

**Executive**

On 12 September 2006

Report title: **The Council's Performance – June 2006**Report of: **The Chief Executive and Acting Director of Finance****Ward(s) affected:** All**Report for:** Key Decision**1. Purpose**

1.1 To set out an exception report on the finance and performance monitoring for June 2006 using the new balanced scorecard format.

**2. Introduction by Executive Member for Finance (Cllr Toni Mallett) and Executive Member for Organisational Development and Performance Management (Cllr Dhiren Basu)**

The balanced scorecard shows a positive picture for June '06 with traffic lights for excellent services showing that for 67% of indicators, performance is on target or close to the end of year target at the end of the first quarter.

Financial health is also sound with 17/31 indicators achieving green status. However, there are still projected overspends in the Children's Service and Social services budgets which need to be brought in line. Dialogue is under way between relevant executive members and directors and I expect progress to be made in the months to come.

I am pleased to note improvements across many directorates including Children's Services and Environmental Services and it is my hope that performance continues to move in the right direction. Work still has to be done as regards performance in Social Services and Customer Services and I will be meeting with Directors and Executive colleagues in the next month to devise an action plan so we can move forward and provide the best possible services for residents.

**3. Recommendations**

3.1 To note the report.

3.2 To agree virements set out in section 13.

**Report authorised by: Dr Ita O Donovan – Chief Executive**

**Contact officers: John Hardy – Head of Finance – Budgeting, Projects and Treasury  
Telephone 020 8489 3726**

**Margaret Gallagher – Performance Manager  
Telephone 020 8489 2553**

#### **Head of Legal Services Comments**

There are no legal implications

#### **4. Executive Summary**

4.1 This report sets out the routine financial and performance monitoring for June 2006 in the new balanced scorecard format. This is the third report in this format and it will evolve and improve as the months go on. The format makes stronger links between finance and performance and includes unit cost information about services.

4.2 In summary the balanced scorecard shows that for service delivery 67% of indicators are on target or close to the end of year target at the end of the first quarter. For 20 of the 30 (67%) customer focus measures, performance targets are being met or close to being met. For financial health 16 of the 31 measures achieved green status meaning for 77% of indicators performance levels are achieving target or being maintained at an acceptable level. Our organisational development /capacity indicators including the latest staff survey results show that for 13 of the 16 (81%) measures, performance has improved or is being sustained. Overall 70.5% of indicators are achieving or close to achieving target. In addition 62% of indicators have maintained or improved performance since the end of last year.

4.3 In summary the revenue budget shows a projected net overspend of £3.5m and this is 0.95% compared to the approved net budget. Therefore this is rated amber as the variation is between 0.5% and 1%. The overspend is mainly due to pressures in Social Services budgets (£1.6m), Children's Services £1.8m (including asylum seekers), likely shortfall of £0.8m in agreed procurement savings and £0.3m in Environment. This is partially offset by a £1m under spend on homelessness.

#### **5. Reasons for any change in policy or for new policy development (if applicable)**

5.1 None

#### **6. Local Government (Access to Information) Act 1985**

**The following background papers were used in the preparation of this report:**

- Budget management papers
- Service PI returns including unit cost data

#### **Strategic Implications**

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 2007. The

report also gives an indication of the level and quality of services delivered on the ground.

### **Financial Implications**

The revenue budget shows a projected net overspend of £3.5m and this is 0.95% compared to the approved net budget. Remedial action to reduce the net overspend is underway and further proposals to generate savings are also being prepared. Delivery against the approved revenue budget this year is a key component of the Council achieving its financial strategy going forwarding.

The aggregate capital projected position in 2006/07 is currently projected to under spend by £18.1m, this is almost entirely made up of BSF and 6<sup>th</sup> Form Centre notional figures which were based on very early forecasts of spend. The service is currently working on a revision to the three year programme which will take account of slippage and other factors. A revised three year programme taking account of this will be reported to the Executive in due course.

### **Legal Implications**

There are no specific legal implications arising from this report, however the response rate for freedom of information requests needs to improve significantly to ensure we meet the statutory time limit.

