



Haringey Council

Agenda item:

Cabinet

On 22/04/2008

Report Title: **The Council's Performance – February 2008**

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

Wards(s) affected: **All**

Report for: **Key Decision**

Purpose

- 1.1 To set out an exception report on the finance and performance monitoring for February 2008 using the balanced scorecard format and showing progress against achievement of council priorities.
- 1.2 To agree the virements set out in section 21.5 of the report.

2. Introduction by Cabinet Member for Performance Management (Cllr George Meehan)

- 2.1 Members of the Cabinet will be pleased to note that 68 out of the 104 indicators in our basket are hitting target. An additional 23 indicators are close to target with an amber light as these are within a 5% tolerance of the target set. Overall 87.5% of indicators in our basket of indicators are achieving or close to achieving target as at February '08. This illustrates that we continue to make good progress against the council priorities. In addition 87% of indicators in our scorecard have maintained or improved performance compared to last year.

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

- 3.1 I draw Member's attention to section 9 of the report in terms of the summary financial position and to sections 20 and 21. I continue to remain concerned at the level of slippages and the resultant underspends on capital, which require re-profiling. I would also like to see what action is being taken to ensure progress is maintained on schemes, but at the same time I have asked that a review of the overall capital position for this year is carried out.

4. Recommendations

- 4.1 To note the report and progress against council priorities as shown in the appendix.
- 4.2 To agree the virements set out in section 21.5.

Report Authorised by: **Dr Ita O'Donovan – Chief Executive**

Contact Officers:

Margaret Gallagher – Performance Manager
Telephone 020 8489 2553

John Hardy – Head of Finance – Budgeting, Projects and Treasury
Telephone 020 8489 3726

5. Head of Legal Services Comments

There are no legal implications

6. Local Government (Access to Information) Act 1985

6.1 Budget management papers

6.2 Service PI returns including unit cost data

7. Performance Summary

7.1 Good progress is being made across all the priorities with 87.5% of indicators achieving green or amber status as at February '08. We continue to make good progress on promoting independent living (87%, 13 indicators green or amber), encouraging lifetime well-being (100% or 14 indicators green or amber) and delivering excellent services 88% or 46 indicators green or amber).

7.2 In summary the balanced scorecard shows that for service delivery 87% of indicators are on target or close to the end of year target as at February '08. For 12 of the 15 (80%) customer focus measures, performance targets are being met or close to being met. For financial health 26 of the 27 traffic lighted measures achieved green or amber status, meaning for 96% of traffic lighted indicators performance levels are achieving target or being maintained at an acceptable level. Our organisational development /capacity indicators show that for 6 of the 8 (75%) measures, performance is meeting or close to expectation. In addition 87% of indicators have maintained or improved performance since the end of last year.

8. Strategic Implications

8.1 This report monitors Haringey's position in relation to a number of indicators that will be used to assess the Council in the Comprehensive Performance Assessment (CPA). Performance against these measures will determine Haringey's rating in 2008. The report also gives an indication of the level and quality of services delivered on the ground.

9. Financial Implications

- 9.1 The overall revenue budget monitoring, based on the February position, shows a forecast general fund underspend of £1.5m net of planned transfers to reserves. Draft carry forward requests of £1m have currently been made that reduces the forecast net general fund underspend to £0.5m. The main budget pressure, as previously reported, relates to Adult Social Care, but this is offset by additional treasury investment income.
- 9.2 As part of this month's budget management exercise draft carry forward proposals for capital and revenue have been submitted by services. Final carry forward proposals will be reported as part of the outturn report to Cabinet on 17 June 2008 where these will need to be considered in light of the Council's overall financial position.
- 9.3 The DSG element of the overall Children and Young People's Service budget is projected to underspend by £0.5m. This is largely in respect of the Network Family support budget that will be requested to be carried forward to meet the summer term 2008 commitments.
- 9.4 In relation to the HRA, the net current revenue projection is a surplus of £0.5m against the approved budget and is planned to be transferred to HRA reserves.
- 9.5 The aggregate capital projected position in 2007/08 is currently projected to underspend by £8.4m. This projected underspend relates to £1.4m for Children and Young People, £0.7m in Corporate Resources, £1.6m in Urban Environment, £3m for the HRA, £1.5m in Adults, Culture and Community and PPC £0.2m. These are mainly due to slippage that are explained in more detail later in the report and are likely to be the subject of carry forward requests in the final outturn report.

