

Agenda item:

Cabinet		15 December 2009
Report Title. The Council's Performance: October 2009 (Period 7)		
Report of The Chief Executive and Chief Financial Officer		
Signed :		
Contact Officer : Eve Pelekanos/ Margaret Gallagher- Policy and Performance Telephone 020 8489 2508/2971 Kevin Bartle – Corporate Finance Telephone 020 8489 3743		
Wards(s) affected: All	Report for: Key Decision	
<p>1. Purpose of the report</p> <p>1.1. To report on an exception basis financial and performance information for the year to October 2009.</p> <p>1.2. To agree the budget virements in accordance with financial regulations.</p>		
<p>2. Introduction by Cabinet Member for Performance Management (Cllr Claire Kober)</p> <p>2.1. The performance on reducing the number of people in temporary accommodation is very encouraging and I am pleased that further falls are reported in this latest period. It is also encouraging to see the reduction in household tonnage and although still below target an increase in recycling performance. It will be</p>		

important in all of these areas for progress to continue in the run up to year end.

2.2. Although below target it is good to see a steady performance in initial and core assessments – this must continue along with improvements monitored elsewhere in the quality of these assessments. I also hope that we will see an increased focus in time taken to process new benefit claims as improvements in performance in this area are vital.

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 reduced slightly to £1.8m. Pressures remain constant in most service directorates but have increased in Children & Young People's Directorate where the numbers of looked after children has further risen. 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.

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.

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 recommendations

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

6. Summary (Performance)

6.1. Overall performance on the monthly basket of indicators shows that of the 76 indicators, 47% are on target with a further 18% close to target and 28% not currently achieving target (For the remaining 5 indicators (7%) data or targets are unavailable therefore status cannot be allocated at this time).

6.2. Paragraph 15 of this report provides a summary of performance for the year to October 2009.

7. Chief Financial Officer Comments

7.1. The overall general fund revenue budget, based on the October position shows a small reduction of forecast over spend by £0.1m to £1.8m above budget. There have been further increased client volumes in Children & Young Peoples Service

(CYPS), taking their forecast year end position to £3.5m above budget, an increase of £0.5m over the last period. Since the beginning of October, the Council has moved onto a revised price energy contract which should deliver significant savings in energy costs. Current forecasts suggest a net saving of £0.6m against the general fund budget this year.

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 now to achieve an overall budget surplus of £1.0m which is £0.4m above the budgeted figure. The main reason for this is the result of the energy price change as above.

7.4. The aggregate capital projected position for 2009/10 shows a reduced underspend of £13.2m equating to 7% of the approved budget. The reasons for this projected variation are detailed later in the report with the majority of the under spends within Children & Young People's Service and Adults, Culture and Community Services.

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. Equality impact is considered alongside performance by services.

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 October

11.2. Appendix 2 Financial tables

11.3. 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 including unit cost data

13. Background

- 13.1 This report details an update on the Council's performance against agreed targets for 2009/10. Financial and performance information is based on the financial monitoring reports prepared for the budget and performance review meetings for period 7.
- 13.2 The full scorecard details performance against monthly 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 shown in 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, and best practice.
- 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 A significant number of the new national indicators lend themselves to quarterly or annual monitoring rather than monthly. These are included in the quarterly reports throughout the year.

14. Performance Overview

14.1 The table below shows overall progress against the monthly basket of indicators.

Progress against the indicators reported monthly	Latest status based on YTD October 2009/10	
Number of indicators that are on target	36	Green
Number of indicators that are just off target	14	Amber
Number of indicators that are off target	21	Red
Number of indicators where data not yet available/ or no target set	5	

Progress against the indicators reported monthly	Improvement based on YTD October 2009 against March 2009	
Number of indicators that have improved	33	↑
Number of indicators where performance has declined	25	↓
Number of indicators where comparison data not available	18	

15. Key Performance Messages

- 15.1 The following are performance highlights grouped by Council priority extracted from the full scorecard. Progress against Local Area Agreement (LAA) targets, particularly those where the Council is the lead agency, is highlighted.
- 15.2 Exception reports (Appendix 1) have been provided for the areas where targets are not currently being met.

A Greener Haringey

15.3 Household tonnage reduced significantly in October and hit target for the first time this year (NI191).

15.3.1 The percentage of household waste recycled increased to 26.5% but remains below the 32% target (NI192).

A Better Haringey: Cleaner, Greener and Safer

15.4 There have been 295 violent crimes in the year to October against a target of 211 for that period, a 34.1% increase on the same period last year. As at 1 November the increase reduced to 28.7%. This is an LAA improvement target with an aim to reduce serious violent crime by 4% in 2009/10 (NI15).

