



Haringey Council
Agenda item:

Cabinet

On 15/07/08

Report Title: **The Council's Performance – April/ May 2008**

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

Wards(s) affected: **All**

Report for: **Key Decision**

Purpose

- 1.1 To report on an exception basis financial and performance information for April and May 2008.
- 1.2 To agree the budget virements in accordance with financial regulations.

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

- 2.1 I am pleased with the improved performance noted at paragraph 15 in particular recycling and composting levels of household waste at 27% and the reduction in the number of streets with unacceptable levels of litter. Given the concerns locally and across London on the problem of knife crime it is encouraging to see a reduction in serious knife crime – it is important that our focus is on further reducing knife crime in the borough.
- 2.2 It will be important for the areas identified in paragraph 16 to be addressed as a matter of urgency. In particular the performance on the number of households in temporary accommodation, rent collection and the average re-let times for local authority housing.

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

- 3.1 I am pleased that the overall position for revenue spending is forecast to be balanced against the budget. I note the cost pressures being reported in some service areas and fully support Cabinet Members in their efforts to ensure that this is contained.

4. Recommendations

- 4.1 To note the report and progress against council priorities as shown in Appendix 1
- 4.2 To agree the virements set out in appendix 2.

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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. Performance Summary

7.1 Overall good progress has been made in the first two months of 2008/09. Out of the 62 indicators for which performance information is available, 46 (74%) are shown to be achieving green or amber status as at May. The report highlights a number of areas for focussed monitoring. For these, it is imperative that the action is taken to bring performance in line with agreed targets.

8. Strategic Implications

8.1 This report gives an indication of the level and quality of services delivered on the ground. It monitors Haringey's position in relation to a number of indicators that will be used to assess the Council in the Comprehensive Area Assessment (CAA).

9. Financial Implications

- 9.1 The overall revenue budget monitoring, based on the May position, shows that the general fund is forecast to spend at budget as shown in Appendix 2. There are some budget pressures detailed in the report that services are seeking to contain within the budget.
- 9.2 The dedicated schools grant element of the overall Children & Young People's budget is projected to spend at budget.
- 9.3 In relation to the housing revenue account (HRA), the net revenue projection is to spend at budget.
- 9.4 The aggregate capital projected position in 2008/09 is projected to underspend by £0.5m. This projected underspend is within the Adults, Culture & Community area and the reason for this is detailed in the report.

10. Legal Implications

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

11. Equalities Implications

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

12. Consultation

- 12.1 Throughout the year the report will show the results of consultation with residents, service users and staff.

13. Background

- 13.1 This is the regular finance and performance monitoring report for April and May 2008. It is based on the financial monitoring reports prepared for the budget and performance management review meetings held on 19 May and 16 June 2008 for periods 1 and 2 and the service submission of key performance indicators that have been agreed for 2008/09 and submitted in the Directorate Dashboards.
- 13.2 Appendix 1 details performance against 60 monthly indicators linked to the Council's priorities:
- 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
- 13.3 A significant number of the new national indicators lend themselves to quarterly or annual monitoring. A more detailed report will therefore be prepared on a quarterly basis. This will also review activity against key objectives as set out in the Council Plan.

14. Interpreting the scorecard

- 14.1 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
- 14.2 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.
- 14.3 The latest all England top quartile data (for 2006/07) is shown with an indication of our quartile position in 2006/07. This will be updated to show 2007/08 comparisons once these become available.

15. Achievements

- 15.1 Key achievements for the first two months of the year are:
- Recycling and composting levels have increased with 27% of household waste recycled or composted compared to an end of year (2007/08) outturn of 26% (NI 192 and LAA target)