10. Legal Implications

- 10.1 There are no specific legal implications arising from this report.

11. Equalities Implications

- 11.1 Equalities are a central thread throughout the council's performance and updates on key equalities indicators are reported quarterly in this report.

12. Consultation

- 12.1 The scorecard includes a number of resident and staff satisfaction measures to show how well the Council is perceived. The results show the level of satisfaction with the Council currently and provide a baseline as well as informing action to improve satisfaction levels.

13. Background

- 13.1 This is the regular finance and performance monitoring report for February 2008. It is based on the financial monitoring reports prepared for the budget management meetings held on 17 March for period 11 and the service submission of the basket of performance indicators that have been agreed for 2007/08.

13.2 Members have agreed the Council Plan and five key priorities for Haringey. These are:

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

13.3 This report focuses on monitoring and reviewing performance against those priorities and against key objectives as set out in our Council Plan. The indicators included have been categorised according to the priority under which they sit and progress is illustrated against indicators achieving, close to or failing to achieve agreed targets for 2007/08.

13.4 The reporting continues to be in the form of a balanced scorecard. The scorecard looks at performance across four dimensions: service excellence, financial health, customer focus and organisational development. The scorecard consists of corporate and service performance measures.

13.5 The report continues to include routine monitoring of unit costs so that performance and costs reflecting activity allow us to make judgements around whether we are delivering value for money services.

14. How the reporting works and interpreting the scorecard

14.1 Performance data is shown in Appendix 1. Performance is reviewed against a representative basket of 109 indicators at least 58 of which are updated monthly. Where specific indicators do not lend themselves to monthly reporting, they will be reported at the appropriate frequency. The scorecard illustrations in the summary are based on year to date traffic lights and reflect progress as at the month being reported i.e. this report is based on performance as at February '08. Where data is unavailable for particular indicators at a specific point in time e.g. survey data, these still feature in the scorecard illustrations with our assessment of progress as at that time. The latest available data and traffic light awarded is incorporated in the calculations and the numbers shown both on the balanced scorecard and in the graphs showing progress against council priorities.

14.2 Progress on indicators continues to be tracked on a monthly and year to date position against the 2007/08 target using a traffic light annotation where:

- green: = target achieved / performance better than planned
- amber: = just below target (normally a 5% tolerance)
- red: = target not achieved / below expectation

14.3 In addition, 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 had improved on the previous year's outturn. Between them, the lights and arrows indicate current progress and predict the likely annual position.

- 14.4 This year's scorecard appendix also includes some graphs to illustrate monthly progress on some key indicators over time and against target.
- 14.5 The latest all England top quartile data (for 2006/07) also features in the scorecard along with an indication of our quartile position in 2006/07. This enables progress to be assessed not only against the targets we set but in terms of how we compare with others and how close we are to attaining what we ultimately are aiming to achieve.

15. Making Haringey One of London's Greenest Boroughs

Urban Environment

- 15.1 Recycling and composting performance in February was 24.2% although this is still a provisional figure pending receipt of all tonnage data. However the year to date position of 25.3% continues to exceed the 25% target. The slight dip in recycling over the last couple of months is attributable to a seasonal decline in green waste. Performance is linked to the good performance in overall waste arisings collected (see BV84 below).
- 15.2 The waste tonnage collected for February decreased to an annual equivalent of 336kg of household waste collected per head (BV84), exceeding . This brings the tonnage collected in the year to February to 367kg per head inside our target for 2007/08 and better than the top quartile position for 2006/07 on this waste minimisation indicator. A Communications campaign around waste prevention is in place and should help contribute towards reducing household waste arisings further.

