

Agenda item:

| Cabinet | | 17 November 2009 |
|---|--|-------------------------|
| <p>Report Title. The Council's Performance: September 2009 (Period 6) / Quarter 2 2009</p> | | |
| <p>Report of The Chief Executive and Chief Financial Officer</p> <p>Signed :</p> | | |
| <p>Contact Officers : Eve Pelekanos – Policy & Performance Telephone 020 8489 2971 Kevin Bartle – Corporate Finance Telephone 020 8489 3743</p> | | |
| <p>Wards(s) affected: All</p> | <p>Report for: Key Decision</p> | |
| <p>1. Purpose of the report</p> <p>1.1. To report on an exception basis financial and performance information for the year to September 2009.</p> <p>1.2. To agree the proposed budget virements in accordance with financial regulations.</p> <p>1.3. To provide an update on progress against current Council Plan actions for the year to the end of September 2009</p> | | |
| <p>2. Introduction by Cabinet Member for Performance Management (Cllr Claire Kober)</p> <p>2.1. It is great to see the preliminary information for educational attainment value-added measures showing Haringey pupils making good progress from KS2 to GCSE. Also our 'achievement of 5 or more A*-C grades at GCSE (including</p> | | |

English and Maths)', is now 5.6% below the national rate, a significant improvement from 13.4% below the national target in 2003. Although encouraging the improvements in initial assessment and core assessments must continue during the coming months.

2.2. It is also encouraging to note the preliminary results from the keep Britain Tidy Group exceeding targets for 2009/10. I am also encouraged by performance on repeat victims of domestic violence which has reduced. What is also very positive news is the number of households in temporary accommodation has reduced by 425 since April 2009. For the Council to realistically be on target to achieve the target of 2,603 by 2010 is testament to the hard work and dedication of officers in this area.

Introduction by Cabinet Member for Resources (Cllr Bob Harris)

2.3. I draw attention to section 16 and to Appendix 2 of the report and note that the net overspend forecast for the General Fund has increased to £1.9m. I urge the relevant Cabinet Members and Service Directors to take all appropriate measures in controlling their budgets and to strive for a balanced budget by the year-end. I commend the report to Cabinet.

3. State links with Council Plan Priorities and actions and /or other Strategies:

3.1. This report sets out performance against a number of indicators that measure progress against the Council priorities and the Local Area Agreement targets.

3.2. As this is a quarterly report it provides an update on progress against Council Plan actions and key projects under the five Council priorities.

4. Recommendations

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

4.2. To agree the proposed budget virements set out in Appendix 2.

5. Reason for recommendations

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

6. Summary (Performance)

6.1. Overall performance on the monthly and quarterly basket of indicators shows that of the 90 indicators with values comparable to current targets, 47% are on target with a further 21% close to target and 32% not currently achieving target.

6.2. Paragraph 15 of this report provides some key messages on performance for the year to September 2009 including an update on progress against Haringey's Local Area Agreement.

- 6.3. Appendix 1 is the exception report for areas where targets are not being achieved and details an explanation of the performance and actions being taken to meet or move closer to the agreed levels of service. A table of contents is available at the front to signpost the page for each exception indicator.
- 6.4. The full scorecard is available on the Haringey website and details monthly and year to date performance with status against target as well as 2008/09 outturns and benchmarking data where available (London average and top quartile 08/09). Indicators are reported under the five council priorities. The link to the relevant page on the website is provided in section 11 along with other performance reports and scorecards.
- 6.5. Council Plan update summary: Directorates are asked to provide an update every quarter of progress against actions in their Directorate Plans that form the 2009-10 Council Plan. Of 155 actions in the Council Plan, 28 are now reported as complete and 98 are on target. Minor issues are reported for 26 actions. Three actions report major issues that are likely to affect the ability to complete the action by the agreed target date. Updates are still awaited for the remaining 13 actions, these are being chased by Policy and Performance. Further information on these actions is contained in Appendix 3.

