



Agenda item:

Cabinet

On 24 March 2009

Report Title. **The Council's Performance –April – January 2009 (Period 10)**

Report of **The Chief Executive and Chief Financial Officer**

Signed :

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Wards(s) affected: **All**

Report for: **Key Decision**

1. Purpose of the report (That is, the decision required)

1.1. To report on an exception basis financial and performance information for the year to January 2009.

1.2. To agree the budget virements in accordance with financial regulations.

2. Introduction by Cabinet Member for Performance Management (Cllr Claire Kober)

2.1. Given the recent change to our CPA rating to 1 star it is vital that the Council has a renewed emphasis on improving performance across directorates. Clearly the main reason for the change was our Children's Services Score. It is important that improvements in this area which must be achieved through the JAR action plan should not be at the cost of performance in other areas. That is why it is encouraging in this report to see improvements in performance including the unit cost of home care continues to be below target, the number of NEETs further reducing to 6.7% and thefts of motor vehicles below target.

2.2. Introduction by Cabinet Member for Resources (Cllr Charles Adje)

2.3. I draw attention to section 18 of the report and to Appendix 2. In terms of the financial position I commend the report to Cabinet.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. This report gives an indication of the level and quality of services delivered on the ground. It monitors Haringey's position in relation to a number of indicators that will be used to assess the Council in the Comprehensive Area Assessment (CAA) and the Local Area Agreement (LAA).

4. Recommendations

4.1. To note the report and the progress being made against Council's priorities.

4.2. To agree the budget changes (virements) set out in Appendix 2.

5. Reason for recommendation(s)

5.1. Proposed budget changes (virements) are set out in Appendix 2 for approval in accordance with financial regulations.

6. Summary (Performance)

- 6.1. Of the 57 indicators monitored in this period 37 are meeting target, 10 are close to achieving their targets and 10 flagged as red.
- 6.2. Section 15 of this report provides highlights of performance for this reporting period. Appendix 1 highlights indicators on which we need to focus.

7. Chief Financial Officer Comments

- 7.1. The overall revenue budget monitoring, based on the January position, shows that the general fund is forecast to spend £1.1m above budget as shown in Appendix 2. CYPS, ACCS and Corporate Resources are each projected to overspend and this is partly offset by projected underspends in Non-Service Revenue (NSR), Policy, Performance, Partnerships and Communications (PPP&C) and People, Organisation and Development (POD). The reasons for the projected variations are detailed later in this report. There are also some budget pressures outlined in the report that services are seeking to contain within the budget and further work will be done with services to reduce non-essential expenditure to bring the revenue position back in to line with the approved budget by the year end.
- 7.2. The dedicated schools budget (DSB) element of the overall Children & Young People's Service budget is projected to underspend by £1.2m.
- 7.3. The net revenue projection with respect to the Housing Revenue Account (HRA) is to continue to spend at budget.
- 7.4. The aggregate capital projected position in 2008/09 is to underspend by £9.8m (7.2%). The reasons for this projected variation are detailed in the report.

8. Head of Legal Services Comments

- 8.1. There are no specific legal implications in this report, but there is likely to be a need for legal advice in future on certain of the specific projects mentioned.

9. Equalities & Community Cohesion Comments

- 9.1. Equalities are a central thread throughout the council's performance.
- 9.2. This report deals with the way that we manage projects many of which have an

impact on different sections of our community. Successful delivery of these projects will improve the services we provide to all sections of our community.

10. Consultation

10.1. Throughout the year the report will show the results of consultation with residents, service users and staff.

11. Use of appendices /Tables and photographs

11.1. Appendix 1. January performance scorecard

11.2. Appendix 2. Financial tables

12. Local Government (Access to Information) Act 1985

12.1. Budget management papers

12.2. Service PI returns including unit cost data

12.3. Council Plan

12.4. Business Plans

13. Background

13.1 This is the regular monthly for Period 10, January 2008/09 detailing the Council's performance against agreed targets,. Financial and performance information is based on the financial monitoring reports prepared for the budget and performance management review meetings for period 10.

