

Public Document Pack



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OVERVIEW AND SCRUTINY MANAGEMENT BOARD

DATE: WEDNESDAY 2 DECEMBER 2009
TIME: 2.00 PM
PLACE: COUNCIL HOUSE (NEXT TO THE CIVIC CENTRE)

Committee Members –

Councillor James, Chair
Councillor Mrs Watkins, Vice Chair
Councillors Coker, Fox, Purnell, Roberts, Thompson, Viney and Wildy

Substitutes

Named substitutes from the Panels may act as a substitute member provided that they do not have a personal and prejudicial interest in the matter under review.

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and Officers are requested to sign the attendance list at the meeting.

BARRY KEEL
CHIEF EXECUTIVE

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

1. APOLOGIES AND SUBSTITUTIONS

To receive apologies for non-attendance submitted by Overview and Scrutiny Management Board Members and to note the attendance of substitutes in accordance with the Constitution.

2. DECLARATIONS OF INTEREST

Members will be asked to make any declarations of interest in respect of items on this agenda.

3. MINUTES (Pages 1 - 6)

The Management Board will be asked to agree the minutes of the meeting held on 4 November 2009.

4. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

5. CALL-INS:

5a Members will be advised of any executive decisions that have been called in

5b To monitor actions from Call-ins

5c Members will receive a schedule of executive decisions that have been deemed urgent with the agreement of the Chair (Pages 7 - 8)

6. TRACKING RESOLUTIONS (Pages 9 - 16)

The Management Board will monitor progress on previous resolutions, including relevant resolutions of the LSP executive.

7. WORK PROGRAMMES:

7a To consider and approve work programmes for each of the Panels (Pages 17 - 30)

7b To consider and approve additions to work programmes

- 7c To receive new items from the Forward Plan for 1 December 2009 to 31 March 2010 with a view to identifying items for scrutiny **(Pages 31 - 34)**
- 7d To agree Project Initiation Documents / Task and Finish Groups
- 7e To receive updates on Task and Finish Groups (TO FOLLOW)

The Overview and Scrutiny Management Board will receive the Joint Task and Finish Group's scrutiny report in respect of Localities Working.

8. LOCAL STRATEGIC PARTNERSHIP / OVERVIEW AND SCRUTINY PANELS UPDATES:

- 8a To receive updates from each Panel on ongoing / completed work with the related LSP Theme Groups
- 8b To agree further meetings / discussions with the LSP Theme Groups regarding Protocols

9. PERFORMANCE MONITORING:

- 9a To receive information regarding Local Area Agreement Performance **(Pages 35 - 46)**
- 9b To receive the bi-monthly Finance and Performance Report and to identify issues for further review / monitoring by Panels **(Pages 47 - 112)**
- 9c To receive updates from Panels on actions / progress on issues previously identified

10. QUARTERLY REPORTS (TO FOLLOW):

- 10a To receive quarterly reports from each Panel and Overview & Scrutiny Management Board
- 10b To agree the quarterly scrutiny report for forwarding to Cabinet
- 10c To receive Cabinet feedback reports from the Chair

11. RECOMMENDATIONS FROM PANELS:

- 11a To receive and consider recommendations from Panels for O & S Management Board, Cabinet or Council **(Pages 125 - 128)**

11b To monitor actions against recommendations made to Cabinet / Council

12. COMMUNICATIONS:

12a To receive reports of any press coverage

12b To consider any communication plans

13. EXEMPT BUSINESS

To consider passing a resolution under Section 100A (4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in paragraph(s) ... of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

that under the law, the Overview and Scrutiny Management Board is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

NIL.

Overview and Scrutiny Management Board

Wednesday 4 November 2009

PRESENT:

Councillor James, in the Chair.
Councillor Mrs Watkins, Vice Chair.
Councillors Coker, Purnell, Roberts, Thompson, Viney and Wildy.

Co-opted Representatives: Douglas Fletcher.

Apologies for absence: Councillors Fox.

The meeting started at 2.00 pm and finished at 4.45 pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

37. DECLARATIONS OF INTEREST

There were no declarations of interest made by Members in accordance with the Code of Conduct.

38. MINUTES

Resolved that the minutes of the meeting held on 7 October 2009 be confirmed as a correct record.

39. CHAIR'S URGENT BUSINESS

There were no items of Chair's Urgent Business.

40. LEADER AND CHIEF EXECUTIVE

The Commission heard from the Leader and the Chief Executive on Council issues relating to the overview and scrutiny work programme, who advised that impending important issues included –

- Building Schools for the Future
- Waste
- Job evaluation
- CityBus Ltd.
- Stock transfer
- Eastern corridor – Sherford
- Northern corridor
- City bid for the World Cup
- Life Centre.

Responses to Members' questions included –

- in their view, scrutiny had substantially improved, had developed a more mature approach and was succeeding in providing effective challenge to officers;
- it was understood that a report from the Independent Remuneration Panel regarding allowances for O & S Management Board Members would be submitted to City Council in February 2010;
- waste, Children's Services and the Council's budget had been major issues to address over recent years;

- Cabinet would bear in mind scrutiny's wish to have involvement in the development of policies and strategies at an early stage, and there were examples of this happening, e.g. Sports Facility Strategy;
- regarding the Life Centre and business plan information requested by scrutiny Members, the Chair of the Customers & Communities OSP and the lead officer should follow this up to ensure information required was provided;
- the Council acknowledged that scrutiny was essential in order to achieve an excellently performing Council and the new Assistant Director for Democracy and Governance, together with the new Assistant Director for Human Resources, would be asked to consider how to achieve dedicated support for scrutiny;
- scrutiny had grown and health scrutiny was a good example of this; support should be sought from the service department as they received benefit from scrutiny and also partners, e.g. health, should be encouraged to provide support to scrutiny;
- engagement with partners was improving and partners were aware that they would be assessed under the Local Area Agreement; it was suggested that Council strategies should be presented to the partners' Boards so that it could be assessed whether partners were signed up to them;
- as community leader, the Council must ensure that good scrutiny focus on health's key objectives was achieved, concentrating on only four or five as a maximum;
- regarding Building Schools for the Future, this was not Private Finance Initiative money but Government money which could only be achieved by the Council funding the necessary bid;
- the issue of schools charging prices too high for the community to pay might be a subject for scrutiny, it was suggested;
- it would be helpful if Members could encourage these new schools to share their facilities as it was intended that they should be at the heart of the community, which could not be achieved if schools closed their doors at 3.30pm;
- the relevant Cabinet Member and the new Assistant Director for Democracy and Governance would be asked to address Member Development issues;
- officers would ensure that the forthcoming finance training event had a revised approach;
- the Council wanted officers to lower down the organisation to be accountable and scrutiny could help in this ambition by challenging in an appropriate way.

Resolved that the Leader and the Chief Executive be thanked for their attendance.

41. **CALL-INS**

(a) Members will be advised of any executive decisions that have been called in

The Chair advised that no executive decisions had been called in.

(b) To monitor actions from Call-ins

There were no actions from Call-ins to monitor on this occasion.

(c) Members will receive a schedule of executive decisions that have been deemed urgent with the agreement of the Chair

The Chair advised that the Assistant Chief Executive had reported that no urgent executive decisions had been taken within the period 21 September to 23 October 2009.

42. **TRACKING RESOLUTIONS**

Members considered a schedule of tracking resolutions from the O & S Management Board and resolutions brought forward from Overview & Scrutiny Commission and the Resources & Performance Overview & Scrutiny Panel, and commented as follows –

- regarding O & S Commission minute 153 (1) (08/09), 'outcome of discussions at Cabinet regarding consideration of including a basic commercial operation in the Life Centre project be provided to Commission in due course' and the update which indicated that Life Centre and related projects including outsourcing management was on the Customers & Communities OSP work programme for 23 November, it was clarified that at this stage it was a business item, not a task and finish group;
- regarding Resources & Performance OSP minute 112 (6) (08/09), 'Cross-cutting Corporate Improvement Priorities and themes, e.g. CIP 4, be identified for each panel and measures be put in place for Panels to monitor these as part of their work programme', now that Lead Officers were in place and as resolved by Support Services OSP at their recent meeting, Panel Chairs and Lead Officers were to be asked to meet and review work programmes, and this would provide an opportunity to take into account cross-cutting CIPs;
- regarding Resources & Performance OSP minute 6g, 'quarterly reports', the Support Services OSP had drafted a quarterly report and that template should be used for all OSPs;
- regarding O & S Management Board minute 33b, 'further meetings / discussions with the LSP Theme Groups', the 4 November Chairs' meeting had been cancelled due to low availability of Theme Group Chairs, but it was intended to retain the 20 January date as protocols were being prepared and should be ready for that date.

Resolved that the Head of Policy, Performance and Partnerships be requested to take forward with Lead Officers the issue of quarterly scrutiny reports in time for the Panel meetings being held in November 2009.

43. **WORK PROGRAMMES**

(a) To consider and approve work programmes for each of the Panels

The work programmes of the Overview & Scrutiny Management Board and the Overview & Scrutiny Panels were submitted and considered.

With regard to the Health & Adult Social Care OSP's very full work programme, it was suggested that the Chair of the Panel should liaise with the Lead Officer to confirm what the priorities for scrutiny were and consider whether some items, e.g. 'Private Rented Housing Issues – Condition Stock Survey Results' and 'Fuel Poverty', might be more appropriately placed with other panels.

(b) To consider and approve additions to work programmes

No additions to work programmes were identified on this occasion.

(c) To receive new items from the Forward Plan for 1 November 2009 to 28 February 2010 with a view to identifying items for scrutiny

New items from the Forward Plan 1 November 2009 to 28 February 2010 were submitted for Members' consideration with a view to identifying items for scrutiny.

Resolved that the Chair of Growth & Prosperity OSP discuss with the Deputy Leader and Cabinet Member for Planning Strategic Housing and Economic Development the reason why the Growth & Prosperity OSP had not been included in the list of persons to be consulted with in respect of Local Development Framework: Annual Review of Planning Obligations and Affordable Housing Supplementary Planning Document (FP 38 09/10).

(d) To agree Project Initiation Documents / Task and Finish Groups

There were no Project Initiation Documents or new Task and Finish Groups to consider on this occasion.

(e) To receive updates on Task and Finish Groups

Updates provided by Members were as follows –

- scrutiny of Localities was progressing well;
- scrutiny of Reducing Teenage Conception Rates in the City was progressing well;
- scrutiny of Plymouth CityBus Limited had now been completed and a report would be submitted to O & S Management Board shortly;
- scrutiny of Skateboarding Byelaw was progressing well, the Youth Parliament had agreed to conduct a survey with young people and a press release was to be arranged;
- a final inspection of works being carried out at the Hoe Foreshore was due to take place at the end of November but it was not clear what was to happen regarding West Hoe.

44. LOCAL STRATEGIC PARTNERSHIP / OVERVIEW AND SCRUTINY PANELS UPDATES

Members commented that –

- National Indicators, stretch targets and trends were required for the next meeting in order to identify whether there were any issues that required answers from Theme Group Chairs;
- the Wise Theme Group was to have an away day to which the Chair of the Children & Young People's OSP had been invited but, because of very short notice, regrettably she was unable to attend.

