

**AGENDA MANAGEMENT SHEET**

**Name of Committee**

**Cabinet**

**Date of Committee**

**21 July 2005**

**Report Title**

**2004/2005 Final Revenue Outturn**

**Summary**

The final revenue spending of the Council in 2004/2005 was £454.955 million. This represents a £9.335 million service underspend compared to the latest approved budget of £464.290 million (excluding contributions to and from the Capital Fund). The report provides a summary of the overall position, with the details of individual service spending in the attached appendices.

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**Would the recommended decision be contrary to the Budget and Policy Framework?**

No.

**Background papers**

2004/2005 Closedown files held both centrally and in service departments

**CONSULTATION ALREADY UNDERTAKEN:-**

Other Committees

☐ .....

Local Member(s)

☐ .....

Other Elected Members

☒ Relevant service appendices to Cabinet Portfolio holders for comment, Chair and spokespersons of Overview & Scrutiny Committees for information Cllr Saint "There will need to be a strategy to deal with revenue overspends"

Cabinet Member

☒ Councillor Cockburn plus Councillor Atkinson, Councillor McCarney & Councillor Booth for comment

Chief Executive

☐

- |                          |  |
|--------------------------|--|
| Legal                    | <input checked="" type="checkbox"/> David Carter, County Solicitor & Assistant Chief Executive                     |
| Finance                  | <input checked="" type="checkbox"/> David Clarke, County Treasurer – reporting officer                             |
| Other Chief Officers     | <input checked="" type="checkbox"/> Individual service appendices have been approved by the relevant Chief Officer |
| District Councils        | <input type="checkbox"/> .....   |
| Health Authority         | <input type="checkbox"/> .....   |
| Police                   | <input type="checkbox"/> .....   |
| Other Bodies/Individuals | <input type="checkbox"/> .....   |

**FINAL DECISION NO**

**SUGGESTED NEXT STEPS:**

- |   |   |
|---|---|
| Further consideration by this Committee | <input type="checkbox"/> .....  |
| To Council                              | <input type="checkbox"/> .....  |
| To Cabinet                              | <input checked="" type="checkbox"/> The statutory statement of accounts have been submitted to Cabinet elsewhere on this agenda |
| To an O & S Committee                   | <input type="checkbox"/> .....  |
| To an Area Committee                    | <input type="checkbox"/> .....  |
| Further Consultation                    | <input type="checkbox"/> .....  |

**Cabinet - 21 July 2005**

**2004/2005 Final Revenue Outturn**

**Report of the County Treasurer**

**Recommendation**

It is recommended that the Cabinet:

1. Note the 2004/2005 final revenue spending and the reserves position at the year-end.
2. Approve the recommendation of the County Treasurer not to transfer any funds to general reserves in respect of departmental carryforwards.
3. Approve the use of £2,920,000 of TSF funds in 2005/2006.
4. Note the reduction of £419,000 in the 2005/2006 budget for Planning, Transport and Economic Strategy and £147,000 for Social Services to repay their overdrawn reserves at the year end.
5. Approve the use of £2,526,000 service savings to support the 2005/2006 Revenue Budget as outlined in the report.
6. Approve the use of £55,000 of general reserves in 2005/2006 to repay the overdrawn balance at the year end in respect of the Children's Act Project Team, the underwriting of which was initially approved by Council on 16<sup>th</sup> September 2004 up to a maximum of £204,000.
7. Note the reclassification of the Social Services reserve for the refund of charges in respect of client aftercare of £250,000 to a provision & agree the consequential accounting transactions.

**1. Introduction**

- 1.1 The County Council's revenue outturn spending for 2004/2005 has now been finalised. This report provides a summary of the overall position, with the details of individual service spending in the attached appendices. It is important to emphasise that these figures have not yet been audited and may be subject to change. Any significant changes will be reported to Cabinet before the end of October in line with statutory requirements. Approval is being sought for the statutory statement of accounts elsewhere on the agenda.

## **2. Spending compared with estimates**

- 2.1 Revenue outturn spending for 2004/2005 was £454.955 million excluding contributions to and from the Capital Fund. This compares to the latest approved budget of £464.290 million giving a net service underspend for the year of £9.335 million (2.0%).
- 2.2 Of this underspend £2.920 million relates to the Standards Fund Grant where the spending period extends to August 2005. A further £1.499 million represents the underspend on ring fenced delegated schools budgets. These reduce the apparent underspend on Education to £1.766 million.
- 2.3 In addition the authority received £0.679 million additional income from PSA1 (Public Service Agreements) due to better than expected performance against targets.
- 2.4 Excluding these items the underlying underspend on services within the County Council's direct control is £4.237 million.
- 2.5 Table 1 below shows the actual outturn position for each service compared to the adjusted revenue budget for the year. Further details of the reasons for the variation for each service are shown in the relevant appendix (A to L).
- 2.6 The Appendices also give details of spending on specific 2004/2005 budget allocations where funding was earmarked in the budget to specific projects. They also give details of allocations made from the Virtual Bank in 2004/2005 and repayments to the Virtual Bank in respect of loans taken out in previous years.
- 2.7 The figures for Social Services throughout this report assume the redesignation of the reserve for the refunding of charges in respect of client aftercare (Section 117) to a provision in 2004/2005.

<b>Table 1: 2004/2005 spending compared to the latest approved budget</b>					
Appendix No.	Service	Original Gross Budget	Latest Approved Budget	Actual Spending	Actual Over / (Under) spend)
		£'000	£'000	£'000	£'000
A	CAMS	3,880	2,145	1,454	(691)
B	Chief Executive's	9,062	7,565	7,298	(267)
C	Education	341,133	316,605	310,420	(6,185)
D	Fire & Rescue	21,524	22,499	22,430	(69)
E	LH&TS (Note 1)	15,225	14,973	15,066	93
F	PT&ES	58,695	47,112	47,680	568
G	Property Services	4,194	4,285	4,474	189
H	Social Services	152,117	103,314	103,239	(75)
I	Treasurer's	1,553	692	352	(340)
J	Other Services -	25,313	21,839	19,387	(2,452)
K	Magistrates Courts	3,603	1,592	1,592	0
L	Youth Offending Team	2,009	1,279	1,173	(106)
	Young Persons Social Inclusion (Note 2)	449	0	0	0
	Notional Assets Rentals	(43,636)	(79,610)	(79,610)	0
	<b>Total</b>	<b>595,121</b>	<b>464,290</b>	<b>454,955</b>	<b>(9,335)</b>
	less:-				
	Standards Fund				2,920
	Ring fenced delegated schools budget				1,499
	Additional PSA Reward Grant				679
	<b>Total underspend on directly controlled services</b>				<b>(4,237)</b>

Note 1 - Net overspend includes a service overspend of £108k and income from Trust Funds £15k

Note 2 - YPSI was allocated fully to services in the year

2.3 As in previous years, the figures quoted here show the payments actually made (or accrued) in respect of pensions, that is those costs which are ultimately charged against government contributions, grants and the Council Tax. For teachers and staff belonging to the Local Government Pension Scheme we show the employer's contribution we have made. For the Fire Fighters Pension Scheme the figures show pensions paid to pensioners less the employees' contributions for the year.

2.4 The statutory accounts, which are being presented elsewhere on this agenda will show revenue spending, adjusted for the technical financial reporting standard for pension costs (FRS17) in which we account for pension benefits when we have become committed to give them, rather than when they are paid.

### 3. 2004/2005 Carry Forward Rules

3.1 As in previous years cost centre managers were required to submit a forecast of their final outturn position in mid April. Over the last few years this forecast has been subject to clawback arrangements under the carryforward scheme and this has helped encourage ownership of forecasting by managers.

- 3.2 Over the years good progress has been made by departments in encouraging accurate forecasting. Last year the difference between the final outturn and the forecast outturn excluding schools was £0.090 million. This year the difference between the final and forecast outturn is £0.195 million.
- 3.3 On 15<sup>th</sup> March 2005 Council approved amended Financial Standing Orders, which make changes to the carry forward rules with effect from 1<sup>st</sup> April 2005.
- 3.4 The main change in rules allows for a recommendation being made by the County Treasurer to Cabinet not to allow a carry forward of any underspending on the grounds of inadequate forecasting or financial management. Evidence of inadequate forecasting could include: -
- Failure to provide a forecast in accordance with the agreed corporate timetable.
  - Failure to ensure that procedures and systems provide all relevant information in a timely fashion for completion of a robust forecast.
  - Failure to take into account information about actual income and expenditure in completing the forecast.
  - Failure to follow a logical, robust and documented process of estimation for income and expenditure where the actual figures cannot be available at the time of the forecast.
- 3.5 The Treasurer is not recommending that any clawback of carryforwards be imposed this year.

**Table 2: 2004/2005 spending compared with forecast outturn for services covered by the scheme of carry forwards**

Service	Forecast Overspend / (Underspend) as at 15/04/05 £'000	Actual Overspend / (Underspend) £'000	Variation 2004/2005 £'000	Variations 2003/2004 £'000
CAMS	(708)	(691)	17	(39)
Chief Executive's (note 1)	(69)	(2)	67	(43)
Education - LEA	(3,453)	(3,600)	(147)	88
Fire & Rescue (note 2)	(167)	(170)	(3)	(20)
LH&TS (Note 3)	143	93	(50)	(74)
PT&ES	416	568	152	(152)
Property Services	202	189	(13)	(24)
Social Services	(247)	(75)	172	176
Treasurer's	(340)	(340)	0	(2)
<b>Total</b>	<b>(4,223)</b>	<b>(4,028)</b>	<b>195</b>	<b>(90)</b>

Note 1: Excludes Teenage Pregnancy and Drug Action Team which do not form part of the department's budget.

Note 2:- Includes fire pensions but excludes fire radios project expenditure £101k funded by the Fire Radio project reserve (Capital)

Note 3 - The net overspend includes £15k income from trust funds.

#### 4. Reserves

- 4.1 Table 3 below outlines the County Council's reserves following the closure of the 2004/2005 accounts. As for the figures for the revenue account these exclude the technical accounting reserves which we will show in our statutory accounts to comply with FRS17.

**Table 3: Reserves as at 31 March 2005**

Reserve	Reserves In-Hand / (Overdrawn) at 01/04/04  £'000	Changes in 2004/2005  £'000	Reserves In-Hand / (Overdrawn) at 31/03/05  £'000
General	2,920	3,425	6,345
Schools - LMS	7,306	1,357	8,663
Schools loan	(2,562)	2,562	0
Schools - IT Security	(1,013)	20	(993)
Schools TSF	1,191	(105)	1,086
Service Savings	8,624	4,300	12,924
Policy Initiatives Fund	64	(61)	3
Virtual Bank	(4,047)	594	(3,453)
Insurance Fund	7,083	1,104	8,187
Capital Fund	7,439	(3,763)	3,676
<b>Total</b>	<b>27,005</b>	<b>9,433</b>	<b>36,438</b>

May not sum due to roundings

4.2 The attached appendices describe the planned and actual use of reserves in 2004/2005 and how services wish to use final underspends to support the 2005/2006 revenue budget. Approval is therefore being sought for £2,526,000 of service savings to be used to support the 2005/2006 revenue budget. As outlined in the attached appendices much of the underspend in 2004/2005 relates to specific service plans.

4.3 Table 4 below shows:-

- The reserves position as at 1 April 2005:
- The use of reserves in 2005/2006 that has already been approved as part of the budget process:
- Automatic carry forwards, and
- The additional use requested as a result of the outturn position.

4.4 Spending in line with budgets would result in reserves of £27,293,000 at the end of 2005/2006.



**Table 4: Reserves as at 31/03/2006**

Reserve	Reserves In-Hand / (Overdrawn) at 01/04/05 £'000	Budgeted Use/Contributions in 2005/2006 £'000	Automatic Carry forwards to 2005/2006 £'000	Additional Use/Contributions Now Requested £'000	Reserves In-Hand / (Overdrawn) at 31/03/06 £'000
General	6,345	0		(55)	6,290
Schools - LMS	8,663	0			8,663
Schools - IT Security	(993)				(993)
Schools TSF	1,086		(1,086)		0
Policy Initiatives Fund	3				3
Virtual Bank	(3,453)	(221)			(3,674)
Insurance Fund	8,187				8,187
Capital Fund	3,676	(3,003)			673
	<b>23,514</b>	<b>(3,224)</b>	<b>(1,086)</b>	<b>(55)</b>	<b>19,149</b>
Service Savings:-					
CAMS (Note 1)	2,403	(850)		(302)	1,251
Chief Executive's (Note 2)	1,895	(309)		(307)	1,279
Education - LEA	4,862		(1,834)	(1,197)	1,831
Fire & Rescue - general	410	(126)		(284)	0
Fire & Rescue - pensions	(454)				(454)
LH&TS - general service savings	(108)	560	0		452
LH&TS - Trust Funds	280				280
PT&ES	(419)		419	111	111
Property Services	579				579
Social Services - general	(202)	0	147	55	0
Social Services - earmarked	595	(237)		(67)	291
Social Services S117	0	(250)		250	0
Treasurer's	588			(388)	200
Other Services	890			0	890
Fire Radios project	1,216				1,216
Youth Offending Team	328	171		(342)	157
Young Persons Social Inclusion	60				60
<b>Sub Total</b>	<b>12,924</b>	<b>(1,041)</b>	<b>(1,268)</b>	<b>(2,471)</b>	<b>8,144</b>
<b>Total</b>	<b>36,438</b>	<b>(4,265)</b>	<b>(2,354)</b>	<b>(2,526)</b>	<b>27,293</b>

(Note table may not sum due to roundings)

Note 1 - CAMS use of reserves £1,152k (£302k + £850k) includes a transfer of £261k to the Education Department to support the Grounds Maintenance outsourcing contract in 2005/2006.

Note 2 - £656k of these reserves as at 31st March 2006 are held on behalf of Area Committees.

## **5. Spending compared with the provisional outturn**

- 5.1 Each annex (A to L) also shows the actual outturn position for each service compared to the provisional outturn reported on 3 February 2005 and details the reasons for the variations.

DAVID CLARKE  
County Treasurer

Shire Hall  
Warwick

7<sup>th</sup> July 2005

## CONTRACT AND MANAGEMENT SERVICES

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for CAMS was £2,896,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £751,000. Therefore the 2004/2005 budget for the service is now £2,145,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year on items within the Service's control is £691,000. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>	<b>GROSS £000</b>	<b>NET £000</b>
<b>Original Budget – Gross</b>		<b>3,880</b>
<b>Original Budget</b>	<b>8,547</b>	<b>2,896</b>
<b>Adjusted for:</b>		
Virtual bank repayment reversal	130	130
Notional asset rentals	(34)	(34)
Use of/transfer to earmarked reserves	(847)	(847)
<b>Revised Budget</b>	<b>7,796</b>	<b>2,145</b>
<b>Actual Net Spending</b>	<b>7,105</b>	<b>1,454</b>
<b>Underspend (against revised budget)</b>	<b>(691)</b>	<b>(691)</b>

- 2.2 Detailed analysis of final underspend is shown in Annexes A to D as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager
- Annex D - shows the analysis of Business Unit Trading accounts and reserves.

Each annex also includes an explanation of significant variations.

- 2.3 The principal items which have led to the underspend are summarised in the table overleaf.

<b>Table 2: Major variations</b>	<b>£000</b>
Equipment Renewals – planned contributions, plus drawdown from reserves not required (spending deferred to future years).	(567)
ICT Unit Charge – income c/fwd in an Equalisation Account to help manage variable spending needs over 4 years	(746)
Corporate E-Government – underspend due to project slippage	(146)
Virtual bank funded projects – underspends due to project slippage.	(106)
Business Unit – trading surplus	<u>(856)</u>
Total variation in year	(2,421)
Less repaid to earmarked reserves as part of probable outturn	1,730
<b>Total</b>	<b>(691)</b>

### **3 Spending on specific 2004/2005 budget allocations**

- 3.1 In February 2004, as part of the 2004/2005 budget the CAMS was allocated a further £1,941,000 to fund E-Government, (this being the third year of the 4 year medium term plan), making £5,710,000 in total.  
Spending on various ICT/E-Government projects in 2004/2005 was £146,000 less than planned due to project slippage. The projects that slipped will be completed in 2005/2006.

### **4 Spending on 2004/2005 Virtual Bank Loans**

- 4.1 In February 2002 members agreed to the setting up of the Virtual Bank. During that year CAMS was allocated £200,000 to fund a Document Management project for 2004/05. This project has been deferred until 2005/2006 and therefore there was no expenditure during the year.
- 4.2 Under and overspends on Virtual Bank projects funded in earlier years were also carried forward to 2004/2005. Spending on Virtual Projects in aggregate has resulted in the net underspend for the year of £106,000.

### **5 Reserves**

- 5.1 The service began the year with accumulated reserves of £1,709,000 (including business unit reserves). As a result of the underspend and reserve movements in the year the reserves position at 31 March 2005 is £2,403,000 in-hand. This is made up of £918,000 Business Unit reserves and £1,485,000 Corporate reserves held by CAMS for spending on Corporate projects.

- 5.2 The Director is proposing to drawdown £1,152,000 from reserves as follows in 2005/2006:-

Corporate reserves

- £252,000 to enable the completion in 2005/2006 of slipped E-Government (£146,000) and Virtual Bank (£106,00) projects.

Business Unit reserves

- £150, 000 to enable equipment replacement for Print Unit (£120,000) and members PC's (£30,000) in 2005/2006.
- £750,000 to fund service improvements in 2005/2006

- 5.3 In addition the Unit Charge equalisation account (£746,000) and the Corporate Communications equipment replacement fund (£487,000) will be required in 2006/2007.

- 5.4 The service also operates a number of Business Units. Business Units began the year with accumulated reserves of £460,000. Trading during the year resulted in an overall surplus of £856,000, plus net contribution to equipment replacement fund of £102,000, less adjustments in year of £500,000. Business unit reserves therefore stood at £918,000 at the year-end.

<b>Table 3: Business Unit Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004  £000</b>	<b>Adjustments to Reserves in year  £000</b>	<b>Prov Outturn Adjust.  £000</b>	<b>Final Outturn  £000</b>	<b>Reserves In- Hand/ (Overdrawn) at 31 March 2005 £000</b>
Business Unit Equipment renewals	198	(150)	50	52	150
Business Unit Service development	262	(350)	278	578	768
<b>Total</b>	<b>460</b>	<b>(500)</b>	<b>328</b>	<b>630</b>	<b>918</b>

5.4 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 4: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004  £000</b>	<b>Adjustments to Reserves in year  £000</b>	<b>Provis. O/T Adjust.  £000</b>	<b>Final Outturn  £000</b>	<b>Reserves In- Hand/ (Overdrawn) at 31 March 2005 £000</b>
<b>Corporate</b>					
E-Gov't projects	206	(206)	1,002	(856)	146
Equalisation A/C	582	(582)		746	746
Virtual bank projects	38	(39)		106	106
Communications equipment	423	(400)	400	65	487
<b>Sub total</b>	<b>1,249</b>	<b>(1,227)</b>	<b>1,402</b>	<b>61</b>	<b>1,485</b>
<b>Business Unit Service reserves</b>					
Equipment renewals	198	(150)	50	52	150
Service development	262	(350)	278	578	768
<b>Sub total</b>	<b>460</b>	<b>(500)</b>	<b>328</b>	<b>630</b>	<b>918</b>
<b>Total</b>	<b>1,709</b>	<b>(1,727)</b>	<b>1,730</b>	<b>691</b>	<b>2,403</b>

5.5 Members are asked to approve the use of £302,000 of reserves to support the service's 2005/2006 budget. This is in addition to the £850,000 already approved during the 2005/2006 budget setting process to support the budget on a one-off basis (see paragraph 5.2 above).

5.6 Members are also asked to approve the transfer of £261,000 from CAMS to the Education Department to support the Grounds Maintenance outsourcing contract in 2005/2006, as agreed by the Leaders Liaison Group in March 2005. This sum is included in the above use of reserves figures.

## 6 Comparison with the 2004/2005 Provisional Outturn

6.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an underspend of £1,681,000. The actual underspend of £691,000 therefore represents a £990,000 change in the service's position.

<b>Table 5: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005 £000</b>	<b>2004/2005 Final Outturn £000</b>
Departmental equipment	(73)	(102)
Business Units trading	(323)	(856)
Corporate communications equipment	(465)	(465)
Virtual Bank projects	500	(106)
Unit charge equalisation Account	(820)	(746)
E-Government projects	(500)	(146)
Sub-total	<b>(1,681)</b>	<b>(2,421)</b>
Provisional O/T budget adj.		1,730
Final O/T		<b>(691)</b>

6.2 The reasons for the net increased underspending are primarily as follows:-

- Departmental equipment –deferment of purchases to 2005/2006
- Business Unit trading – additional unexpected trading income in the final quarter of the year.
- Virtual Bank projects – planned projects were deferred that would have resulted in the predicted overspend
- Unit Charge – some infrastructure investment occurred earlier than originally planned
- E-Government – faster progress on projects than originally expected.

**Martyn Davey**  
Director of CAMS  
Shire Hall  
June 2005

## Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	CONTRACT & MANAGEMENT SERVICES DEPT.	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£'000 2003/2004 Outturn Exp/Inc		£'000 2004/2005 Original Budget A	£'000 2004/2005 Revised Budget B	£'000 2004/2005 Outturn Exp/Inc C	£'000 Variation from Revised Budget C-B	%	Notes
		<b>Core Services</b>						
1	1,826	ICT Infrastructure/ e- Government	1,941	1,768	1,516	(252)	(14)	1
2	69	Departmental Core	108	108	108	0	0	
3	(582)	ICT Unit Charge	0	0	(746)	(746)	(100)	2
4	<b>1,313</b>		<b>2,049</b>	<b>1,876</b>	<b>878</b>	<b>(998)</b>	<b>(53)</b>	
		<b>Business Services</b>						
5	1,109	All Business Units	782	204	511	307	150	3
6	<b>1,109</b>		<b>782</b>	<b>204</b>	<b>511</b>	<b>307</b>	<b>150</b>	
7	<b>65</b>	<b>Corporate and Democratic Core</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>0</b>		
8	<b>2,487</b>	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>2,896</b>	<b>2,145</b>	<b>1,454</b>	<b>(691)</b>	<b>(32)</b>	
		<b>CONTRIBUTION TO / (FROM) RESERVES</b>						
9	(162)	Contribution to /(from) Departmental Reserves		(350)	506	856	(245)	
10	100	Contribution to /(from) Specific Earmarked Reserves	(844)	(1,377)	(1,542)	(165)	12	
11		Contribution to /(from) General Reserves						
12	433	Contribution to / (from) Virtual Bank Reserves	130	0		0		
13	<b>2,858</b>	<b>NET REVENUE REQUIREMENT (Outturn Prices)</b>	<b>2,182</b>	<b>418</b>	<b>418</b>	<b>0</b>	<b>0</b>	

### EXPLANATION OF MAIN VARIATIONS

Notes to Annex A	£000
1 Underspend due to project slippage	(252)
2 Income to be carried forward in an Equalisation account to help manage variable spending needs over 4 years	(746)
3 Planned contributions to equipment renewals fund plus drawdown from reserves not required: spending deferred to 2005/2006 £1,163K and Busines Unit surplus (£856K)	307
	<b>(691)</b>



## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

Line Ref.	B.1	CONTRACT & MANAGEMENT SERVICES DEPT.	B.2	B.3	B.4	B.5	B.6	B.7
	£'000 2003/2004 Outturn Exp/Inc		£'000 2004/2005 Original Budget A	£'000 2004/2005 Revised Budget B	£'000 2004/2005 Outturn Exp/Inc C	£'000 Variation from Revised Budget C-B	%	Notes
		<b>EXPENDITURE</b>						
1	13,346	Employees	13,426	13,438	13,768	330	2	1
2	546	Premises	306	373	349	(24)	(6)	
3	514	Transport	521	607	540	(67)	(11)	
4	12,451	Supplies and Services	9,416	10,295	14,153	3,858	37	2
5		Third Party Payments		0	0	0		
6		Transfer Payments		0		0		
7	380	Support Services	432	432	432	0		
8	634	Notional Asset Rentals	1,077	1,042	1,042	0		
9	1,593	Capital Financing Costs		1,804	1,804	0		
10	<b>29,464</b>	<b>TOTAL EXPENDITURE</b>	<b>25,177</b>	<b>27,991</b>	<b>32,088</b>	<b>4,097</b>	<b>15</b>	
		<b>INCOME</b>						
11	(121)	Government Grants	(117)	(117)	(121)	(4)	3	
12	0	Other Grants, Reimbursements and Contributions	0	0	0			
13	(1,300)	Customer and Client Receipts	(867)	(1,342)	(1,342)	0	0	
14	0	Interest	0	0	0			
15	(25,556)	Internal Income	(21,297)	(24,387)	(29,171)	(4,784)	20	3
16	<b>(26,977)</b>	<b>TOTAL INCOME</b>	<b>(22,281)</b>	<b>(25,846)</b>	<b>(30,634)</b>	<b>(4,788)</b>	<b>19</b>	4
17	<b>2,487</b>	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>2,896</b>	<b>2,145</b>	<b>1,454</b>	<b>(691)</b>	<b>(32)</b>	

### EXPLANATION OF MAIN VARIATIONS

Notes to Annex B		£000
1	Mainly due to the inclusion of holiday pay for catering staff not included in the original estimate.	330
2	Mainly due to expenditure on E-Government projects not included in the original estimates, but covered by income (see 3. Below).	3,858
3	Mainly E-Government budget not included in original estimate	-4,784
		-596

Note 4. CAMS act as the agent in purchasing PC's and software for departments each year. The whole cost is fully recharged to other departments. As this is a demand driven procurement service, provided on behalf of other departments, it has traditionally been difficult to predict original budgets and income for this expenditure each year. This item is not included in the gross expenditure and internal income figures shown above and equates to £6,931m in 2004/2005 (£3,969m in 2003/2004).

