

## **Corporate Services Overview & Scrutiny Committee**

**15<sup>th</sup> July 2015**

### **One Organisational Plan Year End Progress Report:**

**April – March 2015**

#### **Recommendation**

That the Corporate Services Overview and Scrutiny Committee considers the report and appendices relevant to its remit, asking questions in relation to its content and making recommendations as considered appropriate.

#### **1. Introduction**

- 1.1. The One Organisational Plan Year End Progress Report for April – March 2015 was considered by Cabinet on 11<sup>th</sup> June 2015.
- 1.2. A full copy of the report to Cabinet is attached to this report.
- 1.3. The following Business Unit Background Information relevant to the remit of this Committee previously presented in each of the Group Rooms in support of the Cabinet report is also attached and covers the following services and areas:
  - Customer Service & Access (Appendix G)
  - Finance (Appendix H)
  - HR & Organisational Development (Appendix I)
  - Information Assets (Appendix J)
  - Law & Governance (Appendix K)
  - Physical Assets (Appendix L)
  - Service Improvement & Change Management (Appendix M)

#### **2. Background Papers**

- 2.1 Report and Appendices, and supporting Business Background Information relevant to the remit of this Committee, which went to Cabinet 11<sup>th</sup> June 2015.

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# Cabinet

11 June 2015

## One Organisational Plan Year End Report April 2014 – March 2015

### Recommendations

Cabinet are recommended to:

- a) Note the progress on the delivery of the One Organisational Plan as at the end of March 2015 as summarised in Sections 1 to 3 of the report and detailed in Appendix A.
- b) Review and comment on the 2014/15 revenue and capital outturn position, and the year-end performance position against the 2014/15 savings plan (Background Annexes A to S) and the level of reserves held by the Authority (Appendix C).
- c) Support the action being taken to bring the spending of the Safeguarding and Education and Learning Business Units in line with the budgets, as detailed in paragraphs 3.5 and 3.6.
- d) Note the transfer of £0.726 million into corporate reserves as outlined in paragraph 5.3.
- e) Approve the use of £1.480 million of corporate reserves to cover the unfinanced 2014/15 overspend in Education and Learning and Safeguarding Business Units, as outlined in paragraph 5.4.
- f) Approve the use of £3.133 million service savings to support plans for the delivery of service in 2015/16.
- g) Approve the use of £1.183 million to repay borrowing as outlined in paragraph 5.5.
- h) Support the approach to the financing of the 2014/15 capital programme as detailed in Section 6.
- i) Note the management of significant risks as outlined in Section 2.

## 1. Summary of Progress

- 1.1. The One Organisation Plan 2014-18 was developed as a four year plan for the delivery of a set of core outcomes within the envelope of available resources. This report presents the position at the end of the first year of our 4 year One Organisational Plan and as such should be read as an early review of progress to date.
- 1.2. As is to be expected after one year the picture presented is variable. We are on target to deliver the outcomes across four of the five priority areas with only one area – ‘Warwickshire’s communities are supported by excellent communications and transport infrastructure’ – currently not on target. All of the savings planned for 2014/15 have been delivered, with significant progress made in taking forward the savings planned for future years. This contributed to an overall underspend of £9.1 million and leaves our reserves in a robust position to meet the challenges ahead, ensuring the four year plan, which includes the use of significant levels of reserves, remains viable.
- 1.3. The importance of maintaining capacity, through our level of reserves, is becoming increasingly important. Following the Queen’s Speech it is anticipated that the local government sector is likely to be required to make additional savings. The headline at present is a £12 billion gap, with the Chancellor anticipating 5% additional savings from Ministries. How much of this will impact on Warwickshire remains to be established and will be the subject of a future report.
- 1.4. Financially two Business Units are under particular pressure (Education and Learning and Safeguarding) and the report contains proposals for addressing these in line with the 2016/17 refresh. The number of employees continues to fall as savings are delivered requiring an increased focus on ensuring all activity is supporting the delivery of the One Organisation Plan.
- 1.5. Whilst significant improvements have been made in revenue forecasting, capital slippage and accurate in-year performance monitoring needs a continuing focus. This should ensure future quarterly performance reports can provide the same degree of comfort about progress as the actual year-end position.
- 1.6. The One Organisational Plan is made up of the following elements;
  - OOP Outcome Framework, including organisational health outcomes (Pages 1-2 of Appendix A).
  - Use of financial resources including revenue, savings and capital, (Pages 3-5 of Appendix A)
  - Management of human resources (Page 6 of Appendix A) and.
  - Management of strategic risks (Page 7 of Appendix A) and
- 1.7. All these elements collectively contribute to the delivery of our Core Purpose over the next 4 years. Overall progress on the delivery of these elements as at the 31<sup>st</sup> March is as follows:

- We are reporting that we are outside of the tolerance set to deliver on the Outcome Framework.
- We are within tolerance in the use and management of our financial resources.
- We are within tolerance in the management of our human resources.
- We are within tolerance in the management of our strategic risks.

1.8. The following sections of this report set out the key messages in relation to each of these specific elements. However, they should not be considered independently and Members are asked to consider them in their entirety.

## 2. Performance Commentary

### One Organisational Plan Outcomes

2.1 The OOP Outcome Framework contains 5 specific key outcomes. At the end of March 2015, we are reporting that 4 are within tolerance to be delivered and one is red. Details of which are set out in the table below.



	Our communities & individuals are safe from harm & are able to remain independent for longer	The health & well being of all in Warwickshire is protected	Our Economy is vibrant; residents have access to jobs, training & skills development	Warwickshire's communities are supported by excellent communications & transport infrastructure	Resources & services are targeted effectively & efficiently whether delivered by the local authority, commissioned or delivered in partnership	
<b>Overall Status</b>	<b>Amber</b>	<b>Amber</b>	<b>Amber</b>	<b>Red</b>	<b>Amber</b>	<b>Red</b>
<b>Red</b>	1	0	1	2	0	<b>4</b>
<b>Amber</b>	2	5	2	0	5	<b>14</b>
<b>Green</b>	2	0	1	1	0	<b>4</b>
<b>Total</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>22</b>

Please note that the following criteria has been used to report the delivery of the Outcomes:

- Red indicates at this stage, we are not on target to deliver the Outcome.
- Amber indicates that at this stage, we are on target to deliver the Outcome but it is not yet fully achieved.
- Green indicates that we are delivering the Outcome set out in the plan.

2.2 Each of the 5 specific outcomes are supported by a number of additional themes, and cover distinct areas of activity that are being delivered across the Organisation and not just by one particular Group or Business Unit. The year-end results for 2014/15 present a mixed picture of performance with some

good news and some areas that require more specific focus in order to ensure that, by 2018, we have delivered the outcomes we set out to achieve.

- 2.3 Positively, at the end of Year 1 we are able to report that we are successfully delivering on the following themes which are all reporting a green status as at 31<sup>st</sup> March 2015:
- Our voluntary sector provide a strong offer of targeted support
  - Our Councillors are strong community leaders
  - Our economy provides quality jobs and unlocks entrepreneurship
  - The digital divide in Warwickshire is addressed and opportunities from new technologies are maximised
- 2.4 For the outcome “Our Communities and Individuals are safe from harm and are able to remain independent for longer”, we are on track to deliver on the outcome, with 4 out of the 5 themes reporting they are amber or green at the end of March and only 1 theme is red which is “our vulnerable residents are safe, protected from harm & independent for longer”.
- 2.5 It is important to note that slight changes in underlying performance results compared to the targets set have triggered the red status at the end of year 1. For example we are reporting a red status for the total number of accidental dwelling fires as at the end of March 2015 and this is as a result of 8 more incidents than the target set of 156. It must be borne in mind that, whilst disappointing, this is a very low base and Warwickshire FRS has been one of the best performers in this area for some time. This outturn figure is expected to be within the top performers in the country despite the slight increase.
- 2.6 For the outcome “The health and well being of all in Warwickshire is protected”, we are on track to deliver on the outcome, with all 5 themes reporting they are amber at the end of March.
- 2.7 For the outcome “Our Economy is vibrant; residents have access to jobs, training and skills development”, we are on track to deliver on the outcome, with 3 out of the 4 themes reporting they are amber or green at the end of March and only 1 theme is red which is “Our young people are supported to meet their needs and aspirations”.
- 2.8 This overall performance has been affected by the results for “Closing the Gap” in terms of attainment with an increase in the % gap between the achievement of disadvantaged pupils and non disadvantaged pupils in those achieving 5 or more A\* - C grades in English and Maths and the % gap between the achievement of disadvantaged pupils and non-disadvantaged pupils achieving level 4 or above in reading, writing and maths. Closing the Gap has been identified as a major area for development and a strategy is being developed and project has been established to help drive improvements in this area.
- 2.9 The overall use of revenue resources for Education and Learning is showing an overspend. This is primarily because of the increased pressure, within the Vulnerable Learners service, on the demand led budgets for support for pupils

with special educational needs and disabilities (SEND) including the associated transport costs.

2.10 For the outcome “Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or delivered in partnership”, we are on track to deliver on the outcome, with all 5 themes reporting they are amber at the end of March.

2.11 As at the end of March 2015, the outcome “Warwickshire’s communities are supported by excellent communications and transport infrastructure” is reporting an overall red status and this is because 2 out of 3 themes are reporting that they are not on target to deliver the outcomes. Only the outcome “The digital divide in Warwickshire is addressed and opportunities from new technologies are maximised” is reporting that it has delivered on the outcome set.

2.12 The table below sets both the themes that are not reporting to be delivered and the associated key performance measures that have not achieved the targets set for 2014/15.

OOP Theme	Key Business Measures	Reason
Our planning infrastructure delivers strategic solutions for partners and ourselves	<ul style="list-style-type: none"> <li>• % of Major Highway Authority applications which were responded to within target of 21 days</li> <li>• % of Minor Highway Authority applications which were responded to within target of 21 days</li> </ul>	<ul style="list-style-type: none"> <li>• Due to the changes in the approach to responding to major highway applications during 2014/15, year end performance has not been as high as expected. However, year on year performance continues to improve, with 63% of all major applications responded to within 21 days compared to 61% in 2013/14.</li> <li>• 84% of all minor applications were responded to within 21 days compared to 80% in 2013/14. Whilst year on year performance has improved, the results were not as high as the 90% target.</li> </ul>
Our integrated sustainable transport networks are fit for the future & meet the needs of residents and businesses	<ul style="list-style-type: none"> <li>• WCC cost per passenger journey on County Council supported services</li> <li>• Delivery of the annual Capital Programme for Transport</li> <li>• Length of highway network where surface treatment was achieved</li> </ul>	<ul style="list-style-type: none"> <li>• As previously financially supported services become commercially viable there is a greater reduction passenger numbers on the remaining supported services which results in an increasing per capita cost. This is part of an on-going trend.</li> <li>• Delivery of capital programme (excluding s278 schemes) is 95% and including s278 schemes is 93% against a target of 100% for 2014/15. During the financial year there have been minor delays in delivering some schemes and currently a s278 scheme is added to the capital programme whilst there are still processes to complete which involve external parties. These processes can sometimes take a considerable amount of time to complete before a scheme is ready to deliver.</li> <li>• The length of network treated at the end of March 2015, is less than the target due to a reduction in the amount of surface dressing work taking place as a result of concerns about materials supplied by the industry – a planned 30km less than the 250km target set. Regardless of carrying out a reduced programme of surface treatment, the length of network requiring treatment has reduced from 587km in 2013/14 to 568km in 2014/15.</li> </ul>

- 2.13 Greater scrutiny of the high level outcomes and their supporting themes and key business measures that are not performing as well as expected during the year, (including more robust in year forecasting and target setting) will be undertaken in 2015/16 to ensure that going forward these areas are either improved upon or we are able to more accurately predict the final year end position.

### **Organisational Health Outcomes**

- 2.14 Overall, we are forecasting that, at the year end, we are within tolerance to deliver all of the high level Organisational Health Outcomes.
- 2.15 As at 31<sup>st</sup> March, we are reporting a red status for two outcomes. The first is “Services are delivered within the agreed budgets” which is informed by WCC’s Revenue Budget performance and is set out in Section 3 of this report.
- 2.16 The second outcome is “The Council operates within the law” which is informed by the number of adverse decisions as a result of a legal challenge. During 2014/15, the Council has received a total of 15 legal challenges from the Local Government Ombudsman, 7 of which are Blue Badge applications.
- 2.17 For 2014/15, the target set was ‘0’ adverse decisions for this measure and therefore the red status of this measure is confirmed. However, it is worth noting that due to the changes in the reporting categories by the Local Government Ombudsman during 2014/15, we have seen an increase in the number of challenges the authority has received making comparative year on year performance is no longer possible.

### **Management of HR and Risk**

- 2.18 The successful delivery of the One Organisational Plan, is also dependent on the staff that work for the County Council to deliver it and our ability to manage and respond to risks.
- 2.19 Managing absence remains a priority for WCC both in terms of the number of working days lost and the impact this has on our ability to deliver services as well as the financial cost of sickness to the organisation.
- 2.20 During the year, we have reported an increase in the number of days lost due to sickness when compared to the previous year’s performance and this position remains unchanged at the year end. For 2014/15, we are reporting an increase (albeit slight) in the number of days lost due to sickness when compared to 2013/14. For 2014/15, the overall absence rate is 10.13 days lost per full time equivalent compared to 9.79 days at the end of March 2014.
- 2.21 Whilst the reason for the most days lost due to staff being absent from work remains stress and mental health, we are seeing the overall number of days lost in this category reduce and this is perhaps a reflection on the support available for managers and individuals to help manage and reduce stress in the workplace.



- 2.22 As we continue to move through significant organisational change, the total number of people employed by the County Council has fallen throughout the year. As at the 31<sup>st</sup> March 2015, the total number of staff in employment is 5,315 when compared to the number of employees at the start of the financial year (5,626).
- 2.23 However, whilst the number of people employed continues to fall, the age profile of our workforce remains stable with an average age of 45.8 years. Efforts to increase the younger representation of the workforce continues and at the end of March 2015, the apprenticeship programme is supporting more than 60 apprentices across the County Council.
- 2.24 At the year end, we continue to manage the number of significant risks to the organisation, and there is only one net red risk which is "Safeguarding Children and Vulnerable Adults in our community and the County Council's inability to take action to avoid abuse, injury or death". This risk has been set at a constant red risk level because of the nature of the risk.
- 2.25 Further details of the actions being taken to reduce the likelihood/ impact of risk is detailed in the risk section of Appendix A.

### **3 Revenue Spending**

- 3.1 The underspend for the year is £9.122 million. This figure includes government grants and schools spending which are, effectively, outside of our control. The underspend against controllable budgets is £10.453 million, equivalent to a 2.28% underspend, slightly above the top end of the 0% to 2.0% target range. This is summarised by Business Unit in Table 1, showing both the absolute and percentage variation to the approved budget. It should be noted that the position reported here does not include the effect of the Coventry and Warwickshire Business Rates Pool. A verbal update will be provided at the meeting.
- 3.2 The underspend reflects a culture of careful spending and advance planning for future spending reductions, as already referred to in paragraph 1.2. This culture was embedded in the last Medium Term Financial Plan and has flowed into the delivery of the 2014-18 One Organisation Plan. The underspend ensures that the overall four year Plan remains financially balanced and means we are not required to take additional short-term action to impose further reductions in spending.
- 3.3 The £1.331 million overspend on the uncontrollable elements of the budget reinforces the importance of having sufficient reserves to manage such fluctuations without requiring medium term plans to be reviewed.
- 3.4 Two Business Units overspent in 2014/15 whilst twelve business units underspent their approved budget by more than 2%, and are therefore outside the tolerance level set as the basis for exception reporting. Heads of Service

have provided a brief explanation of why their Business Units outturn position was outside of the agreed tolerances and this is attached as **Appendix B**.

Table 1: 2014/15 Revenue Spending by Business Unit						
	Budget After Q3 £m	Agreed Changes £m	Revised Budget £m	Outturn Spending £m	Over (Under) Spend £m	Variation %
Early Help and Targeted Support	18.682	0.144	18.826	18.008	(0.818)	-4.35%
Professional Practice	4.566	0.239	4.805	3.603	(1.202)	-25.02%
Safeguarding	38.014	(0.244)	37.770	38.634	0.864	2.29%
Social Care and Support	108.949	(0.010)	108.939	106.598	(2.341)	-2.15%
Strategic Commissioning	17.244	0	17.244	16.458	(0.786)	-4.56%
<b>People Group</b>	<b>187.455</b>	<b>0.129</b>	<b>187.584</b>	<b>183.301</b>	<b>(4.283)</b>	<b>-2.28%</b>
Economic Growth	22.687	(0.501)	22.186	21.323	(0.863)	-3.89%
Education and Learning	84.144	0.152	84.296	86.370	2.074	2.46%
Localities and Community Safety	8.318	(0.641)	7.677	7.405	(0.272)	-3.54%
Public Health	21.993	0.395	22.388	22.169	(0.219)	-0.98%
Transport and Highways	29.117	(1.047)	28.070	25.771	(2.299)	-8.19%
<b>Communities Group</b>	<b>166.259</b>	<b>(1.642)</b>	<b>164.617</b>	<b>163.038</b>	<b>(1.579)</b>	<b>-0.96%</b>
Customer Service	8.488	0	8.488	8.322	(0.166)	-1.96%
Finance	4.214	0	4.214	4.182	(0.032)	-0.76%
Human Resources	5.286	0.136	5.422	5.407	(0.015)	-0.28%
Information Assets	10.639	0.407	11.046	10.786	(0.260)	-2.35%
Law and Governance	0.970	(0.048)	0.922	0.627	(0.295)	-32.00%
Physical Assets	11.681	0.390	12.071	11.136	(0.935)	-7.75%
Service Improvement	3.094	0.141	3.235	3.168	(0.067)	-2.07%
<b>Resources Group</b>	<b>44.372</b>	<b>1.026</b>	<b>45.398</b>	<b>43.628</b>	<b>(1.770)</b>	<b>-3.90%</b>
Fire and Rescue	19.826	0	19.826	19.437	(0.389)	-1.96%
Other Services – spending	43.176	(3.004)	40.172	37.740	(2.432)	-6.05%
<b>Controllable Total</b>	<b>461.088</b>	<b>(3.491)</b>	<b>457.597</b>	<b>447.144</b>	<b>(10.453)</b>	<b>-2.28%</b>
Government funding and schools	(241.113)	0	(241.113)	(239.782)	1.331	-0.55%
<b>Total</b>	<b>219.975</b>	<b>(3.491)</b>	<b>216.484</b>	<b>207.362</b>	<b>(9.122)</b>	<b>-4.21%</b>

3.5 In respect of the Business Units that have overspent, Members are already aware of the work being undertaken to review the short, medium and longer term financial position of the Education and Learning Business Unit in light of the need to bring spending on special educational needs provision under control, to deliver the school transport savings and ensure sufficiency of places in response to the housing growth across the county. As well as the reports elsewhere on today's agenda, further reports will be brought forward in the next few months.

3.6 The Safeguarding Business Unit overspent in each year of the last Medium Term Financial Plan and this has continued into the first year of the One

Organisation Plan. As resources continue to get tighter the capacity to manage this will continue to reduce. As a result there is a need to understand the drivers of spend in the service and to provide assurance that it is on a sustainable footing. It is proposed that a similar holistic approach to that being adopted for Education and Learning is undertaken and that this is reported completed as part of the 2016/17 refresh.

### 3.7 Underspend compared to Quarter 3 Forecast

At Quarter 3 the forecast underspend against the controllable budget was £7.348 million. It has therefore increased by £1.774 million over the last quarter. A comparison of the Quarter 3 forecast and outturn position for each Business Unit is shown in Table 2.

Table 2: 2014/15 Revenue Budget – Comparison of Quarter 3 and Outturn Positions				
App	Group/Business Unit	Quarter 3 Position £m	Outturn Position £m	Variation £m
	<b>People Group</b>			
E	Early Help and Targeted Support	(0.134)	(0.818)	(0.684)
C	Professional Practice and Governance	(0.708)	(1.202)	(0.494)
A	Safeguarding	0.153	0.864	0.711
B	Social Care and Support	(1.262)	(2.341)	(1.079)
D	Strategic Commissioning	(0.190)	(0.786)	(0.596)
	<b>Communities Group</b>			
N	Economic Growth	(0.953)	(0.863)	0.090
F	Education and Learning	2.402	2.074	(0.328)
O	Localities & Community Safety	(1.447)	(0.272)	1.175
P	Public Health	0.395	(0.219)	(0.614)
Q	Transport and Highways	(1.577)	(2.299)	(0.722)
	<b>Resources Group</b>			
G	Customer Service	(0.109)	(0.166)	(0.057)
H	Finance	(0.123)	(0.032)	0.091
I	Human Resources and Organisational Development	(0.085)	(0.015)	0.070
J	Information Assets	(0.330)	(0.260)	0.070
K	Law and Governance	(0.218)	(0.295)	(0.077)
L	Physical Assets	0.067	(0.935)	(1.002)
M	Service Improvement and Change Management	0.127	(0.067)	(0.194)
R	<b>Fire and Rescue</b>	(0.135)	(0.389)	(0.254)
S	<b>Other Services</b>	(3.221)	(1.101)	2.120
	<b>Total</b>	<b>(7.348)</b>	<b>(9.122)</b>	<b>(1.774)</b>

3.8 Members will note that the increase in underspend from Quarter 3 to Outturn shows a significant progress in financial management from previous years, and is a positive reflection of the increased focus placed on the accuracy of financial forecasting over the last year.

## **4 Delivery of the 2014-18 Savings Plan**

- 4.1 All Business Units have met their first year savings target included in the 2014-18 One Organisation Plan. This is a positive start and puts us in a healthy position as we move towards the delivery of the potentially more challenging savings targets ahead.
- 4.2 Monitoring of the delivery of the savings plan will continue to be a key part of the One Organisational Plan Quarterly Progress Reports to ensure Member oversight of progress is retained.

## **5 Reserves**

- 5.1 We hold financial reserves as a contingency to fund unexpected spending need, manage financial risks or to build-up funds to meet a known or predicted future spending need. As we move through the four years of the One Organisation Plan there will inevitably be ups and downs in the level of reserves as progress on the actual delivery of the Plan will not fully align to the timeframes originally envisaged.

### **5.2 Level of Reserves as at 31 March 2014**

Section 3 outlined the spending compared to the budget for each Business Unit. Any under or over spend at the end of the year falls into either corporate or Business Unit reserves. At the start of 2014/15 the authority held reserves of £117.804 million. With the approved in-year use of reserves and the effect of outturn, the level of reserves at the end of the year has increased to £129.157 million. Table 3 shows the level of reserves held by the authority as at 31 March 2015 and how this has changed from the start of the 2014/15 financial year.

### **5.3 Review of the level of reserves as a result of outturn**

Reserves are held at both Business Unit and Group level, reflecting where the risk is best managed. The level of reserves is consistent with Business Units plans for managing the financial risks and demands facing services over the next three years. Details of why the reserves are being held and they are appropriate are outlined in Appendix C. As part of reviewing the level of reserves held, all Groups have taken the opportunity to redistribute their reserves to support service needs and financial risk. This has been a robust process with Transport and Highways identifying £0.726 million, in respect of the cost of concessionary travel, which can be released to General Reserves.

### **5.4 Making good overdrawn reserves**

As a result of the 2014/15 outturn two reserves are overdrawn, the Safeguarding Business Unit (by £0.922 million) and the Dedicated Schools Grant reserve for centrally managed services (by £0.558 million). In keeping with the Council's reserves policy, making good these reserves would form the first call on the 2015/16 budgets for the Safeguarding and Education and Learning Business Units. However, whilst the actions being taken to rectify the underlying position have been outlined above, Corporate Board believe it

would place too much pressure on the services to require them to also make good the 2014/15 outturn position and would risk undermining the delivery of the One Organisation Plan. Corporate Board are therefore recommending that General Reserves are used to make good the financial position of the centrally managed DSG and the Safeguarding Business Unit reserve. When taken alongside the contribution to General Reserves from Transport and Highways the net effect is a reduction in General Reserves of £0.754 million.

Table 3: Reserves as at 31 March 2015				
Reserve	Balance As at 31/03/2014 £m	Approved In year changes £m	Effect of Outturn £m	Balance As at 31/03/2015 £m
<b>Corporate Reserves</b>				
General Reserves	18.418	(1.570)	2.537	19.385
Medium Term Contingency	13.315	7.184	-	20.499
Service Realignment Fund	11.277	-	0.602	11.879
Capital Fund	0.868	-	0.172	1.040
Insurance	8.975	(0.713)	0.198	8.460
Centrally Managed DSG	1.195	-	(2.470)	(1.275)
Schools	17.717	(0.200)	(3.057)	14.460
<b>Group Reserves</b>				
Resources	1.972	0.498	-	2.470
<b>Business Unit Reserves</b>				
Early Help and Targeted Support	0.674	(0.369)	0.790	1.095
Professional Practice and Governance	-	1.574	1.202	2.776
Safeguarding	(0.945)	0.945	(0.922)	(0.922)
Social Care and Support	7.845	1.124	2.341	11.310
Strategic Commissioning	7.961	(3.938)	0.759	4.782
Economic Growth	4.659	(0.030)	0.863	5.492
Education and Learning	(0.108)	0.887	0.717	1.496
Localities and Community Safety	3.833	(0.350)	0.272	3.755
Public Health	2.245	(0.655)	0.219	1.809
Transport and Highways	4.466	(1.684)	2.299	5.081
Customer Service	0.659	0.099	0.166	0.924
Finance	0.364	(0.269)	0.032	0.127
Human Resources	1.453	(0.820)	0.015	0.648
Information Assets	1.560	(0.004)	0.260	1.816
Law & Governance	0.343	(0.295)	0.295	0.343
Physical Assets	1.993	(1.273)	0.935	1.655
Service Improvement and Change Management	0.373	(0.183)	0.067	0.257
Fire and Rescue	2.789	(0.560)	(0.615)	1.614
Other Services	3.903	2.833	1.445	8.181
<b>Total Reserves</b>	<b>117.804</b>	<b>2.231</b>	<b>9.122</b>	<b>129.157</b>

## 5.5 Use of Reserves to support 2015/16 activity

Business Units are requesting approval to use £3.133 million of reserves to support services in 2015/16. These carry forward requests are summarised in Table 4. The details behind these carry forward requests can be found in Appendix C. In addition Economic Growth and Transport and Highways are requesting approval to use a total of £1.183 million of their reserves to repay their self-financed borrowing. Using reserves in this way will reduce the total debt outstanding in the authority.