13.2 Appendix 1 details performance against monthly reported indicators all linked to the Council's priorities:

- Making Haringey one of London's greenest boroughs
- Creating a better Haringey: Cleaner, Greener and Safer
- Encouraging lifetime well-being
- Promoting independent living

- Delivering quality services

- 13.3 The Comprehensive Area Assessment (CAA) will take account of our performance against all National Indicators (NIs), however a significant number of the new national indicators lend themselves to quarterly or annual monitoring rather than monthly these are not shown here but an update is included in the quarter reports throughout the year.
- 13.4 Appendix 2 shows the aggregate projected positions for revenue and capital, proposed budget changes (virements) for approval in accordance with financial regulations, and the RAG status of planned savings and planned investments.
- 13.5 Child protection performance information is not shown in this report as it is subject to a data quality checking. An update on child protection data validation is shown in paragraph 16.1.

14. Use of Traffic Lights

- 14.1 Progress on performance indicators continues to be tracked on a monthly and year to date position against the 2008/09 target using a traffic light annotation. This is the first month where the Appendix 1 is produced directly from the new corporate performance management system (Covalent) in line with a recommendation from Grant Thornton following last year's data quality audit. Traffic lights are used to show performance against target.

- 14.2 The Appendix starts with details of all performance indicators (PI) on an exception basis which are shown as year to date status red where:

 Green: Target achieved / performance better than planned

 Amber: Just below target (typically a 5% tolerance)

 Red: Target not achieved / below expectation

 Unable to calculate status – either missing data or target not set.

This is followed by a monthly summary and RAG status of each indicator. Both sections are grouped by council priority.

- 14.3 Trend arrows depict progress since the last financial year, so whilst an indicator may receive a red traffic light for not achieving target, it will show an upward trend arrow if performance has improved on the previous year's outturn. Between them, the lights and arrows indicate current progress and predict the likely annual position.
- 14.4 Where appropriate Appendix 1 shows the latest all England top quartile data (for 2006/07) with an indication of our quartile position in 2006/07.

15. Performance Highlights

- 15.1 In recognition of the need to accelerate our journey towards 'Delivering quality local services', we have amended our fifth council priority. This changed focus will demonstrate that we are committed to improving practice, service delivery and value for money for our residents.
- 15.2 The following are performance highlights under the Council's priorities from Appendix 1. The Appendix also shows on an exception basis indicators where focus is needed.

Priority 1. Making Haringey one of London's greenest boroughs

- 15.3 Percentage of household waste sent for reuse, recycling and composting - despite a rise in recycling percentage in January the year to date performance remains below target, this is due in part to recycling rate and tonnages apportionment from North London Waste Authority being less than forecast, and changes in the method of apportioning household and non-household waste such that more waste is counted as household waste than previously.

Priority 2. Creating a better Haringey: Cleaner, Greener and Safer

- 15.4 Robberies and thefts of motor vehicles are both below target and improved from the same period last year. There were 881 robberies against a target of 1170 and 897 motor vehicle thefts against a target of 955.
- 15.5 Serious knife crime is also improved with 406 incidents in the year to date compared with a target of 470.
- 15.6 Serious road accident casualties to Sept 2008 are showing a reduction of over 9% compared with 2007. Children seriously hurt in road accidents have reduced by over 12% in the same period.
- 15.7 Domestic burglaries continue to be lower than last year but higher than target with 2,199 in the year to date. Remedial action includes distributing light timers in burglary hotspot areas over the darker winter months when burglary traditionally peaks. There is a Partnership Action Plan for burglary including a target hardening programme for over a 100 properties in specific hotspot areas. Sophisticated analysis (including geographic and demographic mapping and victim and property profiling) is being used to target these measures. Better links are being built between housing and crime prevention which will in the long term ensure that future builds will be more resistant to burglary.