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

CONTRACT & MANAGEMENT SERVICES DEPT.			C.1	C.2	C.3	C.4	C.5	C.6
			£'000	£'000	£'000	£'000	%	
Line	Service Description	Responsible Officer	2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
	<u>Service Budgets</u>							
	(including a full apportionment of managment and support charges)							
1	Core Services		1,941	1,768	1,516	(252)	(14)	1
	Corporate Communications	I.C.T. Services Manager						
	e-Government Services	I.C.T. Services Manager						
	Former Corporate I.S.T. Client	I.C.T. Services Manager						
	Virtual Bank funded projects	I.C.T. Services Manager						
	I.C.T. Infrastructure	I.C.T. Services Manager						
2	Departmental Core	Financial Services Manager	108	108	108	0	0	
3	Business Services		847	269	576	307	114	2
	- I.C.T. Services	I.C.T. Services Manager						
	- Print Unit	Print Unit Manager						
	- Caretaking & Car Parking	Financial Services Manager						
	- Schools Technical Services	Finance Manager						
	- County Cleaning & Caretaking Services	Manager						
	- County Caterers	Manager						
	- County Grounds Maintenance Service	Manager						
4	ICT Unit Charge				(746)	(746)	(100)	3
5	Total Costs		2,896	2,145	1,454	(691)	(32)	
	<u>Management and Support Budgets</u>							
	(whose apportioned cost are included in the above)							
6	Directorate	Director	149	149	152	3	2	
7	Finance, Admin. & Personnel	Financial Services Manager	533	533	527	(6)	(1)	
8	Other Central departmental Charges		835	835	835	0	0	
9	TOTAL MANAGEMENT AND SUPPORT BUDGETS		1,517	1,517	1,514	(3)	(0)	

£000		
1	Underspend due to project slippage	(252)
2	planned contributions to equipment renewals fund plus drawdown from reserves not required: spending deferred to 2005/2006 £1,163k and Busines Unit surplus (£856K)	307
3	Income to be carried forward in an Equalisation account to help manage variable spending needs over 4 years	(746)
		(691)

# Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves

	D.1	CONTRACT AND MANAGEMENT SERVICES BUSINESS UNITS INCLUDING FORMER DSO'S	D.2	D.3	D.4	Notes
Line Ref.	£000 2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005		£000 2004/2005 Outturn		
		Income				
		Business Income				
1	(23,863)	Internal Customers	(23,016)			
2	(937)	External Customers	(971)			
3		Core Recharges				
4	(24,800)	Total Income		(23,987)		
		Expenditure				
5	23,390	Direct Costs	22,244			
6	1,031	Overheads	1,113			
7		Central/Departmental Support				
8		Other Support Services				
9	24,421	Extraordinary Expenditure				
		Total Expenditure		23,357		
10	(379)	Trading (Surplus)/Deficit		(630)	Budget Target	
		Statement of Reserves as at 31/3/2005				
11	649	Balance brought forward from 2003/2004		460		
12	379	Surplus/(deficit) transferred to reserves	630			
13	(568)	Plus provisional O/T adjustment	328			
		Appropriations to departmental reserves	(500)			
14	460	Balance carried forward to 2005/2006		918		

## CHIEF EXECUTIVE'S DEPARTMENT

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for the Chief Executive's Department was £6,667,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £898,000. Therefore the 2004/2005 budget for the department is now £7,565,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year is £267,000. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>	<b>Gross £000</b>	<b>Net £000</b>
<b>Original Budget - Gross</b>		<b>9,062</b>
<b>Original Budget</b>	<b>9,077</b>	<b>6,667</b>
<b>Adjusted for:</b>		
Young Persons Social Inclusion	109	109
Publicity	146	146
2003/2004 carry forward/use of reserves	285	285
Notional Asset Rentals	285	285
Building (Structural) Maintenance	73	73
Total Adjustments	898	898
<b>Revised Budget</b>	<b>9,975</b>	<b>7,565</b>
<b>Actual Net Spending</b>	<b>9,973</b>	<b>7,563</b>
<b>Chief Executive's Department Underspend (against revised budget)</b>	<b>(2)</b>	<b>(2)</b>
Teenage Pregnancy	(93)	(93)
Drug Action Team	(172)	(172)
<b>Total Underspend (against revised budget)</b>	<b>(267)</b>	<b>(267)</b>

- 2.2 For completeness of reporting purposes this report contains information in respect of services that do not form part of this department's budget e.g. Teenage Pregnancy and the Drug Action Team. This information is identified separately in Table 1 above. As can be seen these services make quite an impact on the information being reported, accounting for nearly all of the underspend.

- 2.3 Detailed analysis of the final underspend is shown in Annexes A to D as follows:

- Annex A - shows the analysis by activities and outputs of the Department
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager
- Annex D - shows the analysis of Business Unit Trading Accounts and reserves.

Each annex also includes an explanation of significant variations.

- 2.4 The principal items which have led to the underspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
Coroner, increased costs of mortuary provision as a result of new contracts, increased salary costs and an increased number of post mortems	88
Legal Core, additional fees incurred	33
Insurance & Risk Management, savings on a number of budget headings and some additions income	(20)
Communications, Fire and Rescue were provided with a media service to the value of £25,000, but the budget did not transfer until 2005/2006	27
Graphics, use of a consultant to identify efficiencies and work towards a single channel for all council design and print procurement	41
Executive, staff costs and small overspendings on a number of budget headings	86
LSP Coordination, production of the new county plan, consultation costs and planning events and one-off project support	22
Corporate Planning, face to face consultation and Citizen's Panel	47
Corporate Review, a reduced number of best value reviews and a delay in the start of the Strategic Review of Older People	(111)
Community Safety, staff vacancies	(75)
Community Development, grants withheld to organisations which have closed and unused allocations to VCS and parish councils	(95)
Sheltered Placement, scheme take-up lower than anticipated, therefore operating below approved level	(21)
HR/Payroll Project, staff vacancies	(50)
Member Services and Support, additional expenditure on staff advertising and purchase of furniture and equipment for use in committee rooms and the council chamber	27
Area Support, underspends on Area Committee grants and staff vacancies	(141)
Judges House, reduced income	42
Personnel & Administration, additional expenditure on staff advertising and furniture and equipment and increased salary recharges	42
Improvement & Development, set-up and running costs of additional office accommodation and departmental training	163
Children Bill, part-year spend of Young Persons Social Inclusion allocation, balance to be spent in 2005/2006	(39)

<b>Table 2: Major variations (continued)</b>	<b>£000</b>
Other minor variations	(68)
<b>Chief Executive's Department Total</b>	<b>(2)</b>
Teenage Pregnancy, unspent balance of external funding to be carried forward to 2005/2006	(93)
Drug Action Team, unspent balance of external funding to be carried forward to 2005/2006	(172)
<b>Total</b>	<b>(267)</b>

### 3 Spending on specific 2004/2005 budget allocations

- 3.1 In February 2004, as part of the 2004/2005 budget the Chief Executive's Department was allocated £1,063,000 to fund specific projects. Spending on these projects in 2004/2005 was £888,000. Further details are given below.

<b>Table 3: Specific budget allocations 2004/2005</b>	<b>Budget £000</b>	<b>Spending £000</b>	<b>Variation £000</b>	<b>Explanation</b>
CPA Action Plan	224	178	(46)	Fewer best value reviews
HR/Payroll System Phase 2	519	469	(50)	Staff vacancies
Community Safety Partnership	200	125	(75)	Staff vacancies
Social Inclusion	100	96	(4)	
Warwickshire Welfare Rights	20	20	0	
<b>Total</b>	<b>1,063</b>	<b>888</b>	<b>(175)</b>	

- 3.2 The underspend reflects the first year of these programmes e.g. the Community Safety posts have now all been filled. Divisional Heads have utilised these underspends to meet other cost pressures which have arisen during the year.

### 4 Reserves

- 4.1 The service began the year with accumulated reserves of £2,021,000 (including business unit reserves). As a result of the over/underspend and reserve movements in the year the reserves position at 31 March 2005 is £1,895,000 in-hand.
- 4.2 Most of the reserves (£1,511,000) are held for specific purposes, including the Modernisation Fund reserve, the Social Inclusion Fund reserve and the Well-being Fund reserve held on behalf of Area committees.
- 4.3 Specific reserves are held to deal with the increasing need for one-off project support and for training and development. The department's general reserve will continue to be used to maintain efficient services to smooth out the consequences of unexpected additional expenditure in particular service areas.

- 4.4 A sum of £309,000 has already been drawn down from departmental reserves to support the 2005/2006 revenue expenditure of the department.
- 4.5 The 2004/2005 underspends of £93,000 on Teenage Pregnancy and £172,000 on the Drug Action Team are in respect of specific allocations received for these services and the intention will be to spend these sums during 2005/2006 on the specific areas for which they were received.
- 4.6 The department also operates three business units, namely Business Consultancy, Legal Services and Graphics. Business units began the year with accumulated reserves of £241,000. Trading during the year resulted in an overall deficit of £15,000. After allowing for in-year adjustments of £21,000 business unit reserves therefore stood at £205,000 at the year-end.

<b>Table 4: Business Unit Reserves</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year  £000</b>	<b>Surplus/ (Deficit) in 2004/2005  £000</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Business Consultancy	20	0	14	34
Legal Services	221	(21)	12	212
Graphics	0	0	(41)	(41)
<b>Total</b>	<b>241</b>	<b>(21)</b>	<b>(15)</b>	<b>205</b>

- 4.7 The Business Consultancy surplus has resulted from increased productivity and the availability of a wide range of work.
- 4.8 The Legal Services surplus reflects an increase in demand from service departments.
- 4.9 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 5: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Service Reserve	528	(87)	(57)	384
Project Reserve	175	0	0	175
Training & Development Reserve	150	0	(39)	111
Business Unit Reserves	241	(21)	(15)	205
<b>Chief Executive's Department Sub-Total</b>	<b>1,094</b>	<b>(108)</b>	<b>(111)</b>	<b>875</b>
Well-Being Fund (ring fenced by Cabinet)	501	0	29	530
Modernisation Fund	124	0	1	125
Social Inclusion Fund	17	0	41	58
PAYP and Social Inclusion Fund	12	(12)	3	3
Teenage Pregnancy Reserve	57	(57)	93	93
Drug Action Team Reserve	216	(216)	172	172
YPSI Reserve	0	0	39	39
<b>Total</b>	<b>2,021</b>	<b>(393)</b>	<b>267</b>	<b>1,895</b>

- 4.10 Members are asked to approve the use of £307,000 of reserves (£3,000 PAYP and Social Inclusion Fund, £93,000 Teenage Pregnancy Reserve, £172,000 Drug Action Team Reserve and £39,000 YPSI Reserve) to support the service's 2005/2006 budget.

## 5 Comparison with the 2004/2005 Provisional Outturn

- 5.1 The department last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the department was predicting an underspend of £196,000. The actual underspend of £2,000, excluding Teenage Pregnancy and Drug Action Team, therefore represents a £194,000 change in the service's position.



<b>Table 6: Comparison between provisional and final outturn</b>		
	<b>£000</b>	<b>£000</b>
	<b>Provisional Outturn as reported on 3rd February 2005</b>	<b>2004/2005 Final Outturn</b>
Area Support, more Area Committee grants were approved in –year than had been forecast	(205)	(141)
Community Development, additional grant payment to Nuneaton CVS	(120)	(95)
Community Safety, further savings resulting from staff vacancies	(50)	(75)
Coroner, increased costs relating to removal of bodies and an increased number of post mortems	62	88
Legal Services Business Unit, a reduced level of income from service departments	(48)	(12)
HR/Payroll Project, further underspending as a result of staff vacancies	(21)	(50)
Corporate Review, savings on scrutiny reviews as scrutiny exercises did not generate expenditure, but time commitment from officers	(50)	(111)
Executive, staff advertising, increased staff costs and small overspendings on a number of budget headings	56	86
Graphics, actual income received did not match the levels previously being forecast	14	41
Modernisation Fund, additional spending in a number of cost centres resulted in this allocation being fully spent	(40)	0
Other minor variations	206	267
<b>Chief Executive's Department Sub-Total</b>	<b>(196)</b>	<b>(2)</b>
Teenage Pregnancy, unspent balance of external funding to be carried forward to 2005/2006	0	(93)
Drug Action Team, unspent balance of external funding to be carried forward to 2005/2006	0	(172)
<b>Total</b>	<b>(196)</b>	<b>(267)</b>

**David Carter**

County Solicitor & Assistant Chief Executive

Shire Hall

4 July 2005

## Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	CHIEF EXECUTIVE	A.2	A.3	A.4	A.5	A.6	A.7
	£000		£000	£000	£000	£000	%	
Line	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
			A	B	C	C-B		
		<b>Chief Executive's Department</b>						
1	1,344	Democratic Services	1,081	2,389	2,512	123	5	1
2	536	Legal Services	676	647	750	103	16	2
3	572	Human Resources	842	842	786	(56)	(7)	3
4	(10)	Communications	20	165	233	68	41	4
5	2,649	Community Support	3,139	3,187	2,693	(494)	(16)	5
6	65	Policy & Performance	324	321	311	(10)	(3)	
7	647	Other Services	585	14	13	(1)	(7)	
8	5,803	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>6,667</b>	<b>7,565</b>	<b>7,298</b>	<b>(267)</b>	<b>(4)</b>	
		<b>CONTRIBUTION TO / (FROM) RESERVES</b>						
9	(130)	Contribution from Service Savings	(87)	(87)	(183)	(96)	0	
10	0	Contribution to/from Departmental Reserves	(21)	(21)	(36)	(15)	0	
11	(50)	Contribution to/(from) Earmarked Reserves	0	(285)	93	378	0	
12	0	Contribution to/from General Reserves	0	0	0	0	0	
13	0	Contribution to/(from) Quality and Best Value Fund	0	0	0	0	0	
14	5,623	<b>NET REVENUE REQUIREMENT (Outturn Prices)</b>	<b>6,559</b>	<b>7,172</b>	<b>7,172</b>	<b>0</b>	<b>0</b>	

### Notes

- Overspendings on Improvement & Development, Member Services and Judges House partly offset by Underspend on Area Support ( Well-Being & Social Inclusion Funds )
- Overspend on Coroner and Legal Core partly offset by underspendings on LSBU and Insurance & Risk Management.
- Underspendings on Sheltered Placement Scheme, HR Payroll partly offset by an overspend on Corporate HR development
- During the year Fire and Rescue are currently being provided with a media service to the value of £25,000, but the budget transfer had been deferred until 2005/2006.  
Use of a consultant in Graphics Business Unit to identify efficiencies and work towards a single channel for all council design and print procurement.
- Partly unspent brought forward balance on Drug Action Team and Teenage Pregnancy and underspendings on Policy for Young People, Community Safety and Community Developm

nent

**Annex B: Revenue Outturn 2004/2005 - Subjective Analysis**

	B.1	CHIEF EXECUTIVE'S DEPARTMENT		B.2	B.4	B.4	B.5	B.6	B.7
Line Ref.	£000			£000	£000	£000	£000	%	
	2003/2004			2004/2005	2004/2005	2004/2005	Variation from		Notes
	Outturn			Original	Revised	Outturn	Revised Budget		
	Exp/Inc			Budget	Budget	Exp/Inc			
		EXPENDITURE		A	B	C	C-B		
1	7044	Employees		6,321	8,045	8,210	165	2	
2	453	Premises		502	433	629	196	45	1
3	166	Transport		168	131	188	57	44	
4	9863	Supplies and Services		6,855	5,226	7,491	2,265	43	2
5	0	Third Party Payments		0	0	0	0	0	
6	0	Transfer Payments		0	0	0	0	0	
7	859	Support Services		731	683	761	78	11	
8	213	Notional Asset Rentals		209	494	494	0	0	
9	11	Capital Financing Costs		0	66	66	0	0	
10	18609	TOTAL EXPENDITURE		14,786	15,078	17,839	2,761	18	
		INCOME							
11	(3,058)	Government Grants		(587)	(321)	(2,459)	(2,138)	666	3
12	(220)	Other Grants, Reimbursements and Contributions:		(40)	(12)	(12)	0	0	
13	(4,043)	Customer and Client Receipts		(1,768)	(1,187)	(1,699)	(512)	43	4
14	0	Interest		0	0	0	0	0	
15	(5,485)	Internal Income		(5,724)	(5,993)	(6,371)	(378)	6	
16	(12,806)	TOTAL INCOME		(8,119)	(7,513)	(10,541)	(3,028)	40	
17	5,803	NET DEPARTMENTAL EXPENDITURE		6,667	7,565	7,298	(267)	(4)	

**Notes**

- 1 Set-up and running costs of additional office accommodation.
- 2 Largely spending on Ryogens egovt project of £1.6 m fully offset by grant income and a number of other small variations.
- 3 ODPM egovt project grant in respect of Ryogens and Positive about Young People YISP project grant.
- 4 Additional income in respect of Legal Services Business Unit, Registration, Community Safety and Teenage Pregnancy.

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

	CHIEF EXECUTIVE'S DEPARTMENT		C.1	C.2	C.3	C.4	C.5	C.6
			£000	£000	£000	£000	%	
Line	Service Description	Responsible Officer	2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
1	Democratic Services							
2	- Improvement & Development	Head of Democratic Services	40	40	203	163	408	1
3	- Member Services	Member Services Manager	(10)	(10)	17	27	(270)	2
4	- Area Support Officers	Area Support Coordinator	806	1,153	1,012	(141)	(12)	3
5	- Judges House & Council Suite	Financial Services Manager	155	229	271	42	18	4
6	Legal Services							
7	- Legal Services Business Unit	Practice Manager	48	21	9	(12)	(57)	5
8	- Legal Core	Assistant County Solicitor	102	102	135	33	32	6
9	- Insurance & Risk Management	Insurance & Risk Manager	(51)	(51)	(71)	(20)	39	7
10	- Registration	Registration Services Manager	264	262	281	19	7	
11	- Proper Officer	Financial Services Manager	10	10	5	(5)	(50)	8
12	- Coroner	Deputy County Solicitor	303	303	391	88	29	9
13	Human Resources							
14	- Human resources	Head of Human Resources	(25)	(25)	(16)	9	(36)	
15	- HR Payroll Project	Deputy Head of Human Resources	610	610	560	(50)	(8)	10
16	- Sheltered Placements Scheme	Equalities & Standards Officer	114	114	93	(21)	(18)	11
17	- Corporate HR Development	Corporate HR Development Manager	142	142	150	8	6	
18	Communications							
19	- Communications	Head of Communications	20	165	192	27	16	12
20	- Graphics		0	0	41	41	0	13
21	Community Support							
22	- Emergency Planning Unit	Emergency Planning Unit Manager	109	109	95	(14)	(13)	
23	- Corporate Security	Emergency Planning Unit Manager	51	51	45	(6)	(12)	
24	- Community Admin Support	Corporate Performance Officer	20	20	15	(5)	(25)	
25	- Community Safety Policy Manager	County Community Safety Coordinator	36	36	40	4	11	
26	- Community Safety	Community Safety Coordinator	406	406	325	(81)	(20)	14
27	- Drug Action Team	Drug Action Team Commissioning Manager	0	216	44	(172)	(80)	15
28	- Policy for Young People	Coordinator Social Inclusion & Policy for Young People	209	318	287	(31)	(10)	
29	- Positive about Young People	Programme Manager	926	938	934	(4)	(0)	
30	- Teenage Pregnancy	Teenage Pregnancy Coordinator	0	57	(36)	(93)	(163)	16
31	- Community Development	Area Planning Coordinator	1,383	1,035	940	(95)	(9)	17
32	Policy & Performance							
33	- Procurement	County Procurement Manager	70	70	61	(9)	(13)	
34	- Business Consultancy	Business Consultancy Manager	3	0	(14)	(14)	0	18
35	- Corporate Review	Corporate Review Manager	76	76	(35)	(111)	(146)	19
36	- Executive Administrative Support	Best Value Coordinator	8	0	0	0	0	
37	- Corporate Planning	Best Value Coordinator	(5)	5	52	47	940	20
38	- Organisational Development	Corporate Performance Officer	61	61	48	(13)	(21)	
39	- Information Management		60	60	42	(18)	(30)	
40	- LSP Coordinator	Warwickshire Strategic Partnership Coordinato	51	51	73	22	43	21
41	Other Services							
42	- Chairman's Account	Secretary to the Chairman	51	51	44	(7)	(14)	
43	- Modernisation Fund	Financial Services Manager	489	488	489	1	0	
44	- Procurement Savings target	Financial Services Manager	(40)					
45	- Unallocated Budget	Financial Services Manager	70					
46	- Purchasing and Training Pensions	Financial Services Manager	14	14	13	(1)	(7)	
47			6,576	7,127	6,735	(392)	535	
48	Management and Support Budgets							
49	- Executive	Policy Development Officer	0	2	88	86	0	22
50	- Financial Services & IST	Financial Services Manager	0	0	13	13	0	
51	- Support Services	Financial Services Manager	0	345	329	(16)	(5)	
52	- Other Central Department Recharges	Financial Services Manager	0	0	0	0	0	
53	- Personnel & Administration	Improvement & Development Team Leader	91	91	133	42	0	
54	- County Human Resource Service	Deputy Head of Human Resources				0	0	
55	TOTAL MANAGEMENT AND SUPPORT BUDGETS		6,667	7,565	7,298	(267)	531	

# **Annex D: Revenue Outturn 2002/2003 - Business Unit Trading Account and Statement of Reserves**

	D.1	CHIEF EXECUTIVE'S DEPARTMENT	D.2		D.3		D.4		Notes
	£000	BUSINESS CONSULTANCY BUSINESS UNIT			£000				
Line Ref.	2002/2003 Outturn	Annual Trading Account for year ending 31/3/2005			2003/2004 Outturn				
		Income							
		Business Income							
1	(354)	Internal Customers	(449)						
2	(70)	External Customers	0						
3	(424)	Total Income			(449)				
		Expenditure							
4	361	Direct Costs	382						
		Overheads							
5	48	Central/Departmental Support	52						
6	2	Other Support Services	1						
7	0	Extraordinary Expenditure	0						
8	411	Total Expenditure			435				
9	(13)	Net Expenditure			(14)		Budget Target	0	
10	(13)	(Surplus)/Deficit			(14)				
		Statement of Reserves as at 31/3/2005							
11	7	Balance brought forward from 2003/2004			20				
12	13	Surplus transferred to reserves	14						
13	0	Adjustment to Reserve in year	0						
14	20	Balance carried forward to 2004/2005			34				

# **Annex D: Revenue Outturn 2002/2003 - Business Unit Trading Account and Statement of Reserves**

	D.1	CHIEF EXECUTIVE'S DEPARTMENT	D.2		D.3		D.4		Notes
	£000	LEGAL SERVICES BUSINESS UNIT			£000				
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005			2004/2005 Outturn				
		Income							
		Business Income							
1	(1,239)	Internal Customers	(1,450)						
2	(377)	External Customers	(417)						
3	(350)	Core Recharges	(504)						
4	(1,966)	Total Income			(2,371)				
		Expenditure							
5	1,892	Direct Costs	2,269						
		Overheads							
6	90	Central/Departmental Support	105						
7	15	Other Support Services	6						
8	0	Extraordinary Expenditure	0						
9	1,997	Total Expenditure			2,380				
10		Net Expenditure			9		Budget Target	21	
11	(19)	(Surplus)/Deficit			(12)				
		Statement of Reserves as at 31/3/2005							
12	252	Balance brought forward from 2003/2004			221				
13	19	Surplus transferred to reserves	12						
14	(50)	Adjustment to reserve in year	(21)						
15	221	Balance carried forward to 2004/2005			212				

**Annex D: Revenue Outturn 2002/2003 - Business Unit Trading Account and Statement of Reserves**

	D.1	CHIEF EXECUTIVE'S DEPARTMENT	D.2	D.3	D.4	Notes
Line Ref.	£000 2003/2004 Outturn	GRAPHICS  Annual Trading Account for year ending 31/3/2005		£000 2004/2005 Outturn		
		Income				
		Business Income				
1	0	Internal Customers	(193)			
2	0	External Customers	0			
3	0	Core Recharges	0			
4	0	Total Income		(193)		
		Expenditure				
5	0	Direct Costs	234			
		Overheads				
6	0	Central/Departmental Support	0			
7	0	Other Support Services	0			
8	0	Extraordinary Expenditure	0			
9	0	Total Expenditure		234		
10	0	Net Expenditure		41	Budget Target 0	
11	0	(Surplus)/Deficit		41		
		Statement of Reserves as at 31/3/2005				
12	0	Balance brought forward from 2003/2004	0	0		
13	0	Deficit transferred to reserves	(41)			
14	0	Adjustment to reserve in year	0			
15	0	Balance carried forward to 2004/2005		(41)		



## EDUCATION DEPARTMENT

### FINAL REVENUE OUTTURN 2004/2005

#### 1. 2004/05 Budget

The original budget for the Education service was £282,677,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £33,928,000. Therefore the 2004/2005 budget for the service is now £316,605,000.

#### 2. 2004/05 Final Outturn Spending

- 2.1 The total net under-spend for the year on items within the Service's control is £6,185,000. However £2,920,000 of this is Standards Fund Grant (TSF), where the spending period extends to August after the end of the financial year. That is, there is a 17-month spending period and this £2,920,000 represents the *unspent* matched funding at the end of March 2005 rather than an *underspend* in budgetary terms. From 2006/2007 onwards the Department for Education & Skills will not require any matched funding for Standards Fund grants, so any unspent grant will be treated in total as a grant Receipt in Advance, rather than a revenue underspend, so this technical accounting anomaly should not recur.
- 2.2 A further £1,499,000 represents an underspend on school delegated budgets and associated loans and contingencies. Schools retain these balances under the regulations governing the financing of schools. The remaining underspend within the Education Department is £1,766,000. As the combination of academic year grants and statutory ring-fenced delegated budgets is unique within the County Council to the Education service this is briefly summarised in the table below:

<i>Table 1 : Overall Summary &amp; Breakdown</i>		<b>£000</b>
Unspent Standards Fund grant to be used by August 2006		(2,920)
Ring Fenced Delegated School Budgets		(1,499)
Departmental underspend		(1,766)
<b>Total Underspend</b>		<b>(6,185)</b>

- 2.3 A more detailed analysis of the composition of the budget and its comparison with actual net expenditure is given in Table 2 below:

<i>Table 2: Outturn Spending 2004/05</i>	<b>£000</b>	<b>£000</b>
<b>Original Budget – Gross</b>		<b>341,133</b>
<b>Original Budget – Net</b>		<b>282,677</b>
<b>Adjusted for:</b>		
Use of 2003/04 Underspends	2,819	
Technical Budget Adjustments	31,068	
Young Persons Social Inclusion Schemes	81	
Publicity Budget Virement	(40)	
Total Adjustments		33,928
<b>Revised Budget</b>		<b>316,605</b>
<b>Actual Net Spending</b>		<b>310,420</b>
<b>(Under)spend (against revised budget)</b>		<b>(6,185)</b>

- 2.4 The detailed analysis of final over/underspends is shown in Annexes A to D as follows:

- Annex A – shows the analysis by activities and outputs of the Service
- Annex B – shows the analysis by Service inputs (e.g. staff costs)
- Annex C – shows the analysis by cost centre manager
- Annex D – shows an analysis of Business Unit Trading accounts and reserves.