16. Creating a Better Haringey, Cleaner, Greener and Safer

Urban Environment

- 16.1 In February performance results from our in-house cleanliness inspections showed a slight decline to 24% of streets inspected with unacceptable levels of litter and detritus although still inside the 29% target set for 2007/08. Overall performance based on scores achieved in June, October and February mean that for CPA purposes performance remains in the middle threshold.
- 16.2 One of the issues that we need to resolve is the cleanliness of industrial land. Although based on a small sample of sites the Capital Standards tranche 3 results found 67% of industrial land inspected was at an unacceptable level of cleanliness. Our own monitoring results are somewhat better and are showing improvement although the 29% target is still not being achieved. Work is currently in hand to address the continual problem of fly –tipping and similar activities on and around industrial estates to improve the overall rating.
- 16.3 Performance for graffiti and fly posting remain below target with scores based on our own in-house monitoring deteriorating in recent months and worse than the outturn reported for 2006/07. Resources for graffiti removal have been focused on land uses classes where the problem is at its worst. Whilst some improvements have

been achieved, further work is required to fully understand and maximise the impact of this work. Scores for graffiti and fly-posting from the independent (Capital Standards) surveys have tended to be better than those recorded from our own monitoring. Encams survey training was undertaken in February to try and ensure a better consistency of scoring. Based on these requirements our overall score for graffiti has been assessed as 8% and 4% for fly posting both of which remain short of the targets set for 2007/08. The BV199 Action Plan has been revised to include activities aimed at delivering better performance for these indicators in the coming year.

Safer Communities (PPPC)

- 16.4 The number of British Crime Survey (BCS) comparator crimes reported in February decreased slightly to 1,464. When projected up this performance remains short of our challenging target of 17,211 (1,395 fewer offences than in 2006/07) for 2007/08. The performance in the period April to February with 16,877 crimes committed is a 0.2% increase on the same period last year. It is unlikely that the 7.5% reduction target will be achieved in 2007/08.
- 16.5 Six of the BCS comparator crimes decreased compared to the previous period, and four crime types increased. Significant falls were seen in personal robbery (23.5%), wounding (6.8%), theft of motor vehicle (7.5%) and theft from person offences (3.5%). However notable increases have been seen in criminal damage (13.2%) theft from a motor vehicle (9.3%) and burglary (5.1%). In December to February, Haringey had a higher than average number of BCS comparator crimes per 1,000 population when compared to its 'Most Similar' Crime and Disorder Reduction Partnerships (CDRPs) (fourth highest), and remains higher than the group average (20.3 versus the Haringey Family average of 17.09). Haringey has the second highest incidences of burglary (8.29 crimes per 1,000 households) and theft from the person (1.63 crimes per 1,000 crimes) among its most similar CDRPs.
- 16.6 Data for the number of people killed or seriously injured in Haringey has now been received from Transport for London although numbers provided are provisional at this stage. 75 people have been killed or seriously injured in January to October '07 and even when projected up to an annual equivalent, performance is well inside our target for 2007/08 and below levels reported in 2006/07.

17. Encouraging Life Time Well-being

Children and Young People

- 17.1 As at February '08 381 or 9.7% of Haringey's young people were not in education, employment or training (NEETs), continuing the improving trend and exceeding the 12.3% target. The November to January 3 month average on which performance versus target is measured is 10.4% and hits our NEET target for 2010 and our LAA Stretch target for 2009. There has been a marked reduction in the percentage of NEETs compared with last February (11.7%) although current levels remain higher than comparator boroughs. There has also been a sizeable reduction in the

'unknowns' which at 8.9% in February '08 is well below both last February (12.8%) and the rolling year target of 9.9%.