### **Equalities Implications**

Whist equalities is a central thread throughout out the council's performance, this report does highlight some areas with positive results around equalities issues but also some areas where performance needs improvement. For example the pressure on services in Physical and Learning Disabilities combined with the TPCT efficiencies (paras 8.2.2, 3 and 4) is an area of concern, however as this report details the strategy of providing services to help people to stay living in the community will be of benefit to people from black and minority ethnic groups who are high users of community based services. As they are of homelessness service so it is a cause for concern that the prevention of homelessness figures have gone down (BV 213). However on a positive note black and minority ethnic people are high service users of both parks and libraries where we are exceeding targets (paras 8.3.10 & 8.5.2). In terms of our staff profile it is again a mixed picture on equalities issues women top earners (BV11a) and the number of black and minority ethnic staff employed by the council (BV17a) show positive progress but top earners who have a disability (BV11c) or are from black and minority ethnic groups (BV11b) are below target (para 10.6).

### **Consultation**

This report includes a number of resident and staff perception measures and shows how well the Council is performing in this area. The results show the level of satisfaction with the Council currently and should provide a baseline as well as informing action to improve satisfaction levels.

## **7. Background**

- 7.1 This is the regular finance and performance monitoring report for June 2006. It is based on the financial monitoring reports prepared for the budget management meetings held on 19 and 27 July 2006 for period 3 and the service submission of the basket of performance indicators that have been agreed for 2006/07.

7.2 From April '06 the reporting is 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.

7.3 The report includes routine monitoring of unit costs so that performance and costs reflect activity enabling us to make judgements around whether we deliver value for money services.

7.4 For 2006/07 the indicators contained within the balanced scorecard include key threshold indicators used in the Council's Comprehensive Performance Assessment (CPA) and those which reflect the Council's priorities including some key local indicators for the Council. The main changes to the indicators monitored are the addition of a number of financial health, resident perception and organisational health indicators.

7.5 Performance data is shown in Appendix 1. Progress continues to be tracked on a monthly and year to date position against the target using a traffic light annotation where:

- green: = target achieved / performance better than planned
- amber: = just below target
- red: = target not achieved / below expectation

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.

## **8. Service Positions on Delivering Service Excellence**

### **8.1 Children**

8.1.1 The revenue budget is forecast to overspend by £1.8m. This is mainly due to a £0.5m projected overspend in the SEN placement budget, £0.5m projected overspend on the Looked After Children (LAC) budget and a potential asylum seekers overspend of £0.6m.

8.1.2 The SEN placements budget was overspent in 2005/06 due to higher numbers than available in the budget and the forecast this year is substantially due to the full year effect of this overspend although there is a small increase in the number day placements (3 in number). There is also a rise in the amount of additional support provided to Special Schools from this budget due to the medical needs of the particular children. The overspend is being actively considered as part of the Director's review of this particular budget. The Service Manager is looking, as part of this review, for efficiencies and economies of scale and the forecast does include potential placements. It is likely that the forecast overspend will come down over the next few months as

the measures are implemented. This budget also may have to rely on underspends elsewhere to achieve balance which have yet to be identified.

- 8.1.3 In relation to the LAC shortfall, the Children's Service is striving to contain the inherent pressures carried over from last year while delivering the overall commissioning strategy. It may be necessary that pressures arising will need to be contained by under spending on non-commissioning areas and managers have been made aware of the need to restrict spending on other areas wherever possible. Two young people with very complex needs have been placed already this year in external placements costing over £4K per week. In addition it should be noted that several new placements have also had to be made which are likely to continue throughout the year. The reduced availability of beds at the internal residential units due to a fire is another temporary factor contributing to pressures. Repairs are now completed and steps will be taken to increase the occupancy level as soon as possible. Currently client numbers are 394, which is about 8 above the budget plan at period 3.
- 8.1.4 The asylum position is largely unchanged since that reported last month with a gross shortfall of £3.1m. This is largely covered by a contingency and assumed special case grant claims for 2005/6 although this leaves a net overspend of £0.6m. This shortfall relates to both Children's Services and Social Services asylum seekers costs. A special grant submission will be made for 2006/07 and if successful would reduce this forecast shortfall. The increase in costs is largely due to rising numbers in the care leaver 18+ cases and the recent increase in the referrals of UASC. The position remains a serious concern for the financial strategy. The Leader has twice written to the Home Office Minister and recently received a second letter from the National Asylum Seeker Service (NASS). The Council is currently considering its position following this latest response. It is understood that the London Borough of Hillingdon are considering a judicial review in respect of their Asylum costs and funding for the 18+ cases. The Leader intends to make representations to the government .
- 8.1.5 Although the capital budget is currently projected to underspend by £18.1m, this is almost entirely made up of BSF and 6<sup>th</sup> Form Centre notional figures which were based on very early forecasts of spend. As reported last month the service is currently working on a revision to the three year programme which will take account of slippage and other factors. A revised three year programme taking account of this will be reported to the Executive.