Table 4: List of Carry Forward Requests	
	£m
<b>People Group</b>	
Early Help and Targeted Support	0.200
Professional Practice and Governance	0.026
<b>Communities Group</b>	
Economic Growth	0.331
Localities and Community Safety	0.113
Public Health	0.121
Transport and Highways	1.395
<b>Resources Group</b>	
Customer Service	0.127
Law and Governance	0.060
Physical Assets	0.140
Service Improvement and Change Management	0.020
<b>Fire and Rescue</b>	0.600
<b>Total Carry Forwards</b>	<b>3.133</b>

- 5.6 Assuming all carry forwards and use of reserves are approved the level of reserves held by the authority at the end of 2015/16 is estimated to be £124.841 million. Table 5 shows the breakdown of this. The figures do not take into account any forecast of over/underspending in 2015/16.
- 5.7 The use of £93.741 million of these reserves is restricted, either due to external requirements (such as grant conditions) or previous decisions of members. This leaves £31.100 million to support services, provide cover for financial risks facing the authority and support the service transformation needed to deliver the savings in the 2014-18 Plan. The remainder of this section includes more detail on the specific reserves held by the authority.

Table 5: Forecast Reserves as at 31 March 2016							
Reserve	Balance 31/03/15 after outturn £m	Change in reserves after outturn £m	Repay borrowing £m	Transfer to/from General Reserves £m	Carry forwards £m	Estimated final balance 31/03/16 £m	Reserves with restricted use £m
<b>Corporate Reserves</b>							
General Reserves	19.385	-	-	(0.754)	-	18.631	16.500
Medium Term Contingency	20.499	-	-	-	-	20.499	20.499
Service Realignment Fund	11.879	-	-	-	-	11.879	11.879
Capital Fund	1.040	-	-	-	-	1.040	1.040
Insurance	8.460	-	-	-	-	8.460	8.460
Centrally Managed DSG	(1.275)	0.717	-	0.558	-	-	-
Schools	14.460	-	-	-	-	14.460	14.460
<b>Group Reserves</b>							
Resources	2.470	1.413	-	-	-	3.883	-
<b>Business Unit Reserves</b>							
Early Help	1.095	-	-	-	(0.200)	0.895	-
Professional Practice	2.776	-	-	-	(0.026)	2.750	-
Safeguarding	(0.922)	-	-	0.922	-	-	-
Social Care and Support	11.310	-	-	-	-	11.310	-
Strategic Commissioning	4.782	-	-	-	-	4.782	-
Economic Growth	5.492	-	(0.119)	-	(0.331)	5.042	3.968
Education and Learning	1.496	(0.717)	-	-	-	0.779	0.779
Localities and Comm. Safety	3.755	-	-	-	(0.113)	3.642	3.400
Public Health	1.809	-	-	-	(0.121)	1.688	1.010
Transport and Highways	5.081	-	(1.064)	(0.726)	(1.395)	1.896	1.366
Customer Service	0.924	(0.055)	-	-	(0.127)	0.742	0.742
Finance	0.127	(0.032)	-	-	-	0.095	-
Human Resources	0.648	0.010	-	-	-	0.658	0.658
Information Assets	1.816	(0.260)	-	-	-	1.556	1.356
Law & Governance	0.343	(0.235)	-	-	(0.060)	0.048	0.048
Physical Assets	1.655	(0.794)	-	-	(0.140)	0.721	0.721
Service Improvement	0.257	(0.047)	-	-	(0.020)	0.190	-
Fire and Rescue	1.614	-	-	-	(0.600)	1.014	0.588
Other Services	8.181	-	-	-	-	8.181	6.267
<b>Total Reserves</b>	<b>129.157</b>	<b>0</b>	<b>(1.183)</b>	<b>0</b>	<b>(3.133)</b>	<b>124.841</b>	<b>93.741</b>

5.8 The Council relies on a number of corporate IT systems including Finance, HR Payroll, Performance Information, Customer Service and Telephony. There are no provisions for replacing these systems. In particular, the HR /Payroll System is old and needs replacing. Subject to Cabinet's approval, it is proposed that a systems replacement reserve of £1.413 million is created so that this and some smaller changes to systems can be done over the next 2 years. This is the same way as the Council has funded the replacement Social Care IT system and avoids placing further demands on the capital programme.

#### 5.9 General Reserves

At the end of 2015/16 General Reserves are expected to be £18.631 million. This is £2.131 million above the £16.500 million minimum specified by the Head of Finance in his risk assessment when the budget was set in February. Corporate Board recommend that none of this reserve is used in the short term given the considerable uncertainty around central government funding.

For example, there is uncertainty over whether the implications of the Care Act on adult social care services will be fully funded and access to the Better Care Fund is dependent on the agreement of the Clinical Commissioning Groups and pooled budgets. And, at the time of writing, the impact of the Emergency Budget and the possibility of in-year grant cuts is unknown. It is recommended that any General Reserves above the minimum are held pending receipt of the monitoring reports on the delivery of the 2014-18 One Organisation Plan, with any use only to be considered as part of setting the 2016/17 budget.

## 6 Capital Programme

- 6.1 The capital payments in 2014/15 were £76.115 million, with a further £192.537 million of payments expected over the medium term. In addition, there is £17.173 million remaining unallocated in the Capital Growth Fund. A breakdown by Business Unit of the spend for 2014/15 and slippage from 2014/15 into later years is shown in Table 6.

Group/Business Unit	2014/15 Planned Capital Payments £million	2014/15 Outturn Capital Payments £million	2014/15 New Approved Schemes £million	2014/15 Slippage into later years £million	Variation to total capital programme £million
<b>People Group</b>					
Safeguarding	0.028	0.024	0.010	(0.014)	0.010
Social Care & Support	(0.002)	-	-	0.002	0.002
Professional Practice & Governance	0.559	0.336	-	(0.223)	-
Strategic Commissioning	0.231	0.259	0.059	(0.031)	0.058
Early Help & Targeted Support	-	0.052	0.052	-	0.052
<b>Communities Group</b>					
Education & Learning	21.937	17.999	1.129	(5.067)	2.999
Economic Growth	0.746	0.307	0.040	(0.479)	0.140
Localities & Community Safety	0.375	0.592	0.123	0.094	0.216
Transport & Highways	35.253	32.742	1.082	(3.593)	4.779
<b>Resources Group</b>					
Customer Service	0.317	0.196	0.012	(0.133)	0.012
Finance	0.200	0.200	-	-	-
Information Assets	4.403	5.076	0.190	0.483	0.262
Physical Assets	18.345	17.313	0.125	(1.157)	3.125
<b>Fire &amp; Rescue</b>					
Fire & Rescue	1.191	1.018	0.044	(0.217)	0.186
<b>Total</b>	<b>83.583</b>	<b>76.115</b>	<b>2.866</b>	<b>(10.335)</b>	<b>11.841</b>

- 6.2 £10.335 million of the spend planned for 2014/15 has now slipped into future years. This brings the total slippage over the year to £37.308 million. This equates to total slippage across the year of 33%. The main reason for slippage of this level is over optimistic phasing when schemes are initially added to the capital programme. This will be actively managed going forward



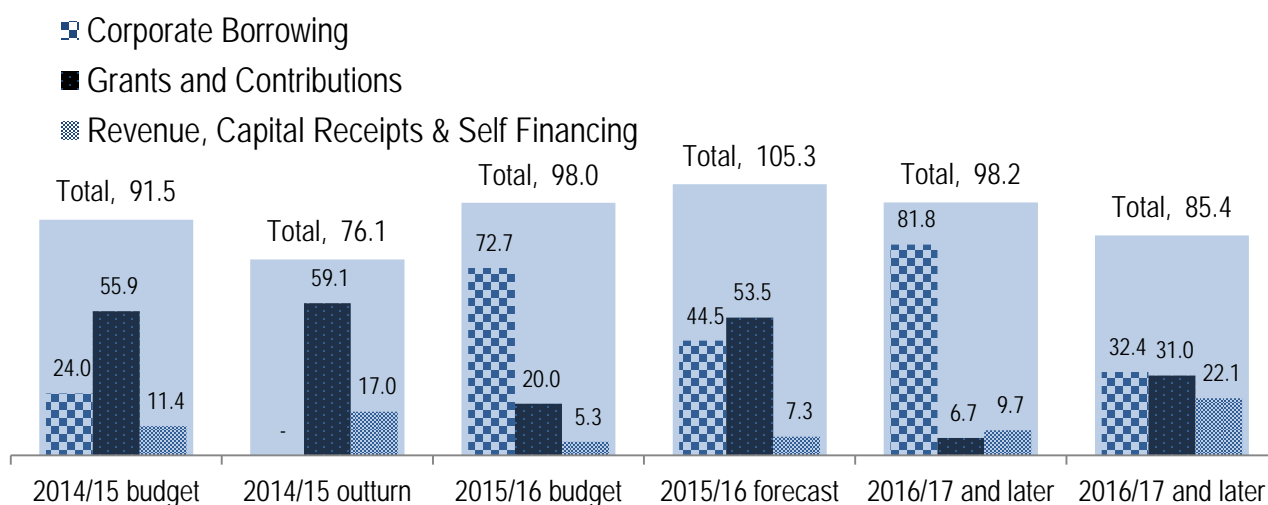
and should ensure there is reduced slippage in future years. Overall the total spend across the programme remains on target.

6.3 The main reasons for the £10.335 million slippage compared to the approved budget are:

- Economic Growth – The slippage of £0.479 million is due to awaiting approval for the reallocation of funding for the delivery of the waste management strategy to deliver another compactor for Prince's Drive as part of the emergency planning strategy.
- Education and Learning – The slippage of £5.067 million is due to the redistribution of grant income to alternative projects, with several schemes now no longer progressing, as previously reported to Cabinet. The main projects impacted are Paddox school, Welcombe Hills school, Coten End primary, Bishopton and Long Lawford extensions and the new AED school. Further details are in the background information.
- Physical Assets – There has been slippage of £1.157 million from 2014/15 into future years across a number of individual schemes. The detail of these is included in the background information.
- Transport – There has been slippage of £3.593 million from 2014/15 into future years. The two individual schemes with slippage above £250,000 are the M40 Junction 12 project where there have been construction delays due to ecological considerations and the completion of the Rugby Gyration improvements. The remainder of the slippage is across numerous schemes, the detail of these is included in the background information.

6.4 As well as approving the revised spending in the capital programme, the County Council must also ensure it has sufficient funding available to meet its capital payments in each financial year. The chart below shows how the capital expenditure is to be financed.

## Estimated Financing to 2016/17 & Later Years (£m)



	<b>2014/15 Budget</b>	<b>2014/15 Outturn</b>	<b>2015/16 Budget</b>	<b>2015/16 Forecast</b>	<b>2016/17 and later Budget</b>	<b>2016/17 and later Forecast</b>
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Total</b>	<b>91,458</b>	<b>76,115</b>	<b>97,986</b>	<b>105,347</b>	<b>98,209</b>	<b>85,446</b>
Corporate Borrowing	24,042	0	72,667	44,527	81,781	32,371
Self-Financed Borrowing	3,709	0	2,509	3,254	7,244	7,338
Grants and Contributions	55,945	59,078	19,969	53,507	6,744	30,983
Capital Receipts	3,539	9,829	2,016	1,836	1,656	14,064
Revenue Contribution	4,223	7,208	825	2,223	784	690

6.5 The most significant change in the capital programme since the Quarter 3 progress report is the slippage, of £10,325 million, into later years. This combined with an increase in the actual level of capital grants, receipts and revenue contribution to capital has meant that we have not had to incur any borrowing to finance the 2014/15 capital spend. This is only a short-term reduction in the planned level of borrowing, as it will be required to fund the spending when it occurs in later years. This also means that the reduction in capital financing costs for financing the lower level of spending will also only be temporary.

## 7 Background Papers

7.1 The detailed background information supporting this report is available on the Council's website. Hard copies of the information have also been placed in the Group rooms.

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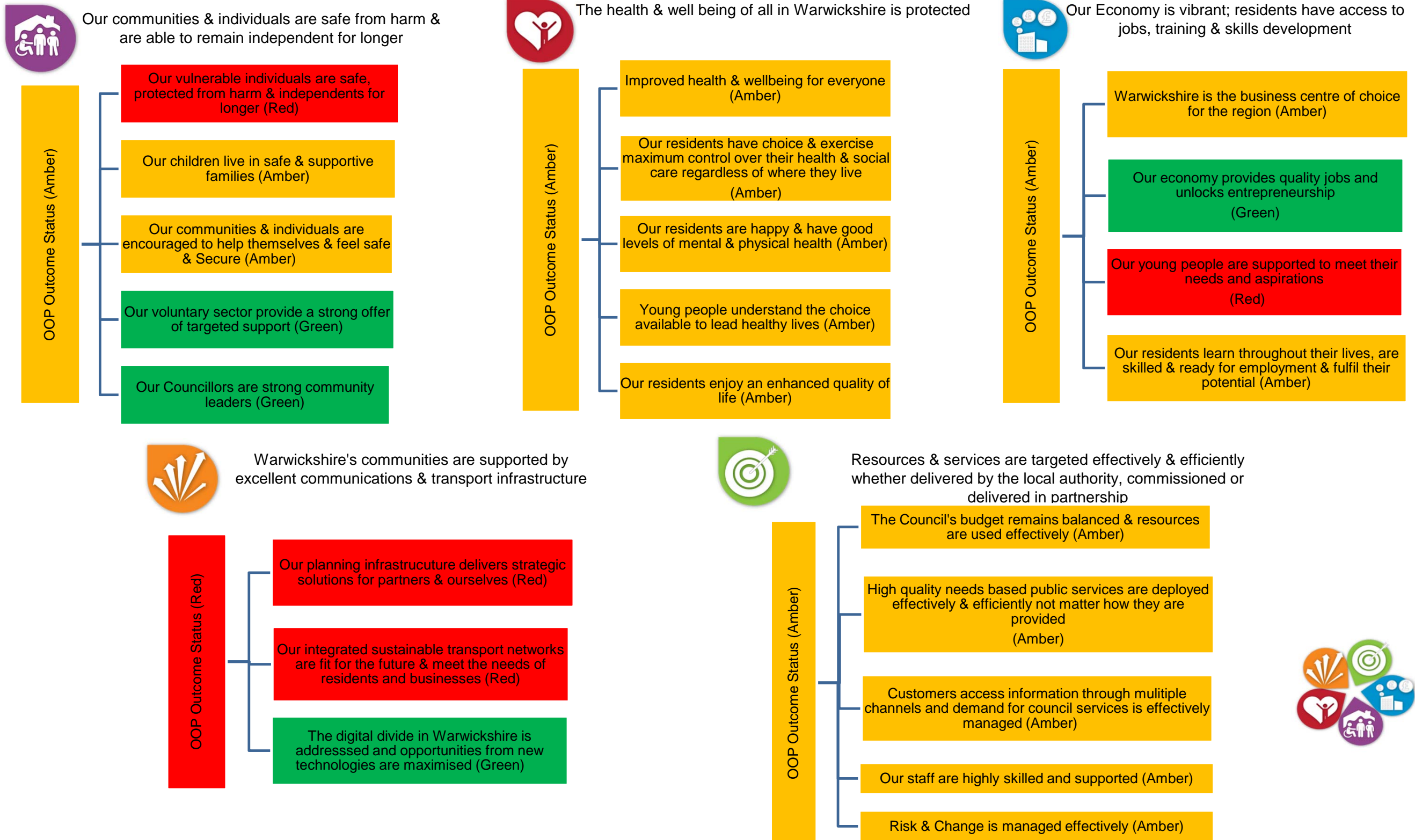
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# One Organisational Plan Quarterly Progress Report: Delivery of One Organisational Plan Outcomes

April– March 2015

Overall, at the end of the first year of the One Organisational Plan, we are reporting that we are outside the tolerance (Red) to deliver on all of the high level Outcomes as set out in the One Organisational Plan

However, individually, there are a number of key areas where we are on or above target to deliver on our OOP Outcomes with 4 already being achieved (Green) and a further 14 within tolerance (Amber) to be achieved at the end of 2018.



# One Organisational Plan Quarterly Progress Report: Delivery of Organisational Health Outcomes: April - March 2015



## Customers

**G** Customers expectations are managed and they are satisfied with the services they receive



## Resources

**R** Services are delivered within the agreed budgets\* excludes other services

**G** Savings are delivered to plan

## Staff



**A** Staff are satisfied with the Council as an employer

**G** Staff have access to resources and information which allow them to do their job



## Risk & Change

**G** The Council adopts a commissioning approach to service delivery (see below)

**G** Decision makers have access to the information they need to make effective decisions

**R** The Council operates within the law ( see comment below re legal challenge)



**A** Delivery of the One Organisational Health Outcomes: Actual at the end of April - March 2015

As at 31st March, we are reporting a red status for two outcomes. The first is “Services are delivered within the agreed budgets” which is informed by WCC’s Revenue Budget performance and is set out in more detail within this report. The second outcome is “The Council operates within the law” which is informed by the number of adverse decisions from Legal Challenge. During 2014/15, the Council has received a total of 15 legal challenges from the Local Government Ombudsman, 7 of which are Blue Badge applications

We are currently unable to provide a year-end actual result for the Organisational Health Outcome “The Council adopts a commissioning approach to service delivery. This is a brand new measure for WCC and during 2014/15 work has been undertaken to further refine this measure to ensure that for 2015/16, we can begin to capture and report the information

## One Organisational Plan: Use of Financial Resources: Outturn 2014 /15 Revenue Position by Business Unit

Service	2014/15 Budget £'000	2014/15 Outturn £'000	Revenue Variance £'000 %	Retained Reserves £'000	Financial Standing £'000
Early Help & Targeted Support	18,826	18,008	(818) 4.35% Underspent	(305)	(1,123)
Professional Practice & Governance	4,805	3,603	(1,202) 25.02% Underspent	(1,574)	(2,776)
Safeguarding	37,770	38,634	864 2.29% Overspent	0	864
Social Care & Support	108,939	106,598	(2,341) 2.15% Underspent	(8,969)	(11,310)
Strategic Commissioning	17,244	16,458	(786) 4.56% Underspent	(4,023)	(4,809)
<b>Total People Group</b>	<b>187,584</b>	<b>183,301</b>	<b>(4,283)</b> <b>2.28% Underspent</b>	<b>(14,871)</b>	<b>(19,154)</b>
Economic Growth	22,186	21,323	(863) 3.89% Underspent	(4,629)	(5,492)
Education & Learning	84,296	86,370	2,074 2.46% Overspent	(779)	1,295
Localities & Communities	7,677	7,405	(272) 3.54% Underspent	(3,483)	(3,755)
Public Health	22,388	22,169	(219) 0.98% Underspent	(1,590)	(1,809)
Transport	28,070	25,771	(2,299) 8.19% Underspent	(2,782)	(5,081)
<b>Total Communities Group</b>	<b>164,617</b>	<b>163,038</b>	<b>(1,579)</b> <b>0.96% Underspent</b>	<b>(13,263)</b>	<b>(14,842)</b>

Service	2014/15 Budget £'000	2014/15 Outturn £'000	Revenue Variance £'000 %	Retained Reserves £'000	Financial Standing £'000
Customer Service	8,488	8,322	(166) 1.96% Underspent	(758)	(924)
Finance	4,214	4,182	(32) 0.76% Underspent	(95)	(127)
Human Resources & Organisational Development	5,422	5,407	(15) 0.28% Underspent	(633)	(648)
Information Assets	11,046	10,786	(260) 2.35% Underspent	(1,556)	(1,816)
Law & Governance	922	627	(295) 32.00% Underspent	(48)	(343)
Physical Assets	12,071	11,136	(935) 7.75% Underspent	(720)	(1,655)
Service Improvement and Change	3,235	3,168	(67) 2.07% Underspent	(190)	(257)
<b>Total Resources Group</b>	<b>45,398</b>	<b>43,628</b>	<b>(1,770)</b> <b>3.90% Underspent</b>	<b>(6,470)*</b>	<b>(8,240)</b>
<b>Fire &amp; Rescue</b>	<b>19,826</b>	<b>19,437</b>	<b>(389)</b> <b>1.96% Underspent</b>	<b>(2,229)</b>	<b>(2,618)</b>
<b>Other Services</b>	<b>(200,941)</b>	<b>(202,042)</b>	<b>(1,101)</b> <b>0.55% Underspent</b>	<b>(83,202)</b>	<b>(84,303)</b>
<b>Total Whole Authority</b>	<b>216,484</b>	<b>207,362</b>	<b>(9,122)</b> <b>4.21% Underspent</b>	<b>(120,035)</b>	<b>(129,157)</b>

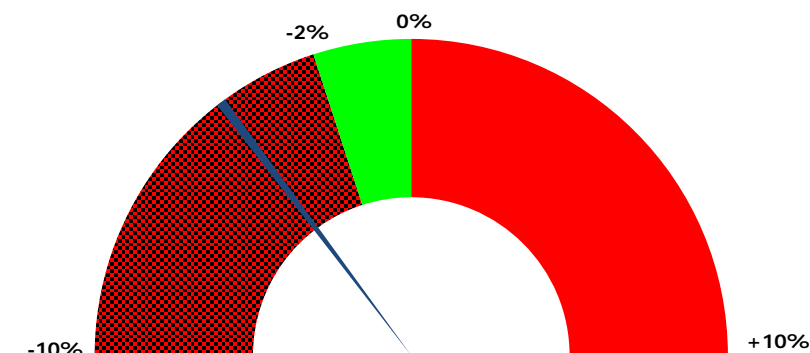
### Notes

All positive revenue variances (i.e. overspends) are shown as a solid Red. Also if a negative revenue variance represents an underspending of more than 2%, which is outside of the corporate tolerance, then it is also shown as Patterned Red. All other underspends are shown as Green.

Financial Standing is the level of reserves a business unit is forecast to have at the end of the financial year. Any overdrawn position is shown as Red.

\* Resources Group has retained reserves which are held at the Group level and are drawn down by services periodically to fund new initiatives and invest to save schemes. This is why the total is different to the sum of the individual business unit positions.

Revenue Variance for the Whole Authority



**One Organisational Plan: Use of Financial Resources: Outturn 2014/15  
Savings Plan Position by Business Unit**

Service	2014/15 Target	2014/15 Outturn	Comments	Implementation Status	Service	2014/15 Target	2014/15 Outturn	Comments	Implementation Status
Early Help & Targeted Support	1,017	1,090		A	Customer Service	420	420		G
Professional Practice and Governance	1,090	1,095		A	Finance	251	251		G
Safeguarding	896	1,888		A	Human Resources & Organisational Development	296	296		G
Social Care & Support	9,048	11,866		A	Information Assets	559	559		G
Strategic Commissioning	156	187		A	Law & Governance	19	19		G
<b>Total People Group</b>	<b>12,207</b>	<b>16,126</b>		<b>A</b>	Physical Assets	406	406		G
Economic Growth	725	725		G	Service Improvement & Change Management	247	247		G
Education & Learning	1,281	1,281		G	<b>Total Resources Group</b>	<b>2,198</b>	<b>2,198</b>		<b>G</b>
Localities & Communities	240	240		G	Fire & Rescue	505	505		G
Public Health	0	0			Other Services	1,050	1,050		
Transport	1,174	1,174		G	<b>Total Whole Authority</b>	<b>19,380</b>	<b>23,299</b>		<b>A</b>
<b>Total Communities Group</b>	<b>3,420</b>	<b>3,420</b>		<b>G</b>					

**Key**  
 If a business unit's savings are forecast to be fully delivered in year it is shown as Green.  
 If savings are forecast to be less than fully delivered it is shown as Red.  
 The "Implementation Status" RAG rating relates to the whole of the 2014-18 savings plan.



One Organisational Plan: Use of Financial Resources: Quarter 4 January - March 2015  
Capital Position by Business Unit

Service	All Current and Future Years Approved Budget £'000	New Approved Funding / Schemes £'000	All Current and Future Years Forecast £'000	Slippage from 2014/15 into Future Years	Comments
Customer Service	3,838	12	3,850	(133)	Projects delayed as permission needed to be obtained from partners and sourcing a suitable supplier who could provide the secure bespoke hubs. In addition the increase in the overall projects relates to a revenue contribution
Early Help & Targeted Support	0	52	52	0	New Revenue funded Capital Projects as per approval Portfolio Holder and Head of Finance
Economic Growth	1,609	140	1,748	(479)	Various issues on individual schemes as reported in the Cabinet appendices.
Finance	200	0	200	0	
Fire & Rescue	13,271	187	13,457	(217)	Work was paused whilst the Future Estate programme was developed. This was approved by Council on 05/02/15
Information Assets	21,957	261	22,218	483	Broadband project has reached milestones earlier than expected.
Education & Learning	40,340	2,999	43,339	(5,067)	Slippage over a number of projects. In particular a delay in works at Paddock Primary of £738k which is due to planning issues. Also Welcombe Hills £345k, Long Lawford £263k and Schools Disability Access £273k because there have been fewer disability adaptations necessary. Please see Education and Learning appendix for more information.