- The proportion of streets with unacceptable levels of litter has reduced from 21% at the end of 2007/08 to just 8% as at the end of May 2008. The target for this year (2008/09) is 12% (NI 195a and LAA target)
- Serious acquisitive crime (includes burglary, aggravated burglary, robbery and theft of or from a vehicle including aggravated vehicle taking) rates show a 7% reduction compared with the same period last year (NI 16 and LAA target)
- Serious knife crime rate has also reduced by 8% compared with the same period last year (NI 28)
- Robbery rates have decreased by 36.5%
- The proportion of 16 – 18 year olds not in education, employment or training (NEET) now stands at 8.4% compared to 14.8% for the same period last year and the lowest NEET level to date (NI 117 and LAA target). However a cautionary note should be made that the level of 'Not Knowns' has increased to 11.7% as at May '08 worse than the rolling year target of 9.9% and possibly impacting on the lower percentage of NEETs reported at this time.
- As at May 7 out of 9 (77.8%) of care leavers were in education, employment or training against a target of 75% (NI148)
- The percentage of carers receiving an assessment or review increased to 28% compared with a target of 16.2% (NI 135 and LAA target)
- The number of adult social care clients receiving self directed support (direct payments) has increased in May to 186 per 100,000 exceeding the monthly target of 165 (NI130)
- 82.8% of adult social care clients received their assessments within recommended timescales - target for 2008/09 is 80% (NI 132)
- 84% of calls to the Council's contact centre were answered in 30 seconds against a target of 70%

16. Areas for focus

16.1 For the coming months areas for focus are:

- Levels of fly posting are above target and stand at 4% against the target of 2%. (NI 195d and LAA target)
- Early indications show that rent collection at 94.6% is below target.
- Average re-let times for local authority housing at 62 days are above the 31 day target.

- The number of households in temporary accommodation at 5,224 although reduced remains an area for close monitoring. (NI 156 and LAA target)
- The number domestic burglaries has increased by 16.5% compared to the same period last year.
- First tranche results(500) from the Active people survey (percentage of people participating in exercise – 30 minutes 3 or more times per week) show a result of 16.9% (Oct.2007 – March 2008). Last year's figure was 20.8%, and as yet the sample size does not provide a statistically valid position. The second tranche of this survey is carried out between April – September 2008 and then the full year results are published in December this year. (NI 8 and LAA target).
- 60% of Special Educational Needs statements (excluding exemptions) were issued within 26 weeks against a target of 82%. (NI103a & b)
- Council wide sickness absence in the rolling year to April was 9.5days and to May 9.4 days per full time equivalent member of staff against a target of 8.8 days.

17. Action to ensure targets are met (linked to above areas)

- 17.1 Flyposting: The service has carried out surveys to develop a clear understanding of land uses so that it can target flyposting clearance. Targeted action has already shown month on month improvement. The recent provisional ENCAMs score for tranche one has returned a score of 0% for fly posting.
- 17.2 Rent collection: Action taken by Homes for Haringey to improve rent collection includes weekly and monthly monitoring of arrears cases, increasing the number of notices served, and targeting lower levels of debt. Homes for Haringey expects demonstrable improvements in the second quarter and through to the end of the financial year.
- 17.3 Average re-let times: Average turnaround times have increased over the last few months as a result of the Voids Group's success in bringing a lot of long-term voids (especially in sheltered housing) back into use. The average re-let time for all lets in May was 63.91 days, but the average re-let time for non sheltered lets was 52.73 days.
- 17.4 Homes for Haringey and the Council are also taking action in other areas that contribute to this indicator:
- Homes for Haringey have set a target of 16 days repairs turnaround. Current performance is at 19 days and there is a commitment to meet the 16 day target by the end of September 2008
 - The Council has set a target of 15 days lettings turnaround to be reached by the end of September 2008. Current performance is at 42 days.
 - There has been a drive to reduce the overall number of voids in general needs housing stock with a particular focus on bring back to use properties that have been void for over 100 days.

17.5 Reducing the number of households in temporary accommodation: A Temporary Accommodation Reduction Plan will be reported to Cabinet in July 2008. The plan focuses on three major objectives:

- controlling the gateway for households accessing temporary accommodation
- managing the temporary accommodation client base
- improving the supply of permanent accommodation to reduce numbers of households in temporary accommodation

Progress against all areas of activity will be monitored on a fortnightly basis by the Temporary Accommodation Service Improvement Group.

