

**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 28 JANUARY 2020**



**REPORT OF: MR MEL FEW, CABINET MEMBER FOR FINANCE AND  
LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR OF RESOURCES**

**LEAD OFFICER: EXECUTIVE DIRECTOR RESOURCES (S151 OFFICER)**

**SUBJECT: 2019/20 MONTH 8 (NOVEMBER) FINANCIAL REPORT**

**SUMMARY OF ISSUE:**

This report provides the detail of the County Council's 2019/20 financial position as at 30 November 2019 (M8) for revenue and capital budgets and the expected outlook for the remainder of the financial year. Further details on Service budgets are to be found in **Annex 1**.

**Key Messages - Revenue**

- To achieve a balanced budget for the year a programme of efficiencies including transformation activities totalling £82m was established. The Council is more than half way through the financial year, with £63m (c75%) of the £82m target on track to be achieved or delivered.
- The latest forecast for the year-end is for a Revenue deficit of £0.4m. This is broadly due to planned efficiencies not being achieved and new pressures emerging, offset by various mitigating actions.
- The Council will continue working to identify alternative actions that will reduce the £0.4m projected deficit forecast.
- The revenue projection is mainly due to underlying overspends of £13.5m:
  - £8.7m unidentified/Black proposals of the £82m efficiency programme;
  - £3.1m in SEN and mainstream schools transport, from a growth in pupil numbers and increased costs; and
  - £1.7m on the Social Care element of school placements.

Of the overspend, c£13m has been offset by:

- £5.3m highway repairs reclassified as capital expenditure, and therefore funded from borrowing or capital receipts;
- £2m additional government grants - Section 31 Business Rates grants and New Homes Bonus;
- £1.5m reduced forecast for the Corporate Redundancy budget;
- £1.4m contingency draw down to support the ETI LED delayed efficiencies;

- £1m reduced contribution to the Self-Insurance Fund following the actuarial review showing there was sufficient funding to reduce the contribution;
  - £0.9m underspend on capital financing costs due to slippage in the 2018/19 capital programme; and
  - £0.8m other CFLC mitigating actions including increased income £0.3m from the Registration Service and £0.5m from reduced supplies & services expenditure.
- Although actual year to date spend at M8 is £31m below the year to date budget (shown in Annex 1), this is due to timing differences in the spending profiles of the Waste service and Special Educational Needs within the Education, Lifelong Learning & Culture service and has been reflected for in the year-end forecast. Information from this year will be used to improve profiling of budgets for next year.
  - The overall financial position is improving but there remains some vulnerability, as some of the improvements are one-off measures. There are also red risks which are being monitored and are not factored into current 'non achievable category' (and therefore forecast). If these materialise there will be an adverse impact on the current forecast. These risks are outlined in paras 4 and 6-10.

### **Key Messages - Capital**

- The Council set a capital budget for 2019/20 of £129.2m in February 2019. Over recent months the budget has been adjusted for an in-year review leading to re-profiling of budgets to future years to reflect the current position on programme delivery, new schemes and re-profiling reviews. As a result, the current 2019/20 capital budget has been revised to £122.1m, with forecast in-year overspend of £0.6m at M8.
- Details are set out in **Table 3**.

### **RECOMMENDATIONS:**

The Cabinet is asked to:

- Note and approve the amended capital budget of £122.1m (para 13) which includes additional works in Epsom Town Centre funded by Epsom & Ewell Borough Council (£1.1m) (para 12); and
- Note the Council's forecast revenue and capital budget positions for the year.

### **REASON FOR RECOMMENDATIONS**

- Note this report is to comply with the agreed policy of providing a monthly budget monitoring report to Cabinet for approval of any necessary actions.

## Revenue Budget

1. **Table 1** below shows the forecast revenue budget outturn for the year by Service. **Annex 1** (attached) provides more detail of Service forecast outturn.

