

Economy, Skills and Environment

Integrated Finance, Performance and Risk report

2009-10

Quarter 4

This report cross-references with the detailed Risk report (Appendix), circulated separately

key issues: business assurance
exception reporting for:
performance
finance
risk

focus on: business issues
constraints
projects



Performance summary:

Sustainable Development
Sustainable Transport
Sustainable Environment



DECLINING
NO CHANGE
IMPROVING

PERFORMANCE summary is the balance of outcomes for each area below

Risk summary:



Full RISK analysis is in the separate Appendix

Financial position:



FINANCE summary is based on reported outturn

Summary statement:

E&T managers have not flagged any significant issues for this quarter, or for year-end.

PERFORMANCE: Economy flagged RED overall because of pressures associated with local and national conditions.

RISK: flagged AMBER overall because of the highlighted risks from the Register, the majority being in higher categories; and the number of key performance measures have not had target/in-year data to inform our outcome.

FINANCE: flagged as GREEN; projected overspend is £321k.

This report incorporates performance, finance and risk in a single summary.

T&P will present performance using SCI-Views Briefing Books for future reports as this is now our standard reporting tool for CMB.

We have prepared this report in liaison with Catherine West and the finance team, and with Alan Pawsey to incorporate risk management.

We undertook to identify and fill target gaps and to rationalise between the previous existing performance matrices, and have made some progress. We are working with the transport team who will identify key measures for 2010-11 and as such define relevant targets. We expect to complete this work in late-June 2010. We also undertook to liaise with all ADs to identify key measures and targets for continuing work and priority areas in relation to the corporate and directorate plans, but have had to defer this work because of delay in receiving year-end data on which to inform future planning.

Risk summary:

The Risk Manager submitted a paper to the Audit Committee outlining the Management of Risk within the Directorate on 4th May 2010. Minutes have yet to be published but it is understood that there was general satisfaction in the way risks are managed in this directorate. (full details are in the separate Directorate risk summary).

Risk ET0019 (Health & Safety) addresses ongoing issues relating to possible inadequate safety culture; remedial action is in hand following issue of two Improvement Notices.

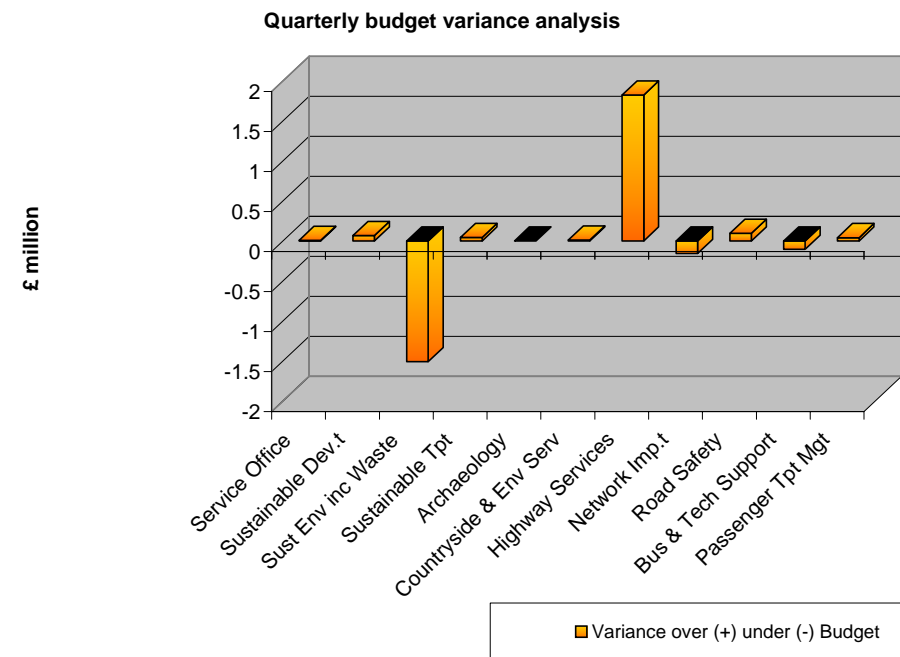
Risk RS0001 (Road safety) highlights the issues already identified in relation to RTA investigation and KSI data.