- 2.5 The principal items that have led to the underspend are summarised in the table below:

<i>Table 3: Major variations</i>	<b>Schools £000</b>	<b>LEA £000</b>	<b>Total £000</b>
Standards Fund Grant (TSF) – Unspent Funds at 31 <sup>st</sup> March	(1,086)	(1,834)	(2,920)
All Schools Delegated Revenue Spending	(1,357)		(1,357)
School Loans & Contingencies	(142)		(142)
Nursery Education Grants & Early Years		(357)	(357)
Capital Expenditure Funded from Revenue		(336)	(336)
SEN Statements & Out of County Education		(639)	(639)
Education Business Services		(306)	(306)
Other		(128)	(128)
<b>Total including 17 month TSF</b>	<b>(2,585)</b>	<b>(3,600)</b>	<b>(6,185)</b>
<b>Total excluding 17 month TSF</b>	<b>(1,499)</b>	<b>(1,766)</b>	<b>(3,265)</b>

### 3. Spending on Specific 2004/05 Budget Allocations

- 3.1 In February 2004, as part of the 2004/05 budget, the Education service was allocated £180,000 to fund specific projects. Spending on these projects in 2004/05 was £180,000. Further details are given below:

<i>Table 4: Specific budget allocations 2004/05</i>	<b>Budget £000</b>	<b>Spending £000</b>	<b>Variation £000</b>
Art Zone	50	50	0
Offsite Activities	30	30	0
Youth Agenda & ICT Centres	100	100	0
<b>Total</b>	<b>180</b>	<b>180</b>	<b>0</b>

- 3.2 The Arts Zone funding replaced grant that had ceased (from the New Opportunities Fund and from the first Local Public Sector Agreement). The offsite activities resources were invested in employing a new staff member, training and resource materials. The resources for Youth and ICT centres was used, after consultation with the portfolio holder and spokespersons, to develop accreditation routes, curriculum expansion and increased participation, a grant towards the Duke of Edinburgh scheme, resources for Management Information System data collection and ISDN line connections to improve ICT connectivity in area offices.

### 4. Reserves

- 4.1 The service (including schools, the department and the business unit) began the year with accumulated reserves of £10,283,000 (this included £2,574,000 unspent Standards Fund resources to be spent over the allowed 17 month period to August 2004). As a result of the underspend and reserve movements in the year the reserves position at 31<sup>st</sup> March 2005 is £13,649,000 in hand.
- 4.2 Schools' overall delegated budget reserve position has increased by £1,357,000, by underspending their budgets by 0.6%. Their total delegated reserves total £8,663,000, which is 3.7% of their current year budget. Table 5 shows the level of resources by school sector:

<i>Table 5: School delegated reserves</i>				
	<b>Reserves in hand at 1<sup>st</sup> April 2005 £000</b>	<b>Current Year (2005/2006) budget £000</b>	<b>2005/2006 position %</b>	<b>2004/2005 position %</b>
Nursery	398	1,596	24.9	25.9
Primary	5,213	104,754	5.0	5.0
Secondary	1,942	111,674	1.7	1.3
Special	1,110	13,875	8.0	4.9
<b>Total</b>	<b>8,663</b>	<b>231,899</b>	<b>3.7</b>	<b>3.3</b>

The following table highlights the number of schools with surplus or deficit reserves:

<i>Table 5a</i>	<b>£200,000 +</b>	<b>£50,000 to £200,000</b>	<b>£10,000 to £50,000</b>	<b>£5,000 to £10,000</b>	<b>Less than £5,000</b>	<b>Total Number</b>
Deficits	3	5	14	8	14	44
Surplus	6	59	107	19	13	204

- 4.3 The reserves position of Warwickshire schools has been compared with other authorities on a newly designed benchmarking database devised by the Audit Commission. The number, scope and scale of school reserves is below the national, regional and county average. Schools are also concerned about changes to the national funding formula and a number of increasing cost pressures (from, for example, workforce reform and threshold payments) and this is reflected in prudent contributions towards reserves.
- 4.4 The Education Department has reserves of £2,828,000, due mainly to underspends on demand-led budgets (primarily those relating to the demand for special needs places and support and also for early year placements). The County Education Officer is currently proposing to utilise £1,197,000 to support the cost centre budgets for 2005/2006 and to complete capital work slippage from 2004/2005. Some capital work, to be funded from revenue, on Special Education Needs office and service reorganisation could not be completed in this financial year, due to planning permission and access complications. This work will be completed in 2005/2006.
- 4.5 The service also operates a business unit (Education Business Services – EBS) in relation to business services trading with schools. The business unit began the year with accumulated reserves of £36,000 that were used in-year to support development initiatives. Trading during the year resulted in an over-all surplus of £306,000. The surplus has been generated evenly across the division and has occurred due to lower staffing costs (delayed replacement / lower gradings), increased income from sales and savings from not spending previous year's carry-forward. The reserves have been committed to supporting developments and budgets in 2005/2006.
- 4.6 A decision by the Education Departmental Management Team (DMT) to give early certainty to cost centre managers of carry forwards (to aid effective financial planning) fixed the business unit carry forward at £231,000 and thus the business unit has made a contribution towards the Education Departmental reserves of £75,000. The business unit reserves therefore stood at £231,000 at the year-end:

<i>Table 6: Business Unit Reserves</i>					
	<b>Reserves In-Hand at 1<sup>st</sup> April 2004 £000</b>	<b>Reserves used in year  £000</b>	<b>Surplus in 2004/05  £000</b>	<b>Contribu- tion to Department reserves £000</b>	<b>Reserves In-Hand 31<sup>st</sup> March 2005 £000</b>
Business Unit	36	(36)	306	(75)	231

- 4.7 The Service's overall reserves position can therefore be summarised as follows:

<i>Table 7: Reserves</i>	<b>Reserves In-Hand/ (Over- drawn) at 1<sup>st</sup> April 2004 £000</b>	<b>Adjust- ments to Reserves in year  £000</b>	<b>Final Outturn  £000</b>	<b>Reserves In-Hand/ (Over- drawn) at 31<sup>st</sup> March 2005 £000</b>
School Reserves*	7,306		1,357	8,663
School Loans	(1,013)		20	(993)
Department Reserves	1,380	(209)	1,657	2,828
Business Unit	36	(36)	231	231
<b>Total Excluding Unspent TSF</b>	<b>7,709</b>	<b>(245)</b>	<b>3,265</b>	<b>10,729</b>
Unspent School TSF*	1,191	(1,191)	1,086	1,086
Unspent LEA TSF*	1,383	(1,383)	1,834	1,834
<b>Total Including Unspent TSF</b>	<b>10,283</b>	<b>(2,819)</b>	<b>6,185</b>	<b>13,649</b>

\* It should be noted that under regulations the school reserves and the Standards Fund grant (TSF) unspent funds are statutorily protected for these purposes. The Authority also borrowed £2,562,000 against reserves to support the 2003/04 school budget; this has been repaid in 2004/05 by PSA grant and is excluded from the analysis above.

- 4.8 Members are asked to note the use of £1,834,000 LEA TSF unspent funds and £1,086,000 Schools TSF unspent funds in 2005/2006 allocated in line with the DfES TSF regulations. TSF grant can be spent (and much has already been committed) over a 17-month period, therefore it is usual to carry-forward a sum at 31<sup>st</sup> March to be used for purposes specified by the grant conditions by 31<sup>st</sup> August. Members are also asked to approve the use of £1,197,000 reserves to support the service's 2005/2006 budget.

## 5. Comparison with the 2004/05 Provisional Outturn

- 5.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/05 Provisional Outturn report on 3<sup>rd</sup> February 2005. At this time the service was predicting an underspend of £1,618,000. Within this

schools were predicting an overall overspend of £297,000 and the department was forecasting an underspend of £1,915,000. The actual underspend of £6,185,000 therefore represents a £4,567,000 change in the service's position (The Schools change is £2,883,000, while the LEA's change is £1,684,000):

<i>Table 8 : Comparison Between Provisional and Final Outturn</i>		
	<b>Provisional Outturn as reported on 3<sup>rd</sup> February 2005 £000</b>	<b>2004/05 Final Outturn £000</b>
Schools Delegated	1,066	(1,357)
Schools TSF	(629)	(1,086)
School loans and other	(140)	(143)
LEA TSF	(1,193)	(1,834)
<i>Schools &amp; TSF Sub Total</i>	<i>(896)</i>	<i>(4420)</i>
Demand led services	(568)	(1,164)
Directorate	(25)	(21)
Community & Services	(70)	(70)
Strategy	40	(74)
Special Educational Needs	63	(35)
School Effectiveness	(87)	(95)
EBS Business Unit	(75)	(306)
<i>Non Schools &amp; Non-TSF Sub Total</i>	<i>(722)</i>	<i>(1,765)</i>
<b>TOTAL</b>	<b>(1,618)</b>	<b>(6,185)</b>

- 5.2 The non schools' (non TSF) change in variance of £1,043,000 is less than 0.9% of the total non schools budget. This needs to be set in the context of an extremely large (£446,000,000 gross) and increasingly complex budget being expended over 1,200 service cost centres as well as the complexities of 17 month committed grants (TSF). Almost half of this variance was slippage on capital works, funded from revenue, now taking place in 2005/2006. It should also be noted that although the provisional outturn was reported on 3<sup>rd</sup> February the information used was from Cost Centre Manager forecasts based on information at the end of the third quarter (December 2004). Even so, the need for increasing accuracy of forecasting is well understood and is continually being addressed by Education managers and the Education Finance section, particularly regarding the use of unspent Standards Fund grant and better forecasting data from schools.

ERIC WOOD  
County Education Officer  
Northgate Street  
Warwick

30<sup>th</sup> June 2005

**Education Department**  
**Revenue Outturn 2004/2005**

**1. All Schools (including Nursery)**

Schools have underspent their delegated budget in 2004/05 by 0.6% and schools' net delegated balances are now £8,663,000. This is offset by loans of £993,000. These balances are equivalent to 3.7% of their current year budget. With many schools drawing on reserves, the secondary sector continues to have much lower reserves than primary with a number of schools in a planned deficit position.

A full analysis of individual schools' outturn expenditure and balances carried forward will be published in the Section 52 Outturn Statement.

**2. Standards Fund**

This is a planned "underspend" because the LEA and Schools have planned to use Standards Fund resources over a 17 month period and the unspent resources represented here will be spent by 31<sup>st</sup> August 2005.

**3. Pre Primary Provision**

This underspend is the result of lower than expected pupil numbers and take up for 3 and 4-year-old provision.

**4. Capital Expenditure Funded from Revenue**

Tighter monitoring and processing of CERA, including developer and school contributions have led to less departmental contingencies being used to pay for shortfalls / overspends on capital programme.

**5. Special Educational Needs – Demand Led**

This under-spend is primarily in the areas of recoupment income from other LEAs (where they place pupils in Warwickshire schools), statements, SEN transport and fees for placements of pupils in independent special schools. With recoupment the reduction in income predicted from a reduction in placements was not as great as anticipated and was partially offset by a review of fees charged. Based on current trends a further growth of SEN transport costs and pupil numbers was predicted, but this has occurred more slowly than anticipated.

**6. Strategic Management & School Loans / Contingencies**

This relates to the under-spend from various strategic budgets, contingencies and a swifter than anticipated repayments of loans by schools to the department.

# **Annex A: Revenue Outturn 2004/2005 - Service Analysis**

Line Ref.	A.1 £000 2003/04 Outturn Exp/Inc	EDUCATION DEPARTMENT	A.2	A.3	A.4	A.5	A.6	A.7 Notes
			£000 2004/05 Original Budget A	£000 2004/05 Revised Budget B	£000 2004/05 Outturn Exp/Inc C	£000 Variation from Revised Budget C - B	%	
		<b>Schools Budget</b>						
		<b>Delegated formula budget (ISB)</b>						
1	1,361	Nursery	1,402	1,502	1,467	(35)	(2%)	
2	93,758	Primary	96,998	97,557	97,271	(286)	(0%)	
3	101,878	Secondary	106,275	106,793	106,210	(582)	(1%)	
4	11,894	Special	13,388	13,313	12,860	(453)	(3%)	
5	0	Targeted Contingency & ISB to be delegated	1,106	0	0	0	0%	
6	<b>208,891</b>	<b>Delegated Formula Budget (ISB)</b>	<b>219,169</b>	<b>219,165</b>	<b>217,808</b>	<b>(1,357)</b>	<b>(1%)</b>	1
		<b>Non Delegated Schools Budget</b>						
7	1,580	Strategic Management - Schools Block	2,159	1,778	1,740	(38)	(2%)	
8	717	Capital Expenditure Funded from Revenue	2,302	1,182	846	(336)	(28%)	4
9	5,670	Devolved Standards Fund	6,973	7,677	5,182	(2,496)	(33%)	2
10	393	Non Devolved Standards Fund	660	587	340	(247)	(42%)	2
11	(8,459)	Other Specific Grant	(9,048)	(9,036)	(9,036)	0	0%	
12	10,869	Special Educational Needs	12,554	13,129	12,490	(639)	(5%)	5
13	6,964	Early Years	8,499	8,195	7,839	(357)	(4%)	3
14	357	Access - Schools Block incl ICSS	410	2,127	2,031	(96)	(5%)	
15	<b>18,091</b>	<b>Non Delegated Schools Budget</b>	<b>24,509</b>	<b>25,639</b>	<b>21,430</b>	<b>(4,209)</b>	<b>(16%)</b>	
15	<b>226,982</b>	<b>Total School Budget</b>	<b>243,679</b>	<b>244,804</b>	<b>239,239</b>	<b>(5,565)</b>	<b>(2%)</b>	
		<b>LEA Budget</b>						
		<b>LEA Schools Budget</b>						
16	6,489	Strategic Management - LEA Block	8,354	10,499	10,093	(407)	(4%)	6
17	676	LEA Standards Fund	817	817	640	(178)	(22%)	2
18	1,184	Special Education	1,240	1,295	1,345	50	4%	
19	3,518	School Improvement	3,513	3,468	3,432	(36)	(1%)	
20	12,323	Access - LEA Block	13,024	12,807	12,690	(117)	(1%)	
21	273	Capital Financing & Lease Charges	232	232	232	0	(0%)	
22	<b>24,463</b>	<b>LEA Schools Budget</b>	<b>27,181</b>	<b>29,118</b>	<b>28,431</b>	<b>(687)</b>	<b>(2%)</b>	
		<b>LEA Non-School Budget</b>						
23	3,829	Community Education	3,755	4,238	4,202	(35)	(1%)	
24	290	Student Services	130	299	269	(30)	(10%)	
25	946	Home to College Transport	1,298	982	1,102	120	12%	
26	406	Residual Pensions	435	420	411	(9)	(2%)	
27	<b>5,470</b>	<b>LEA Non-School Budget</b>	<b>5,618</b>	<b>5,938</b>	<b>5,984</b>	<b>46</b>	<b>1%</b>	
28	<b>29,933</b>	<b>Total LEA Budget</b>	<b>32,799</b>	<b>35,057</b>	<b>34,415</b>	<b>(641)</b>	<b>(2%)</b>	
		<b>LEA Residual Budget</b>						
29	21,946	Notional Asset Rentals	23,486	54,391	54,391	0	(0%)	
30	(17,289)	LSC Post 16 Funding	(17,593)	(17,970)	(17,970)	0	0%	
31	330	School Crossing Patrols	306	322	344	22	7%	
32	<b>4,988</b>	<b>LEA Residual Budget</b>	<b>6,199</b>	<b>36,744</b>	<b>36,766</b>	<b>22</b>	<b>0%</b>	
33	<b>261,903</b>	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>282,677</b>	<b>316,605</b>	<b>310,420</b>	<b>(6,185)</b>	<b>(2%)</b>	
		<b>CONTRIBUTION TO / (FROM) RESERVES</b>						
34	2,268	Contribution to/(from) LEA Reserves			1,657			
35	111	Contribution to (from) EBS Business Reserve			231			
36	276	Contribution to (from) School Del. Reserves			1,357			
37	(61)	Contribution to (from) School Loans Scheme			20			
38	444	Contribution to (from) School TSF Reserve			1,086			
39	673	Contribution to (from) LEA TSF Reserve			1,834			
40	<b>265,613</b>	<b>NET REVENUE REQUIREMENT (Outturn Prices)</b>	<b>282,677</b>	<b>316,605</b>	<b>316,605</b>	<b>0</b>	<b>0%</b>	



## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

Line Ref.	B.1	EDUCATION DEPARTMENT					
	£000		B.2	B.3	B.4	B.5	B.6
	2003/04 Outturn Exp/Inc		2004/05 Original Budget A	2004/05 Revised Budget B	2004/05 Outturn Exp/Inc C	Variation from Revised Budget C - B	%
		EXPENDITURE					
1	217,132	Employees	223,626	225,707	254,965	29,258	13%
2	15,944	Premises	18,983	18,983	17,547	(1,436)	(8%)
3	12,419	Transport	12,783	12,783	13,051	269	2%
4	52,506	Supplies and Services	46,367	47,112	30,959	(16,152)	(34%)
5	11,093	Third Party Payments	9,538	9,572	11,244	1,672	17%
6	724	Transfer Payments	16	16	61	45	282%
7	3,751	Support Services	4,295	4,295	15,140	10,845	252%
8	22,088	Notional Asset Rentals	23,780	55,497	55,497	0	0%
9	1,081	Capital Financing Costs	1,745	1,095	1,046	(49)	(5%)
10	336,736	TOTAL EXPENDITURE	341,133	375,061	399,511	24,450	7%
		INCOME					
11	(56,576)	Government Grants	(53,847)	(53,847)	(59,501)	(5,654)	10%
12	(5,784)	Other Grants, Reimbursements and Contributions	(2,691)	(2,691)	(10,953)	(8,262)	307%
13	(12,474)	Customer and Client Receipts	(1,918)	(1,918)	(18,637)	(16,719)	872%
14		Internal Income	0	0	0	0	0%
15	(74,834)	TOTAL INCOME	(58,456)	(58,456)	(89,091)	(30,635)	52%
16	261,903	NET DEPARTMENTAL EXPENDITURE	282,677	316,605	310,420	(6,185)	(2%)

B.7
<b>Notes</b>

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

EDUCATION DEPARTMENT			C.1	C.2	C.3	C.4	C.5	C.6
Line Ref.	Service Description	Responsible Officer	£000 2004/05 Original Budget A	£000 2004/05 Revised Budget B	£000 2004/05 Outturn Exp/Inc C	£000 Variation from Revised Budget C - B	%	Notes
	<u>Service Budgets</u>							
1	School s	Governing Bodies/Head Teachers	219,169	220,356	217,913	(2,443)	(1%)	
2	Community & Services Division	Assistant CEO (Community)	23,244	16,837	16,387	(451)	(3%)	
3	Strategy Division	Assistant CEO (Strategy)	1,303	8,647	8,715	68	1%	
4	Special Education Needs	Assistant CEO (SEN)	21,425	24,297	23,509	(788)	(3%)	
5	School Improvement Division	Chief Inspector	9,916	11,064	9,187	(1,877)	(17%)	
6	Departmentally Managed - Finance	Financial Services Manager	3,372	31,136	30,302	(833)	(3%)	
7	Departmentally Managed - Directorate	County Education Officer	796	666	672	7	1%	
8	Departmentally Managed - EBS	Assistant CEO (Business Services)	3,452	3,601	3,734	133	4%	
9	TOTAL SERVICE BUDGETS		282,677	316,605	310,420	(6,185)	(2%)	

			C.1	C.2	C.3	C.4	C.5	C.6
			£000	£000	£000	£000	%	
Line Ref.	Service Description	Responsible Officer	2004/05 Original Budget A	2004/05 Revised Budget B	2004/05 Outturn Exp/Inc C	Variation from Revised Budget  C - B		Notes
	<b>Management and Support Budgets</b>							
	<b>(whose apportioned costs are included in the above)</b>							
10	Directorate	County Education Officer	321	472	451	(21)	(4%)	
11	Central Department Budgets	Financial Services Manager	3,525	3,525	3,525	0	0%	
12	Education Business Services	Assistant CEO (Business Services)	1,480	1,565	1,258	(306)	(20%)	
13	Strategy Division	Assistant CEO (Strategy)	1,680	1,569	1,556	(13)	(1%)	
14	Departmental Wide Budgets	Financial Services Manager	1,657	1,850	1,852	2	0%	
15	TOTAL MANAGEMENT AND SUPPORT BUDGETS		8,663	8,981	8,642	(339)	(4%)	

# **Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves**

	D.1	EDUCATION DEPARTMENT	D.2	D.3		D.4	Notes
	£	EBS BUSINESS UNIT		£000			
Line Ref.	2003/2004 Outturn	Annual Trading Account for the year ending 31/03/2005		2004/2005 Outturn			
		Income					
		Business Income					
1	(6,141)	Internal Customers	(5,146)				
2	(789)	External Customers	(385)				
3		Core Recharges					
4	(6,929)	<b>Total Income</b>		<b>(5,531)</b>			
		Expenditure					
5	6,282	Direct Costs	4,657				
6	536	Overheads					
7		Central/Department Support	568				
8		Other Support Services					
9	6,818	Extraordinary Expenditure					
9		<b>Total Expenditure</b>		<b>5,225</b>			
10	(111)	(Surplus)/Deficit		<b>(306)</b>		Budget Target 0	
		<b>Statement of Reserves as at 31/03/2005</b>					
11	26	Balance brought forward from 2003/2004		<b>(36)</b>			
12	(111)	(Surplus)/ Deficit transferred to reserves	(306)				
13	48	Appropriations to departmental reserves	112				
14	(36)	Balance carried forward to 2005/2006		<b>(231)</b>			

## WARWICKSHIRE FIRE AND RESCUE SERVICE

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Warwickshire Fire and Rescue Service was £21,099,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £1,400,000. Therefore the 2004/2005 budget for the Service is now £22,499,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year on items within the Service's control is £170,000. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>		
	<b>£000</b>	<b>£000</b>
<b>Original Budget - Gross</b>		<b>21,524</b>
<b>Original Budget - Net</b>		<b>21,099</b>
<b>Adjusted for:</b>		
Notional Asset Rentals	1,370	
Building (structural maintenance)	30	
Total Adjustments		1,400
<b>Revised Budget</b>		<b>22,499</b>
<b>Actual Net Spending</b>	<b>22,430</b>	
<b>Less: Planned Contribution from the Fire Radio Earmarked (Capital) Reserve</b>	<b>(101)</b>	
<b>Revised Net Spending</b>		<b>22,329</b>
<b>Underspend (against revised budget)</b>		<b>(170)</b>
Contribution from the Pensions Reserve		<b>(240)</b>
<b>Adjusted Underspend (against revised budget)</b>		<b>(410)</b>

- 2.2 Detailed analysis of final underspend is shown in Annexes A to C as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager

Each annex also includes an explanation of significant variations.

- 2.3 The principal items which have led to the underspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
Fire Stations – Integrated Risk Management Plan	(257)
Fire Stations – Employee Costs	(29)
Fire Safety – Smoke Alarms	(30)
Water – Maintenance of Equipment	(20)
Communications and Fire Control – Employee Costs	22
Capital Financing – Radio Project	(101)
Other	5
<b>Subtotal</b>	<b>(410)</b>
Pensions	240
<b>Total</b>	<b>(170)</b>

### **3 Spending on specific 2004/2005 budget allocations**

- 3.1 In February 2004, as part of the 2004/2005 budget the Fire and Rescue Service was allocated £496,000 to fund the Integrated Risk Management Plan (IRMP). Spending on this project in 2004/2005 was £239,000, leading to an underspend of £257,000. 2004/2005 was the first year of implementation of the IRMP and therefore many of the initiatives started part way through the year. Although the Area Risk Managers had identified potential areas for spending, full roll out didn't occur in part due to the learning process and some anticipated partnerships which have yet to materialise.

### **4 Spending on 2004/2005 Virtual Bank Loans**

- 4.1 In February 2002 members agreed to the setting up of the virtual bank. No loans were made to the Fire and Rescue Service during 2004/2005.
- 4.2 However, the Fire and Rescue Service repaid £94,000 to the virtual bank in 2004/2005 in respect of loans previously advanced.

### **5 Reserves**

- 5.1 The Service began the year with accumulated overdrawn reserves of £311,000. As a result of the underspend and reserve movements in the year the reserves position at 31 March 2005 is £44,000 overdrawn. The Chief Officer is proposing to use the Service Reserve to support the 2005/2006 budget, thus reducing the reserve to zero. Additional funding has been agreed for 2005/2006 and 2006/2007 to put the pensions reserve back into balance.

5.2 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 3: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Service Reserves	(97)	97	410	410
Pensions Reserve	(214)	0	(240)	(454)
<b>Total</b>	<b>(311)</b>	<b>97</b>	<b>170</b>	<b>(44)</b>

5.3 Members are asked to approve the use of £284,000 reserves to support the service's 2005/2006 budget. This is in addition to the £126,000 already approved in the original budget for 2005/2006.

## 6 Comparison with the 2004/2005 Provisional Outturn

6.1 The Service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the Service was predicting an overspend of £53,000. The actual underspend of £170,000 therefore represents a £223,000 change in the Service's position.

<b>Table 4: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005</b>	<b>2004/2005 Final Outturn</b>
	<b>£000</b>	<b>£000</b>
Fire Service Pensions	179	240
Redundancy Payments	20	20
Integrated Risk Management Plan	(150)	(257)
Grant Income and Reimbursements	(16)	(60)
Other minor variations	20	(113)
<b>Total</b>	<b>53</b>	<b>(170)</b>

6.2 The increase in the pensions overspend was predominantly due to the unexpected retirement of a senior fire officer. The underspend on the IRMP was because 2004/2005 was the first year of implementation of the IRMP and therefore many of the initiatives started part way through the year. The variance on grant income arose because the Service successfully bid for around £400K of grant income, of which £60K, mainly relating to Arson Control and Car Clear Projects is unspent

and will be carried forward into 2005/2006 to continue the schemes. Other variations were mainly within our supplies and services budget, due to efficiencies in expenditure on uniforms, equipment maintenance, communications and smoke alarms.