7. Chief Financial Officer Comments

- 7.1. The overall revenue budget monitoring position for September, summarised in Appendix 2, shows that the general fund is forecast to spend £1.9m above budget. This is made up of service over spends of £4.4m offset by the potential use of £1m of the general contingency, and a saving of £1.5m due to the lower settlement for officers' pay. Children and Young People Services (CYPS), Adults, Culture and Community Services (ACCS), Urban Environment and Corporate Resources are each projected to overspend; the reasons for the projected variations are detailed later in this report. The increased overspend of £0.4m from that reported last month is the net position of a projected overspend of £0.5m in Urban Environment arising from income shortfalls in planning and trade waste offset by a reduced over spend in Corporate Resources due to an improved position relating to commercial income. There are also some budget pressures outlined in the report that services are seeking to contain within the budget.
- 7.2. The Dedicated Schools Budget (DSB) element of the overall Children & Young People's Service budget is projected to spend at budget.
- 7.3. The net revenue projection with respect to the Housing Revenue Account (HRA) is to achieve the small budgeted surplus.
- 7.4. The aggregate capital projected position in 2009/10 is an underspend of £18.7m (9%). 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 and many of the indicators have equalities implications

9.2. This report provides an update on progress with projects and activities in the Council Plan, 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 Exception reports for areas of under- performance as at September

11.2. Appendix 2 Financial tables

11.3. Appendix 3 Council Plan Update on Business Actions

11.4. Appendix 4 Quarterly update on national indicator set

11.5. The full Scorecard can be accessed at:

http://www.haringey.gov.uk/index/council/performance_and_finance/council_inspectio ns/performance-reports.htm

12. Local Government (Access to Information) Act 1985

12.1. Budget management papers

12.2. Service PI returns

12.3. Council Plan

12.4. Business Plans

13. Background

13.1 This report details a quarter 2 update on the Council's performance against agreed targets for 2009/10 and also progress against Haringey's Local Area Agreement. Financial and performance information is based on the financial monitoring reports prepared for the budget and performance review meetings for period 6.

- 13.2 The full scorecard details performance against monthly and quarterly reported indicators all linked to the Council's priorities:
- A Greener Haringey
 - A Better Haringey
 - A Thriving Haringey
 - A Caring Haringey
 - Driving change, improving quality
- 13.3 Six indicators are included to the full scorecard as proxy measures of quality and improvement for safeguarding Children. These are reported on the scorecard under the 'Better Haringey' priority. They are also included in the service dashboard and reported through the various channels in accordance with the council's performance management framework.
- 13.4 Appendix 1 shows in more detail indicators where targets are not being met along with an explanation of the performance, current activities, best practice, emerging risks and equality impact as well as a note of when and where performance has been discussed.
- 13.5 Appendix 2 shows the aggregate projected positions for revenue and capital, proposed budget changes (virements) for approval in accordance with financial regulations, and the Red, Amber Green (RAG) status of planned savings and planned investments.
- 13.6 Appendix 3 shows a detailed update on progress against the Council Plan actions up to 30 September 2009.
- 13.7 A significant number of the new national indicators lend themselves to quarterly or annual monitoring rather than monthly. Appendix 4 shows the latest update on the National Indicator (NI) set.

14. Performance Overview

- 14.1 The tables below show overall progress against the monthly basket of indicators and for the 35 LAA and 10 educational attainment targets.

| Table 1. | | |
|---|---|--------------|
| Progress against the indicators reported monthly and quarterly | Latest status based on September 2009/10 | Total |
| Number of indicators that are on target | 43 | Green |
| Number of indicators that are just off target | 18 | Amber |
| Number of indicators that are off target | 29 | Red |
| Number of indicators where data not yet available | 21 | |

| Summary for 35 LAA Indicators and 10 Mandatory Indicators | | |
|--|--|--|
| | | |

| Details | Status based on August 2009/10 | Total |
|---|--------------------------------|-------|
| Number of indicators that are on target | 14 (31.1%) | Green |
| Number of indicators that are just off target | 4 (8.9%) | Amber |
| Number of indicators that are off target | 13 (28.9%) | Red |
| Number of indicators where data not yet available | 14 (31.1%) | |

15. Key Performance Messages

15.1 The following are some performance highlights grouped by Council Priority extracted from the full scorecards, encapsulating progress against LAA targets.

A Greener Haringey

15.1.1 It is unlikely that the recycling target of 32% will be achieved in 2009/10. There is an ongoing drive to increase recycling participation and performance with a detailed action plan in place aimed at improving performance in future years (NI 192).

A Better Haringey: Cleaner, Greener and Safer

15.1.2 Independent provisional results (Tidy Britain Group) for litter, detritus and fly posting exceed the targets set for 2009/10 (NI 195).

15.1.3 Assessments of parks and open spaces in July resulted in 14 parks achieving/retaining green flag status, exceeding our stretch target of 12.

15.1.4 There have been 250 violent crimes in the year to September against a target of 169 for that period, a 42% increase on the same period last year (NI 15).

15.1.5 Children's initial assessments have improved from 12% in June to 23.7% carried out in 7 days from referral, in September; this remains below the 53% target (NI59).