Some year-end data is not available for this report. This is primarily where we receive data from external sources or annual surveys and these are released later in the year.

A large number of measures do not have any target data set. More detail is available on individual NI or local measure worksheets.

Budget data for Revenue and Capital monitoring is updated for year-end 2010.

The financial position is recorded as Green if the budget variance is less than 1% of the budget (£670k), Amber if budget variance is between 1-5% (£670k - £3,360k) and Red if budget variance exceeds 5% (£3,360k)



Full Year Budget (from budget book)	Economy, Skills and Environment	Current Full Year Budget	Actual Outturn	Variance over (+) under (-) Budget
£ million		£ million	£ million	£ million
0.147	Service Office	0.469	0.478	0.009
2.926	Sustainable Dev.t	3.598	3.666	0.068
29.550	Sust Env inc Waste	30.418	28.910	-1.508
0.745	Sustainable Tpt	0.861	0.904	0.043
0.322	Archaeology	0.318	0.316	-0.002
1.095	Countryside & Env Serv	0.965	0.976	0.011
23.242	Highway Services	17.474	19.298	1.824
3.421	Network Imp.t	7.566	7.409	-0.157
2.024	Road Safety	1.982	2.077	0.095
0.021	Bus & Tech Support	1.632	1.528	-0.104
9.174	Passenger Tpt Mgt	9.253	9.295	0.042
72.667		74.536	74.857	0.321
-5.166	Reserves: Use of (-) (or) Contribution to (+)	-7.136		
67.501	Budget requirement	67.400	projected outturn 100.4%	

Financial performance; projected budget outturn tolerances:

- Green if budget variance is less than 1% (£670k)
- Amber if budget variance is between 1 - 5% (£670k - £3,350k)
- Red if budget variance exceeds 5% (£3,350k)

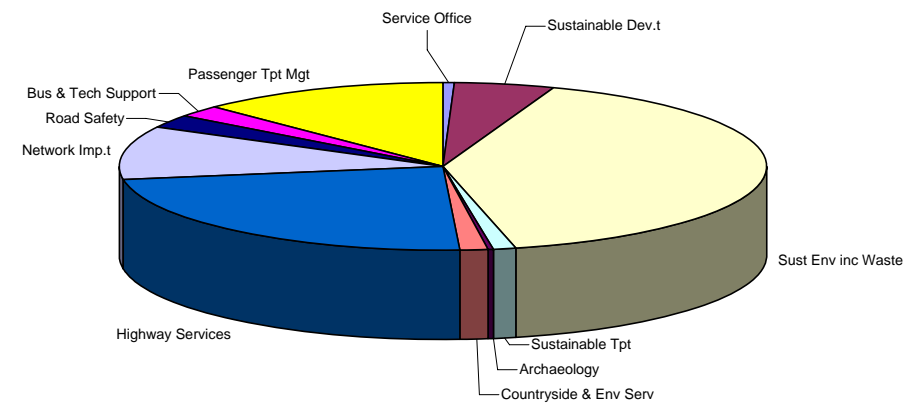
(capital programme moitoring is on page 6)

Risk matrix summary showing the spread of active risks. Full details in the summary report

Probability Impact Heatmap

Almost Certain	0	0	0	0	0
Likely	0	0	3	2	0
Moderate	0	0	10	11	1
Unlikely	0	0	1	2	0
Rare	0	0	0	0	0
	Insignific ant	Minor	Moderate	Major	Extreme