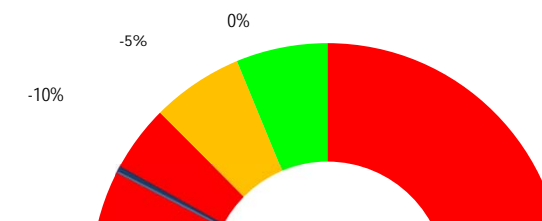
Service	All Current and Future Years Approved Budget £'000	New Approved Funding / Schemes £'000	All Current and Future Years Forecast £'000	Slippage from 2014/15 into Future Years	Comments
Localities & Communities	1,039	217	1,256	94	Additional unexpected expenditure incurred funded from revenue
Physical Assets	50,966	3,125	54,091	(1,157)	Miscellaneous delays on many projects due to the unpredictable nature of building works. For detail please see Physical Assets appendices.
Safeguarding	253	10	263	(14)	The expected applications for adaptations where not submitted to Project Board. Furthermore, current Foster care capacity has reduced over the past 12 months
Social Care & Support	1,174	0	1,176	2	Slippage on an expected credit, which is no longer forecast, is significant but not material at £2,000.
Strategic Commissioning	1,462	59	1,521	(31)	Delay on a building adaptations project which is due to be completed in May / June 2015.
Transport	119,342	4,779	124,120	(3,593)	Delays on various projects across the programme. The W40 Junction 12 works accounts for £509k of slippage which was due to ecological considerations. The other two main projects where there is slippage are area delegated (£283k) and Rugby Gyatory (£269k). Please see Transport appendix for further details.
Professional Practice & Governance	1,360	0	1,360	(223)	Programme is a single project (11310000 Client Information Systems Review) which has transferred into PPG from Social Care. There were procurement delays and phasing of work has been altered based upon project plans with the supplier.

Key

For all current and future years forecast are slippage from 2014/15 into future years the following tolerances have been used:

- 0% to 5% underspend/slippage is shown as Green
- 5% to 10% underspend/slippage is shown as Amber
- over 10% underspend/slippage is shown as Red
- any overspend is shown as Red

Slippage from 2014/15 into Future Years - Total

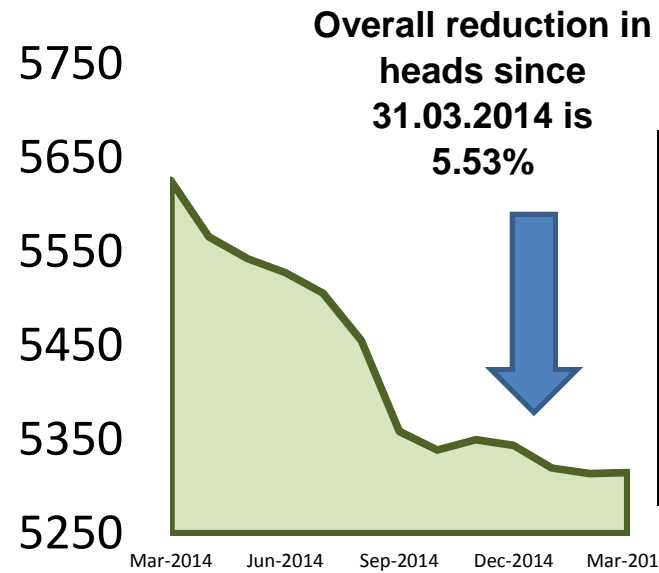




# One Organisational Plan Year End April - March 2015 Progress Report: Headline HR Information

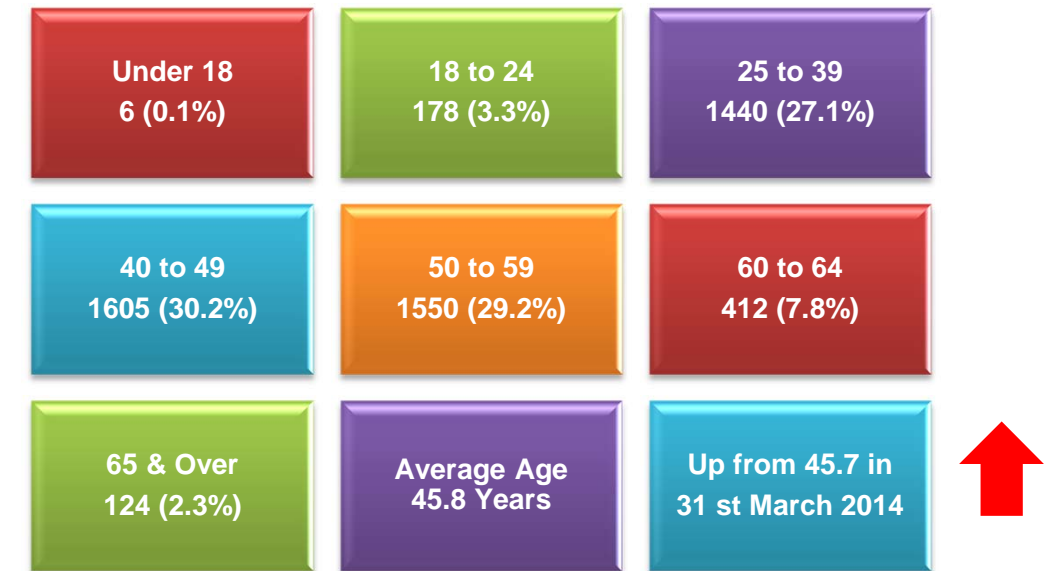
April 2014 to March 2015

## Number of employees



	Start of 2014/15	End of Qtr 1	End Mid Year	End of Qtr 3	End of Qtr 4
Head Count	5626	5528	5359	5341	5315
Full Time Equivalents	4339.0	4268.1	4150.6	4165.6	4158.3
Whole Time Equivalents	4269.4	4199.3	4083.7	4094.6	4086.4
Number of Posts	5938	5845	5647	5634	5613

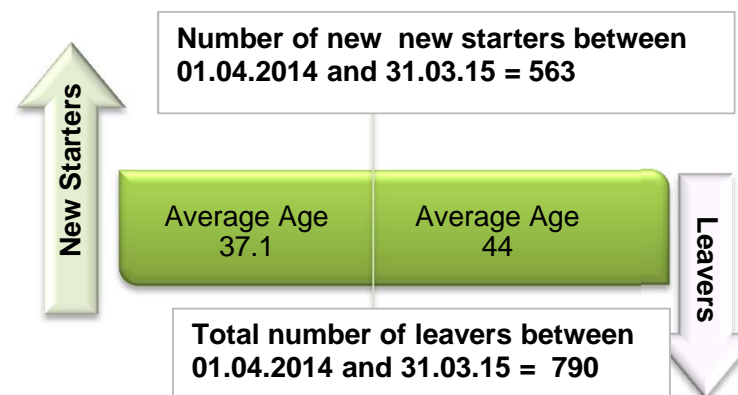
## Age profile of our workforce as at 31.03.2015



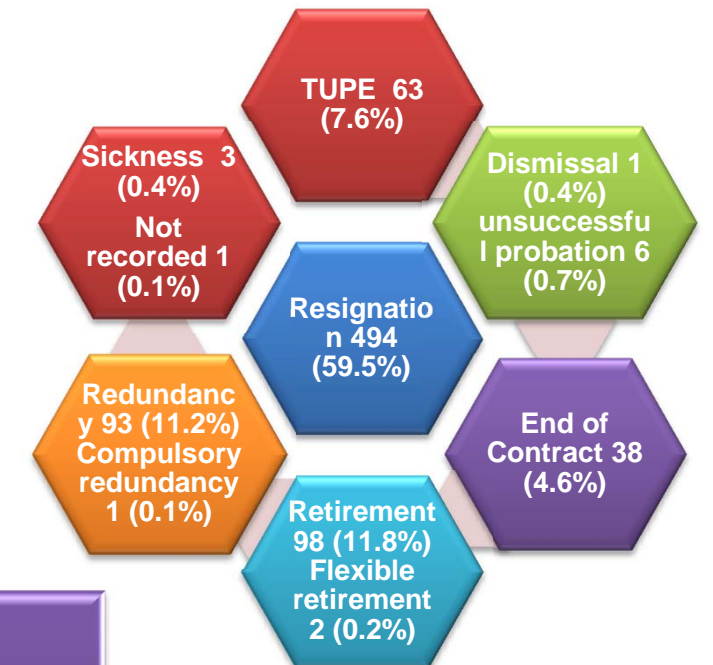
## Turnover of workforce 1st April 2014 - 31st March 2015.

	New starters	Leavers & % turnover		Overall Turnover (Heads)
Heads	563	790	14.9	<b>14.86%</b>
Full Time Equivalents	384.3	565	13.6	
Posts	575.0	830	14.8	

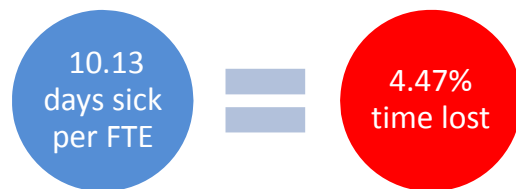
## Average age of new starters and leavers



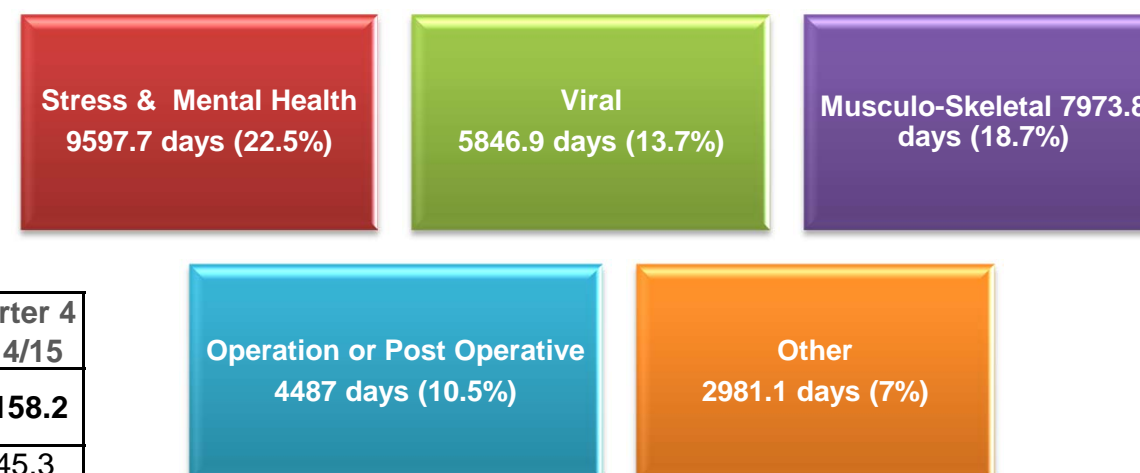
## Number of posts by the reasons for leaving (% of leavers)



## Sickness Headline Statistics Financial Year 2014/15

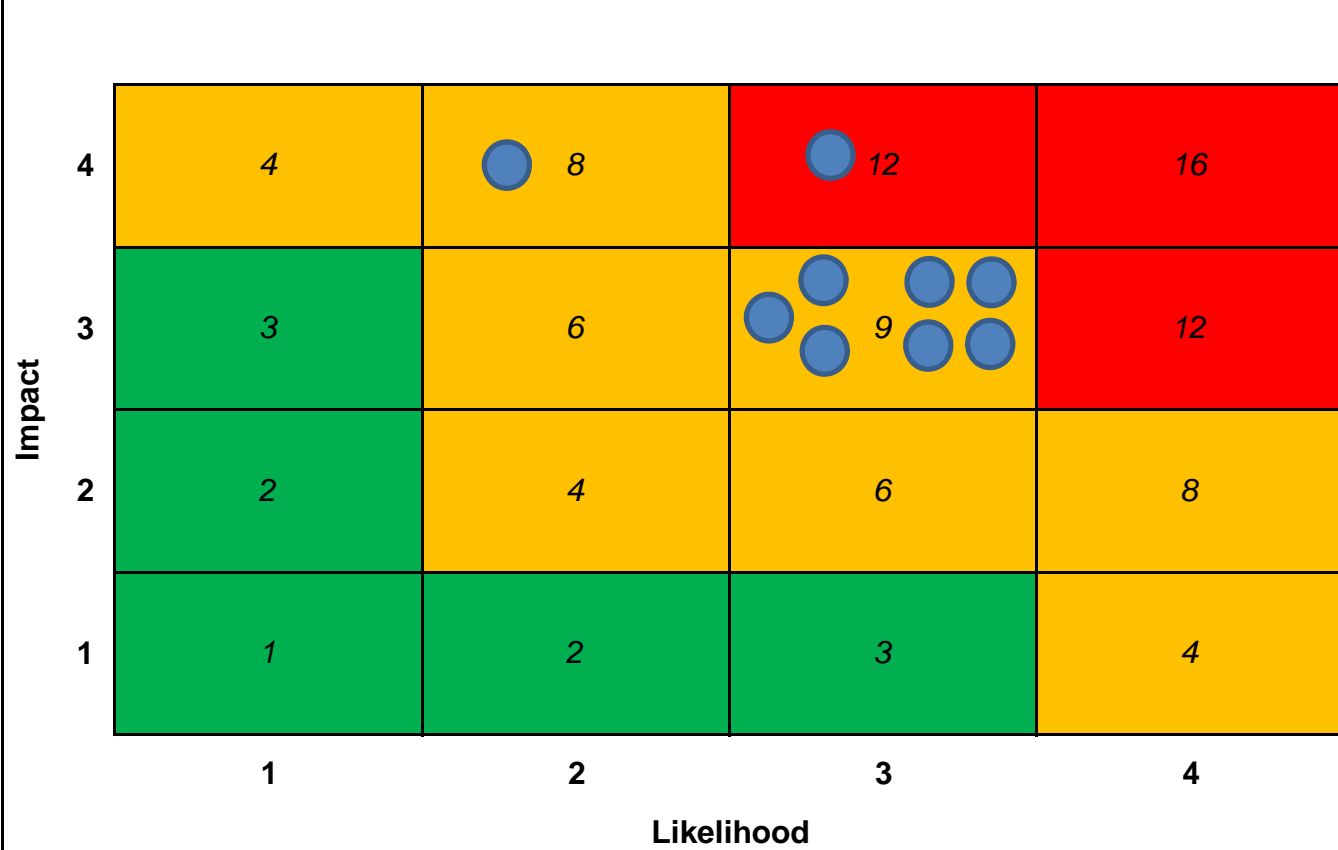


## Top 5 reasons for absence (days lost)



Sickness Absence Days	Quarter 1 2014/15	Mid Year 2014/15	Quarter 3 2014/15	Quarter 4 2014/15
Days lost through sickness	9,316.7	10,532.1	11,112.4	11,158.2
of which short-term	3828.2 (41%)	3453.4 (33%)	5284.3 (48%)	5145.3 (46.1%)
of which long-term	5488.5 (59%)	7078.6 (67%)	5828.1 (52%)	6013 (53.9%)

WCC Strategic Risks - Performance Update April - March 2014 - 15



● Net Risk Level

Net Amber Risks

- R001 Government policies, new legislation and sustained austerity measures present immediate challenges and further significant imposed savings over the medium term
- R002 Continuing pressure on Adult Social Services Resources
- R004 Loss or corruption of personal or protected data held by the Council
- R005 C&W LEP & City Deal arrangements fail to achieve optimum funding levels and economic benefits
- R006 Future delivery of Warwickshire Fire & Rescue Service
- R007 Development of Business Continuity Plans and procedures
- R008 Inability to meet statutory requirements to drive improvement across all schools in the County
- R009 Inability to manage or influence the impact of HS2 on Warwickshire

Gross Risk	Net Risk Level
16 (R)	8 (A)
16 (R)	9 (A)
12 (R)	9 (A)
12 (R)	9 (A)
12 (R)	9 (A)
12 (R)	9 (A)
9 (A)	9 (A)
16 (R)	9 (A)

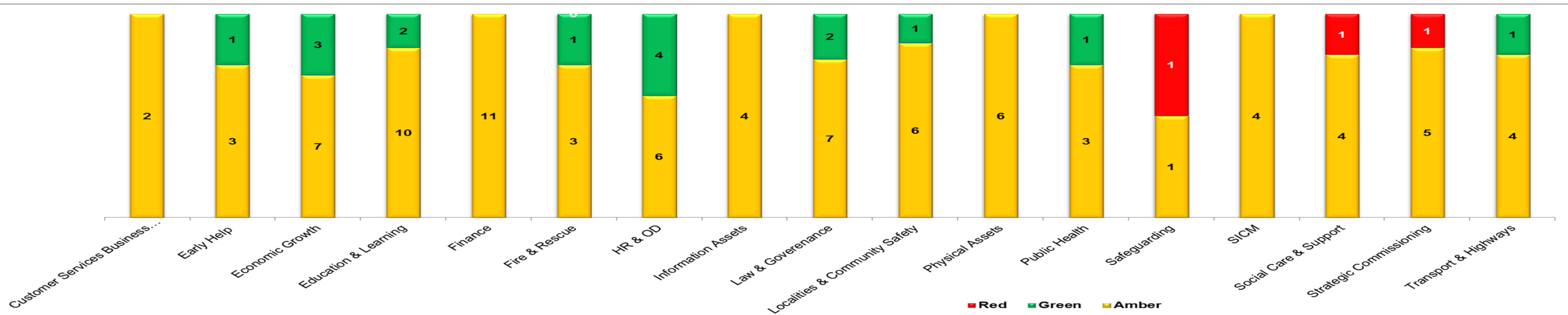
Net Red Risk

- R003 Safeguarding Children & Vulnerable Adults in our community - inability to take action to avoid abuse, injury or death

Definitions taken from WCC Risk Management Strategy:

**Gross Risk Level** - Risk level on the basis that there is no action being taken to manage the identified risk and/or any existing actions are not operating effectively. In other words, the worst case scenario if the risk were to occur.  
**Net Risk Level** - Risk level taking into consideration the effectiveness of the identified existing actions. In other words, the reality if the risk were to occur in the immediate future.

Business Unit Net Risks: Performance Update April - March 2014 - 15



Commentary - Action to reduce the likelihood and Impact of Net Red Risks:

**Safeguarding Children & Vulnerable Adults in our community - inability to take action to avoid abuse, injury or death. Risk Owner: Sue Ross (Interim Head of Safeguarding)**

The risk of this type of incident happening will always remain regardless of any controls in place which are under constant review. Continue to implement all recommendations arising from the Serious Case Review. (Escalated to Strategic Risk Register from the Business Unit Risk Register)

**Industrial action by operational firefighters, service control staff or support staff. Risk Owner: Gary Phillips (Deputy Chief Fire Officer)**

This has now been degraded to an overall net risk of Amber. Over the period approaching Christmas the FBU have been targeting a legal approach to the Firefighters' Pension dispute and the assessment from WFRS is the likelihood of a strike has reduced - although the circumstances will be closely monitored while the threat remains live.

**Care Act implementation delays mean council fails to meet its statutory duties to deliver social care and support services: Risk Owner: Jenny Wood (Head of Social Care & Support).** This has seen the establishment of Oversight Group to oversee implementation across all relevant council services and the establishment of Assessment, Support Planning and Review Project.

**Risks associated with closer alignment / integration with Health. Risk Owner: Chris Lewington (Head of Strategic Commissioning):** Joint governance arrangements with health are now in place with regular reporting to Health & Well Being Board. Strategic Commissioning are also in the process of developing a section 75 for pooled budget arrangements.

## Head of Service commentary on the variance outside tolerance

### Overspent

**Safeguarding** £864,000 2.3%

The overspend in 2014/15 has been a result of year end residential placements in North, an over prediction of recovery of shared costs from Health and Education and an increase in fostering costs and some un-forecast costs in Special Guardianship Orders and Adoption Allowances. In overall terms despite the slight decrease in overall Looked After Children numbers, the costs of placements have been increasing which has outweighed the savings generated. The costs of placements are rising significantly and despite commissioning support, this is likely to continue into future years.

**Education and Learning** £2,074,000 2.5%

The overspend in Education and Learning is driven entirely by overspends on the Dedicated Schools Grant (DSG). The DSG within the Vulnerable Learners service continues to see increased pressure on the demand led budgets for support for pupils with special educational needs and disabilities (SEND). The biggest area of overspend is on the out of authority placements at £4.627 million. However the top up funding for both mainstream and SEN schools has also overspent by £1.141 million. This overspend has been reported to Schools Forum and the steps required to control this are documented in the draft Vulnerable Learners Strategy. The development of more local provision is a key element of the strategy.

### Underspent

**Early Help and Targeted Support** (£818,000) (4.3%)

The reason for the above 2% rule is that we have received, in year, monies that are being held for the next three years for the Young Carers (£50,000 for 2015/16 and a further £100,000 for 2016-18. We also had to anticipate that the Integrated Disability Service overspend might well have been higher due to the unknown factors with regards to the residential costs. We now have a better understanding and can begin to align the budgets better than before. The underspend in Reablement is a mixture of the additional winter pressures monies coming in combined with fewer people being able to be referred to Reablement due to their conditions.

**Professional Practice and Governance** (£1,202,000) (25.0%)

The variance on the People Group Learning & Development Plan is due to the delay in delivering the learning and development from the plan and mainly because of the implementation of the new Contracting Framework with Premier Partnerships. This coupled with additional staff release pressures and major projects such as The Care Act Implementation. The plans for 2015/16 reflect a more realistic financial requirement due to Learning & Development having a greater understanding of business needs and the use of comprehensive data to

accurately plan.

**Social Care and Support (2,341,000) (2.1%)**

The underspend position is due to four main reasons that were not apparent at the start of 2014/15.

1. The income from health was higher than initially expected; including £2.4 million of one-off funds which were difficult to spend without accruing long-term overspend commitments.
2. Some of the One Organisational Plan projects have delivered savings earlier than anticipated.
3. The national Care Act regulations and guidance were delayed by many months (not released until Oct/Nov), so preparation and implementation costs in 2014/15 were lower and will be 'shunted forward' to future years.
4. The overspend position of approximately £2.4 million per annum at its worst, for Learning Disability Services, has been subject to in-year improvement plans that were significantly more successful than initially anticipated and this speedy recovery, whilst a success story, contributed to the underspend.

**Strategic Commissioning (£786,000) (4.6%)**

Early achievement of savings to enable full impact in 2015/16. Late arrival of central Government funding for Local Authority pressures during winter. Vacancies held again in order to achieve full staff savings for 2015/16.

**Economic Growth (£863,000) (3.9%)**

The 1.9% variance above the 2% tolerance level represents a £421k underspend against the agreed budget for the Business Unit. The main reasons for this are as follows:

1. In Waste Management we received a £322,000 payment from the Local Authority Waste Disposal Company. This was as part of the deal, brokered in 2013/14, that now sees WCC as a shareholder in this Energy from Waste plant in Coventry that in turn reduces our waste disposal costs. Also in waste a high diversion of waste from the Grey to the Green bin has reduced our disposal costs significantly; again this is good news for future years if this trend continues.
2. Within Regeneration, a £121,000 underspend is due to savings made early as a result of not replacing posts that we knew would be "at risk" in future years of the savings plan and £141,000 as a result of higher than expected occupancy rates in our portfolio of Business Centres and a rise in the associated income.
3. Our Planning team accounts for a further £99,000 underspend primarily due to high staff turnover. Staff are being attracted away into the private sector and to other local authorities at a time when these skills are at a premium.

**Localities & Communities (£272,000) (3.5%)**

There is a mixture of underspends and overspends across the Business Unit and it is the collective outcome of these that equates to a final underspend outside the agreed tolerance levels. Taken at an individual level, without aggregation, these tolerances are relatively minor and reflect the prudent approach to optimising savings in advance of challenging savings targets in future years. In addition



**Service Improvement and Change**    (£67,000)    (2.1%)

**Management**

Delays to the recruitment of fixed term contract posts in support of Resources Group One Organisational Plan transformation activities has resulted in a larger than expected actual to budget variance.

**Other Services**    (£2,432,000)    (6.1%)

The underspend on those elements of Other Services deemed to be controllable is due to:

1. A short term reduction in the cost of servicing a smaller capital programme as a result of slippage in 2013/14 and 2014/15.
2. Higher than anticipated investment returns due to the benefits of using the wider range of investment vehicles approved in the Treasury Management Strategy.
3. Fewer redundancies in 2014/15 than expected when the One Organisation Plan was agreed. It is expected these redundancies will instead occur over the remaining years of the Plan.

