funding (ERDF funding condition)		229
Apprenticeship Scheme enhancement		122
Anticipated redundancy/retirement to facilitate savings		50
CCTV in Epworth		45
Free Parking in Town Centres		113
	<hr/>	<hr/>
	-1215	1034
<u>Policy & Resources</u>		
Human Resources	-56	
Legal Services	-17	
Locum solicitor fees due to two staff long term absences		20
Financial Services	-383	
Payroll system developments		40
Income management system developments		20
Business Support	-10	
Reduced Broadband charges to schools (YHGFL funding)		75
Service desk system development/replacement		50
IT Service developments and Software upgrades		42
	<hr/>	<hr/>
	-466	247

Central Services

Service Request	Underspend	Requested Carry Forward
	£000's	£000's
Corporate & Miscellaneous	-424	
Integrated Working Pioneer		50
	<hr/> -424	<hr/> 50
<u>People Service</u>		
Education	15	
To support the additional requirements of the new Ofsted inspection		50
Prevention & Commissioning	-463	
To extend the Community Outreach Worker which is fundamental to transformation of the universal service		25
Children's Services	337	
To set aside funds for the replacement YOS which was delayed in 2012-13		70
To cover the ongoing pressures relating to litigation and legal costs for court procedures		190
Adult Services	-57	
	<hr/> -168	<hr/> 335
<u>Sub-Total</u>	<hr/> -2,273	<hr/> 1,666
Service Carry forward Commitments	514	
<u>Total</u>	<hr/> -1,759	<hr/> 1,666

Appendix 7

Capital Programme 2013-17

Planned programme	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
People Service	28,841	18,025	5,913	2,869
Policy & Resources	1,484	360	100	50
Place Service	38,999	21,887	14,413	10,333
Total	69,324	40,272	20,426	13,252

Funding Analysis

Grant Funding	41,174	19,125	12,246	8,303
External Funding	646	2,080	0	0
Property Trading Account	2,451	1,950	3,000	0
Capital Receipts	2,000	2,000	2,000	2,000
Internal and External Borrowing	22,717	15,084	3,152	2,921
Revenue Funding	336	33	28	28
Total	69,324	40,272	20,426	13,252

Capital Programme 2012-17

Schemes	Budget	Actual	Difference	Programme Rephasing to (+) from (-) 2013/14 £000's	Budget	Budget	Budget	Budget
	2012/13 £000's	2012/13 £000's	2012/13 £000's		2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
People Service Capital Programme								
Rolling Programme								
Formula Capital Devolved To Schools	445	599	153	-94	1,026	491	491	491
Access In Schools	37	26	-11	11	211	100	100	100
Total Rolling Programme	482	624	142	-83	1,237	591	591	591
2012-13 and Earlier Starts								
Improving the Care Home Environment	14	12	-2	0	0	0	0	0
Childrens Homes Refurbishment	0	3	3	0	0	0	0	0
CareFirst Developments	114	11	-103	103	103	0	0	0
Care First Computer System	65	26	-39	39	42	0	0	0
Building Schools for the Future - Construction	7,486	7,126	-360	359	16,202	10,552	1,042	0
Lakeside New Primary	2,294	2,337	43	-43	277	0	0	0
Messingham Primary Consolidation	0	-10	-10	0	0	0	0	0
Primary Capital Programme	740	723	-17	17	117	0	0	0
School Kitchens, equipment & facilities	45	41	-4	4	4	0	0	0
14-19 Diploma in Rural Areas	0	0	0	0	0	0	0	0
Sure Start Children's Centres	25	-8	-33	33	109	0	0	0
School & Children's Centre Investment	2,045	1,890	-156	165	6,862	4,782	4,280	2,279
Schools Temporary Building Replacement	386	323	-62	62	923	400	0	0
St Bedes Playing Field	1	1	0	0	0	0	0	0
Short Breaks for Disabled Children	0	0	0	0	217	0	0	0
Children's Campus	446	326	-120	120	1,041	0	0	0
Total 2012-13 and Earlier Starts	13,660	12,801	-859	859	25,897	15,734	5,322	2,279
2013-14 Starts								
Early Years 2 Year old placements	0	0	0	0	265	0	0	0
Upgrade Server for Case Management System	0	0	0	0	119	0	0	0
Lilacs Rehab Unit & Social Hub	0	0	0	0	1,323	1,700	0	0
Total 2013-14 Starts	0	0	0	0	1,707	1,700	0	0
Total People Services Capital Programme	14,142	13,425	-717	776	28,841	18,025	5,912	2,869
Policy & Resources Capital Programme								
Rolling Programme								
Capitalised IT Staff Costs	50	35	-15	15	65	50	50	50
Total Rolling Programme	50	35	-15	15	65	50	50	50
2012-13 and Earlier Starts								
Government Connect	14	4	-10	10	10	0	0	0
Worksmart	259	212	-47	47	135	0	0	0
Winterton Community Hub	167	166	-1	0	0	0	0	0
Satellite/Rfid (Lpsa2)	0	4	4	0	0	0	0	0
Website replacement	5	3	-2	0	0	0	0	0
Total 2012-13 and Earlier Starts	445	389	-56	57	145	0	0	0
2013-14 Starts								
Council IT Rationalisation	0	0	0	0	200	200	50	0
Training Centre Sir John Nelthorpe	0	0	0	0	584	0	0	0
Data Centre Hardware Replacement	0	0	0	0	90	110	0	0
Business Intelligence; Data Warehouse Proof of Concept	0	0	0	0	50	0	0	0
Electronic Document Management System	0	0	0	0	350	0	0	0
Total 2013-14 Starts	0	0	0	0	1,274	310	50	0
Total Policy & Resources Capital Programme	495	424	-71	72	1,484	360	100	50
Place Service Capital Programme								
Rolling Programme								
Community Capital Grants	300	292	-8	8	308	300	300	300
Design Preliminaries	200	194	-6	5	205	200	200	200
Minor Works Capital	50	44	-6	6	56	50	50	50
Building Enhancement	500	337	-163	413	608	375	375	375
Capitalised Property Enhancement	250	0	-250	0	0	0	0	0
Office Accommodation Schemes	10	7	-3	3	53	50	50	50
Drainage & Flood Defence	400	330	-70	70	470	400	400	400
Leisure Equipment, purchase not lease	155	124	-31	31	131	100	100	100
Local Transport Plan	5,182	4,834	-348	291	7,614	6,743	4,743	4,743
Safety Camera Partnership	12	0	-12	12	14	0	0	0
Street Lighting	694	697	3	0	500	500	500	500
Countryside Rights of way	24	49	25	-2	48	50	50	50
Home Assistance (formerly Renovation Grants)	1,059	724	-335	0	819	1,019	1,019	1,019
Disabled Facilities Grants	1,504	1,072	-432	0	1,148	1,148	1,148	1,148