15.1.6 The percentage of core assessments carried out in 35 working days of commencement in September was 59.6%, just below the 63% target (NI60).

15.1.7 The number of repeat victims of domestic violence has reduced to 122 as at September '09 (12 month rolling year) against a target of 156.

15.1.8 Significant partnership activity and investment is achieving results in serious acquisitive crime with a rate of 17 per 1,000 population (3,853 recorded offences (NI 16).

15.1.9 Personal robberies in Haringey have reduced by 5.3% when compared with the same period last year. This is one of our LAA stretch targets.

A Thriving Haringey

- 15.1.10 Visits to sport centres, libraries and museums continue to exceed target
- 15.1.11 The number of households in temporary accommodation has reduced by 425 since April '09 and is exceeding the target. Projections are positive and show that the target of 2,603 will be achieved in 2010.
- 15.1.12 The NEET (16-18 year olds Not in Employment, Education or Training) level has stabilised at a level below the 2010 stretch target of 10.4% (NI 117)
- 15.1.13 The proportion of 'Not knowns' (these are the young people whose status in respect of being in education, employment or training is not known) as at August is 3.6%, below last August's at 8.3% and the rolling year target of 9.9%.
- 15.1.14 Preliminary information for educational attainment and DCSF value-added measures shows that Haringey pupils are making good progress from KS2 to GCSE.
- 15.1.15 In 'Achievement of 5 or more A*-C grades at GCSE (incl. English and Maths)', Haringey is now 5.6 percentage points below the national rate, a significant improvement from 13.4 percentage points below the national target in 2003

A Caring Haringey

- 15.1.16 Percentage change in under-18 conceptions – Quarter 4 of 2007/08 shows a 16.5% reduction from the 1998 baseline. The reduction continued into the first quarter of 2008/09. This reverses the trend rather than slowing the rate of increase. Performance remains below the 2009/10 target of -18.1% (NI 112)
- 15.1.17 Delayed transfers of care from hospital remained at 14.4 per hundred thousand population for August and September 2009 having reduced from 20.4 in April 2009, this figure remains comparatively high (NI 131). This is a jointly owned Health and Social Care indicator so delays attributed to the NHS are also included in these figures.
- 15.1.18 Performance on carers receiving needs assessment or review and a specific carer's service is currently exceeding the profiled target for September and should put the service on track to achieve the 19.2% LAA target by the end of the year (NI135).
- 15.1.19 Forecast data for affordable homes delivered indicates that there will be 171 affordable homes in 2009/10 against a target of 340 (NI 155).

Driving change, improving quality

- 15.1.20 The number of working days lost to sickness decreased slightly to 8.92 in the rolling year to September against a target of 8.5 days.
- 15.1.21 92.5% of council tax due has been received in the year to September against a target of 93.25%.
- 15.1.22 Average relet times for local authority dwellings let in the financial year have improved to a provisional 40.5 days in September but remains above the target of 29 days. For general needs the voids average re-let time in

September was 26.4 days and 93.2 days for supported housing. Action is being taken to reduce processing time.

- 15.1.23 The average time taken to process new benefits claims and change events increased to 45.2 days in September and remains above the combined 17 day target set for 2009/10 (NI181). Over 3000 changes in circumstances were cleared in the last month, and the backlog should be cleared by the end of the year.
- 15.1.24 The timely handling of Stage 2 complaints improved to 81% in September but remains short of the 90% target.
- 15.1.25 Data Protection Act subject access requests dealt with in timescale reduced to 69% in September. Freedom of Information replies although improved remain below target (82.3% against 100% target).
- 15.1.26 Performance in the Call Centre remains below target in September with 82% of calls presented to the call centre answered against a target of 90% and 49% of calls answered in 30 seconds against a target of 70%.
- 15.1.27 Avoidable contact for September was 21.9% against a target of 16% (NI 14)
- 15.2 Exception reports (Appendix 1) have been provided for the following areas where targets are not currently being met :
- Percentage of initial assessments for children's social care carried out within 7 working days of referral (NI59)
 - Percentage of core assessments for children's social care that were carried out within 35 working days of their commencement (NI 60)
 - Timeliness of placements of looked after children for adoption following an agency decision that the child should be placed for adoption (NI 61)
 - Stability of placements of looked after children: length of placement (NI 63)
 - Child Protection Plans lasting 2 years or more (NI 64)
 - Percentage of referrals to children's social care going on to initial assessment (NI68)
 - Number of recorded most serious violent crimes (NI 15)
 - Number of serious youth violence crimes (NI129)
 - Delayed transfers of care (NI 131)
 - Percentage of social care assessment which occur within 4 weeks (all adults NI 132)
 - Residual household waste per household (NI 191)
 - Percentage of household waste sent for reuse, recycling and composting (NI 192)
 - Avoidable contact: the proportion of customer contact that is of low or no value to the customer (NI 14)
 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events (NI 181)
 - Reduction of long term sundry debt owed to the council