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Early Help and Targeted Support</b>										
Business Unit Savings	Service savings	895		895			(150)	This carry forward is requested to cover winter pressures for the Reablement Service. There will be the need to recruit / commission additional hours in advance in order to cope with anticipated winter pressures for the service.	745	The remaining reserves are held in order to cover/mitigate the following potential risks: a) A £395,000 rate of overspending on the Integrated Disability Service residential placement budget, until a long-term spending or funding solution is identified. b) With the Children's Centre contract slipping into the first 5 months of the financial year there is the potential (based on possible future budget reductions) for slippage of up to £300,000 once the current contract is finished. c) A possible £50,000 cost of buildings work to make use of a WCC building suitable for the County Music
Young Carers Contract	Earmarked - external	200		200			(50)	These reserves contain a one off contribution from Adult Social Care and Support for a four year Young Carers contract. In order to meet the financial commitment of this contract £50,000 is requested as an immediate carry-forward in 2015/16.	150	The remaining reserves are held in order to cover the full term of the contract - £50,000 will be requested to be drawn down from reserves each year. Members are requested to categorise these as earmarked.
<b>Early Help Sub-Total</b>		<b>1,095</b>	<b>0</b>	<b>1,095</b>	<b>0</b>	<b>0</b>	<b>(200)</b>		<b>895</b>	
<b>Professional Practice and Governance</b>										
Carefirst Development - Care Act	Service savings	26		26			(26)	Development work for Carefirst/OLM to deliver Care Act requirements.	0	
Mosaic Implementation	Service savings	400		400					400	Planned expenditure on Systems Review - to replace the Carefirst System with Mosaic (funding from 2013/14 year end underspend)
Mosaic Implementation - Contingency	Service savings	1,651		1,651					1,651	Contingency to support risks of strategic business changes delaying delivery of the System Review Project (funding from 2013/14 and 2014/15 underspends)
Savings Programme Risk Reserve	Service savings	435		435					435	General Professional Practice and Governance reserves to cover risks relating to delivery of savings programme and establishment of a new business unit.
Learning & Development Delivery	Service savings	264		264					264	Learning & Development reserve held to cover risks relating to savings programme delivery and impact of additional pressures relating to strategic changes.
<b>Professional Practice - Sub-Total</b>		<b>2,776</b>	<b>0</b>	<b>2,776</b>	<b>0</b>	<b>0</b>	<b>(26)</b>		<b>2,750</b>	
<b>Safeguarding</b>										
Business Unit Savings	Service savings	(922)		(922)		922			0	
<b>Safeguarding Sub-Total</b>		<b>(922)</b>	<b>0</b>	<b>(922)</b>	<b>0</b>	<b>922</b>	<b>0</b>		<b>0</b>	
<b>Social Care and Support</b>										
Care Act and Integration	Service savings	7,476		7,476					7,476	The Care Act will bring radical changes to funding and the way in which people contribute to the cost of their care. Any changes resulting are highly unlikely to be fully funded by central government. It is possible that structural integration options may be pursued in the next 3-5 years. These may carry significant one-off costs in scoping, developing and establishing new arrangements and the management of risks during this process as budgets are potentially pooled.
Costs Volatility	Service savings	2,543		2,543					2,543	This reserve addresses the future service risks recognising the scale, volatility and overall risk associated with adult social care services, including unpredictable elements (e.g. flu epidemic). Also the need to protect the wider council from the impact of these, because a small percentage change to adult social care expenditure is a large financial figure.
Systems Review	Service savings	1,000		1,000					1,000	This reserve is to specifically support the review of the care management information system
Uncommitted Reserve	Service savings	291		291					291	This reserves reflects balances held that are over and above the amounts required to cover specific initiatives and specific risks
<b>Social Care Sub-Total</b>		<b>11,310</b>	<b>0</b>	<b>11,310</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>11,310</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In- hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Strategic Commissioning</b>										
Redesign and transformation of market to achieve OOPs savings	Service savings	998		998					998	Required to mitigate risks associated with service redesign and transformation e.g.: legal challenge, delay in achieving defined savings targets within given year(s), risks linked to market changes for example; planning delays, market forces on costs and delays in exit strategies as services are redesigned and recommissioned.
Market failure support e.g.: providers in administration and associated costs with transfer of business and staffing.	Service savings	1,140		1,140					1,140	Mitigate risks of provider failure in light of duties in the Care Act: Indemnity for transfer of staff to a new provider in the case of a company going into administration (Southern Cross experience) that is not managed nationally and has to be coped with locally under new legislation. To cover costs associated with a provider going into administration to enable the service to continue uninterrupted e.g.: staff wages, overheads. And to mitigate the risk of judicial review in negotiating and securing a fair price for care from the market.
Impact of costs associated with outsourcing e.g.: costs of repairs to buildings, pension liabilities.	Service savings	1,220		1,220					1,220	To mitigate the risk of liability for a number of legacy and current issues with outsourcing services e.g.: significant and historical pension liabilities of small/medium community and voluntary sector organisations within the local authority pension fund, building costs associated to any buildings transferred that require ongoing maintenance, funding deficits linked to outsourcing services.
Potential impact on health integration e.g.: cost shunting, exit strategy costs.	Service savings	1,424		1,424					1,424	To mitigate the risk of health service changes that may shunt costs towards social care e.g.: reduction in admissions to acute care through BCF and the increased pressures on social care provision (market shape).
<b>Strategic Comm. Sub-Total</b>		<b>4,782</b>	<b>0</b>	<b>4,782</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>4,782</b>	
<b>People Group Total</b>		<b>19,041</b>	<b>0</b>	<b>19,041</b>	<b>0</b>	<b>922</b>	<b>(226)</b>		<b>19,737</b>	



## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Economic Growth</b>										
Waste Management	Service savings	450		450			(150)	To fund Behaviour Change activity, an One Organisational Plan savings requirement from 2015-16 for 3 years.	300	To fund Behaviour Change activity, an One Organisational Plan savings requirement from 2015-16 for 3 years.
Business Centres including Building Maintenance Liabilities	Trading	515		515					515	To invest in this traded service to meet essential maintenance costs at the Business Centres, to ensure that the quality of the service offer is maintained.
Accommodation Reserve	Service savings	29		29					29	To meet costs of internal accommodation changes not funded by Physical Assets.
Development Group Realignment	Service savings	134		134					134	To manage the volatility of income streams in Development Group, e.g. planning application fees. The reserve also includes £84,000 of specific grant funding used to develop the infrastructure of the service.
Economic Growth Service Savings	Service savings	219		219	(119)		(100)	To fund regeneration priorities, including town centre initiatives and tourism.	0	
S38 Developer Funding	Earmarked - external	940		940					940	Substantial increase in S38 agreements has greatly increased revenue income. This is needed to cover works and employee costs that span several years. This reserve was established by Cabinet in the Quarter 1 Organisational Health report 2013/14.
European Match Funding Reserve	Service savings	332		332			(45)	Funding of an officer to work with partners to develop a pipeline of projects which could attract European Match funding. Includes residual balance of £200,000 allocation in the 2013/14 budget resolution, being used to fund an Inward Investment Officer.	287	A Match Funding reserve to attract future European Funding, established by Cabinet in the Quarter 3 Organisational Health Report 2013/14. Also includes future years funding for Inward Investment.
Flood Management Reserve	Service / Earmarked - external	630		630					630	£200,000 of this reserve was set up by Cabinet in the Quarter 2 Organisational Health Report 2013/14 to use as match funding contribution to future projects. It also includes £430,000 of external grant income received in 2014/15 but not planned to be used until 2015/16 and future years.
Ecology & Archaeological Information and Advice	Service savings	102		102			(36)	Funding for an Ecology Planner for one year to cope with high levels of demand.	66	Future funding to deal with expected demand increases for Ecology & Archaeological information and advice.
Infrastructure Group Reserve	Service savings	58		58					58	To maintain a funding stream for Infrastructure Group for future financial years.
Going for Growth Apprenticeship Hub	Earmarked - policy	103		103					103	To fund the Apprenticeship Hub in future financial years.
Skills Delivery for Economic Growth	Earmarked - policy	470		470					470	This is the balance of re-profiled skills delivery settlement included in the 2014/15 budget resolution.
Rural Growth Network	Earmarked - external	1,260		1,260					1,260	Balance of Rural Growth Network funding to be used to complete the Regional Growth Network project.
HS2 Phase 2	Earmarked - policy	250		250					250	Unused allocations for HS2 held in reserve to meet future costs of responding to HS2 project.
<b>Economic Growth Sub-Total</b>		<b>5,492</b>	<b>0</b>	<b>5,492</b>	<b>(119)</b>	<b>0</b>	<b>(331)</b>		<b>5,042</b>	
<b>Education and Learning</b>										
Business Unit Savings	Service savings	717	(717)	0					0	
Special Education Needs and Disabilities Grant	Earmarked - external	748		748					748	Special Education Needs and Disabilities (SEND) grant earmarked for transition spending up to end of March 2017. A plan has been approved by the SEND Board for the 3 years of transition and is regularly reviewed at SEND board meetings.
Early Years Pupil Premium Implementation	Earmarked - external	31		31					31	Pupil Premium Grant received in quarter 4 2014/15, to be used to meet spending needs on Pupil Premium Implementation
<b>Education and Learning Sub-Total</b>		<b>1,496</b>	<b>(717)</b>	<b>779</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>779</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Localities and Community Safety</b>										
DAAT Reserves	Earmarked - external	451		451				To be used to offset potential overspends during 2015/16	451	Partner resources for the DAAT which must be used for specified purposes.
Museum Development Fund	Earmarked - external	232		232					232	Donations to Heritage and Culture which must be used for specified purposes.
Museum Ethnographic Fund	Earmarked - external	18		18					18	
Records Purchase Fund	Earmarked - external	19		19					19	
Records Donations Fund	Earmarked - external	58		58					58	
Business Unit Savings	Service savings	355		355			(113)	£25,000 funding to complete Community Safety and Domestic Abuse projects that the service have been unable to complete during 2014/15 £20,000 to develop the Trading Standards Case Management System £6,000 carry-forward of the Hate Crime Grant in Rural Services. £62,000 unspent Councillor grants in the North Warwickshire Area	242	To meet any overspends compared to the 2015/16 budget allocation for Localities and Community Safety.
Family Intervention Project	Earmarked - policy	461		461					461	Funding required to meet future costs of the Family Intervention Project.
Trading Standards	Trading	52		52					52	To meet future variances in the performance of the Calibration service.
Proceeds of Crime	Earmarked - external	27		27					27	Proceeds of Crime Act income ring-fenced to fund further cases.
Community Safety Statutory Reviews	Earmarked - external	105		105					105	Ring-fenced sum to fund unavoidable costs of Community Safety statutory reviews on domestic homicide.
Secure Remand Reserve	Earmarked - external	405		405					405	Partner resources for Secure Remand which must be used for specified purposes.
Priority Families Reserve	Earmarked - policy	1,382		1,382					1,382	The balance of government funding for the Priority Families initiative to support the delivery of phase 2 of the programme.
Heritage and Culture Services - Our Warwickshire	Earmarked - external	190		190					190	The funds are held in reserve to complete the "Our Warwickshire" Heritage Lottery Fund projects.
<b>Localities and CS Sub-Total</b>		<b>3,755</b>	<b>0</b>	<b>3,755</b>	<b>0</b>	<b>0</b>	<b>(113)</b>		<b>3,642</b>	
<b>Public Health</b>										
Business Unit Savings	Earmarked - external	1,131		1,131			(121)	£100,000 - Act on Energy Grant payment to be delivered in 2015/16, funded from Winter Pressures grant from government. £18,000 - Qualitative research to assess the health impact of the welfare reforms on residents in Warwickshire. £3,315 - Literature searching / Academic Library Access Function	1,010	Balance of Public Health ring-fenced grant.
Family Nurse Partnership	Service savings	678		678					678	Funding set aside for investment in the Family Nurse Partnership, approved by Cabinet in Quarter 3 2014/15.
<b>Public Health Sub-Total</b>		<b>1,809</b>	<b>0</b>	<b>1,809</b>	<b>0</b>	<b>0</b>	<b>(121)</b>		<b>1,688</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In- hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Transport and Highways</b>										
Speed Awareness Workshops	Earmarked - external	1,044		1,044			(124)	To fund capital upgrades of red-light cameras.	920	Ring-fenced reserve consisting of WCC and Police funding, capped at an agreed level of £920,000 with Warwickshire Police.
Street Lighting Energy Reduction	Service savings	1,000		1,000			(1,000)	To fund implementation of energy efficient LED street lighting.	0	
Kenilworth Station	Service savings	421		421					421	To fund future revenue expenditure for Kenilworth Station including the train service subsidy.
County Fleet Maintenance Reserve	Trading	25		25					25	To fund future volatility in traded service performance.
Concessionary Travel Reserve	Earmarked - policy	938		938		(726)	(62)	Development and Implementation of new IT systems for Concessionary Travel.	150	£212k to be retained for new IT systems and development of an eligibility assessment scheme, of which £62k to be used in 2015/16
Design Services Reserve	Trading	271		271					271	To fund transformation of service to maintain traded income.
Traffic Model Revenue Fund	Service savings	109		109					109	Reserve for development of the traffic model, where income is earmarked for further development.
Business Unit Savings	Service savings	1,273		1,273	(1,064)		(209)	£90,000 - Purchase of Vehicle Activated Signs, order committed in 2014/15 but delivery and installation will be in 2015/16. £119,000 - Total Transport Pilot Fund grant received from DfT in 2014/15, ringfenced for a project in 2015/16 to integrate community & voluntary transport.	0	
<b>Transport Sub-Total</b>		<b>5,081</b>	<b>0</b>	<b>5,081</b>	<b>(1,064)</b>	<b>(726)</b>	<b>(1,395)</b>		<b>1,896</b>	
<b>Total Communities Group</b>		<b>17,633</b>	<b>(717)</b>	<b>16,916</b>	<b>(1,183)</b>	<b>(726)</b>	<b>(1,960)</b>		<b>13,047</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Customer Service</b>										
Warwickshire Local Welfare Scheme	Earmarked - policy	742		742					742	The reserve will continue to support this area of need and offer reactive support during future years, once this grant ceases to be in existence.
Customer Journey	Service savings	0	100	100			(100)	The Supporting People and Customer Journey programmes require significant one-off investment to fundamentally redesign a number of services. The funding is required to fund external contractors including: • Business analyst support – to map the current 'as-is' process and develop the 'to-be' process. Development support – to build the new processes and specifically for their development in our Customer Relation Management	0	
Digital Printer	Service savings	0	27	27			(27)	New Colour Digital Printer. Investment would enable improved service reliability and stability. Our present Xerox machine is over nine years old and unreliable which is constantly breaking down. This new equipment will enable; improved financial performance, enable cost savings from running costs, improve printer quality and deliver improved finishing services to customers i.e. folding & booklet making. This new machine will also open up opportunities to increase income by reducing outsourcing of envelope printing as this can be done on the new machine.	0	
Business Unit Savings	Service savings	182	(182)	0					0	
<b>Customer Service Total</b>		<b>924</b>	<b>(55)</b>	<b>869</b>	<b>0</b>	<b>0</b>	<b>(127)</b>		<b>742</b>	
<b>Finance</b>										
Financial Training	Service savings	95		95					95	This reserve is to train more finance staff for formal qualifications (to provide value added support to the organisation) In addition, it is planned that a training offer of finance for non-finance managers to address the challenges of implementing the OOP should also occur over the next couple of years.
Business Unit Savings	Service savings	32	(32)	0					0	
<b>Finance Sub-Total</b>		<b>127</b>	<b>(32)</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>95</b>	
<b>Human Resources</b>										
Going for Growth - Apprenticeship Scheme	Earmarked - policy	658		658					658	Ring fenced budget for 3 years to allow the apprenticeship programme to continue
Business Unit Savings	Service savings	(10)	10	0					0	
<b>Human Resources Sub-Total</b>		<b>648</b>	<b>10</b>	<b>658</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>658</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Information Assets</b>										
Schools ICT	Service savings	200		200					200	These reserves are planned to be spent in 2015/16 as part of revised Traded Services developments, including new training accommodation following the closure of Wedgcock House
Unit Charge Equalisation Account	Earmarked - policy	325		325					325	The first half was spent on the new WAN in 2014/15 and the remainder is due to contribute to a Unified Communications approach in 2015/17. Both these projects deliver new approaches with reduced revenues costs which are required to deliver the OOP.
Going for Growth - BDUK	Earmarked - policy	1,031		1,031					1,031	This is the Going for Growth revenue budget that will be used to contribute to the extended BDUK project as agreed as part of the Council approval in 2014/15
Business Unit Savings	Service savings	260	(260)	0					0	
<b>Information Assets sub-total</b>		<b>1,816</b>	<b>(260)</b>	<b>1,556</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>1,556</b>	
<b>Law and Governance</b>										
Counter Fraud Grant Reserve	Earmarked - external	96	0	96			(48)	Counter Fraud Grant - received funding for £96k for specific works and requested to members that 50% was included in a reserve and that work to cover the other 50% would be undertaken in 2014./15. This has not been possible and so a request to move this funding into next year to carry out this work.	48	The Warwickshire Counter Fraud Partnership Grant is a ring-fenced grant and as such any amounts unspent is to be returned to the awarding body. Work is programmed to take place in 2015-16
School Governance	Service savings	0	12	12			(12)	Ofsted has clear expectations that Local Authorities will monitor school performance and leadership & management, including governance, and provide effective, timely support and intervention. Governor Services needs to put in a place a governance programme which complements the School Improvement team's new School Improvement Strategy. 1. Pre-emptive health checks to identify governance risk factors, likely to include- review of training records, website audit, review of meeting agendas / minutes etc. This may generate a range of interventions, including targeted advice, training, governance reviews (traded income), additional governor appointments, Interim Executive Boards. 2. External Reviews of governance (mainly funded by schools)3. Follow up assessments of schools 6 months after governance reviews. The carry forward sum is proposed as a major contribution to the above	0	
Business Unit Savings	Service savings	247	(247)	0					0	
<b>Law and Governance sub-total</b>		<b>343</b>	<b>(235)</b>	<b>108</b>	<b>0</b>	<b>0</b>	<b>(60)</b>		<b>48</b>	
<b>Physical Assets</b>										
Catering Equalisation Account	Earmarked - policy	401		401					401	This reserve manages the risk of a significant drop in trading days in any one year due to external circumstances
Planning Reserve	Service savings	320	140	460			(140)	Carry forward of unused Planning Application Reserve funding (£140k). It should be assumed that it will be spent in 2015/16. Three planning applications have already begun their preparations.	320	To maximise the return from the council's assets, large developable assets have their value enhanced considerably if attached to them is a planning consent for development.
Business Unit Savings	Service savings	934	(934)	0					0	
<b>Physical Assets Sub-Total</b>		<b>1,655</b>	<b>(794)</b>	<b>861</b>	<b>0</b>	<b>0</b>	<b>(140)</b>		<b>721</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Service Improvement and Change Management</b>										
Living in Warwickshire Survey	Service savings	0	20	20			(20)	Living in Warwickshire Survey 2015/16 - funding to match contribution from Public Health for the second Living in Warwickshire survey. We would seek to carry out the survey in Autumn 2015. The survey will use a range of different research methods for this project, rather than focussing solely on a paper based survey.	0	
Project Management	Service savings	190		190					190	Funds to be transferred into reserves to support Business Unit's transition to new operating model to ensure the delivery of the Organisational OOP savings
Business Unit Savings	Service savings	67	(67)	0					0	
<b>SICM Sub-Total</b>		<b>257</b>	<b>(47)</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>(20)</b>		<b>190</b>	
<b>Resources Group Reserves</b>										
Transformation Fund	Service savings	1,704		1,704					1,704	This reserve continues to pump prime traded services to ensure that they are commercially viable and offer competitive and sustainable services to customers in an ever increasingly competitive market place. The funding will be specifically aimed at supporting new business structures and delivery models across the Council. In the next two years, it is likely that the Resources Group will need to replace some Business Systems that have been used for many years e.g. the HR Management System and the analogue telephony system. Replacing these systems will improve data and processes across the Council. However, such replacements require significant investment. This fund will enable the replacement of these systems to be funded now rather than formally requesting capital investment later, which would incur future debt and charges. This is a general reserve held on behalf of the Group that provides a level of assurance should the Group incur unforeseen financial costs.
System Replacement	Service savings	0	1,413	1,413					1,413	
Resources Group Savings	Service savings	766	0	766					766	
<b>Resources Group Sub-Total</b>		<b>2,470</b>	<b>1,413</b>	<b>3,883</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>3,883</b>	
<b>Total Resources Group</b>		<b>8,240</b>	<b>0</b>	<b>8,240</b>	<b>0</b>	<b>0</b>	<b>(347)</b>		<b>7,893</b>	
<b>Fire &amp; Rescue</b>										
Pensions	Earmarked - policy	79	0	79			0		79	This reserve will support any variations in the revenue costs of the Firefighters Pension Scheme.
Fire Control Project	Earmarked - external	909	0	909			(400)	This specific earmarked grant will fund the completion of the Fire Control Project.	509	This reserve will support the delivery of the remainder of the Fire Control Project and will be drawn down during 2015/16 as required.
Service Savings	Service savings	626	0	626			(200)	This carry forward will support the delivery of the Fire & Rescue Service Transformation Programme including the ongoing changes to working patterns and operational response arrangements over the next three years.	426	This reserve will be used to support the delivery of the Fire & Rescue Service Transformation Programme in 2016/17.
<b>Total Fire &amp; Rescue</b>		<b>1,614</b>	<b>0</b>	<b>1,614</b>	<b>0</b>	<b>0</b>	<b>(600)</b>		<b>1,014</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Other Services</b>										
Audit Fee Reserve	Service savings	563		563					563	The external audit fee is variable between years depending on the auditors perceived level of financial risk, the number of additional grant claims to be audited and investigations into any issue that emerge during the audit or are reported to the auditors. This reserve of accumulated underspends ensures that in any one year there will be no impact on the revenue budget. The appropriate level for the reserve going forward will be reviewed as part of the 2016/17 OOP refresh.
Capacity Building Fund	Earmarked - policy	1,454		1,454					1,454	Residual funding to support capacity building projects across the authority. The on-going budget has been deleted and therefore once this funding has been used no future funding will be available.
Carbon Reduction Commitment Scheme	Earmarked - policy	526		526					526	Funding set aside from underspends in previous years to manage the fluctuations in the cost of carbon commitments faced by the authority. The appropriate level for the reserve going forward will be reviewed as part of the 2016/17 OOP refresh.
Community Infrastructure Levy	Service savings	301		301					301	Funding set aside to support the County Council's work in ensuring the effective implementation of the Community Infrastructure Levy across Warwickshire
Interest Rate Volatility Reserve	Earmarked - policy	4,320		4,320					4,320	Interest rates are currently at an all time low. This reserve will allow fluctuations in interest rates, as they impact on both the interest we can earn and the interest we pay on any borrowing to be smoothed and avoid the need to allocate resources to fund capital financing costs whilst spend/borrowing is at the level set out in
National Non-Domestic Rates Appeals	Service savings	1,047		1,047					1,047	There remains a significant backlog in business rates appeals that have yet to be settled and may go back several years. This reserve will enable any impact on the County Council to be managed without the need to commit scarce resources.
National Non-Domestic Rates Pool	Earmarked - policy	(269)		(269)					(269)	This overdrawn reserve is the net deficit on the business rates pool. Each Pool member is required to make good their element, if they decide to leave the Pool. The liability is shared across Pool members and is not the responsibility of the County Council. It is held as part of the County Council's accounts because we are the lead authority.
Quadrennial Elections	Earmarked - policy	239		239					239	The reserve will accumulate over four years, it will then be used to fund the cost of the County Council elections. Without this reserve a spending pressure of £1 million would need to be provided for in the budget every four years and funding for by-elections identified as and when they are needed.
<b>Total Other Services</b>		<b>8,181</b>	<b>0</b>	<b>8,181</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>8,181</b>	
<b>Corporate Reserves</b>										
General Reserves	Earmarked - policy	19,385		19,385		(754)			18,631	Reserve set aside to meet corporate financial risks that are not covered elsewhere by business unit reserves. The Head of Finance specifies each year the minimum amount that must be held in General Reserves. For 2015/16 this is £16.5 million.
Medium Term Contingency	Earmarked - policy	20,499		20,499					20,499	Funding set aside to manage timing differences between the delivery of savings and spending need across the four years of the One Organisation Plan.
Service Realignment Fund	Earmarked - policy	11,879		11,879					11,879	Funding set aside to meet the costs of redundancies/early retirements that arise as a result of the reduction in staff numbers that forms part of the OOP. Without this funding any costs would have to be met from within service budgets.
Capital Fund	Earmarked - policy	1,040		1,040					1,040	Funding set aside from capital receipts to meet the sale expenses and any associated fees.
Insurance Fund	Earmarked - policy	8,460		8,460					8,460	As an authority it is financially a better option to self-insure for some risks. We also have a number of excesses on the various corporate insurance policies. This Fund provides cover for both of these risks.
Centrally managed support for schools (DSG)	Earmarked - external	(1,275)	717	(558)		558			0	This is the balance of ring-fenced funding for support for schools and pupils that is the responsibility of the County Council. The funding cannot be used for any other purpose.
Schools	Earmarked - external	14,460		14,460					14,460	This is the net level of school reserves. Any decisions about the use of this funding rest with individual
<b>Total Corporate Reserves</b>		<b>74,448</b>	<b>717</b>	<b>75,165</b>	<b>0</b>	<b>(196)</b>	<b>0</b>		<b>74,969</b>	
<b>TOTAL</b>		<b>129,157</b>	<b>0</b>	<b>129,157</b>	<b>(1,183)</b>	<b>0</b>	<b>(3,133)</b>		<b>124,841</b>	

**Note - Reserve Categories**

Earmarked (External) - Central Government and other external partners/funding bodies require these reserves are used for a specific purpose.

Earmarked (Policy) - Reserves that have been set up following specific Member approval.

Trading - Reserves generally retained by Traded Services to smooth out surpluses and deficits over a number of years.

Service Savings - Underspends by services which may be accumulated to meet known future spending pressures, savings plans or as a contingency against future unknown service pressures.

## Head of Service commentary on the variance outside tolerance

### Overspent

**Safeguarding** £864,000 2.3%

The overspend in 2014/15 has been a result of year end residential placements in North, an over prediction of recovery of shared costs from Health and Education and an increase in fostering costs and some un-forecast costs in Special Guardianship Orders and Adoption Allowances. In overall terms despite the slight decrease in overall Looked After Children numbers, the costs of placements have been increasing which has outweighed the savings generated. The costs of placements are rising significantly and despite commissioning support, this is likely to continue into future years.

**Education and Learning** £2,074,000 2.5%

The overspend in Education and Learning is driven entirely by overspends on the Dedicated Schools Grant (DSG). The DSG within the Vulnerable Learners service continues to see increased pressure on the demand led budgets for support for pupils with special educational needs and disabilities (SEND). The biggest area of overspend is on the out of authority placements at £4.627 million. However the top up funding for both mainstream and SEN schools has also overspent by £1.141 million. This overspend has been reported to Schools Forum and the steps required to control this are documented in the draft Vulnerable Learners Strategy. The development of more local provision is a key element of the strategy.