Schemes	Budget	Actual	Difference	Programme Rephasing to (+) from (-) 2013/14 £000's	Budget	Budget	Budget	Budget
	2012/13 £000's	2012/13 £000's	2012/13 £000's		2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
Fleet Replacement Programme	1,000	679	-321	0	1,463	1,000	1,000	1,000
Waste Infrastructure	111	50	-61	61	177	116	116	116
Total Rolling Programme	11,451	9,433	-2,018	898	13,614	12,051	10,051	10,051
Property Trading Account Developments								
Grange Lane Nursery	25	0	-25	25	25	0	0	0
Crowle Moor	30	31	1	0	0	0	0	0
NEP Plot 12	0	0	0	0	82	0	0	0
NEP Plot 25	0	0	0	0	267	0	0	0
Market Minor Works	171	177	6	0	0	0	0	0
NEP7 Reclamation (Stage 1 & 2)	86	88	2	0	0	0	0	0
Custodians Bungalow (PTA funding)	15	16	1	0	0	0	0	0
Burdock Road Phase 1	0	0	0	0	175	0	0	0
Demolition of Brigg Market Store & Replacement	0	0	0	0	28	0	0	0
Conversion of Brigg CCTV network to wireless	0	0	0	0	24	0	0	0
M181 De-trunking: Lakeside First Phase	0	0	0	0	50	950	2,500	0
Housing Units Town Centre	0	0	0	0	500	1,000	500	0
Infrastructure Improve Airport	0	0	0	0	600	0	0	0
A18 Roundabout Access to Development	0	0	0	0	700	0	0	0
Total Property Trading Account	327	311	-16	25	2,451	1,950	3,000	0
PTA Managed Schemes - General Fund								
Crowle Market Place Phase 2	140	397	257	-257	753	0	0	0
Town Centre Regeneration	0	0	0	0	790	164	210	179
Housing Schemes	0	0	0	0	785	789	0	0
Total PTA Managed Schemes - General Fund	140	397	257	-257	2,328	953	210	179
2012-13 and Earlier Starts								
Normanby Hall Access	4	3	-1	0	0	0	0	0
The Pods	250	224	-26	26	654	0	0	0
Baths Hall	510	80	-430	430	430	0	0	0
20-21 Improved Storage	5	0	-5	5	5	0	0	0
Connect 2 Scunthorpe Ridgeway	867	921	54	0	0	0	0	0
Carbon management	574	397	-176	176	440	108	103	103
Barrow Flood Alleviation Scheme	541	536	-4	0	0	0	0	0
Manifold Road Showman & Travellers Site	280	87	-193	193	193	0	0	0
Advance Crosby	171	59	-112	112	112	0	0	0
Install Fuel Tanks Kendale Rd	87	76	-11	11	11	0	0	0
Waste Containers and Storage	60	60	0	0	0	0	0	0
Super Hostel	0	0	0	0	218	0	0	0
Mercury Filtration Plant at Woodlands Crematorium	817	851	34	-31	0	0	0	0
Regional Housing Home Appreciation Loan	77	0	-77	77	77	0	0	0
Re-Locate Station Rd Depot	0	12	12	0	0	0	0	0
Contaminated Land Midland Rd	0	48	48	0	0	0	0	0
20 mph zones outside of Schools	118	96	-22	22	47	0	0	0
South Leys	200	156	-44	44	115	0	0	0
Renewable Heating	600	5	-595	595	695	0	0	0
Carlton Street Multi-Storey Car Park	41	38	-3	3	3	0	0	0
Brumby Demolition Work	0	0	0	0	141	0	0	0
Potholes	37	12	-25	25	25	0	0	0
Relocation of Brigg Library & Local Link	314	309	-5	2	2	0	0	0
Teeing Ground Normanby Hall Golf Club	70	35	-35	35	35	0	0	0
Foxhills Beck Bank Reinstatement	40	40	0	0	0	0	0	0
Bottesford Beck Pond & Access	115	14	-101	101	176	0	0	0
Parishes car park	250	38	-212	212	332	0	0	0
Demolition of surplus buildings	17	0	-16	16	396	0	0	0
Heritage Centre Angel Phase 1	70	54	-16	0	0	0	0	0
Central Community Centre Toilet Refurbishment	30	30	0	0	0	0	0	0
Household RC Improvement	150	3	-147	147	897	0	0	0
Broughton Library	185	178	-7	2	2	0	0	0
Regional Growth Fund	2,679	585	-2,094	2,094	9,225	0	0	0
Airport Land Transfer	636	0	-636	0	0	0	0	0
New Homes Bonus Investment	403	0	-403	0	0	0	0	0
Highways Maintenance	125	125	0	0	0	0	0	0
North Lincolnshire Veterans	10	0	-10	10	10	0	0	0
Total 2012-13 and Earlier Starts	10,333	5,074	-5,259	4,305	14,239	108	103	103
2013-14 Starts								
Museum Gallery Improvements	0	0	0	0	0	100	0	0
BDUK North Lincolnshire Broadband	0	0	0	0	700	2,798	700	0
University Technical College	0	0	0	0	150	0	0	0
Brigg Recreation Ground Redevelopment	0	0	0	0	500	2,500	0	0
Cambridge House Community Library	0	0	0	0	350	0	0	0
Convert 14 CCTV Cameras	0	0	0	0	40	0	0	0
Control Room Refurbishment Security Control Centre	0	0	0	0	35	0	0	0
Epworth Leisure Centre Fitness Extension	0	0	0	0	37	0	0	0