Priority 3. Encouraging lifetime well-being

- 15.8 Active card membership stands at 12,737 well ahead of target.
- 15.9 NEETS (16 to 18 year olds Not in Education Employment or Training) have reduced to 6.7% well ahead of the 10.4% target.

15.10 The number of NEET Not Knows, however, is now higher than last year at over 12% for December. This is a Local Area Agreement stretch target and for us to achieve the agreed target the average percentage for 'not knowns' for November '09, December 09 and January 2010 must be below 9.9%.

Priority 4. **Promoting independent living**

15.11 Adult social care assessments and timeliness of care packages are both ahead of target at 93%.

15.12 Delayed transfers of care from hospital have improved to 16.5 % but this is still a comparatively high figure. There are discussions at partnership level to drive improvements.

Priority 5. **Delivering quality services**

15.13 The unit cost of Home care continues to be below £17.51 target with the January figure at £14.76.

15.14 The year to date cost per library visit is £1.41 against a target of £1.77.

15.15 Eighty percent of visitors to customer service centres are seen within 15 minutes ahead of the 70% target.

15.16 Over 83% of statements of special educational needs are issued within timescale ahead of the 70% target.

15.17 Member enquires response rates have reached 91% on time for the year to date ahead of the 90% target.

15.18 Processing of minor planning applications - despite an improvement in January the year to date performance is at 79% against a target of 85%.

15.19 Relet times for January are provisionally at 37 days against a 31 target.

16. We are in the process of validating the information for the safeguarding children indicators and once the validation is complete data will be included in this report..

17. NI 14, Percentage of avoidable contact - To ensure consistency of the monthly whole Council figure, a temporary move to a sample methodology, based on CRM / Customer Services data is now being used. The January performance was 7.8%.

18. Finance

18.1 The overall revenue budget monitoring, based on the January position, shows that the general fund is forecast to spend £1.1m above budget as shown in Appendix 3. There are also some budget pressures detailed below that services are seeking to contain within the approved budget limit. Further work

will be done with services to reduce non-essential expenditure to bring the revenue position back in to line with the approved budget by the year end.

- 18.2 In Adults, Culture and Community Services there is a projected overspend of £0.5m being reported this month. This pressure is mainly in respect of commissioning of care in Learning Disabilities and Mental Health. Pressures in Mental Health Services result from unachieved savings targets relating to the delayed planned programme of moves for service users in traditional residential settings to more independent supporting housing options. Increased activity in this area during 2008/09 has also contributed to budget pressure. This may be as a direct consequence of the close of Finsbury Mental Health ward earlier this year. It is unlikely that projections will reduce significantly by the end of the year. However, further planned moves will ensure that budget pressures are minimised during the forthcoming financial year.
- 18.3 The projection for the Children and Young People's Service continues to identify an overspending on core funded activities (i.e. activities not funded through the Dedicated Schools Grant) of £1.5m. The major element of this is in respect of the placements budgets for looked after children where the number of children has increased over that assumed in the base budget provision. The Action Plan being developed following the recent Joint Area Review (JAR) is reviewing the assumptions made for this both in terms of placement costs as well as the process improvements necessary to improve safeguarding activities in the borough.
- 18.4 Those elements funded through the dedicated schools grant are projected to underspend by £1.2m which must, in consultation with the School Forum, be carried forward into 2010/11 and utilised for activities that fall within the dedicated schools budget. The major element leading to the increased underspend this month is the deferral of the behaviour project which now forms part of the 2010-11 budget strategy proposed by the School Forum and agreed recently at Cabinet.
- 18.5 In Urban Environment there is a risk that the projected parking income shortfall may increase from £0.5m, as reported last month, to £0.7m as a result of recent issues leading to a reduction in the number of on-street Civil Enforcement Officers, coupled with bad weather in the week ending 8th February. The revised projection takes account of improved performance in the six months up to the end of January and options to identify offsetting savings are being evaluated.
- 18.6 The Housing Revenue Account is projected to be balanced at the year end.
- 18.7 Corporate Resources continue to have a number of budget pressures as have previously been reported which overall give an overspend of £0.3 million. Action is being taken to restrict expenditure on non-essential items in order to reduce this sum.