- Call centre telephone answering in 30 seconds
- Call Centre calls answered as a percentage of calls presented
- Percentage of Stage 2 public complaints dealt within target (25 day) timescale
- Percentage of Members Enquiries dealt within target time of 10 days
- Average re-let times for local authority dwellings let in the financial year

16. Finance

- 16.1 The overall revenue budget monitoring, based on the September position, shows a forecast gross spend of £4.4m above budget. This is partially off set by a £1m contribution from the general contingency and a reduced call on the inflation budget of £1.5m following the settlement of the pay award at a lower sum than planned. As shown in Appendix 2, this results in a net forecast of £1.9m above budget. The position will be closely monitored during the remainder of the financial year as Directors continue to implement measures to reduce costs wherever possible.
- 16.2 In Adults, Culture and Community Services the projected overspend remains at £0.5m as reported previously. This largely relates to Older People's Services and Mental Health care purchasing where client numbers and average unit costs have increased. There are other cost pressures in Adult Social Care and Recreation that are being managed within the overall budget position with the Director introducing actions to reduce spend wherever possible.
- 16.3 In Children and Young People's Service there is a projected overspend of £3m. This relates to the looked after children (LAC) placement budget and associated legal costs. Although additional resources were provided for this area in the 2009/10 budget there are still significant pressures as a result of increased numbers of children being placed in care and increased unit costs. The number of children in care has increased significantly in the past year, however this appears to be remaining stable in the last few months at between 460 and 470, and now stands at 465, excluding unaccompanied minors seeking asylum. CYPS is looking at additional funding sources, including brought forward balances in the Dedicated Schools Grant, that could be targeted at safeguarding and thus reduce the forecast overspend.
- 16.4 The Director has identified a number of actions that target specific issues associated with reducing expenditure on LAC. These actions have been focussed on three discrete areas: routes into care, placement costs and routes out of care as were reported in detail to the Cabinet on 8 September 2009.
- 16.5 Urban Environment is currently projecting an overspend of £0.5m. This is due to projected income shortfalls in both planning and trade waste due to the poor economic climate, together with spend brought forward within the recycling service. In addition, the Housing Revenue Account is projected to achieve the small budgeted surplus; however, there are budgetary pressures in both the mechanical and electrical maintenance and repairs contracts, these will be closely monitored in order to contain any overspend as far as possible. A loss of

interest earnings in the cash balance is being offset by additional rent income arising from a reduced number of right to buy sales.

- 16.6 Corporate Resources are projecting an overspend of £0.4m, down from the £0.5m reported last month. The change is due to an improved position on commercial income for Property Services but where a shortfall of £0.65m is still projected. Without a significant change in the short-term economic position it is not likely that this income will be achieved. This projected overspend is offset by £0.25m projected under spends in other areas within the directorate and further cost reduction actions are being investigated.
- 16.7 Policy, Performance, Partnerships & Communications (PPP&C) and People & Organisational Development (POD) are projected to spend at budget. The forecast also assumes that the targets for efficiencies of the Haringey Forward programme are achieved as currently projected in overall terms.
- 16.8 Non-service revenue (NSR) is made up mainly of capital financing and budgets for levies and contingency. This is showing an underspend to reflect the possible use of £1m of the general contingency as a contribution towards the total general fund overspend and an underspend of £1.5m to reflect the lower than predicted pay award. As previously reported there is a small budget overspend relating to Alexandra Palace Park and Trust of £0.4m. The Trust has been asked to ensure that discretionary and non-essential expenditure is restricted during 2009/10 to help ensure that the final position is in line with the Council's budget. The position will be carefully monitored; however, the latest budget management report given to the Alexandra Palace Park and Trust Board indicates that they are finding it increasingly challenging to contain the Trust's deficit within the reported figure as hire income is under pressure.
- 16.9 The RAG status of savings and investments is shown in Appendix 2. Planned savings classified as red are mainly in Urban Environment where a number of savings are unlikely to be achieved and alternative measures are being considered. Some of these are not being achieved because of the economic climate, for example in respect of planning and building control fees. The balance classified as red is in Corporate Resources and relates to commercial income in Property Services.