E&T 2009-10 Budget



2 Sustainable Development (Fran Toomey) RED DECLINING overall

NI No.	Definition	2008-09 outturn	2009-10 Target	2009-10 OUTFURN	On Track	Dir. Of Travel	Benchmark Position	Benchmark Total	Risk ref:	Other Information
NI151	Overall employment rate	82.80%	No target	no data	RED	DECLINING	0	0	No	Q1 data only
NI152	Working people on out of work benefits	IP 12.4% WA 12.8%	IP 11.5% WA 11.8%	0.00%	AMBER	IMPROVING	0.00%	0.00%	Not known	
NI153	Working age people claiming out of work benefits in the worst performing neighbourhoods	29.8% (Nov 08)	No target	0.00%	RED	DECLINING	0	0	No	
NI154	Net additional homes provided	2,388	1,243	1,110	RED	DECLINING	0.00%	0.00%	No	
NI155	No. of affordable homes delivered	1,150	no target	0	0	NO CHANGE	0	0	Not known	
NI166	Average earnings of employees in the area	94.1% (£441.30)	no target	91.9% (£440.30)	RED	NO CHANGE	0.00%	0.00%	Yes	
NI171	Proportion of adult VAT registrations per 10,000 adults - proxy measure of business start ups	53.0 (2007)	no target	4460.00%	RED	DECLINING	0	0	Not known	2 year data lag
NI172	VAT registered businesses in the area showing growth (% of VAT registered businesses)	99.68%	103.9% (2008)	Expected Jan '11	RED	DECLINING	0.00%	0.00%	No	Data expected Summer 2009
LT2(b)	Access (b) Travel to Work	[2009] 33.4%	35.50%	survey in May 2010	AMBER	DECLINING	0	0	No	Survey being carried out in May
LT4	Increase % of employment in Suffolk's key sectors	26.39% (2008)	no target	available Dec10	AMBER	NO CHANGE	0	0	Yes	
LT9	Increase the number of affordable homes commencements on site across Suffolk (gross)	0.00%	989 new starts; 1,336 completions	553 new starts 689 completions	RED	DECLINING	0	0	No	
ET1	Leverage of external funding	£9,105,154	no target	£7,754,631	GREEN	NO CHANGE	0	0	Not known	
ET2	Bids supported by Corporate Regeneration Fund	37	no target	45	GREEN	NO CHANGE	0	0	Not known	

Budgets	Current Full Year Budget	Outturn	Variance over (+) under (-) Budget
Sustainable Development	3.598	3.666	0.068

Employment continues to be an area of concern as we reach the "official" end of the recession. The overall employment rate, whilst below target, is higher than the regional average. Overall employment rate shows little change from 2007-08 figures. Suffolk VAT registered businesses are growing at 99% compared to the regional norm.

There is no actual data on the number of affordable homes, although local intelligence, whilst not comprehensive for the whole county continued to show moderate improvement for the year but below our expectation.

LT2b continues to suffer in performance and indications are that alternative modes have not increased significantly since the last survey, conducted May 2009. We are waiting the results of the May 2010 survey to confirm whether the tactic of widening the survey base will identify a greater use of alternative transport options.

The Sustainable Development outturn is almost in line with budget.

Risks OREC0003 (Orbis Energy) and IMH 1-4 (Innovation Martlesham Hub) relate to economic development and continue to be rated as "High". The formation of the Executive Committee should mitigate OREC003 through effective management of the project and emerging issues. Full details of the recommended control measures for IMH0001-04 are in the Risk report.

