



Haringey Council

Agenda item:

Cabinet

On 18/12/2007

Report Title: **The Council's Performance – October 2007**

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

Wards(s) affected: **All**

Report for: **Key Decision**

1. Purpose

- 1.1 To set out an exception report on the finance and performance monitoring for October 2007 using the balanced scorecard format and showing progress against achievement of council priorities.
- 1.2 To agree the virements set out in section 21.5 of the report.

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

- 2.1 Members of the Cabinet will be pleased to note that 89.5% of indicators are achieving or close to achieving target as at October '07. This illustrates that we continue to make good progress against the council priorities. In addition 86% of indicators in our scorecard have maintained or improved performance compared to last year.

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

- 3.1 This report provides Members with the financial position for the month of October and it is worth noting that the forecast net overspend has come down from £0.5m in September to £0.1m on revenue. I draw Members attention to paragraph 19.3 onwards regarding the budget summary, and paragraphs 20 and 21 in terms of Capital and Financial Administration and asks that the virements proposed are approved.

4. Recommendations

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

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5. Head of Legal Services Comments

There are no legal implications

6. Local Government (Access to Information) Act 1985

6.1 Budget management papers

6.2 Service PI returns including unit cost data

7. Strategic Implications

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

8. Financial Implications

- 8.1 The overall revenue budget monitoring, based on the October position, shows a forecast net overspend of £0.1m. There are a number of budget pressures relating to Asylum and Adult Social Care, which are partly offset by an earmarked reserve for asylum and additional treasury investment income.
- 8.2 The aggregate capital projected position in 2007/08 is currently projected to underspend by £10.1m. This is made up of £4.5m in Children and Young People (BSF), £3.7m Housing, £1.5m in Corporate Resources and £0.4m in Adult, Community and Culture. These are mainly profiling issues that are explained later in the report.
- 8.3 The DSG element of the overall Children and Young People's Service budget is projected to underspend by £0.4m and this is in respect of the Network Family support budget that will be requested to be carried forward to meet the summer term 2008 commitments.
- 8.4 In relation to the HRA, the net current revenue projection is a surplus of £0.5m against the approved budget mostly relating to one off income. This latest forecast position was reported by HfH to their Board on 26 November 2007.

9. Legal Implications

9.1 There are no specific legal implications arising from this report.

10. Equalities Implications

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

11. Consultation

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

12. Background

12.1 This is the regular finance and performance monitoring report for October 2007. It is based on the financial monitoring reports prepared for the budget management meetings held on 19 November for period 7 and the service submission of the basket of performance indicators that have been agreed for 2007/08.

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

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

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

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

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

13. How the reporting works and interpreting the scorecard

13.1 Performance data is shown in Appendix 1. Performance is reviewed against a representative basket of 109 indicators at least 58 of which are updated monthly. Where specific indicators do not lend themselves to monthly reporting, they will be

reported at the appropriate frequency. The scorecard illustrations in the summary are based on year to date traffic lights and reflect progress as at the month being reported i.e. this report is based on performance as at October '07. Where data is unavailable for particular indicators at a specific point in time e.g. survey data, these still feature in the scorecard illustrations with our assessment of progress as at that time. The latest available data and traffic light awarded is incorporated into the calculations and the numbers shown both on the balanced scorecard and in the graphs showing progress against council priorities.

- 13.2 Progress on indicators continues to be tracked on a monthly and year to date position against the 2007/08 target using a traffic light annotation where:
- green: = target achieved / performance better than planned
 - amber: = just below target (normally a 5% tolerance)
 - red: = target not achieved / below expectation
- 13.3 In addition, trend arrows depict progress since the last financial year, so whilst an indicator may receive a red traffic light for not achieving target, it will show an upward trend arrow if performance had improved on the previous year's outturn. Between them, the lights and arrows indicate current progress and predict the likely annual position.
- 13.4 This year's scorecard appendix also includes some graphs to illustrate monthly progress on some key indicators over time and against target.
- 13.5 The latest all England top quartile data (for 2006/07) also features in the scorecard along with an indication of our quartile position in 2006/07. This enables progress to be assessed not only against the targets we set but in terms of how we compare with others and how close we are to attaining what we ultimately are aiming to achieve.