45. PERFORMANCE MONITORING

There were no updates from Panels regarding actions/progress on performance issues previously identified.

46. RECOMMENDATIONS FROM PANELS

(a) To receive and consider recommendations from Panels for O & S Management Board, Cabinet or Council

Resolved that –

- (1) the following resolutions from Panels be agreed –
 - (a) Children & Young People's OSP minute 24 - Councillors Bowie and Delbridge to be appointed as nominated substitutes for the O & S Management Board;
 - (b) Growth & Prosperity OSP minute 19 referring to two red risks from the Audit Committee, the Parks/Playgrounds Risk Assessment be transferred to the Customers & Communities OSP for further consideration;
- (2) with regard to Customers & Communities OSP minute 19 'update on tackling anti-social behaviour strategy including the Councillor Call for Action', the Assistant Director for Safer Communities, who was also the lead officer for the Panel, be requested to liaise with the Acting Chief Supt., Devon & Cornwall

Constabulary, with a view to achieving the resources needed for –

- (a) Research on national indicators 17 and 21;
 - (b) Mapping of intergenerational work within the city and further resources to enhance its delivery;
- (3) with regard to Growth & Prosperity OSP draft minute 24, 'Business Improvement District (BID) Veto', the resolution be agreed, to be amended as follows –

In view of the excellent results achieved by the BID to date, the City Council be recommended not to exercise the power of veto with regard to the renewed BID;

- (4) with regard to Safer & Stronger OSP minute 5, 'terms of reference', resolution (1), the Head of Policy, Performance and Partnerships be requested to meet with Panel Chairs and Lead Officers to identify (i) specific Corporate Improvement Priorities (CIPs) relevant to individual Panels and (ii) which cross-cutting CIPs were relevant to Panel(s), in time to meet deadlines for the November City Council agenda dispatch;
- (5) with regard to Safer & Stronger OSP minute 5, 'terms of reference', resolution (2), City Council be recommended to agree resolution (2) which required that –

the Overview and Scrutiny Panels' terms of reference be amended to read 'to monitor the budget and performance of the Cabinet Members, Department(s) and partners to oversee delivery of the priorities of the area and with regard to better value for money'.

(b) To monitor actions against recommendations made to Cabinet / Council

There were no actions to monitor on this occasion.

47. **COMMUNICATIONS**

(a) To receive reports of any press coverage

With regard to press engagement with task and finish groups, it was commented that –

- it would be helpful if Task and Finish Group Chairs contacted the press when there were Part 1 items of public interest being scrutinised to encourage them to attend;
- consideration of how best to use the press and other communications should take place when producing the Project Initiation Document;
- Task and Finish Group Chairs should liaise with the Council's press office when scrutiny reports were ready to be published.

(b) To consider any communication plans

There was nothing to report at this stage.

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OVERVIEW AND SCRUTINY MANAGEMENT BOARD

2 DECEMBER 2009

REPORT OF THE ASSISTANT CHIEF EXECUTIVE ON ACTION TAKEN BY THE CHAIR/VICE-CHAIR OF THE OVERVIEW AND SCRUTINY MANAGEMENT BOARD OR PANEL CHAIR

The following decisions taken by Cabinet Members individually and collectively from 26 October to 20 November 2009 have been agreed as urgent in accordance with Special Urgency rules as set out in Paragraph 16, Part 6 of the Constitution.

STREET SCENE, WASTE AND SUSTAINABILITY

| DATE | REF. NO. | NAME OF MATTER | DECISION | REASON FOR URGENCY | PART I or II (background papers) |
|----------|--------------|--|--|---|----------------------------------|
| 28.10.09 | SSWS 4 09/10 | Removal of Diving Stage on the Hoe Foreshore | That the Diving Stage on the Hoe Foreshore is removed as a matter of urgency | The decision is urgent as officers need to proceed immediately with obtaining Conservation Area Consent to remove the diving board. There is an immediate health and safety risk to the public as set out in the attached background paper. | I |

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OVERVIEW AND SCRUTINY MANAGEMENT BOARD

TRACKING RESOLUTIONS

Bold target date = outstanding by more than 2 months

Grey = Completed

OVERVIEW AND SCRUTINY COMMISSION RESOLUTIONS

2008/09

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|---|---|-------------|--|--|-------------|----------|
| 153 (1) Deputy Leader and Chief Executive | The outcome of discussions at Cabinet regarding consideration of including a basic commercial operation in the Life Centre project be provided to Commission in due course. | 7.5.09 | Democratic Support Staff / Chief Executive | Will present after appointment of contractor. 'Life Centre and related projects including outsourcing management' on Customers & Communities OSP work programme for 23.11.09. | 2.12.09 | |

2009/2010

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|---|--|-------------|----------------------------|---|-------------------------------|------------------------|
| 33 (1) Governance and Accountability of Local Strategic Partnership | The above comments be referred to Cabinet for consideration (see minute 33(i)-(xiv), attached to this schedule). | 2.7.09 | Head of Corporate Planning | Management Board received update on 5.8.09 that LSP Executive had considered the draft governance arrangements, and scrutiny arrangements were to be added to that, Cabinet had not yet considered this, report possibly next Management Board meeting. Management Board received update on 7.10.09 that LSP Board wished to consult those affected and had deferred the item, to be considered before December. | 14.7.09 2.12.09 | Not yet ready (2.9.09) |
| 37 (5) | With regard to Health & Wellbeing OSP minute 87 resolutions (1), it be agreed that the Democratic and Member Support Manager be requested to set up presentations for all Members and LSP theme groups. (A presentation on – <ul style="list-style-type: none"> • how the Care Quality Commission would operate • what the change of inspectorate would mean for the service • how the changes would feed into the Comprehensive Area Agreement) | 2.7.09 | DMS Manager | Management Board received update on 7.10.09 that the presentation for all Members and LSP theme groups on the Care Quality Commission would be delayed until the outcome of the recent Adult Social Care inspection was known. | 5.8.09 2.12.09 | |

Resolutions b/f from Resources & Performance OSP

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|---------------|---|-------------|-------------|--|-------------|----------|
| 112 (6) | Cross-cutting CIPs and themes, e.g. CIP 4, be identified for each panel and measures be put in place for Panels to monitor these as part of their work programme. | 13.5.09 | DMS Manager | Members and Lead Officers requested to consider CIPs and cross-cutting CIPs – see minute no. 46 (a) (4) below. Completed. | 11.6.09 | |

Resolutions of Overview and Scrutiny Management Board 2009/10

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|---|--|-------------|---|---|------------------------|----------|
| 6g Quarterly reports | The quarterly scrutiny reports be added to the work programmes of all Panels, with the first quarterly report to be considered by Panels at their September meetings and submitted to Management Board on 7 October 2009. | 5.8.09 | Democratic Support Staff/ Head of Policy, Performance & Partnerships/ Lead Officers | Included in all work programmes. Delay to first quarterly report as dependent on Lead Officer appointments. All Panels meeting in September requested to approve delegated authority in respect of approving first quarter scrutiny reports to lead officers in consultation with Chair & Vice-Chair, in order to meet agenda deadline of 26.10.09. Lead officer role definition required, deferred to November Panel dates. | 4.11.09 2.12.09 | |
| 29a (2) bi-monthly finance and performance report | All high level budgetary risks be referred to Panels for monitoring, including – <ul style="list-style-type: none"> Children's Services: 'looked after children'; Development and Regeneration: income levels in respect of rentals, planning applications, building control and car parking | 7.10.09 | Democratic Support Staff | Referred to Panels. Completed. | 2.12.09 | |
| 29a (3) | Discussions regarding the report format/content be held by Members at a future time | 7.10.09 | Board Members | | | |
| 29b (1) timetable of key dates re drafting of 2010/11 budget and Corporate Plan, together with a table of consultation events | Support Services OSP be requested to develop proposals for achieving public engagement consultation on the proposed budget, at the earliest opportunity. | 7.10.09 | Democratic Support Staff | On Support Services OSP agenda for 21.10.09. See Management Board agenda 2.12.09 item regarding recommendations from Panels. Completed. | 4.11.09 | |

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|---|---|-------------|--|--|-------------|----------|
| 29b (2) | The Head of Performance, Policy & Partnerships be requested to consider how to ensure that Members are properly informed about external inspection findings in order to properly enable the setting of CIPs. | 7.10.09 | Head of Performance, Policy & Partnerships | Advice required in time for O & S Panel meetings to be held in November. | 2.12.09 | |
| 31 (2) | Regarding R & P OSP minute 112 (4) (08/09), the Head of Performance, Policy & Partnerships be requested to discuss the proposed restructure of policy and performance personnel within the Services for Children and Young People's department with the Chair of the Children & Young People's OSP. | 7.10.09 | Head of Performance, Policy & Partnerships | By next meeting of the Children & Young People OSP. | 19.11.09 | |
| 32c new items from the Forward Plan 1.10.09-31.1.10 with a view to identifying items for scrutiny | The Children & Young People's OSP be requested to consider the Forward Plan item no. FP 31 09/10, 'Building Schools for the Future – Governance'. | 7.10.09 | Democratic Support Staff | | 19.11.09 | |
| 33b To agree further meetings / discussions with the LSP Theme Groups | Meetings for the Chairs of Theme Groups and scrutiny panels be arranged for the following dates, 8.30 commencement time – <ul style="list-style-type: none"> • 4 November 2009 • 20 January 2010 • 31 March 2010 | 7.10.09 | Democratic Support Staff | Meeting of 4.11.09 cancelled due to low availability of Theme Group Chairs, but 20.1.10 meeting should be retained as protocols were being prepared and should be ready for that date. | | |
| 34 (2) to receive and consider recs from Panels for Management Board, Cabinet or Council | With regard to (xi), first bullet point (see minute 34), the Head of Performance, Policy and Partnerships be requested to provide a report on 'Councillor Call for Action' and report to the next meeting of the Customers & Communities OSP the date by which this will be available | 7.10.09 | Head of Performance, Policy & Partnerships | Next Customers & Communities OSP business meeting to be held on 23 November | 23.11.09 | |
| 42 Tracking Resolutions | The Head of Performance, Policy & Partnerships be requested to take forward with Lead Officers the issue of quarterly scrutiny reports in time for the Panel meetings being held in November 2009. | 4.11.9 | Head of Performance, Policy & Partnerships | Draft quarterly reports submitted to Management Board on 2.12.09. Completed. | | |