15.5 Children's initial assessments carried out in 7 days from referral have improved to 35.2%, in October. This remains below the 53% target (NI 59).

- 15.6 The percentage of core assessments carried out in 35 working days of commencement was 53.8% in October, below the 63% target (NI 60).
- 15.7 There has been a reduction in people killed or seriously injured on Haringey's roads. Based on rolling 3 year averages to June '09 the percentage reduction is 15.5% and 14.3% for children.

A Thriving Haringey

- 15.8 The NEET (16-18 year olds Not in Education, Training or Employment) in October is 277 (NEET) or 6.5% of the cohort, bettering the 10.4% stretch target.
- 15.9 The proportion of 'Not knowns' as at October is 13.9%, a significant and expected decrease on last month. September is always a high point for 'not knowns' as at this point of the year the service has yet to determine destinations for all the 2008/09 school leavers.
It is a condition of our Local Area Agreement, that the 'Not knowns' do not exceed 9.9%. The key period for this indicator is November to January as annual performance is based on the average for these months and if the pattern of previous years is followed the target will be met.
- 15.10 Libraries are continuing to be busy with the equivalent of 10.4 library visits per resident each year.
- 15.11 Sports and leisure centre usage dipped below target over the last few months.

A Caring Haringey

- 15.12 92% of adult care assessments occurred within 4 weeks against a 95% target (NI 132). In 90% of cases social care packages following assessment were delivered in 4 weeks slightly short of the 93% target (NI 133).
- 15.13 Delayed transfers of care from hospital remained at 14.4 per hundred thousand population in October. This figure remains comparatively high and above the target of 9 (NI 131).
- 15.14 Good performance has been maintained on self-directed support for social care clients with 19% adults, older people and carers receiving a direct payment (and/or individualised budget) (NI130).

Driving change, improving quality

- 15.15 The number of households in temporary accommodation has continued to reduce and stands at 3,982 at the end of October 30 households above the October target for 2009/10 (NI156).
- 15.16 The number of working days lost to sickness increased slightly to 8.99 in the rolling year to October against a target of 8.5 days for 2009/10.
- 15.17 92.3% of council tax due has been received in the year to October against a target of 93.25%.
- 15.18 Reduction of long term sundry debt owed to the council has fallen below target for the last couple of months and is now on red status.

- 15.19 Average relet times for local authority dwellings let in the financial year have declined to a provisional 54.5 days in October against a 2009/10 target of 27 days. The increase in the average re-let time in October relates to an increased void time in general needs (37.4 days) and supported housing (99 days).
- 15.20 The average time taken to process new benefits claims and change events was 39.2 days in October against the 17 day target set for 2009/10.
- 15.21 The timely handling of Stage 2 complaints improved further to 100% in October although the year to date position remains slightly short of target at 86%.
- 15.22 Performance in Call Centre telephone answering improved in October with 91% of calls presented answered and 62% within 30 seconds against a 70% target.

16. Finance

- 16.1 The overall general fund revenue budget monitoring, based on the October position, increases the service forecast outturn by £0.5m to £4.9m above budget. This figure is made up of pressures across a number of Directorates, the detail of which is set out in the paragraphs below with the increase this period all related to CYPS. As highlighted last period, a £1m contribution from the general contingency and a £1.5m saving on the inflation budget following the pay award settlement help to offset this figure. Additionally, from the beginning of October 2009 the Council has moved onto the new energy contract which offers prices significantly lower than those paid in the first half of the year. The current forecast saving on energy bills within the general fund is £0.6m. This gives an overall outturn figure of a net £1.8m above budget. The position will continue to be monitored closely to assess the impact of the measures being put in place to reduce costs wherever possible.
- 16.2 In Adults, Culture and Community Services the projected overspend remains at £0.5m as reported previously. The key pressure is within Adult services where care purchasing costs have increased due to increased volumes and costs incurred above budgeted inflation. There has been a small improvement over last period however this has been offset by an increasing pressure on income within Recreation.
- 16.3 In Children and Young People's Service the projected year end position has worsened by £0.5m and now shows an over spend of £3.5m. The main area for over spend remains looked after children (LAC) which, despite the additional resources allocated during the 2009/10 budget process, is under pressure to operate within the agreed resource. The past month has seen an increase of 10 children being placed into care and of these, 7 relate to 16+ clients; the increase in these numbers is largely as a result of the Southwark Judgement. The high numbers of children being taken into care is also putting significant pressure on the legal budget, contributing to the forecast over spend. The Director continues to focus management activity on reducing expenditure in LAC.