14. Making Haringey One of London's Greenest Boroughs

Urban Environment

- 14.1 Recycling and composting performance is consistent with recent months at 24.3% although this is still provisional as tonnage receipts have not yet been received for October. Actual recycling tonnage for October is at the highest level since May 07, but the recycling rate has been negatively impacted this month by high domestic waste tonnage (see BV84 comment), as a result performance remains just short of the 25% target set for 2007/08. To ensure that the target is met the recycling service will be further improved by the roll out of an additional commingled round in November/ December '07, the introduction of recycling on private estates in January and by generally improving participation rates across all existing schemes. The services Communications Plan and Waste Minimisation Plans are both expected to impact on reuse, recycling and composting.
- 14.2 The waste tonnage collected for October increased to an annual equivalent of 387kg of household waste collected per head missing the target. The residual tonnage in the year to date remains below the equivalent figures for 2006/07 and it is still expected that the target of 370Kg per head will be met. Also, communications

work around waste prevention is planned this year which should help contribute towards reducing household waste arisings.

14.3 The financial position is on target within this priority.

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

Urban Environment

- 15.1 In October 20% of streets were judged to have unacceptable levels of litter and detritus, half the level reported in 2006/07. The BVPI 199a annual performance that feeds into the CPA will be an average of the results for June, October and February. Performance is currently exceeding the 29% target and results for the year to date suggest that the annual target will be met. Some of this improvement may be attributed to a recent value for money review which resulted in new ways of working. A litter picking service was trialled in five wards in Haringey since June '07 namely Haringay, Bounds Green, Seven Sisters, St Ann's and White Hart Lane. These wards were chosen because BV199 inspection records showed that they were suffering from the highest levels of litter. They also coincide with the parts of the borough where analysis of responses to residents' surveys showed that satisfaction levels were lowest.
- 15.2 Although limited information is available the impact of this new way of working appears to be substantial in reducing real and relative levels of litter. Changes in the wards where litter picking has been operating between July and September '07 are as follows:
- Haringay, down from 29% litter to 10% litter
 - Bounds Green, down from 28% litter to 5% litter
 - Seven Sisters, down from 28% litter to 8% litter
 - White Hart Lane, down from 24% litter to 5% litter
- 15.3 In order to ensure that the Council gains full value and recognition for this service in terms of improving resident satisfaction, residents living in the streets were sent a letter explaining why the extra litter picking services were introduced. Residents will also be asked for feedback on whether the litter picking services have improved cleanliness in their area and how satisfied they are with overall cleanliness. Following the review of the impact on satisfaction levels a workshop will be held to understand Haringey Accord's improvement proposals, if the litter pick service is deemed a success, it is planned to expand the service to a further 5 wards in January 2008 with the approval of the Cabinet Member.
- 15.4 Performance for graffiti and fly posting improved further in October and at 5% and 2% respectively hit target for the first time this year. Although challenging targets were set for 2007/08, tranche one results at 6% and 2% respectively placed us 8th out of 28 London boroughs for graffiti and joint 14th on fly posting. Waste Management have been working with the service provider to ensure that work is targeted in areas which have historically suffered from high levels of graffiti and flyposting. This work appears to be helping to improve performance. As with BVPI 199a annual

performance will be an average of June, October and February performance and it is expected that the annual targets will be met.

15.5 The financial position is on target within this priority.

Safer Communities (PPPC)

15.6 The number of British Crime Survey (BCS) comparator crimes reported in October increased to 1,600. When projected up this performance remains short of our challenging target of 17,211 (1,395 fewer offences than in 2006/07) for 2007/08. The performance in the period April to October with 10,772 crimes committed is 0.7% higher than the same period in 2006. If current performance continues the 7.5% reduction target will not be achieved.

15.7 Four of the BCS comparator crimes showed an improvement in performance with a worsening trend compared with 2006/07 seen in six categories. There has been a significant fall in personal robbery (17.2%) but notable increases have been seen in criminal damage, theft from motor vehicle and burglary.

16. Encouraging Life Time Well-being

Children and Young People

16.1 Much progress has been made against the *Enjoy and Achieve* outcome in the Children and Young People's Plan. Provisional results represent a 5% improvement in the percentage achieving 5+ A* - C GCSE results since 2006 and a 4% improvement when they include English and Maths. There has also been improvement at Key stage 2 results for the fourth consecutive year recognised recently by the DCSF. Our combined results in English and mathematics, achieved by schools in the authority, are amongst the most improved based over the period 2004-2007 and we have continued to see a reduction in the number of schools with results below DCSF floor targets (65% Level 4 + in English and Mathematics). Although we do not have any schools with results below 50% in either English or mathematics, we still have 11 schools whose results are below 65% in English and 16 in mathematics. The service are working with schools whose results are above 50% for the first time to prevent slippage in the results and there is on-going work to improve the performance of the lowest achieving pupils.