Performance highlights for Children's services are as follows.

- 8.1.6 All 13 statements of special educational need excluding exceptions issued in June were prepared in the 18 week timescale. When exceptions are included 13 out of 14 (92.9%) statements were issued within 18 weeks in June, exceeding the 85% target This is a good start to the year with performance on both parts of the indicator continuing to exceed target.
- 8.1.7 As at June '06 the percentage of 16-19 year olds who were not in Education, Employment or Training (NEETs) rose steeply in Haringey to 16.9% against a target of 12.9% for 2006/07. There is now a new national system for allocating NEETs by the postcode of the client rather than the postcode of the office they happen to visit. Connexions have advised that there may also be some data issues and have recalculated figures for April and June '05 under the new

system to see how they compare with the current figures. June '05 figure was 15.2% and it does look as though the new higher figures will not change significantly. The national target level for NEETs is 8.5%.

- 8.1.8 As at June '06, 11.6% of children have had three or more placements exceeding our 13% target. Due to an improvement in recording, this figure is expected to rise slightly but will remain inside the best performance banding and in line with our target.
- 8.1.9 All 45 reviews of children on the register due in June were completed in timescale. (BV162). Excellent performance has been sustained in this area in the year to date with robust systems in place to ensure this continues.
- 8.1.10 There were no adoptions in June '06 (BV163). By the end of July we will have five adoption orders and are on track to achieve a further thirteen, all but four of these children are already placed with the proposed adopters. In addition there are at least six special guardianship orders linked to present proceedings which should be granted in the next six months making a total of 24. Achievement of this underpins the financial savings approved as part of the budget strategy.
- 8.1.11 The unit cost of service per child for both play £4,197 and early years £16,628 are both above the targets set for 2006/07.

## **8.2 Adults' & Older People's Social Care, Housing**

- 8.2.1 I reported at period 1 notification from the PCT of the withdrawal of funding in respect of jointly funded services. At this point, the impact of direct funding has been assessed as £623k compared to the £750k reported previously in older people's services, although the position for Adults continues to be monitored. Processes have been put in place to identify clients who are eligible under the NHS Continuing Care criteria to try to mitigate against some of these losses and these will be monitored through the year. Currently this is not included in the projection and consideration will need to be given to the actions the Council should take in this respect.
- 8.2.2 In addition to this loss of funding, the overspend in Adult Services reported in period 2 has increased from £1.2m to £1.6m. The increase is mainly in the physical disabilities and substance misuse budgets which were understated in period 2. As previously reported the overspend includes residential care services commissioned in mental health where the numbers of clients supported by the service is 106 compared to budgeted numbers of 71. Of the £1.6m overspend in Adults, £0.8m is in respect of mental health. The balance of the overspend is shared equally across learning disabilities and physical disabilities where there continue to be demand pressures experienced by the service.
- 8.2.3 The long term management action for mental health is the reconfiguration of supporting people services for mental health service users in order to develop more high support services with a focus on active rehabilitation and recovery. The service is also working towards extra care supported housing schemes to support older clients.

8.2.4 The Social Services budgets continue to be under severe pressure because of both demand pressures and reductions in services in the Health sector. The PCT's strategic plans to achieve further efficiencies in 2006/07 will continue to have knock on effects for Social Services. The key features of the plan are:

- To reduce the demand for acute hospital admissions by changes in patient pathways and investment in primary care and community services
- Reductions in the use of in-patient services with respect to mental health services with an assumption that more patients are enabled to live in the community. Whilst we should support this approach, it would need to be accompanied by appropriate resources transferring to community services (health or social care). However, we understand that there will be no such transfer.
- Savings in primary care services from general management savings, improving contracting and commissioning.
- Further savings proposed in services to Adults and Older People's Services mainly through the rationalisation of wards at Greentrees and rationalisation of outpatient services through a review of the eligibility criteria for these services.
- Planned reductions in early years and schools services and family planning services

8.2.5 Under these circumstances, it is almost inevitable that a proportion of the population who would have been supported in the Health sector will need to access social care services for support. This will also impact on Children's Services.

8.2.6 At this time, the projected overspend in Social Services is £1.6m. Management action is being taken to try to ensure that these pressures do not result in any additional overspend and include, reviews of jointly funded expenditure, a freeze on vacant posts and reducing agency staff where there would be minimal impact on front line services.

