

Agenda item:

Cabinet		26 January 2010
Report Title. The Council's Performance: November 2009 (Period 8)		
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 November 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>I am very pleased by the improvements noted in the report towards our greenest borough strategy, in particular the increase in household recycling to 28.2% and a reduction in CO₂ emissions which puts us on track to reach our LAA targets. I am also very pleased by the continued good performance in street cleanliness with targets</p>		

being exceed in all areas as confirmed by ENCAMS. I am concerned by the increases noted in serious violent crime and efforts must be made to reduce this figure. I have noted before my concern about the performance against initial and core assessments, although the improvements in this area are welcome the pace of improvements needs to accelerate.

2.1. Introduction by Cabinet Member for Resources (Cllr Bob Harris)

2.2. I draw attention to the finance section and to Appendix 2 of the report and note that the net overspend forecast for the General Fund remains at £1.7m. The underlying causes of the overspend remain largely as previously reported with higher than budgeted client numbers within Children & Young People's and Adults, Culture & Community Services. I continue to 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 16% close to target and 28% not currently achieving target (For the remaining 7 indicators (9%) 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 November 2009.

7. Chief Financial Officer Comments

7.1. The overall general fund revenue budget, based on the November position shows a small reduction of forecast over spend by £0.1m to £1.7m above budget. There have been further increased client volumes in Children & Young Peoples Service (CYPS) maintaining pressures against their budget and over spends are still forecast in Urban Environment (UE) and Adults, Culture and Community Services. The budget pressures continue to be offset by compensatory savings within Non Service Revenue (NSR) plus this month a forecast under spend within People &

Organisational Development (POD).

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 £1.2m which is £0.6m above the budgeted figure. The main reason for this is the result of energy price reductions and an increased surplus on rental income.

7.4. The aggregate capital projected position for 2009/10 is an underspend of £10.9m a reduction over last period of £2.3m; the forecast under spend equates to 6% 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 November, shows in detail indicators where targets are not being met along with an explanation of the performance, current activities, and best practice.

11.2. **Appendix 2: Financial tables** 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.

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 8.

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 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.

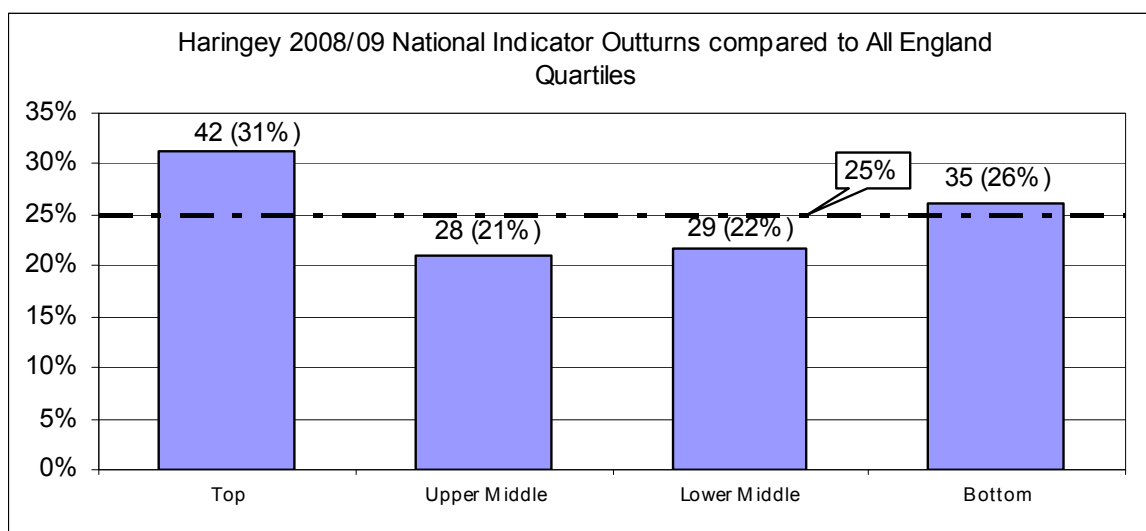
14. Performance Overview

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	12	Amber
Number of indicators that are off target	21	Red
Number of indicators where data not yet available/no target set	7	

Table 2.		
Progress against the indicators reported monthly	Improvement based on YTD November 2009 against March 2009	
Number of indicators that have improved	40	↑
Number of indicators where performance has declined	27	↓
Number of indicators where comparison data not available	9	

14.2 The Audit Commission have now published comparative performance data for most of the national indicator set (NIs) for 2008/09. The table below shows the number of Haringey's indicators falling within each quartile, e.g. the first bar marked "Top" represents the number of NIs of which Haringey's outturn is ranked in the Top quartile (25%) of Local Authorities.



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 The latest data from DEFRA on CO2 emissions shows a 0.2 tonne reduction per capita from 2005-07. This puts us on track to achieve our 7.4% reduction in 2009/10 and 11% reduction over the three years of the LAA. Haringey is equal fourth best in London on this indicator (NI186).

- 15.4 The percentage of household waste recycled increased to 28.2% in November. (NI192).