16.2 Haringey's young people not in education, employment or training (NEETs) remains considerably higher than those in comparator boroughs. As at September '07 there were 432 or 14.1% of young people not in education, employment or training, an increase of 8 (2%) from last month although still below last September when the percentage NEET was 15.9%. The number of NEETs as at October reduced to 370, a decrease of 62 but figures should be viewed with a high degree of caution as there is still a relatively large hangover of Not Knowns (over 25% of the cohort) from the seasonal spike in September. This is as a result of the new cohort of 16 year olds whose currency has expired and for whom new destination has not yet been established. The Not Known figure is likely to improve once school leavers moving

onto university or higher education have been confirmed by UCAS as these 19 year olds are currently recorded as Not Known.

- 16.3 Connexions North London has led on actions to reduce NEET levels but as from April 2008, responsibility transfers to the Local Authority. The transition and embedding of the Connexions service to the local authority is a key element in raising performance. Other partners include schools, post 16 providers, especially the sixth form centre, CoNEL, work based learning providers and Haringey Adult Learning Service (HALS). This is one of our Local Area Agreement stretch targets and there are many initiatives in place to tackle the comparatively high NEET levels. These include immediate support for young people who first present as NEET and a number of courses established at Level 1 and pre Level 1 as well as a pre NEET engagement programme. The opening of the Haringey Sixth Form Centre is likely to have a positive effect on NEET numbers as more Haringey residents will be able to select in-borough provision.

Adult, Community and Culture

- 16.4 Despite a dip in the number of visits to our sports centres in the second quarter, the projected performance based on 733,770 visits in the year to October puts us on track to achieve our 1.18million visits target for 2007/08. The cost per visit to a leisure centre at £1.46 in October and remains below our £2.09 target for 2007/08.
- 16.5 As previously reported the commissioning budget for adult social care is currently projected to overspend by £1m. Part of this is in the learning disabilities service where there is a significant pressure from the number of people known by the service, who may potentially require support in this financial year. It also includes physical disabilities where actual client numbers are 23 above the budget assumption and this is 7 more than that reported last month. The service is taking action to ensure high cost care packages are reviewed to reduce costs wherever possible
- 16.6 The capital programme is projected to spend £0.4m below budget and is mainly in respect of the Lordship Recreation Ground (£0.3m) where work has been deferred pending a successful bid from the Heritage Lottery Fund to enable all the required work to be undertaken. It is anticipated that the work will be carried out next year.

17. Promoting Independent Living

Children and Young People

- 17.1 In October 8 of the 9 (89%) looked after young people who turned 19 were in employment, education or training. Excellent performance has been sustained in this area with looked after young people in employment, education or training (BV161/ PAF A4) and care leavers achieving above that of the local population of 19 year olds in education, training or employment. In the year to October '07 66.7% of care leavers (aged 16) were engaged in employment, education or training at the age of 19 against a target of 72% for 2007/08.

- 17.2 20 children have been adopted or granted special guardianship in the year to October (6.3%) against a target of 24 (7%) by the end of March '07. Performance on this indicator is cumulative but current performance suggests that the 2007/08 target will be met. (BV163/ PAF C23).
- 17.3 The Children and Young People's budget (excluding Asylum and DSG) has up to £0.2m of projected pressures relating to the commissioning budget (Looked After Children) that the service are working to manage. This is £0.1m lower than that reported last month.
- 17.4 The Asylum position relating to children is projected to overspend by a net £0.5m. This projected overspend is over and above the additional base budget allocated to the service. However, a one off contingency has been assumed to offset the projected asylum overspend in Children and Young People and in Adults, Culture and Community. Actions are being taken to reduce ongoing costs. The back dated claim issues are almost all resolved with a relatively small financial impact.
- 17.5 The Children's capital budget is projected to underspend by £0.2m excluding BSF. The previous underspend reported of £4.2m for BSF in 2007/08 is due to programme slippage and has, therefore, been recommended for re-profiling to later in the programme. This has had the effect of significantly reducing the forecast capital underspend for the service this year.