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|--|--|-------------|---|---|-------------|----------|
| 43 (c) New items from the Forward Plan for 1.11.09-28.2.10 with a view to identifying items for scrutiny | The Chair of Growth & Prosperity OSP discuss with the Deputy Leader and Cabinet Member for Planning Strategic Housing & Economic Development the reason why the G & P OSP had not been included in the list of persons to be consulted with in respect of LDF: Annual Review of Planning Obligations and Affordable Housing Supplementary Planning Document. | 4.11.09 | Cllr Viney | | 2.12.09 | |
| 46 (a) (1) Recommendations from Panels for O & S Management Board, Cabinet or Council | The following resolutions from Panels be agreed – (a) Children & Young People's OSP minute 24 – Cllrs Bowie and Delbridge to be appointed as nominated substitutes for the O & S Management Board; (b) Growth & Prosperity OSP minute 19 referring to 2 red risks from the Audit Committee, the Parks/Playgrounds Risk Assessment be transferred to the Customers & Communities OSP for further consideration. | 4.11.09 | Democratic Support Staff | (b) Forwarded to Customers & Communities OSP. Completed. | | |
| 46 (a) (2) | With regard to Customers & Communities OSP minute 19 'update on tackling anti-social behaviour strategy including the Councillor Call for Action' the Ass. Director for Safer Communities, who was also the lead officer for the Panel, be requested to liaise with the Acting Chief Supt, Devon & Cornwall Constabulary, with a view to achieving the resources needed for – (a) research on national indicators 17 and 21; (b) mapping of intergenerational work within the city and further resources to enhance its deliver. | 4.11.09 | Peter Aley | | 23.11.09 | |
| 46 (a) (3) | With regard to Growth & Prosperity OSP minute 24, 'Business Improvement District (BID) Veto', the resolution be agreed, to be amended as follows – 'in view of the excellent results achieved by the BID to date, the City Council be recommended not to exercise the power of veto with regard to the renewed BID. | 4.11.09 | Democratic Support Staff | Submitted to Council 30.11.09. Completed. | | |
| 46 (a) (4) | With regard to Safer & Stronger OSP minute 5, 'terms of reference', resolution (1), the Head of Performance, Policy & Partnerships be requested to meet with the Panel Chairs and Lead Officers to identify (i) specific CIPs relevant to individual Panels and (ii) which cross-cutting CIPs were relevant to Panel(s), in time to meet deadlines for the November City Council agenda dispatch. | 4.11.09 | Head of Performance, Policy & Partnerships / Democratic Support Staff | All Panel Chairs and Lead Officers consulted. Further consideration by Management Board required before amended terms of reference submitted to City Council. | 6.1.10 | |

| Minute number | Resolution | Date agreed | Action by | Progress | Target date | Comments |
|---------------|---|-------------|--------------------------|---|-------------|----------|
| 46 (a) (5) | With regard to Safer & Stronger OSP minute 5, 'terms of reference', resolution (2), City Council be recommended to agree resolution (2) which required that – 'the OSPs' terms of reference be amended to read 'to monitor the budget and performance of the Cabinet Members, Department(s) and partners to oversee delivery of the priorities of the area and with regard to better value for money. | 4.11.09 | Democratic Support Staff | This revision to scrutiny terms of reference submitted to Council 30.11.09. Completed. | | |

Overview and Scrutiny Commission 2 July 2009 (2009/10)

33. GOVERNANCE AND ACCOUNTABILITY OF LOCAL STRATEGIC PARTNERSHIP

The Head of Corporate Planning submitted a report outlining the Council's governance arrangements for the Local Strategic Partnership (LSP), together with the draft Plymouth 2020 LSP 'How we will operate' document.

The Cabinet Member for Customer Services, Performance and Partnerships and the Head of Corporate Planning advised Members that –

- the Council would be judged with partners and it was important to have an effective LSP;
- the Council must hold the LSP to account and the new scrutiny structure was aligned and supporting that aim;
- the project was starting from a reasonable position, with decision making clear, risk management in place and partners keen to continue to improve and to implement the proposals of the LSP Review.

Members raised the following points –

- (i) there were concerns that not all partners were fully committed to the partnership ethos, e.g. the Hospital Trust, and more work was needed to ensure partners were working together;
- (ii) so far, only one meeting between Overview and Scrutiny Panel (OSP) and Theme Group chairs had taken place and more consultation between OSP and LSP was required to agree protocols;
- (iii) partners needed to recognise the democratic legitimacy of the Council's role;
- (iv) OSPs had the powers to scrutinize partners performance and a greater understanding of the potential role of scrutiny and commitment to working constructively was required;
- (v) scrutiny powers in relation to Local Area Agreement (LAA) should be recognised as a tool for performance management;
- (vi) more clarity regarding reviewing what is achieved by the LAA was required, ensuring that there was no duplication between LSP and scrutiny;
- (vii) clear national guidance was required regarding links between overview and scrutiny and partners which added value to the delivery of the LAA;
- (viii) finding new ways to tackling complex problems reflected in the LAA, e.g. teenage pregnancies, was essential;
- (ix) more meetings and sharing of information, e.g. exchanging minutes between OSP and theme groups, was required, but co-options of theme group chairs to OSPs could cause a conflict of interest.

In response, Members were advised that –

- (x) information on the performance of the LAA was included in the bi-monthly finance and performance report;
- (xi) the LSP recognised that commitment to partnership became weaker further down the organisation and was aiming to address this with a recommendation to strengthen communication, by signing up to protocols and by putting in place a performance management framework;
- (xii) the Audit Commission had issued guidance in a national report providing good comparative context and an indication of what they would assess, e.g. governance, sharing resources, shared consultation;
- (xiii) co-options to scrutiny were for the Management Board to approve and relationship issues would be addressed through the Scrutiny Handbook;

(xiv) a 'breakfast' meeting had been arranged for 16 July 2009 and an agenda would be issued shortly.

Resolved that –

- (1) the above comments be referred to Cabinet for consideration;
- (2) the Audit Commission guidance be emailed to Members of the new Overview and Scrutiny Management Board by the Head of Corporate Planning, in bullet point format if possible.

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Overview and Scrutiny Management Board

Work Programme 2009/10

| Topics | A | S | O | N | D | J | F | M | A | M | J |
|--|--------------------|---|--------------------------------|---|---------------------------------|----|--------------------------------|---------------------------------|---|---|---|
| Timetable for all documents for submission to Government, including Cabinet and Council dates, requested. Includes timetable for external inspections. | | | | | | | | | | | |
| Corporate Plan revising and updating | | | | | | 6? | 3? | | | | |
| Capital Strategy and Asset Management Plan | | | | | | | 15 & 17 | | | | |
| Capital Programme 2010/11 | | | | | | | 15 & 17 | | | | |
| Setting Revenue Budget and Council Tax levels 2010/11 | | | | | | | 15 & 17 | | | | |
| Medium Term Financial Strategy | | | | | | | 15 & 17 | | | | |
| Joint Finance and Performance monitoring, including LAA performance monitoring | 5 Up to 31.5.09 | | 7 15.9.09 Cab Jun/Jul | | 2 10.11.09 Cab Aug/Sep | | 3 19.1.10 Cab Oct/Nov | 31 16.3.10 Cab Dec/Jan | | | |
| Scrutiny quarterly monitoring | | | | | 2 | 20 | | 31 | | | |
| Overview and Scrutiny Function – development of Scrutiny Handbook | | | | | | | | | | | |
| Scrutiny and LSP protocols | | | | | 2 | | | | | | |
| Leader and Chief Executive | | | | 4 | | 6 | | 31 | | | |

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| Topics | | J | J | A | S | O | N | D | J | F | M | A | M | J |
|--|--|---|---|---|---|---|----|---|----|---|----|---|---|---|
| Tackling Bullying Strategy | | | | | | | | | | | | | | |
| CAMHS Strategy | | | | | | | | | 28 | | | | | |
| Absenteeism and sickness amongst CS staff | | | | | | | | | | | | | | |
| Preventing & Managing Obesity in Young People of Plymouth | | | | | | | | | | | | | | |
| Performance Review (including budget) | Performance Review | | | | | | 19 | | | | | | | |
| | Pooled budget arrangements with partners | | | | | | | | ? | | | | | |
| Complaints and Compliments Annual Report | | | | | | | 19 | | | | | | | |
| Quality Assurance Framework | | | | | | | | | 28 | | 25 | | | |
| School Attainment Results | | | | | | | | | 28 | | | | | |
| Strategy for Change Building Schools for the Future | | | | | | | | | | | | | | |
| Youth Justice Plan | | | | | | | | | 28 | | | | | |
| Children and Young People's Plan (including CYPP Priorities and Annual Performance Assessment) | | | | | | | | | | | | | | |
| Quarterly Scrutiny Reports | | | | | | | 19 | | | | 25 | | | |



Customers and Communities Overview and Scrutiny Panel

Work Programme 2009/10

| Topics | J | J | A | S | O | N | D | J | F | M | A |
|--|---|---|---|----|----|-------|---|----|---|----|---|
| Licensing Authority Policy Statement Under the Gambling Act 2005 (<i>Written Report</i>) | | | | 28 | | | | | | | |
| Life Centre and Related Projects including Outsourcing Management | | | | | | 23 | | | | | |
| Plymouth's Sports Facility Strategy | | | | | 26 | | | 25 | | | |
| Events Strategy - Coherent Marketing Strategy (<i>Joint Task and Finish Group</i>) | | | | | | | | | | | |
| Review of the Library Service (<i>Task and Finish Group</i>) | | | | | | | | | | | |
| Plympton Library Replacement – Update (<i>Written Report</i>) | | | | | | | | 25 | | | |
| Cumulative Impact Policy (<i>Written Report</i>) | | | | 28 | | | | | | | |
| Equalities Framework (Equality Standards for Local Government Peer Review) | | | | | | | | | | | |
| Finance Inclusion Strategy Monitoring (<i>Prepare for Task and Finish Group</i>) | | | | | | | | 25 | | | |
| Localities Work (<i>Task and Finish Group</i>) | | | | | | 2 / 5 | | | | | |
| Crime and Disorder Reduction Partnerships | | | | | | | | | | | |
| Allotment Strategy | | | | | | | | | | | |
| Tree Strategy | | | | | | | | | | | |
| Waste Collection | | | | | | | | | | 29 | |
| Election Annual Review – Update (<i>Written Report</i>) | | | | | | 23 | | | | | |
| Access to Services Inspection – Update (<i>Written Report</i>) | | | | | | 23 | | | | | |



Growth and Prosperity Overview and Scrutiny Work Programme 2009/10

| Issues Panel May Wish to Scrutinise | J | J | A | S | O | N | D | J | F | M | A |
|--|---|---|---|----|----|----|---|-----|---|----|---|
| Worklessness | | | | 28 | | 23 | | tbc | | | |
| BID Veto | | | | | 26 | | | | | | |
| Carbon Reduction Commitment | | | | | 26 | | | | | 22 | |
| Strategic Housing Functions | | | | | | | | 25 | | | |
| Local Development Framework Annual Monitoring Report | | | | | | | | 25 | | | |
| City and Sub Regional Governance | | | | | | | | | | 22 | |
| Eastern Corridor Briefings - tbc | | | | | | | | 25 | | | |
| Destination South West: Aims and Objectives and consideration of future Plymouth City Council membership. | | | | | | 23 | | | | | |
| Joint Finance and Performance Monitoring including LAA Performance Monitoring (subject to the Overview and Scrutiny Management Board referring issues to the Panel) | | | | | | | | | | | |
| Monitor CIPs that the Panel is responsible for – CIP 5 (Providing better and more affordable housing) CIP 10 (Disposing of waste and increasing recycling) CIP 11 (Improving access across the city) CIP 12 (Delivering sustainable growth) <i>(referred to the Panel from the Overview and Scrutiny Management Board 7 October 2009 Meeting)</i> | | | | | | 23 | | | | | |

| Issues Panel May Wish to Scrutinise | J | J | A | S | O | N | D | J | F | M | A |
|-------------------------------------|---|---|---|---|---------|---|---|----|---|---|---|
| Plymouth City Development Company | | | | | | | | | | | |
| Task and Finish Groups | | | | | | | | | | | |
| Hoe Foreshore | | | | | 30 | | | | | | |
| Skateboarding bylaw | | | | | 28 | | 3 | 12 | | | |
| Plymouth Citybus Limited (joint) | | | | | 1 29 | | | | | | |