8.2.7 Social Services capital is projected to spend at budget.

8.2.8 The performance appendix reports the latest performance figures on some key indicators in Adults' and Older People's services. This shows that:

- 96.2% of items of equipment were delivered in 7 working days in June exceeding the 88% target set for 2006/07 (*BV56/PAF D54*). This level of performance places Haringey in the top 'very good' banding.
- 121 adults and older people per 100,000 population were in receipt of a direct payment as at June '06 short of the 129 target for the month and a decline on last months performance (*BV201/ PAF C51*). The main cause of the drop in performance is a lower take-up of direct payments from clients with physical disabilities although this service has been the most successful in contributing to the overall target. Performance on this indicator is cumulative with the target of 150 to be achieved by 31 March '07. Projections show that performance in this area is expected to improve next month. The current level of performance places Haringey in the second top 'good' performance banding.

- In the year to June there were 17 admissions scaled up to 32 per 10,000 Older people aged 65 or over admitted on a permanent basis to residential / nursing care (*PAF C72*). Current performance places Haringey in the top banding for this indicator. This is a new definition which counts individuals admitted on one or more occasions on a permanent basis to residential or nursing care beds funded in part by councils, rather than admissions. The revised indicator will ensure that those admitted on a temporary basis but becoming permanent placements are included and that transfers from one permanent placement to another are excluded. Our target for 2006/07 has been set at 70 admissions per 10,000 Older people aged 65+ which if we remain below this level will place us in the top performance banding.
- The unit cost of intensive social care per adult and older client at £712 has increased from 05/06 and is above our target of £590. In addition the unit cost of home care per client at £18.45 is above the 06/07 target of £15.50.

#### 8.2.9 Some areas where we need to improve our performance in Adults' and Older People's services are:

- *Acceptable waiting times for assessment- new older clients aged 65+(BV195)*  
This indicator is the average of the percentage of clients where time from initial contact to first contact with the client is less than or equal to 48 hours and the percentage where time from first contact to completion of assessment is less than or equal to 4 weeks. In June for 51.7% of older clients, the time from first contact to contact with the client was less than or equal to 48 hours and for 43.4% their assessments were completed within 4 weeks. The average of these is 47.6% falling below the new key threshold levels for this year of 60% and 70% respectively.
- *Carers receiving a carer's break or specific carer's service (PAF C62)*  
2.5% of Carers for Adults and Older People received a carer's break or specific carer's service in the year to June '06 as a proportion of all Adult clients receiving a community based service. The service are working on a project to pick up information from panels approving these services to compare with information held on the database and the Social Services management team have considered a report on the problems in this area and agreed a way forward to resolve the poor performance.
- *Adults and older clients receiving a review as a percentage of those receiving a service (BV55).*  
The service are reporting 40% of adults and older clients receiving a review falling well short of the 60% target for 2006/07. There are a number of outstanding reviews across the client groups and these have been identified as a priority. Each area has started to take action to tackle this problem and the service have moved to a position of reporting this on a weekly basis to monitor progress.

#### 8.2.10 There is a projected improvement on the homelessness general fund budget of around £1m in addition to the approved budget. This is a financial consequence of the successful programme of private sector lease procurement and movement of families from short-term bed and breakfast accommodation and the favourable grant position on these cases.



8.2.11 The level and cost of repairs in the HRA are being carefully monitored following pressures in this area last year.

Performance issues in Housing are as follows:

8.2.12 BV183a and BV183b measure the average length of stay in weeks that a household at the point of leaving temporary accommodation have spent in bed and breakfast or hostel accommodation, respectively. The indicators only measure households with children or pregnant women, who have spent time in accommodation where facilities are shared with other people.

8.2.13 The definition for these indicators was amended in 2005/06 to exclude tenants' historical stays in bed & breakfast prior to April 2004. This was the date from which the Homelessness (Suitability of Accommodation) England order 2003 took effect.

8.2.14 The average length of stay in bed & breakfast accommodation, under this definition is reported as zero weeks as we no longer use this form of accommodation for families.

8.2.15 The definition for the average length of stay in hostels changed in May '06 to exclude Hostel provision ending prior to April '04. When the new definition is applied performance as at June '06 remains at 81 weeks against a target of 35 weeks. The service is reviewing the use of hostels as temporary accommodation and at present no new families are being placed in shared facility hostels.

8.2.16 The cost per nightly rated accommodation at £40.91 is slightly above the target of £40.20.

8.2.17 The unit cost per private sector leased dwelling was calculated at £862.57 in June against a target of £842.24 for the year. Higher than expected renewal costs and local market fluctuations have contributed to these increased costs.