**Table 1 - Summary revenue budget forecast variances as at 30 November 2019**

| Directorate                                    | Cabinet member(s)                      | Full year budget<br>£m | Full year forecast<br>£m | Current year forecast variance at Month 8<br>£m | Change in forecast since last month<br>£m |
|--|--|------------------------|--------------------------|---|---|
| Children, Families, Learning & Culture (CFLC)  | M Lewis / J Iles                       | 243.0                  | 250.0                    | 7.0   | (0.4)                                     |
| Health, Wellbeing & Adult Social Care (HWA)    | S Mooney                               | 364.0                  | 364.0                    | 0.0   | 0.0                                       |
| Environment, Transport & Infrastructure (ETI)  | D Turner-Stewart/ M Furniss/ M Goodman | 128.5                  | 125.2                    | (3.3)   | (0.3)                                     |
| Community Protection                           | D Turner-Stewart                       | 34.5                   | 34.3                     | (0.2)   | (0.0)                                     |
| Resources (Res)                                | M Few/ Z Grant-Duff                    | 71.4                   | 72.7                     | 1.3   | (0.1)                                     |
| Transformation, Partnership & Prosperity (TPP) | T Oliver/ Z Grant-Duff/ C Kemp         | 14.2                   | 15.1                     | 0.9   | 0.0                                       |
| Central Income & Expenditure (CIE)             | M Few                                  | (855.5)                | (860.9)                  | (5.4)   | 0.0                                       |
| <b>Deficit/ (Surplus)</b>                      |  | 0.0                    | 0.4                      | 0.4   | (0.8)                                     |

*Note: The net budget and forecast of Public Health is nil and so has not been shown separately; the gross budget and forecast is £35.7m.*

*Note: All numbers have been rounded which might cause a difference*

### Children, Families, Learning & Culture (CFLC) Directorate

2. In the CFLC Directorate, the number of pupils requiring SEN transport is expected to rise in a similar pattern to previous years. The Transport Review has identified mitigations to reduce some of these costs and therefore the forecast overspend for SEN Transport is now assessed at £2.4m, there is also an increase in the cost of mainstream and alternative provision transport leading to an overall budget pressure on transport for this year of £3.1m.
3. There have been reductions in the volume of both external residential placements and external fostering, despite this the activity levels are above budget. Focus for the year will be more in County placements.
4. A key area of risk for the Council is in Special Educational Needs and Disabilities (SEND), which is funded through the Dedicated Schools Grant (DSG). The current projected position assumes an overspend on SEND of £29m in 19/20. The number of Non-Maintained Independent (NMI) placements (a significant factor in the cost of SEND) could rise to 1,342 by the end of the financial year based on the current trajectory compared to 1,030 at the beginning of the year and 1,106 which was forecast in the SEND reset business case. In order to limit the overspend to £29m, management actions of £1.9m are required by the end of the financial year. The SEND reset programme is focusing on reducing costs to grant levels over 3 years. A series of

workshops have been held to develop management action plans to deliver efficiencies, which will be monitored and tracked. There however, remains a substantial risk around the forecast and the impact that this could have on 2020/21.

### **Health, Wellbeing & Adult Social Care (HWA) Directorate**

5. In HWA, a balanced outturn is forecast but there are significant risks relating to expenditure on care packages which could impact on the current year and if not addressed will increase the challenge in delivering next year's budget.
6. Spending on care packages to directly meet people's eligible individual assessed needs accounts for over 80% of the service's gross expenditure. Following the introduction of a new model of care, spending on care packages fell considerably between August 2018 and March 2019. However, this trend has not continued during the first eight months of the 2019/20 financial year. In fact, full year care gross expenditure package commitments (the annual spending required for active care packages) have increased by £2.2m for the year to date. As a result, ASC is forecast to underachieve by £3.0m against the care package efficiencies budgeted in 2019/20. This underachievement for care package efficiencies could grow, as £4.6m of care package efficiencies were still forecast in the remainder of the year but rated as red risk.
7. Although spending on care packages is not currently falling in line with the budgeted profile, there is still a fairly high degree of confidence that ASC can achieved a balance budget in 2019/20. This is because a range of measures including staffing underspends, additional income and management of inflationary pressures are available to offset slippage against budgeted care package efficiencies.
8. However, as many of the balancing measures available in 2019/20 are definitely or potentially one-off, and full year care package commitments remain higher than the budget, ASC needs to reduce care package spending in the remainder of this financial year in order to achieve a balanced budget on an ongoing basis. If this does not happen then delivery of the 2020/21 budget will become much more challenging.