- 18.8 Policy, Performance, Partnerships & Communications (PPP&C) Directorate has agreed to fund a number of one-off items of expenditure including external support to develop and embed strategic commissioning and is still projecting to underspend by £0.4m. This includes a £150k shortfall on the Achieving Excellence savings target of £1m for 2008/09 due to the delay on completion of the zero band budgets exercise for Children's' and Young People Service.
- 18.9 Non-service revenue is projecting to underspend by £0.8m. This is due to additional interest earnings projected for this year. As previously reported there is a budget pressure relating to Alexandra Palace Park and Trust which is offset by levies not required in 2008/09.
- 18.10 The RAG status of savings and investments is shown in Appendix 3. Planned savings classified as red are in respect of the community alarm budget and the commissioning budget for looked after children are included in the projected variations in this report.

Treasury Management

- 18.11 The Council formally approved in February 2009 a revised treasury management strategy that restricts the institutions deposits can be placed with to reduce risk given the continued difficulties in the global banking sector. The use of additional government backed AAA instruments has also been included. Detailed reports on the treasury Management position will be taken to the General Purpose Committee on a quarterly basis
- 18.12 The administration process for all banks is continuing and progress on this will continue to be included in this report as soon as information is available.

Capital

- 18.13 The aggregate capital projected position in 2008/09 is as shown in Appendix 3 and is projected to underspend by £9.8m (7.2%). In net terms Children & Young People are projected to underspend by £2.8m, Urban Environment by £0.9m, Corporate Resources by £1.7m, Adults, Culture & Community by £1m and HRA by £3.4m.
- 18.14 In the Children and Young People's Service a major component of the underspend in 2008/09 is in respect of the Building Schools for the Future Programme which is showing a further projected underspend this month of £0.8m after implementing the re-phasing approved last month; overall however, the programme is projected to spend to budget and thus represents slippage between financial years'. There is also a significant underspend of £1.3m against the Early Years Quality and Access project as the process of evaluating

bids and their suitability has resulted in slippage against this scheme. The DCSF has been notified of this delay which is common across several authorities.

- 18.15 There is a net projected underspend of £3.4m on the housing capital programme, compared with a net projected underspend of £2.0m reported last month. Of the total £3.4m underspend, £1.2m is in respect of the aids and adaptations programme within the Council's own housing stock. Commissioning for this has recently transferred to the Adults, Culture and Community Services Directorate. This transfer of responsibility will align procedures for vulnerable people with those in the private sector. Expenditure on estate remodelling and communal works is forecast to underspend by £0.9m as there is reported slippage as a result of planning restrictions and projects not being able to complete before the end of the financial year; a start on site has been achieved for 70% of the schemes. Expenditure on mechanical and electrical works is forecast to underspend by about £0.9m principally because of slippage on door entry works at the George Lansbury and Elizabeth Blackwell blocks where the contractor is still on site. A request to carry forward the £0.9m underspend for estate remodelling will be made. It is proposed to carry forward the underspend in respect of mechanical and electrical works through the Major Repairs Reserve. A number of other smaller underspends are also coming through on the HRA capital programme.
- 18.16 In Corporate Resources, Property Services has increased the forecast under spend this financial year to £1.2m mainly in relation to the Hornsey Town Hall projects ; full spend against the projects is still expected overall however some costs will now fall into the first quarter of 2009/10. The ICT capital programme continues to forecast an under spend of £0.5m as a result of ensuring that proposals match agreed business requirements before expenditure is authorised.
- 18.17 For Adult, Culture and Community Services the capital programme is currently under spending by £1m. The contractor delays and insufficient tender applications have caused delays to both the Noel Park project and Leisure Centre refurbishment.
- 18.18 Proposed budget changes (virements) are set out in Appendix 2 for approval in accordance with financial regulations.