3 Sustainable Transport (Andrew Guttridge and Mike Manning)				GREEN	NO CHANGE	overall				
NI No.	Definition	2008-09 outturn	2009-10 Target	2009-10 OUTTURN	On Track	DOT	Benchmark Position	Benchmark Total	Risk ref:	Other Information
NI47	People killed or seriously injured in road traffic accidents	0.9%	5.0%	-0.9%	RED	DECLINING	0	0	No	see ET18 for proxy
NI48	Children killed or seriously injured in road traffic accidents	-12.5%	7.1%	-12.3%	RED	IMPROVING	0	0	Yes	see ET19 for proxy
NI167	Congestion – average journey time per mile during the morning	7.8%	no target	data Aug 2010	AMBER	NO CHANGE	0	9.38%	No	data Aug 2010
NI168	Principal roads where maintenance should be considered	4.0%	4.0%	4.0%	GREEN	NO CHANGE	0	0	Yes	
NI169	Non-principal roads where maintenance should be considered	9.0%	9.0%	9.0%	GREEN	NO CHANGE	0	0	Yes	
NI175	Access to services and facilities by public transport, walking and cycling	162032	127000	171370	GREEN	IMPROVING	0	0	Not known	
NI176	Working age people with access to employment by public transport	79.26% [2008]	no target	no data	RED	NO CHANGE	0	0	No	
NI177	Local bus passenger journeys originating in the local authority area	20,661,804	20,000,000	20,777,503	GREEN	IMPROVING	0	0	Not known	
NI178a	Bus services running on time - Proportion running on time	77.0%	90% (LTP)	no new survey	0	0	0	0	Not known	no new survey
NI178b	Bus services running on time - Average waiting time	53.0%	0.7 (LTP)	no new survey	0	0	0	0	Not known	no new survey
ET3	Interventions by SoS	0.0%	0.0%	0.0%	GREEN	NO CHANGE	0	0	Not known	
ET4	% of footpaths and other rights of way easy to use	61.0%	65.0%	66.0%	GREEN	IMPROVING	0	0	Not known	
ET5	Use of park-and-ride sites (number of cars)	NO DATA	no target	400,583	AMBER	IMPROVING	0	0	Not known	
ET6	Usage of Public Rights of Way routes	458	10% (LTP)	0	GREEN	IMPROVING	0	0	No	
ET7	Number of Demand Responsive Bus Passengers	162,667	127,000	171,370	GREEN	IMPROVING	0	0	Not known	
ET8	Effectiveness of local lorry intervention schemes: Reduction in HGV traffic in areas where schemes are enacted	0.0%	no longer monitored	not monitored	0	0	0	0	No	not monitored in 2009-10, 1 scheme to monitor in 2010-
ET11	Length of rural pavement	5.4	6.0	6.8	GREEN	IMPROVING	0	0	No	
ET18	Reducing the no. of people KSI in road accidents	372	304	367	RED	NO CHANGE	0	0	No	
ET19	No of children KSI in road accident	31	28	35	RED	DECLINING	0	0	No	
ET20	Number of Road accident casualties slight injuries	2,346	2,592	2,346	GREEN	NO CHANGE	0	0	No	
ET21	An air quality target related to traffic	6	6	7	RED	NO CHANGE	0	0	Yes	
ET31	Change in area wide road traffic mileage	18.5	22.8	18.5	GREEN	NO CHANGE	0	0	Yes	
ET32	Number of Cycling Trips	111	101	106	GREEN	NO CHANGE	0	0	Yes	
ET33	% of people travelling to work by sustainable means	33.4%	35.5%	0.0%	GREEN	DECLINING	0	0	No	
ET34	Satisfaction with Bus Services	1	56% (LTP)	0	RED	DECLINING	0	0	Not known	

	Budgets (Revenue)		Current Full Year Budget	Outturn	Variance over (+) under (-) Budget
	Sustainable Transport		0.861	0.904	0.043
	Highway Services (Non Works Revenue Budget)		3.537	3.786	0.249
	Highway Services (Works Revenue Budget)		14.151	16.020	1.869
	Assistant Director		-0.214	-0.508	-0.294
	Network Improvement (Non Works Revenue Budget)		1.828	2.055	0.227
	Network Improvement (Works Revenue Budget)		5.738	5.354	-0.384
	Road Safety		1.982	2.077	0.095
	Passenger Transport Management		9.253	9.295	0.042
	Business and Technical Support(Non Works Budget)		1.259	1.245	-0.014
	Business and Technical Support(Works Budget)		0.373	0.283	-0.090
	BUDGET TOTAL (£M)		38.768	40.511	1.743

KSI data: outturn displayed as RED with a significant percentage swing away from the 2009 outturn and our target. The in-year actuals, in ET 18, whilst indicating a modest improvement on 2009, are significantly above our target. The Worlingham incident on 25 September 2009, when 9 people suffered serious injuries, has impacted on ET 18 and 19.