### **2019/20 Efficiency Programme**

9. The Council included £82m of efficiency proposals in the annual budget approved by Council in February 2019. At this point in the year c£63m (c75%) of the plan has been achieved or expected to be delivered. The Council considers the remaining c£9m to be unachievable (black proposals) £0.7m of which has been offset by one-off actions or and the remainder through ongoing efficiencies. There continue to be risks around the achievability of remaining efficiencies, which are being managed and monitored.

10. Directorate efficiencies are shown in **Table 2** below.

**Table 2 - Efficiency Progress as at 30 November 2019**

| Directorate                                     | Full Year Target<br>£m | Full Year Forecast<br>£m | Forecast variance<br>£m | Blue Achieved<br>£m | Green<br>£m | Amber<br>£m | Red<br>£m  | Black Unidentified Gap<br>£m | Last Month<br>£m |
|---|------------------------|--------------------------|-------------------------|---------------------|-------------|-------------|------------|------------------------------|------------------|
| Children, Families, Lifelong Learning & Culture | 21.7                   | 18.6                     | 3.0                     | 9.1                 | 7.2         | 1.6         | 0.7        | 3.0                          | 3.1              |
| Health, Wellbeing & Adult Social Care           | 20.0                   | 20.0                     | 0.0                     | 15.3                | 0.0         | 0.1         | 4.6        | 0.0                          | 0.0              |
| Public Health                                   | 1.0                    | 1.0                      | 0.0                     | 0.9                 | 0.1         | 0.0         | 0.0        | 0.0                          | 0.0              |
| Environment, Transportation & Infrastructure    | 11.9                   | 8.9                      | 3.0                     | 5.3                 | 1.9         | 1.7         | 0.0        | 3.0                          | 2.9              |
| Community Protection group                      | 0.0                    | 0.0                      | 0.0                     | 0.0                 | 0.0         | 0.0         | 0.0        | 0.0                          | 0.0              |
| Transformation, Partnership & Prosperity        | 3.4                    | 2.6                      | 0.7                     | 1.3                 | 1.1         | 0.0         | 0.1        | 0.7                          | 0.7              |
| Resources                                       | 11.0                   | 9.0                      | 1.9                     | 7.4                 | 0.7         | 0.5         | 0.4        | 1.9                          | 1.6              |
| Central Income & Expenditure                    | 12.6                   | 12.6                     | 0.0                     | 8.5                 | 3.6         | 0.5         | 0.0        | 0.0                          | 0.0              |
| <b>Total</b>                                    | <b>81.6</b>            | <b>72.9</b>              | <b>8.7</b>              | <b>47.9</b>         | <b>14.6</b> | <b>4.4</b>  | <b>5.9</b> | <b>8.7</b>                   | <b>8.3</b>       |

## Capital Budget

11. Approval is sought to amend the budget to reflect additional works being undertaken in Epsom alongside the existing Epsom Market Place scheme, expected to cost £1.1m, which will be funded by Epsom & Ewell Borough Council.
12. The M8 budget of £122.1m is an increase of £1.8m from M7. This is as a result of additional schools' expenditure of £0.6m, which will be funded by third party contributions, including the Devolved Formula Grant. There is also an increase to the budget of £1.1m for the LEP Scheme at Epsom Market and Ewell Borough Place.
13. **Table 3** below provides a summary of the forecast outturn for the 2019/20 Capital budget, including the re-profile requests.