Health and Adult Social Care Overview and Scrutiny Panel

Work Programme 2009/10

| Topics | J | J | A | S | O | N | D | J | F | M | A |
|--|---|---|---|----|----|---------|---|----|---|----|---|
| Specialised Commissioning – Proposed Service Changes - | | | | | | | | | | | |
| • Soft Tissue Sarcoma | | | | 23 | | | | | | | |
| • Specialised Burn Care Services | | | | | | | | 27 | | | |
| South West Ambulance Services NHS Trust – Foundation Trust Consultation | | | | 23 | | | | | | | |
| Plymouth Hospitals NHS Trust - Monitoring Future Provision of Maternity Services | | | | 23 | | | | | | 31 | |
| Plymouth Hospitals NHS Trust – Foundation Trust Status and Hygiene Code Update | | | | 23 | | | | | | | |
| Adult Social Care Service Performance Update | | | | | 28 | | | | | | |
| Adult Social Care – Integrated Services | | | | | 28 | | | | | | |
| NHS Plymouth Draft Strategic Framework | | | | | 28 | | | | | | |
| Pandemic Flu Plan (NHS Plymouth) | | | | | 28 | | | | | | |
| Residential Care: Update on Modernisation of Older People's Services (Consultation Results) | | | | | 28 | | | | | | |
| Hyperbaric Medical Centre | | | | | 28 | | | | | | |
| Plymouth Hospitals Trust Strategy Review 2009 | | | | | 28 | | | | | | |
| A Focus on Reducing Teenage Conception Rates in the City (Joint Task and Finish Group with CYPOSP) | | | | | 21 | 11 & 24 | | | | | |
| Plymouth Hospitals NHS Trust – Car Parking Update | | | | | | 25 | | | | | |
| NHS Plymouth – Mental Health Commission Annual Report 2008 | | | | | | 25 | | | | | |
| Carers' Strategy/Contract | | | | | | 25 | | | | | |

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Support Services Overview and Scrutiny Panel Work Programme 2009/10

| Topics | A | S | O | N | D | J | F | M | A | M | J |
|---|---|---|--------|----|---|----|---|----|---|---|---|
| Accommodation Strategy | | | | 26 | | | | | | | |
| People Strategy | | | 1 | | | | | | | | |
| ICT Strategy | | | 29 | | | | | | | | |
| Local Strategic Partnership (Support) (as referred by Management Board) | | | | | | | | | | | |
| Budget and Performance Issues (as referred by Management Board) | | | 29 | | | 21 | | 18 | 7 | | |
| Corporate Plan - CIP 2 (involving residents) | 6 | | 29 | | | | | 18 | | | |
| Corporate Plan – CIP 13 (staff performance) | 6 | | 1 | | | | | | | | |
| Corporate Plan – CIP 14 (value for money) | 6 | | | | | 21 | | | | | |
| Quarterly Scrutiny Report | | | 1 | 26 | | | | 18 | | | |
| Role Profiles (referred by Management Board) | | | 1 | | | | | | | | |
| Task & Finish Groups | | | | | | | | | | | |
| Monitoring of CityBus Ltd Shareholding Project (led by Growth and Prosperity OSP) | | | 1 / 29 | | | | | | | | |
| Provision of Scrutiny Resources (subject to approval) | | | 29 | | | | | | | | |

* New date

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NEW FORWARD PLAN ITEMS 1 DECEMBER 2009 TO 31 MARCH 2010

EXTENSION OF THE DESIGNATION OF BIRCHAM VALLEY LOCAL NATURE RESERVE (FP 41)**Nature of the decision:**

To seek approval for the extension of the designation of Bircham Valley Local Nature Reserve

Who will make the decision? Cabinet (on the recommendation of Councillor Fry)

Timing of the decision? 19 January 2010

Who will be consulted and how?Persons to be consulted with:

Natural England

Wider community consultation (to be undertaken in association with the wider Derriford Community Park)

Process to be used:

See above

Information to be considered by the decision makers:

Bircham Valley LNR Management Plan

Is this a part of the Budget and Policy Framework? Yes

Documents to be considered when the decision is taken

Bircham Valley LNR Management Plan

Representations: In writing by 4 January 2010 to:

Assistant Director of Development (Planning Services)

Councillor Fry (Cabinet member)

Contact details available from Plymouth City Council Tel: 01752 668000

Further information – Availability of Documents:

For further information contact: Jeremy Sabel, Nature Conservation Officer
jeremy.sabel@plymouth.gov.uk

CONTRACT AWARD FOR THE SUPPLY OF TEMPORARY STAFF (FP 39)

Nature of the decision:

Contract award for the supply of temporary staff

Who will make the decision? Cabinet (on the recommendation of Councillor Bowyer)

Timing of the decision? 16 March 2010

Who will be consulted and how?

Persons to be consulted with:

Head of Procurement
Assistant Director Human Resources
Assistant Director Finance
Head of Legal Services

Process to be used:

Contract award report
Evaluation criteria

Information to be considered by the decision makers:

Contract award report

Is this a part of the Budget and Policy Framework? Yes

Documents to be considered when the decision is taken

Contract award report

Representations: In writing by 15 February 2010 to:

Malcolm Coe, Assistant Director Finance
Councillor Bowyer (Cabinet member)

Contact details available from Plymouth City Council Tel: 01752 668000

Further information – Availability of Documents: For further information contact:
Maria Schingen, Urban Care Project Manager
maria.schingen@plymouth.gov.uk Tel: (01752) 307086

INFORMATION, ADVICE AND GUIDANCE SERVICE FOR YOUNG PEOPLE (FP 40)

Nature of the decision:

1. To extend the Peninsula Local Authority Contract for Information, Advice and Guidance delivered Careers South West (formally Connexions) until June 2011.

Value of Extension (Plymouth Contribution): At current value approx £625,000 for April 2011 – June 2010 (subject to negotiations in respect to contract value)

2. To undertake a tender for the Information Advice and Guidance Service for Young People aged 13-19 during 2010 (tender to start after the general election) for a contract starting July 2011.

Proposed contract length: 3 years with an option for 2 year extension.

Contract award (Plymouth Contribution): At current value £2.5million per year (subject to negotiations in respect to contract value)

Who will make the decision? Cabinet (on the recommendation of Councillor Monahan)

Timing of the decision? 16 March 2010

Who will be consulted and how?

Persons to be consulted with:

Peninsula Local Authority Commissioning Group
Plymouth Integrated Youth Support Service (IYSS) Strategy Group (including Assistant Director For Lifelong Learning and Head of IYSS)
Chief Executive Careers South West and the Careers South West Management Board
Schools
Young People and Parents
14-19 Curriculum Strategy Group
Jane Keeley, Acting Head of Strategic Procurement
Plymouth Legal Dept
Other Peninsula Local Authorities Procurement and Legal Teams

Process to be used:

Local authorities have a number of statutory duties in relation to the provision of Information, Advice and Guidance which are currently discharged within the contract with Careers South West (formally Connexions Cornwall and Devon)

As there is a general election planned for May or June next year it is proposed that this contract is extended to July 2011 in order to allow for a potential tender process which cannot take place during the period of Purda that the election will entail. Negotiation meetings have been set between the Peninsula Local Authorities and Careers South West to identify any changes to the contract that needed for 2010-2011 in the light of possible budgetary pressures and changes in National Legislation.

As the Lead Commissioner for the Peninsula Commissioning Group, Plymouth have produced papers timetabling to preparation of a business case for future of a Peninsula –wide Information, Advice and Guidance Service for young people in 2011 and beyond. This has been agreed by the Peninsula Commissioning leads and a series of Peninsula meetings has been established to develop this.

In order to develop this business case a needs analysis will be developed, which will include feedback and input from young people, parents and other key stakeholders, including schools.

As the current provider is a Local Authority owned company the business case will include a rationale as to whether a Teckal Exemption could apply.

As a parallel process the Plymouth IYSS strategy group will be reviewing the IYSS Strategy in light of the needs analysis' that have been taken for the Children and Young People's plan. These developments will inform the Peninsula business case with the The Children's Trust Commissioning Team facilitating both developments, working in partnership with the Head of Integrated Youth Support.

CITY OF PLYMOUTH

Subject: Local Area Agreement Performance Report
Committee: Overview & Scrutiny Management Board
Date: 2 December 2009
Cabinet Member: Cllr Steven Ricketts
CMT Member: Ian Gallin, Assistant Chief Executive
Authors: Giles Perritt, Head of Policy Performance & Partnerships
Jon Stevens, LAA Project Manager
Contact: Tel: 01752 305461
e-mail: jon.stevens@plymouth.gov.uk
Ref: LAA Performance Quarter 2
Part: 1

Executive Summary:

This report provides Management Board Members with an overview of the performance of the targets within Plymouth's Local Area Agreement 2008-11. This is in response to a request from the Management Board for an update in order to be able to raise issues with Scrutiny Panels, LSP Theme Chairs and others as appropriate. The report also incorporates data on the performance of Plymouth's 2007 Stretch Targets which are due to be assessed on 31 March 2010. It does not cover performance against all National Indicators as these are not part of Plymouth's LAA and with the exception of the 33 chosen for the LAA, they do not have targets set against them.

Corporate Plan 2009-2012:

LAA priorities are aligned with the Corporate Improvement Priorities (CIPs) to provide clarity over the Council's role in delivering LAA priorities. Many of the Council's CIPs are performance managed through National Indicators which have been selected for the Local Area Agreement.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

In order to support the delivery of the 2008-11 LAA, the Council and its partners will be expected to use any resources at its disposal to deliver on its key priorities. It will be possible to lever in Performance Reward Grant (PRG) against the 2007 stretch targets and an anticipated PRG figure of between £3.7m and £4.5m is provided in section 3 of the report. PRG available to Plymouth from DCLG against the 33 so-called 'designated targets' within the 2008 LAA is capped at £1.6m.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

All activities which will support the delivery of the LAA and which are funded from public sources must ensure that they comply with all relevant legislation and meet any legal requirements. We are committed to ensuring that any activity delivering on LAA priorities will be assessed for impact on the six equalities strands.

Recommendations & Reasons for recommended action:

Overview and Scrutiny Management Board members are requested to review the performance report and consider any further actions as appropriate.