Air Quality Management Areas continue to be declared, but Action Plan development has not progressed as expected; largely due to lack of adequate resources.

Risk ET RS 0001 refers to delays in receiving relevant data to inform progress, which is likely to continue to be an issue, although the current very high rating could be questioned in the context of risk to SCC. Refer to the more detailed table in the separate Risk report.

Sustainable Transport has overspent of £0.043m. This is due to the cost of external (and chargeable internal) support to reshaping the Suffolk Highways Partnership to deliver efficiency savings. It was previously agreed that this would be funded by retrospective use of the directorate carry forward reserve.

Highway Services, Network Improvement and Road Safety are overspent for non works revenue budget. This is in line with the forecast outturn at quarter three. The main contributor to this is that the recharge to capital programme has not met the target by £0.653m, which is 14% of the recharge budget. The severe winter weather has had a significant impact on the highways works budgets. There has been an overspend of £1.013m on the winter maintenance budget. There has been an additional overspend on highways maintenance budgets as a result of post winter weather emergency repairs.

Passenger Transport has a small overspend of £0.042m at the year end. This represents a change from quarter three, when it was expected that there would be an overspend of £0.235m. There has been an underspend on infra structure by £172K due to contract issues with the supplier. There has been an underspend for Explore card by £33K as the demand has been less than anticipated. Transport subsidies and passenger transport information is underspent by £234K. This is owing to lower prices in the recession period and extra income received from the Developer's contribution. Further more Travel services has overspent by £234K. Due to the recession, some private jobs have been cancelled and private hire income is therefore lower than anticipated. Detailed tables for the non-works and works revenue budgets can be found on page 7.

4 Sustainable Environment (Bryn Griffiths) GREEN IMPROVING overall

NI No.	Definition	2008-09 outturn	2009-10 Target	2009-10 OUTFURN	On Track	DOT	Benchmark Position	Benchmark Total	Risk ref:	Other Information
NI157	Processing of planning applications as measured against targets for 'major' application types.	42.6%	60.0%	69.4%	GREEN	IMPROVING	0.0%	0.0%	No	
NI185	CO2 reduction from local authority operations	83,543	80,201	not available	RED	NO CHANGE	0	0	Yes	data available Jun 2010
NI186	Per capita CO2 emissions in the local authority area	[2007] -6.15%	- 4.0%	no data	RED	NO CHANGE	0	0	Yes	2 yr data lag
NI188	Adapting to climate change	Level 1	Level 2	Level 2	GREEN	NO CHANGE	0	0	Yes	
NI191	Residual household waste per head	577.1	550.0	280	GREEN	IMPROVING	0	40	No	
NI192	Household waste recycled and composted	48.4%	39.0%	1	GREEN	IMPROVING	0	40	Not known	
NI193	Percentage of municipal waste landfilled	54.4%	55.0%	0	GREEN	IMPROVING	0	40	No	
NI194	Level of air quality	New	no target	no data	0	0	0	0	Not known	
NI197	Improved local biodiversity – active management of local sites	32	no target	no data	0	0	0	0	Yes	