- 16.4 Urban Environment are maintaining their forecast year end position at £0.5m over budget. Although mitigating actions to reduce expenditure appear to be showing some signs of progress, the underlying pressure of a predicted shortfall in income net of cost savings in parking, trade waste and planning, regeneration and economy remains.
- 16.5 In Corporate Resources the underlying shortfall in budgeted commercial income continues to be reported at £0.65m and, although this appears to have stabilised, there is little prospect of recovering the foregone income this year. The projected overspend is offset by costs savings in other areas of the directorate as a whole which has enabled the forecast overspend to be reduced from £0.4m to £0.35m this period.
- 16.6 Policy, Performance, Partnerships & Communications (PPP&C) and People & Organisational Development (POD) are maintaining a forecast balanced outturn position. The overall general fund revenue forecast in Appendix 2 also assumes that the targeted efficiencies within the Haringey Forward programme are achieved.
- 16.7 Non-service revenue (NSR), which largely consists of budgets for levies and contingencies, is showing an underspend of (£2.5m) as highlighted last period; this reflects the impact of the lower than expected pay award and the proposed use of £1m contingency. The pressure on budgets within Alexandra Palace Park and Trust continues and although they have been asked to restrict discretionary and non-essential expenditure, the latest budget management report given to the Alexandra Palace Park and Trust Board shows a worsening deficit position to £2.17 million. This represents an increase in deficit of £37k over the Period 6 position.
- 16.8 The RAG status of agreed 2009/10 revenue savings and investments is shown in Appendix 2. The bulk of the red classified savings are within Urban Environment and have been caused by delays in revising street cleansing contracts and pressures on realising trade waste income benefits; the balance relates to forecast increased commercial income within Corporate Resources Property business unit which is not being achieved.

Treasury Management

- 16.9 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 and the first investments in two new funds have now been made. Members

concluded with the officers recommendation that the TMSS be amended to permit the use of call accounts up to the agreed individual counterparty limits.

Capital

- 16.10 The aggregate capital projected position in 2009/10 is as shown in Appendix 2 and is projected to underspend by £13.2m which equates to 7% of the approved budget. The explanations for this variance are set out by Directorate in the following paragraphs.
- 16.11 Capital projects within Adults, Culture and Community Services are still projecting a full year under spend of £3.5m. The main variances remain the Muswell Hill Library scheme where the sale of adjacent land has been postponed until 2010/11 thus delaying the project, and a number of projects within Recreation. The latter relate to the Enfield cemetery project where feasibility work is still taking place, a delay in confirmation of external grant funding for the tennis court refurbishment and proposed re-phasing of £1m of the Sport and Leisure Investment programme into 2010/11 to facilitate additional external funding.
- 16.12 The Director of Urban Environment is still forecasting an underspend of £1.1m as per last period. This is due to the re-phasing of the spend relating to the recycling centre (£0.5m) and Marsh Lane (£0.6m). The HRA capital programme is now forecasting an underspend of £0.7m in the Decent Homes programme; the projection has been updated to reflect a more realistic estimate of the work to be done in the current financial year, although the Decent Homes programme is still expected to be fully spent in overall terms.
- 16.13 Corporate Resources is now showing a forecast under spend of £0.8m in respect of the accommodation strategy.
- 16.14 As reported last period, a significant amount of the BSF contingency budget will not be required this financial year and BSF are maintaining a year end under spend of £5.9m. The non-BSF CYPs capital programme forecast remains at a £1.2m under spend caused by slippage on the Early Years Quality and Access project (£0.4m) and Coleridge school expansion (£0.23m). The final £0.5m relates to the programme contingency which is not forecast to be required.
- 16.15 A significant proportion of the current year's capital programme is funded from receipts generated as part of the Council's disposal programme. The target level of receipts assumed in 2009/10 is £9.1m and as reported in previous reports, the projected actual receipt total is short of the target, currently forecast at £4.4m. The underlying reason for this shortfall is the difficult property market conditions currently prevailing which have meant that some disposals are being deferred in order to achieve best value for the authority. Mitigating actions are still being explored to address the forecast shortfall although the re-profiling of some schemes this year will help the current year's position.

Virements.

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