8.2.18 BV213 records households who have been prevented from becoming homeless. In June 156 per 1,000 households approached the local authority's housing advice service and had their situation resolved. This level of performance falls short of our target of 400 for 2006/07. Low performance in June occurred as many cases did not enter the system on time for submission but will be included in next month's figures. Early indications from informal sub-regional benchmarking on this new indicator suggest that Haringey's 2005/06 performance was very successful. Haringey's 2005/06 performance was the second best in our benchmarking group (with Barnet, Camden, Enfield, Islington and Westminster) behind Camden. The DCLG said we were doing well.

8.2.19 The average re-let time of local authority dwellings increased to 46.6 days in June against a target of 27 days. This needs to be monitored closely to assess any impact on the rent income target.

## Rent Collection

- 8.2.20 Rent collected as at June 06 (*BV66a*) is projected at 95.8% of rent due for the year against a target of 97.5%. Income Collection Teams have been in place since the 8th May and have been settling into their new roles; reviewing their patch lists; sorting out some IT housekeeping issues; reviewing outstanding casework and identifying the priority cases. This work was largely completed on 2nd June and the teams are in a position to agree individual targets and start detailed monitoring exercises against these. It is expected that a focus on this activity will lead to improved performance and we fully expect to meet the collection rate target by year end.
- 8.2.21 The percentage of tenants with more than seven weeks rent arrears increased slightly to 14.5% in June remaining short of our target of 10% for 2006/07. Initial analysis shows that 60% of tenants are in arrears, but that 47% of these owe less than £100. Housing Benefit is in payment in full or in part to 71% of tenants. A key part of the strategy therefore is to prevent small arrears accruing in the first place and to stop these escalating. This is in line with Government's thinking and best practice, wherein there is less emphasis on legal action (hence our target at *BV66c* to reduce the numbers of Notices of Seeking Possession served) and early face to face intervention ( hence our target at *BV66b* to reduce the number of tenants who owe more than 7 weeks arrears).
- 8.2.22 The proportion of local authority homes which were non 'decent' as at June '06 was 44.5% against a target of 42%.

## Repairs

- 8.2.23 In June 91.4% of appointments were made and kept based on data taken from our IT system.
- 8.2.24 The average time to complete non-urgent responsive repairs reduced to 11.9 days in June against a target of 14 days. The year to date position at 15.2 days still falls short of the 14 day target. These figures include private contractors without any exclusions for planned maintenance.
- 8.2.25 The percentage of urgent repairs completed within Government time limits improved to 95.2% in June although slightly short of the 97% target.

## 8.3 Environment Services

- 8.3.1 The overall revenue budget shows a projected overspend of £265k. £200k is in respect of potential additional costs regarding the recycling labour contract and £65k is due to issues in the partial non-achievement of agreed efficiency savings in the waste management contract. A shortfall of £200k is currently projected against parks income due to only one concert being scheduled in Finsbury Park against the budget that assumes 5 concerts. Proposals are being explored to more actively promote venues amongst a number of promoters rather than focusing on one promoter. This £200k shortfall in parks income will be found from other compensatory savings. Capital is projected to spend at budget.

8.3.2 Parking income recovery target is 61% and actual performance to June was at this level.

8.3.3 The annual projected cost of household waste collection per tonne at £73 is just above the revised budget target of £72 for 2006/07. This is due to additional costs arising from an industrial action dispute and the Council's one-off contribution towards keeping services running and resolving the dispute.

Performance highlights and issues in Environment are:

8.3.4 20% of household waste was recycled or composted in June '06 against a target of 22% for 2006/07. Performance was slightly down on May and the reduction was due to continued high levels of household residual waste together with a reduction in the amount of dry recyclables collected (cans, glass, paper, plastics etc.)

8.3.5 Waste Minimisation performance in June was outside the CPA upper threshold and performance has slipped outside the London top quartile although the waste tonnage for June was slightly lower than May. This impacts on the recycling rate. And an investigation is being conducted into household waste flytipping tonnages to try to identify why tonnages have increased to current levels. It is expected that this investigation will be completed by the end of July.

8.3.6 Waste collections missed per 100,000 at 124 in June '06 was inside our target of 130 although a slight increase on the number recorded for April and May.

8.3.7 27 out of 29 minor planning applications (93.1%) were determined in 8 weeks in June exceeding our 83% target and beating the government target.

8.3.8 42% of planning application appeals have been allowed against the authority's decision to refuse permission. This relates to 18 out of 43 cases in the first quarter and is above our 30% target for 2006/07.