### Underspent

**Early Help and Targeted Support** (£818,000) (4.3%)

The reason for the above 2% rule is that we have received, in year, monies that are being held for the next three years for the Young Carers (£50,000 for 2015/16 and a further £100,000 for 2016-18. We also had to anticipate that the Integrated Disability Service overspend might well have been higher due to the unknown factors with regards to the residential costs. We now have a better understanding and can begin to align the budgets better than before. The underspend in Reablement is a mixture of the additional winter pressures monies coming in combined with fewer people being able to be referred to Reablement due to their conditions.

**Professional Practice and Governance** (£1,202,000) (25.0%)

The variance on the People Group Learning & Development Plan is due to the delay in delivering the learning and development from the plan and mainly because of the implementation of the new Contracting Framework with Premier Partnerships. This coupled with additional staff release pressures and major projects such as The Care Act Implementation. The plans for 2015/16 reflect a more realistic financial requirement due to Learning & Development having a greater understanding of business needs and the use of comprehensive data to



accurately plan.

**Social Care and Support (2,341,000) (2.1%)**

The underspend position is due to four main reasons that were not apparent at the start of 2014/15.

1. The income from health was higher than initially expected; including £2.4 million of one-off funds which were difficult to spend without accruing long-term overspend commitments.
2. Some of the One Organisational Plan projects have delivered savings earlier than anticipated.
3. The national Care Act regulations and guidance were delayed by many months (not released until Oct/Nov), so preparation and implementation costs in 2014/15 were lower and will be 'shunted forward' to future years.
4. The overspend position of approximately £2.4 million per annum at its worst, for Learning Disability Services, has been subject to in-year improvement plans that were significantly more successful than initially anticipated and this speedy recovery, whilst a success story, contributed to the underspend.

**Strategic Commissioning (£786,000) (4.6%)**

Early achievement of savings to enable full impact in 2015/16. Late arrival of central Government funding for Local Authority pressures during winter. Vacancies held again in order to achieve full staff savings for 2015/16.

**Economic Growth (£863,000) (3.9%)**

The 1.9% variance above the 2% tolerance level represents a £421k underspend against the agreed budget for the Business Unit. The main reasons for this are as follows:

1. In Waste Management we received a £322,000 payment from the Local Authority Waste Disposal Company. This was as part of the deal, brokered in 2013/14, that now sees WCC as a shareholder in this Energy from Waste plant in Coventry that in turn reduces our waste disposal costs. Also in waste a high diversion of waste from the Grey to the Green bin has reduced our disposal costs significantly; again this is good news for future years if this trend continues.
2. Within Regeneration, a £121,000 underspend is due to savings made early as a result of not replacing posts that we knew would be "at risk" in future years of the savings plan and £141,000 as a result of higher than expected occupancy rates in our portfolio of Business Centres and a rise in the associated income.
3. Our Planning team accounts for a further £99,000 underspend primarily due to high staff turnover. Staff are being attracted away into the private sector and to other local authorities at a time when these skills are at a premium.

**Localities & Communities (£272,000) (3.5%)**

There is a mixture of underspends and overspends across the Business Unit and it is the collective outcome of these that equates to a final underspend outside the agreed tolerance levels. Taken at an individual level, without aggregation, these tolerances are relatively minor and reflect the prudent approach to optimising savings in advance of challenging savings targets in future years. In addition

and as reported earlier throughout the year the Priority Families Programme has exceed expected performance targets which have generated payment by results income above the expected position. The Youth Justice underspend reflects the need to retain some flexibility in resource to accommodate the instructions of the Court (over which we have no influence) and which can be demand volatile.

**Transport & Highways** (€2,299,000) (8.4%)

At Quarter 3 the service identified a forecast underspend that, if it materialised, would be used to repay self-financed borrowing and reduce the pressure on the service's revenue budget in future years. At this stage it was still a forecast underspend and so no formal Member approval to repay the debt was sought. As the year end position is now known, approval to repay €1.064 million is being requested. As this approval is still pending it has increased the service underspend by 3.8%. An underspend on Concessionary Travel of €788,000 accounts for 2.8% of the total service underspend. This relates largely to lower than expected journey numbers. A significant proportion of the underspend (€468,000) was forecast at quarter 3. The Concessionary Travel budget is ring-fenced by policy and cannot be redeployed elsewhere in the service. Together, these variances account for 5.6% of the total 8.2% underspend. Early delivery of savings planned for 2015/16 accounts for the remaining underspend.

**Information Assets** (€260,000) (2.4%)

The Information Assets surplus is entirely due to a surplus created by successful trading with the schools in the ICT arena.

**Law & Governance** (€295,000) (32.0%)

The underspend this year has in part arisen as a result of reduced staffing costs across the Service. Some of the staffing cost reductions were as a result of posts being filled part year (Democratic Services and Governor Services) and in the case of Risk and Assurance, vacancies being held pending the new shared audit service with Worcestershire CC being established. The increase in traded income from external customers in Legal Services has also contributed to the increased underspend. Additionally, the underspend includes €48,000 government grant for the Warwickshire Counter Fraud Partnership. This will be spent in 2015/16.

**Physical Assets** (€935,000) (7.7%)

The underspend in Physical Assets is explained by two main factors. Firstly, the reduction in buildings as a consequence of the property rationalisation programme is resulting in a reduction and rationalisation of the Facilities Management service and the budgets used to pay running costs. Secondly, trading surplus targets have been exceeded, mainly due to the success of the universal infant free school meal programme which has exceeded all expectations.

**Service Improvement and Change**    (£67,000)    (2.1%)

**Management**

Delays to the recruitment of fixed term contract posts in support of Resources Group One Organisational Plan transformation activities has resulted in a larger than expected actual to budget variance.

**Other Services**    (£2,432,000)    (6.1%)

The underspend on those elements of Other Services deemed to be controllable is due to:

1. A short term reduction in the cost of servicing a smaller capital programme as a result of slippage in 2013/14 and 2014/15.
2. Higher than anticipated investment returns due to the benefits of using the wider range of investment vehicles approved in the Treasury Management Strategy.
3. Fewer redundancies in 2014/15 than expected when the One Organisation Plan was agreed. It is expected these redundancies will instead occur over the remaining years of the Plan.

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Early Help and Targeted Support</b>										
Business Unit Savings	Service savings	895		895			(150)	This carry forward is requested to cover winter pressures for the Reablement Service. There will be the need to recruit / commission additional hours in advance in order to cope with anticipated winter pressures for the service.	745	The remaining reserves are held in order to cover/mitigate the following potential risks: a) A £395,000 rate of overspending on the Integrated Disability Service residential placement budget, until a long-term spending or funding solution is identified. b) With the Children's Centre contract slipping into the first 5 months of the financial year there is the potential (based on possible future budget reductions) for slippage of up to £300,000 once the current contract is finished. c) A possible £50,000 cost of buildings work to make use of a WCC building suitable for the County Music
Young Carers Contract	Earmarked - external	200		200			(50)	These reserves contain a one off contribution from Adult Social Care and Support for a four year Young Carers contract. In order to meet the financial commitment of this contract £50,000 is requested as an immediate carry-forward in 2015/16.	150	The remaining reserves are held in order to cover the full term of the contract - £50,000 will be requested to be drawn down from reserves each year. Members are requested to categorise these as earmarked.
<b>Early Help Sub-Total</b>		<b>1,095</b>	<b>0</b>	<b>1,095</b>	<b>0</b>	<b>0</b>	<b>(200)</b>		<b>895</b>	
<b>Professional Practice and Governance</b>										
Carefirst Development - Care Act	Service savings	26		26			(26)	Development work for Carefirst/OLM to deliver Care Act requirements.	0	
Mosaic Implementation	Service savings	400		400					400	Planned expenditure on Systems Review - to replace the Carefirst System with Mosaic (funding from 2013/14 year end underspend)
Mosaic Implementation - Contingency	Service savings	1,651		1,651					1,651	Contingency to support risks of strategic business changes delaying delivery of the System Review Project (funding from 2013/14 and 2014/15 underspends)
Savings Programme Risk Reserve	Service savings	435		435					435	General Professional Practice and Governance reserves to cover risks relating to delivery of savings programme and establishment of a new business unit.
Learning & Development Delivery	Service savings	264		264					264	Learning & Development reserve held to cover risks relating to savings programme delivery and impact of additional pressures relating to strategic changes.
<b>Professional Practice - Sub-Total</b>		<b>2,776</b>	<b>0</b>	<b>2,776</b>	<b>0</b>	<b>0</b>	<b>(26)</b>		<b>2,750</b>	
<b>Safeguarding</b>										
Business Unit Savings	Service savings	(922)		(922)		922			0	
<b>Safeguarding Sub-Total</b>		<b>(922)</b>	<b>0</b>	<b>(922)</b>	<b>0</b>	<b>922</b>	<b>0</b>		<b>0</b>	
<b>Social Care and Support</b>										
Care Act and Integration	Service savings	7,476		7,476					7,476	The Care Act will bring radical changes to funding and the way in which people contribute to the cost of their care. Any changes resulting are highly unlikely to be fully funded by central government. It is possible that structural integration options may be pursued in the next 3-5 years. These may carry significant one-off costs in scoping, developing and establishing new arrangements and the management of risks during this process as budgets are potentially pooled.
Costs Volatility	Service savings	2,543		2,543					2,543	This reserve addresses the future service risks recognising the scale, volatility and overall risk associated with adult social care services, including unpredictable elements (e.g. flu epidemic). Also the need to protect the wider council from the impact of these, because a small percentage change to adult social care expenditure is a large financial figure.
Systems Review	Service savings	1,000		1,000					1,000	This reserve is to specifically support the review of the care management information system
Uncommitted Reserve	Service savings	291		291					291	This reserves reflects balances held that are over and above the amounts required to cover specific initiatives and specific risks
<b>Social Care Sub-Total</b>		<b>11,310</b>	<b>0</b>	<b>11,310</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>11,310</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In- hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Strategic Commissioning</b>										
Redesign and transformation of market to achieve OOPs savings	Service savings	998		998					998	Required to mitigate risks associated with service redesign and transformation e.g.: legal challenge, delay in achieving defined savings targets within given year(s), risks linked to market changes for example; planning delays, market forces on costs and delays in exit strategies as services are redesigned and recommissioned.
Market failure support e.g.: providers in administration and associated costs with transfer of business and staffing.	Service savings	1,140		1,140					1,140	Mitigate risks of provider failure in light of duties in the Care Act: Indemnity for transfer of staff to a new provider in the case of a company going into administration (Southern Cross experience) that is not managed nationally and has to be coped with locally under new legislation. To cover costs associated with a provider going into administration to enable the service to continue uninterrupted e.g.: staff wages, overheads. And to mitigate the risk of judicial review in negotiating and securing a fair price for care from the market.
Impact of costs associated with outsourcing e.g.: costs of repairs to buildings, pension liabilities.	Service savings	1,220		1,220					1,220	To mitigate the risk of liability for a number of legacy and current issues with outsourcing services e.g.: significant and historical pension liabilities of small/medium community and voluntary sector organisations within the local authority pension fund, building costs associated to any buildings transferred that require ongoing maintenance, funding deficits linked to outsourcing services.
Potential impact on health integration e.g.: cost shunting, exit strategy costs.	Service savings	1,424		1,424					1,424	To mitigate the risk of health service changes that may shunt costs towards social care e.g.: reduction in admissions to acute care through BCF and the increased pressures on social care provision (market shape).
<b>Strategic Comm. Sub-Total</b>		<b>4,782</b>	<b>0</b>	<b>4,782</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>4,782</b>	
<b>People Group Total</b>		<b>19,041</b>	<b>0</b>	<b>19,041</b>	<b>0</b>	<b>922</b>	<b>(226)</b>		<b>19,737</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Economic Growth</b>										
Waste Management	Service savings	450		450			(150)	To fund Behaviour Change activity, an One Organisational Plan savings requirement from 2015-16 for 3 years.	300	To fund Behaviour Change activity, an One Organisational Plan savings requirement from 2015-16 for 3 years.
Business Centres including Building Maintenance Liabilities	Trading	515		515					515	To invest in this traded service to meet essential maintenance costs at the Business Centres, to ensure that the quality of the service offer is maintained.
Accommodation Reserve	Service savings	29		29					29	To meet costs of internal accommodation changes not funded by Physical Assets.
Development Group Realignment	Service savings	134		134					134	To manage the volatility of income streams in Development Group, e.g. planning application fees. The reserve also includes £84,000 of specific grant funding used to develop the infrastructure of the service.
Economic Growth Service Savings	Service savings	219		219	(119)		(100)	To fund regeneration priorities, including town centre initiatives and tourism.	0	
S38 Developer Funding	Earmarked - external	940		940					940	Substantial increase in S38 agreements has greatly increased revenue income. This is needed to cover works and employee costs that span several years. This reserve was established by Cabinet in the Quarter 1 Organisational Health report 2013/14.
European Match Funding Reserve	Service savings	332		332			(45)	Funding of an officer to work with partners to develop a pipeline of projects which could attract European Match funding. Includes residual balance of £200,000 allocation in the 2013/14 budget resolution, being used to fund an Inward Investment Officer.	287	A Match Funding reserve to attract future European Funding, established by Cabinet in the Quarter 3 Organisational Health Report 2013/14. Also includes future years funding for Inward Investment.
Flood Management Reserve	Service / Earmarked - external	630		630					630	£200,000 of this reserve was set up by Cabinet in the Quarter 2 Organisational Health Report 2013/14 to use as match funding contribution to future projects. It also includes £430,000 of external grant income received in 2014/15 but not planned to be used until 2015/16 and future years.
Ecology & Archaeological Information and Advice	Service savings	102		102			(36)	Funding for an Ecology Planner for one year to cope with high levels of demand.	66	Future funding to deal with expected demand increases for Ecology & Archaeological information and advice.
Infrastructure Group Reserve	Service savings	58		58					58	To maintain a funding stream for Infrastructure Group for future financial years.
Going for Growth Apprenticeship Hub	Earmarked - policy	103		103					103	To fund the Apprenticeship Hub in future financial years.
Skills Delivery for Economic Growth	Earmarked - policy	470		470					470	This is the balance of re-profiled skills delivery settlement included in the 2014/15 budget resolution.
Rural Growth Network	Earmarked - external	1,260		1,260					1,260	Balance of Rural Growth Network funding to be used to complete the Regional Growth Network project.
HS2 Phase 2	Earmarked - policy	250		250					250	Unused allocations for HS2 held in reserve to meet future costs of responding to HS2 project.
<b>Economic Growth Sub-Total</b>		<b>5,492</b>	<b>0</b>	<b>5,492</b>	<b>(119)</b>	<b>0</b>	<b>(331)</b>		<b>5,042</b>	
<b>Education and Learning</b>										
Business Unit Savings	Service savings	717	(717)	0					0	
Special Education Needs and Disabilities Grant	Earmarked - external	748		748					748	Special Education Needs and Disabilities (SEND) grant earmarked for transition spending up to end of March 2017. A plan has been approved by the SEND Board for the 3 years of transition and is regularly reviewed at SEND board meetings.
Early Years Pupil Premium Implementation	Earmarked - external	31		31					31	Pupil Premium Grant received in quarter 4 2014/15, to be used to meet spending needs on Pupil Premium Implementation
<b>Education and Learning Sub-Total</b>		<b>1,496</b>	<b>(717)</b>	<b>779</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>779</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Localities and Community Safety</b>										
DAAT Reserves	Earmarked - external	451		451				To be used to offset potential overspends during 2015/16	451	Partner resources for the DAAT which must be used for specified purposes.
Museum Development Fund	Earmarked - external	232		232					232	Donations to Heritage and Culture which must be used for specified purposes.
Museum Ethnographic Fund	Earmarked - external	18		18					18	
Records Purchase Fund	Earmarked - external	19		19					19	
Records Donations Fund	Earmarked - external	58		58					58	
Business Unit Savings	Service savings	355		355			(113)	£25,000 funding to complete Community Safety and Domestic Abuse projects that the service have been unable to complete during 2014/15 £20,000 to develop the Trading Standards Case Management System £6,000 carry-forward of the Hate Crime Grant in Rural Services. £62,000 unspent Councillor grants in the North Warwickshire Area	242	To meet any overspends compared to the 2015/16 budget allocation for Localities and Community Safety.
Family Intervention Project	Earmarked - policy	461		461					461	Funding required to meet future costs of the Family Intervention Project.
Trading Standards	Trading	52		52					52	To meet future variances in the performance of the Calibration service.
Proceeds of Crime	Earmarked - external	27		27					27	Proceeds of Crime Act income ring-fenced to fund further cases.
Community Safety Statutory Reviews	Earmarked - external	105		105					105	Ring-fenced sum to fund unavoidable costs of Community Safety statutory reviews on domestic homicide.
Secure Remand Reserve	Earmarked - external	405		405					405	Partner resources for Secure Remand which must be used for specified purposes.
Priority Families Reserve	Earmarked - policy	1,382		1,382					1,382	The balance of government funding for the Priority Families initiative to support the delivery of phase 2 of the programme.
Heritage and Culture Services - Our Warwickshire	Earmarked - external	190		190					190	The funds are held in reserve to complete the "Our Warwickshire" Heritage Lottery Fund projects.
<b>Localities and CS Sub-Total</b>		<b>3,755</b>	<b>0</b>	<b>3,755</b>	<b>0</b>	<b>0</b>	<b>(113)</b>		<b>3,642</b>	
<b>Public Health</b>										
Business Unit Savings	Earmarked - external	1,131		1,131			(121)	£100,000 - Act on Energy Grant payment to be delivered in 2015/16, funded from Winter Pressures grant from government. £18,000 - Qualitative research to assess the health impact of the welfare reforms on residents in Warwickshire. £3,315 - Literature searching / Academic Library Access Function	1,010	Balance of Public Health ring-fenced grant.
Family Nurse Partnership	Service savings	678		678					678	Funding set aside for investment in the Family Nurse Partnership, approved by Cabinet in Quarter 3 2014/15.
<b>Public Health Sub-Total</b>		<b>1,809</b>	<b>0</b>	<b>1,809</b>	<b>0</b>	<b>0</b>	<b>(121)</b>		<b>1,688</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In- hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Transport and Highways</b>										
Speed Awareness Workshops	Earmarked - external	1,044		1,044			(124)	To fund capital upgrades of red-light cameras.	920	Ring-fenced reserve consisting of WCC and Police funding, capped at an agreed level of £920,000 with Warwickshire Police.
Street Lighting Energy Reduction	Service savings	1,000		1,000			(1,000)	To fund implementation of energy efficient LED street lighting.	0	
Kenilworth Station	Service savings	421		421					421	To fund future revenue expenditure for Kenilworth Station including the train service subsidy.
County Fleet Maintenance Reserve	Trading	25		25					25	To fund future volatility in traded service performance.
Concessionary Travel Reserve	Earmarked - policy	938		938		(726)	(62)	Development and Implementation of new IT systems for Concessionary Travel.	150	£212k to be retained for new IT systems and development of an eligibility assessment scheme, of which £62k to be used in 2015/16
Design Services Reserve	Trading	271		271					271	To fund transformation of service to maintain traded income.
Traffic Model Revenue Fund	Service savings	109		109					109	Reserve for development of the traffic model, where income is earmarked for further development.
Business Unit Savings	Service savings	1,273		1,273	(1,064)		(209)	£90,000 - Purchase of Vehicle Activated Signs, order committed in 2014/15 but delivery and installation will be in 2015/16. £119,000 - Total Transport Pilot Fund grant received from DfT in 2014/15, ringfenced for a project in 2015/16 to integrate community & voluntary transport.	0	
<b>Transport Sub-Total</b>		<b>5,081</b>	<b>0</b>	<b>5,081</b>	<b>(1,064)</b>	<b>(726)</b>	<b>(1,395)</b>		<b>1,896</b>	
<b>Total Communities Group</b>		<b>17,633</b>	<b>(717)</b>	<b>16,916</b>	<b>(1,183)</b>	<b>(726)</b>	<b>(1,960)</b>		<b>13,047</b>	



## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In- hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Customer Service</b>										
Warwickshire Local Welfare Scheme	Earmarked - policy	742		742					742	The reserve will continue to support this area of need and offer reactive support during future years, once this grant ceases to be in existence.
Customer Journey	Service savings	0	100	100			(100)	The Supporting People and Customer Journey programmes require significant one-off investment to fundamentally redesign a number of services. The funding is required to fund external contractors including: • Business analyst support – to map the current 'as-is' process and develop the 'to-be' process. Development support – to build the new processes and specifically for their development in our Customer Relation Management	0	
Digital Printer	Service savings	0	27	27			(27)	New Colour Digital Printer. Investment would enable improved service reliability and stability. Our present Xerox machine is over nine years old and unreliable which is constantly breaking down. This new equipment will enable; improved financial performance, enable cost savings from running costs, improve printer quality and deliver improved finishing services to customers i.e. folding & booklet making. This new machine will also open up opportunities to increase income by reducing outsourcing of envelope printing as this can be done on the new machine.	0	
Business Unit Savings	Service savings	182	(182)	0					0	
<b>Customer Service Total</b>		<b>924</b>	<b>(55)</b>	<b>869</b>	<b>0</b>	<b>0</b>	<b>(127)</b>		<b>742</b>	
<b>Finance</b>										
Financial Training	Service savings	95		95					95	This reserve is to train more finance staff for formal qualifications (to provide value added support to the organisation) In addition, it is planned that a training offer of finance for non-finance managers to address the challenges of implementing the OOP should also occur over the next couple of years.
Business Unit Savings	Service savings	32	(32)	0					0	
<b>Finance Sub-Total</b>		<b>127</b>	<b>(32)</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>95</b>	
<b>Human Resources</b>										
Going for Growth - Apprenticeship Scheme	Earmarked - policy	658		658					658	Ring fenced budget for 3 years to allow the apprenticeship programme to continue
Business Unit Savings	Service savings	(10)	10	0					0	
<b>Human Resources Sub-Total</b>		<b>648</b>	<b>10</b>	<b>658</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>658</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In- hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Information Assets</b>										
Schools ICT	Service savings	200		200					200	These reserves are planned to be spent in 2015/16 as part of revised Traded Services developments, including new training accommodation following the closure of Wedgcock House
Unit Charge Equalisation Account	Earmarked - policy	325		325					325	The first half was spent on the new WAN in 2014/15 and the remainder is due to contribute to a Unified Communications approach in 2015/17. Both these projects deliver new approaches with reduced revenues costs which are required to deliver the OOP.
Going for Growth - BDUK	Earmarked - policy	1,031		1,031					1,031	This is the Going for Growth revenue budget that will be used to contribute to the extended BDUK project as agreed as part of the Council approval in 2014/15
Business Unit Savings	Service savings	260	(260)	0					0	
<b>Information Assets sub-total</b>		<b>1,816</b>	<b>(260)</b>	<b>1,556</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>1,556</b>	
<b>Law and Governance</b>										
Counter Fraud Grant Reserve	Earmarked - external	96	0	96			(48)	Counter Fraud Grant - received funding for £96k for specific works and requested to members that 50% was included in a reserve and that work to cover the other 50% would be undertaken in 2014./15. This has not been possible and so a request to move this funding into next year to carry out this work.	48	The Warwickshire Counter Fraud Partnership Grant is a ring-fenced grant and as such any amounts unspent is to be returned to the awarding body. Work is programmed to take place in 2015-16
School Governance	Service savings	0	12	12			(12)	Ofsted has clear expectations that Local Authorities will monitor school performance and leadership & management, including governance, and provide effective, timely support and intervention. Governor Services needs to put in a place a governance programme which complements the School Improvement team's new School Improvement Strategy. 1. Pre-emptive health checks to identify governance risk factors, likely to include- review of training records, website audit, review of meeting agendas / minutes etc. This may generate a range of interventions, including targeted advice, training, governance reviews (traded income), additional governor appointments, Interim Executive Boards. 2. External Reviews of governance (mainly funded by schools)3. Follow up assessments of schools 6 months after governance reviews. The carry forward sum is proposed as a major contribution to the above	0	
Business Unit Savings	Service savings	247	(247)	0					0	
<b>Law and Governance sub-total</b>		<b>343</b>	<b>(235)</b>	<b>108</b>	<b>0</b>	<b>0</b>	<b>(60)</b>		<b>48</b>	
<b>Physical Assets</b>										
Catering Equalisation Account	Earmarked - policy	401		401					401	This reserve manages the risk of a significant drop in trading days in any one year due to external circumstances
Planning Reserve	Service savings	320	140	460			(140)	Carry forward of unused Planning Application Reserve funding (£140k). It should be assumed that it will be spent in 2015/16. Three planning applications have already begun their preparations.	320	To maximise the return from the council's assets, large developable assets have their value enhanced considerably if attached to them is a planning consent for development.
Business Unit Savings	Service savings	934	(934)	0					0	
<b>Physical Assets Sub-Total</b>		<b>1,655</b>	<b>(794)</b>	<b>861</b>	<b>0</b>	<b>0</b>	<b>(140)</b>		<b>721</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Service Improvement and Change Management</b>										
Living in Warwickshire Survey	Service savings	0	20	20			(20)	Living in Warwickshire Survey 2015/16 - funding to match contribution from Public Health for the second Living in Warwickshire survey. We would seek to carry out the survey in Autumn 2015. The survey will use a range of different research methods for this project, rather than focussing solely on a paper based survey.	0	
Project Management	Service savings	190		190					190	Funds to be transferred into reserves to support Business Unit's transition to new operating model to ensure the delivery of the Organisational OOP savings
Business Unit Savings	Service savings	67	(67)	0					0	
<b>SICM Sub-Total</b>		<b>257</b>	<b>(47)</b>	<b>210</b>	<b>0</b>	<b>0</b>	<b>(20)</b>		<b>190</b>	
<b>Resources Group Reserves</b>										
Transformation Fund	Service savings	1,704		1,704					1,704	This reserve continues to pump prime traded services to ensure that they are commercially viable and offer competitive and sustainable services to customers in an ever increasingly competitive market place. The funding will be specifically aimed at supporting new business structures and delivery models across the
System Replacement	Service savings	0	1,413	1,413					1,413	In the next two years, it is likely that the Resources Group will need to replace some Business Systems that have been used for many years e.g. the HR Management System and the analogue telephony system. Replacing these systems will improve data and processes across the Council. However, such replacements require significant investment. This fund will enable the replacement of these systems to be funded now rather than formally requesting capital investment later, which would incur future debt and charges.
Resources Group Savings	Service savings	766	0	766					766	This is a general reserve held on behalf of the Group that provides a level of assurance should the Group incur unforeseen financial costs.
<b>Resources Group Sub-Total</b>		<b>2,470</b>	<b>1,413</b>	<b>3,883</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>3,883</b>	
<b>Total Resources Group</b>		<b>8,240</b>	<b>0</b>	<b>8,240</b>	<b>0</b>	<b>0</b>	<b>(347)</b>		<b>7,893</b>	
<b>Fire &amp; Rescue</b>										
Pensions	Earmarked - policy	79	0	79			0		79	This reserve will support any variations in the revenue costs of the Firefighters Pension Scheme.
Fire Control Project	Earmarked - external	909	0	909			(400)	This specific earmarked grant will fund the completion of the Fire Control Project.	509	This reserve will support the delivery of the remainder of the Fire Control Project and will be drawn down during 2015/16 as required.
Service Savings	Service savings	626	0	626			(200)	This carry forward will support the delivery of the Fire & Rescue Service Transformation Programme including the ongoing changes to working patterns and operational response arrangements over the next three years.	426	This reserve will be used to support the delivery of the Fire & Rescue Service Transformation Programme in 2016/17.
<b>Total Fire &amp; Rescue</b>		<b>1,614</b>	<b>0</b>	<b>1,614</b>	<b>0</b>	<b>0</b>	<b>(600)</b>		<b>1,014</b>	