**William Brown**

County Fire Officer

Service Headquarters, Leamington Spa

15 June 2005



# Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	DEPARTMENT OF FIRE AND RESCUE	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000 2003/2004 Outturn Exp/Inc		£000 2004/2005 Original Budget A	£000 2004/2005 Revised Budget B	£000 2004/2005 Outturn Exp/Inc C	£000 Variation from Revised Budget C-B	%	Notes
1		Fire and Rescue Service						
2	13,409	Fire Stations	13,750	14,464	14,196	(268)	(2)	1
3	2,958	Pension Costs	3,627	3,498	3,738	240	7	2
4	1,127	Fire Safety	1,489	756	713	(43)	(6)	3
5	120	Water	171	133	113	(20)	(15)	4
6	1,104	Communications and Fire Control	1,152	1,368	1,390	22	2	5
7	828	Notional Asset Rentals	910	2,280	2,280	0	0	
8	19,546		21,099	22,499	22,430	(69)	(0)	
9		Unidentified Efficiency Savings						
10		Client Service to Other Departments						
11		Service Strategy and Regulation						
12		Unapportionable Pension Costs						
13	19,546	NET DEPARTMENTAL EXPENDITURE	21,099	22,499	22,430	(69)	(0)	
		CONTRIBUTION TO / (FROM) RESERVES						
14	(251)	Contribution to/(from) Service Savings	0	0	410	410		
15	(43)	Contribution to/(from) Earmarked Reserves	0	0		0		
16	264	Contribution to/(from) Pensions Reserve	0	0	(240)	(240)		
17	8	Contribution to/(from) General Reserves	0	0		0		
18	(82)	Contribution to/(from) Virtual Bank	94	94	94	0		
19	(47)	Contribution to/(from) Fire Radio (Capital) Earmarked Res	0	0	(101)	(101)		
20	19,395	NET REVENUE REQUIREMENT (Outturn Prices)	21,193	22,593	22,593	0		

## Notes

£000s

1	<b>Fire Stations</b>	<b>(268)</b>
	Integrated Risk Management Plan	(257)
	Employee Cost	(29)
	Other	18
2	<b>Pensions</b>	<b>240</b>
	Pensions transfer from reserves	240

## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

Line Ref.	B.1	DEPARTMENT OF FIRE AND RESCUE	B.2	B.3	B.4	B.5	B.6	B.7
	£000 2003/2004 Outturn Exp/Inc		£000 2004/2005 Original Budget A	£000 2004/2005 Revised Budget B	£000 2004/2005 Outturn Exp/Inc C	£000 Variation from Revised Budget C-B	%	Notes
		<b>EXPENDITURE</b>						
1	11,923	Employees	12,666	12,874	12,867	(7)	(0)	1
2	2,958	Pension Costs	3,627	3,498	3,738	240	7	2
3	924	Premises	738	690	712	22	3	3
4	1,331	Transport	1,461	1,373	1,400	27	2	4
5	1,726	Supplies and Services	1,565	2,068	1,604	(464)	(22)	5
6	0	Third Party Payments	0	0		0	0	
7	0	Transfer Payments	0	0		0	0	
8	460	Support Services	556	608	640	32	5	6
9	828	Notional Asset Rentals	910	2,280	2,280	0	0	
10	66	Capital Financing Costs	0	19	132	113	595	7
11	<b>20,216</b>	<b>TOTAL EXPENDITURE</b>	<b>21,523</b>	<b>23,410</b>	<b>23,373</b>	<b>(37)</b>	<b>(0)</b>	
		<b>INCOME</b>						
12	(100)	Government Grants	0	(356)	(356)	0	0	
13	(113)	Other Grants, Reimbursements and Contributions	0	(197)	(257)	(60)	30	8
14	(455)	Customer and Client Receipts	(424)	(358)	(330)	28	(8)	9
15	0	Interest	0			0	0	
16	(2)	Internal Income	0			0	0	
17	<b>(670)</b>	<b>TOTAL INCOME</b>	<b>(424)</b>	<b>(911)</b>	<b>(943)</b>	<b>(32)</b>	<b>4</b>	
18	<b>19,546</b>	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>21,099</b>	<b>22,499</b>	<b>22,430</b>	<b>(69)</b>	<b>(0)</b>	

### Notes

£000s

<b>1</b>	<b>Employees</b>	<b>(7)</b>
	Other	(7)
<b>2</b>	<b>Pensions</b>	<b>240</b>
	Pensions transfer from reserves	240
<b>3</b>	<b>Premises</b>	<b>22</b>
	Gas	22
<b>4</b>	<b>Transport</b>	<b>27</b>
	Petrol & Oil	27
<b>5</b>	<b>Supplies &amp; Services</b>	<b>(464)</b>
	Integrated Risk Management Plan	(257)
	Communication Rentals	(55)
	Uniforms	(25)
	Maintenance of Equipment	(20)
	Car Clear - Arson Reduction	(35)
	Smoke Alarms	(30)
	Other	(42)
<b>6</b>	<b>Support Services</b>	<b>32</b>
	Payroll Services	14
	Legal Services	18
<b>7</b>	<b>Capital Financing costs</b>	<b>113</b>
	Radio Project expenditure - Planned contribution from capital fund	101
	Structural Maintenance	12
<b>8</b>	<b>Other Grants Reimbursements and Contributions</b>	<b>(60)</b>
	Insurance Claim	(34)
	Other	(26)
<b>9</b>	<b>Customer &amp; Client Receipts</b>	<b>28</b>
	Miscellaneous Income	28

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

	DEPARTMENT OF FIRE AND RESCUE		C.1	C.2	C.3	C.4	C.5	C.6
			£000	£000	£000	£000	%	
Line	Service Description	Responsible Officer	2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
	<u>Service Budgets</u>							
	(including a full apportionment of management and support charges)							
1	Fire Stations	Deputy County Fire Officer	13,750	14,464	14,196	(268)	(2)	1
2	Pension Costs	Deputy County Fire Officer	3,627	3,498	3,738	240	7	2
3	Fire Safety	Divisional Officer, Fire Safety	1,489	756	713	(43)	(6)	3
4	Water	Water Officer	171	133	113	(20)	(15)	4
5	Communications and Fire Control	Communications Manager	1,152	1,368	1,390	22	2	5
6	Notional Asset Rentals	Financial Services Manager	910	2,280	2,280	0	0	
7	TOTAL SERVICE BUDGETS		21,099	22,499	22,430	(69)	(0)	
	<u>Management and Support Budgets</u>							
	(whose apportioned cost are included in the above)							
8	Policy & Planning	Policy & Planning Officer	899	992	889	(103)	(10)	
9	Training	Group Manager - Training & Development	707	945	899	(46)	(5)	
10	Transport	Group Manager - Technical Support	1,172	1,149	1,181	32	3	
11	Technical Support	Group Manager - Technical Support	646	772	776	4	1	
12	Operational Support	Group Manager - Risk Reduction	255	347	352	5	1	
13	Financial Services	Financial Services Manager	127	155	174	19	12	
14	Human Resources	Human Resources Manager	250	252	244	(8)	(3)	
15	Press and Public Relations	Policy & Planning Officer	43	44	52	8	18	
16	Information Services	Assistant County Officer	326	485	503	18	4	
17	Health and Safety	Group Manager - Technical Support	40	61	57	(4)	(7)	
18	Performance Information	Policy & Planning Officer	126	64	48	(16)	(25)	
19	TOTAL MANAGEMENT AND SUPPORT BUDGETS		4,591	5,266	5,175	(91)	(2)	

### Notes

£000s

<b>1</b>	<b>Fire Stations</b>	<b>(268)</b>
	Integrated Risk Management Plan	(257)
	Employee Cost	(29)
	Other	18
<b>2</b>	<b>Pensions</b>	<b>240</b>
	Pensions transfer from reserves	240
<b>3</b>	<b>Fire Safety</b>	<b>(43)</b>
	Smoke Alarms	(30)
	Other	(13)
<b>4</b>	<b>Water</b>	<b>(20)</b>
	Maintenance of Equipment	(20)
<b>5</b>	<b>Communications &amp; Fire Control</b>	<b>22</b>
	Employee Cost	22

## Directorate of Libraries, Heritage & Trading Standards

### Final Revenue Outturn 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Directorate of Libraries, Heritage & Trading Standards was £13,947,000. Since the original budget was approved there have been budget adjustments of £1,026,000 which represents central charges (see Table 1). Therefore the 2004/2005 budget for the service is now £14,973,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net overspend for the year on items within the Service's control is £108,000. Details are shown below.

Table 1: Outturn spending 2004/2005			
		£000	£000
<b>Original Budget - Gross</b>			<b>15,225</b>
<b>Original Budget - Net</b>			<b>13,947</b>
<b>Adjusted for:</b>			
Planned carryforwards from 2003/4	(145)		
Bookstart	20		
Transfer of Marketing/Promotion Function	(34)		
Notional Asset Rental Charges	1,337		
Reduced Landlord Maintenance Charges	(152)		
Total Adjustments			1,026
<b>Revised Budget</b>			<b>14,973</b>
<b>Actual Net Spending</b>			<b>15,081</b>
<b>Overspend (against revised budget)</b>			<b>108</b>

In addition to the above, the Museum and County Record Office Trust Funds received net contributions of £14,899.

2.2 Detailed analysis of final overspend is shown in Annexes A to C as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager

Each annex also includes an explanation of significant variations.

2.3 The principal items which have led to the overspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
<b>Library &amp; Information Service</b> <b>HQ People's Network</b> Projects such as automated generation of invoices and Icam reconfiguration have been restructured and transferred to 2005/06.	(16)
<b>Schools Library Service</b> The income target was over-achieved and will be used in 2005/06 to cover an anticipated reduction in income from the Education Advisory Service.	(11)
<b>Switchboard/Customer Service Centre</b> The reallocation of staff between the switchboard and the Customer Service Centre resulted in an underspend. This is being corrected in the first quarter of 2005/06.	(79)
<b>Eastern/Southern Division</b> A planned carryforward from 2003/04 is to be used to fund the Alcester Library refurbishment during 2005/06.	(28)
<b>Central Division</b> Late receipt of planning gain monies resulted in an underspend.	(6)
<b>Headquarters – Core Services</b> An underspend was achieved through staff vacancies. This will be used to progress the Library Best Value Review during 2005/06.	(55)
<b>Other Library and Information Cost Centres</b> A number of small underspends occurred totalling £11,000, eg, staff turnover.	(11)
<b>Bad Debt Reserves</b> The balance of £36,000 will be carried forward to meet any write-offs in 2005/06.	(32)
<b>Trading Standards</b> A small number of under/overspends occurred which totalled to a £3,000 underspend.	(3)
<b>County Record Office</b> Staff savings were achieved as the service was unable to recruit to a project post in 2004/05.	(11)

<b>Museum Service</b> <b>Museum Review Feasibility Report</b> The planned overspend will be met by a contribution from the museum development fund in 2005/06.	22
<b>Core</b> An underspend achieved through staff turnover will be used in 2005/06 to complete an English Nature project. This project was unable to take place in 2004/05 due to staff shortages.	(10)
<b>Arts Service</b> The 2004/05 "Artsweek" project was underspent. A review of "Artsweek" will take place in 2005/06. The underspend will be used to finance this review.	(6)
<b>General</b> A small number of under/overspends occurred which resulted in a £3,000 overspend.	3
<b>Management Services</b> Planned savings (vacant posts) are to be used to meet Directorate's responsibilities in respect of HRMS during 2005/06 covering areas such as training and staffing.	(39)
<b>Directorate</b> <b>Procurement Target</b> The introduction of a procurement target in July 2003 (£75,000) has continued to impact significantly on the Directorate. The target has been funded to a total of £25,000, leaving £50,000 permanently outstanding. The effect of not meeting the target in 2003/04 and 2004/05 is a deficit of £46,000, resulting in an overall £96,000 overspend.	96
<b>IT Overspend</b> The majority of the overspend (£243,000) is a carryforward from 2003/04. The remaining sum (£51,000) relates to 2004/05 sustainability, despite savings being made during the year in relation to the numbers of pcs on our inventory. Sustainability costs are now funded for 2004/05 (part year) and 2005/06 (full year) onwards.	294
<b>Total Overspend</b>	<b>108</b>

### 3 Spending on specific 2004/2005 budget allocations

- 3.1 In February 2004, as part of the 2004/2005 budget the Directorate of Libraries, Heritage & Trading Standards was allocated £80,000 to fund specific projects. Spending on these projects in 2004/2005 was £80,000. Further details are given below.

<b>Table 3: Specific budget allocations 2004/2005</b>	<b>Budget £000</b>	<b>Spending £000</b>	<b>Variation £000</b>	<b>Explanation</b>
Part removal of single staffing in libraries	30	30	-	The high priority libraries were allocated funds totalling £30,000 The funding provided the following: a) full-time children's librarian in the North of the county b) stock purchases for the Rural Housebound Service c) Research Project on installing the internet and GEAC on the mobile fleet
Rural reading	50	50	-	
<b>Total</b>	<b>80</b>	<b>80</b>	<b>-</b>	

#### **4 Reserves**

- 4.1 The service began the year with accumulated reserves of £120,000 (including trust fund balances of £265,000). As a result of the overspend and reserve movements in the year the reserves position at 31 March 2005 is £172,000 in-hand. However, after excluding the Trust Funds (see Table 5), the remaining reserves show an overdrawing of £108,000.

4.2 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 4: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn ) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year  £000</b>	<b>Final Outturn  £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
<b>Service reserves</b>	(145)	145	(108)	(108)
<i><b>Museum Trust</b></i>	248	0	12	260
<i><b>Funds</b></i>	17	0	3	20
<i><b>County Record Office Funds</b></i>				
<b>Total</b>	<b>120</b>	<b>145</b>	<b>(93)</b>	<b>172</b>
<b>Available Revenue Reserve</b>	<b>(145)</b>	<b>145</b>	<b>(108)</b>	<b>(108)</b>

## 5 Comparison with the 2004/2005 Provisional Outturn

5.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an overspend of £560,000. The final outturn position of an overspend of £108,000 represents an improvement of £452,000.



<b>Table 5: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005 £000</b>	<b>2004/2005 Final Outturn £000</b>
	560	
Additional Allocation of E-Government funding	(170)	
Alcester Refurbishment (2 year project)	(32)	
Library ( Building for the Future)	(30)	
People's Network (Project's transferred to 2005/06)	(16)	
County Record Office (Staffing Project)	(10)	
Museum Service (English Nature Project over 2 financial years)	(12)	
Arts (Artsweek 2005/06 review)	(6)	
Management Services (Directorate responsibilities in respect of HRMS)	(39)	
Switchboard/Customer Service Centre (Staffing Transfers)	(77)	
Various projects	(28)	
Bad Debt Funding	(32)	
<b>Total</b>		<b>108</b>

**NOEL HUNTER**

Director, Libraries, Heritage & Trading Standards  
Barrack Street  
Warwick

30 June 2005

# Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	DEPARTMENT OF LIBRARIES HERITAGE	A.2	A.3	A.4	A.5	A.6	A.7
	£000	AND TRADING STANDARDS	£000	£000	£000	£000	%	
Line	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
		LIBRARIES AND INFORMATION SERVICE						
		Libraries						
1	3,018	H. Q. (Includes Mobile Libraries)	3,479	4,227	4,032	(195)	(5)	
2	624	Northern Area	729	733	734	1	0	
3	951	Nuneaton and Bedworth	1,020	1,027	1,027	0	0	
4	813	Eastern Area	930	918	924	6	1	
5	947	Southern Area	983	1,033	999	(34)	(3)	
6	1,483	Central Area	1,568	1,570	1,565	(5)	(0)	
7	26	Schools Library Service	43	54	43	(11)	(20)	
8	7,862		8,752	9,562	9,324	(238)	(2)	
		HERITAGE AND CULTURE						
		County Museum						
9	813	H. Q.	838	1,099	1,089	(10)	(1)	
10	28	Archaeology	35	35	35	0	0	
11	841		873	1,134	1,124	(10)	(1)	
12	470	County Record Office	508	616	605	(11)	(2)	
13	133	Arts	144	161	156	(5)	(3)	
14	165	Programme Development	159	192	216	24	13	
		TRADING STANDARDS						
15	470	Consumer Protection	531	521	505	(16)	(3)	
16	(116)	Support Services	(6)	98	79	(19)	(19)	
17	210	Policy,Information and Education	234	224	219	(5)	(2)	
18	34	Programme Development	27	27	25	(2)	(7)	
19	29	Crossing the Boundaries	28	28	28	0	0	
20	464	Business Services	407	394	434	40	10	
21	777	Compliance	701	697	696	(1)	(0)	
22		Foot and Mouth	0	0	0	0	0	
23	1,868		1,922	1,989	1,986	(3)	(0)	
24	809	DIRECTORATE	793	788	887	99	13	
25	0	Record Management Project	0	6	3	(3)	(50)	
		MANAGEMENT SERVICES						
26	16	Core	0	0	0	0	0	

## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

	B.1	DEPARTMENT OF LIBRARIES HERITAGE AND TRADING STANDARDS	B.2	B.3	B.4	B.5	B.6	B.7
Line Ref.	£000 2003/2004 Outturn Exp/Inc		£000 2004/2005 Original Budget	£000 2004/2005 Revised Budget	£000 2004/2005 Outturn Exp/Inc	£000 Variation from Revised Budget	%	Notes
		<b>EXPENDITURE</b>						
1	9,265	Employees	8,440	10,165	9,951	(214)	(2)	1
2	1,138	Premises	1,209	1,263	1,279	16	1	2
3	310	Transport	265	313	309	(4)	(1)	
4	4,466	Supplies and Services	4,515	4,926	5,179	253	5	3
5	266	Third Party Payments	49	1,082	1,093	11	1	4
7	931	Notional Asset Rentals	936	2,286	2,285	(1)	(0)	
8	139	Capital Financing Costs	93	235	221	(14)	(6)	5
9	<b>16,515</b>	<b>TOTAL EXPENDITURE</b>	<b>15,507</b>	<b>20,270</b>	<b>20,317</b>	<b>47</b>	<b>0</b>	
		<b>INCOME</b>						
10	(561)	Other Grants, Reimbursements and Contributions	(242)	(432)	(431)	1	(0)	
11	(2,426)	Customer and Client Receipts	(1,036)	(4,576)	(4,516)	60	(1)	6
12	(320)	Internal Income	(282)	(289)	(289)	0	0	
13	<b>(3,307)</b>	<b>TOTAL INCOME</b>	<b>(1,560)</b>	<b>(5,297)</b>	<b>(5,236)</b>	<b>61</b>	<b>(1)</b>	
14	<b>13,208</b>	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>13,947</b>	<b>14,973</b>	<b>15,081</b>	<b>108</b>	<b>1</b>	

The significant variances are (£10,000+) :-

### Expenditure

- The Department has incurred a large underspend due to problems in the recruitment of staff across all services and staff turnover.
- An overspend has occurred due to an increase in cleaning and energy costs, which have only partially been offset by an underspend on rents.
- The vast majority of this overspend relates to I.T. and the Procurement Target. The amount includes a major sum rolled-forward from 2003/04. The planned funding is through a 3 year contribution programme from the Directorate Services.
- Various small overspends relating to projects across the Department
- Leasing - The actual cost of leasing was lower than anticipated. The underspend has been offset against the procurement target shortfall.
- The majority of the under achievement of income is in relation to Calibration and Verification Services within Trading Standards.

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

	DEPARTMENT OF LIBRARIES HERITAGE AND TRADING STANDARDS		C.1	C.2	C.3	C.4	C.5	C.6
Line Ref.	Service Description	Responsible Officer	£000	£000	£000	£000	%	Notes
			2004/2005	2004/2005	2004/2005	Variation from		
			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
	<u>Service Budgets</u>							
	(including a full apportionment of management and support charges)							
1	Libraries: H.Q.	Head of Library and Information Service	2,288	2,992	2,900	(92)	(3)	1
2	Nuneaton and Bedworth	Area Manager	1,020	1,027	1,027	0	0	
3	Northern	Area Manager	729	733	734	1	0	
4	Eastern	Area Manager	930	918	924	6	1	
5	Southern	Area Manager	983	1,033	999	(34)	(3)	2
6	Central	Area Manager	1,568	1,570	1,565	(5)	(0)	
7	Library Stock Services	Principal Librarian	408	408	404	(4)	(1)	
8	Centrally Held Stock Fund	Principal Librarian	783	779	775	(4)	(1)	
9	Schools Library Service	Manager - Schools Library Service	43	54	43	(11)	(20)	3
10	Customer Service Centre/Switchboard	Head of Library and Information Service	0	39	(40)	(79)	(203)	4
11	Peoples Network	Head of Library and Information Service	0	9	(7)	(16)	(178)	5
12	Museum General	Head of Museum Service	838	1,099	1,089	(10)	(1)	6
13	Museum Archaeology	Field Archaeologist	35	35	35	0	0	
14	Directorate	Director	793	788	887	99	13	7
15	Record Management	Director	0	6	3	(3)	(50)	
16	Departmental Held Funds	Head of Resources and Performance	796	525	780	255	49	8
17	Programme Development	Programme Development Officer	303	353	372	19	5	9
18	County Records Office	Head of Archives	508	616	605	(11)	(2)	10
19	Consumer Protection	Divisional Trading Standards Officer	531	521	505	(16)	(3)	11
20	Management & Services Support	Assistant Head of Trading Standards	(6)	98	79	(19)	(19)	12
21	Policy,Information and Education	Divisional Trading Standards Officer	234	224	219	(5)	(2)	
22	Programme Development	Head of Trading Standards	27	27	25	(2)	0	
23	Crossing the Boundaries	Regional Coordinator	28	28	28	0	0	
24	Business Services	Divisional Trading Standards Officer	407	394	434	40	10	13
25	Compliance	Divisional Trading Standards Officer	701	697	696	(1)	(0)	
26	TOTAL SERVICE BUDGETS		13,947	14,973	15,081	108	1	
	<u>Management and Support Budgets</u>							
	(whose apportioned cost are included in the above)							
27	Management Services - Libraries and Heritage		2,902	2,411	2,860	449	19	
28	Management Services - Trading Standards		695	799	780	(19)	(2)	
29	TOTAL MANAGEMENT AND SUPPORT BUDGETS		3,597	3,210	3,640	430	13	14

### The significant variances (£10,000+) :-

- 1 The underspend has been achieved due to staff vacancies plus a Bad Debt Reserve.
- 2 Planned carryforward from 2003/04 to be used to fund Alcester Library Re-furbishment during 2005/06.
- 3 The reallocation of staff between the Switchboard and the Customer Service Centre resulted in an underspend.
- 4 Projects such as automated generation and Icam reconfiguration have been restructured and transferred to 2005/06
- 5 Income target was over achieved. Will be used in 2005/06 to cover anticipated reduction in income.
- 6 Underspend achieved via staff turnover and will be used to complete a survey on Records Management Project.
- 7 Introduction of Procurement Target in 2003/04 has impacted on the service. This amount has reduced during 2004/05 but still remains a pressure.
- 8 The majority of the overspend relates to the 2003/04 I.T. overspend carried forward. See Report ( ref:- 4.3 ) for the planned funding of this amount.
- 9 Planned overspend relating to Museum Review Feasibility Report will be met by a contribution from the Museum Development Fund in 2005/06.
- 10 Staff savings were achieved as the Service was unable to recruit to a project post during 2004/05.
- 11 Over achievement of income due to involvement in National E-Trading Standards Project on behalf of the Office of the Deputy Prime Minister.
- 12 Savings have been made due to staff vacancies.
- 13 Under achievement of Income in respect of Calibration and Verification work.
- 14 The total budgets include the following:
  - i) Management Services Core
  - ii) Departmentally Held Funds
  - iii) External Charges

The variances being explained where appropriate in the above notes

## PLANNING TRANSPORT AND ECONOMIC STRATEGY

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Planning Strategy and Economic Strategy was £48,516,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £1,404,000. Therefore the 2004/2005 budget for the service is now £47,112,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net over for the year on items within the Service's control is £568,000. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>		
	<b>£000</b>	<b>£000</b>
<b>Original Budget – Gross</b>		<b>58,695</b>
<b>Original Budget - Net</b>		<b>48,516</b>
<b>Adjusted for:</b>		
Notional Asset Rental	(1,228)	
Self Financing Capital	(141)	
Contribution to publicity	(35)	
Total Adjustments		(1,404)
<b>Revised Budget</b>		<b>47,112</b>
<b>Actual Net Spending</b>		<b>47,680</b>
<b>Overspend (against revised budget)</b>		<b>568</b>

- 2.2 Detailed analysis of final over/underspend is shown in Annexes A to D as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager
- Annex D - shows the analysis of Business Unit Trading accounts and reserves.

Each annex also includes an explanation of significant variations.

- 2.3 The principal items which have led to the overspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
Business Link Grant – revenue expenditure funded by AWM Capital grant	300
Waste – Larger than expected landfill tonnages	102
Warco – Losses on transfer of assets to new contractor and insurance claim under the County's insurance excess	149
Economic Development Regeneration Project – cashflow pressures from new business units not yet let	148
Decriminalisation – cashflow pressure due to expenditure preceding fine income	94
Environmental Design – shortfall in income recovery to be recovered next year from revised charges	55
County Highways – revenue setup costs of new contract and share of losses in year one	576
Capitalisation	(566)
Transport Planning – additional income from speedworkshops and fee recharges	(144)
Transport Operation – increased fleet management income	(56)
Design Services – increased fee income	(52)
Other	(38)
<b>Total</b>	<b>568</b>

### 3 Spending on specific 2004/2005 budget allocations

- 3.1 In February 2004, as part of the 2004/2005 budget the Planning Strategy and Economic Strategy was allocated £375,000 to fund specific projects. Spending on these projects in 2004/2005 was £375,000. Further details are given below.