Alternative options considered and reasons for recommended action:

Not applicable

Background papers:

Securing the Future for Generations Ahead Plymouth's Sustainable Community Strategy
Plymouth's Local Area Agreement 2008-11

<http://www.plymouth.gov.uk/homepage/communityandliving/plymouth2020/lsplaa.htm>

Sign off: comment must be sought from those whose area of responsibility may be affected by the decision, as follows (insert initials of Finance and Legal reps, and of Heads of HR, AM, IT and Strat. Proc.):

| | | | | | | | | | | | |
|------------------------|--|-------------|--|------------|--|------------|--|------------|--|--------------------|--|
| Head of Fin | | Head of Leg | | Head of HR | | Head of AM | | Head of IT | | Head of Strat Proc | |
| Originating SMT Member | | | | | | | | | | | |

**Plymouth 2020 Local Strategic Partnership
Second Quarter Performance Review 2009/10 (April 2009 – Sept 2009)**

1.0 Introduction

1.1 This report summarises the performance of the Local Area Agreement targets for the period 1 April 2009-30 Sept 2009 **where known**. Targets where data is not currently available due to the annual nature of data release are identified in white on the attached performance summary sheets (appendix 1).

2.0 Summary Performance against targets

2.1 The performance reports on the Local Area Agreement are in appendix 1 of this report. They are set out in the order of Healthy, Wealthy, Safe & Strong and Wise. The first part of each thematic report provides an overview of performance against 2007-10 Stretch targets followed by the 2008-11 LAA targets. Commentary and data against each target is available on e-perform. Areas of underperformance by thematic area are identified below:

2.2 Healthy Thematic Area – LSP Chair John Richards

- *Alcohol and young people* – this stretch target is highly unlikely to be met given that errors were made in the setting the baseline for the target – the scale of improvement required is too high.
- *Emergency bed days* – detailed action plan in place to try and recover this stretch target but the colder than usual 2008 winter and swine-flu pandemic put this target at risk. However, a recent development which may bring us closer to the target has been a data capture issue which could see the numbers recorded being reduced.
- *Smoking cessation* – despite significantly additional activity by the Smoking Cessation Service and increased referrals, the stretch targets are unlikely to be met.
- *NI 56 childhood obesity* – the stretch target is not likely to be met, increased coverage of the Year 6 pupil survey has increased the recording of obesity prevalence, i.e. as a greater proportion of children are weighed, it appears that a greater proportion of obese children are identified.
- *NI 112 teenage conceptions* - the stretch target is not likely to be met. A very focussed plan is in place and local data shows a reducing prevalence so the trend is in the right direction but this is too late to impact on the stretch target.

Although the stretch target for 'Healthy Schools' is showing red, we remain on track to achieve the required level of performance to meet the stretch.

2.3 Wealthy Thematic Area – LSP Chair Mike Leece (shortly to be Douglas Fletcher)

The supply of affordable housing (NI 155) is showing red due to a quarterly variation. It is not considered to be a serious issue and we remain on track to deliver the target over the life of the LAA.

2.4 Safe & Strong Thematic Area – LSP Chair Andy Bickley

- *Stability of Looked After Children placements* – impacts being felt resulting from the Baby P case and the Southwark judgement which bring more young people into the care system, this is very difficult to resolve in the short term.
- *Domestic abuse reporting* – the stretch target to increase reporting is at risk despite increased third party reporting. A data trawl is underway to ensure that all potential reports have been correctly identified.

- *Numbers entering drug treatment* – although there are still data issues relating to the 2008/9 financial year, we do know that we do not have sufficient numbers entering drug treatment to reach this target. Further data cleansing is underway.
- *NI 60 Core assessments for children's social care* – showing amber but not a cause for concern at this stage.
- *NI 64 Children's Protection Plans lasting more than 2 years* – it looks as though quarterly variation is the cause of the current underperformance which is expected to be back on track by the end of the year.
- *NI 192 Recycling levels* – currently showing amber, there is a significant risk that the target for the year will not now be met. The Safe & Strong Theme Group has agreed to set up a task & finish group to consider what more the partnership can do to help get this target back on track.

2.5 Wise Thematic Area – LSP Chair Michael Totterdell

- *Attainment of Looked After Children* - although the annual data points to underperformance against the targets relating to the attainment levels for Looked After Children (LACs), recent local data demonstrates considerable success this year. A series of intensive interventions are in place but given the very small cohort, the targets are vulnerable.
- *NI 117 NEETs* – this remains an area of focus at a national and local level – see section 3 below.

3.0 Risk

3.1 The table below sets out the current targets considered to be most at risk and the steps being taken to mitigate against underachievement of the targets.

| Target at risk | Severity of risk | Mitigation |
|---|------------------|--|
| <i>Stretch targets (the figures in brackets represent the performance reward grant potentially at risk)</i> | | |
| Teenage Conceptions (£618K) | | An action plan is in place and being delivered with some evidence of positive impact. In spite of this, the target is very unlikely to be met. |
| Young people and alcohol (£247K) | | This target is unrecoverable at this stage due to being set against an incorrect baseline |
| Smoking cessation (£618K) | | Very focussed activity is underway and every pregnant woman receives a referral to the service but the scale of the improvement required is such that the target is very unlikely to be met. |
| Year 6 children obese (£309K) | | There is an obesity strategy in place and considerable activity from local and national bodies to tackle the problem. There is a renewed partnership focus but the absence of a dedicated co-ordinator makes this target vulnerable in the future and highly unlikely to be met by the end of the stretch target period. |
| Emergency bed days* (£618K) | | In a change from last report, there are positive signs following a review of the data for Emergency Bed Days that we may be closer to the target than first thought. The target remains identified as at risk until this situation becomes clearer. |
| Looked after children (£510K) | | Targets for both stability of placements and attainment of children in care are at risk either because of the small cohort or national issues impacting on overall numbers in care. A stability focus group is in place to drive improvements with monthly meetings to drive improvement. |

| Target at risk | Severity of risk | Mitigation |
|-----------------------------------|------------------|--|
| Numbers in drug treatment (£111K) | | According to newly agreed data cleanse figures, performance is off track for years 1 & 2 and yr3 target now unlikely to met. More information is needed to clarify what the mitigation is. |
| Increased reporting of DV (£247K) | | The expansion of the civil advocacy project pilot was intended to mitigate against risk to non-achievement of this target but the level of risk has increased in the last quarter. A trawl of reporting stats in being carried out to ensure 3 rd party reports are included. |
| Adult activity levels (£618K) | | Performance is on track but the target remains vulnerable due to the nature of the collection methodology. This risk is being minimised through a consistent campaign of awareness-raising. |
| <i>LAA 2008-11 targets</i> | | |
| NI 112 Teenage Conceptions | | See above. |
| NI 56 Childhood Obesity | | See above. |
| NI 192 Recycling | | The target is worsening and unlikely to be met this year. The Safe & Strong Group has agreed to set up a task & finish group to identify what else can be done across the partnership to help achieve the target. |
| NI 117 NEETs | | Strategic initiatives such as public sector apprenticeships, the Future Jobs Fund proposal to set up a Plymouth Apprenticeship Co., flexible New Deal and an expanded Connexions Vacancy Service are in place but this remains an area of risk. |
| NI 99 LAC attainment (English) | | The virtual school initiative is making significant progress in supporting the attainment of children who are in care. Risks to non-achievement of the target have been minimised but the very small cohort make this area very susceptible to fluctuations. |
| NI 100 LAC attainment (Maths) | | See above. |

3.2 Working with partners our estimate at this stage is that we will draw down at least £3.7m possible rising to £4.5m (50%-60%). This assessment is based on performance to date and in depth discussions with the agencies responsible over what can be achieved with 4 months to go. **NB** Although this a relatively conservative estimate, we have in no way given up on underachieving targets.

3.3 Discussions with CIPFA Family Group authorities have shown that the mean success rate is projected to be in the 60-65% range.

















4.0 Recommendations

Overview and Scrutiny Management Board members are requested to review the performance report and consider any further actions as appropriate.

LAA Performance Report 2nd Quarter 2009/10

2007-10 Healthy Stretch Targets

| A Healthy Place to Live and Work - Stretch Targets | | | | | | |
|--|---|---|--|---|---|--|
| High Level Priority | 2. Reduction in the under 18 conception rate | 7. Improve the health of young children | 8. Decrease the harm caused by alcohol especially in young people | 9. Decrease the year on year rise in obesity levels | 10. Reduce the gap in premature mortality rates | 11. Improve the quality of life and independence of older people |
| | Stretch - Teenage pregnancy rate of women aged less than 18 years per 1,000 women aged 15-17 incl. 2007 ↑ | 1. Stretch - % of obesity levels of 11 year olds measured in summer 2007 AY2007/08 ↑ | Stretch - young people referred and given brief intervention for alcohol misuse Qtr. 2nd Qtr 09/10 ↑ | Stretch - % of adult pop (16-74) participating in 30 mins of moderate physical activity 3 days per wk 2008/09 | 1. Stretch - Increase the number of pregnant women who quit smoking at 4 wks. 1st Qtr 09/10 ↑ | Stretch - number of bed days which are unscheduled qtr 1st Qtr 09/10 ↑ |
| LAA Targets | | 2. Stretch - % of schools achieving healthy schools status Qtr 2nd Qtr 09/10 ↑ | Stretch - Young people complete min 6 wks of structured extended intervention for alcohol misuse Qtr 1st Qtr 09/10 ↑ | | 2. Stretch - Increase the number of 4 week smoking quitters attending NHS Stop Smoking Services Qtr 1st Qtr 09/10 ↑ | |
| | | 3. Stretch/New Local LAA 16 - % of women breast-feeding at 6-8 weeks post partum by 2% a year Qtr 1st Qtr 09/10 ↓ | 3. Stretch - Reduce the year on year rise in alcohol specific hospital admissions 2008/09 ↑ | | | |
| | | | 4. Stretch - Hospital admissions in 16-30 years old related to assaults 2007 | | | |
| | | | | | | |

| High Level Priority | H1 Reduce health inequalities between neighbourhoods and communities of interest within the city  | H2 Prevent illness & promote health & well-being by tackling the underlying causes of ill-health  | H3 Improve the quality of life & independence of people living with disability & chronic illness  |
|---------------------|---|--|--|
| LAA Targets | L(LAA)01 Reduce the gap in life expectancy between the fifth highest and lowest areas 2007  | NI 056(1) (LAA) Obesity among primary school age children in Yr 6 - Total obese AY2007/08  | NI 124(LAA) People with long-term condition are independent & in control of condition 2007/08  |
| | NI 141 (Local LAA) Percentage of vulnerable people achieving independent living - Quarterly 2nd Qtr 09/10  | NI 112(LAA) Under 18 conception rate 2007  | NI 130(LAA) Social Care clients receiving self directed supp.(direct payments & ind budgets) - Qly 2nd Qtr 09/10  |
| | | L(LAA)03 % adult population (16-74) participating in 30 mins moderate physical activity once a week 2008/09  | NI 135(LAA) Carers receiving needs assess/review & a specific carer's service, or advice & info Q 2nd Qtr 09/10  |
| | | L(LAA)4 Increase in the no of contacts with the primary care mental health service by 10% by 2010 Qt 1st Qtr 09/10  | NI 136(LAA) People supported to live independently through social services (all ages) - Q 2nd Qtr 09/10  |
| | | (LAA)05 Emotional Well-being & Mental Health of Children & Child Adolescent Mental Health Services 2008/09  | |
| | | L(LAA)17a Proxy Indicator - Regular alcohol use among young people 2008/09  | |
| | | L(LAA)17b Proxy Indicator - Regular drug use among young people 2008/09  | |