**Table 3 - Summary capital programme budget forecast as at 30 November 2019**

|                                  |                   | Year to date<br>Full year budget<br>£m | Year to date<br>actual<br>month 8<br>£m | Full year forecast<br>outturn at<br>month 8<br>£m | Full year forecast<br>variance<br>at month 8<br>£m | Change in<br>forecast<br>since last<br>month<br>£m | Future<br>years'<br>budget<br>£m |
|----------------------------------|-------------------|--|---|---|--|--|----------------------------------|
| Adult Social care                | S Mooney          | 1.9                                    | 0.4                                     | 2.2   | 0.3  | 0.3  | 7.6                              |
| Children Services                | M Lewis / J Iles  | 5.9                                    | 5.3                                     | 5.9   | 0.0  | 0.0  | 7.1                              |
| Environment                      | M Goodman         | 1.0                                    | 0.6                                     | 1.0   | 0.0  | 0.0  | 3.8                              |
| Highways & Transport             | M Furniss         | 60.0                                   | 36.2                                    | 59.4  | (0.6)  | (0.6)  | 123.5                            |
| Information Technology & Digital | Z Grant-Duff      | 8.0                                    | 4.4                                     | 8.3   | 0.4  | 0.4  | 26.0                             |
| Property Services                | M Few             | 23.3                                   | 16.3                                    | 23.9  | 0.6  | 0.0  | 106.6                            |
| Schools Basic Need               | J Iles            | 19.5                                   | 14.8                                    | 19.5  | 0.0  | 0.0  | 64.6                             |
| Fire & rescue                    | D Turner- Stewart | 2.4                                    | 0.5                                     | 2.4   | (0.0)  | 0.0  | 7.1                              |
| <b>Total Capital</b>             |                   | <b>122.1</b>                           | <b>78.4</b>                             | <b>122.7</b>                                      | <b>0.6</b>   | <b>0.0</b>   | <b>346.3</b>                     |

Note: All numbers have been rounded - which might cause a casting difference

14. For M8, the forecast variance is a £0.6m overspend. This is unchanged from M7 and is comprised of the following:

- The Linden Farm scheme is complete. Final accounts are currently under negotiation, however, there is an expected overspend of £0.6m due to unforeseen ground conditions and planning delays,
- Additional spend of £0.4m on the device refresh for IT&D Hardware being brought forward and offset with delays to the Agile programme to ensure alignment with Moving Closer to Residents Project, and
- Additional spend of £0.3m on the ASC Adaptations Scheme - which will be met from the revenue budget.

Offset by:

- £0.6m underspend on the LEPS Programme primarily relating to drainage issues on the Wider Staines scheme.

#### **CONSULTATION:**

15. Executive Directors and Cabinet members have confirmed the forecast outturns for their revenue and capital budgets.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

16. Risk implications are stated throughout the report and each relevant director or head of service has updated their strategic and or service risk registers accordingly. In addition, the Leadership Risk Register continues to reflect the increasing uncertainty of future funding likely to be allocated to the Council and the sustainability of the MTFP. In the light of the increased and significant financial risks faced by the Council, the Leadership Risk Register will be reviewed to increase confidence in Directorate plans to mitigate the risks and issues.

#### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

17. The report considers financial and value for money implications throughout and future budget monitoring reports will continue this focus.

#### **SECTION 151 OFFICER COMMENTARY**

18. The Section 151 Officer confirms the financial information presented in this report is consistent with the Council's general accounting ledger and that forecasts have been based on reasonable assumptions, taking into account all material, financial and business issues and risks.