Adult, Community and Culture

- 17.6 As at October we have helped 105 older people per 1,000 population to live at home exceeding our target of 101. Performance is now within the top PAF banding. (BV54/ PAF C32)
- 17.7 99% of equipment was delivered within 7 working days in October exceeding our 90% target on this key threshold indicator.
- 17.8 The number of adults and older people per 100,000 population that received a direct payment dipped slightly again in October and remains slightly short of the monthly profiled target of 141. There are currently 14 pending clients being counted towards this indicator. The physical disabilities team are looking at moving clients for whom we pay their telephone line rental, onto direct payments which would increase this indicator by 30 and move us into the top performance banding. (BV201/ PAF C51)
- 17.9 Excellent performance has been maintained on waiting times for assessment. This indicator is the average of new older clients receiving an assessment where time from initial contact to first contact with the client is less than or equal to 48 hours (part a) and the percentage where time from first contact to completion of assessment is less than or equal to 4 weeks (part b). The average of the two is 96.5% and continues to exceed our 90% target. (BV195/PAFD55)
- 17.10 Performance on waiting time for care packages remained at 91% of older clients receiving their care package in less than 4 weeks in October. Although performance

has improved recently and is within the top performance (PAF) banding, it remains short of the 96% target. (BV196/PAF56)

- 17.11 The home help and home care indicator which measures the average gross hourly cost of home care based on contact hours in a sample week is £17.34 compared with a target of £17. This has been revised and is based on the most recent sample taken for this year.
- 17.12 Asylum that relates to the Adults, Community and Culture budget is projected to overspend by a net £0.4m. There are currently 128 clients that have no recourse to public funds who are supported by the authority, this is four lower than reported last month. Following a planned review of clients' eligibility for services, the Asylum team will look to move clients out of the service. There is an expectation that the projection will fall during the financial year. As previously mentioned a one off contingency for asylum in reserves has been assumed to offset the projected asylum overspend in Children and Young People and in Adults, Culture and Community.

Benefits

- 17.13 The average number of days to process a benefit claim increased to 44 days for the month of October. This was an expected increase whilst the backlog of claims built up are being dealt with. Year to date performance is 36 days against a target of 32 days. This follows migration to a document management system (Comino W2) and strategies are in place to address the dip in performance (BV78a). Although there will not be an immediate improvement, once the build up of claims has been cleared by December and a recovery in this indicator is expected.

Housing Strategy (Urban Environment)

- 17.14 In the year to October the average length of stay in hostels is 58.4 weeks just inside our target of 60 weeks. The count for this indicator measures the time that homeless households with children have spent in shared hostel accommodation. Households are only counted at the point that they are provided with a settled home and leave temporary accommodation. Of the thousands of households with children who are currently living in temporary accommodation, only 27 have previously spent some time in shared hostels, so will count towards this indicator when they are eventually provided with settled accommodation. Although performance on this indicator is now within the target level and remains in the lower quartile nationally, the Council works hard to minimise its use of shared hostels for families with children and, where this cannot be avoided, ensures that families are moved to more suitable temporary accommodation as soon as practicable. This ensures that households with children spend as short a time as possible in shared hostel accommodation.
- 17.15 The number of homeless households living in temporary accommodation is higher than projected under the Council's temporary accommodation reduction plan. Although the budget was based on the assumption that the number of households would reduce from 5,861 to 4,824 during the year 2007/08, it has proved difficult to reduce the number of households in temporary accommodation and the actual figure at period 7 was 5,415, compared to a profiled position of 5,193. £0.315m is proposed

to be formally vired to the Housing non-ring fenced budget to meet the extra costs of preparing for the inspection and improving services. The new Assistant Director for Strategic Housing, appointed in October, has put in place plans to ensure that the number of households in temporary accommodation is reduced to 4,824 by the end of March 2008, to 4,000 by the end of December 2008 and to 2,600 by the end of March 2010.

18. Delivering Excellent Services

People and Organisational Development (POD)

- 18.1 The average number of working days lost to sickness per full time equivalent employee increased to 9.84 days in October. Performance in the year to October at 9.35 days remains above our 8.8 day target. Although sickness absence levels are reducing, particularly in these areas and performance is in the second best quartile this remains an area that needs to be closely monitored.
- 18.2 The Local Democracy budget is now projected to spend at budget.