## Analysis of Reserves as at 31 March 2015

Service	Reserve Category (See Note)	Balance on Reserves at 31 March 2015 In-hand (Overdrawn) A £'000	Movements within Groups B £'000	Revised Reserves In-hand (Overdrawn) C = A+B £'000	Repay Borrowing D £'000	Transferred (to)/from General Reserves E £'000	Requested Carry Forward to 2015/16 F £'000	Head of Service explanation of what the requested carry forward will fund in 2015/16	Retained Balance at 1 April 2015 G = C+D+E+F £'000	Head of Service explanation of what risks or expected spend is this being held for?
<b>Other Services</b>										
Audit Fee Reserve	Service savings	563		563					563	The external audit fee is variable between years depending on the auditors perceived level of financial risk, the number of additional grant claims to be audited and investigations into any issue that emerge during the audit or are reported to the auditors. This reserve of accumulated underspends ensures that in any one year there will be no impact on the revenue budget. The appropriate level for the reserve going forward will be reviewed as part of the 2016/17 OOP refresh.
Capacity Building Fund	Earmarked - policy	1,454		1,454					1,454	Residual funding to support capacity building projects across the authority. The on-going budget has been deleted and therefore once this funding has been used no future funding will be available.
Carbon Reduction Commitment Scheme	Earmarked - policy	526		526					526	Funding set aside from underspends in previous years to manage the fluctuations in the cost of carbon commitments faced by the authority. The appropriate level for the reserve going forward will be reviewed as part of the 2016/17 OOP refresh.
Community Infrastructure Levy	Service savings	301		301					301	Funding set aside to support the County Council's work in ensuring the effective implementation of the Community Infrastructure Levy across Warwickshire
Interest Rate Volatility Reserve	Earmarked - policy	4,320		4,320					4,320	Interest rates are currently at an all time low. This reserve will allow fluctuations in interest rates, as they impact on both the interest we can earn and the interest we pay on any borrowing to be smoothed and avoid the need to allocate resources to fund capital financing costs whilst spend/borrowing is at the level set out in
National Non-Domestic Rates Appeals	Service savings	1,047		1,047					1,047	There remains a significant backlog in business rates appeals that have yet to be settled and may go back several years. This reserve will enable any impact on the County Council to be managed without the need to commit scarce resources.
National Non-Domestic Rates Pool	Earmarked - policy	(269)		(269)					(269)	This overdrawn reserve is the net deficit on the business rates pool. Each Pool member is required to make good their element, if they decide to leave the Pool. The liability is shared across Pool members and is not the responsibility of the County Council. It is held as part of the County Council's accounts because we are the lead authority.
Quadrennial Elections	Earmarked - policy	239		239					239	The reserve will accumulate over four years, it will then be used to fund the cost of the County Council elections. Without this reserve a spending pressure of £1 million would need to be provided for in the budget every four years and funding for by-elections identified as and when they are needed.
<b>Total Other Services</b>		<b>8,181</b>	<b>0</b>	<b>8,181</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>8,181</b>	
<b>Corporate Reserves</b>										
General Reserves	Earmarked - policy	19,385		19,385		(754)			18,631	Reserve set aside to meet corporate financial risks that are not covered elsewhere by business unit reserves. The Head of Finance specifies each year the minimum amount that must be held in General Reserves. For 2015/16 this is £16.5 million.
Medium Term Contingency	Earmarked - policy	20,499		20,499					20,499	Funding set aside to manage timing differences between the delivery of savings and spending need across the four years of the One Organisation Plan.
Service Realignment Fund	Earmarked - policy	11,879		11,879					11,879	Funding set aside to meet the costs of redundancies/early retirements that arise as a result of the reduction in staff numbers that forms part of the OOP. Without this funding any costs would have to be met from within service budgets.
Capital Fund	Earmarked - policy	1,040		1,040					1,040	Funding set aside from capital receipts to meet the sale expenses and any associated fees.
Insurance Fund	Earmarked - policy	8,460		8,460					8,460	As an authority it is financially a better option to self-insure for some risks. We also have a number of excesses on the various corporate insurance policies. This Fund provides cover for both of these risks.
Centrally managed support for schools (DSG)	Earmarked - external	(1,275)	717	(558)		558			0	This is the balance of ring-fenced funding for support for schools and pupils that is the responsibility of the County Council. The funding cannot be used for any other purpose.
Schools	Earmarked - external	14,460		14,460					14,460	This is the net level of school reserves. Any decisions about the use of this funding rest with individual
<b>Total Corporate Reserves</b>		<b>74,448</b>	<b>717</b>	<b>75,165</b>	<b>0</b>	<b>(196)</b>	<b>0</b>		<b>74,969</b>	
<b>TOTAL</b>		<b>129,157</b>	<b>0</b>	<b>129,157</b>	<b>(1,183)</b>	<b>0</b>	<b>(3,133)</b>		<b>124,841</b>	

**Note - Reserve Categories**

Earmarked (External) - Central Government and other external partners/funding bodies require these reserves are used for a specific purpose.

Earmarked (Policy) - Reserves that have been set up following specific Member approval.

Trading - Reserves generally retained by Traded Services to smooth out surpluses and deficits over a number of years.

Service Savings - Underspends by services which may be accumulated to meet known future spending pressures, savings plans or as a contingency against future unknown service pressures.

**Customer Services - Kushal Birla**  
**Strategic Director - David Carter**  
**Portfolio Holder - Councillor Kaur (Customers)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Marketing and Communications	416		416	347	(69)	Over achievement of income.
Customer Contact	2,450		2,450	2,501	51	The Warwickshire Local Welfare Scheme was overspent by £16,435. The remainder of the overspend was due to the provision of additional staff to manage the workload in the Supporting People Customer Service Team.
Customer Relations	220		220	236	16	
Face to Face (including Libraries and Registration Service)	4,113		4,113	3,914	(199)	£50k underspend in the Library Service relates to a revision in the project specification for card payments on self service kiosks in Libraries. A revised specification has been agreed which will cost less. The underspend in the Registration Service relates to an over achievement of income in the year.
Other Customer Services	867		867	461	(406)	This underspend is supporting significant projects including the Digital by Default, Adult Social Care Supporting People and Customer Relationship Management System integration projects. This underspend also funded the overspend in relation to the Supporting People Customer Service Team above.
Business Development	567		567	933	366	The overspend is in relation to development projects which are being funded by the Other Customer Service budget, see above.
Traded Services - Educational	(33)		(33)	(32)	1	
Traded Services - Non Educational	(112)		(112)	(38)	74	Under achievement of income target in Print Services. The Service is reviewing its current service offer and looking at alternative sources of income.
<b>Net Service Spending</b>	<b>8,488</b>	<b>0</b>	<b>8,488</b>	<b>8,322</b>	<b>(166)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Savings	0	0	182	182	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
Warwickshire Local Welfare Scheme	663	95	(16)	742	
<b>Total</b>	<b>663</b>	<b>95</b>	<b>166</b>	<b>924</b>	

**2013/14 to 2014/15 Savings Plan (Savings that slipped into 2014/15)**

Reference	Savings Proposal Title	2013/14		2014/15		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
	Savings delivered in 2011/12 and 2012/13	824	788	824	788	788
CW-CL-01 and 12	Customer Relations	50	50	50	50	50
CW-CC-02	Library Services reconfiguration	471	471	621	621	621
CW-CC-03	Integrated Model for Communications	93	129	93	129	129
	<b>Total</b>	<b>1,438</b>	<b>1,438</b>	<b>1,588</b>	<b>1,588</b>	<b>1,588</b>
	<b>Target</b>		<b>1,438</b>		<b>1,588</b>	<b>1,588</b>
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>		<b>0</b>	<b>0</b>

G Customer Service

2014/15 to 2017/18 Savings Plan

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/CS-A	Reduction in the budget for the Local Welfare Scheme	150	150	150	150	150	150	150	150	150	150	
OOP/CS-B	Applying additional income targets to the Registration Service	150	150	150	205	205	205	205	205	305	305	
OOP/CS-C	Reduction in the Customer Service Improvement & Development programme.	40	40	40	80	80	80	120	120	120	120	
OOP/CS-D	Reduction in the Customer Services Projects.	70	70	70	120	120	120	120	120	150	150	
OOP/CS-E	Stop the Going the Extra Mile (GEM) Programme (Staff Recognition Scheme)	10	10	10	10	10	10	10	10	10	10	
OOP-CS-F	Redesigning the Customer Relations Service which may include a reduction in staffing numbers	0	0	0	25	25	25	55	55	55	55	
OOP-CS-G	Exploring the potential for income generation through a more targeted communications approach and also include a reduction in staffing	0	0	0	60	60	60	30	30	30	30	
OOP-CS-H	Implementation of the Digital by Default programme by reducing opening hours and reducing the demand placed on the Customer Service Centre and face to face outlets.	0	0	0	0	0	0	150	150	346	346	
OOP-CS-I	Improve the effectiveness of the whole library network	0	0	0	0	0	0	100	100	100	100	
OOP-CS-J	Management restructure to reflect the changes and realignments of responsibilities across the Business Unit	0	0	0	0	0	0	0	0	112	112	
	<b>Total</b>	<b>420</b>	<b>420</b>	<b>420</b>	<b>650</b>	<b>650</b>	<b>650</b>	<b>940</b>	<b>940</b>	<b>1,378</b>	<b>1,378</b>	
	<b>Target</b>		<b>420</b>	<b>420</b>		<b>650</b>	<b>650</b>		<b>940</b>		<b>1,378</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>		<b>0</b>	

2014/15 to 2017/18 Capital Programme

Project Code	Description	Approved Budget					Final Outturn					Variation		Reasons for Variation and Management Action
		Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
10155000	Improve Customer Experience in Council Buildings and DDA Works 2009/10	48	0	150	303	501	48	0	0	453	501	0	0	
10624000	Libraries Radio Frequency Identification	894	(7)	0	0	887	894	(7)			887	(0)	(0)	
10631000	Library Modernisation Linked To Best Value	331	0	0	0	331	331	1			332	1	1	
10645000	One-Stop Shops Expansion Programme 2009/10	0	44	226	0	270	0	0	205	65	270	(44)	1	Projects delayed including new Southam and refurbishing ground floor at Kenilworth Libraries
11040000	Improving the Customer Experience/One Front Door Improvements	41	185	600	2,224	3,050	41	141	400	2,467	3,049	(44)	(0)	See above
11293000	Community Information Hubs	0	81	19	0	100	0	47	64	0	111	(34)	11	There has been a delay in the installation of some of the hubs for the following reasons: permission needed to be obtained from partners and sourcing a suitable supplier who could provide the secure bespoke hubs. In addition the increase in the overall project relates to a revenue contribution from the Registration Service for one hub.
11332000	Purchase of new transit van reg no. YR14 ZSN	0	14	0	0	14	0	14	0	0	14	(0)	(0)	
		<b>1,314</b>	<b>317</b>	<b>995</b>	<b>2,526</b>	<b>5,152</b>	<b>1,314</b>	<b>196</b>	<b>669</b>	<b>2,985</b>	<b>5,164</b>	<b>(120)</b>	<b>12</b>	

## Results for Key Business Performance Measures April 2014 to March 2015

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to date	Actions to be taken
KBM	% increase in customer overall satisfaction	High	Quarterly	80%	80%	Green	For 2014/15 report card, this measure is based on current customer satisfaction with campaigns delivered.	
KBM	% increase in customer satisfaction levels with the quality of service provided	High	Quarterly		Retained	Green	Linked to maintaining customer service excellence standard. We are reporting green against this measure for 2014/15. This will be collected as part of Resources Group Annual Survey and reported by year end. Would expect to see an improvement on previous results	
KBM	% of business cases that are commissioned to deliver against clearly defined outcomes	High	Quarterly	100%	100%	Green		
KBM	Services are delivered on time and within budget	Plan	Quarterly	Achieved	Achieved	Green		
KBM	Customer satisfaction with ease of access to services	Plan	Quarterly	Achieved	Achieved	Green	This will be collected as part of Resources Group Annual Survey and reported by year end. Would expect to see an improvement on previous results	Identify baseline from previous results
KBM	% staff satisfied with the council as an employer	High	Quarterly	71%	72%	Amber	Compared to the ORC Benchmarking Median, results for the Business Unit are slightly below the benchmarking median for this measure	Actions will be implemented to improve 2015 staff survey results
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Quarterly	80%	80%	Green	Learning & Development in the majority of areas is on target. The plan for the Customer Service Centre will need to be revisited.	CSC Learning & Development plan being revised
KBM	% staff expressing satisfaction with their manager as a leader	High	Quarterly	34.70%	43%	Red	Compared to the ORC Benchmarking Median, results for the Business Unit are below the ORC benchmarking median for the measure on Snr Managers providing effective leadership	Actions will be implemented to improve 2015 staff survey results
KBM	All business unit key activities are delivered on time and within budget	High	Quarterly	100.00%	100%	Green		
KBM	Staff have access to resources that allow them to do their job	Plan	Quarterly	68.90%	65%	Green	Compared to the ORC Benchmarking median for this measure, Customer Services is well above the benchmark set	
KBM	Savings delivered	Plan	Quarterly	Achieved	Achieved	Green		
KBM	Budgets within -2%/+0	Plan	Quarterly	-1.95%	less than 2%	Green	Overall budget on target.. However, underachievement of income in Print Unit. Overspends in Customer Contact and Business Development will be supported by Other Customer Services budget to support critical projects.	Business case on future priorities for the Print Unit is currently being revised
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	1%	1%	Green		
KBM	Service standards published for all services	100	Quarterly	Achieved	Achieved	Green		
KBM	% of Business cases that are commissioned to deliver against clearly defined outcomes	100	Quarterly		100%	Green		
KBM	Standards for complaint handling are met	100	Quarterly	21% ASC, 15% CSC, 45% general	80% ASC, 60% CSC, 80% general	Red	Proactive dialogue is taking place with colleagues in People Group and Communities Group regarding the non-compliance of the standards. There is an action plan being monitored by each respective GLT. Elected members are also being kept informed of the action plan.	
KBM	Maintain Customer Excellence Accreditation to ensure effective management of customer expectations	Plan	Quarterly	Maintained	Maintain	Green		
KBM	Staff have access to resources and information which allows them to do their job	High	Annually	68.90%	65%	Green	Compared to the ORC Benchmarking median for this measure, Customer Services is well above the benchmark set	
KBM	Information required by decision makers is dispatched in a timely manner and to timescales set	Plan	Quarterly	Achieved	Yes	Green	All reports to Members are prepared and circulated on time and in accordance with CMIS	
KBM	Average time taken by members and Senior Officers to make formal decisions	Low	Quarterly	N/A	TBD	N/A	This measure is currently unavailable and is an organisational health measure	
KBM	Number of adverse decisions from legal challenges is low	Low	Quarterly		0		Information provided by Law & Governance and held centrally as part of Organisational Health Measures	
KBM	All Resources Group business Units key activities are delivered on time and within budget	100	Quarterly	100%	100%	Green		
KBM	Risks identified are managed and reviewed monthly	High	Monthly	To Plan	To Plan	Green	Performance has been reported in accordance with Magique.	The risks identified for Customer Service continue to be reviewed and monitored on a regular basis.

**Finance - John Betts**  
**Strategic Director - David Carter**  
**Portfolio Holders - Councillor Cockburn ( Deputy Leader and Finance)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Head of Service	223		223	284	61	The main reason for the underspend was due to delays in recruiting to posts (a Chief Accountant post in Corporate Finance and vacancies in the People Group finance team). Some of this is being covered by temporary staff so that service standards can be maintained. Posts in Procurement were held pending OOP savings to be delivered in 2016/17. A lower than anticipated overhead charge has meant we have recovered less from the Pension Fund (hence the overspend in the Treasury / Pensions area), creating a real spending pressure for future years. Traded services (Payroll and Schools Finance) exceeded their surplus targets.
Corporate Finance and Advice	665		665	569	(96)	
Treasury, Exchequer, Finance Systems, Pensions	408		408	614	206	
Communities Group and Fire & Rescue Local Finance, Procurement	778		778	674	(104)	
People Group Local Finance, Financial Benefits & Advice	1,854		1,854	1,770	(84)	
Resources Local Finance, Schools Strategy & Support, Payroll	710		710	736	26	
Traded Services - Education	(234)		(234)	(262)	(28)	
Traded Services - Non Education	(190)		(190)	(203)	(13)	
<b>Net Service Spending</b>	<b>4,214</b>	<b>0</b>	<b>4,214</b>	<b>4,182</b>	<b>(32)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Savings	0	0	32	32	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
Finance Training Reserve	0	95	0	95	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>32</b>	<b>127</b>	



2014/15 to 2017/18 Savings Plan

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/FIN-A	The reduction of financial advice and support to Managers and Members	211	211	211	211	211	211	211	211	211	211	Redundancy made later than planned, so there was not a full year effect in 2014/15 (but will be thereafter). One-off shortfall was met from underspend elsewhere in the Business Unit.
OOP/FIN-B	Charge district councils for payroll services previously delivered free	40	40	40	40	40	30	40	30	40	30	This was not an issue for 2014/15, but Nuneaton & Bedworth and Warwick have since transferred their payroll requirements to Coventry, so this impacts on 2015/16, where compensating savings or additional income will need to be found from either further reductions in financial support to managers and members, or generating further income (we have been successful in securing a payroll contract with Hereford & Worcester Fire service).
OOP/FIN-C	Better use of financial systems to generate efficiencies, maximise income and minimise transaction costs	0	0	0	250	0	0	327	327	327	327	Propose putting the original savings proposal back from 2015/16 to 2016/17, to better respond to the Care Act implementation (where there is considerable uncertainty regarding additional transactional activity) and to maximise efficiencies from Agresso (where we are still generating efficiencies, but need additional time to reconfigure processes)
OOP/FIN-D	Improvements in procurement, treasury management, debt management and redemption and cash flow / reserves to reduce cost	0	0	0	0	250	260	173	173	422	432	Proposal is to bring forward a proportion (£250k) of this savings proposal to offset OOP/FIN-C above, by more pro active management of cash with a broader range of institutions, whilst retaining liquidity and being prudent.
<b>Total</b>		<b>251</b>	<b>251</b>	<b>251</b>	<b>501</b>	<b>501</b>	<b>501</b>	<b>751</b>	<b>741</b>	<b>1,000</b>	<b>1,000</b>	
<b>Target</b>			<b>251</b>	<b>251</b>		<b>501</b>	<b>501</b>		<b>751</b>		<b>1,000</b>	
<b>Remaining Shortfall/(Over Achievement)</b>			<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>10</b>		<b>0</b>	

2014/15 to 2017/18 Capital Programme

Project Code	Description	Approved Budget					Final Outturn					Variation		Reasons for Variation and Management Action
		Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
11334000	Share purchase in Local Capital Finance Company	0	200	0	0	200	0	200	0	0	200	0	0	
		<b>0</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>0</b>	

Results for Key Business Performance Measures April 2014 to March

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to Date	Actions to be taken
KBM	Savings delivered	Plan	Quarterly	Achieved	Achieved	Green	Delivered savings of £250k in line with OOP.	
KBM	Budgets within -2%/+0	Plan	Quarterly	-0.79%	Under 2%	Green	There were a number of individual variances (highlighted in the outturn position for the Business Unit), but overall the variation of £32k was within the 2% target.	
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	on track	Achieved	Green	Both Payroll and Schools Finance delivered agreed financial targets.	
KBM	Service standards published for all services	100	Quarterly	Achieved	Achieved	Green	Service standards were in place and published for start of the financial year.	
KBM	% of Business cases that are commissioned to deliver against clearly defined outcomes	100	Quarterly	Achieved	Achieved	Green	Based primarily on single business case around payroll / HR for 2014 / 2015.	
KBM	% Increase in customer satisfaction with the quality of service provided	High	Quarterly	4%	2% improvement	Green	Based on 2013 customer survey for local finance, procurement, payroll and pensions.	
KBM	Services are delivered on time and within budget	100	Quarterly	Achieved	Achieved	Green	All key measures were met and delivered within budget.	
KBM	% Customer Satisfaction levels	High	Annually	68%	66%	Green	Based on 2013 customer survey for local finance, procurement, payroll and pensions.	

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to Date	Actions to be taken
KBM	% Customer satisfaction with ease of access to services	High	Annually	89%	80%	Green	Based on 2013 (meet your needs) question, including "neutral" response - last available data.	
KBM	% staff satisfied with the council as an employer	High	Annually	82%	77%	Green	2014 survey, compared with Group average.	
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Annually	Partial	Achieved	Amber	Partly achieved, but need to identify how to better capture the data.	
KBM	% staff expressing satisfaction with their manager as a leader	High	Annually	76%	76%	Green	Based on Q22 of staff survey.	Review management competencies as part of appraisal process
KBM	All Resources Group Business Units key activities are delivered on time and within budget	Plan	Quarterly	Achieved	Achieved	Green	Currently on target to deliver all key measures within budget within the Finance Business Unit	
KBM	Staff have access to resources and information which allows them to do their job	High	Annually	77%	71%	Green	Based on average of Q7 and Q8 of 2014 staff survey.	
KBM	Information required by decision makers is dispatched in a timely manner and to timescales set	Plan	Quarterly	Achieved	Achieved	Green	Based on no finance led reports being late to either Corporate Board or Cabinet / Council.	
KBM	Average time taken by members and Senior Officers to make formal decisions	Low	Quarterly	Achieved	TBD	N/A	This is a new measure - methodology being developed	
KBM	Number of adverse decisions from legal challenges is low	Low	Quarterly	0	0%	Green	Judicial Review found in favour on the budget issues.	
KBM	Risks identified are managed and reviewed monthly	High	Monthly	Partly Achieved	Achieved	Amber	Steps are now in place to review risks monthly, but this was not in place at the beginning of the year.	