Adult, Community and Culture

- 17.2 The projected performance based on 1,127,569 visits to our leisure centres in the year to February equates to 1.24 million visits in a year and puts us on track to exceed our 1.18 million visits target for 2007/08. The cost per visit to a leisure centre reduced to £0.79 in February and the position in the year so far at £1.68 remains better than our £2.09 target for 2007/08.
- 17.3 As previously reported the commissioning budget for adult social care is currently projected to overspend by £1m. There are significant pressures from the numbers of people with disabilities that are known to Adult services and may need to be supported by the Council in this and future financial years. The Directorate is taking steps to reduce expenditure outside of its care budgets to fund some of these pressures and reduce the overspend as well as taking action to ensure high cost care packages are reviewed to reduce costs wherever possible. It is anticipated that the final outturn position will be lower than the current projection.
- 17.4 The capital programme is projected to spend £1.5m below budget. This is mainly in respect of the Lordship Recreation Ground (£0.5m) where work has been deferred. A bid for Heritage Lottery Funding has just been agreed to enable all the required work to be undertaken. It is anticipated that the work will be carried out next year. The other main projected underspends are in respect of the OP Strategy (£0.3m) and Markfield Park (£0.2m).

18. Promoting Independent Living

Children and Young People

- 18.1 In February 1 of the 2 (50%) looked after young people who turned 19 were in employment, education or training. Good performance has been sustained in this area with looked after young people in employment, education or training (BV161/ PAF A4) and care leavers achieving at a level in line with the local population of 19 year olds. Performance in the year to February '08 stands at 68.2% and although this is currently short of the 72% target for 2007/08 current performance remains above the average for our statistical neighbours and England.
- 18.2 27 children have been adopted or granted special guardianship in the year to February (8.9%) well exceeding the 7% target. Comparative data on this indicator shows that performance is not only improving and above average but that we are also on track to achieving top quartile performance in 2007/08. (BV163/ PAF C23)
- 18.3 The cost of service per looked after child at £776 remains slightly above the revised and more challenging target of £760 for 2007/08 but still an improvement on the 2006/07 cost of £877 per looked after child.

- 18.4 The cost of special education need residential placements in independent schools at £67,442 is above the target of £64,677 set for the year and leads to higher spend against the budget. However day placements cost £38,467 and are better than the target of £40,197 for 2007/08, which partially offsets the higher rescheduled costs.
- 18.5 The Children and Young People's general fund budget is projected to spend at budget. However the service has some pressures mainly relating to the commissioning budget (Looked After Children) that the service is working to manage. The commissioning budget is projecting an over spend of £0.5m that is currently offset by other areas of the budget that are projected to underspend. Overall commissioning child numbers have increased by 4 this period. The service are confident that all cost pressures will be contained within overall approved budgets.
- 18.6 The Asylum position relating to children is now projected to underspend by £0.1m following the one off virement from contingency. Actions are being taken to reduce ongoing costs. The back dated claim issues are almost all resolved and this is a positive outcome for the Council.
- 18.7 The Children's capital budget is projected to underspend by £1.4m. This is mainly due to projected underspends in respect of slippage in the Children Centre's scheme (£1.3m) and Coleridge Primary Expansion (£0.9m). There are additionally a small number of projects spending in advance of programme that will be funded through being a first call on formulaic capital resources for the Service in 2008/09.

Adult, Community and Culture

- 18.8 As at February '08 the number of older people [per 1,000 population] helped to live at home remained at 96, falling just short of our target of 101. There are on-going checks across a number of services which may increase this number ahead of the end of year figure which will be returned in the social care self assessment (BV544/PAF C32)
- 18.9 99.8% of items of equipment and adaptation were delivered within 7 working days in February continuing the excellent performance and bringing the position in the year to date position to 97.8% exceeding our 90% target on this key threshold indicator.
- 18.10 The number of adults and older people per 100,000 population that received a direct payment at 152.9 in February is above the profiled target and exceeds the end of year target of 150. This level of performance also places us in the top performance banding.
- 18.11 Excellent performance has been maintained on waiting times for assessment. This indicator is the average of new older clients receiving an assessment where time from initial contact to first contact with the client is less than or equal to 48 hours (part a) and the percentage where time from first contact to completion of assessment is less than or equal to 4 weeks (part b). The average of the two is 95.4% and remains within the top banding continuing to exceed our target. (BV195/PAFD55).
- 18.12 Performance on the provision of services in care packages in less than 4 weeks improved to 93% in February. This is as a result of manual checks that have now

been completed and performance against this key threshold indicator is within the top banding.