2007-10 Wealthy Stretch Targets

| A Wealthy city which creates and shares prosperity - Stretch Targets | | | |
|---|---|---|--|
| High Level Priority | 2. Increase employment and reduce the impacts of poverty and ill-health | | |
| LAA Targets | <table border="1"> <tr> <td>1. Stretch - Number of mental health users with a care plan who come off IB & return to work Qtr 2nd Qtr 09/10</td> <td>2. Stretch - Support 119 IB claimants of 2 years+ into sustainable employment Qtr 2nd Qtr 09/10</td> </tr> </table> | 1. Stretch - Number of mental health users with a care plan who come off IB & return to work Qtr 2nd Qtr 09/10 | 2. Stretch - Support 119 IB claimants of 2 years+ into sustainable employment Qtr 2nd Qtr 09/10 |
| 1. Stretch - Number of mental health users with a care plan who come off IB & return to work Qtr 2nd Qtr 09/10 | 2. Stretch - Support 119 IB claimants of 2 years+ into sustainable employment Qtr 2nd Qtr 09/10 | | |

Wealthy LAA 2008-11

| A Wealthy city which creates and shares prosperity | | | | | | |
|--|---|--|---|---|---|--|
| High Level Priority | W1 Increase both the size and number of businesses in the city | W2 Reduce levels of worklessness | W3 Provide infrastructure to support the city's sustainable economic, employment & housing growth | W4 Increase the supply of new affordable housing | W5 Manage the growth in congestion and improve accessibility by sustainable modes | W6 Address the impacts of climate change and move towards a low-carbon economy |
| LAA Targets | NI 171(LAA) Proportion of business registrations per 10,000 resident population aged 16 and above 2007 | NI 151(LAA) Overall employment rate (Working Age) 2008/09 | NI 154(LAA) Net additional homes provided 2008/09 | NI 155(LAA) Number of affordable homes delivered (gross) - Y 2008/09 | NI 175i(LAA) Access to services and facilities between 1 and 3pm 2008/09 | NI 186(LAA) Per capita CO2 emissions in the LA area 2008 |
| | NI 172(LAA) Percentage of small businesses in the area showing employment growth 2007 | | | NI 155(LAA) Number of affordable homes delivered September 09 | NI 175ii(LAA) Access to services and facilities between 7 and 9am 2008/09 | |
| | | | | | L(LAA)6/L(TIE)1 Achieve robust evidence of the impact of sustainable economic and housing growth 2008/09 | |

2007-10 Safe & Strong Stretch Targets

| Safe & Strong City Stretch Targets | | | | | |
|------------------------------------|--|---|---|---|---|
| High Level Priority | 1. Improve the life chances of looked after children | 3. Reduce re-offending rates | 4. Reduce violent crime | 5. Reduce the harm caused by Domestic Violence | 6. Reduce the harm caused by illegal drugs |
| LAA Targets | 1. Stretch - Long term stability of children looked after (2.5 years) (PAF D78) qtr 2nd Qtr 09/10 | 1. Stretch - Convictions recorded for PPOs on the PPO scheme at 31.3.07 Qtrly 2nd Qtr 09/10 | Stretch - Reduction in British Crime Survey category Woundings Qtr 2nd Qtr 09/10 | Stretch - Number of Domestic Violence incidents recorded by D&C Police Qtr 2nd Qtr 09/10 | 1. Stretch - Number of people entering drug treatment, as recorded by NDTMS 2007/08 |
| | 3. Stretch - Stability of placements (PAF A1) Qtrly 2nd Qtr 09/10 | 2. Stretch - Reduction in convictions recorded by Police for PPOs on PPO scheme 1.4.07-31.3.08 Qtrly 1st Qtr 09/10 | | Stretch - % of DV crimes resulting in Brought to Justice Outcomes Qtr 1st Qtr 09/10 | 2. Stretch - % of people entering & retained in drug treatment for at least 12 wks recorded by NDTMS 2008/09 |
| | 5. Stretch - Final warnings/reprimands & convictions of Children Looked After 2008/09 | | | | |

Note – the use of green as a background colour to the ‘High Level Priority’ descriptions does not indicate all targets are on track

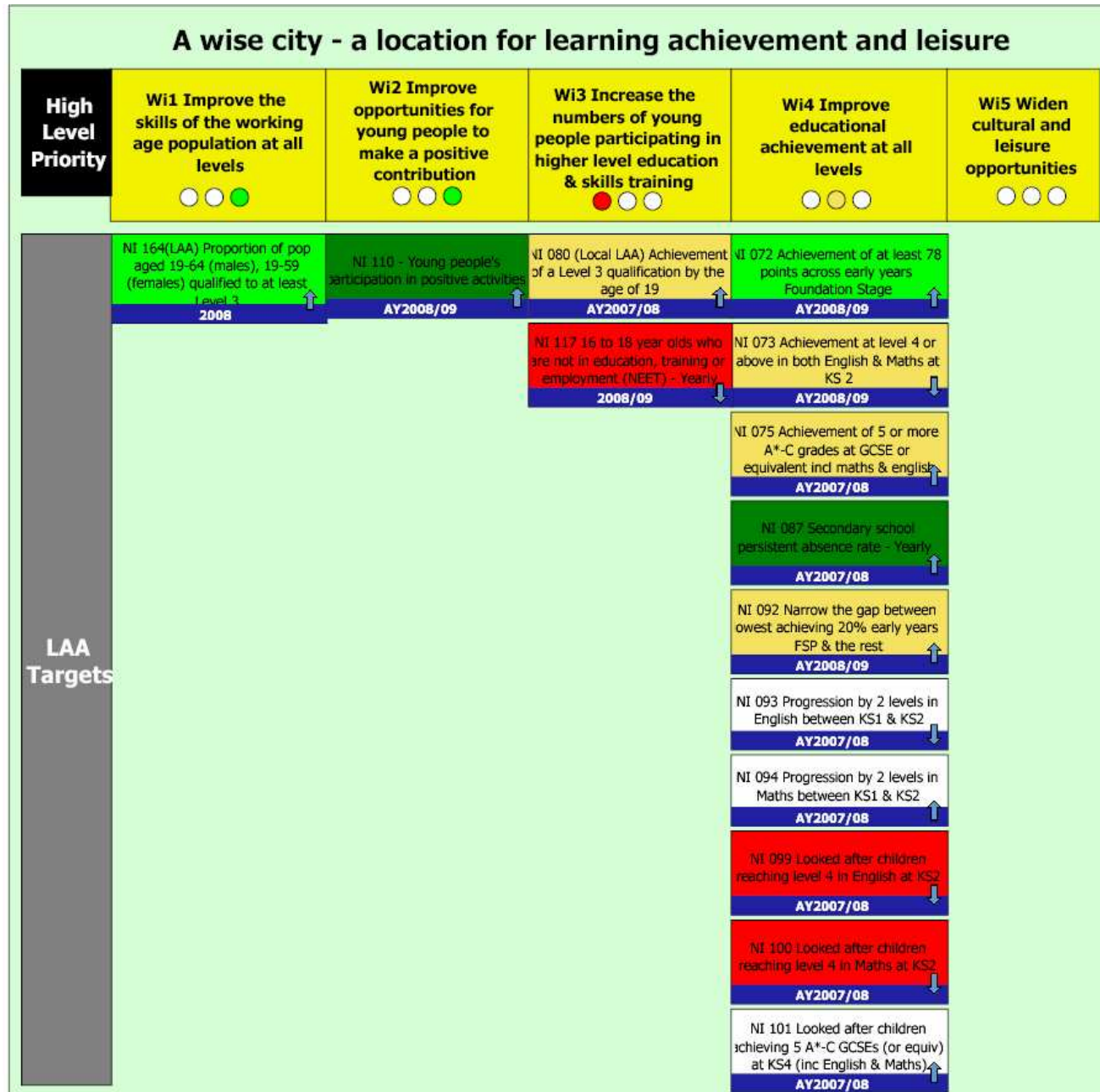
A Safe and Strong City

| High Level Priority | SSC1 Promote positive relationships between people from different backgrounds | SSC2 Improve community involvement and engagement in decision-making and service delivery | SSC3 Ensure equity of access to services | SSC4 Safeguard and improve the life chances of vulnerable children | SSC5 Reduce re-offending rates, violence and acquisitive crime | SSC6 Improve levels of confidence in local agencies to tackle community concerns | SSC7 Minimise waste and improve levels of recycling | SSC8 Improve local environmental quality | SSC9 Raise the standards of our existing homes |
|---------------------|---|--|---|--|---|--|--|---|---|
| LAA Targets | NI 001(LAA) % people who believe people from different backgrounds get on well 2008/09 | NI 004(LAA) % people who feel they can influence decisions in their locality 2008/09 | NI 140(LAA) Deferred - Fair treatment by local services - Yearly 2008/09 | NI 060(LAA) Core assess for childrens social care carried out within 35 wkg days of commencement September 09 | NI 016(LAA) Serious acquisitive crime rate - Quarterly 2nd Qtr 09/10 | NI 021(LAA) Dealing with local concerns re anti-social behaviour & crime by LA & police 2008/09 | NI 192(LAA) Percentage of Household waste sent for reuse, recycling and composting September 09 | NI 195a(LAA) Improved street & environmental cleanliness - Levels of litter - Tri-Annual Period 1/2009 | L(H)1/Local LAA 12 Housing Stock Transfer 2008/09 |
| | | L(LAA)7/L(SC)4 % surveyed satisfied with neighbourood as a place to live (NM Areas) 1st Half Year 09/10 | | NI 064(LAA) Child protection plans lasting 2 years or more 2nd Qtr 09/10 | NI 018(LAA) Deferred - Adult re-offending rates for those under probation supervision December 08 | | | NI 195b(LAA) Improved street & environmental cleanliness - Levels of detritus - Tri-Annual Period 1/2009 | NI 187a (LAA) Tackling fuel poverty- % receiving income based benefits in low energy 2008/09 |
| | | NI 006 / L(LAA)8 Participation in regular volunteering 2008/09 | | L(LAA)9 Children who have experienced bullying 2008/09 | NI 019(LAA) Deferred - Rate of proven re-offending by young offenders - Quarterly 1st Qtr 09/10 | | | | |
| | | NI 007(LAA) Environment for a thriving third sector 2008 | | | NI 026(LAA) Specialist support to victims of a serious sexual offence | | | | |
| | | | | | NI 020(LAA) Assault with injury crime rate - Qtrly 2nd Qtr 09/10 | | | | |
| | | | | | NI 032(LAA) Deferred - Repeat incidents of domestic violence - Quarterly 2nd Qtr 09/10 | | | | |
| | | | | | NI 045(LAA) Young offenders engagement in suitable education, employment or training 1st Qtr 09/10 | | | | |
| | | | | | NI 046 / L(LAA)10 Young offenders access to suitable accommodation - Quarterly 1st Qtr 09/10 | | | | |
| | | | | | L(LAA)11 Reduce criminal damage - Q 2nd Qtr 09/10 | | | | |