**Human Resources and Organisational Development - Sue Evans**  
**Strategic Director - David Carter**  
**Portfolio Holder - Councillor Kaur (Customers)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Employee Relationships	1,529		1,529	1,434	(95)	Vacancies held against future years savings. Changes to Occ Health provision and demand
Human Resources Service Centre	1,347		1,347	1,239	(108)	Transformation funding and vacancies help ahead of savings
Business Partners and Learning and Organisational Development	2,063	136	2,199	2,089	(110)	Changes in demand for Social Care L&D and delayed delivery of initiatives
Human Resources Head of Service	519		519	694	175	Funding for redundancies and Trade Union resource
Traded Services - Education	(72)		(72)	(81)	(9)	Changes to charging and income generation
Traded Services - Non Education	(100)		(100)	32	132	Delivery of transformation and project resource costs
<b>Net Service Spending</b>	<b>5,286</b>	<b>136</b>	<b>5,422</b>	<b>5,407</b>	<b>(15)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Savings	0	0	(10)	(10)	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
Growing for Growth Apprenticeship Scheme	633	0	25	658	
<b>Total</b>	<b>633</b>	<b>0</b>	<b>15</b>	<b>648</b>	

2014/15 to 2017/18 Savings Plan

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/HR-A	Review of processes and reduction in the administration of pay and pensions	61	61	61	61	61	61	61	61	61	61	
OOP/HR-B	Reduce the demand for HR professional support in line with reduction in size of the council and associated staff reductions. Proposed reduction in demand will be delivered through development and implementation of competency framework for managers to manage staff performance more effectively, more use of e-learning and self directed learning.	30	30	30	30	30	30	30	30	30	30	
OOP/HR-C	Cessation of the staff survey scheme and introduction of alternative means of gathering staff feedback.	12	12	12	12	12	12	12	12	12	12	
OOP/HR-D	Reduction in the Learning & Development Budget to support the social care and general workforce. Savings to be achieved by increased e-learning, self directed learning, managing demand.	63	63	63	120	63	120	143	143	235	235	
OOP/HR-E	Reduction and changes in provision of HR policies in line with legislative frameworks which support the Council's business objectives and allow managers to manage their staff and risks more effectively with the need for limited HR support.	10	10	10	10	10	10	10	10	10	10	
OOP/HR-F	Reduction in the provision of advice and support to all managers on the full range of HR policies and there implementation at operational level and associated reduction in posts	40	40	40	40	40	40	40	40	80	80	
OOP/HR-G	Reduction in administrative support and more effective management of outputs as a result of changes to both the production of written health and safety policies and standards, and advice and guidance documentation to managers and employees to discharge their own moral and statutory health and safety responsibilities.	10	10	10	10	10	10	10	10	10	10	
OOP/HR-H	Reduction in the provision of face to face HR transactional support and procedural advice to schools and other local authorities through the use of on-line forms and more self service to schools. Alternative models for delivery of the service as well as increasing the traded services offer to schools.	70	70	70	70	70	70	70	70	70	70	
OOP/HR-I	Scaling back the management of employment records through the introduction of electronic records and manager self service and associated staff reductions	0	0	0	43	0	43	43	0	43	0	
OOP/HR-J	Scaling back the production of HR data reporting through the use of improved electronic systems including digital by default.	0	0	0	43	0	43	86	0	86	0	
OOP/HR-K	Manage demand down for the service in line with the staffing reductions across the Council by embedding the processes and systems to manage the pay and allowances framework as well as reducing the demand for support in the operation of the framework and processes.	0	0	0	61	0	61	61	0	61	0	

I Human Resources

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/HR-L	Reduction in the provision of frameworks, policies and pay strategies to maintained schools to meet employer responsibilities as the number of maintained schools decline.	0	0	0	61	0	61	61	0	61	0	
OOP/HR-M	Manage demand down for the service in line with the reduction in size of the Council. Proposal includes reviewing the approach to maintaining effective employment relations with trade unions, through consultative processes and frameworks (strategic and operational levels)	0	0	0	0	0	0	94	0	94	0	
OOP/HR-N	Restructuring of the Advisory Service to bring the Equality and Diversity team into the mainstream Advisory Service and reduce the provision of professional guidance and support to all Groups, staff and maintained schools on equality and diversity issues.	0	0	0	0	0	0	35	0	35	0	
OOP/HR-O	Review of structure and outputs in the provision of advice and support to senior managers on the full range of HR policies and their implementation and especially the management of change at strategic level (HR Business Partners). Proposal to include the restructuring and amalgamation of the HR Business Partners.	0	0	0	0	0	0	17	0	17	0	
OOP/HR-P	Scaling back the Health & Safety Service in line with Organisational changes and consider alternative delivery models and reducing referrals.	0	0	0	0	0	0	75	0	75	0	
OOP/HR-Q	Reduction in direct support to managers and leadership teams with regards to workforce planning through the increase in management capability to undertake workforce planning	0	0	0	0	0	0	20	0	20	0	
	<b>Total</b>	<b>296</b>	<b>296</b>	<b>296</b>	<b>561</b>	<b>296</b>	<b>561</b>	<b>868</b>	<b>376</b>	<b>1,000</b>	<b>508</b>	
	<b>Target</b>		<b>296</b>	<b>296</b>		<b>561</b>	<b>561</b>		<b>868</b>		<b>1,000</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>	<b>0</b>		<b>265</b>	<b>0</b>		<b>492</b>		<b>492</b>	

Results for Key Business Performance Measures April 2014 to March 2015

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to date	Actions to be taken
KBM	Savings delivered	Plan	Quarterly	Achieved	Achieved	Green	See OOP Savings report	
KBM	Budgets within -2%/+0	Plan	Quarterly	0.29%	Achieved	Green	See budget	
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	Achieved	Achieved	Green	See traded budget report	
KBM	Service standards published for all services	100	Quarterly	Achieved	delivered	Green	Completed	
KBM	% of Business cases that are commissioned to deliver against clearly defined outcomes	100	Quarterly	Achieved	delivered	Green	achieved	
KBM	Increase in customer satisfaction with the quality of service provided	High	Quarterly	Achieved	N/A	N/A	RG Survey not undertaken yet	
KBM	Services are delivered on time and within budget	100	Quarterly	Achieved	delivered	Green	achieved	
KBM	% Customer Satisfaction levels	High	Quarterly	Achieved	N/A	N/A	RG Survey not undertaken yet	
KBM	Customer satisfaction with ease of access to services	High	Quarterly	Achieved	N/A	N/A	RG Survey not undertaken yet	
KBM	% staff satisfied with the council as an employer	High	Annually	72%	72%	Green	Decreased 1.4% from 2012	Pulse survey to be undertaken 2015-16
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Quarterly	68%	68%	Green	Increased by 1.2% from 2012	
KBM	% staff expressing satisfaction with their manager as a leader	High	Annually	45.7	46%	Amber	increased by 1.5% from 2012	
KBM	All Business Units key activities are delivered on time and within budget	Plan	Quarterly	Achieved	Achieved	Green	achieved	
KBM	Staff have access to resources and information which allows them to do their job	High	Annually	74.6	75%	Amber	improvements to HRMS are assisting in delivery of this	
KBM	Information required by decision makers is dispatched in a timely manner and to timescales set	Plan	Quarterly	Achieved	Achieved	Green	achieved	
KBM	Average time taken by members and Senior Officers to make formal decisions	Low	Quarterly		N/A	N/A	This is a new measure - methodology being developed	
KBM	Number of adverse decisions from legal challenges is low	Low	Quarterly	Achieved	Achieved	Green	achieved	
KBM	Risks identified are managed and reviewed monthly	High	Monthly	Achieved	Achieved	Green	achieved	

**Information Assets - Tonino Ciuffini**  
**Strategic Director - David Carter**  
**Portfolio Holder - Councillor Kaur (Customers)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Head of Service	160		160	168	8	
Going for Growth - BDUK	97	(38)	59	59	0	
Members Support	34		34	17	(17)	Members equipment has been able to extend into a third year of usage with minimal need to replace
Strategy and Programme & Innovation	886		886	869	(17)	
Corporate ICT Development	1,465		1,465	1,489	24	
Customer and Supplier Services	2,087		2,087	2,033	(54)	This was made up of a £33k underspend primarily due to vacancies ahead of losing 3 posts for savings plan delivery and a £14k over recovery in the printing arena
Production Services	2,709		2,709	2,728	19	
Systems Design & Architecture	1,273	445	1,718	1,672	(46)	This was made up primarily due to posts frozen as part of a restructure ahead of Oop savings
Network Services	1,570		1,570	1,695	125	This relates to additional costs due to delays in the new WAN implementation, and additional investment in wi-fi to support flexible working
Information Management	358		358	331	(27)	
Traded Services - Education	8		8	(263)	(271)	Successful trading with schools in the ICT arena led to a surplus
Traded Services - Non Education	(8)		(8)	(12)	(4)	
<b>Net Service Spending</b>	<b>10,639</b>	<b>407</b>	<b>11,046</b>	<b>10,786</b>	<b>(260)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Information Assets usage of Schools PFI Project	200	0	0	200	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
WAN Investment	625	(300)	0	325	
Going for Growth (BDUK)	428	603	0	1,031	
Service savings	0	0	260	260	
<b>Total</b>	<b>1,253</b>	<b>303</b>	<b>260</b>	<b>1,816</b>	

## 2014/15 to 2017/18 Savings Plan

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/IA-A	Reduction in the expenditure on specification, building or procurement, implementation, support and enhancement of information systems for WCC and partners.	100	100	100	217	0	217	334	0	451	0	
OOP/IA-B	A reduction in the costs associated with the maintenance of the availability of the core ICT infrastructure equipment and services that deliver our ICT systems and access to systems, including some 24x7 availability, when required by services.	300	300	300	379	0	379	379	0	429	0	
OOP/IA-C	Reduction in the scale and approach of the service that provides a single point of contact for IT support queries to assist staff and Elected Members with ICT problems	35	35	35	105	0	105	209	0	314	0	
OOP/IA-D	Reduction in the expenditure on designing, managing and implementing ICT programmes and projects that improve service delivery through the effective use of ICT and process redesign	108	108	108	215	0	215	323	0	381	0	
OOP/IA-E	Reducing the cost of developing, maintaining, and quality assuring the implementation of the ICT Strategy to ensure WCC gets maximum benefit from new ICT opportunities.	16	16	16	16	0	16	16	0	16	0	
OOP/IA-F	A reduction in the costs associated with the provision, support, maintenance and management of ICT communications links in the form of both Local Area Network (LAN) internal connections, Wide Area Network (WAN) and telephony for WCC between our buildings, and other organisations, including wider Internet access	0	0	0	100	0	100	252	0	252	0	
OOP/IA-G	Reducing the cost of the management, the technical development/build and deployment of personal computing devices that staff use	0	0	0	35	0	35	107	0	142	0	
OOP/IA-H	Scale back the central purchasing function for all ICT equipment, desktop application software, mobile devices, network points, internal telephone extensions, and various other goods and services.	0	0	0	0	0	0	14	0	14	0	
OOP/IA-I	Savings associated with the provision of ICT training to ensure that staff have the appropriate skills and knowledge to allow them to make best use of the Authority's ICT facilities.	0	0	0	0	0	0	0	0	43	0	
OOP/IA-J	Reductions in the service management and business liaison service that leads on the development and maintenance of relationships between ICT and other Services, increasing the alignment of ICT to WCC front line services and the return on our overall ICT investment.	0	0	0	0	0	0	0	0	41	0	
OOP/IA-K	Scale back the records management service that provides advise to seek to ensure that corporate documents and records (paper and electronic) are correctly classified, tagged, stored and disposed of in line with legislation and best practice	0	0	0	0	0	0	0	0	17	0	
	<b>Total</b>	<b>559</b>	<b>559</b>	<b>559</b>	<b>1,067</b>	<b>0</b>	<b>1,067</b>	<b>1,634</b>	<b>0</b>	<b>2,100</b>	<b>0</b>	
	<b>Target</b>		<b>559</b>	<b>559</b>		<b>1,067</b>	<b>1,067</b>		<b>1,634</b>		<b>2,100</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>	<b>0</b>		<b>1,067</b>	<b>0</b>		<b>1,634</b>		<b>2,100</b>	



## 2014/15 to 2017/18 Capital Programme

Agresso Project Code	Description	Approved Budget					Final Outturn					Variation		Reasons for Variation and Management Action
		Earlier Years	2014/15	2015/16	2016/17 and later	Total	Earlier Years	2014/15	2015/16	2016/17 and later	Total	Variance in Year	Total Variance	
			£ 000's	£ 000's	£ 000			£ 000's	£ 000's	£ 000's				
10363000	Property Systems Development	157	43	0	0	200	157	44	70	0	271	1	71	Further project expenditure was agreed by the ICT Strategy Board on 1st April 2015. This is to be funded from Revenue.
11121000	Development of Rural Broadband	335	4,360	7,759	9,794	22,249	335	4,842	7,278	9,794	22,249	482	0	Phase 1 project milestones have been achieved earlier than planned.
11238000	Infrastructure e - government	223	0	0	0	223	223	190	0	0	413	190	190	2014-15 infrastructure expenditure which has been funded from revenue.
		<b>716</b>	<b>4,403</b>	<b>7,759</b>	<b>9,794</b>	<b>22,672</b>	<b>716</b>	<b>5,076</b>	<b>7,348</b>	<b>9,794</b>	<b>22,934</b>	<b>673</b>	<b>262</b>	

## Results for Key Business Performance Measures April 2014 to March 2015

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to Date	Reparative Actions
KBM	Major IT development projects are delivered to time and to budget	Plan	Quarterly	Achieved	Achieved	Green	No issues identified in Programmes	
KBM	The Capital Programme is delivered to time and on budget	Plan	Quarterly	Achieved	Achieved	Green	BDUK project ahead of schedule. Changes are due to extension of the Project with Phase 2 and use of funding for this. Phase 2 budget also further increased in Budget in Feb 2015	
KBM	Service Standards published for service	Plan	Quarterly	Achieved	Achieved	Green	Produced but not widely publicised, to be reviewed as part of a wider Resources approach	
KBM	% of Business Cases that are commissioned to deliver against clearly defined outcomes	High	Quarterly	Not achieved	100%	Amber	There is room for improvement here although Programme Boards approving projects with more limited definition.	
KBM	Services are delivered on time and to budget	Plan	Quarterly	Achieved	Achieved	Green	IA is within budget and have seen improvement in Customer Satisfaction Survey score.	
KBM	% staff satisfied with the council as an employer	High	Annually	69.3	>2013/14	Green	Increase of 3.3% to 69.3% for Overall, I am satisfied working for Warwickshire County Council	
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Quarterly	60.8	>2013/14	Green	4.5 % increase to 60.8% for I am satisfied with the training and development I receive in my current job	
KBM	% staff expressing satisfaction with their manager as a leader	High	Annually	69.6 & 73.4	Achieved	Amber	4% increase to 69.6% for My immediate manager motivates and inspires me to be more effective in my job. But 5.8% decrease to 73.4 for I have confidence in my immediate manager.	
KBM	All Resources Group business unit key activities are delivered on time and within budget	High	Quarterly	Partial	100%	Amber	Do not believe all will be completed to the ORIGINAL date	
KBM	Staff have access to resources that allow them to do their job	Plan	Annually	Achieved	>2013/14	Green	Increases in a range of scores related to this in the SOCITM Survey	
KBM	Information required by decision makers is dispatched in timely manner and to timescales set	Plan	Quarterly	Achieved	Achieved	Green	All reports are submitted on time and in accordance with CMIS timetable	
KBM	Average time taken by Members and Senior Officers to make formal decisions.	Plan	Quarterly	N/A	TBD	N/A	New measure - methodology being developed	
KBM	Number of adverse decisions from legal challenges is low.	Low	Quarterly	0	0	Green		
KBM	Overall availability of ICT network	Plan	Quarterly	0	<14	Green	No major incidents in first 9 months. Within Target. Two incident in Quarter 3 but neither impacted over 10% of staff	
KBM	Savings delivered	Plan	Quarterly	Achieved	Achieved	Green	All savings achieved for start of 2014/15 budgets	

J Information Assets

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to Date	Reparative Actions
KBM	Budgets within -2%/+0	Plan	Quarterly	-2.34%	-2%/0	Red	Recurring Corporate budgets on target, will be using Reserves to both carry forward for BDUK and draw down for PSN.	
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	TBC	>0%/<5%	Red	By achieving our planned surplus we will exceed the 5% threshold.	Targeted Traded Surplus in WES IT arena now being delivered following reviews of service offering, prices and staffing levels.
KBM	The Digital by Default Programme is delivered on time and to budget	Plan	Quarterly	On target	On target	Green	On target to deliver in accordance with agreed deliverables - Programme now managed within CSS	
KBM	% Increase in customer satisfaction with the quality of service provided	High	Quarterly	5.65	5.6	Green	5.65 is an increase from last years score, and we are just 0.01 out of the score got the top 10% of Councils	
KBM	% Customer satisfaction with ease of access to services	High	Quarterly	5.51	>2013/14	Green	Score for Does the ICT provided allow you to work flexibly? Up from 2013 and we have the highest score of any of the 60 Councils that Benchmark	
KBM	Risks identified are managed and reviewed monthly	High	Monthly	Achieved	Achieved	Green	Currently managing and monitoring risks on a quarterly basis	Need to increase frequency from Quarterly to Monthly
KBM	The BDUK project is delivered on time and to budget	High	Quarterly	Achieved	Achieved	Green	Total Homes passed more than 3 months ahead of schedule with over 30,414 already delivered. Contract 2 (Part1) signed on 30th January with a further £4m investment plus an additional £4.5m committed for Contract 2 (Part 2).	

**Law and Governance - Sarah Duxbury**  
**Strategic Director - David Carter**  
**Portfolio Holder - Councillor Kaur (Customers)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Democratic Services	485		485	418	(67)	Staffing vacancies filled part year and reduced spend on member training
School Governor Services	82		82	63	(19)	Manager vacancy filled part year with associated impact on level of school interventions for that period.
Insurance, Internal Audit and Risk Management	500	(48)	452	374	(78)	£48k is in relation to The Warwickshire Counter Fraud Partnership Grant which is to be spent in 2015-16. The balance is as a result of vacancies not filled this year pending shared service with Worcestershire CC
Law and Governance Administration	0	14	14	3	(11)	
Legal Core	424		424	391	(33)	Minimised cost of responding to legal challenges
Traded Services - Educational	(62)	(14)	(76)	(62)	14	
Traded Services - Non Educational	(459)		(459)	(560)	(101)	Reduced staffing costs combined with greater income from external customers
<b>Net Service Spending</b>	<b>970</b>	<b>(48)</b>	<b>922</b>	<b>627</b>	<b>(295)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Savings	0	0	247	247	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
Warwickshire Counter Fraud Partnership	0	48	48	96	
<b>Total</b>	<b>0</b>	<b>48</b>	<b>295</b>	<b>343</b>	

**2014/15 to 2017/18 Savings Plan**

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/LG-A	Reduce level of Internal Audit and Assurance Support	19	19	19	19	19	19	19	0	19	0	
OOP/LG-B	Reduce cost of the Civic Office (Chair of the Council)	0	0	0	35	0	35	35	0	35	0	
OOP/LG-C	Scale back the level of Corporate Risk Management support to the Council.	0	0	0	12	0	12	12	0	12	0	
OOP/LG-D	Increase External Income Potential through Legal Services	0	0	0	6	0	6	12	0	20	0	
OOP/LG-E	Reduce School Governance Support in light of changing relationship between Local Authority and Schools	0	0	0	0	0	0	12	0	12	0	
OOP/LG-F	Reduce Elected Member Support and Development	0	0	0	0	0	0	24	0	24	0	
OOP/LG-G	Increase income generation target for School Governor Development and Training	0	0	0	0	0	0	3	0	3	0	
	<b>Total</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>72</b>	<b>19</b>	<b>72</b>	<b>117</b>	<b>0</b>	<b>125</b>	<b>0</b>	
	<b>Target</b>		<b>19</b>	<b>19</b>		<b>72</b>	<b>72</b>		<b>117</b>		<b>125</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>	<b>0</b>		<b>53</b>	<b>0</b>		<b>117</b>		<b>125</b>	

## Results for Key Business Performance Measures April 2014 to March 2015

Measures	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to date	Actions to be taken
KBM	Savings delivered	Plan	Quarterly	Achieved	Achieved	Green	All L&G OOP targets delivered for year	
KBM	Budgets within -2%/+0	Plan	Quarterly	-31.91%	+0%/-2%	Red	The underspend has arisen from reduced staffing costs in Democratic Services and Legal Services combined with more legal income from external customers and receipt of CLG monies in audit for a successful anti-fraud bid which will not be spent until 2015/16	
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	Achieved	TBC	Green	The WES surplus target has been met.	
KBM	% Customer Satisfaction with WCC Councillors as Community Leaders	High	Annually	40%	TBC	N/A	We have used Quality of Life indicator to populate indicator for 2014/15. Target needs to be agreed for 2015/16.	
KBM	Service standards published for all services	100%	Quarterly	Not achieved	Achieved	Amber	Service standards drafted. Not all standards published outside of service	
KBM	% of Business cases that are commissioned to deliver against clearly defined outcomes	100	Quarterly	100%	100%	Green	1 key business case related to Audit Service. Expected to deliver against outcomes	
KBM	% Increase in customer satisfaction with the quality of service provided	High	Annually	100%	90%	Green	For Legal Services 100% of customers rates service as good or excellent.	
KBM	Services are delivered on time and within budget	100	Quarterly	Achieved	Achieved	Green	Business unit not overspending. No statutory or other key strategic deadlines missed to date	
KBM	% Customer Satisfaction levels	High	Annually	100	90	Green	For Legal Services 100% of customers rates service as good or excellent. This reflects the indicator above	
KBM	% Customer satisfaction with ease of access to services	High	Annually	100%	100%	Green	This indicator relates to timeliness taken from Legal Services Customer Survey	
KBM	% staff satisfied with the council as an employer	High	Annually	71%	76%	Amber	Same as 2013/14	
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Annually	70%	69	Green	Training and development in job - 64% in 2012/13	
KBM	% staff expressing satisfaction with their manager as a leader	High	Annually	88%	69	Green	Confidence in immediate manager - 64% in 2012/13. Significant increase	
KBM	All Resources Group Business Units key activities are delivered on time and within budget	Plan	Quarterly	80%	90%	Amber	Based on % indicators in business plan completed - number of greens and ambers excluding this indicator	
KBM	Staff have access to resources and information which allows them to do their job	High	Annually	79%	79	Green	Information to do my job well - 74% in 2012/13	
KBM	Information required by decision makers is dispatched in a timely manner and to timescales set	Plan	Quarterly	97%	80%	Green	To end of year 441 out of 455 reports were despatched on time. I	
KBM	Average time taken by members and Senior Officers to make formal decisions	Low	Quarterly	90%	90%	Green	From date of decision in Forward Plan to the decision being taken should be 6 weeks. Items that are deferred by officers or called in take longer. There have been 2 call-ins during the year and some items deferred to later meetings.	
KBM	Number of adverse decisions from legal challenges is low	Low	Quarterly	15	0	Red	All are LGO challenges (7 of which are blue badge applications). LGO has changed reporting categories which has had an impact	Head of Customer Service reviewing approach on blue badge applications. Performance on challenges now being reported to Corporate Board.
KBM	Risks identified are managed and reviewed monthly	High	Monthly	Achieved	Achieved	Green	Risks reviewed periodically	

**Physical Assets - Steve Smith**  
**Strategic Director - David Carter**  
**Portfolio Holders - Councillor Cockburn ( Deputy Leader and Property)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Physical Assets General	843	(221)	622	857	235	£60k contribution to planning application costs for land at Europa Way. £137k contribution to additional buildings insurance costs. Remainder contribution to Property Rationalisation Programme Costs
Construction Services	1,873	95	1,968	1,977	9	
Facilities Management	9,858	(376)	9,482	8,518	(964)	Underspend on building rates and utility charges. Savings made by closing Wedgnoek House, which in future years will contribute to next years OOP savings target. Savings made to catering and cleaning services, again needed for future OOP savings
Estates and Smallholdings	(150)	180	30	73	43	Additional maintenance to Smallholdings stock
Asset Strategy	270	0	270	232	(38)	Better than forecasted fee income earned on the schools capital programme
Programme Management and Special Projects	115	712	827	1,085	258	Additional one off costs to deliver the North Warwickshire Local Centre. Property Rationalisation target achieved.
Traded Services - Education	(945)		(945)	(1,359)	(414)	Better than forecasted trading surpluses
Traded Services - Non Education	(183)		(183)	(247)	(64)	Better than forecasted trading surpluses
<b>Net Service Spending</b>	<b>11,681</b>	<b>390</b>	<b>12,071</b>	<b>11,136</b>	<b>(935)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Planning Reserve	500	(180)	0	320	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
Catering Equalisation Account	400	0	0	400	
Savings	0	0	935	935	
<b>Total</b>	<b>900</b>	<b>(180)</b>	<b>935</b>	<b>1,655</b>	

**2013/14 to 2014/15 Savings Plan (Savings that slipped into 2014/15)**

Reference	Savings Proposal Title	2013/14		2014/15		Final Outturn £'000	Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000		
	Savings delivered in 2011/12 and 2012/13	2,030	2,030	2,030	2,030	2,030	
EE-ER-03 and 04	Rural Services : Review of rents and income generation	5	5	5	5	5	
RE-PR-02 and 03	Rationalise existing accommodation - There are three aspects to this work - release, disposal and better utilisation - as well as the rationalisation of professional support	1,602	1,602	2,386	2,386	2,386	
	<b>Total</b>	<b>3,637</b>	<b>3,637</b>	<b>4,421</b>	<b>4,421</b>	<b>4,421</b>	
	<b>Target</b>		<b>3,637</b>		<b>4,421</b>	<b>4,421</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>		<b>0</b>	<b>0</b>	

## 2014/15 to 2017/18 Savings Plan

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/PA-A	Reduce feasibility budgets	68	68	68	68	68	68	68	68	68	68	
OOP/PA-B	Disposal of surplus properties (both urban sites and smallholdings)	210	210	210	250	0	250	250	0	1,000	0	
OOP/PA-C	Introduce a charge to staff for the use of WCC owned car parking facilities in the central Warwick area covering Barrack Street Car park, Cape Road Car Park and Salford Car Park.	10	10	10	50	10	50	80	10	100	10	
OOP/PA-D	Reduce the cost of Corporate Contracts and Specifications for Cleaning Contracts	8	8	8	14	8	14	18	8	20	8	
OOP/PA-E	Develop a new 'Catering Traded Service to Schools' offer potentially combining services with Solihull and Coventry to reduce management overheads within the service.	15	15	15	47	15	47	87	15	127	15	
OOP/PA-F	Develop an increased take up of school meals within existing and new customer base, targeting increasing turnover in already established schools.	5	5	5	11	5	11	18	5	23	5	
OOP/PA-G	Redesigning of the planning function to ensure service efficiencies including the reduction of posts	60	60	60	60	60	60	60	60	60	60	
OOP/PA-H	Reduce the level of administrative support necessary to support construction and maintenance services with a view to reducing posts	15	15	15	35	15	35	35	15	35	15	
OOP/PA-I	Return responsibility for cleaning contracts back to schools and design services to help them manage their arrangements	15	15	15	45	15	45	50	15	50	15	
OOP/PA-J	Reduce staff numbers in the Asset Strategy team commensurate with the reduction in the portfolio.	0	0	0	37	0	37	37	0	37	0	
OOP/PA-K	Reduce staff numbers in the Estates and Smallholdings team commensurate with a reduction in the portfolio.	0	0	0	75	0	75	100	0	100	0	
OOP/PA-L	Deliver a 2 <sup>nd</sup> phase of Property Rationalisation known as PRP2 which will see a reduction in the number of Council buildings and their associated running costs	0	0	0	350	0	350	1,050	0	1,600	0	
OOP/PA-M	Reductions in WCC's landlord maintenance budget commensurate with the reduction in property holdings as part of a further phase of Property Rationalisation.	0	0	0	0	0	0	200	0	400	0	
OOP/PA-N	To market test the corporate cleaning service with a view of achieving a reduction in costs for an agreed service delivery level.	0	0	0	0	0	0	50	0	80	0	
	<b>Total</b>	<b>406</b>	<b>406</b>	<b>406</b>	<b>1,042</b>	<b>196</b>	<b>1,042</b>	<b>2,103</b>	<b>196</b>	<b>3,700</b>	<b>196</b>	
	<b>Target</b>		<b>406</b>	<b>406</b>		<b>1,042</b>	<b>1,042</b>		<b>2,103</b>		<b>3,700</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>	<b>0</b>		<b>846</b>	<b>0</b>		<b>1,907</b>		<b>3,504</b>	