17.6 Domestic burglaries: Actions to ensure targets are met regarding the increase in burglaries are as follows:

- Met Care & Repair and Victim Support have expanded their services to vulnerable and repeat victims of burglary (including security surveys and target hardening) - ongoing
- Crime Prevention Design Advisors and the Community Safety Team will provide intelligence-led targeted crime prevention advice, specifically focusing on peak burglary periods during July and October months
- Embedding the use of Crime Prevention Design Advice principles including ongoing training of Planning Offices regarding Crime Prevention Environmental Design standards – July onwards.
- A pilot scheme will be set up in Haringey ward for non licensable HMO's providing improved domestic security and target hardening – July onwards
- The pilot Partnership Tasking & Briefing Consultation Meeting is to take place on 10th July

17.7 Improving Sports and Physical Activity Participation.

The Council and partners have introduced a number of initiatives to encourage participation in sport and physical activity participation across the boroughs diverse community, through 2 programmes of work:

- Improving our direct provision through our leisure centres and parks:- new/upgraded facilities, revised subsidy and pricing policy, and improved service delivery.
- Developing partnership led provision: - targeted use of ABG(NRF) funding, developing/supporting community/voluntary sector capacity and involvement, and actively sourcing external funding.

We have now conducted more detailed analysis of our Active People Survey baseline data, and are now developing a range of new projects to target specific growth areas and inform investment needs. This will build upon the work above, and in particular focus upon 3 new areas of work:

- Information, promotional and marketing campaign of borough wide opportunities/activities, linked to Access Pathways (AEP – Citizen Focus) project, and supported by Sport England LAA funding.
- Focus upon developing and promoting walking, cycling and jogging provision.

- Developing sports hubs at White Hart Lane and Finsbury Park, and improving sports club and volunteering activity.

Governance and leadership is provided through the Well-Being Partnership Board/Sub Group and the boroughs Community Sports and Physical Activity Network.

- 17.8 Statements of Special Educational Need: The indicators for measuring performance in this area have changed.
- 17.9 In 2007/08 the indicators looked at the percentage of *proposed* statements of SEN issued and prepared within 18 weeks including and excluding exceptions. The indicators measured the work done up to a certain stage to prepare the proposed statement and issue it to families.
- 17.10 In 2008/09 the indicators look at the percentage of *final* statements of SEN issued within 26 weeks as a proportion of all statements issued in the year (including and excluding exceptions). The new indicators measure the final statement issued to families. In between issuing the proposed statement and the final statement there are often disputes from parents/families which make the timescale of achieving the 26 week deadline challenging. The lower than expected performance in April reflects the fact that the service is setting up systems and preparing for this new indicator.
- 17.11 Reducing sickness absence: The sickness absence figures reported are for a rolling year. The reported figures in the year to date as at May '08 show a much lower figure of 6.5 days exceeding the 8.8 day target.
- 17.12 Some actions taken to improve sickness include:
- New detailed reports showing sickness actions and trends from business unit down to team and individual provided to management teams in directorates at beginning of year.
 - Regular discussions including HR Business Partner held at Directorate Management Teams on actions to improve sickness management. HR training/ support given to key service managers.
 - Monthly Performance Challenge meetings for each Director undertaken by Chief Executive, Chief Financial Officer and Assistant Chief Executives for People and PPC held including challenges on sickness management and other people management performance metrics.

18. Finance

- 18.1 The overall revenue budget monitoring, based on the May position, shows that the general fund is forecast to spend at budget as shown in Appendix 2. There are some budget pressures detailed below that services are seeking to contain within the approved budget limit.
- 18.2 The DSG element of the overall Children & Young People's budget is projected to spend at budget.