- 18.13 Asylum costs relating to the Adults, Community and Culture budget is projected to balance taking account of the one off increase in the cash limit as previously agreed.
- 18.14 There are currently 128 clients that have no recourse to public funds who are supported by the authority, a reduction of 1 client since January. Following a planned review of clients' eligibility for services, the Asylum team are working on moving clients out of the service. The Council has been meeting with officers from the Border and Immigration Agency in order to progress the Home Office processes to resolve these asylum cases.

Benefits

- 18.15 The average number of days to process a benefit claim reduced to 29 days for the month of February exceeding the 32 day target for the third time this year. All outstanding new claims have been cleared from the backlog and the days to pay indicator is now reducing as predicted. Year to date performance is now 36 days and it is expected that the year end performance will be the same or slightly lower.

Housing Strategy (Urban Environment)

- 18.16 The average length of stay in hostels decreased to 58 weeks in February although the year to date position at 76 weeks is outside our target of 60 weeks. The count for this indicator measures the time that homeless households with children have spent in shared hostel accommodation. Households are only counted at the point that they are provided with a settled home and leave temporary accommodation.
- 18.17 Of the thousands of households with children who are currently living in temporary accommodation, only 27 have previously spent some time in shared hostels, so will count towards this indicator when they are eventually provided with settled accommodation. Performance on this indicator remains in the lower quartile nationally and is lower threshold for CPA purposes. The Council works hard to minimise its use of shared hostels for families with children and, where this cannot be avoided, ensures that families are moved to more suitable temporary accommodation as soon as practicable. This ensures that households with children spend as short a time as possible in shared hostel accommodation.
- 18.18 The average length of stay in Bed and Breakfast is a separate indicator used in the CPA assessment of Housing. Haringey's performance on this indicator is currently being checked and has reduced to 12 weeks, still below the lower threshold of 6 weeks.
- 18.19 The number of homeless households living in temporary accommodation is higher than projected under the Council's temporary accommodation reduction plan. The plan was based on the assumption that the number of households would reduce from 5,861 to 4,824 during the year 2007/08, however, it has proved difficult to reduce the number of households in temporary accommodation and the actual figure at period

11 was 5,427, compared to a profiled position of 4,898. The homelessness budget is projected to underspend by £0.7m in 2007/08. This is planned to be transferred to reserves as part of the agreed prudent approach in respect of the uncertainty around the specific government subsidy for this service.

19. Delivering Excellent Services

People and Organisational Development (POD)

19.1 The average number of working days lost to sickness per full time equivalent employee reduced to 7 days in February. Performance in the year to February at 9.5 days remains above our 8.8 day target. Although our 06/07 performance was in the second best quartile this remains an area that needs to be closely monitored and it seems as if we are unlikely to achieve our 8.8 day target for 07/08.

Policy, Performance, Partnerships and Communication (PPPC)

19.2 Performance on complaints handling in timescale remains above target. In the year to February of the 1,684 complaints closed at stage 1 (local resolution) 88% were responded to within the 10 working day timescale against an 80% target. For the more complex service investigation (stage 2), 10 out of the 11 cases were resolved in the 25 working day timescale time in February (91%) and 81% in the year to February.

19.3 All stage 3 (independent review) cases were completed within the 20 working day timescale in February and 49 out of 56 (88%) of complaints closed in the year to date. This remains short of the 95% target and although a challenging target amounts to just 4 cases short of the target set for 2007/08.

19.4 Of the 2,893 Members' enquiries cases closed in the year to February, 88% were handled within 10 working days, just short of the 90% target. Performance had dipped since September but has shown improvement in February. There is now a drive amongst services not only to improve response times but the quality of response as well.

19.5 The PPP&C budget is projected to underspend by £0.4m. The underspend largely relates to savings on staffing costs due to vacant posts.