Schemes	Budget	Actual	Difference	Programme Rephasing to (+) from (-) 2013/14 £000's	Budget	Budget	Budget	Budget
	2012/13 £000's	2012/13 £000's	2012/13 £000's		2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's
Normanby Hall Tractor Train	0	0	0	0	43	0	0	0
Epworth Skate Park	0	0	0	0	80	0	0	0
Border Inspection Post	0	0	0	0	50	0	0	0
Quibell Park Redevelopment	0	0	0	0	2,100	0	0	0
Normanby Hall Woodland Paths	0	0	0	0	80	0	0	0
Enhanced Community Fund	0	0	0	0	300	0	0	0
Ancholme Leisure Centre Fitness Extn/Dance	0	0	0	0	548	0	0	0
Ancholme Leisure Centre Entrance Lobby	0	0	0	0	201	0	0	0
Epworth Leisure Centre Changing Refurbishment	0	0	0	0	89	0	0	0
Ancholme Leisure Centre; Changing Room Refurbishment	0	0	0	0	151	0	0	0
Skate parks & Multiuse games area	0	0	0	0	250	250	250	0
Wi-Fi Hot Spots	0	0	0	0	15	0	0	0
Speed Management Sites	0	0	0	0	20	0	0	0
East Halton Flood Alleviation	0	0	0	0	24	0	0	0
Highways & Transport Depot - 8-9 Billet Lane	0	0	0	0	605	0	0	0
Total 2013-14 Starts	0	0	0	0	6,368	5,648	950	0
2014-15 Starts								
Winterton Community Hall	0	0	0	0	0	100	0	0
20-21 VAC Refurbish Visitor Facilities	0	0	0	0	0	740	0	0
Accommodate Young People in Need	0	0	0	0	0	150	100	0
Plowright Dressing Room Refurbishment	0	0	0	0	0	187	0	0
Total 2014-15 Starts	0	0	0	0	0	1,177	100	0
Total Places Service Capital Programme	22,251	15,215	-7,036	4,971	38,999	21,887	14,413	10,333
Total Capital Programme	36,888	29,064	-7,824	5,819	69,324	40,272	20,426	13,252