Treasury Management

- 16.10 The second detailed quarterly report on Treasury Management activities was submitted to the General Purposes Committee on 22 October 2009 and reported the activities for the second quarter of the year. Consideration was given in the report to the Council's investments and borrowings, which will result in a recommendation to Council for a revision to the Treasury Management Strategy Statement (TMSS). Members were also supportive of the recommendation from officers to select and open three Money Market Funds for future Council investments. Use of MMF is allowable under the Council's current TMSS.

- 16.11 Members received formal training on treasury management on 8 September, in line with recent guidance, and further training sessions will be provided in due course.

Capital

- 16.12 The aggregate capital projected position in 2009/10 is as shown in Appendix 2 and is projected to underspend by £18.7m (9%) which relates to Adults, Culture and Community Services (£3.4m), Children and Young People's Service (£7.1m), Corporate Resources (£6.6m) and Urban Environment (£1.6m).
- 16.13 Capital projects within Adult, Culture and Community Services are reporting a full year projection of a £3.4m underspend this period, down from £3.5m last period. The main variances previously reported are that the sale of land adjacent to Muswell Hill Library has been postponed until 2010/11, thus the project has been delayed. Work continues at Wood Green Cemetery, but the feasibility study for Enfield Cemetery will not be completed in time to commence any works in 2009/10. A delay in receiving confirmation of funding from the Tennis Foundation will require the rephasing of £0.6m of the Tennis Court Refurbishment into future years; and a rephasing into future years of £1m of the Sports and Leisure Improvement Programme is also requested in order to attract additional external funding.
- 16.14 Cabinet on 8 September 2009 agreed the report of the Director, Children and Young People's Service on the CYPS Capital Programme. This resulted in a rephasing of the Service's programme in September (Period 6) that brought the majority of budgets into line with projections; however, CYPS are engaged in reviewing the BSF contingency and regularly report the position to the BSF Board. It is expected that a significant amount of contingency will not be required this financial year and consequently show as an under spend against budget, the projected variance is currently estimated to be £5.9m. The forecast year-end variance against budget will be the subject of detailed ongoing work and will be reported to future meetings of the Cabinet. CYPS has also identified non BSF projected year-end variances totalling £1.2m. This is made up of: rephasing of £0.4m into future years on the Early Years Quality and Access project; the release of the unneeded contingency of £0.5m for the Pre-primary and Primary Capital Project; £0.2m slippage on the expansion of Coleridge Primary School; and slippage of £0.1m on feasibility studies into the replacement of temporary accommodation, pending clarity on government funding intentions.
- 16.15 The Director of Urban Environment has previously identified that three heritage schemes, totalling £0.4m, included in this year's programme will not now go ahead in the current year. In addition, the reprovision of Hornsey Recycling Centre will need to be rephased giving an underspend of £0.5m with a further underspend of £0.6m arising from the rephasing of Marsh Lane.
- 16.16 In the Corporate Resources Capital Programme an under spend of £5.1m has previously been reported mainly in respect of slippage in the Hornsey Town Hall

Project (£4.4m). A further underspend of £1.5m is now being projected due to the IT Prioritisation Board only approving and releasing funding for projects with a fully developed business case. This ensures only appropriate projects are funded but has implications for the timing of expenditure. Requests to rephase both of these projects are now made and these are incorporated within Appendix 2 of this report.

- 16.17 A significant proportion of the 2009/10 capital programme is funded by the generation of capital receipts from the Council's disposal programme. The target level of receipts assumed for this financial year is £9.1m. The latest forecast of in year receipts as at period 6 has been revised slightly upwards to £4.33m compared to £4.28m last month, a variation of £50k. The overall shortfall is mainly as a result of very difficult property market conditions currently prevailing and impacting on valuations and hence the deferral of some disposals into later years. As previously reported, it is proposed to partly mitigate the shortfall by the use of brought forward DCSF non-ring fenced capital funding of £2.283m offered by the government in 2009/10 to help maintain the capital programme at existing levels. This will be repaid to the CYPs capital programme in 2012/13 in line with the needs of that programme. Other options, including restricting expenditure on some capital receipts funded projects, are being currently explored as well as assessing if there is any slippage on existing schemes that may assist in balancing resources this year. The position is being kept under constant review and Members will be kept informed in future reports.

Virements.

- 16.18 Proposed budget virements are set out in Appendix 2 for approval in accordance with financial regulations. A brief summary of the most significant virements, not already mentioned in the body of the report, is given below.
- 16.18.1 Two virements, one of £1.897m and one of £7.261m, are to allocate the Area Based Grant (ABG) for the second half of the year following a review of its distribution.
- 16.18.2 A virement to allocate the revised provision of 1% - 1.25% for officer pay inflation.