Children and Young People

19.6 Performance on handling Children's Act Complaints at stage has exceeded target for the most part of the year. 37 out of the 44 cases received in the year so far have been dealt with inside the 10 day timescale with an additional 3 complaints handled on time under the extended timescale. Performance in the year to date at 84% continues to exceed the 80% target.

Adult, Culture and Community Services

19.7 The cost per visit to our libraries at £2.55 is just above our local target of £2.50 however we are still performing favourably against surrounding boroughs.

Corporate Resources

19.8 On telephone answering our council wide performance increased to 81.8% of calls answered within 15 seconds in February and continues to exceed our 80% target although the year to date position at 79.8% is just below the target.

19.9 Call centre performance improved in February with 73% of calls to the call centre answered within 30 seconds. The position in the year to February at 59% remains short of the annual 70% target.

19.10 The percentage of customers seen within 15 minutes in our Customer Service Centres at 83% in February, exceeded target for the seventh time this year. The year to date position of 71% is now achieving the target and is a significant improvement on the corresponding period last year.

19.11 The percentage of invoices paid in 30 days improved slightly in February just short of the 92% target. The year to date at 90.1% remains short of the target set for 2007/08.

19.12 93.54% of council tax was collected in the year to February '08. Performance is only just short of our target of 93.85% for 2007/08. The target is expected to be achieved for the year.

19.13 Overall sundry debt increased by £5.3m (compared to period 10) to £18.88m but aged debt continues to reduce and is just £1,300 above the all time low of £5.105m achieved in Oct' 07. Aged debt (211 day debt) is now £5.1m against a monthly profiled target of £4.34m - performance is, therefore, currently £0.94m short of the end of year target. Further action is being pursued by Adults and Urban Environment.

19.14 Corporate Resources is projected to underspend by £1m mainly related to revenue budgets within IT. The main reasons for this underspend are reduced recruitment following the In-source project and one-off savings on licence costs. This has increased from the previous reported position last month. In accordance with previously agreed policy this will be transferred to the infrastructure reserve as part of the accounts closure process.

19.15 As previously reported there are a number of budget pressures being managed across the Directorate including Property Services which is projecting a reduced figure of £0.1m overspend following a detailed review of budgets across the service.

19.16 The Directorate is projecting a £0.7m underspend on capital that is £0.3m Property Services and £0.4m IT. This will be the subject of a carry forward request.

Urban Environment

- 19.17 The net cost of service per parking ticket issued (surplus) at £15.09 in February and £13.77 in the year to date exceeded target. It is anticipated that the 2007/08 target will be met.
- 19.18 The overall Urban Environment revenue budget is projected to underspend by £0.7m. The projected underspend relates to various and relatively small budgets in a number of service areas and mainly related to staffing underspends.
- 19.19 Capital is currently projected to spend £1.6m below budget. This is mainly due to projected slippage on HH Spine Road (£0.4m), redevelopment works (£0.3m), CPO's (£0.2m), English Heritage PSICA (£0.2m) and CCTV Control Room (£0.2m). Other minor variations total £0.3m.
- 19.20 The Haringey Heartlands Spine Road project is mainly funded from CIF grant funding of £5m, of which £0.4m was spent last year. Spend to the end of period 11 is £3.4m. The timescales for the completion of the Spine Road project are projected to slip into next financial year. The National Grid contribution of £400k will need to be rolled forward to next year. LBH are in negotiations with National Grid to formally agree this. Measures are being taken to ensure the remaining CIF monies of £4.610m are spent this financial year although a risk remains that this may not be achieved as some of the traffic management works are being delayed by Thames Water mains replacement programme in the same area. GoL and DfT are being kept apprised of the situation.
- 19.21 The NDC Capital budget is £4.396m. The scheme for St Ann's Library Hall is progressing slowly. Latest spend forecast from Libraries is £520k against a budget of £950k, an underspend of £430k. A plan to manage the projected underspends for this year, which are estimated to be about £750k including the additional allocation, has now been devised and will involve bringing forward an element of the Wards Corner allocation for the next financial year into this year to mitigate the projected underspends and to use the resources released next year to complete the slipped projects. This has been agreed in principle by the NDC Board and GoL/CLG and formal approval will be obtained as soon as the final figure is known.