Policy, Performance, Partnerships and Communication (PPPC)

- 18.3 Performance on complaints handling in timescale remains above the target. In the year to October 1,001 of the 1,112 (90%) complaints closed at stage 1 (local resolution) were responded to within the 10 working day timescale. For the more complex service investigation (stage 2), of the 105 cases received in the year to October, 85 were resolved within the 25 working day timescale and performance at 81% is now exceeding the target set for 2007/08.
- 18.4 32 of the 36 (89%) stage 3 (independent review) complaints closed in the year to October were completed within the 20 working day timescale, short of the 95% target. However this amounts to just 3 cases short of the target.
- 18.5 Of the 1,899 Members' enquiries cases closed in the year to October, 91% were handled within 10 working days, exceeding the 90% target although performance in the last couple of months fell below target at 86%.
- 18.6 The PPP&C budget is projected to underspend by £65k which largely relates to savings on staffing costs due to vacant posts.

Children and Young People

- 18.7 Performance on handling Children's Act Complaints at stage one improved in September and October with 25 out of the 31 cases received in the year so far dealt with inside the 10 day timescale. This brings performance in the year to date to 81% exceeding the 80% target.

Adult, Culture and Community Services

- 18.8 The cost per visit to our libraries at £2.56 is just above our local target of £2.50. This is amongst the lowest costs in London but due to library closures in Hornsey and Stroud Green, it is unlikely that our £2.50 target for 2007/08 will be met.
- 18.9 The Libraries Service has been asked to make all efforts to meet its income target but if this is not possible the service will need to find savings elsewhere. This is required to contain the forecast non achievement of income that is mainly due from previously providing a consultancy service.

Corporate Resources

- 18.10 On telephone answering our council wide performance improved to 82.6% of calls answered within 15 seconds, exceeding our 80% target.
- 18.11 Call centre performance remains below target with a further dip in telephone answering in October and 37% of calls to the call centre were answered within 30 seconds (51% year to date) against a target of 70%. The extent to which this reduction in performance is due to increased call volumes is being examined with assistance from the Policy and Performance team. In advance of this work being completed a rapid improvement plan has been put in place. Actions commenced on 22nd October 2007 and is having an impact with performance in the early weeks of November achieving target.
- 18.12 The percentage of customers seen within 15 minutes in our Customer Service Centres reduced to 68% in October, falling short of our 70% target although the position remains a significant improvement on the corresponding period last year.
- 18.13 91% of invoices were paid in 30 days in October bringing the position in the year so far to 90.9% remaining short of the 92% target.
- 18.14 93.68% of council tax was collected in the year to October '07. Although performance is only just short of our target of 93.85% for 2007/08 this places us in the lower quartile when compared with other authorities. The target is expected to be achieved for the year.
- 18.15 The overall sundry debt (211 day debt) reduced further in October and although the monthly profiled target was not quite achieved, the Council is almost on track to hit the target of £4.16m by the end of 2007/08.
- 18.16 As previously reported the revenue budget has a number of budget pressures. The worst case position is slightly over £0.4m in respect of Property Services where there are higher electricity charges for River Park House (£0.1m) and the impact of high vacancy/voids at Technopark (£0.3m) which will continue to challenge achievement of the income target. There is a management plan in place to reduce this deficit which includes a drive for new tenants although it is unlikely to produce results early enough to allow budgeted income to be fully achieved this year. A detailed review of budgets across the service have identified areas where contributing savings could be made to bring spend down.

- 18.17 Legal land charges income is still projected to be £0.3m below budget as the number of searches is lower than anticipated in the current volatile market conditions. Local land charges search numbers are now down by 27% per cent when compared to 2006/07. The reduced numbers appear to be due to the effect of home information packs (HIPs) and uncertainty caused by delays to their introduction. The inclusion of three bedroom houses from 10 September 2007 may cause the situation to worsen in the coming months.
- 18.18 The £0.5m savings target through improved procurement is likely to be delayed, however other savings will be identified to balance the budget overall. Plans and projects are in place to meet the full £2m saving.
- 18.19 In IT, following a thorough mid-year review of budgets and increased certainty over legacy in-source staffing issues, coupled with the need to forward plan to deliver proposed savings for 2008/09 it is likely that there will be some revenue budget under spend this year. Due to delays in scoping and agreeing the projects within the IT capital programme there will inevitably be slippage of spend of approximately £1.5m.