Note – the use of green as a background colour to the ‘High Level Priority’ descriptions does not indicate all targets are on track

2007-10 Wise Stretch Targets

| A wise city - a location for learning achievement and leisure Stretch Targets | | | |
|---|---|--|--|
| High Level Priority | 1. Improve the life-chances of looked after children | | |
| LAA Targets | 2. Stretch - Employment, education and training for care leavers aged 19(PAF A4) | 4. Stretch - Employment, Education and Training for care leavers at 16 (local from OC2 return) | 6. Stretch - % of 11 year old LAC achieving level 4 in English at Key Stage 2 (local OC2 return) |
| | 2008/09 | 2008/09 | 2008/09 |
| | 2. Stretch - Employment, education and training for care leavers aged 19 (PAF A4) qtr | 7. Stretch - % of 11 year old LAC achieving level 4 in Maths at Key Stage 2 (local OC2 return) | 8. Stretch - % of 16 year old LAC achieving 5 or more GCSEs grade A*-G |
| | 2nd Qtr 09/10 | 2008/09 | 2008/09 |



Note – the use of yellow as a background colour to the ‘High Level Priority’ descriptions does not indicate an ‘amber’ traffic light

CITY OF PLYMOUTH

Subject: Joint Finance and Performance Report
Committee: Cabinet O & S Management Board 2.12.09
Date: 10 November 2009
Cabinet Member: Councillor Bowyer and Councillor Ricketts
CMT Member: CMT
Author: Sandra Wilson(Assistant Head of Finance), Patrick Hartop (Policy and Performance Officer)
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patrick.hartop@plymouth.gov.uk
Ref: SW
Part: I

Executive Summary:

This report outlines the performance monitoring and finance position of the Council as at the end of September 2009.

The primary purpose of this report is to report on how the Council is delivering against its corporate improvement priorities and key performance measures using its capital and revenue resources. It is deliberately strategic in focussing on key areas of performance, spend and risk, and includes under each Departmental Business section a one page scorecard, incorporating a summary of progress against the relevant Corporate Improvement Priorities and financial performance.

At this stage, the council is forecasting a revenue overspend at year end of £2.341m against a net revenue budget of £196.525m (a variation of +1.2%). The main variations continue to relate to the increased pressure in children looked after cases as well as cost pressures in adult social care. Actions to address the pressures are outlined within the report.

The report also outlines the latest position on the capital programme. Despite the latest forecast for 2009/10 showing as £100.422m, it is still considered that a programme of £82.478m (80%) remains more realistic and achievable. Actual spend on the capital programme as at end of September 2009 is £35.687m.

Corporate Plan 2009-2012:

This bi-monthly report is fundamentally linked to delivering the corporate improvement priorities within council's corporate plan.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

Resource implications are referred to throughout the report and an update on the implications for the medium term for both revenue and capital is included within the report. It is intended that the Medium Term Financial Forecast will be updated regularly throughout the year to take account of the variances and pressures identified through this reporting.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

Recommendations & Reasons for recommended action:

A number of recommendations have been made throughout the report in response to specific monitoring information. The recommendations are:

1. That Cabinet note the work underway to improve the Carefirst System and the need for priority investment in this area
2. Cabinet is asked to approve the **maximum** amount of carry forward at year end for Departments for 2009/10 based on previously agreed criteria as:

| | |
|-------------------|---------|
| Chief Executives | £0.012m |
| Corporate Support | £0.066m |

3. The movement on the capital programme during the period be noted and the new schemes totalling £0.349m and scheme variations totalling £0.084m, outlined in paragraph 6.6, be added to the programme for 2009/10.
4. The reallocation of the JE contingency across council departments, as outlined in section 13.2.2, be approved.
5. Officers seek an urgent meeting with DCLG to discuss options to utilise the capital monies from the VAT shelter agreement to offset revenue pressures, these options to include:
 - (i) an in principle agreement to an exceptional Capitalisation Direction over the next 5 years, and/or
 - (ii) agreement to a special regulation under section 9 (3)(a) of the 2003 Local Government Act 2003 permitting the Council to treat Vat shelter receipts as revenue.
6. Cabinet note the action taken by Officers to ensure funding for the Devonport Neighbourhood Manager post is available over the next 3 years and agree to the transfer of £0.100m to an earmarked reserve in return for additional NDC grant funding towards Brickfields running costs.

- 7 Note the action taken by the Director for Corporate Support, acting under delegated authority, to remove the £10m limit on call accounts, these deposits to be managed within the overall credit limit for each banking Group.

Alternative options considered and reasons for recommended action:

Actions are recommended in response to specific variances in either performance and / or finances as identified throughout the report.

Background papers:

- Plymouth City Council Corporate Plan 2009-12 (including 14x Corporate Improvement Priorities)
- 2009/10 Budget Papers – presented to Full Council 2 March 2009
- Plymouth City Council Medium Term Financial Strategy – revised March 2009
- Audit Commission Use of Resources Key Lines of Enquiry (available on the audit commission website)
- Joint Finance and Performance report to Cabinet 14 July 2009
- Joint Finance and Performance report to Cabinet 15 September 2009

Sign off:

| | | | | | | | | | | | |
|--|-----------------|-----|-------------|----|--|----|--|----|--|---------------|--|
| Fin | CorpF 900006 | Leg | DVS 1065 | HR | | AM | | IT | | Strat Proc | |
| Originating SMT Member: Malcolm Coe, Assistant Director – Finance, Assets & Efficiency | | | | | | | | | | | |

**Plymouth City Council
Performance and Finance Monitoring – 2009/10
Figures up to and including 30 September 2009**

1. Introduction

- 1.1 This report reviews the Council's performance for the period 1 April 2009 to 30 September 2009 and is written in the context of both the Medium Term Financial Strategy and the Use of Resources Assessment. The Budget report for 2009/10 (Appendix A budget robustness) outlined a number of financial risks that the Council potentially faced over the short to medium term. It is appropriate the bi-monthly reporting should continue to review risks and give consideration to future levels of the working balance and reserves.
- 1.2 The detailed budget exercise for 2010/11 is now well underway. As part of this exercise the Council is reviewing its corporate priorities together with known budget pressures, including those outlined within this report. In order to ensure a balanced budget can be set Directors will be required to produce detailed action plans to achieve target budgets which will be subject to review and scrutiny as part of the normal budget process. This will take place over the next few months, culminating in a final budget report to Cabinet on 9 February 2010.
- 1.3 The report therefore includes the following information and Appendices:

Section A – Executive Summary

- Performance Position
- Revenue Position
- Income Summary
- Medium Term Financial Forecast – Revenue
- Capital Programme 2009/10
- Medium Term Capital Programme

Section B – Directorate reports

- Children's Services
- Community Services, including the HRA
- Development, including trading accounts
- Corporate Support
- Chief Executive
- Corporate items

Section C - Housing Revenue Account

Section D - Treasury Management

Section E – Concluding Remarks









Appendices

- Appendix A – Summary Graphs
- Appendix B – Summary Capital Expenditure and Financing
- Appendix C – Movement in Reserves
- Appendix D – Movement in Provisions

SECTION A – EXECUTIVE SUMMARY

2. Performance Position

- 2.1 A performance and programme summary is provided for each Corporate Improvement Priority (CIP) in a scorecard format along with budget variances for each Department. As with the previous year a small number of key indicators and milestones will be the focus of respective reports. However, where emerging issues arise these need to be fed into successive reports when required. The narrative within the scorecard is intended to provide a high level overview of each CIP with a focus on explaining corrective action where required. Detailed information will continue to be reported on eperform, our performance management system. The scorecards use a RAG (red, amber, green) traffic light system to indicate current performance. The table below summarizes the RAG rating rules.

| Milestones – lowest performing milestone within a CIP | | | |
|---|--|---|--|
|  | All milestones on schedule |  | A minimum of one milestone is reported as a risk |
|  | a minimum of one milestone is reported as an issue |  | No information to report |
| Measures – an average of all measures that sit within this CIP | | | |
|  | Indicators on track |  | the AVERAGE of all indicators is up to 15% off target |
|  | The AVERAGE of all indicators is more than 15% off target |  | No information to report |

Key performance and programme messages emerging from the departmental scorecards include:

2.2 CIP 3: Helping people to live independently

The budget continues to be under pressure due to increased demand and the service improvement agenda to support more people to live independently. There is a comprehensive management action plan to reduce the projected budget overspend which will be reviewed regularly.

2.3 CIP 4: Reducing inequalities between communities

Planning permission has now been secured for the Efford Gypsy site and the bid for government funding has now been submitted.

Benefit and tax credit take-up is exceeding the target following the start of a new contract for delivery of financial advice to the public.

2.4 CIP 7: Keeping Children Safe

The number of looked after children remains high which has put pressure on both the budget and performance. New work practices have been put in place to tackle the extra workload.

2.5 CIP 8: Improving skills and educational achievements

The number of young people not in Education Employment or Training (NEET's) remains high. A multi-agency steering group has been set up so that work can be driven in a coordinated fashion across a wider partnership and progress can be measured.

2.6 CIP 10: Disposing of waste and Increasing recycling

Performance in refuse collection continues to improve with the number of missed refuse and recycling collections the lowest since rezoning and below the target of 75 missed bins per day.

2.7 CIP 12: Delivering Sustainable Growth

The removal of New Growth Points Funding of £2.4m is likely to have an impact on a number of projects supporting the development of housing and jobs. The impact of this reduction is currently being assessed through the Single Conversation process.

2.8 CIP 14: Providing better value for money

The Value for Money target for this year is particularly challenging and will require significant corporate support to achieve target. Roles and Responsibilities have been drafted with the Director for Corporate Support championing the efficiency agenda at Corporate Management Team. Work has begun to raise the profile of the efficiency return with a view to getting back on track by the end of 2009/10.

3. Revenue Position

3.1 The following table sets out the forecast for the Council's overall revenue position as at 30 September 2009.

Table 1

| Fund | Latest Approved Budget £'000 | Monitoring Variation July 2009 £'000 | Monitoring Variation September 2009 £'000 | Change in Period £'000 |
|-------------------------|---|---|--|---------------------------------------|
| General Fund | 196,525 | 3,302 | 2,341 | (961) |
| Trading Accounts | (2,308) | 248 | 314 | 66 |
| HRA* | 66 | (4) | (4) | 0 |

* surplus/deficit for year, not updated for September

NB Brackets () reflect a favourable variation

3.2 The trading accounts are reported within the Development Directorate report, section 10, and the HRA under Section C.

General Fund

3.3 Table 2 summarises the monitoring position for each Directorate for the period up to 30 September 2009. Appendix A tracks the movement during the year in graphical form.