19.22 Homes for Haringey

- 19.23 97.8% of rent due was collected in the year to February '08, hitting target for the third month running. However the percentage of tenants with more than seven weeks rent arrears at 13.8%, although much improved as at February '08 remains short of our 10% target for 2007/08.
- 19.24 A detailed action plan has been developed by Homes for Haringey to improve rent collection rates and reduce rent arrears through timely intervention, improved case management and the effective targeting of resources. This action plan was

discussed at Homes for Haringey's monthly monitoring meeting with the Council in November 2007, and its implementation will be monitored at subsequent meetings of that group to ensure that it is having a positive impact on rent collection rates and rent arrears.

19.25 The rent exercises which have targeted resources on particular cases i.e. those owing between £200 and £500 and cases with possession orders are now starting to impact on performance. A mail shot letter was also despatched in December and it is hoped that these actions, will have a positive affect and will further increase the collection rate and decrease the corresponding arrears.

Non Service Revenue (NSR)

19.26 The NSR budget is projected to underspend by a net £1.1m which is mainly the over-achievement of income on the treasury investment income budget at £1m as previously reported. This is based upon improved cash flow that is due to improved debt collection, some loan restructuring and interest rates remaining at a relatively high level, although indications are that there will be a further downturn in rates in the future.

19.27 The net underspend in NSR takes account of planned transfers to reserves as agreed in the financial planning process. These planned transfers to reserves, subject to final consideration in the outturn process, are to establish a one-off corporate provision for redundancy costs of £2m, to finance the phasing shortfall of capital resources of £2.6m in the second year of the capital programme, and £2.0m to support the implementation of the Achieving Excellence programme previously shown under capital (less costs incurred in 2007/08).

Summary - Budget Monitoring

19.28 The overall revenue budget monitoring, based on the February position, shows a forecast general fund underspend of £1.5m net of planned transfers to reserves. Draft carry forward requests of £1m have currently been made that would reduce the forecast net general fund underspend to £0.5m. The main budget pressure relates to Adult Social Care, and this is partly offset by additional treasury investment income.

19.29 The aggregate revenue projected position in 2007/08 is shown in the following table.

General Fund revenue	Approved Budget	Planned transfers to reserves	Projected variation before cfwd requests
	£m	£m	£m
Children and Young People - Asylum	74.6	0	0 (0.1)
Adults, Culture & Community - Asylum	73.7	0	1.0 0
Corporate Resources	9.8	1.0	0
Urban Environment (incl. Housing)	44.8	0.7	(0.7)

Policy, Performance, Partnerships & Communications	8.6	0	(0.4)
People, Organisation & Development	0.1	0	(0.1)
Chief Executive	0.6	0	0
Non-service revenue	15.6	6.2	(1.2)
Total – General Fund	227.8	7.9	(1.5)
Children and Young People - DSG	154.3	0	(0.5)
HRA	0	0.5	0

19.30 As part of this month's budget management exercise draft carry forward proposals for capital and revenue have been submitted by services. Final carry forward proposals will be reported as part of the outturn report to Cabinet on 17 June 2008 where these will need to be considered in light of the Council's overall financial position.

19.31 As previously mentioned the DSG element of the overall Children and Young People's Service budget is projected to underspend by £0.5m, not included in the above, and this is mainly in respect of the Network Family support budget. This is requested to be carried forward to meet the summer term 2008 commitments.

19.32 In relation to the HRA, the net current revenue projection is a surplus of £0.5m against the approved budget mainly due to additional one-off rent income and is planned to be transferred to HRA reserves.

20. Capital

20.1 The aggregate capital projected position in 2007/08 is as shown in the following table and is currently projected to underspend by £8.4m. Requests have been made to date to carry forward £6.5m of this sum.