<b>Table 3: Specific budget allocations 2004/2005</b>	<b>Budget £000</b>	<b>Spending £000</b>	<b>Variation £000</b>	<b>Explanation</b>
Sustainability	200	200	0	The allocation has been used to expand the number of projects implemented across the service, ranging from Free Home chipping service, discounted Home Composters, developing the Car Sharing database, Carbon Management project .
Running Costs Flexibuses	175	175	0	New vehicles were purchased and the new services were introduced in October 2004 in each of Warwickshire's five key districts. The services provide improved access to health, leisure, education and shopping facilities for many people, but particularly those in rurally isolated parts of the county.
<b>Total</b>	<b>375</b>	<b>375</b>	<b>0</b>	

### 4 Reserves

- 4.1 The service began the year with accumulated reserves of £149,000 (including business unit reserves). As a result of the overspend and reserve movements in the year the reserves position at 31 March 2005 is £419,000 overdrawn. The Director is proposing that this will be the first call on the 2005/2006 budget.

- 4.2 The service also operated three business units in relation to Highways Maintenance, Design Services and Vehicle Maintenance. The Business units began the year with accumulated reserves of £100,000. Trading during the year resulted in an overall surplus of £14,000. Business unit reserves therefore stood at £114,000 at the year-end.

<b>Table 4: Business Unit Reserves</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Surplus/(Deficit) in 2004/2005 £000</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
CFM	0	63	63
WARCO	100	(149)	(49)
Design Services	0	100	100
<b>Total</b>	<b>100</b>	<b>14</b>	<b>114</b>

The deficit on the WARCO reserve reflects the costs associated with the transfer of assets to the new contractor.

- 4.3 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 5: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Service reserves	49	0	(582)	(533)
Business Unit reserves	100	0	14	114
<b>Total</b>	<b>149</b>	<b>0</b>	<b>(568)</b>	<b>(419)</b>

- 4.4 Members are asked to approve a contribution of £530,000 from the service's 2005/2006 revenue budget to ensure the service's reserves are not overdrawn. This figure comprises the £419,000 of Service and Business Unit reserves together with the £111,000 of ring fenced reserves for Speed Workshops, Planning Enquiries and Business Centres for use in future years.



## 5. Comparison with the 2004/2005 Provisional Outturn

- 5.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an overspend of £814,000. The actual overspend of £568,000 therefore represents a £246,000 change in the service's position.

<b>Table 6: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005</b>	<b>2004/2005 Final Outturn</b>
	<b>£000</b>	<b>£000</b>
AWM Grant	0	(566)
Business Link Grant	0	300
County Highways	0	572
Waste Management	120	102
Economic Development/ Social Regeneration	168	148
Executive	90	52
Decriminalisation of Parking	100	94
Marketing and Graphics Design	65	86
County Fleet	50	47
Development/ Strategic	66	(68)
Environmental Design	0	55
Transport Planning	(20)	(144)
Transport Operations	147	(56)
Design Services	0	(52)
Other net variations	28	(2)
<b>Total</b>	<b>814</b>	<b>568</b>

- 5.2 The reduction of the projected overspend of £246,000 between the provisional and final outturn is the net effect of the unbudgeted revenue grant to Business Link and the better than expected income results for Transport Planning, Transport Operations and Design Services.

**John Deegan**

Director of Planning Strategy and Economic Strategy

Barrack Street

July 2005

# Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	DEPARTMENT OF PLANNING	A.2	A.3	A.4	A.5	A.6	A.7
	£000	TRANSPORT AND ECONOMIC STRATEGY	£000	£000	£000	£000	%	
Line	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
1		<b>County Highways</b>						
2	1,796	Structural Maintenance	661	0	102	102	100%	1
3	4,260	Routine Maintenance	3,817	5,159	5,313	154	3%	2
4	1,457	Winter Maintenance	1,408	1,313	1,087	(226)	(17%)	2
5	42	Agent Authorities	355	355	443	88	25%	3
6	277	Public Liability Insurance	683	683	772	89	13%	4
7	0	Surface Dressing	930	0	0	0	0%	
8	2,074	Street Lighting	2,164	2,229	2,181	(48)	(2%)	5
9	2,617	County Highways Admin and Technical	3,177	3,057	2,905	(152)	(5%)	6
10	233	Management and Support	302	233	233	0	0%	
11	<b>12,756</b>		<b>13,497</b>	<b>13,029</b>	<b>13,036</b>	<b>7</b>	<b>0%</b>	
		<b>Strategic Services</b>						
12	715	Strategy Unit	634	643	630	(13)	(2%)	
13	640	Development Group	732	675	620	(55)	(8%)	7
14		Sustainability	487	560	496	(64)	(11%)	8
15	9,315	Waste Management	9,829	9,578	9,680	102	1%	9
16	<b>10,670</b>		<b>11,682</b>	<b>11,456</b>	<b>11,426</b>	<b>(30)</b>	<b>0%</b>	
		<b>Transport Planning</b>						
17	401	Traffic signs and signals	512	518	515	(3)	(1%)	
18	458	Traffic group	529	474	338	(136)	(29%)	10
19	531	Road safety	654	571	429	(142)	(25%)	11
20	0	School crossing patrols	0	0	0	0	0%	
21	0	Casualty reduction Partnership	0	0	0	0	0%	
22	92	Decriminalisation	100	0	94	94	0%	12
23	974	Transport Strategy	1,047	1,288	1,331	43	3%	
24	311	Highways and Traffic Information	371	0	0	0	0%	
25	<b>2,767</b>		<b>3,213</b>	<b>2,851</b>	<b>2,707</b>	<b>(144)</b>	<b>(5%)</b>	
		<b>Social &amp; Community Planning</b>						
26	70	Fleet Management	49	30	(53)	(83)	(277%)	13
27	1,411	Transport Operations	1,673	1,553	1,580	27	2%	
28	1,205	Countryside Services	1,233	1,168	1,205	37	3%	
29	390	Environmental Design	446	411	466	55	13%	14
30	<b>3,076</b>		<b>3,401</b>	<b>3,162</b>	<b>3,198</b>	<b>36</b>	<b>1%</b>	

# Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	DEPARTMENT OF PLANNING	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000	TRANSPORT AND ECONOMIC STRATEGY	£000	£000	£000	£000	%	Notes
	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		
	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
31	573	Performance Management	635	616	648	32	5%	
		Regeneration & Management						
32	1,182	Economic Development	1,168	1,193	1,386	193	16%	15
33	844	Regeneration Projects	994	954	909	(45)	(5%)	
34	279	Strategic Management	210	185	245	60	32%	16
35	544	Regeneration Policy and Europe	601	613	861	248	40%	17
36	2,849		2,973	2,945	3,401	456	15%	
		Business Units						
37	1	WARCO	0	0	149	149	0%	18
38	(180)	Virtual Bank	0	0	0	0	0%	
39	(181)	CFM	(160)	(110)	(63)	47	(43%)	
40	(53)	Design Services	13	(48)	(100)	(52)	108%	19
41	(413)		(147)	(158)	(14)	144	(91%)	
42	12	Additional savings/funding	(439)	(27)	0	27	(100%)	
43								
44	9,631	Capital Charges	12,724	11,496	11,496	0	0%	
45	1,144	Corporate & Democratic core	893	1,658	1,698	40	2%	
46	18	Unapportionable Pension Costs	84	84	84	0	0%	
47	43,083	NET DEPARTMENTAL EXPENDITURE	48,516	47,112	47,680	568	1%	
		CONTRIBUTION TO / (FROM) RESERVES						
48	(241)	Contribution to/(from) Service Savings			(654)	(654)		
49	(8)	Contribution to/(from) Earmarked Reserves			86	86		
50	(164)	Contribution to/(from) General Reserves				0		
51	(17)	Contribution from PIF fund				0		
52	180	Contribution to/(from) Virtual Bank				0		
53	389	Contribution to Insurance Fund				0		
54	43,222	NET REVENUE REQUIREMENT (Outturn Prices)	48,516	47,112	47,112	0		

## **Annex A: Revenue Outturn 2004/2005 - Service Analysis**

### **DEPARTMENT OF PLANNING TRANSPORT & ECONOMIC STRATEGY**

<b>Notes</b>	<b>£'000</b>
<b>County Highways</b>	
1 The contribution to capital should have been £668,000 but we have reduced this due to releasing £566,000 of Corporate capital resources following the increased grant from AWM for the Elliot Park Innovation centre.	102
2 Overspends on Routine maintenance have been offset by savings on Winter maintenance ( £226k less £154k)	(72)
3 Verge and tree maintenance has required more attention	88
4 Insurance claims and premiums continue to rise	89
5 Savings on electrical connections	(48)
6 Reduced spend on Consultants and other cost savings	(152)
<b>Development Group</b>	
7 Mainly staff vacancies	(55)
<b>Sustainability</b>	
8 Mainly staff vacancies	(64)
<b>Waste Management</b>	
9 Due to the pressures on this budget the savings target we set was not achieved	102
<b>Transport Planning</b>	
10 Traffic group has generated more staff recharges than expected.	(136)
11 Within the Road safety budget additional income has been generated from the speed workshops activity . However the surplus on this activity has been ring fenced to support accident reduction initiatives.	(142)
<b>Decriminalisation</b>	
12 These project costs of setting up the decriminalised parking areas have been funded from the additional income in Transport Planning .	94
<b>Fleet Management</b>	
13 Increased charges to clients	(83)
<b>Environmental Design</b>	
14 Increased staff costs have not been able to be passed onto clients	55

## **Annex A: Revenue Outturn 2004/2005 - Service Analysis**

### **DEPARTMENT OF PLANNING TRANSPORT & ECONOMIC STRATEGY**

<b>Notes</b>		<b>£'000</b>
<b>15</b>	Regeneration & Management Within Economic Development we are over budget mainly through support of major projects such as the new EPIC centre , vital villages and the small business loan scheme.	<b>193</b>
<b>16</b>	Strategic Management This is overspent mainly as a result of the transfer of the marketing and graphics function to the Chief Executives and due to supporting new initiatives.	60
<b>17</b>	This reflects the £300k contribution to the Strategic Business initiative	<b>248</b>
<b>18</b>	WARCO ceased to operate on the 4th May 2004 , this loss is as a result of the closedown of the DLO.	149
<b>19</b>	Design Services have been able to generate a moderate increase in their surplus	(52)

## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

	B.1	DEPARTMENT OF PLANNING	B.2	B.3	B.4	B.5	B.6	B.7
	£000	TRANSPORT & ECOMINC STRATEGY	£000	£000	£000	£000	%	
Line Ref.	2003/2004 Outturn Exp/Inc		2004/2005 Original Budget	2004/2005 Revised Budget	2004/2005 Outturn Exp/Inc	Variation from Revised Budget		Notes
		EXPENDITURE	A	B	C	C-B		
1	14,811	Employees	13,151	13,159	13,403	244	2%	
2	1,041	Premises	823	923	1,063	140	15%	1
3	17,310	Transport	14,405	15,986	15,989	3	0%	
4	8,807	Supplies and Services	2,917	5,981	5,631	(350)	(6%)	
5	27,821	Third Party Payments	24,957	23,302	27,343	4,041	17%	2
6	561	Transfer Payments	277	406	342	(64)	(16%)	
7	3,860	Support Services	4,379	4,430	4,464	34	1%	
8	10,217	Notional Asset Rentals	13,309	12,081	12,081	0	0%	
9	0	Capital Financing Costs	0	0	0	0	0%	
10	84,428	TOTAL EXPENDITURE	74,218	76,268	80,316	4,048	5%	
		INCOME						
11	(4,343)	Government Grants	(1,562)	(3,805)	(4,867)	(1,062)	28%	3
12	(1,492)	Other Grants, Reimbursements and Contributions	(2,986)	(1,134)	(1,252)	(118)	10%	
13	(7,728)	Customer and Client Receipts	(5,630)	(6,264)	(9,184)	(2,920)	47%	4
14	0	Interest	0	0	0	0		
15	(27,782)	Internal Income	(15,524)	(17,953)	(17,333)	620	(3%)	5
16	(41,345)	TOTAL INCOME	(25,702)	(29,156)	(32,636)	(3,480)	12%	
17	43,083	NET DEPARTMENTAL EXPENDITURE	48,516	47,112	47,680	568	1%	

## **Annex B: Revenue Outturn 2004/2005 - Subjective Analysis**

### **DEPARTMENT OF PLANNING TRANSPORT & ECONOMIC STRATEGY**

<b>Notes</b>		<b>£'000</b>
1	Relatively small increases across the board in our Highways Depots , Business centers and Countryside sit	140
2	Increases in project work funded from developer income or grant funded.	4,041
3	Increase in grant funded schemes	(1,062)
4	Increased third party funding of schemes .	(2,920)
5	Across the board reductions in internal charges from CFM , WARCO and design services	620

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

	DEPARTMENT OF PLANNING TRANSPORT		C.1	C.2	C.3	C.4	C.5	C.6
	AND ECONOMIC STRATEGY		£000	£000	£000	£000	%	
Line	Service Description	Responsible Officer	2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
	<u>Service Budgets</u>							
	(including a full apportionment of management and support charges)							
	Warwickshire Engineering							
1	County Highways	Head of Warwickshire Engineering	13,497	13,029	13,036	7	0%	1
2	Desgn Services	Design Services Manager	13	(48)	(100)	(52)	108%	2
3	WARCO	Head of Warwickshire Engineering	0	0	149	149	0%	3
5	CFM	Head of Warwickshire Engineering	(160)	(110)	(63)	47	(43%)	
	Strategic Services							
6	Strategy Unit	Head of Strategic Services	634	643	630	(13)	(2%)	
7	Development Group	Head of Strategic Services	732	675	620	(55)	(8%)	4
	Sustainability	Head of Strategic Services	487	560	496	(64)	(11%)	5
8	Waste Management	Head of Strategic Services	9,829	9,578	9,680	102	1%	6
	Social and Community Services							
9	Transport Operations	Head of Social and Community Planning	1,722	1,583	1,527	(56)	(4%)	7
10	Countryside Services	Head of Social and Community Planning	1,233	1,168	1,205	37	3%	
11	Environmental Design	Head of Social and Community Planning	446	411	466	55	13%	8
	Transport Planning							
12	Transport Planning	Head of Transport Planning	3,213	2,851	2,707	(144)	(5%)	9
13	Casualty Reduction Partnership	Head of Transport Planning	0	0	0	0	0%	
	Regeneration and Management Services							
14	Economic Development	Head of Regeneration	1,168	1,193	1,386	193	16%	10
15	Regeneration Projects	Head of Regeneration	994	954	909	(45)	(5%)	
16	Regeneration Policy and Europe	Head of Regeneration	601	613	861	248	40%	11
17	Strategic Management unit	Head of Regeneration	210	185	245	60	32%	12
	Performance Management							
18	Performance Management	Head of Performance Management	635	616	648	32	5%	
	Other							
19	Corporate and Democratic	Head of Regeneration	977	1,742	1,782	40	2%	
20	Additional savings / funding	Head of Regeneration	(439)	(27)	0	27	(100%)	
21	Capital Charges	Head of Regeneration	12,724	11,496	11,496	0	0%	
22	TOTAL SERVICE BUDGETS		48,516	47,112	47,680	568	1%	
	<u>Management and Support Budgets</u>							
	(whose apportioned cost are included in the above)							
23	Executive		498	502	584	82	16%	13
24	Financial Services		487	472	426	(46)	(10%)	
25	Departmental Services		557	569	603	34	6%	
26	Personnel		428	510	513	3	1%	
27	Information technology		360	329	277	(52)	(16%)	14
28	Marketing & Graphics		(51)	(52)	0	52	(100%)	15
29	Treasurers Business Services		45	45	43	(2)	(4%)	
30	Property Services Maintenance		26	26	26	0	0%	
31	CAMS Business Services		61	77	77	0	0%	
32	County Offices		296	280	280	0	0%	
33	Chief Executives Department		281	281	281	0	0%	
34	Property Services Maintenance		69	69	69	0	0%	
35	Legal Service SLA		230	230	192	(38)	(17%)	
36	CAMS core charges		764	764	764	0	0%	
37	Treasurers core charges		328	328	328	0	0%	
38	TOTAL MANAGEMENT AND SUPPORT BUDGETS		4,379	4,430	4,463	33	1%	



## **Annex C: Revenue Outturn 2004/2005 - Budget Management Performance**

### **DEPARTMENT OF PLANNING TRANSPORT & ECONOMIC STRATEGY**

<b>Notes</b>		<b>£'000</b>
1	County Highways : Although very close this budget has been supported by the additional capital funding released as a result of additional capital grant from AWM for the EPIC scheme. The intention was to make a saving on this budget to fund the overspend on Regeneration Policy and Europe ( see note 11)	11
2	Design Services, have been able to generate a moderate increase in their surplus	(52)
3	WARCO : This loss is as a result of the closedown of the DLO	149
4	Development Group : This is due mainly to staff vacancies	(55)
5	Sustainability : This is due mainly to staff vacancies	(64)
6	Waste Management : Due to the pressures on this budget the savings target we set was not achieved	102
7	Transport Operations : This also includes fleet management charges which have increased on a one off basis.	(56)
8	Environmental Design : Increased staff costs	55
9	Transport Planning : Additional staff recharges have been made.	(144)
10	Within Economic Development we are over budget mainly through support of major projects such as the new EPIC centre, vital villages and the small business loan scheme.	193
11	Regeneration Policy and Europe : This reflects the £300k contribution to the Strategic Business initiative	248
12	Strategic Management : This is overspent mainly as a result of the transfer of the marketing and graphics function to the Chief executives and due to supporting new initiatives.	60
13	Funding of various initiatives including sustainability projects which is offset by note 5 above	82
14	Information Technology : Staff vacancies and project work	(52)
15	Marketing and Graphics : This function has been transferred to the Chief Executives	52



# Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves

	D.1	DEPARTMENT OF PTES	D.2		D.3		D.4		Notes
	£000	County Fleet Maintenance BUSINESS UNIT			£000				
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005			2004/2005 Outturn				
		Income							
		Business Income							
1	(1,010)	Internal Customers	(952)						
2	(707)	External Customers	(870)						
3		Core Recharges							
4	(1,717)	Total Income			(1,822)				
		Expenditure							
5	1,468	Direct Costs	1,678						
		Overheads							
6	68	Central/Departmental Support	81						
7		Other Support Services							
8		Extraordinary Expenditure							
9	1,536	Total Expenditure			1,759				
10	(181)	(Surplus)/Deficit			(63)		Budget Target	(110)	
		Statement of Reserves as at 31/3/2005							
11	140	Balance brought forward from 2003/2004			0				
12	181	Surplus/(deficit) transferred to reserves	63						
13	(321)	Appropriations for departmental reserves	0						
14	0	Balance carried forward to 2005/2006			63				

## Notes to the Accounts

1. The surplus of £63k is as a result of the repair and maintenance of vehicles and plant
2. Accounts are prepared under the Historic cost convention
3. There is no approval to operate without a subsidy
4. There is no extraordinary expenditure.

	D.1	DEPARTMENT OF PTES	D.2	D.3	D.4	Notes
	£000	WARCO		£000		
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005		2004/2005 Outturn		
		Income				
		Business Income				
1	(10,883)	Internal Customers	(935)			
2	(1,519)	External Customers	(398)			
3		Core Recharges				
4	(12,402)	Total Income		(1,333)		
		Expenditure				
5	12,040	Direct Costs	1,260			
6	371	Overheads				
7		Central/Departmental Support	222			
8		Other Support Services				
		Extraordinary Expenditure				
9	12,411	Total Expenditure		1,482		
10	9	(Surplus)/Deficit		149	Budget Target	0
		<b>Appropriation account</b>				
11	216	Add back notional capital charges				
12	208	less actual capital payments				
	1	(Surplus)/Deficit		149		
		<b>Statement of Reserves as at 31/3/2005</b>				
13	101	Balance brought forward from 2003/2004		100		
14	(1)	Surplus/(deficit) transferred to reserves	(149)			
15	0	Appropriations for departmental reserves	0			
16	100	Balance carried forward to 2005/2006		(49)		

Notes to the Accounts

1. The deficit of £149k is as a result of Highways maintenance for the 5 week period ending on the 4th May 2004
2. Accounts are prepared under the historic cost convention.
3. There is no approval to operate with a subsidy
4. There is no extraordinary expenditure.

	D.1	DEPARTMENT OF PTES	D.2	D.3	D.4	Notes
Line Ref.	£000 2003/2004 Outturn	Design Services		£000 2004/2005 Outturn		
		<b>Annual Trading Account for year ending 31/3/2005</b>				
		Income				
		Business Income				
1	(2,815)	Internal Customers	(2,903)			
2	(821)	External Customers	(418)			
3		Core Recharges				
4	(3,636)	Total Income		(3,321)		
		Expenditure				
5	3,376	Direct Costs	3,014			
6	207	Overheads				
7		Central/Departmental Support	207			
8		Other Support Services				
		Extraordinary Expenditure				
9	3,583	Total Expenditure		3,221		
10	(53)	(Surplus)/Deficit		(100)	<b>Budget Target</b> 48	
		<b>Statement of Reserves as at 31/3/2005</b>				
11	109	Balance brought forward from 2003/2004		0		
12	53	Surplus/(deficit) transferred to reserves	100			
13	(162)	Appropriations for departmental reserves	0			
14	0	Balance carried forward to 2005/2006		100		

*Notes to the Accounts*

1. The surplus of £100k is as a result of the design and supervision of civil engineering contracts
2. The accounts are prepared under the historic cost convention.
3. There is no approval to operate with a subsidy
4. There is no extraordinary expenditure.

## PROPERTY SERVICES DEPARTMENT

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Property Services Department was £1,956,000. Since the original budget was approved there have been budget adjustments of £2,329,000. Therefore the 2004/2005 budget for the service is now £4,285,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net overspend for the year on items within the departments control is £189,000. Details are shown below.

Table 1: Outturn spending 2004/2005		£000	£000
<b>Original Budget</b>			<b>1,956</b>
<b>Adjusted for:</b>			
Wedgnock House	220		
Notional Asset Rentals	1,605		
Structural Maintenance	504		
Total Adjustments	2,323	2,329	
<b>Revised Budget</b>			<b>4,285</b>
<b>Actual Net Spending</b>			<b>4,474</b>
<b>Overspend (against revised budget)</b>			<b>189</b>

- 2.2 Detailed analysis of final overspend is shown in Annexes A to D as follows:

- Annex A - shows the analysis by activities and outputs of the department
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager
- Annex D - shows the analysis of Business Unit Trading accounts and reserves.

Each annex also includes an explanation of significant variations.

- 2.3 The principal items which have led to the overspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
<b>Construction Services Business Unit</b> – Both expenditure and income were lower than budgeted. Expenditure was lower due to the time taken to fill vacancies. This was more than offset by the effect that the unfilled vacancies had on the unit's capacity to earn income.	162
<b>Rural Estates</b> – mainly due to higher than budgeted set up costs for the Tree Risk Assessment service.	20
<b>Forestry Unit</b> – marginally overspent due to purchase of a van and recruitment advertising costs for additional member of staff.	8
<b>Urban Estates</b> - higher than expected income.	(52)
<b>County Offices</b> - was overspent due to unforeseen expenditure on work at the Old Clink to make the premises suitable for occupation by the Chief Executives department.	47
<b>Area Offices</b> - overspends on travellers sites, and loss of income due to Connexions vacating council properties, were more than offset by additional income from other sources.	(18)
<b>Special projects</b> - Overspending on Asbestos surveys (£18k) was offset by underspending on Safe Water, Asset Management Planning and the Central Property Register replacement system. The latter was due to deferral of payments to the systems supplier following slippage in implementation.	(15)
<b>Other Core Services</b> was overspent mainly due to computer related costs essential for the upkeep of the departments systems.	54
<b>Other</b> minor underspends on Access for Disabled, smallholdings and surplus property budgets	(17)
<b>Total</b>	<b>189</b>

### **3 Spending on specific 2004/2005 budget allocations**

- 3.1 In February 2004, as part of the 2004/2005 budget the Property Services Department was allocated £30,000 to fund specific projects. The allocation of £30,000 was to enable the establishment of a Tree Risk Assessment service. This sum was insufficient to establish the service so the department decided to add £15,000 of its own resources. The total budget for the year was therefore £45,000. We spent £66,000. This overspend was due to set up costs for the service being higher than expected.

### **4 Reserves**

- 4.1 The department began the year with accumulated reserves of £768,000 (including business unit reserves) As a result of the overspend and reserve movements in the year the reserves position at 31 March 2005 is £579,000 in-hand. The Director is proposing, as in previous years to retain reserves of at least £500,000 because of the potential for sudden and significant requirements for spending on buildings and because of the danger of trading conditions turning unfavourable for one or more of the business units.
- 4.2 The department operates a number of business units in relation to Construction Services, Rural Estates, Smallholdings and Forestry. Business units began the year with accumulated reserves of £699,000. Trading during the year resulted in an overall deficit of £163,000. Business unit reserves therefore stood at £536,000 at the year-end.

<b>Table 3: Business Unit Reserves</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Surplus/(Deficit) in 2004/2005 £000</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Construction Services	642	(162)	480
Rural Estates	(62)	2	(60)
Smallholdings	177	5	182
Forestry	(58)	(8)	(66)
<b>Total</b>	<b>699</b>	<b>(163)</b>	<b>536</b>

#### **Construction Services (£162k deficit)**

It has been another busy year for the Business Unit. Following successful recruitment during the winter the unit is now well placed to meet the need of its customers. Considerable work on establishing a close working relationship with schools has given the unit an enhanced customer focus. Despite the deficit in 2004/2005 the future looks healthy for Construction Services.

#### **Rural Estates (£2k surplus)**

Although achieving a small surplus, the unit is looking for ways to increase its income.

#### **Smallholdings (£5k surplus)**

Marginal overspends on various costs were offset by generation of additional income.

#### **Forestry (£8k deficit)**

The unit only narrowly missed out on breaking even. The deficit needs to be set in the context of trading income of £242,000. The administrative, computing and billing processes were improved significantly during the year.

- 4.3 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 4: Reserves</b>	<b>Reserves</b>	<b>Adjustments</b>	<b>Final</b>	<b>Reserves</b>
--------------------------	-----------------	--------------------	--------------	-----------------



	<b>In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>to Reserves in year £000</b>	<b>Outturn £000</b>	<b>In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Service reserves	69	0	(26)	43
Business Unit reserves	699	0	(163)	536
<b>Total</b>	<b>768</b>	<b>0</b>	<b>(189)</b>	<b>579</b>

## 5 Comparison with the 2004/2005 Provisional Outturn

- 5.1 The department last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an overspend of £157,000. The actual overspend of £189,000 therefore represents a £32,000 change in the service's position.