8.3.9 There were 112,541 visits to our sports and leisure centres in June '06, seasonally adjusted this equates to 1,120,812 visits. June performance is up 3.45% against target and the accumulative position is up nearly 3%. Attendances were down at Park Road pool but this was due to enforced closure of the centre for 4 days.

8.3.10 The parks cleanliness index of 85 in the year to June, continues to exceed target with a good overall standard being sustained across the borough particularly during periods of more intensive use. 7 of our parks have been awarded Green Flags, up from 4 in 2005 and the highest amongst London Boroughs, meeting our stretch target.

8.3.11 The average number of days to repair streetlights was 1.9 days in June well below the target of 3.5 days. The reduced average length of time to repair faults relating to power supply handled by our District Network Operator (DNO) - currently EDF - at 3.7 days in the year to June exceeds the target of 20 days. EDF have provided a dedicated fault repair team to Haringey and we have seen a considerable improvement in performance.

8.3.12 There have been 28 people killed or seriously injured (KSI) in the period January to March '06, 12 of these in March. Although the trend is down on last year it remains up when compared with the 1994-1998 baseline and is inside the target of 124 KSIs for the calendar year 2006.

## **8.4 Finance**

8.4.1 The revenue budget has some pressures and variations that the directorate are trying to contain within the approved budget. The main budget pressure is in Property Services regarding a potential £400k under-achievement of commercial rent income of which £300k is in Technopark and £100k on Industrial and Commercial/Community Buildings portfolios. The projection has increased from the £189k shortfall reported for Property Services in period 2 following a review undertaken. Number of vacant units has recently grown and the service is carrying out marketing to attract new tenants. In particular Property Services have commenced a review of Technopark to identify how to reduce this potential shortfall. There are no capital budget variations reported at this stage.

### Council Tax and Business Rates

8.4.2 93.9% of Council tax has been collected in June exceeding the 93.75% target although the year to date position is still slightly short of the target. (BV9) Performance has remained constant over the first quarter.

8.4.3 The collection of business rates in June '06 at 99.4% exceeded the set target. (BV10)

### Invoice payments (BV8)

8.4.4 83.1% of invoices were paid in 30 days in June and 84.5% in the year to date against a 92% target set for the year. This is being monitored carefully with services to further improve performance to meet the target.

### Benefits

8.4.5 The average speed of processing a new claim reduced to 49 days in June. Performance has begun to improve as the service continue to identify the current barriers to achieving standard.

8.4.6 Performance on the amount of Housing Benefit overpayments recovered over the first quarter has been encouraging and the year to date position of 62% exceeds the annual performance standard and target.

## **8.5 Chief Executive's**

8.5.1 As reported last month there are no revenue and capital budget variations reported at this stage.

- 8.5.2 There were 174,735 visits to our libraries in June '06 equating to just over 9.3 visits per head of population in a year exceeding our target for 2006/07 of 9 visits per head.
- 8.5.3 The cost per visit/ interaction to our libraries in the year to date is £2.28.
- 8.5.4 There were 179 domestic burglaries in June which seasonally adjusted and scaled to an annual equivalent is inside the target. However burglaries in the first quarter (660) when seasonally adjusted and scaled to an annual equivalent @ 2,980 are outside the target of 2709 for 06/07.

## **9 Customer Focus**

- 9.1 Within the customer focus dimension we have included a number of residents' perceptions as measured by our annual resident's survey. The measures that are monitored give a good indication as to how perceptions about the council are changing. They include whether resident's think Haringey is a better place to live than a year ago, whether we are doing a good job, whether we listen to, involve and keep residents informed and whether resident's perceive that we are efficient and well run and offer value for money.
- 9.2 Performance trends on the majority of these perception measures are improving. 64% of residents think we do a good job and 63% feel the Council keeps them informed.
- 9.3 Some additional service perception measures may be introduced to the scorecard in the coming months. Environment directorate intends to collect resident satisfaction data in all the areas currently included in the CPA service assessment and to report this information in the scorecard. It is expected that they will be able to include the first set of data in the autumn and that it will subsequently be reported two to three times a year.
- 9.4 In addition performance on complaints handling is regularly monitored. The first quarter saw a disappointing start to the year. In June 161 (71.6%) of complaints at stage 1 (local resolution) were responded to within the new tighter 10 working day timescale against a target of 80%. For the more complex service investigation stage, 11 out of 14 (78.6%) of complaints were resolved within the 25 working day timescale in June, closer to the 80% target but the year to date position of 64.5% still falls short of the target.
- 9.5 These figures include the performance of Homes for Haringey. If these are removed, the performance for Council services to the end of June rises to 76.5% for stage 1, but falls to 62.8% at stage 2.
- 9.6 In the first quarter thirteen stage 3 complaints (independent review) were received and completed with just one falling outside the new 20 working day timescale.
- 9.7 Of the 402 Members enquiries cases closed in June 06 315 (78.4%) were handled within the 10 working day timescale falling short of the 90% target. Excluding Homes for Haringey, 285 out of 323 cases were within timescale in June, 88.2%, and in the year to date 759 out of 898 cases, 84.5%.