Urban Environment

- 18.19 The net cost of service per parking ticket issued (surplus) at £14.27 in October met the target and although the monthly rate of achievement is subject to variation it is anticipated that the 2007/08 target will be met.
- 18.20 Capital is currently projected to spend at budget.
- 18.21 The NDC capital budget for 2007/08 is £4.396m. There is currently an underspend against the profiled budget amounting to £0.4m and this is £0.3m lower than that reported last month. The majority of the budget has now been allocated to projects and spend is expected to increase significantly during the remaining part of the year.

Homes for Haringey

- 18.22 97.01% of rent due was collected in the year to October '07, close to but still short of our 97.5% target, and the percentage of tenants with more than seven weeks rent arrears was 16% in October, remaining short of our 10% target for 2007/08.
- 18.23 A detailed action plan has been developed by Homes for Haringey to improve rent collection rates and reduce rent arrears through timely intervention, improved case management and the effective targeting of resources. This action plan was discussed at Homes for Haringey's monthly monitoring meeting with the Council in November 2007, and its implementation will be monitored at subsequent meetings of that group to ensure that it is having a positive impact on rent collection rates and rent arrears.
- 18.24 It is hoped that these actions, and the effective serving of Notices of Seeking Possession (NOSPs), will result in a further increase in the collection rate and a decrease in the corresponding arrears.

Non Service Revenue (NSR)

- 18.25 The NSR budget is projected to underspend by a net £2m.
- 18.26 The underspend includes a one off £1.0m earmarked reserve for Asylum that has been previously referred to for funding the currently projected Asylum budget pressure. It is proposed to vire this to the spending departments next month.
- 18.27 The over-achievement of income on the treasury investment income budget has increased from £0.5m reported last month to £1m. This is based upon improved cash flow, some debt restructuring and interest rates remaining at a relatively high level, although indications are that there will be a further downturn in rates in the future.
- 18.28 As previously reported there are some budget pressures in respect of Council costs regarding Alexandra Palace.
- 18.29 The recent Court decision to quash the Charity Commission's order means that the future loss will be continuing at least until a new order is composed by the Commission and consulted upon in accordance with the Court judgement. This is estimated to cost the Council £1m in 2007/08 above the planned budget. In previous years the Council has been making a base contribution to the Trust of £1.5m to meet the shortfall in the annual running costs of Alexandra Palace and Park. Therefore the approved budget saving of £1m from 2007/08 onwards from the transfer of the lease and associated costs is not likely to materialise this year and this is reflected in this projected variation. It has been formalised with a virement from Urban Environment as approved last month and as reported earlier in this report.
- 18.30 The financial position of the Trust and the implications of the licence between the Trust, Alexandra Palace Trading Limited (APTL) and Firoka is the subject of ongoing discussions by officers of the Council and the staff and advisers at Alexandra Palace. A detailed assessment of the financial position is being carried out, however it is likely that additional costs will need to be funded in this financial year and this will be reported in due course.

19. Performance Summary

- 19.1 Good progress is being made across all the priorities with 89.5% of indicators achieving green or amber status as at October '07. We continue to make good progress on promoting independent living (93%, 14 indicators green or amber), encouraging lifetime well-being (100% or 14 indicators green or amber) and delivering excellent services 92% or 48 indicators green or amber).
- 19.2 In summary the balanced scorecard shows that for service delivery 89% of indicators are on target or close to the end of year target as at October '07. For 13 of the 15 (87%) customer focus measures, performance targets are being met or close to being met. For financial health 27 of the 28 traffic lighted measures achieved green or amber status, meaning for 96% of traffic lighted indicators performance levels are achieving target or being maintained at an acceptable level. Our organisational

development /capacity indicators show that for 6 of the 8 (75%) measures, performance is meeting or close to expectation. In addition 86% of indicators have maintained or improved performance since the end of last year.

Summary - Budget Monitoring

19.3 Overall revenue budget monitoring, based on the October position, shows a forecast net overspend of £0.1m. There a number of underlying budget pressures largely relating to Asylum and Adult Social Care. These are partly offset by a one off earmarked reserve for asylum and additional treasury investment income.