A Better Haringey: Cleaner, Greener and Safer

- 15.5 There have been 336 violent crimes in the year to November against a target of 323 for that period, a 19.1% increase on the same period last year. This is an LAA improvement target with an aim to reduce serious violent crime by 4% in 2009/10 (NI15).
- 15.6 Children's initial assessments carried out in 7 days from referral have reduced from 35.2% to 26% in November. This remains below the 53% target (NI 59). Performance is expected to be meeting the target for the month of January.
- 15.7 The percentage of core assessments carried out in 35 working days of commencement was 43.1% in November, below the 63% target (NI 60). The lower percentages of both initials and core assessments in timescale is due to ensuring that the quality of assessments completed is to a high standard.
- 15.8 Independent ENCAMS Tranche 2 results covering the period August to November confirm improvements in the cleanliness of highways. Cleanliness targets are being exceeded in all areas.

A Thriving Haringey

- 15.9 The NEET (16-18 year olds Not in Education, Training or Employment) in November is 342 or 7% of the cohort, bettering the 10.4% stretch target.
- 15.10 A condition of the reward grant being paid for the NEET's Local Area Agreement stretch target is ensuring that no more than 9.9% of the cohort have a 'not known' status, not knowns were 6% in November. 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.
- 15.11 The Healthy Schools stretch target has been achieved with 85% of schools achieving healthy schools status at November '09.
- 15.12 Preliminary information for educational attainment show the results for 2009 continue the improving trend at Key Stage 2 and 4 with clear evidence of closing the gap with the national average. All school results will be validated in 2010 and the figures updated.
- 15.13 Key Stage 2 results have improved and are now 4% below the national average for the combined English and Maths Level 4+ (68% for NI 73) and Key Stage 4 results have continued to improve at a good rate. Haringey is now 2.7% behind national for 5+ A*-C grades at GCSE (67%) and 4.5% behind the national when you include English and Maths (45.2% for NI 75).

A Caring Haringey

- 15.14 The number of older people permanently admitted into residential and nursing care increased to 84. The LAA stretch target for 2009/10 is not to exceed 115

admissions so it is still possible to meet the target if the numbers drop back to around 7 or 8 per month for the remaining months of the year.

- 15.15 For 901 or 88% of cases, social care packages following assessment were delivered in 4 weeks, a dip from previous reported performance and short of the 93% target (NI 133).
- 15.16 Delayed transfers of care from hospital increased slightly at 14.7 per hundred thousand population in November. This figure remains comparatively high and above the target of 9 (NI 131).
- 15.17 Good performance has been maintained on self-directed support for social care clients and carers receiving needs assessment or review and a specific carer's service (NI130 and NI 135).
- 15.18 The number of first time entrants to the Youth Justice System aged 10-17 at 883 for quarter 1 and 2 is a significant improvement on this time last year and betters both the 1,156 target and the London average position for 08/09.

Driving change, improving quality

- 15.19 Average relet times for local authority dwellings let in the financial year have remained at a provisional 54.4 days in November against a 2009/10 target of 27 days. The increase in the average re-let time in November relates to an increased void time in supported housing (106.1 days) and general needs (34.8 days).
- 15.20 The number of households in temporary accommodation has continued to reduce and stands at 3,880 at the end of November putting us on track to meet the 2,603 target by the end of 2010 (NI156).
- 15.21 92.5% of council tax due has been received in the year to November against a target of 93.25%.
- 15.22 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 however, the shortfall is significantly less than anticipated as proactive action by corporate debt management has seen some good progress on recovering outstanding debt. Efforts continue to bring the performance back to target.
- 15.23 The average time taken to process new benefits claims and change events was 38 days in November, a 7 day improvement from the high in September but still missing the 17 day target set for 2009/10.
- 15.24 The number of working days lost to sickness remained at 8.99 in the rolling year to November against a target of 8.5 days for 2009/10. Additionally there have been 142 cases of pandemic flu reported in the year to November with peaks in July (40 cases) and October (32 cases).
- 15.25 The timely handling of Stage 1 complaints improved to 94% in November and achieved green status for the first time this year. Stage 2 complaints dipped to 73% in November with the year to date position remaining short of target at 84%.

- 15.26 In November 86% of calls presented in the Call Centre were answered against a 90% target although performance dipped to 48% within 30 seconds against a 70% target.

16. Finance

- 16.1 The overall general fund revenue budget monitoring, based on the November position, reduces the service forecast overspend by £0.1m. 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 greatest pressure remaining within CYPS. As highlighted last period, there are a number of compensatory savings from within the non service revenue budget which help to reduce the general fund outturn figure down. These are a £1m contribution from the general contingency, a £1.5m saving on the inflation budget plus a forecast saving of £0.6m on energy costs since the Council has moved onto the new energy contract. This gives an overall outturn figure of a net £1.7m 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 still within Adult services where the cost of purchasing care has risen above the budgeted inflation figure and the number of service users has increased by 26 since the beginning of this financial year. There remains a shortfall in income budgets within the Recreation business unit driven by under achieved income at Finsbury Park and reduced mortality rate impacting on bereavement income.
- 16.3 In Children and Young People's Service the projected year end position is being maintained at 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 a further increase of 12 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. Since the beginning of the financial year the numbers of LAC has increased by 22 which 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 and consideration is being given to directing under spent DSG resource to fund some of the safeguarding costs.
- 16.4 Urban Environment are forecasting a year end position of £0.5m over budget. A better than expected award of Housing and Planning Delivery Grant and improved building control income since last month has helped offset a shortfall in planning income but pressures remain within Frontline Services which is still predicting a shortfall in income net of cost savings in parking, trade waste and recycling. There is an emerging pressure this period within Housing in relation to the costs of renewing expired private sector leases which in the longer term