- 18.3 In relation to the HRA, the net revenue projection is to spend at budget.
- 18.4 The aggregate capital projected position in 2008/09 is as shown in Appendix 2 and is projected to underspend by £0.5m. A capital receipt connected with the Muswell Hill Library capital refurbishment programme is not likely to be received in 2008/09, so expenditure will not progress until 2009/10 when the receipt is expected. Members are asked to agree the re-phasing of this budget to 2009/10.
- 18.5 In Adults, Culture and Community Services the commissioning budget for adult social care has a budget pressure of £0.6m (including Asylum £0.3m). There are significant upward pressures that relate to commissioning prices and volumes. The Directorate has commissioning strategies in place to mitigate these additional pressures and is seeking to contain costs within the overall budget.
- 18.6 In respect of the asylum element above there are 126 clients as at 1 June that have no recourse to public funds whom are supported by the authority, a reduction of 4 clients since the start of April. Members have agreed a more robust approach to clients with no recourse to public funds. Following planned reviews of clients' eligibility for services, the Asylum Team are looking to move clients out of the service. Additional measures in partnership with the Home Office are also planned.
- 18.7 The Children and Young People's budget has some cost pressures that the service are looking to manage this year and to contain costs within the overall budget. The projected pressure is £0.6 million overall in the general fund (excluding asylum) and mainly relates to the commissioning budget for looked after children (LAC). It should be noted that in 2007/08 LAC also had a financial pressure and ended with 21 children more than estimated. The latest projection for 2008/09 is based on the assumption that current placements will continue to the end of the financial year. There are presently 14 high dependency placements at a cost of over £2,000 a week. Action has been taken to convene a meeting of the extended resource panel to review the high cost placements. The service also aims to maximise use of the in house residential facilities and external foster care agencies that can provide lower cost block placements.
- 18.8 In Urban Environment a significant budget pressure has been identified within the Parking Service where achieving the approved income estimate will be the main challenge. The directorate will develop proposals to remain within their approved budget and details of these will be reported in period 3.
- 18.9 Other directorates and non-service revenue are projected to spend at budget.
- 18.10 Proposed budget changes (virements) are set out in Appendix 2 for approval in accordance with financial regulations.

Capital Review 2007/08

- 18.11 The final outturn in 2007/08 reported a £7m underspend against the approved budget. This represents a net 7% variation and was fairly evenly spread across the directorates of the Council. This excludes a significant re-phasing of the BSF programme previously approved by Members. A review of this net underspend was initiated following agreement by Cabinet. The review, sponsored by the Chief

Financial Officer, and undertaken by Corporate Finance, took place during May and June 2008 with a view to establishing the reasons and trends for the main variances and to ensure, for the future, that capital budgets approved by the Council for key projects are maximised during the year.

18.12 Project managers were asked to take part in the review by providing an assessment of why the main variances occurred, the results can be summarised as follows:-

- 31% identified 'External Factors', such as late notification by funding bodies;
- 28% identified 'Financial Management', which included inaccurate budget profiles and insufficient initial funding estimates;
- 25% identified 'Project Management', which included unplanned specification changes agreed during the construction period, and;
- 16% identified 'Internal Organisational Process' such as insufficient time planning against contracting requirements.

18.13 The conclusions from the project have highlighted a number of areas for improvement in current processes and it is suggested that the following recommendations are put into place to improve the situation in the current and future financial years:-

- to review and update the Council's project management arrangements and to institute, where identified, further training;
- awareness raising, and streamlining where possible, of contracting and internal organisational processes;
- to ensure more realistic planning takes place of external factors particularly funding and that this is properly scrutinised before projects are approved;
- to ensure that capital budget virements are appropriate and more closely scrutinised before approval. A formal review should take place at period five and, if project slippage is apparent, approve a transfer of budget provision forward into the next financial year at that review;
- an officer group to be initiated that considers all initial capital funding applications (at PBPR stage) for new projects, which would ensure that bids:
 - are robustly costed;
 - have completed a feasibility study for major projects;
 - include detailed project management arrangements with realistic project milestones that properly validate external funding sources and timings of payment;
 - generally provide sufficient evidence on which to judge the project benefits.

18.14 Implementation of these measures should bring improvements in the use of the Council's capital resources from the current year forward.

19. Use of Appendices

Appendix 1. April/ May performance scorecard

Appendix 2 – Financial tables