19. The Council has a duty to ensure its expenditure does not exceed resources available. It is drawn to Members' attention that the Council continues to face ongoing uncertainty about future funding, demand pressures and efficiencies. Within this context the Council is required to develop and implement plans to ensure that the forecast deficit of £0.4m is contained within resources.

## **LEGAL IMPLICATIONS – MONITORING OFFICER**

20. The Council is under a duty to set a balanced and sustainable budget. The Local Government Finance Act requires the Council to take steps to ensure that the Council's expenditure (that is expenditure incurred already in year and anticipated to be incurred) does not exceed the resources available whilst continuing to meet its statutory duties.
21. Cabinet should be aware that if the Section 151 Officer, at any time, is not satisfied that appropriate strategies and controls are in place to manage expenditure within the in-year budget they must formally draw this to the attention of the Cabinet and Council and they must take immediate steps to ensure a balanced in-year budget, whilst complying with its statutory and common law duties.

## **EQUALITIES AND DIVERSITY**

22. Any impacts of the budget monitoring actions will be evaluated by the individual services as they implement the management actions necessary. In implementing individual management actions, the Council must comply with the Public Sector Equality Duty in section 149 of the Equality Act 2010 which requires it to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
23. Services will continue to monitor the impact of these actions and will take appropriate action to mitigate additional negative impacts that may emerge as part of this ongoing analysis.