<b>Table 5: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005</b>	<b>2004/2005 Final Outturn</b>
	<b>£000</b>	<b>£000</b>
Construction Services	(14)	162
Rural Estates	81	26
Urban Estates	3	(52)
County offices	40	47
Area Offices	27	(18)
Surplus	(13)	(5)
Management Services	29	52
Other	(4)	(23)
<b>Total</b>	<b>157</b>	<b>189</b>

The £32,000 variation in the service's position between provisional and final outturn should be seen in the context of a net departmental budget of over £4 million and gross spending of over £12 million. The biggest single variation between provisional and final outturn was in respect of the Construction Services Business Unit where income is very difficult to forecast accurately because it does depend on on-the-ground progress on hundreds of different jobs.

**Peter Ridley**  
Director of Property Services  
Shire Hall, Warwick  
16th June 2005

# Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	DEPARTMENT OF PROPERTY SERVICES	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000		£000	£000	£000	£000	%	Notes
	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		
	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
			A	B	C	C-B		
1	(415)	Construction Services	0	0	162	162	0	(A)
		Rural Estates						
2	19	Rural Estates	45	200	220	20	10	
3	16	Smallholdings	35	567	562	(5)	(1)	
4	56	Myton Sports Ground	57	57	60	3	5	
5	2	Forestry	0	0	8	8	0	
6	93		137	824	850	26	3	
7	165	Urban Estates Services	128	135	83	(52)	(39)	(B)
8	170	Shire Hall Complex	(295)	72	119	47	65	(C)
9	83	Area Offices/Other Properties	64	637	619	(18)	(3)	
10	330	Surplus Properties	420	1,002	997	(5)	(0)	
11	41	Access For Disabled	50	50	42	(8)	(16)	
		Property Services Dept - Core Services						
12	265	Asset Mgmt Plans/Safe Water/Asbestos	277	277	293	16	6	(D)
13	60	Central property Register Replacement System	100	100	69	(31)	(31)	
14	1,046	Other Core Services	1,075	1,094	1,148	54	5	
15	1,371		1,452	1,471	1,510	39	3	
		Building Maintenance						
16	350	Non Delegated Maintenance	0	94	92	(2)	(2)	
17	0	Delegated Maintenance	0	0	0	0	0	
18	0	Agency Services	0	0	0	0	0	
19	350		0	94	92	(2)	(2)	
20	2,188	NET DEPARTMENTAL EXPENDITURE	1,956	4,285	4,474	189	4	
		CONTRIBUTION TO / (FROM) RESERVES						
21	316	Contribution to/(from) Departmental Reserves	0	0	(189)	(189)	0	
22		Contribution to/(from) Specific Earmarked Reserves						
23	0	Contribution to/(from) Virtual Bank	0	0	0	0	0	

## **Annex A: Variations and Explanations**

- |     |            |  |
|-----|------------|--|
| (A) | £162,000   | <b>Construction Services</b>   |
|     | Overspend  | The service was underspent on salaries due to the difficulty in recruiting new staff. However, this underspend was more than offset by the effect that the unfilled posts had on the unit's capacity to earn income. |
| (B) | £52,000    | <b>Urban Estates</b>   |
|     | Underspend | A slight overspend on staffing was more than offset by the generation of income over and above target  |
| (C) | £47,000    | <b>County Offices</b>  |
|     | Overspend  | This overspend occurred due to the unforeseen costs that have been incurred at the Old Clink building  |
| (D) | £31,000    | <b>Central Property Register Replacement System</b>  |
|     | Underspend | The underspend was caused due to the deliberate decision to withhold payments to our service provider due to implementation slippage.  |

# Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

	B.1	DEPARTMENT OF PROPERTY SERVICES	B.2	B.3	B.4	B.5	B.6	B.7
	£000		£000	£000	£000	£000	%	
Line Ref.	2003/04 Outturn Exp/Inc		2004/05 Original Budget	2004/05 Revised Budget	2004/05 Outturn Exp/Inc	Variation from Revised Budget		Notes
		EXPENDITURE	A	B	C	C-B		
1	3,337	Employees	3,893	3,893	3,661	(232)	(6)	(A)
2	3,232	Premises	2,238	2,648	3,057	409	15	(B)
3	134	Transport	155	155	179	24	15	
4	2,480	Supplies and Services	2,055	2,591	2,552	(39)	(2)	
5	0	Third Party Payments	0	0	0	0	0	
6	0	Transfer Payments	0	0	0	0	0	
7	281	Support Services	362	362	362	0	0	
8	778	Notional Asset Rentals	900	2,505	2,505	0	0	
9	191	Capital Financing Costs	0	94	121	27	0	
10	10,433	TOTAL EXPENDITURE	9,603	12,248	12,437	189	2	
		INCOME						
11	0	Government Grants	0	0	0	0	0	
12	0	Other Grants, Reimbursements and Contributions	0	0	0	0	0	
13	(1,188)	Customer and Client Receipts	(1,051)	(1,051)	(1,036)	15	(1)	
14	0	Interest	0	0	0	0	0	
15	(7,057)	Internal Income	(6,596)	(6,912)	(6,927)	(15)	0	
16	(8,245)	TOTAL INCOME	(7,647)	(7,963)	(7,963)	0	0	
17	2,188	NET DEPARTMENTAL EXPENDITURE	1,956	4,285	4,474	189	4	

## **Annex B: Variations and Explanations**

- |                            |  |
|----------------------------|--|
| (A) £232,000<br>Underspend | <b>Employees</b><br>This has in the main been caused by staff turnover and the difficulty and time taken to recruit new staff.   |
| (B) £409,000<br>Overspend  | <b>Premises</b><br>This apparent overspend is really a technicality. It has arisen from the correct classification of actual rental payments for Wedgnock House as 'Premises' whereas the budget was classified as Supplies and Services'. |

## Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

	DEPARTMENT OF PROPERTY SERVICES		C.1	C.2	C.3	C.4	C.5	C.6
Line Ref.	Service Description	Responsible Officer	£000	£000	£000	£000	%	Notes
			2004/2005	2004/2005	2004/2005	Variation from		
			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
<u>Service Budgets</u>								
(including a full apportionment of management and support charges)								
1	Construction Services	M.J. Welsby	0	0	162	162	0	(A)
2	Rural Estates	P.F. Rhodes	45	200	220	20	0	
3	Smallholdings	P.F. Rhodes	35	567	562	(5)	(1)	
4	Myton Sports Ground	P.F. Rhodes	57	57	60	3	5	
5	Forestry	K. Simons	0	0	8	8	0	
6	Urban Estates Services	D. Halsall	128	135	83	(52)	(39)	(B)
7	Shire Hall Complex - County Offices	G.E. Cooper	(295)	72	119	47	65	(C)
8	Area Offices/Other Properties	G.E. Cooper	64	637	619	(18)	(3)	
9	Surplus Property	D. Halsall	420	1,002	997	(5)	(0)	
10	Access for Disabled	G.E. Cooper	50	50	42	(8)	(16)	
11	Asset Mgt.Plans	D. Halsall	85	85	83	(2)	(2)	
12	Safe Water/ Asbestos	M.J. Welsby	192	192	210	18	9	
13	Other Core Services	P.H. Ridley	1,075	1,094	1,148	54	5	
14	Central Property Register Replacement System	O.David	100	100	69	(31)	(31)	(D)
15	Structural Maintenance	M.J. Welsby	0	94	92	(2)	(2)	
16	TOTAL SERVICE BUDGETS		1,956	4,285	4,474	189	4	

### **Annex C: Variations and Explanations**

(A)	£162,000 Overspend	<b>Construction Services</b> The service was underspent on salaries due to the difficulty in recruiting new staff. However, this underspend was more than offset by the effect that the unfilled posts had on the unit's capacity to earn income.
(B)	£52,000 Underspend	<b>Urban Estates</b> A slight overspend on staffing was more than offset by the generation of income over and above target
(C)	£47,000 Overspend	<b>County Offices</b> This overspend occurred due to the unforeseen costs that have been incurred at the Old Clink building
(D)	£31,000 Underspend	<b>Central Property Register Replacement System</b> The underspend was caused due to the deliberate decision to withhold payments to our service provider due to implementation slippage.

# **Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves**

	D.1	DEPARTMENT OF PROPERTY SERVICES	D.2	D.3	D.4
	£000	CONSTRUCTION SERVICES BUSINESS UNIT		£000	
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005		2004/2005 Outturn	
		Income			
		Business Income			
1	(2,159)	Internal Customers	(1,873)		
2	(141)	External Customers	(126)		
3	(554)	Core Recharges	(517)		
4	(2,854)	Total Income		(2,516)	
		Expenditure			
5	2,146	Direct Costs	2,288		
	0	Overheads			
6	288	Central/Departmental Support	391		
7	5	Other Support Services	0		
8	0	Extraordinary Expenditure	0		
9	2,439	Total Expenditure		2,678	
10	(415)	Surplus for year		162	
11	0	Budget Target		0	
12	(415)	Deficit for year		162	
		Statement of Reserves as at 31/3/2005			
13	226	Balance brought forward from 2003/2004		642	
14	415	Deficit transferred to reserves	(162)		
15	0	Appropriations for departmental reserves	0		
16	641	Balance carried forward to 2005/2006		480	

# **Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves**

	D.1	DEPARTMENT OF PROPERTY SERVICES	D.2	D.3	D.4
	£000	FORESTRY BUSINESS UNIT		£000	
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005		2004/2005 Outturn	
		Income			
		Business Income			
1	(190)	Internal Customers	(208)		
2	(49)	External Customers	(34)		
3	0	Core Recharges	0		
	Appendix G				



4	(239)	Total Income		(242)	
		Expenditure			
5	184	Direct Costs	191		
		Overheads			
6	57	Central/Departmental Support	59		
7	0	Other Support Services	0		
8	0	Extraordinary Expenditure	0		
9	241	Total Expenditure		250	
10	2	Deficit for year		8	
11	0	Budget Target		0	
12	2	Deficit for year		8	
		<b>Statement of Reserves as at 31/3/2005</b>			
13	(56)	Balance brought forward from 2003/2004		(58)	
14	(2)	Deficit transferred from reserves	(8)		
15	0	Appropriations for departmental reserves	0		
16	(58)	Balance carried forward to 2005/2006		(66)	

#### **Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves**

	D.1	DEPARTMENT OF PROPERTY SERVICES SMALLHOLDINGS BUSINESS UNIT	D.2	D.3	D.4
	£000			£000	
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005		2004/2005 Outturn	
		Income			
		Business Income			
1	0	Internal Customers	0		
2	(526)	External Customers	(547)		
3	0	Core Recharges			
4	(526)	Total Income		(547)	
		Expenditure			
5	128	Direct Costs	258		
		Overheads			
6	414	Central/Departmental Support	851		
7	0	Other Support Services	0		
8	0	Extraordinary Expenditure	0		
9	542	Total Expenditure		1,109	
10	16	Deficit		562	
11	30	Budget Target - Deficit		567	
12	(14)	Surplus for year		(5)	
	Appendix G				

		<b>Statement of Reserves as at 31/3/2005</b>			
13	163	Balance brought forward from 2003/2004		177	
14	14	Surplus transferred to reserves	5		
15	0	Appropriations for departmental reserves	0		
16	177	Balance carried forward to 2005/2006		182	

**Annex D: Revenue Outturn 2004/2005 - Business Unit Trading Account and Statement of Reserves**

	D.1	DEPARTMENT OF PROPERTY SERVICES	D.2	D.3	D.4
	£000	<b>RURAL ESTATES BUSINESS UNIT</b>		£000	
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005		2004/2005 Outturn	
		Income			
		Business Income			
1	(106)	Internal Customers	(35)		
2	(20)	External Customers	(138)		
3	0	Core Recharges	0		
4	(126)	Total Income		(173)	
		Expenditure			
5	116	Direct Costs	202		
		Overheads			
6	29	Central/Departmental Support	124		
7	0	Other Support Services	0		
8	0	Extraordinary Expenditure	0		
9	145	Total Expenditure		326	
10	19	Deficit for year		153	
11	0	Budget Target		155	
12	19	Surplus for year		(2)	
		<b>Statement of Reserves as at 31/3/2005</b>			
13	(44)	Balance brought forward from 2003/2004		(62)	
14	(19)	Surplus transferred from reserves	2		
15	0	Appropriations for departmental reserves	0		
16	(62)	Balance carried forward to 2005/2006		(60)	

## SOCIAL SERVICES

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Social Services service was £104,017,000. Since the original budget was approved there have been budget reductions of £703,000. Therefore the 2004/2005 budget for the service is now £103,314,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year on items within the Service's control is £75,000. There is an underspend of £204,000 relating to Young Persons Social Inclusion with an overspend of £129,000 for the Social Services Department. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>	<b>Social Services £000</b>	<b>Young Persons Social Inclusion £000</b>	<b>TOTAL £000</b>
<b>Original Budget - Gross</b>	<b>152,117</b>	<b>-</b>	<b>152,117</b>
<b>Original Budget - Net Adjusted for:</b>	<b>104,017</b>	<b>-</b>	<b>104,017</b>
Young Persons Social Inclusion	-	245	245
Repayment 2002/2003 overspend	(1,275)	-	(1,275)
Transfer from reserves	(50)	-	(50)
2003/2004 Final outturn adjustments	(287)	40	(247)
Capital charges and other corporate adjustments	524	-	524
<b>Revised Budget</b>	<b>103,029</b>	<b>285</b>	<b>103,314</b>
<b>Actual Net Spending</b>	<b>103,158</b>	<b>81</b>	<b>103,239</b>
<b>Over/(Under)spend (against revised budget)</b>	<b>129</b>	<b>(204)</b>	<b>(75)</b>

2.2 Detailed analysis of the final underspend is shown in Annexes A to D as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager
- Annex D - shows the detailed analysis of reserves.

Each annex also includes an explanation of significant variations.

2.3 The principal items which have led to the underspend are summarised in the table below.

<b>Table 2: Major Variations</b>	<b>£000</b>
<b>Children's Services</b>	
– Care Management	(292)
– Residential Care	(328)
– Other Care Services	1,004
<b>Adult Services</b>	
– Care Management	(1,570)
– Residential Care	1,121
– Other Care Services	38
<b>Other</b>	(48)
<b>Total</b>	<b>(75)</b>

#### ***Children's Services***

2.4 The recorded overspend of £0.384m shown in Table 2 is made after the costs of corporate and departmental support services have been recharged to direct services. Savings in managements and support services costs were required by the department to deliver its overall financial position in the year and after discounting the saving on Young Persons Social Inclusion and S31 Children's Disability, the overspending recorded against direct service budgets within children's services was much higher at £0.781m.

2.5 Expenditure on children's social care is driven principally by the numbers of looked after children that an authority has and also the numbers of referrals coming in to the department that are responded to. Warwickshire has a successful track record of maintaining relatively low unit costs of looked after children because of investment in its foster care base and minimal use of more expensive residential placements. However, the increases in our looked after children population experienced during last year, coupled with increased referrals has meant that the department has failed to meet costs from within existing resources.

- 2.6 The Council's response to the Children Act is likely to involve the transfer of resources for children's social care in to a new departmental budget structure. The underlying overspending can not be accommodated within existing budget and reliance upon savings within Support Services to ameliorate this position is not sustainable. The Council will need to consider the financial position of children's social care carefully in the forthcoming corporate budget exercise and any move towards unifying children's resources under any new departmental arrangement.

### **Adult Services**

- 2.7 Although an underspend of £0.411m is shown for Adult Services in Table 2, this is after having recharged the costs of corporate and departmental support services. The outturn based on direct service budgets only was a £0.098m overspend.
- 2.8 The delivery of spend so close to budget by managers was only achieved by deferring a number of key developments, particularly around services for older people that need to be commissioned jointly with NHS colleagues. In particular, the department had to delay a number of intermediate care developments that will be key in reducing delayed transfers of care from hospital wards.
- 2.9 Deferment of developments was necessary in the main due to the increasing demands for high cost specialist accommodation for people with disabilities and cost pressures for residential care for older people. Both of these cost pressures will need to be addressed within the forthcoming budget cycle.

## **3 Reserves**

- 3.1 The service began the year with a deficit on its reserves of £1,154,000 including the balance of £1,275,000 overspend from 2002/2003. As a result of the underspend and reserve movements in the year the reserves position at 31 March 2005 is £393,000 in-hand.
- 3.2 The Service's overall reserves position can therefore be summarised as follows with more detail in Annex D.

<b>Table 3: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Non Earmarked Reserves	(1,562)	1,562	(202)	(202)
Earmarked Reserves	408	160	27	595
<b>Total</b>	<b>(1,154)</b>	<b>1,722</b>	<b>175</b>	<b>393</b>

- 3.3 Provision was made in 2004/2005 for the repayment of the overdrawn balance of £1,562,000.

- 3.4 From the underspend of £204,000 for Young Persons Social Inclusion some £150,000 is to be set aside in a special reserve for a S31 Budget for Children's Disability leaving £54,000 to be added to the Young Persons Social Inclusion Reserve.
- 3.5 There was a saving on resources set aside to provide services under the Section 31 pooled arrangements for Children's Disability of £55,000. It is proposed to add this to the new special reserve making a total of £205,000.
- 3.6 At the end of the year revised calculations showed that approximately £300,000 may be required to repay income received incorrectly under S117 Mental Health arrangements. A further £50,000 has been added to the £250,000 drawn down from reserves to set aside a provision to cover this.
- 3.7 The Council provided £50,000 in 2004/2005 to progress the Strategy for Older People. There was an underspend of £17,000 which should be carried forward in an earmarked reserve.
- 3.8 As a result of the proposed allocations to/from reserves in paragraphs 3.5 to 3.7 the non-earmarked reserve to be met is £202,000. However, Council at its meeting on 16 September 2004 agreed to underwrite from general reserves any overspend on the Children's Act Project Team to a maximum of £204,000. The overspend was £55,000. Members are therefore asked to approve a contribution of £55,000 from general reserves in 2005/2006 to repay the overdrawn reserve in respect of the Children's Act Project Team.
- 3.9 The balance of £147,000 will be funded from a reduction in the service's 2005/2006 revenue budget to ensure the service's non-earmarked reserves are not overdrawn.
- 3.10 In preparing the 2005/2006 budget, members have already approved the use of reserves for S31 Children's Disability, £150,000, Young Persons Social Inclusion, £87,000 and S117 Mental Health £250,000. Contributions of further resources are being made in 2005/2006 under the S31 agreement for Children's Disability. Members are therefore asked to take back into reserve for the time being, the £150,000 referred to above in order to better prepare the overall spending plans for Children's Disability. Members are also asked to take back into reserves the £250,000 for S117 Mental Health to repay that sum drawn down in 2004/2005.
- 3.11 Members are now asked to approve further use of earmarked reserves to support the service's 2005/2006 budget as follows :
- Purchase of Vehicles £200,000
  - Strategy for Older People £17,000

#### **4 Comparison with the 2004/2005 Provisional Outturn**

- 4.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an overspend of £694,000. The actual underspend of £75,000 therefore represents a £769,000 improvement in the service's position.

<b>Table 4: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005 £000</b>	<b>2004/2005 Final Outturn £000</b>
Children's Services	560	521
Adult Services	355	(31)
Management and Support	(321)	(682)
Children's Act Project Team	100	55
<b>Total</b>	<b>694</b>	<b>(75)</b>

- 4.2 A plan for savings was put in place in order to reduce the provisional outturn to as near budget as possible by the end of the year. Further savings in management and support were sought in order to offset any non achieving of savings in services.

**Marion Davis**

Director of Social Care and Health  
8 June 2005

# Annex A: Revenue Outturn 2004/2005 - Service Analysis

	A.1	DEPARTMENT OF SOCIAL SERVICES			A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000		£000	£000	£000		£000	%		Notes
	2003/2004		2004/2005	2004/2005	2004/2005		Variation from			
	Outturn		Original	Revised	Outturn		Revised Budget			
	Exp/Inc		Budget	Budget	Exp/Inc					
			A	B	C		C-B			
1	14,661	Care Management & Family Support	17,638	17,684	17,392		(292)	(2%)		1
2	3,909	Residential Care	3,512	4,350	4,022		(328)	(8%)		2
3	5,136	Other Care Services	7,991	7,250	8,254		1,004	14%		3
4	23,706	TOTAL CHILDREN SERVICES	29,141	29,284	29,668		384	1%		
		Adult Services								
		Elderly People								
5	9,725	Care Management	11,163	10,853	9,837		(1,016)	(9%)		4
6	18,374	Residential Care	16,548	15,975	16,237		262	2%		5
7	12,182	Other Care Services	11,171	12,551	10,818		(1,733)	(14%)		6
		People with Learning Disability								
8	2,625	Care Management	2,722	3,490	3,421		(69)	(2%)		
9	6,214	Residential Care	8,710	8,645	9,722		1,077	12%		7
10	5,894	Other Care Services	6,729	6,761	7,972		1,211	18%		8
		People with Physical or Sensory Disability								
11	3,632	Care Management	4,062	3,451	3,122		(329)	(10%)		9
12	1,897	Residential Care	2,557	2,139	1,873		(266)	(12%)		10
13	4,357	Other Care Services	4,514	4,182	4,848		666	16%		11
		People with Mental Needs								
14	1,948	Care Management	2,396	2,355	2,199		(156)	(7%)		12
15	939	Residential Care	1,601	1,741	1,789		48	3%		
16	731	Other Care Services	1,043	1,165	1,059		(106)	(9%)		13
17	74	Other Adult	277	86	72		(14)	(16%)		
18	68,592	TOTAL ADULT SERVICES	73,493	73,394	72,969		(425)	(1%)		
19	0	ASYLUM SEEKERS	31	31	34		3	9%		
		REPAYMENT OF OVERSPEND/EFFICIENCY SAVINGS 2004/2005	525							
20	501	SERVICE STRATEGY & REGULATION	828	605	568		(37)	(7%)		
21	92,799	NET DEPARTMENTAL EXPENDITURE	104,017	103,314	103,239		(75)	(0%)		
		CONTRIBUTION TO / (FROM) RESERVES								
22	(287)	Contribution to/(from) Departmental Reserves	1562	1562	1,360		(202)			
23		Contribution to/(from) Service Savings	0	0	0		0			
24	327	Contribution to/(from) Earmarked Reserves	0	(90)	187		277			
25		Contribution to/(from) General Reserves	0	0	0		0			
26		Contribution to/(from) Quality and Best Value Fund	0	0	0		0			
27	92,839	NET REVENUE REQUIREMENT (Outturn Prices)	105,579	104,786	104,786		0			



## **NOTES TO ANNEX A**

### **Children's Services**

1. **Care Management & Family Support (-£292,000).** There was an underspend in Children's Disability (S31) and Social inclusion of £259,000. Difficulties in recruitment and retention resulted in an underspend of £745,000 on staffing offset by increased training and recruitment costs of £143,000 and agency costs of £705,000. There were additional travelling expenses of some £195,000 and saving in administration and other costs of £131,000. In addition, there was a reduction in apportioned management and support costs of £200,000.
2. **Residential Care (-£328,000).** There has been a saving in residential care costs in line with the continual development of foster care services.
3. **Other Care Services (+1,004,000).** Foster care placements were overspent by £700,000 with other care services overspent by £54,000. In addition, transport costs were overspent by £250,000.

### **Adult Services**

4. **Elderly People - Care Management (-£1,016,000).** There were net underspends on staffing and other running costs of £516,000. In addition, there was a reduction in apportioned management and support costs of £500,000.
5. **Elderly People - Residential Care (+£262,000).** There was an overspend in our Homes for Elderly People due to the need to use agency staff for cover.
6. **Elderly People - Other Care Services (-£1,733,000).** This was mainly due to an underspend on domiciliary and day care services, as development was delayed to help offset other overspends, but there was increased investment in Direct Payments of £125,000.
7. **Learning Disability - Residential Care (+1,077,000).** This budget continues to be overspent and needs to be addressed in future budgets.
8. **Learning Disability - Other Care Services (+1,211,000).** There was increased spending on Direct Payments, £79,000, day and other community services, £679,000 and an increase in domiciliary care, £453,000.
9. **Physical Disability - Care Management (-£329,000).** There were underspends in staffing and other running costs of £309,000 and a reduction in apportioned management and support costs of £20,000.

10. ***Physical Disability - Residential Care (-£266,000).*** There was a fall in residential costs as diversion to provision in the community increased.
11. ***Physical Disability - Other Care Services (+£666,000).*** Mainly increased investment in Direct Payments.
12. ***Mental Needs - Care Management (-£156,000).*** Savings in staffing and running costs of £96,000 with a reduction in apportioned management and support costs of £60,000.
13. ***Mental Needs - Other Care Services (-£106,000).*** Mainly Savings in day and other community care.

## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

	B.1	DEPARTMENT OF SOCIAL SERVICES		B.2	B.3	B.4	B.5	B.6	B.7
Line Ref.	£000			£000	£000	£000	£000	%	Notes
	2003/2004			2004/2005	2004/2005	2004/2005	Variation from		
	Outturn			Original	Revised	Outturn	Revised Budget		
	Exp/Inc			Budget	Budget	Exp/Inc			
		EXPENDITURE		A	B	C	C-B		
1	32,835	Employees - Salaried Staff		35,666	37,455	36,112	(1,343)	(4%)	1
2	10,622	Employees - Manual Staff		11,021	10,874	10,969	95	1%	2
3	2,791	Premises		2,971	2,896	2,676	(220)	(8%)	3
4	3,953	Transport		3,220	3,501	4,245	745	21%	4
5	6,739	Supplies and Services		9,151	5,107	4,813	(293)	(6%)	
6	80,834	Third Party Payments		82,966	87,618	91,121	3,503	4%	5
7	0	Transfer Payments		0	0	0	0	0%	
8	3,809	Support Services		4,500	5,050	5,065	15	0%	6
9	1,779	Notional Asset Rentals		1,958	2,300	2,300	(0)	(0%)	
10	48	Capital Financing Costs		666	258	297	40	15%	7
11	143,410	TOTAL EXPENDITURE		152,117	155,058	157,599	2,541	2%	
		INCOME							
12	(28,149)	Government Grants		(26,882)	(29,877)	(29,826)	51	(0%)	8
13	(4,577)	Other Grants, Reimbursements and Contributions		(4,019)	(4,857)	(6,245)	(1,388)	29%	9
14	(17,885)	Customer and Client Receipts		(17,198)	(17,010)	(18,289)	(1,279)	8%	10
15	0	Interest		0	0	0	0	0%	
16	0	Internal Income		0	0	0	0	0%	
17	(50,611)	TOTAL INCOME		(48,100)	(51,744)	(54,360)	(2,616)	5%	
18	92,799	NET DEPARTMENTAL EXPENDITURE		104,017	103,314	103,239	(75)	(0%)	

## **NOTES TO ANNEX B**

1. ***Salaried Staff (-£1,343,000).*** Delayed implementation of new posts and filling of vacancies have caused a significant underspending of £3,074,000 in 2004/05, which has been offset by use of agency staff, (£1,325,000) and increased recruitment and other employee costs (£400,000).
2. ***Premises (-£220,000).*** In the main this was non devolved maintenance recharged to capital.
3. ***Transport (+£745,000).*** Mainly increased costs for hired transport, £358k, travelling allowances £307,000 and volunteer/client travel costs, £80,000.
4. ***Supplies and Services (-£293,000).*** Savings were required in administrative costs to help offset direct service costs.
5. ***Third Party Payments (+£3,503,000).*** There were increased costs for Direct Payments £840,000, residential care £1,537,000, foster care £700,000, day and other community services, £826,000 offset by an underspend in domiciliary care £400,000.
6. ***Other Grants, Reimbursement etc (-£1,388,000).*** Mainly due to increased income from other Local Authorities and agencies.
7. ***Customer & Client Receipts (-£1,279,000).*** This is mainly due to increased income from residential charges, £1,130,000, interagency adoption, £54,000 and other income £180,000, offset in part by a shortfall of £85,000 for domiciliary and day care.

**Annex C: Revenue Outturn 2004/2005 - Budget Management Performance**

	DEPARTMENT OF SOCIAL SERVICES		C.1	C.2	C.3	C.4	C.5	C.6
Line Ref.	Service Description	Responsible Officer	£000 2004/2005 Original Budget A	£000 2004/2005 Revised Budget B	£000 2004/2005 Outturn Exp/Inc C	£000 % Variation from Revised Budget C-B		Notes
	<b>Service Budgets</b> (Including a full apportionment of Management & Support Costs)							
	<b>DIRECTOR</b>	<b>M. Davis</b>						
1	Crime & Disorder and Other Countywide Services	M. Davis	79	79	77	(2)	(3%)	
	<b>HEAD OF CHILDREN'S SERVICES</b>	<b>C. Hallett</b>						1
2	Assistant Head of Children's Services (Rugby)	D. Vickers	3,840	4,297	3,761	(536)	(14%)	2
3	Assistant Head of Children's Services (North Warwickshire)	M. Barnes	1,989	1,986	2,076	90	4%	
4	Assistant Head of Children's Services (Nuneaton and Bedworth)	M. Barnes	5,194	5,762	6,934	1,172	17%	3
5	Assistant Head of Children's Services (Stratford)	M. Cliff	5,153	5,263	5,280	17	0%	
6	Assistant Head of Children's Services (Warwick)	M. Cliff	4,420	4,750	5,303	553	10%	
7	Other Children's Countywide Services	C. Hallett	5,576	3,749	3,227	(522)	(16%)	
8	Services to Deaf People	A. Thomson	297	297	300	3	1%	
9	Emergency Duty Team	C. Mountford	437	418	390	(28)	(7%)	
10	Head of Children's Planning	P. Sawbridge	2,306	2,570	2,252	(318)	(14%)	
	<b>HEAD OF ADULTS SERVICES</b>	<b>J. Bull</b>						
11	General Adult Countywide Services	J. Bull	649	(2,947)	(3,011)	(64)	2%	
12	Intermediate Care / Supporting People	R. Killingbeck	202	595	542	(53)	(10%)	
13	Mental Health	M. McGorry	4,552	4,303	4,237	(66)	(2%)	
14	Disability North	S. Smith	11,668	12,675	14,667	1,992	14%	4
15	Older People North	J. Whiting	9,257	9,424	9,493	69	1%	
16	Older People Community Care North	D. Rutter	14,010	15,059	13,896	(1,163)	(8%)	5
17	Disability South	S. Smith	9,436	9,953	10,723	770	7%	4
18	Older People South	P. Seal	8,584	8,849	8,884	35	0%	
19	Older People Community Care South	J. Price	15,033	15,317	13,666	(1,651)	(12%)	5
20	Service Manager Commissioning	K. Harlock	(398)	(650)	(802)	(152)	19%	6
21	NON CLIENT SPECIFIC SERVICES	Various	381	960	776	(184)	0%	
		P. Lumley Holmes	525	0	0			
22	<b>SERVICE STRATEGY</b>	<b>M. Davis</b>	828	605	568	(37)	(7%)	
23	TOTAL SERVICE BUDGETS		104,017	103,314	103,239	(75)	(0%)	
	<b>Management and Support Budgets</b> (Whose apportioned costs are included above.)							
24	<b>DIRECTORATE</b>	<b>M. Davis</b>	651	595	566	(29)	(5%)	
	<b>RESOURCES MANAGEMENT</b>	<b>M. Jones</b>						7
25	Audit/Clerks	M. Jones	501	501	472	(29)	(6%)	
26	Financial Services	P. Lumley-Holmes	3,382	2,589	2,405	(184)	(8%)	
27	Information Strategy	P. Hill	3,794	3,945	3,715	(230)	(6%)	
28	Central Services & Projects	P. Atkinson	509	500	489	(11)	(2%)	
29	Building Maintenance and Transport	D. Curle	3,472	2,722	2,711	(11)	(0%)	
30	<b>ADULT SERVICES - COMMISSIONING AND CONTRACTING</b>	<b>K. Harlock</b>	963	881	808	(73)	(9%)	6
31	<b>CHILDRENS SERVICES - PLANNING</b>	<b>P. Sawbridge</b>	231	48	49	1	2%	
	<b>ORGANISATIONAL DEVELOPMENT</b>	<b>L. Holland</b>						8
32	Head of Organisational and Performance Development	L. Holland	28	48	15			
33	Human Resources	J. Hawthorn	1,516	1,362	1,333	(29)	(2%)	
34	Workforce Development	S. Sharland	929	856	759	(97)	(13%)	
35	Customer Relations	K. Smith	316	292	268	(24)	(9%)	
36	TOTAL MANAGEMENT AND SUPPORT BUDGETS		16,293	14,339	13,590	(749)	(6%)	

## NOTES TO ANNEX C

### Children's Services

1. **Head of Children's Services.** Due to the pressures with Children's Services, the Head of Service chose to hold back strategically a number of budgets in order to better assess where resources need to be allocated on an ongoing basis in future years. Savings are held by Head of Service in line 8. In particular, it includes resources for staffing, residential and foster care. As shown in lines 2 to 7, budgets are either over or underspent depending on the mix of residential, foster and other care requirements.
2. **Assistant Head of Children's Services - Rugby (-£536,000).** This includes the underspend of £259,000 for Children's Disability (S31) and Young Person's Social Inclusion.
3. **Assistant Head Children's Service - Nuneaton & Bedworth (+£1,172,000).** This area of the County has seen a significant increase in the looked after children population.

### Adult Services

4. **Disability - North (+£1,992,000), South (+£770,000).** There is an ongoing overspend in both residential and domiciliary care that needs to be addressed in future years budgets.
5. **Older People Community Care - North (-£1,163,000), South (-£1,651,000).** There have been savings made by holding back developments and the filling of posts in order to help keep overall adult spending nearer budget.
6. **Service Manager Commissioning (-£152,000) & Contracting (-£73,000).** Savings were made in Commissioning & Contracting by delaying the filling of vacant posts, in order to offset increased spending in adult services.

### Support Services

7. **Resources Management.** Savings were sought across these services through delaying developments, in particular relating to I.T., and delayed filling of posts in order to offset overspending of services, but this cannot be sustained in the long term.
8. **Organisational Development.** Savings were sought by delaying the filling of vacant posts and training development in order to help offset the overspending of services.

## Annex D

**Use Of Reserves 2004/2005**

Type of Expenditure	A	B	C	D	Memo 2005/2006  £'000
	April 2004	Adjustments 2004/2005	Impact of Final Outturn	(A + B + C) March 2005	
	£'000	£'000	£'000	£'000	
<b>Non Earmarked Reserves in hand/(overdrawn)</b>	<b>(1,562)</b>	<b>1,562</b>	<b>(202)</b>	<b>(202)</b>	<b>202</b>
<b>Earmarked Reserves</b>					
Homes for Elderly People and Social Education Centres:					
> Equipment	41	(41)	0	0	0
> Redecoration	25	56	0	81	0
Residential accommodation for children	5	(5)	0	0	0
Young Persons Social Inclusion	77	(40)	55	92	(87)
Capital Financing	10	(10)	0	0	0
S117 Mental Health	250	(250)	0	0	0
Vehicle Equipment	0	200	0	200	(200)
S31 Children's Disability	0	0	205	205	0
Strategy for Older People	0	0	17	17	(17)
Total earmarked reserves	<b>408</b>	<b>(90)</b>	<b>277</b>	<b>595</b>	<b>(304)</b>
<b>Total reserves in hand/(overdrawn)</b>	<b>(1,154)</b>	<b>1,472</b>	<b>75</b>	<b>393</b>	<b>(102)</b>

## COUNTY TREASURERS DEPARTMENT

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for the County Treasurers Department was £295,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £397,000. Therefore the 2004/2005 budget for the service is now £692,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year on items within the Service's control is £340,000. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>	<b>GROSS £000</b>	<b>NET £000</b>
<b>Original Budget - Gross</b>		<b>1,553</b>
<b>Original Budget - Net</b>	<b>2,878</b>	<b>295</b>
<b>Adjusted for:</b>		
Planned use of reserves	321	321
Notional asset rentals	76	76
Total Adjustments	397	397
<b>Revised Budget</b>	<b>3,275</b>	<b>692</b>
<b>Actual Net Spending</b>	<b>2,935</b>	<b>352</b>
<b>(Under)spend (against revised budget)</b>	<b>(340)</b>	<b>(340)</b>

- 2.2 Detailed analysis of final underspend is shown in Annexes A to D as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager
- Annex D - shows the analysis of Business Unit Trading accounts and reserves.

Each annex also includes an explanation of significant variations.

- 2.3 The principal items which have led to the underspend are summarised in the table below.



<b>Table 2: Major variations</b>	<b>£000</b>
Financial Management, Exchequer & Accountancy: <i>Reduced systems development</i> <i>Staff vacancies</i> <i>Lower than budgeted CAMS technical charges</i> <i>Additional income from Magistrates Courts</i>	(139)
People, Performance & Governance: <i>Staff vacancies and lack of suitable contract audit staff</i> <i>Lower than budgeted CAMS charges</i> <i>Income targets exceeded due to increased throughput</i>	(140)
Executive & Staff Development: <i>Reduced spending on department's team &amp; management development programme pending development of a corporate framework</i>	(56)
Other minor variations	(5)
<b>Total</b>	<b>(340)</b>

### **3 Spending on specific 2004/2005 budget allocations**

- 3.1 In February 2004, as part of the 2004/2005 budget the County Treasurers Department was allocated £40,000 to fund specific projects, namely the CPA action plan. Spending on these projects in 2004/2005 was £40,000.

### **4 Reserves**

- 4.1 The service began the year with accumulated reserves of £569,000 (including business unit reserves). As a result of the underspend and reserve movements in the year the reserves position at 31 March 2005 is £588,000 in-hand. The County Treasurer is proposing to use £388,000 in 2005/2006 to help to fund departmental pressures including further development of the new HR Payroll system. The remaining £200,000 will be held as a contingency fund.
- 4.2 The service operates three business units in relation to Audit, Payroll and Pensions. Business units began the year with accumulated overdrawn reserves of £148,000. Trading during the year resulted in an overall surplus of £128,000. Business unit reserves therefore stood at £20,000 overdrawn at the year-end.

<b>Table 3: Business Unit Reserves</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Surplus/(Deficit) in 2004/2005 £000</b>	<b>Business Unit Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Warwickshire Audit	56	76	132
Payroll Services	(219)	52	(167)
Pension Services	15	0	15
<b>Total</b>	<b>(148)</b>	<b>128</b>	<b>(20)</b>

As a result of reclassification following the review of the internal market, these units will cease to operate as business units from 1<sup>st</sup> April 2005. Their reserves will therefore be merged with departmental reserves.

4.3 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 4: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Service reserves	717	(321)	212	608
Business Unit reserves	(148)	0	128	(20)
<b>Total</b>	<b>569</b>	<b>(321)</b>	<b>340</b>	<b>588</b>

4.4 Members are asked to approve the use of £388,000 reserves to support the service's 2005/2006 budget.

## 5 Comparison with the 2004/2005 Provisional Outturn

5.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an underspend of £81,000. The actual underspend of £340,000 therefore represents a £259,000 change in the service's position.

<b>Table 5: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005 £000</b>	<b>2004/2005 Final Outturn £000</b>
Systems	(94)	(121)
Payroll	61	(67)
Internal Audit	(27)	(86)
Staff Development	(31)	(43)
Projects	17	22
Budget & Technical	1	(27)
Exchequer	(10)	(26)
Other minor variations	2	8
<b>Total</b>	<b>(81)</b>	<b>(340)</b>

- 5.2 The position reported in February represented a worst-case scenario. Since then, a number of changes have occurred which have led to an increased underspend. Major contributory factors were lower than anticipated CAMS charges, and a number of increased and new income streams which were not known about until well into the fourth quarter. Additionally, delays in recruitment and continuing lack of suitable consultancy staff led to increased staff savings.

**Dave Clarke**  
County Treasurer

Shire Hall  
June 2005

## Annex A: Revenue Outturn 2004/2005 - Service Analysis

Line Ref.	A.1	COUNTY TREASURER'S DEPARTMENT	A.2	A.3	A.4	A.5	A.6	A.7
	£000		£000	£000	£000	£000	%	
	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		Notes
	Outturn Exp/Inc		Original Budget A	Revised Budget B	Outturn Exp/Inc C	Revised Budget C-B		
		<b>Core Services</b>						
1		Financial Management, Exchequer & Accountancy	0	(240)	(379)	(139)	58	1
2		Financial Planning & Pensions	0	0	(25)	(25)	100	2
3		People, Performance & Governance	0	30	(110)	(140)	(467)	3
4		Projects	0	10	38	28	280	4
5		Executive & Staff Development	206	292	236	(56)	(19)	5
6	(294)		206	92	(240)	(332)	(361)	
7	368	Payroll & HR Project	89	600	592	(8)	(1)	
8	74	<b>NET DEPARTMENTAL EXPENDITURE</b>	295	692	352	(340)	(362)	
		<b>CONTRIBUTION TO / (FROM) RESERVES</b>						
9	203	Contribution to/(from) Service Savings	0	(321)	19	340	0	
10	(100)	Contribution to/(from) Earmarked Reserves	0	0	0	0	0	
11	(1)	Contribution to/(from) Virtual Bank	0	0	0	0	0	
12	176	<b>NET REVENUE REQUIREMENT (Outturn Prices)</b>	295	371	371	0	0	

### Notes to Annex A

- 1 Reduced systems development throughout the year partially due to staff vacancies, resulting in lower than budgetted CAMS technical charges. Additional income from Payslip work and Magistrates Courts.
- 2 Staff vacancies and delays in recruitment. Savings on printing costs.
- 3 CAMS charges lower than budgeted. Income targets exceeded due to increased throughput. Staff vacancies and lack of suitable contract audit staff.
- 4 External income lower than budgeted, partially offset by staff savings.
- 5 Largely due to the suspension of the department's team & management development programme pending development of corporate framework.

## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

	B.1	COUNTY TREASURER'S DEPARTMENT	B.2	B.3	B.4	B.5	B.6	B.7
	£000		£000	£000	£000	£000	%	
Line Ref.	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		Notes
	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
		EXPENDITURE	A	B	C	C-B		
1	3,047	Employees	3,428	3,458	3,084	(374)	(11)	1
2	20	Premises	0	0	2	2	100	
3	30	Transport	30	30	33	3	10	
4	1,560	Supplies and Services	844	1,669	1,973	304	18	2
5	0	Third Party Payments	0	0	0	0	0	
6	0	Transfer Payments	0	0	0	0	0	
7	1,105	Support Services	1,470	1,470	1,432	(38)	(3)	3
8	104	Notional Asset Rentals	106	183	183	0	0	
9	15	Capital Financing Costs	0	15	43	28	187	4
10	5,881	TOTAL EXPENDITURE	5,878	6,825	6,750	(75)	(1)	
		INCOME						
11	0	Government Grants	0	0	0	0	0	
12	0	Other Grants, Reimbursements and Contributions	0	0	0	0	0	
13	(1,248)	Customer and Client Receipts	(1,258)	(1,258)	(1,254)	4	(0)	
14	0	Interest	0	0	0	0	0	
15	(4,559)	Internal Income	(4,325)	(4,875)	(5,144)	(269)	6	5
16	(5,807)	TOTAL INCOME	(5,583)	(6,133)	(6,398)	(265)	4	
17	74	NET DEPARTMENTAL EXPENDITURE	295	692	352	(340)	(49)	

### Notes to Annex B

#### EXPENDITURE

- 1 Largely due to staff turnover and delays in recruitment, plus efficiencies arising from restructure of certain functions.
- 2 Increased expenditure on supplies and services partially due to cost of consultants and temporary staff used to fill vacancies described above.
- 3 Underspend includes lower than budgeted CAMS charges to assist future development of HRMS system.
- 4 Purchase of new financial systems server.

#### INCOME

- 5 Includes additional contributions from other departments to assist in the development of HRMS.

## Annex C: Budget Management Performance 2004/2005

	COUNTY TREASURER'S DEPARTMENT		C.1	C.2	C.3	C.4	C.5	C.6
			£000	£000	£000	£000	%	
Line	Service Description	Responsible Officer	2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
	<u>Service Budgets</u>							
	(including a full apportionment of managment and support charges)							
1	Exchequer Services	Head of Exchequer Services - P McGaffin	25	50	24	(26)	(52)	1
2	Financial Accounting	Head of Financial Accounting - A Lovegrove	9	14	5	(9)	(64)	
3	Systems	Systems Manager - L Scannell	18	(230)	(351)	(121)	53	2
4	Treasury Management	Group Manager - Treasury Management & Pensions - P Triggs	11	16	9	(7)	(44)	
5	Pensions Services	Pensions Services Manager - N Buxton	36	51	40	(11)	(22)	3
6	Budget & Technical	Group Accountant - Budget & Technical - V Rennie	16	22	(5)	(27)	(123)	4
7	Warwickshire Audit	Audit Services Manager - G Rollason	29	72	(14)	(86)	(119)	5
8	Payroll Services	Payroll Production Manager - J Semple	43	61	(6)	(67)	(110)	6
9	Projects	Head of Projects - C Juckes	18	36	58	22	61	7
10	HR & Payroll Project	County Treasurer - D Clarke	90	600	592	(8)	(1)	
11	TOTAL SERVICE BUDGETS		295	692	352	(340)	(49)	
	<u>Management and Support Budgets</u>							
	(whose apportioned cost are included in the above)							
12	Office Services	Financial Services Manager - N Cumberledge	186	278	278	0	0	
13	Executive	Financial Services Manager - N Cumberledge	18	13	4	(9)	(69)	
14	Staff Development	Departmental Support Manager - M Bradbury	0	0	(43)	(43)	(100)	8
15	CIPFA Trainees	Group Accountant - G Shaw	1	1	(3)	(4)	(400)	
16	Departmental Support	Departmental Support Manager - M Bradbury	0	0	(11)	(11)	(100)	9
17	TOTAL MANAGEMENT AND SUPPORT BUDGETS		205	292	225	(67)	(23)	

### Notes

- Efficiency savings resulting from restructure of team, plus additional external income generated.
- Minimal systems development this year as resources (both CAMS and Treasurers) were concentrated on HRMS. This had a knock-on effect on financial systems support  
Also savings due to vacancies.
- Lower than anticipated management & support costs.
- Savings from staff vacancies and delays in recruitment, partially offset by advertising costs. Efficiency savings on printing
- Staff vacancies combined with lack of suitable contract audit staff.
- Lower than budgeted CAMS costs, plus additional income due to increased throughput.
- External income lower than budgeted, partially offset by staff savings.
- Largely due to suspension of the department's team & management development programme pending the development of a corporate framework.
- Staff savings.

**Annex D(1) : Business Unit Trading Account and Statement of Reserves**

	D.1	COUNTY TREASURER'S DEPARTMENT	D.2		D.3		D.4		Notes
	£000	WARWICKSHIRE AUDIT BUSINESS UNIT	£000		£000		£000		
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005			2004/2005 Outturn				
		Income							
		Business Income							
1	(622)	Internal Customers	(632)						
2	(90)	External Customers	(62)						
3	0	Core Recharges	0						
4	(712)	Total Income			(694)				
		Expenditure							
5	536	Direct Costs	541						
		Overheads							
6	101	Central/Departmental Support	98						
7	7	Other Support Services	9						
8	0	Extraordinary Expenditure	0						
9	644	Total Expenditure			648				
10	(68)	(Surplus)/Deficit			(46)		Budget Target 30		
		Statement of Reserves as at 31/3/2005							
11	(12)	Balance brought forward from 2003/2004			56				
12	68	Surplus/(deficit) transferred to reserves	76						
13	0	Appropriations from departmental reserves	0		76				
14	56	Balance carried forward to 2005/2006			132				

**Annex D(2) : Business Unit Trading Account and Statement of Reserves**

	D.1	COUNTY TREASURER'S DEPARTMENT	D.2		D.3		D.4		Notes
	£000	PAYROLL SERVICES BUSINESS UNIT	£000		£000		£000		
Line Ref.	2003/2004 Outturn	Annual Trading Account for year ending 31/3/2005			2004/2005 Outturn				
		Income							
		Business Income							
1	(869)	Internal Customers	(988)						
2	(337)	External Customers	(423)						
3	0	Core Recharges	0						
4	(1,206)	Total Income			(1,411)				
		Expenditure							
5	1,145	Direct Costs	1,123						
		Overheads							
6	189	Central/Departmental Support	218						
7	10	Other Support Services	18						
8	0	Extraordinary Expenditure	0						
9	1,344	Total Expenditure			1,359				
							Budget Target		
10	138	(Surplus)/Deficit			(52)		0		
		Statement of Reserves as at 31/3/2005							
11	(81)	Balance brought forward from 2003/2004			(219)				
12	(138)	Surplus/(Deficit) transferred to reserves	52						
13	0	Appropriations for departmental reserves	0						
14	(219)	Balance carried forward to 2005/2006			52				
					(167)				





## OTHER SERVICES

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Other Services was £19,233,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £2,606,000. Therefore the 2004/2005 budget for the service is now £21,839,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year on items within the Service's control is £2,133,000. Details are shown below.

Table 1: Outturn spending 2004/2005			
		£000	£000
<b>Original Budget - Gross</b>			<b>25,313</b>
<b>Original Budget - Net</b>			<b>19,233</b>
<b>Adjusted for:</b>			
Borrowing costs of self funded capital schemes	141		
Babies need books – transfer to LHTS	(20)		
Approved use of reserves (PSA)	108		
Capital fund usage	8		
ESPO surplus to general reserves	(70)		
Wedgenock Warehouse – transfer to Property Services	(220)		
PSA reward grant income to Capital	2,690		
Schools reorganisation debt charges	(41)		
Notional asset rental adjustment	(8)		
Building (structural) maintenance	18		
<b>Total Adjustments</b>			<b>2,606</b>
<b>Revised Budget</b>			<b>21,839</b>
<b>Actual Net Spending</b>	<b>19,387</b>		
Add: budgeted contribution to the Insurance Fund (interest)	319		
<b>Adjusted Net Spending</b>			<b>19,706</b>
<b>(Under)spend (against revised budget)</b>			<b>(2,133)</b>

The above underspend is after allocating a budgeted contribution of interest giving an adjusted underspend of £2,452,000. This means a total net contribution to the Insurance Fund of £1,104,000 including interest for the year. In addition we have paid £1,300,000 into a provision to pay for the costs of the Avon Valley school fire costs.

2.2 Detailed analysis of final underspend is shown in Annexes A to C as follows:

- Annex A - shows the analysis by activities and outputs of the Service
- Annex B - shows the analysis by Service inputs (e.g. staff costs)
- Annex C - shows the analysis by cost centre manager

Each annex also includes an explanation of significant variations.

2.3 The principal items which have led to the underspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
Capital financing charges	(991)
Insurances – general	(785)
Insurances – Avon Valley	1,300
PSA reward grant – additional income received due to better than expected performance against PSA1 targets	(679)
Corporate Procurement Target	205
Wedgenock House	72
Elections	(77)
Babies need books	(10)
Interest on revenue balances – internal and external cash managers achieved above target returns	(1,185)
Other variations	17
<b>Total</b>	<b>(2,133)</b>

### 3 Spending on specific 2004/2005 budget allocations

3.1 In February 2004, as part of the 2004/2005 budget Other Services was allocated £250,000 to fund specific projects. Of this, £220,000 was for Wedgenock Warehouse and £30,000 was for the 'Babies need books' project. Both allocations were to be held centrally and released by Cabinet only if the lead departments (Property Services and Libraries, Heritage and Trading Standards respectively) were unable to generate sufficient income to fund the projects. The full £220,000 was released to Property Services in-year, whilst LHTS called on £20,000 of the £30,000 'Babies need books' allocation. The remaining £10,000 will be paid back into General Reserves.

## 4 Reserves

4.1 There are accumulated reserves of £307,000 relating to Other Services budgets. As a result of the underspend and reserve movements in the year the reserves position at 31 March 2005 is £893,000 in-hand.

4.2 Other Services' overall reserves position can therefore be summarised as follows:

<b>Table 3: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Quadrennial elections	135	0	77	211
PSA virtual bank underspend	108	(108)	0	0
Policy Initiative Fund	64	0	(61)	3
PSA reward grant	0	0	679	679
<b>Total</b>	<b>307</b>	<b>(108)</b>	<b>695</b>	<b>893</b>

4.3 Other Services' reserves are held for specific purposes as detailed above, and are not 'owned' by any one Chief Officer. A separate report will be presented to Cabinet at a later date regarding the application of the PSA reward grant surplus.