Capital	Approved Budget	Projected variation gross of draft carry forward requests
	£m	£m
Children & Young People	33.7	(1.4)
Adults, Culture & Community	7.5	(1.5)
Corporate Resources	5.4	(0.7)
Urban Environment – General Fund	31.2	(1.6)
Urban Environment - HRA	19.8	(3.0)
Policy, Performance, Partnerships & Communications	0.3	(0.2)
Total	97.9	(8.4)

- 20.2 The key variations and reasons for the projected underspend in 2007/08 of £8.4m on capital are set out below.
- 20.3 The Children's capital budget is projected to underspend by £1.4m and this is also the draft carry forward to next year. This is mainly due to projected underspends in respect of slippage in the Children Centre's scheme (£1.3m) and Coleridge Primary Expansion (£0.9m). There are additionally a small number of projects spending in advance of programme that will be funded through being a first call on formulaic capital resources for the Service in 2008/09.
- 20.4 The Adults, Culture and Community capital programme is projected to spend £1.5m below budget and this is also the draft carried forward to next year. This is mainly in respect of the Lordship Recreation Ground (£0.5m) where work has been deferred. A bid for Heritage Lottery Funding has just been agreed to enable all the required work to be undertaken. It is anticipated that the work will be carried out next year. The other main projected underspends are in respect of the OP Strategy (£0.3m) and Markfield Park (£0.2m); other minor variations account for the remaining £0.5m.
- 20.5 Corporate Resources Directorate is projecting a £0.7m underspend on capital relating to £0.3m Property Services and £0.4m IT.
- 20.6 Urban Environment capital is currently projected to spend £1.6m below budget. This is mainly due to projected slippage on HH Spine Road (£0.4m), redevelopment works (£0.3m), CPO's (£0.2m), English Heritage PSICA (£0.2m) and CCTV Control Room (£0.2m). Other minor variations total £0.3m.
- 20.7 The HRA projected underspend is mainly due to slippage in the external decorations programme of £2.2m due to delays in the process which would have resulted in works having to be undertaken during the winter months. The works are now scheduled for early in next financial year. In addition go ahead of the Saltram Close scheme of £1m is dependant on the sale of the playground site which has been agreed, subject to planning, and is currently progressing through to contract exchange. The use of this money will be in the new financial year. There is also over programming of £0.2m within the budget still to be managed out giving a net underspend of £3m.

21. Financial administration

- 21.1 Financial regulations require proposed budget changes to be approved by Cabinet. These are shown in the table below. These changes fall into one of two categories:
- budget virements, where it is proposed that budget provision is to be transferred between one service budget and another. Explanations are provided where this is the case;
 - Increases or decreases in budget, generally where notification has been received in-year of a change in the level of external funding such as grants or supplementary credit approval.
- 21.2 Under the Constitution, certain virements are key decisions. Key decisions are:

- for revenue, any virement which results in change in a directorate cash limit of more than £250,000; and
- for capital, any virement which results in the change of a programme area of more than £250,000.

21.3 Key decisions are highlighted by an asterisk in the table.

21.4 The following table sets out the proposed changes. Each entry in the table refers to a detailed entry in the appendices, which show the budgets that are proposed to change. There are two figures shown in each line of the table and the detailed sheets. The first amount column relates to changes in the current year's budgets and the second to changes in future years' budgets (full year). Differences between the two occur when, for example, the budget variation required relates to an immediate but not ongoing need or where the variation takes effect for a part of the current year but will be in effect for the whole of future years.

21.5 Proposed virements are set out in the following table:

Period	Service	Key	Amount current year (£'000)	Full year Amount (£'000)	
11	C&YP	Cap	150		2007/08 City Learning Centres funding through Standards Fund confirmed Jan 2008
11	C&YP	Rev	180		Additional spend and funding in the Change for Children budget. This is Sure Start grant/ Standards Fund for Accelerating the Extended Schools Programme
11	CR	Rev*	300		One-off £300K virement from IT to Legal for the Local Land charges overspend
11	CR	Cap*	(939)		Accommodation Strategy Review Feb 2008
11	PPPC	Rev	144		CEDS Projects (ERDF 05/148) – additional spend and external income in Partnerships budget.

22. Use of Appendices

Appendix i. February balanced scorecard and performance summary