## **WHAT HAPPENS NEXT:**

24. The relevant adjustments from the recommendations will be made to the Council's accounts.

### **Contact Officer:**

Leigh Whitehouse, Executive Director of Resources  
020 8541 7246

### **Consulted:**

Cabinet, Executive Directors, Heads of Service

### **Annexes:**

Annex 1 – Detailed Revenue Budget at 30 November 2019





## Detailed Revenue Budget at 30 November 2019

| Service  | Cabinet Member   | Prior year to date actual<br>£m | Year to date Budget<br>£m | Year to date Actual<br>£m | Year to date variance<br>£m | Full Year Gross budget<br>£m | Full year net budget<br>£m | Full Year net forecast<br>£m | Full year net forecast variance<br>£m |
|--|------------------|---------------------------------|---------------------------|---------------------------|-----------------------------|------------------------------|----------------------------|------------------------------|---------------------------------------|
| Delegated Schools  | J Iles           | 0.4                             | 3.6                       | 3.6                       | (0.0)                       | 310.8                        | 0.0                        | 0.0                          | 0.0                                   |
| Education, Lifelong Learning & Culture                     | J Iles           | 56.8                            | 64.9                      | 52.2                      | (12.7)                      | 282.0                        | 96.6                       | 99.0                         | 2.4                                   |
| Corporate Parenting  | M Lewis          | 67.1                            | 64.6                      | 62.3                      | (2.3)                       | 110.3                        | 96.0                       | 96.4                         | 0.4                                   |
| Commissioning  | M Lewis / J Iles | 3.8                             | 3.9                       | 3.9                       | (0.0)                       | 65.4                         | 6.0                        | 6.1                          | 0.1                                   |
| Family Resilience  | M Lewis          | 31.1                            | 26.4                      | 26.8                      | 0.4                         | 40.6                         | 38.4                       | 39.7                         | 1.3                                   |
| Quality Assurance  | M Lewis / J Iles | 3.0                             | 5.7                       | 5.6                       | (0.1)                       | 10.4                         | 8.5                        | 8.2                          | (0.3)                                 |
| Directorate wide savings                                   |                  | 0.0                             | (1.7)                     | 0.2                       | 1.9                         | (2.5)                        | (2.5)                      | 0.6                          | 3.1                                   |
| <b>Children, Families, Life long Learning, and Culture</b> |                  | <b>162.3</b>                    | <b>167.4</b>              | <b>154.7</b>              | <b>(12.8)</b>               | <b>816.8</b>                 | <b>243.0</b>               | <b>250.0</b>                 | <b>7.0</b>                            |
| <b>Public Health</b>                                       | <b>S Mooney</b>  | <b>0.0</b>                      | <b>0.0</b>                | <b>0.0</b>                | <b>0.0</b>                  | <b>35.7</b>                  | <b>0.0</b>                 | <b>0.0</b>                   | <b>0.0</b>                            |
| Adult Social Care  | S Mooney         | 235.9                           | 243.2                     | 246.4                     | 3.2                         | 488.4                        | 364.0                      | 364.0                        | 0.0                                   |
| <b>Health, Wellbeing &amp; Adult Social Care</b>           |                  | <b>235.9</b>                    | <b>243.2</b>              | <b>246.4</b>              | <b>3.2</b>                  | <b>488.4</b>                 | <b>364.0</b>               | <b>364.0</b>                 | <b>0.0</b>                            |
| Highways & Transport                                       | M Furniss        | 40.4                            | 39.3                      | 34.7                      | (4.6)                       | 73.6                         | 59.0                       | 54.6                         | (4.4)                                 |
| Environment  | M Goodman        | 35.2                            | 45.9                      | 37.2                      | (8.7)                       | 73.4                         | 68.9                       | 69.3                         | 0.4                                   |
| Communities Support Function                               | D Turner-Stewart | 0.3                             | 0.2                       | 0.2                       | (0.1)                       | 0.4                          | 0.4                        | 0.4                          | 0.0                                   |
| Leadership Team (ETI)                                      | M Goodman        | 0.6                             | 0.2                       | 0.5                       | 0.3                         | 0.5                          | 0.3                        | 0.9                          | 0.6                                   |
| <b>Environment, Transport &amp; Infrastructure</b>         |                  | <b>76.4</b>                     | <b>85.6</b>               | <b>72.5</b>               | <b>(13.1)</b>               | <b>147.9</b>                 | <b>128.5</b>               | <b>125.2</b>                 | <b>(3.3)</b>                          |
| Fire & Rescue  | D Turner-Stewart | 21.4                            | 21.4                      | 21.1                      | (0.3)                       | 36.2                         | 32.1                       | 32.0                         | (0.1)                                 |
| Trading Standards  | D Turner-Stewart | 1.1                             | 1.2                       | 1.1                       | (0.1)                       | 3.9                          | 1.7                        | 1.7                          | (0.0)                                 |
| Emergency Management                                       |                  | 0.3                             | 0.3                       | 0.4                       | 0.1                         | 0.0                          | 0.7                        | 0.6                          | (0.1)                                 |