- 9.8 54% of Freedom of Information (Fol) requests were actioned within the 20 day timescale in June excluding Homes for Haringey requests against a target of 70%.
- 9.9 79.4% of Council wide calls were answered within 15 seconds in June, exceeding the target of 77%.
- 9.10 Customer Services performance is starting to show improvement. 33.5% of call centre calls were answered within 15 seconds in June although still well short of the 70% target for the year. In addition the average queuing time in June reduced to 1 minute 17 seconds from over 3 minutes in April.
- 9.11 The cost per transaction for customer services is £4.40. This is the total cost of customer services not excluding corporate activities. The benchmark is the 05/06 outturn of £4.43.

## **10 Organisational Development/ Capacity**

- 10.1 Under the organisational development arm of our balanced scorecard we have included a number of Investor in People indicators as measured by our staff survey. The staff survey results are now available and feed into our scorecard. The measures reported on show where we have made progress in the areas we were targeting and ensure a continued focus on maintaining high standards of competence so that our staff have the capability and skills to deliver the business of the council.
- 10.2 The staff survey results show that 90% of staff understand Haringey's aims and objectives up from 82% in 2005 and 94% understand how the work they do helps Haringey achieve these. These are real strengths and the result of much effort to ensure that the Council's vision and priorities are communicated and form a strong discussion thread between the business plans, individual appraisals and workplans.
- 10.3 The percentage of permanent staff that have a written work plan or performance appraisal that sets out priorities and tasks for the year decreased slightly to 75% although this compares well against other organisations of a similar size and complexity. The Finance Directorate and temporary staff were identified as areas for development in the survey. Although our target of 77% was not achieved overall this area was still considered strength in Haringey. Changes to the Performance Appraisal framework and better use of the manager's desktop with SAP will allow better monitoring and subsequently targeting of areas of under-performance.
- 10.4 Four new measures were included in the staff survey key to the new Investors in People (IIP) standard and designed to provide baselines against which the organisation can measure how well it is living our agreed way of working i.e. our values. The results show strengths in involving staff in decision making affecting their work (64%), belief that our staff work with integrity and deliver on what we promise (59%) and staff being proud of the work they do (73%). An area identified for development where small improvements may be needed is the belief that people in different parts of the Council work well together.

10.5 Overall the Investors in People analysis across 10 main indicators and evidence requirements shows that we have achieved green status (a strength) in 8 of the 10 measures and Amber status (room for some improvement) for the remaining 2. The results of the survey were positive but there remain some areas where further work will be required.

10.6 Some indicators in relation to our staff profile are also included in this report. These show some positive progress against target in the following areas:

- 44.8% of staff are from minority ethnic communities
- 58.4% of the top 5% of earners are women
- Employees retiring early or on the grounds of ill health are well within target

And some areas where performance is not reaching the target:

- 18.2% of the top 5% of earners are from minority ethnic communities against a 26% target
- 2.5% of the top 5% of earners declare that they meet the Disability Discrimination Act disability definition against a target of 4.9%

Sickness

10.7 The average number of working days lost to sickness per full time equivalent employee in June '06 is 8.23 days per annum inside our 8.8 day target. This will be closely monitored during the year to ensure the target is met for the year.

## **11 Performance Summary**

11.1 In summary the balanced scorecard shows that for service delivery 67% of indicators are on target or close to the end of year target at the end of the first quarter. For 20 of the 30 (67%) customer focus measures, performance targets are being met or close to being met. For financial health 16 of the 31 measures achieved green status meaning for 77% of indicators performance levels are achieving target or being maintained at an acceptable level. Our organisational development /capacity indicators including the latest staff survey results show that for 13 of the 16 (81%) measures, performance has improved or is being sustained. Overall 70.5% of indicators are achieving or close to achieving target. In addition 62% of indicators have maintained or improved performance since the end of last year.