## 2014/15 to 2017/18 Capital Programme

Project Code	Description	Approved Budget					Final Outturn					Variation		Reasons for Variation and Management Action	
		Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's		
<b>Building &amp; Construction</b>															
10971000	Aylesford Flood Alleviation Scheme Contribution	714	211	0	0	925	714	0	0	0	714	(211)	(211)	Extra funding no longer needed remaining to be returned to Corporate	
10972000	Planning Consent For Europa Way	331	94	0	0	425	331	113	0	0	445	20	20	Extra unexpected costs incurred due to planning permission resubmission needed	
11122000	Nuneaton Academy (Alderman Smith) -Redevelopment	9,866	13	0	0	9,879	9,866	36	0	0	9,902	23	23	Delay in signing end of defects and retention payment release	
11131000	Wark St Johns House Museum - Repl Activity Space Bldg	60	1	0	0	61	60	3	0	0	63	2	2		
11134000	Wark Shire Hall - Refurb Of Old Shire Hall	0	25	500	225	750	0	30	500	220	750	5	(0)	Profile cost increased in 2014/15 due to procurement process associated with tender to secure operator for the facility	
<b>Property Rationalisation Programme</b>															
11041000	Rationalisation Of The Council's Property	442	325	0	0	766	442	277	49	0	768	(47)	2	Works to lower ground floor still to be determined, hence slippage	
11041004	Warwick- Premises at Montague Road -relocation of County Museum Store	432	0	0	0	432	432	0	0	0	432	0	0		
11190000	Warwick Shire Hall - refurbishment (Phase 2 onwards)	2,611	889	0	0	3,500	2,611	972	0	0	3,584	83	83	Works relate to Saltisford B3 ground floor as part of corporate office project. Additional costs funded by revenue contributions and from block header	
11230000	Bedworth Kings House - PRP refurbishment for N & B Local Centre	603	0	0	0	603	603	0	0	0	603	0	0		
11231000	Nuneaton-Hilary Road Centre - PRP refurbishment for N & B Local Centre	326	353	0	0	679	326	351	0	0	677	(2)	(2)		
11335000	Rationalisation of County Storage	0	2,900	1,100	400	4,400	0	2,695	1,305	400	4,400	(205)	0	Acquisition completion was not achieved until 31/1/15 therefore fit out costs have been delayed	
11371000	Arden Centre, 120 Long Street, Atherstone - Fit out costs						0	340	0	0	340	340	340	RCCO funded project - per Deputy Leader report approved 23/3/15	
11338000	Re-wire & refurbishment of Pound Lane Total	0	500	0	0	500	0	479	20	0	499	(20)	(0)		
<b>Structural Maintenance</b>															
11029000	Non-Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance	1,985	2	0	0	1,987	1,985	(3)	0	0	1,982	(5)	(5)	Final accounts outturned differently to expected costs. £4,726 moved to 11226000	
11031000	Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2011/12	3,188	0	0	0	3,188	3,188	0	0	0	3,188	(0)	(0)	Final accounts outturned differently to expected costs. £473 moved to 11127000	
11033000	Non-Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2012/13	1,841	1	0	0	1,841	1,841	0	0	0	1,841	(1)	(1)	Final accounts outturned differently to expected costs. £947 moved to 11226000	
11034000	Schools Capital Asbestos And Safe Water Remedial Works 2012/13	1,282	0	0	0	1,282	1,282	(7)	0	0	1,275	(7)	(7)	Final accounts outturned differently to expected costs. £6,829 moved to 11225000	
11035000	Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2012/13	5,835	12	0	0	5,848	5,835	(6)	0	0	5,829	(18)	(18)	Final accounts outturned differently to expected costs. £12,265 moved to 11145000 £6,495 moved to 11227000	
11036000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2013/14	291	(1)	0	0	289	291	(6)	0	0	285	(5)	(5)	Final accounts outturned differently to expected costs. £4,404 moved to 11224000	
11037000	Non-Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2013/14	2,035	577	0	0	2,612	2,035	560	0	0	2,595	(17)	(17)	£2,475 moved to 11226000. Decrease in RCCO of £14,712.	

L Physical Assets

Project Code	Description	Approved Budget					Final Outturn					Variation		Reasons for Variation and Management Action	
		Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's		
11038000	Schools Capital Asbestos And Safe Water Remedial Works 2013/14	1,237	81	0	0	1,318	1,237	40	0	0	1,277	(41)	(41)	Final accounts outturned differently to expected costs. £15,597 moved to 11039000 £25,169 moved to 11225000	
11039000	Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2013/14	5,876	125	0	0	6,001	5,876	133	0	0	6,009	8	8	Final accounts outturned differently to expected costs. £15,597 moved from 11038000. RCCO reduction of £7,761	
11096000	Wark Barrack St Block - Roof Repl	195	0	0	0	195	195	(5)	0	0	190	(5)	(5)	Final accounts outturned differently to expected costs. £4,754 moved to 11226000	
11142000	Non Schools Asb & Safe Water Remedial 2014/15	0	333	0	0	333	0	253	13	0	266	(80)	(67)	Projects delayed due to unforeseen circumstances. £37,563 moved to 11142000 £29,183 moved to 11144000 Total £66,746	
11143000	Schools Asbestos & Safe Water Remedial 2014/15	0	1,240	0	0	1,240	0	1,129	106	0	1,235	(111)	(5)	Projects delayed due to unforeseen circumstances. £4,882 moved to 11225000	
11144000	Non Sch - Planned Bldg, Mech & Elect Backlog 2014/15	0	2,545	0	0	2,545	0	2,205	376	0	2,581	(340)	36	Projects delayed due to unforeseen circumstances. £29183 moved from 11142000. RCCO increase of £6957	
11145000	Schools Planned Bldg, Mech & Elect Backlog 2014/15	0	5,941	0	0	5,941	0	5,763	22	0	5,785	(178)	(156)	£12,265 moved from 11035000. Decrease in RCCO of £117,211. Decrease in capital grant income from schools of £51,598	
11224000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2015/16	0	0	311	0	311	0	0	353	0	353	0	42	£4,404 moved from 11036000 £37,563 moved from 11142000 Total of £41,967. Increase in budget due to money carried forward from previous allocations	
11225000	Schools Asbestos & Safe Water Remedials 2015/16	0	0	1,292	0	1,292	0	0	1,329	0	1,329	0	37	£25169 moved from 11038000 £6829 moved from 11034000 £4882 moved from 11143000 Total £36880. Increase in budget due to money carried forward from previous allocations	
11226000	Non Sch - Planned Bldg, Mech & Elect Backlog 2015/16	0	0	2,524	0	2,524	0	0	2,537	0	2,537	0	13	£4,726 moved from 11029000 £947 moved from 11033000 £4,754 move from 11096000 £2,475 moved from 11037000 Total £12,902	
11227000	Schools Planned Bldg, Mech & Elect Backlog 2015/16	0	0	2,569	0	2,569	0	0	5,576	0	5,576	0	3,007	£6,495 moved from 11035000 £473 moved from 11031000 (Total £6,968). Increase of £3,000,000 as schools grant money now received as per previous cabinet report	
11283000	Non Schools Asb & Safe Water Remedials 2016/17	0	0	0	311	311	0	0	0	311	311	0	0		
11284000	Non Schools Asb & Safe Water Remedials 2017/18	0	0	0	311	311	0	0	0	311	311	0	0		
11285000	Non Sch - Planned Bldg, Mech & Elect Backlog 2016/17	0	0	0	2,524	2,524	0	0	0	2,524	2,524	0	0		
11286000	Non Sch - Planned Bldg, Mech & Elect Backlog 2017/18	0	0	0	2,524	2,524	0	0	0	2,524	2,524	0	0		
11287000	Schools Asbestos & Safe Water Remedials 2016/17	0	0	0	1,292	1,292	0	0	0	1,292	1,292	0	0		
11288000	Schools Asbestos & Safe Water Remedials 2017/18	0	0	0	1,292	1,292	0	0	0	1,292	1,292	0	0		
11289000	Schools Planned Bldg, Mech & Elect Backlog 2016/17	0	0	0	2,569	2,569	0	0	0	2,569	2,569	0	0		
11290000	Schools Planned Bldg, Mech & Elect Backlog 2017/18	0	0	0	2,569	2,569	0	0	0	2,569	2,569	0	0		
11363000	Capitalisation of Structural Maintenance Assets	0	0	0	0	0	0	12	0	0	12	12	12	Portfolio agreement email to Johns Betts/Sandra Beard 27/11/14	
<b>Facilities</b>															
10592000	Small Scale Reactive / Minor Improvements County-Wide	151	0	138	0	289	151	(2)	140	0	289	(2)	0		
11318000	Universal Free School Meals Programme	0	1,247	0	0	1,247	0	1,156	91	0	1,247	(91)	(0)	Final accounts / payments to contractors & consultants were not resolved in 2014/15, therefore spend now expected in 2015/16	



L Physical Assets

Project Code	Description	Approved Budget					Final Outturn					Variation		Reasons for Variation and Management Action	
		Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Earlier Years	2014/15 £ 000's	2015/16 £ 000's	2016/17 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's		
<b>Energy</b>															
10400000	Climate Change 2009/10	257	46	51	0	354	257	34	63	0	354	(12)	0	Final accounts / payments to contractors & consultants were not resolved in 2014/15 as additional works now required	
10410000	Climate Change 2007/08	350	0	3	0	353	350	2	1	0	353	2	(0)		
11135000	Various Properties - Reducing Energy	0	0	400	1,844	2,244	0	63	337	1,844	2,244	63	0	Spend relates to 2 lighting control improvement projects identified & started late in 2014/15	
11136000	Various Properties - Renewable Energy	75	79	246	5,000	5,400	75	69	255	5,000	5,400	(10)	(0)	Slippage reflects cost savings on PV equipment which have been achieved due to the growing PV market.	
11159000	Wark Saltisford Office Park - Pv Micro Generth Syst	112	2	0	0	114	112	3	0	0	115	1	1		
<b>Smallholdings</b>															
10466000	Smallholdings Maintenance 2011/12	(18)	4	0	0	(14)	(18)	4	0	0	(14)	(0)	(0)		
11025000	Hurley, Poplars Farm	147	12	0	0	159	147	12	0	0	159	0	0		
11137000	Smallholdings - Nitrate Vulherable Zone 2012	284	0	0	0	284	284	0	0	0	284	(0)	(0)		
11138000	Smallholdings - Decent Homes Standard 2012	514	(0)	0	0	514	514	0	0	0	514	0	0		
11139000	Rural Services Capital Maintenance 2012/13	982	3	0	0	985	982	(4)	0	0	978	(7)	(7)	£6,695 moved to 11228000 Changes in project costs when final accounts received	
11139009	Lower Tysoe/Hopkins Farm, New Farm House - Pre Contract Consultants Costs / Enabling Works	10	81	259	0	350	10	30	310	0	350	(51)	(0)	Unable to start works due to weather conditions during winter.	
11139058	Wolston South Lodge Farm - construction of new parlour, dairy and collecting yard + new stock building	540	(2)	0	0	538	540	(2)	0	0	538	0	0		
11140000	Rural Services Capital Maintenance 2013/14	254	1	0	0	255	254	0	0	0	254	(1)	(1)	£1,529 moved to 11228000 Changes in project costs when final accounts received	
11141000	Rural Services Capital Maintenance 2014/15	0	706	0	0	706	0	582	156	0	738	(124)	32	Increase RCCO contribution of £40,000 Less £7537 moved to 11228000 - Changes in project costs when final accounts received/Unable to start works due to weather conditions during winter.	
11228000	Rural Services Capital Maintenance 2015/16	0	0	789	0	789	0	0	805	0	805	0	16	£6,695 moved from 11139000 £1,529 moved from 11140000 £7,537 moved from 11141000 Total £15,761	
11291000	Rural Services Capital Maintenance 2016/17	0	0	0	789	789	0	0	0	789	789	0	0		
11292000	Rural Services Capital Maintenance 2017/18	0	0	0	789	789	0	0	0	789	789	0	0		
		<b>42,808</b>	<b>18,345</b>	<b>10,181</b>	<b>22,439</b>	<b>93,773</b>	<b>42,808</b>	<b>17,313</b>	<b>14,344</b>	<b>22,434</b>	<b>96,898</b>	<b>(1,033)</b>	<b>3,125</b>		

## Results for Key Business Performance Measures April 2014 to March 2015

Measures	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to date	Actions to be taken
KBM	Savings delivered	Plan	Quarterly	100%	100%	Green	Major capital receipt in progress which will deliver the year end target.	Major capital receipt in progress which will deliver the year end target.
KBM	Budgets within -2%/+0	Plan	Quarterly	-7.70%	+0/-2%	Red	The underspend is explained by the reduction in buildings as a consequence of the property rationalisation programme which results in a reduction and rationalisation of the Facilities Management service and the budgets used to pay running costs. Also trading surplus targets have been exceeded, mainly due to the success of the universal infant free school meal programme.	The savings element of this underspend will be channelled into the OOP Savings Plan and as a consequence there are reductions in the budgets set for 2015/16.
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	-807.97%	+0/-2%	Red	The success of the Infrant Free School Meals, the new cleaning service offer, and an increase in construction activity have all lead to trading profit	The success of the Infrant Free School Meals, the new cleaning service offer, and an increase in construction activity have all lead to trading profit
KBM	The Capital Programme is delivered on time and to budget (Educational & Corporate Programmes)	Plan	Quarterly	99%	100%	Amber	99% Capital Maintenance work programme budget outturn forecast against budget. Note - Outturn forecast is applicable due to final accounts not received for all works in year. Estimate forecasts carried out for every project to manage expenditure. Results from Work Programme Report Output at 30.03.15. Any changes on receipt of Actuals to forecast are managed and any discrepancy managed through the capital review process ongoing. All as per managed in service and utilising ongoing financial reporting and advice.	
KBM	The Property Rationalisation Programme is delivered on time and to budget	Plan	Quarterly	Achieved	Achieved	Green	100% of the PRP completed and all savings achieved.	
KBM	Service standards published for all services	100	Quarterly	Achieved	Achieved	Green		
KBM	% of Business cases that are commissioned to deliver against clearly defined outcomes	100	Quarterly	100%	100%	Green	Business Case approval in accordance with corporate process embedded in service delivery as a matter of course.	
KBM	Increase in customer satisfaction with the quality of service provided	High	Quarterly	61%	60%	Green		
KBM	Services are delivered on time and within budget	Plan	Quarterly	Achieved	Achieved	Green	Half year data suggests WCC on track to match the performance of 2013/14	Use customer complaints as an indicator of dissatisfaction with service delivery.
KBM	% Customer Satisfaction levels	High	Quarterly	87%	80%	Green		
KBM	Customer satisfaction with ease of access to services	High	Quarterly	Achieved	Achieved	Green		Use customer complaints as an indicator of dissatisfaction with service delivery.
KBM	% staff satisfied with the council as an employer	High	Annually	75.30%	87%	Red		Consult staff to understand the issues behind this result and then implement improvements
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Quarterly	73.20%	70%	Green		
KBM	% staff expressing satisfaction with their manager as a leader	High	Annually	72%	51%	Green		
KBM	All Resources Group Business Units key activities are delivered on time and within budget	Plan	Quarterly	90%	100%	Amber	The only project delayed is the future of Old Shire Hall. Project and Milestone Based	
KBM	Staff have access to resources and information which allows them to do their job	High	Annually	55.70%	75%	Red	A programme of ICT improvements and reinvestment in property systems is underway. Physical Assets is also undergoing an electronic document management programme in order to simplify document storage, retrieval, sharing and editing..	
KBM	Information required by decision makers is dispatched in a timely manner and to timescales set	Plan	Quarterly	Achieved	Achieved	Green	Meeting the requirements of CMIS	
KBM	Average time taken by members and Senior Officers to make formal decisions	Low	Quarterly	Achieved	Achieved	Green	Meeting the requirements of CMIS	
KBM	Number of adverse decisions from legal challenges is low	Low	Quarterly	0	0	Green	1 complaint referred to the LGO, whose judgement was to support WCC	
KBM	Risks identified are managed and reviewed monthly	High	Monthly	Achieved	Achieved	Green	No corrective action has had to be taken that has resulted in committing additional resources or exposure to reputational damage	

**Service Improvement and Change Management - Tricia Morrison (Acting)**  
**Strategic Director - David Carter**  
**Portfolio Holder - Councillor Kaur (Customers)**

**2014/15 Revenue Budget**

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Performance and Planning	836		836	737	(99)	Underspend relates to part year staff vacancies and savings on the Acting Head of Service substantive post.
Observatory	380	14	394	376	(18)	
Service Improvement and Change Management Admin	160		160	114	(46)	Underspend is as a result of the HoS post being vacant in the first part of the year and the PA's position being unfilled for a number of months.
Development and Support	551		551	489	(62)	Underspend relates to staffing vacancies and the centralisation of the remaining Resources Group Business Units paper and stationery budgets which included unused stock.
Commercial Enterprise	100	123	223	220	(3)	
Traded Services - Education	117	(123)	(6)	(1)	5	
Resources Transformation	950	127	1,077	1,233	156	Overspend is due to projects being delivered on behalf of the Resources Group and accounted for as part of the SICM Business Unit though they do not form part of SICM's core business.
<b>Net Service Spending</b>	<b>3,094</b>	<b>141</b>	<b>3,235</b>	<b>3,168</b>	<b>(67)</b>	

**2014/15 Reserves Position**

Reserve	Opening Balance 01.04.14 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.15 £'000	Reason for Request
Savings	0	0	67	67	Please refer to Appendix C for a detailed analysis of the Business Unit's proposed use of reserves
SICM Reserves	0	190	0	190	
<b>Total</b>	<b>0</b>	<b>190</b>	<b>67</b>	<b>257</b>	

M Service Improvement

2014/15 to 2017/18 Savings Plan

OOP Reference as per Service Estimate Report	Savings Proposal Title	2014/15			2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Final Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Target £'000	Actual to Date £'000	
OOP/SICM-A	Cessation of the Transformation through Strategic Commissioning Programme with arrangements to 'mainstream' activity associated with the programme within Services. This will include a reduction in posts.	247	247	247	247	247	247	247	0	247	0	
OOP/SICM-B	Cessation of the WCC support to the Sub-regional Programme Office with the potential closure of the Programme Office which will include a reduction in posts. There will be a need for a dialogue with Sub-regional partners regarding the impact of this decision.	0	0	0	68	0	68	68	0	68	0	
OOP/SICM-C	The business support function for Resources will be remodelled. This proposal will deliver savings in consumables as well as reduction in posts.	0	0	0	50	0	50	50	0	50	0	
OOP/SICM-D	The Corporate Consultation function is ceased. The Consultation framework and co-ordinating infrastructure will be maintained and 'mainstreamed' within the Observatory.	0	0	0	25	0	25	25	0	25	0	
OOP/SICM-E	Further savings from expenditure budgets across the service commensurate with changes across the Business Unit.	0	0	0	40	0	40	40	0	40	0	
OOP/SICM-F	Review of SICM Management Structure with a view to reduction in posts commensurate to the changes across the Business Unit.	0	0	0	60	0	60	60	0	60	0	
OOP/SICM-G	Increase income generation activities	0	0	0	40	0	40	40	0	40	0	
OOP/SICM-H	The GIS function will be remodelled and re-focussed on a smaller core offering which may include a reduction in posts.	0	0	0	0	0	0	50	0	50	0	
OOP/SICM-I	The Project and Performance Management Arrangements (both central and localised arrangements) will be remodelled. Savings will be delivered by both expenditure savings and reduction in posts.	0	0	0	0	0	0	100	0	100	0	
OOP/SICM-J	Reduction in inflation budget commensurate with changes across the Business Unit.	0	0	0	0	0	0	20	0	20	0	
	<b>Total</b>	<b>247</b>	<b>247</b>	<b>247</b>	<b>530</b>	<b>247</b>	<b>530</b>	<b>700</b>	<b>0</b>	<b>700</b>	<b>0</b>	
	<b>Target</b>		<b>247</b>	<b>247</b>		<b>530</b>	<b>530</b>		<b>700</b>		<b>700</b>	
	<b>Remaining Shortfall/(Over Achievement)</b>		<b>0</b>	<b>0</b>		<b>283</b>	<b>0</b>		<b>700</b>		<b>700</b>	

M Service Improvement

Results for Key Business Performance Measures April 2014 to March 2015

Measure	Indicator	Aim	Collection Frequency	Year End Actual	Target 2014/15	R-A-G Alert - YE	Progress to Date	Actions to be taken
KBM	OOP Savings delivered	Plan	Quarterly	Yes	Yes	Green		
KBM	Budgets within -2%/+0 (Net Variation to Budget)	Plan	Quarterly	-2.08%	>0% / <2%	Red	Expenditure on RG Transformation projects is included in the year end actual position and does not form part of the SICM core business which is showing a larger than expected underspend position due to a delay in the recruitment of fixed term contract posts in support of RG OOP transformation activities.	The allocation of any carry forwards will be subject to the agreed approach in the Group
KBM	Traded Services meet Budgetary targets	Plan	Quarterly	>5%	5%	Red	The copyright service has lost 2 licences to centralisation by the DfE since budget was set. This relatively small income decline looks large in the context of the surplus for Copyright which was budgeted at £5k and the year end actual is £1850 giving a variance of above 5%	Whilst the overall surplus has declined, the service is still making a surplus that will cover CECs. The service will no longer be traded with schools in 2015/16.
KBM	Service standards published for all services	100	Quarterly	Yes	Yes	Green		
KBM	% of Business cases that are commissioned to deliver against clearly defined outcomes	100	Quarterly	100%	100%	Green	From a business unit perspective the business case for SICM Re-Shaping has been developed against a clear suite of outcomes for the service going forward.	
KBM	% Increase in customer satisfaction with the quality of service provided	High	Quarterly	32%	2%	Green	This question is not directly asked in the Resources Customer Survey and therefore we are not able to provide a response to this measure. However, this will be addressed in the review of the Resources Customer Survey for 2015/16 and alternative methods of collecting this information will be explored to remove reliance on one collection method	
KBM	Services are delivered on time and within budget	100	Quarterly	95	100	Amber	This is linked to Resources Group Key Activity measure. As SICM does not have any separate business unit outcomes, the commentary remains consistent in that all services are delivered on time but given current underspend on SICM core business, overall status for this measure is amber	
KBM	% Customer satisfaction with ease of access to services	High	Quarterly	32%	2%	Green	Results are based on Resources Customer Survey Results which showed a significant increase against the 2% increase target set in terms of overall performance for SICM	Improvement Actions will be determined now the SICM level results have been received.
KBM	% staff satisfied with the council as an employer	High	Annually	72.00%	72%	Green	Based on ORC Benchmark result of 72% for this measure and is consistent with reporting against the Organisational Health Measure across the whole of WCC	
KBM	% Resources Group staff who have accessed appropriate learning and development training identified in appraisal process	High	Quarterly	100%	100%	Green	Learning & Development Plans are in place. Staff have attended appropriate training and development as required to deliver SICM services	Ongoing activity: Discuss any outstanding learning & development with HR to explore whether external training is required if Corporate programme of training does not meet all training requirements for SICM
KBM	% staff expressing satisfaction with their manager as a leader	High	Annually	62.00%	62%	Green	The ORC Median score of 43% has been used for comparison. SICM results are consider higher than this and compared to the results for 2012 of 62%.	
KBM	All Resources Group Business Units key activities are delivered on time and within budget	Plan	Quarterly	95	100	Amber	Whilst services and key business activity are being delivered on time, the current business unit underspend means that the overall status for this measure is amber	
KBM	Staff have access to resources and information which allows them to do their job	High	Annually	65.00%	65%	Green	The ORC Median score of 65% has been used for this satisfaction question. SICM results are considerably higher than this and compared to the results for 2012 of 83.1%, staff satisfaction continues to improve	
KBM	Information required by decision makers is dispatched in a timely manner and to timescales set	Plan	Quarterly	Yes	Yes	Green	We have submitted all reports on time	
KBM	Average time taken by members and Senior Officers to make formal decisions	Low	Quarterly	TBC	TBC	N/A	We cannot report against this OOP measure for 2014/15. As part of the Review & Refresh of this measure it is proposed that this be amended to reflect Member time and delivery method to be determined by Democratic Services.	
KBM	Number of adverse decisions from legal challenges is low	Low	Quarterly	0	0	Green	Information provided by law & governance for all business units. Results for the year indicate that SICM has not been in receipt of any adverse decisions.	
KBM	Risks identified are managed and reviewed monthly	High	Monthly	Yes	Yes	Green	Whilst the current status of risk registers are amber. This does not necessarily indicate that risks are not being managed effectively and all risks are reviewed on a monthly basis.	