will be beneficial to the Council as they will allow increased negotiation on future rent levels. The HRA budget projection is now showing a surplus of £0.6m above the budgeted figure; the key drivers are reduced energy costs and an increased surplus on rent income.

- 16.5 In Corporate Resources the underlying shortfall in budgeted commercial income continues to create the main pressure although, as reported last period, it appears to have stabilised particularly within the industrial and commercial portfolio. The directorate forecast year end position remains £0.35m as the income shortfall will in part be offset by cost savings in other areas of the directorate as a whole. The Directorate continues to work to bring this figure down by year end.
- 16.6 Policy, Performance, Partnerships & Communications (PPP&C) continue to forecast a balanced outturn position however, People & Organisational Development (POD) are now forecasting a small under spend of £0.1m largely due to delayed recruitment and redesign of one of the corporate development programmes. 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 (£3.1m) as highlighted last period; this reflects the impact of the lower than expected pay award, the proposed use of £1m contingency and projected savings on energy costs following a move to a new contract. 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 year end position reported to the Board on January 12th increases the deficit by a further £0.123m to £2.29m.
- 16.8 The RAG status of agreed 2009/10 revenue savings and investments is shown in Appendix 2 and remain as per period 7 with the bulk of the red classified savings within Urban Environment caused by delays in revising street cleansing contracts and pressures on realising trade waste income benefits; the balance relates to planned increased commercial income within Corporate Resources Property business unit which is under achieving.

Treasury Management

- 16.9 The Treasury Management Strategy Statement (TMSS) and Investment Strategy 2010/11 to 2012/13 and the Treasury Management 3rd Quarter Performance update for the period ended 31 December 2009 was submitted to the General Purposes Committee on 12 January 2010. In accordance with changes set out in the Revised CIPFA Code of Practice on Treasury Management 2009, the TMSS will be scrutinised by the Audit Committee prior to its approval by the Cabinet and Council. The adoption by the Council of the Revised CIPFA Code of Practice on Treasury Management 2009 will

necessitate changes to the Council's Constitution which will be approved by the Constitution Review Working Group and recommended to the full Council for adoption.

Capital

- 16.10 The aggregate capital projected position in 2009/10 is as shown in Appendix 2 and is projected to underspend by £10.9m which equates to 6% of the approved budget. The explanations for this variance are set out by Directorate in the following paragraphs.
- 16.11 There has been no move in the projection within Adults, Culture and Community Services with a full year under spend of £3.5m being maintained. The main variances relate to the Muswell Hill Library scheme where the sale of adjacent land has been deferred until 2010/11; the Enfield cemetery project where feasibility work is still taking place pushing the majority of spend into next financial year; 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 now forecasting an underspend of £1.5m a slight increase over last period. The key factors driving this are the delayed acquisition of land for the re-provision of the Hornsey recycling centre (£0.5m) and work to develop the new site at Marsh Lane (£0.6m). The HRA capital programme overall is now forecasting an over spend of £1.3m caused by the need to undertake essential fire protection works following recent fires in tower blocks; it is expected that this will be funded by a contribution from HRA balances which will be recommended to Members once a review of projected costs has been completed. A small underspend against the current year's Decent Homes programme remains as this reflects a more realistic estimate of the work to be done in the current financial year. The Decent Homes programme is still expected to be fully spent in overall terms.
- 16.13 Corporate Resources is showing a forecast under spend of £1.1m. This is a combination of underspends across a range of property projects and IT. Sound business cases are required before IT projects are committed and the progress on these may impact on the year end position.
- 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 under spend has reduced this period to £0.2m largely as spending is now ahead of profile on the Alternative Provision programme. The previously forecast slippage on the Early Years Quality and Access project (£0.4m) and Coleridge school expansion (£0.23m) remain.
- 16.15 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 8 has been revised slightly upwards to £4.46m compared to £4.33m last month, an increase of £130k. The increase is mainly in respect of usable right to buy receipts which have picked up slightly compared to the early part of the year. 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 CYPS for schools use in 2012/13. A number of projects funded from capital receipts are being partly or wholly re-phased into 2010/11 due to slippage in delivery. This will assist in reducing the shortfall in 2009/10, although these resources will still be required the following year. Current monitoring indicates that there may be a small amount of genuine underspend against some projects which will be used to offset the projected shortfall. It is also proposed to utilise any flexibility within the capital financing reserve towards meeting the projected shortfall.

Virements.

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