## **12 Summary - Budget Monitoring**

12.1 Overall revenue budget monitoring shows a projected net overspend of £3.5m and this is 0.95% compared to the approved net budget. Therefore this is rated amber as this variation is between 0.5% and 1%.

12.2 The aggregate revenue projected position in 2006/07 is as shown in the following table.

General Fund revenue	Approved Budget	Projected variation
	£m	£m
Children (including asylum seekers)	215.7	1.8
Social Services	54.3	1.6
Housing	(1.3)	(1.0)
Environment	51.6	0.3
Finance	9.2	0
Chief Executive's	22.2	0
Non-service revenue	14.8	0.8
<b>Total</b>	<b>366.5</b>	<b>3.5</b>

12.3 As reported last month the variation in Non Service Revenue is in relation to the delayed achievement of procurement savings. There is a likely shortfall of £0.8m in the £1m agreed procurement savings this year. Various new procurement review projects have been initiated and in addition spend analysis reports are being completed by each service to review for other potential efficiency projects. Energy procurement has been reviewed and savings are possible from the 1st October contract renewal date although savings will be influenced by market volatility and need to be carefully quantified.

12.4 The aggregate capital projected position in 2006/07 is as shown in the following table. Although the capital budget is currently projected to underspend by £18.1m, this is almost entirely made up of BSF and 6<sup>th</sup> Form Centre notional figures which were based on very early forecasts of spend. The service is currently working on a revision to the three year programme which will take account of slippage and other factors. A revised three year programme taking account of this will be reported to the Executive in due course.

Capital	Approved Budget	Spend to date	Projected variation
	£m	£m	£m
Children	62.1	7.1	(18.1)
Social Services	7.4	0.1	0
Housing – General Fund	2.6	0.2	0
Housing – HRA	19.2	0.6	0
Environment	20.2	1.7	0
Finance	5.6	0.7	0
Chief Executive	14.0	1.2	0
<b>Total</b>	<b>131.1</b>	<b>11.6</b>	<b>(18.1)</b>



### 13. Financial administration

13.1 Financial regulations require proposed budget changes to be approved by Executive. 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.

13.2 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.

Key decisions are highlighted by an asterisk in the table.

13.3 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 it is 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.

13.4 Proposed virements are set out in the following table:

Period	Service	Key	Amount current year (£'000)	Full year Amount (£'000)	Description
3	Various	Rev*	8,214		Approved NRF external funding for 2006/07.
3	Various	Cap*	550		Approved NRF external funding for 2006/07.
3	Various	Cap*	970		Approved SSCF external funding for 2006/07
3	Children	Rev	141	141	Redistribution of capital charges and corporate overheads arising from Children Services restructuring.
3	Children	Rev*	-14,876	-15,479	"
3	Children	Rev*	293	293	"
3	Children	Rev*	14,442	15,045	"

3	Environment	Rev	162	162	Removal of invest to save budget as funding is no longer available.
3	Various	Rev*	231	387	Transfer of outstanding funds to Customer Services in line with the approved strategy.
3	Chief Executives, Environment	Rev	150	150	Transfer of Key Sites budget from Chief Executives to Environment.
3	Chief Executives	Cap*	415		Additional approved funding from HERS2 (£147k), HERS3 (£79k) and for Hornsey High Street project (English Heritage £89k, S106 £97k, Private £6k and Council £10k).
3	Chief Executives	Cap*	634		Rangemoor Road approved scheme funded £407k from LDA and £227k from ERDF.
3	Chief Executives	Cap	-111		Adjustment of Seven Sisters budget to agree with approved allocation.
3	Chief Executives	Rev	113		Additional funding for Youth Inclusion & Support Panel (£35k), Junior Youth Inclusion project (£38k) and Job Centre Plus scheme (£40k).
3	Chief Executives	Rev*	316	-558	Adjustment of Youth offending budgets to reflect external funding approvals.
3	Chief Executives	Rev*	662		NDC projects funded from Laurels health income (£285k) and balance of revenue grant allocation.
3	Environment	Rev*	-357	-357	LRF funding now ended and is now supported from the mainstream budget..
3	Environment	Cap*	150		Additional TFL funding for the Stroud Green 20mph zone project.
3	Environment	Cap	-63		Reduction in Street lighting budget to fund previous years overspend.

#### 14. Recommendations

- 14.1 To note the report.
- 14.2 To agree the virements set out in section 13.

#### 15. Use of Appendices

Appendix i. June balanced scorecard/ Performance summary