## 5 Comparison with the 2004/2005 Provisional Outturn

5.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an underspend of £350,000. The actual underspend of £2,133,000 therefore represents a £1,783,000 change in the service's position (detailed table on following page).

<b>Table 4: Comparison between provisional and final outturn</b>		
	<b>£000</b>	<b>£000</b>
	<b>Provisional Outturn as reported on 3rd February 2005</b>	<b>2004/2005 Final Outturn</b>
Interest on revenue balances	(1,000)	(1,185)
Capital financing charges	(850)	(991)
Insurances – general	0	(785)
Insurances – Avon Valley	1,300	1,300
Corporate procurement savings target	205	205
Wedgenock offices	72	72
Elections	(80)	(77)
PSA reward grant	0	(679)
Other budgets	3	7
<b>Total</b>	<b>(350)</b>	<b>(2,133)</b>

- 5.2 Major changes in Other Services' outturn position since the provisional outturn have included a large underspend on insurances, which was not previously forecast. This partially offset the £1.3m insurance liability arising from the Avon Valley fire which has been placed in a provision. In addition to this, performance by our external cash managers was better than they had forecast, and the reward grant for PSA1 was higher than originally budgeted due to better than expected performance against the targets.

**Dave Clarke**  
County Treasurer

Shire Hall  
June 2005

# **Annex A: Revenue Outturn 2004/05 - Service Analysis**

	A.1	OTHER SERVICES	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000 2003/2004 Outturn Exp/Inc		£000 2004/2005 Original Budget A	£000 2004/2005 Revised Budget B	£000 2004/2005 Outturn Exp/Inc C	£000 Variation from Revised Budget C-B	%	Notes
		<b>Corporate and Democratic Core</b>						
1	65	CAMS	65	65	65	0	0	
2	1,145	Chief Execs.	1,332	1,332	1,332	0	0	
3	134	Property Services (including County Offices)	137	137	137	0	0	
4	735	Treasurers	757	757	757	0	0	
5	97	LGA Subscription	94	94	84	(10)	(11)	
6	0	Other	14	14	1	(13)	(93)	
7	199	Banking & Treasury Management	216	216	206	(10)	(5)	
8	<b>2,375</b>		<b>2,615</b>	<b>2,615</b>	<b>2,582</b>	<b>(33)</b>	<b>(1)</b>	
		<b>Other Support Services</b>						
9	111	Staff Club	76	85	77	(8)	(9)	
10	17	Control of Substances Hazardous to Health	19	19	18	(1)	(5)	
11	57	Subscriptions	54	54	58	4	7	
12	67	Reorganisation Pensions	68	68	66	(2)	(3)	
13	(100)	Warwickshire Care Services	(100)	(100)	(100)	0	0	
14	17,351	Capital Financing Charges	20,182	20,294	19,302	(992)	(5)	
15	33	Other Administrative Expenses	35	35	13	(22)	(63)	
16	<b>17,536</b>		<b>20,334</b>	<b>20,455</b>	<b>19,434</b>	<b>(1,021)</b>	<b>(5)</b>	
		<b>Other Apportionable Central Overheads</b>						
17	209	External Audit Fees	264	264	345	81	31	
18	0	National Fraud Initiative	0	0	4	4	100	
19	210	Insurances	0	0	(785)	(785)	(100)	
20	0	Avon Valley - insurance	0	0	1,300	1,300	100	
21	876	Members Allowances and Expenses	972	972	943	(29)	(3)	
22	<b>1,295</b>		<b>1,236</b>	<b>1,236</b>	<b>1,807</b>	<b>571</b>	<b>0</b>	
		<b>Central Services to the Public</b>						
23	0	County Council Elections	82	82	5	(77)	(94)	
24	1	Donation re Charity Registration	1	1	1	0	0	
25	<b>1</b>		<b>83</b>	<b>83</b>	<b>6</b>	<b>(77)</b>	<b>(93)</b>	
		<b>Other Operating Income and Expenditure</b>						
26	2,249	Environment Agency (Flood Defence Levy)	190	190	188	(2)	(1)	
27	0	PSA Reward Grant	(4,700)	(2,011)	(2,690)	(679)	34	
28	56	Public Service Agreements	0	108	108	0	0	
29	592	Wedgenock House	520	300	372	72	24	
30	0	Babies Need Books	30	10	0	(10)	(100)	
31	(36)	Interest on Car Loans	(40)	(40)	(30)	10	(25)	
32	(1,112)	Interest on Revenue Balances (net)	(1,185)	(1,185)	(2,370)	(1,185)	100	
33	(124)	Other Income	(30)	(102)	(81)	21	(21)	
34	(97)	Corporate procurement target	(205)	(205)	0	205	(100)	
35	<b>1,528</b>		<b>(5,420)</b>	<b>(2,935)</b>	<b>(4,503)</b>	<b>(1,568)</b>	<b>53</b>	
		<b>Contributions to / (From) Funds</b>						
36	235	Interest to the Insurance Fund	285	285	319	34	12	
37	24	Quality and Best Value Fund	0	0	61	61	100	

## Annex B: Revenue Outturn 2004/2005 - Subjective Analysis

	B.1	OTHER SERVICES	B.2	B.3	B.4	B.5	B.6	B.7
	£000		£000	£000	£000	£000	%	
Line	2003/2004		2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.	Outturn		Original	Revised	Outturn	Revised Budget		
	Exp/Inc		Budget	Budget	Exp/Inc			
		EXPENDITURE	A	B	C	C-B		
1	102	Employees	16	16	7	(9)	(56)	
2	691	Premises	561	359	403	44	12	
3	0	Transport	2	2	2	0	0	
4	1,781	Supplies and Services	3,037	3,038	3,582	544	18	
5	2,249	Third Party Payments	365	365	188	(177)	(48)	
6	0	Transfer Payments	88	88	0	(88)	(100)	
7	4,975	Support Services	2,331	2,331	2,291	(40)	(2)	
8	9	Notional Asset Rentals	8	0	0	0	0	
9	17,309	Capital Financing Costs	20,437	20,563	19,745	(818)	(4)	
10	27,116	<b>TOTAL EXPENDITURE</b>	<b>26,845</b>	<b>26,762</b>	<b>26,218</b>	<b>(544)</b>	<b>(2)</b>	
		<b>INCOME</b>						
11	0	Government Grants	(4,700)	(2,011)	(2,690)	(679)	34	
12	(22)	Other Grants, Reimbursements and Contributions	(20)	(20)	(19)	1	(5)	
13	(667)	Customer and Client Receipts	(135)	(135)	(208)	(73)	54	
14	(1,148)	Interest	(1,225)	(1,225)	(2,400)	(1,175)	96	
15	(2,286)	Internal Income	(1,532)	(1,532)	(1,195)	337	(22)	
16	(4,123)	<b>TOTAL INCOME</b>	<b>(7,612)</b>	<b>(4,923)</b>	<b>(6,512)</b>	<b>(1,589)</b>	<b>32</b>	
17	22,993	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>19,233</b>	<b>21,839</b>	<b>19,706</b>	<b>(2,133)</b>	<b>(10)</b>	

# Annex C: Revenue Outturn 2004/2005 - Budget Management Performance

OTHER SERVICES			C.1	C.2	C.3	C.4	C.5	C.6
Line Ref.	Service Description	Responsible Officer	£000	£000	£000	£000	%	Notes
			2004/2005	2004/2005	2004/2005	Variation from		
			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
<u>Service Budgets</u>								
(including a full apportionment of management and support charges)								
1	Corporate and Democratic Core (CAMS)	Jeff Reading	65	65	65	0	0	
2	Corporate and Democratic Core (Chief Executives)	David Preece	1,332	1,332	1,332	0	0	
3	Corporate and Democratic Core (Property Services)	Graham Shaw	137	137	137	0	0	
4	Corporate and Democratic Core (Treasurer's)	Nicola Cumberledge	757	757	757	0	0	
5	Corporate and Democratic Core (Other Services)	Nicola Cumberledge	94	94	84	(10)	(11)	
6	Corporate and Democratic Core (Banking & Treasury Management)	Nicola Cumberledge	230	230	207	(23)	(10)	
7	Staff Club	Nicola Cumberledge	76	85	77	(8)	(9)	
8	Control of Substances Hazardous to Health	John Palmer	19	19	18	(1)	(5)	
9	Subscriptions	Nicola Cumberledge	54	54	58	4	7	
10	Reorganisation Pensions	Nicola Cumberledge	68	68	66	(2)	(3)	
11	Capital Financing Charges	Phil Triggs	20,183	20,294	19,302	(992)	(5)	
12	Contributions to the Insurance Fund (interest)	Phil Triggs	285	285	319	34	12	
13	External Audit Fees	Nicola Cumberledge	264	264	345	81	31	
14	National Fraud Initiative	Nicola Cumberledge	0	0	4	4	100	
15	Insurance	David Preece	0	0	515	515	100	1
16	Member's Allowances	Janice Semple	972	972	943	(29)	(3)	
17	Public Service Agreements	Nicola Cumberledge	0	108	108	0	0	
18	County Council Elections	David Preece	82	82	5	(77)	0	
19	Environment Agency Levy	Nicola Cumberledge	190	190	188	(2)	(1)	
20	Wedgenock House	Graham Shaw	520	300	372	72	24	
21	Other Income and Expenditure	Nicola Cumberledge	4	(66)	(68)	(2)	3	
22	Spending to Invest	Nicola Cumberledge	100	100	0	(100)	(100)	
23	Warwickshire Care Services Income	Nicola Cumberledge	(100)	(100)	(100)	0	0	
24	Car Loan Interest	Phil McGaffin	(40)	(40)	(30)	10	(25)	
25	Interest on Revenue Balances	Phil Triggs	(1,185)	(1,185)	(2,370)	(1,185)	100	
26	Policy Initiative Fund	Nicola Cumberledge	0	0	61	61	100	
27	Corporate Procurement Savings Target	Paul White	(205)	(205)	0	205	(100)	
28	Babies Need Books	Paul Walsh	30	10	0	(10)	(100)	
29	Public Service Agreement Reward Grant		(4,700)	(2,011)	(2,690)	(679)	34	
30	TOTAL SERVICE BUDGETS		19,232	21,839	19,705	(2,134)	(10)	

1. Includes £1.3 million Avon Valley offset by £0.785 million underspend on other insurances.



## MAGISTRATES' COURTS

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Magistrates' Courts was £1,052,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £540,000. Therefore the 2004/2005 budget for the service is now £1,592,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The service overall had a nil variation in spending. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>			
		<b>£000</b>	<b>£000</b>
<b>Original Budget</b>			<b>1,052</b>
<b>Adjusted for:</b>			
Increase in cash limit	27		
Increase in Notional Asset Rentals	513		
Total Adjustments			540
<b>Revised Budget</b>			<b>1,592</b>
<b>Actual Net Spending</b>			<b>1,592</b>
<b>Total (Underspend)/Overspend</b>			<b>0</b>

- 2.2 A detailed analysis of the final position is shown in Annex A.
- 2.3 In January 2005 the Department for Constitutional Affairs (DCA) approved an increase of £27,360 (in 20% terms) to the Magistrates' Courts Cash Limit for 2004/2005, by providing additional resources to support the work connected with the Northern Justice Centre. The County Council are governed by statute to provide 20% of the funding for the Magistrates' Courts service.
- 2.4 Since 1<sup>st</sup> April 2005 the Magistrates' Courts service have been part of Her Majesty's Court Service and as such is funded directly by the DCA. The County Council is no longer required to provide 20% of its funding. Preparations are in hand to transfer the pension rights of employees and other assets and liabilities to DCA during the current financial year.

#### 3 Reserves

- 3.1 The service began the year with accumulated reserves of £12,000. As a result of the nil variation on spending and reserve movements in the year the reserves position at 31 March 2005 is nil.
- 3.2 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 2: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year  £000</b>	<b>Final Outturn  £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
<b>Service reserves</b>	12	(12)	0	0
<b>Total</b>	<b>12</b>	<b>(12)</b>	<b>0</b>	<b>0</b>

#### **4 Comparison with the 2004/2005 Provisional Outturn**

- 4.1 The comparison is shown below.

<b>Table 3: Comparison between provisional and final outturn</b>	<b>Provisional Outturn as reported on 3<sup>rd</sup> February 2005  £000</b>	<b>2004/2005 Final Outturn  £000</b>
Magistrates' Courts – Cash Limit	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

- 4.2 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting that the budget would be fully spent.

**Kelvin Launchbury**  
**Warwickshire Area Director**  
**Her Majesty's Court Service**  
**15<sup>th</sup> June 2005**

## Annex A: Revenue Outturn 2004/2005 - Subjective Analysis

	A.1	MAGISTRATES' COURTS	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000 2003/2004 Outturn Exp/Inc		£000 2004/2005 Original Budget A	£000 2004/2005 Revised Budget B	£000 2004/2005 Outturn Exp/Inc C	£000 Variation from Revised Budget C-B	%	Notes
		<b>EXPENDITURE</b>						
1	1,903	Employees	1,926	2,117	2,145	28	1.3%	1
2	292	Premises	327	327	442	115	35.2%	2
3	50	Transport	47	47	55	8	17.0%	3
4	694	Supplies and Services	824	770	741	(29)	-3.8%	
5	0	Third Party Payments	0	0	0	0	0.0%	
6	0	Transfer Payments	0	0	0	0	0.0%	
7	61	Support Services	50	50	57	7	14.0%	4
8	431	Notional Asset Rentals	430	943	943	0	0.0%	
9	3,431	<b>TOTAL EXPENDITURE</b>	<b>3,604</b>	<b>4,254</b>	<b>4,383</b>	<b>129</b>	<b>3.0%</b>	
		<b>INCOME</b>						
10	(2,342)	Government Grants	(2,487)	(2,597)	(2,692)	(95)	3.7%	5
11	0	Other Grants, Reimbursements and Contributions	0	0	(18)	(18)	0.0%	
12	(73)	Customer and Client Receipts	(65)	(65)	(81)	(16)	24.6%	6
13	0	Interest	0	0	0	0	0.0%	
14	0	Internal Income	0	0	0	0	0.0%	
15	(2,415)	<b>TOTAL INCOME</b>	<b>(2,552)</b>	<b>(2,662)</b>	<b>(2,791)</b>	<b>(129)</b>	<b>4.8%</b>	
16	1,016	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>1,052</b>	<b>1,592</b>	<b>1,592</b>	<b>0</b>	<b>0.0%</b>	
17	12	Contribution (from)/to Earmarked Reserves	(12)	(12)	(12)	0	0.0%	
	(5)	Contribution (from)/to General Reserves	0	0	0	0	0.0%	
18	1,023	<b>NET REVENUE REQUIREMENT</b>	<b>1,040</b>	<b>1,580</b>	<b>1,580</b>	<b>0</b>	<b>0.0%</b>	

### Notes to Annex A

1. Overspend resulting from increased resources required for Warrant Enforcement
2. Major contribution to the running costs of the Northern justice Centre in Nuneaton
3. Planned overspend resulting from payments made to re-located staff
4. Extra payments made for advice on personnel issues and the impending transfer to Unified Administration.
5. Increase in grant resulting from increased spend
6. Increased income from room hire and the use of Rugby Courthouse by the County Court.

## YOUTH OFFENDING SERVICE

### FINAL REVENUE OUTTURN 2004/2005

#### 1 2004/2005 Budget

- 1.1 The original budget for Youth Offending Service was £1,176,000 (including the planned use of balances). Since the original budget was approved there have been budget adjustments of £103,000. Therefore the 2004/2005 budget for the service is now £1,279,000.

#### 2 2004/2005 Final Outturn Spending

- 2.1 The total net underspend for the year on items within the Service's control is £106,000. Details are shown below.

<b>Table 1: Outturn spending 2004/2005</b>		
	<b>£000</b>	<b>£000</b>
<b>Original Budget - Gross</b>		<b>2,009</b>
<b>Original Budget - Net</b>		<b>1,176</b>
<b>Adjusted for:</b>		
Use of Reserves (2003/2004 under spend)	65	
Mentoring Scheme (YPSI allocation)	35	
Use of Reserves (2004/2005 projected spend)	3	
Total Adjustments		103
<b>Revised Budget</b>		<b>1,279</b>
<b>Actual Net Spending</b>		<b>1,173</b>
<b>Underspend (against revised budget)</b>		<b>(106)</b>

- 2.2 Detailed analysis of final underspend is shown in Annexes A to B as follows:

- Annex A - shows the analysis by Service inputs (e.g. staff costs)
- Annex B - shows the analysis by cost centre manager

Each annex also includes an explanation of significant variations.

- 2.3 The principal items which have led to the underspend are summarised in the table below.

<b>Table 2: Major variations</b>	<b>£000</b>
Secure Accommodation/boarding Out – fewer placements	(15)
Positive About Young People – Contribution for Basic Skills/ accreditation strategy to be spent in 2005/2006	(20)
Staffing Vacancy	(18)
Additional Ryogens project management income to be spent on Planning and Performance Management in 2005/2006 & 2006/2007	(41)
Other	(12)
<b>Total</b>	<b>(106)</b>

### 3 Reserves

- 3.1 The service began the year with accumulated reserves of £385,000. As a result of the underspend and reserve movements in the year the reserves position at 31 March 2005 is £328,000 in-hand. At this stage, the Head of the Youth Offending Service is not proposing the use of any further reserves in 2005/2006.
- 3.2 The Service's overall reserves position can therefore be summarised as follows:

<b>Table 3: Reserves</b>	<b>Reserves In-Hand/ (Overdrawn) at 1 April 2004 £000</b>	<b>Adjustments to Reserves in year £000</b>	<b>Final Outturn £000</b>	<b>Reserves In-Hand/ (Overdrawn) at 31 March 2005 £000</b>
Service Reserves	162	(98)	86	150
IT Replacement Fund	47	(20)	0	27
Mentoring Scheme	18	0	0	18
New Building Refurbishment Costs	25	(25)	0	0
Change Implementation	63	0	0	63
Basic Skills Tutor	20	(20)	20	20
Secure Accommodation	50	0	0	50
<b>Total</b>	<b>385</b>	<b>(163)</b>	<b>106</b>	<b>328</b>

- 3.3 Members are asked to approve the reversal of a contribution to reserves of £171,200 agreed in the original 2005/2006 revenue estimates of the service approved at Council on 8<sup>th</sup> February 2005, in favour of a use of reserves of £171,200 to support the 2005/2006 revenue estimates. This would leave £157,000

of reserves available for future years of which £89,000 is for specific projects such as Planning and Performance Management and Secure Accommodation.

#### **4 Comparison with the 2004/2005 Provisional Outturn**

- 4.1 The service last reported the expected outturn position to Cabinet as part of the corporate 2004/2005 Provisional Outturn report on 3 February 2005. At this time the service was predicting an underspend of £52,000. The actual underspend of £106,000 therefore represents a £54,000 change in the service's position.

<b>Table 4: Comparison between provisional and final outturn</b>		
	<b>Provisional Outturn as reported on 3rd February 2005</b>	<b>2004/2005 Final Outturn</b>
	<b>£000</b>	<b>£000</b>
Youth Offending Team	(47)	(79)
Secure Accommodation	0	(15)
Other	(5)	(12)
<b>Total</b>	<b>(52)</b>	<b>(106)</b>

- 4.2 The main variations can be summarised as follows:

- £20,000 was received from Positive About Young People (PAYP) for our basic skills /accreditation strategy. This will be carried forward into reserves to support the Education Practitioner post.
- £18,000 underspend due to staffing vacancy and delay in suitable recruitment.
- £15,000 Fewer placements in Secure Accommodation/Boarding Out.

Diane Johnson  
Head of Youth Offending Service  
Sterling House  
16 Hamilton Terrace  
Leamington

8<sup>th</sup> June 2005

## Annex A: Revenue Outturn 2004/2005 - Subjective Analysis

	A.1	YOUTH OFFENDING TEAM	A.2	A.3	A.4	A.5	A.6	A.7
Line Ref.	£000 2003/2004 Outturn Exp/Inc		£000 2004/2005 Original Budget A	£000 2004/2005 Revised Budget B	£000 2004/2005 Outturn Exp/Inc C	£000 Variation from Revised Budget C-B	%	Notes
		<b>EXPENDITURE</b>						
1	1,276	Employees	1,430	1,500	1,438	(62)	(4)	1
2	94	Premises	97	147	161	14	10	
3	107	Transport	113	117	138	21	18	
4	407	Supplies and Services	266	211	382	171	81	2
5	65	Support Services	118	135	130	(5)	(4)	
		Capital Financing Charge	0	0	16	16	0	3
6	<b>1,949</b>	<b>TOTAL EXPENDITURE</b>	<b>2,024</b>	<b>2,110</b>	<b>2,265</b>	<b>155</b>	<b>7</b>	
		<b>INCOME</b>						
7	0	Government Grants	0	0	0	0	0	
8	(964)	Other Grants, Reimbursements and Contributions	(502)	(792)	(983)	(191)	24	4
9	0	Customer and Client Receipts	(331)	0	0	0	0	
10	0	Interest	0	0	0	0	0	
11	(50)	Internal Income	(15)	(39)	(109)	(70)	179	5
12	<b>(1,014)</b>	<b>TOTAL INCOME</b>	<b>(848)</b>	<b>(831)</b>	<b>(1,092)</b>	<b>(261)</b>	<b>31</b>	
13	<b>935</b>	<b>NET DEPARTMENTAL EXPENDITURE</b>	<b>1,176</b>	<b>1,279</b>	<b>1,173</b>	<b>(106)</b>	<b>(8)</b>	
		<b>CONTRIBUTIONS TO/(FROM) RESERVES</b>						
14	(159)	Transfer to/(from) service savings	(95)	(98)	(12)	86	(88)	
15	(3)	Transfer to/(from) Earmarked Reserves	0	(65)	(45)	20	(31)	
16	<b>773</b>	<b>NET REVENUE REQUIREMENT (OUTTURN PRICES)</b>	<b>1,081</b>	<b>1,116</b>	<b>1,116</b>	<b>0</b>	<b>0</b>	

### Notes

1. A number of posts have been vacant for part of the year, and there have been delays in suitable recruitment. This has been partly offset by the cost of advertising.
2. Underspending on Boarding Out & secure accommodation offset by additional costs mainly consultancy fees, telephones, computer purchases and maintenance costs.
3. Purchase of a Land Rover vehicle, included in the capital accounts and funded with a revenue contribution from Rugby Borough Council.
4. Additional income has been received from the Ryogens E-government project (£158k) towards work on project and support costs. (£23k) from Rugby Borough Council for the purchase of a Land Rover.
5. Additional income has been received from the Ryogens project (£41k) towards work on project and support costs.  
Includes reimbursement for salaries paid for PAYP (Positive About Young People - 20K) and £3k for the Two Wheels project.

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## Annex B: Revenue Outturn 2004/2005 - Budget Management Performance

	YOUTH OFFENDING TEAM		B.1	B.2	B.3	B.4	B.5	B.6
			£000	£000	£000	£000	%	
Line	Service Description	Responsible Officer	2004/2005	2004/2005	2004/2005	Variation from		Notes
Ref.			Original	Revised	Outturn	Revised Budget		
			Budget	Budget	Exp/Inc			
			A	B	C	C-B		
	Service Budgets							
	(including a full apportionment of management and support charges)							
1	YOT POOLED BUDGET	Diane Johnson - Head of Service	1,222	1,245	1,181	(64)	(5)	1
2	YOT LEAMINGTON SPA	Diane Johnson - Head of Service	42	67	67	0	0	
3	NUMBER 16 HAMILTON TERRACE	Diane Johnson - Head of Service	62	60	61	1	2	
4	YOT RUGBY	Heather Walton - Team Manager	50	49	48	(1)	(2)	
5	YOT TRAINING	Rachel Faulkner- Team Manager	0	30	28	(2)	(7)	
6	YOT IT BUDGET	Leslie Celic - Team Manager	20	20	11	(9)	(45)	2
7	CRIMINAL JUSTICE CENTRE NUNEATON	Leslie Celic - Team Manager	20	20	24	4	20	
8	YJB CORE FUNDING GRANT	Diane Johnson - Head of Service	0	0	(3)	(3)	100	
9	YJB SUBSTANCE MISUSE GRANT	Diane Johnson - Head of Service	0	0	0	0	0	
10	YJB REFERRAL ORDERS GRANT	Diane Johnson - Head of Service	0	0	3	3	100	
11	MENTORING SCHEME	Heather Walton - Team Manager	0	35	35	0	0	
12	BASIC SKILLS	Heather Walton - Team Manager	20	20	(6)	(26)	(130)	3
13	TWO WHEELS SCHEME	Heather Walton - Team Manager	0	3	0	(3)	100	
14	RESTORATIVE JUSTICE	Heather Walton - Team Manager	70	60	60	0	0	
15	INTENSIVE SUPERVISION & SURVEILLANCE	Heather Walton - Team Manager	0	0	0	0	0	
16	LAND ROVER	Heather Walton - Team Manager	0	0	(7)	(7)	100	
17	MOTOR GROUP	Heather Walton - Team Manager	0	0	2	2	100	
18	CRIMINAL JUSTICE CENTRE GRANT	Leslie Celic - Team Manager	0	0	3	3	100	
19	NATIONAL RYOGENS	Leslie Celic - Team Manager	0	0	(4)	(4)	100	
	CONTRIBUTIONS FROM OTHER AGENCIES:-							
20	Warwickshire Probation Board	Diane Johnson - Head of Service	(151)	(151)	(151)	0	0	
21	Warwickshire Police Authority	Diane Johnson - Head of Service	(105)	(105)	(105)	0	0	
22	Health Authority	Diane Johnson - Head of Service	(74)	(74)	(74)	0	0	
23	TOTAL SERVICE BUDGETS		1,176	1,279	1,173	(106)	(8)	

### Notes

1. Savings on salaries partly offset by advertising costs, additional income including staffing costs to be reimbursed and £41k from the Ryogens project which will be spent in 2005/2006. Additionally, boarding out/secure accommodation was underspent by £15k.
2. Underspend caused by additional income received for project support costs.
3. Contribution from Positive About Young People for Basic Skills/accreditation strategy to be spent in 2005/2006.