| <b>Community Protection</b>                                |                  | <b>22.8</b>                     | <b>22.9</b>               | <b>22.6</b>               | <b>(0.3)</b>                | <b>40.1</b>                  | <b>34.5</b>                | <b>34.3</b>                  | <b>(0.2)</b>                          |
| Human Resources & Organisational Development               | Z Grant-Duff     | 1.7                             | 2.5                       | 2.0                       | (0.5)                       | 3.7                          | 3.2                        | 3.1                          | (0.1)                                 |
| Insight, Analytics & Intelligence                          | Z Grant-Duff     | 0.6                             | 2.3                       | 2.4                       | 0.1                         | 3.8                          | 3.1                        | 2.9                          | (0.2)                                 |
| Customer Services  | Z Grant-Duff     | 2.0                             | 2.1                       | 1.8                       | (0.3)                       | 2.8                          | 2.6                        | 3.0                          | 0.4                                   |
| Coroner  | D Turner-Stewart | 1.6                             | 1.2                       | 1.5                       | 0.3                         | 2.3                          | 1.8                        | 2.3                          | 0.5                                   |
| Strategic Leadership                                       | T Oliver         | 0.6                             | 0.7                       | 0.7                       | 0.0                         | 0.7                          | 1.0                        | 1.0                          | 0.0                                   |
| Communications   | Z Grant-Duff     | 1.1                             | 0.9                       | 0.8                       | (0.1)                       | 1.4                          | 1.4                        | 1.4                          | (0.0)                                 |
| Economic Growth  | C Kemp           | 0.4                             | 0.8                       | 0.3                       | (0.5)                       | 1.2                          | 0.9                        | 0.6                          | (0.3)                                 |
| Transformation Support Unit                                |                  | 0.0                             | 0.6                       | 0.6                       | 0.0                         | 1.1                          | 0.8                        | 0.8                          | (0.0)                                 |
| Cross County   |                  | 0.0                             | (1.3)                     | 0.0                       | 1.3                         | (1.5)                        | (0.7)                      | 0.0                          | 0.7                                   |
| <b>Transformation, Partnership &amp; Prosperity</b>        |                  | <b>8.1</b>                      | <b>9.7</b>                | <b>10.1</b>               | <b>0.4</b>                  | <b>15.6</b>                  | <b>14.2</b>                | <b>15.1</b>                  | <b>0.9</b>                            |
| Joint Operating Budget ORBIS                               | Z Grant-Duff     | 22.7                            | 21.3                      | 18.5                      | (2.8)                       | 31.9                         | 31.9                       | 33.8                         | 1.9                                   |
| Property   | M Few            | 10.7                            | 11.8                      | 12.2                      | 0.4                         | 28.1                         | 19.0                       | 19.4                         | 0.4                                   |
| Information Technology & Digital                           | Z Grant-Duff     | 6.7                             | 7.2                       | 6.0                       | (1.2)                       | 11.5                         | 10.9                       | 10.7                         | (0.2)                                 |
| Finance  | M Few            | 1.7                             | 1.8                       | 1.0                       | (0.8)                       | 4.1                          | 2.7                        | 1.6                          | (1.1)                                 |
| Legal Services   | Z Grant-Duff     | 3.0                             | 2.4                       | 2.7                       | 0.3                         | 4.0                          | 3.6                        | 4.0                          | 0.4                                   |
| Democratic Services  | Z Grant-Duff     | 2.3                             | 2.3                       | 2.0                       | (0.3)                       | 3.6                          | 3.4                        | 3.2                          | (0.2)                                 |
| Business Operations  | Z Grant-Duff     | (0.0)                           | (0.0)                     | 0.3                       | 0.3                         | (0.1)                        | (0.1)                      | (0.1)                        | (0.0)                                 |
| <b>Resources</b>   |                  | <b>47.0</b>                     | <b>46.7</b>               | <b>42.7</b>               | <b>(4.0)</b>                | <b>83.2</b>                  | <b>71.4</b>                | <b>72.7</b>                  | <b>1.3</b>                            |
| <b>Corporate Expenditure</b>                               | <b>M Few</b>     | <b>26.1</b>                     | <b>30.2</b>               | <b>25.9</b>               | <b>(4.3)</b>                | <b>47.8</b>                  | <b>36.1</b>                | <b>34.2</b>                  | <b>(1.8)</b>                          |
| <b>Total services' revenue expenditure</b>                 |                  | <b>578.6</b>                    | <b>605.7</b>              | <b>574.9</b>              | <b>(31.0)</b>               | <b>1,675.4</b>               | <b>891.6</b>               | <b>895.5</b>                 | <b>3.9</b>                            |
| <b>Corporate funding</b>                                   |                  | <b>(611.9)</b>                  | <b>(609.1)</b>            | <b>(609.1)</b>            | <b>0.0</b>                  | <b>0.0</b>                   | <b>(891.6)</b>             | <b>(895.1)</b>               | <b>(3.5)</b>                          |
| <b>Total Net revenue expenditure</b>                       |                  | <b>(33.3)</b>                   | <b>(3.4)</b>              | <b>(34.2)</b>             | <b>(30.9)</b>               | <b>1,675.4</b>               | <b>0.0</b>                 | <b>0.4</b>                   | <b>0.4</b>                            |

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