LT8	Increase the % of County Wildlife sites under active conservation management.	32% [baseline]	not set	0	GREEN	IMPROVING	0	0	Yes	
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ET30	Household Waste Recycling Centres Recycling Rates	52.64%	60.00%	66.88%	GREEN	IMPROVING	0	0	Not known	
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Budgets	Current Full Year Budget	Outturn	Variance over (+) under (-) Budget
Sustainable Environment including Waste	30.418	28.910	-1.508
Countryside and Environment Services	0.965	0.976	0.011
BUDGET TOTAL (£M)	31.383	29.886	-1.497

The Environment indicators all show that we are on track overall with performance, although Cabinet-agreed EAP actions are insufficient to meet CO2 reduction from LA operations. Local assessment still indicates a potential for missing the targets for NI 185 & 186. For Q3: there is now an agreed approach for Buildings and Street lighting. The aim is to produce detailed proposals for implementation in 2010-11; so there is unlikely to be any significant reduction in 2009-10 and 2010-11 (whilst not good for NI185 performance, it does mean our CRC baseline will not be impacted by early action).

The HWRC contract indicates continuing increased overall performance; the seasonal reduction in compostable waste accounts for a dip compared to the previous quarter. Further developments in kerbside collection schemes at the WCA's will further improve the performance of SCC.

Sustainable Environment including waste has underspent by £1.508m. This is mainly due to reduced waste tonnages, combined with reductions in outstanding claims from contractors and district councils.

Risks ET PRO 8-11 threaten some outcomes relating to Waste. Other risk work relating to climate adaptation is on-going.

E&T Capital Programme	Total Programme	Outturn	Variance
Capital Maintenance			
LTP	13,570	14,563	993
Prudential Borrowing	3,074	3,077	3
Capitalised Maintenance	3,053	2,927	-126
Detrunked	1,846	49	-1,797
Single Capital Pot - Lighting & Signals	1,654	1,682	28
Depots (Goddard Road)	2,856	1,181	-1,675
Total Maintenance	26,053	23,479	-2,574
Integrated Transport			
Invest to Save Lanterns	515	545	30
Lorry Management	123	76	-47
Speed Management	72	77	5
Rural Footways	240	258	18
Programmes	33	54	21
Travel Plans	103	56	-47
Quality of Life	46	29	-17
Monitoring	83	85	2
Promotion	148	47	-101
Studies	335	443	108
Lorry Management Operation Stack	30	15	-15
Demand Responsive Transport	400	380	-20
Passenger Transport	2,490	1,495	-995
Road Safety	1,510	1,960	450
Congestion	1,318	873	-445
Accessibility	900	714	-186
Quality of Life	631	520	-111
Strategic Towns	3,652	2,378	-1,274
Other Integrated Transport Schemes	287	16	-271
TRO Additional funding	7	188	181
Air Quality	1	1	0
Grange Lane, Kesgrave	261	35	-226
School Travel Plans	48	0	-48
Sustainable School Travel	46	0	-46
Integrated Transport Management	0	243	243
Other Recharges Integrated Transport	0	-48	-48
Contribution to EEDA/NCC/NXEA	0	54	54
Asta Powerproject	0	15	15
Total Integrated Transport	13,279	10,509	-2,770
On Street Parking	1,651	826	-825
Scheme Prep	20	262	242
South Lowestoft Relief road	911	2,131	1,220
Safety Camera Partnership	398	40	-358
Renewals	1,367	1,367	0
Reuse & Recycling	169	61	-108
Waste Projects	3,174	563	-2,611
Orbis Energy Centre	0	-18	-18
Stowmarket Relief Road	10,091	9,444	-647
Haven Gateway	204	367	163
Developer Funded	344	176	-168
Corporate Regeneration Fund	285	367	82
Other Internal Funding, EA Bridges & Private Funding	258	258	0
TOTAL	58,204	49,832	-8,372

1. Capital expenditure for 2009/10 is £49.8m against a programme of £56.3m. This means that £6.5m of the planned payments for the 2009/10 capital programme will now be spent in 2010/11. The main reasons for this are as follows:

- The Blythburgh detrunked scheme, which has a total allocation of £1.8m, has been delayed to 2010/11 due to environmental constraints and discussions with Blyth Estuary Group.
- The scheme to move the highways depot from Great Blakenham to Goddard Road has a budget of £2.8m. This was brought forward from previous years and has now been re-profiled for the new scheme. This means that £1.7m will now be spent in 2010/11.
- Of the £1.6m allocation for schemes funded from on-street parking £0.825m has not been spent in 2009/10. This is because the new process for allocating funds to Quality of Life schemes was delayed by the elections and therefore it has not been possible to prioritise all of the schemes in time for the funding to be spent in the current year.
- There was an allocation in the programme for 2009/10 for waste projects totalling £3.3m. £2.7m of this will now be spent in 2010/11. This is a planned underspend against capital allocations to Household Waste Recycling Centres in line with the waste strategy. Spend will take place when the new contractor has completed their phase 1 improvements.

2. The overall programme has increased by £0.8m as a result of the inclusion of developer contributions and other external contributions to schemes.

6 Service Delivery Revenue Works Budgets

Project/Code	Budget	Total Expenditure	Variance	Comments
Highways - East	4,097,190.00	4,233,296	-136,105.83	
Highways - Central	2,515,500	2,711,144	-195,644.38	
Highways - West	3,132,000	3,520,242	-388,241.79	
Bridges	518,800	511,712	7,088.36	
Lighting	3,528,410	3,444,111	84,299.50	
Signals & Crossings	595,200	426,915	168,285.38	
Countywide Highway Maintenance	457,207	260,035	197,171.79	
Ipswich Borough Council	2,357,390	2,597,961	-240,571.00	
St. Edmundsbury Borough Council	386,000	354,482	31,518.09	
Winter Maintenance	2,300,500	3,314,117	-1,013,616.64	
Pavement Condition Assessment	372,700	282,588	90,112.00	
TOTAL SERVICE DELIVERY REVENUE WORKS	20,260,897	21,656,602	-1,395,704.52	Additional costs due to severe winter

works

Service Delivery Revenue Non-Works Budgets

Group	Full Year Budget	Full year Spend	Variance: positive figure = underspend	Comments
Archaeology	318,093	316,406	1,687	Large value of WIP
Countryside & Environmental Services	930,151	941,284	-11,133	
Highways Management - Central	425,376	512,355	-86,979	Recharge to capital programme under recovery by £43K. Overspend on salaries by £17K, supplies & services by £11k and lost NRASWA income
Highways Management - East	505,213	560,263	-55,050	Recharge to capital programme under recovery by £40K.
Highways Management - West	361,065	419,114	-58,049	This is mainly due to overspend on overtime budget to meet increased demand
Highways Management - HQ	2,243,691	2,320,501	-76,810	The cost centre has budget and expenditure which needs to be allocated out.
Network Improvement	1,828,587	2,055,904	-227,317	Recharge to capital programme under recovery by £360K due to increased pressure to undertake non-capital work.
Road Safety	1,982,420	2,076,507	-94,087	Recharge to capital programme under recovery by £126K. Budgetary allocations are being reviewed.
Business & Technical Support	1,258,969	1,245,390	13,579	Cost centre has some budgets that need to be allocated out.
Passenger Transport Management	9,252,586	9,052,274	200,312	Underspend on infrastructure due to RTP1 revenue costs not used - SLE issues. Park & Ride overspend due to changes in concessionary income changes for park & ride sites in 2009/10
Assistant Director	-213,892	-508,089	294,197	Cost centre has some budgets that need to be allocated out. There has been a credit of £117K due to reduction in bad debt provision
TOTAL SERVICE DELIVERY REVENUE NON-WORKS	18,892,259	18,991,909	-99,650	

Traders	Surplus	Comments
Suffolk Highways Contracting	-597,982	This surplus will go into the SHC reserve
Suffolk Fleet Management	-42,258	This surplus will go into the SFM reserve