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

General Fund revenue	Approved Budget	Projected variation
	£m	£m
Children and Young People - Asylum	227.7	0 0.5
Adults, Culture & Community - Asylum	73.0	1.0 0.4
Corporate Resources	9.4	0.3
Urban Environment	45.7	0
Policy, Performance, Partnerships & Communications	8.1	(0.1)
People, Organisation & Development	0.1	0
Chief Executive	0.6	0
Non-service revenue	20.0	(2.0)
Total	384.6	0.1
HRA	0	(0.5)

19.5 The DSG element of the overall Children and Young People's Service budget is projected to underspend by £0.4m and this is in respect of the Network Family support budget that will be requested to be carried forward to meet the summer term 2008 commitments.

19.6 In relation to the HRA, the net current revenue projection is a surplus of £0.5m against the approved budget. This latest forecast position was reported by HfH to their Board on 26 November 2007. The net surplus arises because rent and service charges income is projected to be above budget mainly resulting from a 53rd rent week falling into 2007/08, but this is partly offset by additional costs pressures which have emerged, such as increased bad debt provision to give a net projected surplus of £0.5m.

20. Capital

20.1 The aggregate capital projected position in 2007/08 is as shown in the following table.

Capital	Approved Budget	Spend to date	Projected variation
	£m	£m	£m
Children & Young People	44.3	15.3	(4.5)
Adults, Culture & Community	7.6	1.8	(0.4)
Corporate Resources	9.1	3.8	(1.5)
Urban Environment – General Fund	32.8	6.2	0
Urban Environment - HRA	19.8	8.5	(3.7)
Policy, Performance, Partnerships & Communications	0.3	0.1	0
Total	113.9	35.7	(10.1)

20.2 The latest forecast position for the HRA Capital outturn is an under spend of £3.7m as reported by HfH to their board. This is mainly due to slippage in the external decorations programme of £2.5m due to delays in the procurement process which would have resulted in works having to be undertaken during the winter months. The works are now scheduled for early in next financial year. In addition the Saltram Close scheme of £1m is dependant on the sale of the playground site which is not yet concluded. Other smaller net underspends on various schemes account for the remaining £0.2m.

21. Financial administration

21.1 Financial regulations require proposed budget changes to be approved by Cabinet. These are shown in the table below. These changes fall into one of two categories:

- budget virements, where it is proposed that budget provision is to be transferred between one service budget and another. Explanations are provided where this is the case;
- Increases or decreases in budget, generally where notification has been received in-year of a change in the level of external funding such as grants or supplementary credit approval.

21.2 Under the Constitution, certain virements are key decisions. Key decisions are:

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

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

21.4 The following table sets out the proposed changes. Each entry in the table refers to a detailed entry in the appendices, which show the budgets that are proposed to change. There are two figures shown in each line of the table and the detailed

sheets. The first amount column relates to changes in the current year's budgets and the second to changes in future years' budgets (full year). Differences between the two occur when, for example, the budget variation required relates to an immediate but not ongoing need or where the variation takes effect for a part of the current year but will be in effect for the whole of future years.

21.5 Proposed virements are set out in the following table:

Period	Service	Key	Amount current year (£'000)	Full year Amount (£'000)	Description
7	ACC	Cap	75		Update budget to include London Marathon Trust Funding
7	UE	Cap	(156)		To correct Stoneleigh Road UCCG budget, LBH Funding c/fwd in error
7	ACC	Rev	104		Funding for AD - Commissioning & Strategy within ACCS
7	CE, PPPC	Rev	60	108	Staffing budget transfer
7	CR, PPPC	Rev	83	83	Transfer of DPA staff from IT to Perf/Policy
7	CR, UE	Rev	39	39	Return of R&M for Automatic Public Conveniences
7	PP	Rev	53		LAA PPG Robbery & Domestic Violence reductions
7	POD, CR	Rev	24		Interim HR Advisor
7	UE	Rev*	315	-	Transfer of resources between Housing ring fenced and non ring fenced budgets to meet extra costs of inspection.
7	UE	Cap	126		Reinstatement of Bruce Grove THI LBH capital receipts funding
7	UE	Cap	(219)		TFL funding for LCN+
7	UE	Cap*	400		Spine Road - funding contribution from National Grid
7	UE	Cap	164		Alexandra Palace gate entrance upgrade funded from HLF
7	UE	Cap	135		Section 106 funding for Street lighting
7	C&YP	Cap*	336		2006/07 carry forward for grant - Computers for Pupils
7	C&YP	Cap*	(4,258)		Re-phasing of BSF project budget
7	NSR, ACC, C&YP	Rev*	1,000		Transfer of Asylum contingency to services

22. Use of Appendices

Appendix i. October balanced scorecard and performance summary