Table 2

| Department | Latest Approved Budget £'000 | Monitoring Variation as at 30 September 09 £'000 | Percentage variation % | Change in Period £'000 |
|-------------------------------------|---|---|-----------------------------------|-----------------------------------|
| Children's Services | 51,869 | 1,218 | 2.3 | (180) |
| Community Services | 102,699 | 921 | 0.9 | 126 |
| Development & Regeneration Services | 16,501 | 511 | 3.1 | (499) |
| Corporate Support | 35,703 | (132) | (0.4) | (265) |
| Chief Executive | 2,637 | (24) | (0.9) | (72) |
| Corporate Items | (12,884) | (153) | (1.2) | (71) |
| Total | 196,525 | 2,341 | 1.2 | (961) |

3.5 The budget variation targets of no more than 1% overspend or 2% underspend remain in place for 2009/10. The summary table shows that the monitoring position has improved during the period but that an overspend of £2.341m, or 1.2% when compared to net revenue budget, is still forecast for the year. In terms of financial management, the budget variation target continues to be breached in Children's Services and Development. The main reasons for the overspend are summarised below with more details outlined in the individual Director's reports.

3.6 Children's Services: forecast overspend of £1.218m:

The department was set a challenging target to reduce expenditure on children's social care by £1.162m in 2009/10. A budget pressure is being experienced within the looked after children's budget with the number of placements exceeding budget projections. Increased costs are being offset by savings in supported accommodation for 16+ service (care leavers) and the fostering service and savings in employee costs from vacancies. Management action will continue to be taken to minimise the forecast overspend during the year, although national and local high profile media cases will increase the pressures on the service. Further details are outlined in the Director's report section 8.

3.7 Development & Regeneration: overspend £0.511m:

Significant progress has been made in the last period reducing the overspend forecast by £0.499m. However there continues to remain a pressure on the General Fund from reduced revenue contributions from the Car Park and Market reserve accounts.

There is a pressure on the car parks from increased capital charges. The lower revenue in parking, due in part to significant changes in the service leading to an early year downturn in income (Theatre Royal refurbishment and changes to on-street enforcement) is now being reduced as the efficiency savings identified start to be fed through in higher income levels.

Further business planning is currently being undertaken to identify additional savings for the remainder of the year to close the gap.

3.8 Community Services: forecast overspend £0.921m:

The main variation within Community Services is due to increased costs in Community based Services and a net overspend in environmental services resulting from higher spot hire charges in fleet and garage which have not been recovered via recharging.

3.9 A contributory factor to the pressures in both Children's and Adults' Social Care is the challenges presented by the Carefirst IT system used by both departments. Officers have recognised this as a priority, a Project Board is in place, Management action is in place across the two departments and the need for significant investment in improving the IT system has been accepted. Improvements to the systems will enable further improvements in safeguarding across the two departments and will over time also deliver administrative efficiencies. The financial implications are likely to be of the order of £700,000 for 2009/10 and £800,000 in 2010/11 in total across the two departments. These figures are not reflected in the forecast outturn as yet. The detail of the funding package is currently being developed and will be included in a future monitoring report. In the meantime the work progresses to improve the systems.

3.10 As part of the last bi-monthly report, Cabinet recommended that:

“Directors be requested to submit to Cabinet as part of the next bi-monthly report, robust action plans outlining proposals to meet the deficit forecast both for the current, and future financial years.”

Directors have implemented actions to minimise the overspend and, where appropriate, details are outlined in the Director’s reports. Whilst it is anticipated that the actions will bring the spend in line with budgets by the end of the year, it will take time for the actions to bed down and for spend patterns to show a reduction.

3.11 The carry forward policy allowing Directors to carry forward up to 50% of budget underspends has been re-affirmed for 2009/10. In order to qualify for a departmental carry forward the underspend must be reported within the mid year monitoring report i.e. for carry forwards to 2010/11 must be reported within this report, and will need to be maintained for the remainder of the year. Based on the figures above the only departments to qualify for a budget carry forward in 2009/10 are Chief Executives and Corporate Support and the maximum carry forward is as shown below:

| | Carry forward amount £000 |
|---------------------------------|------------------------------|
| Chief Executive | 12 |
| Corporate Support | <u>66</u> |
| Maximum carry forwards for year | <u>78</u> |

- 3.12 However, conversely the policy assumes all overspends will be carried forward unless Cabinet determines otherwise. All carry forwards remain subject to the overall revenue position and any corporate health adjustments required, such as transfers to and from provisions and reserves, at year end.

Recommendations:

1. That Cabinet note the work underway to improve the Carefirst System and the need for priority investment in this area.
2. Cabinet is asked to approve the **maximum** amount of carry forward at year end for Departments for 2009/10 based on previously agreed criteria, as:

| | |
|-------------------|---------|
| Chief Executives | £0.012m |
| Corporate Support | £0.066m |

3.13 Icelandic bank Update

As per previous reports, this section has been included to outline the current situation with regard to the recovery of monies invested in Icelandic banks

3.13.1 Landsbanki £4m

Agreement was reached earlier this month on the terms of the deal that will compensate creditors of old Landsbanki (including local authorities) in relation to assets transferred to new Landsbanki (which was set up to ensure the maintenance of a banking system in Iceland following the collapse of the old banks). The deal is expected to be confirmed by 6 November. This is an extremely significant point in the process of winding-up the old banks, and follows months of intensive negotiations in which local government's legal advisers and representatives have worked tirelessly alongside UK and Dutch government advisers. The work of the local authority representatives and advisers as part of this joint approach has helped deliver a deal that satisfactorily reflects local government's interests.

Bevan Brittan have now submitted the formal claims to the Landsbanki creditors committee on behalf of the Council. These claims include interest up to 22 April 2009, with interest between maturity and this date attracting a penalty rate of interest at 22%. Current valuations suggest that recoveries will be equal to (or exceed) the previous estimate of 83p in the pound.

3.13.2 Glitnir £6m

Agreement on the terms of compensation from the new bank (Islandsbanki) to old Glitnir bank was reached in September. The settlement was concluded on 15 October 2009. We still expect to recover 100% of the money invested with interest payable up to 22 April 2009. Our formal claim is due to be lodged by 30 November 2009 and this is being prepared on our behalf by Bevan Brittan.

3.13.3 In relation to both Glitnir and Landsbanki, the conclusion of these agreements enables the insolvency to move onto the next stage of winding up, realising assets and paying off creditors. This is likely to include the issue of priority status for depositor creditors (such as local authorities) being challenged and tested in court. The detailed information published by Glitnir following the conclusion of negotiations confirms that the Resolution Committee intends to treat claims on deposit as 'priority claims.'

3.13.4 Heritable £3m

The administrations of the UK-based banks of KSF and Heritable, although inevitably complex, are more straightforward than the Icelandic processes because they do not involve the added complication of trying to re-establish a domestic banking system from the banks that have collapsed. The administration is therefore progressing as expected, with regular updates made to the Local Government steering committee. As reported last time, the first dividend equating to 16.3p in the £ plus interest (total payment £508,448), has been received. A further dividend is expected to be paid before the end of the year.

3.13.5 Table 3 below shows the anticipated recoveries of monies, including interest as outlined above. As part of closure of the accounts 2008/09 a sum of £0.281m was transferred to reserve to meet the costs of any losses from these investments. Approval has also been given to transfer any interest receivable to the reserve. Based on the assumptions outlined above, a sum of £1.673m would be transferred to the reserve bringing the reserve total to £1.954m. This would more than offset the unrecoverable element of the deposits of £1.268m.

Table 3

| Bank | Amount Invested £000 | Recovery % % | Recovered Deposit £000 | Unrecoverable deposit £000 | Assumed Interest £000 |
|--------------|---------------------------------|-----------------------------|---------------------------------------|---|--------------------------------------|
| Heritable | 3,000 | 80 | 2,400 | 600 | 344 |
| Glitnir | 6,000 | 100 | 6,000 | 0 | 1,202 |
| Landsbanki | 4,000 | 83 | 3,332 | 668 | 127 |
| Total | 13,000 | n/a | 11,732 | 1,268 | 1,673 |

3.13.6 Capitalisation Direction

The DCLG has now announced that it has 'decided to allow councils who face *exceptional financial difficulties due to Icelandic impairments* to apply for capitalisation on the basis of the usual criteria.' Based on the latest anticipated recoveries from the position outlined in table 3 and the Council's capitalisation threshold it is unlikely that the Council would meet the qualification criteria, but this will be kept under review as further detail is received from each of the banks over the next month. The Capitalisation Direction is based on the statutory impairment calculation. The Council has been permitted to defer charging any losses to its revenue account until 2010/11 under special regulations.

3 Income Summary

Table 4

| Type of debt | Actual % 2007/08 | Actual % 2008/09 | AE Quartile | Budgeted income 2009/10* | Target % 2009/10 | Year end Projection 2009/10 |
|---|---------------------|---------------------|----------------|--------------------------------|---------------------|-----------------------------------|
| Council Tax | 92.5% | 94.2% | 4 | £91.018m | 96.0% | 96.0% |
| NNDR | 97.6% | 96.7% | 2 | £79.666m | 97.04% | 97.04% |
| Housing Rents | 97.3% | 96.4% | 4 | £40.274m | 98.5% | 97.8% |
| Sundry Debt [^] | 85.9% | 86.9% | n/a | £60.000m# | 92.5% | 91.5% |
| <i>Commercial Rent (general fund)</i> | <i>n/a</i> | <i>80.8%</i> | <i>n/a</i> | <i>£5.000m#</i> | <i>92.5%</i> | <i>88.0%</i> |
| <i>Trade Waste</i> | <i>n/a</i> | <i>87.5%</i> | <i>n/a</i> | <i>£1.200m#</i> | <i>94.0%</i> | <i>94.0%</i> |
| <i>Adult Residential Care</i> | <i>n/a</i> | <i>90.3%</i> | <i>n/a</i> | <i>£9.000m#</i> | <i>93.0%</i> | <i>92.0%</i> |

* At the start of the financial year. The total amount collectable can go up and down during the year

Sundry debt fluctuates during the year but figures shown are an average per annum for a rolling 12 month period

[^]All general fund sundry debt including the key areas (key areas are analysed and are shown in italics)

4.1 Local Taxation

4.1.1 Council Tax Collection - Forecast 96.0% v Target 96.0%

Council tax collection continues to improve compared to profiled target (53.3% v 52.7%) and when compared to the previous financial year (+1.5%). Recovery on arrears and current year debt continues and it is encouraging to observe an 11.0% reduction in the number of recovery documents issued over the first 6 months when compared with last year.

4.1.2 NNDR - Estimate 97.04% v Target 97.04%

National Non-domestic Rate collection has also improved when compared to profiled target (60.5% v 59.3%). The Business Rate deferral scheme is now operational and 405 applications have been received of which 309 have been successful. The financial implication of the business rate referral scheme, based on current numbers, is now being determined and will be reported in the next monitoring report.

4.2 Housing Rents

No submission.

4.3 Sundry Debt collection - Forecast 91.5% v Target 92.5%

General Debt profiled performance to date of 90.3% represents an improvement of 4.1% against the same period last year and ensures the Council is on track to achieve a year end position of 91.5%, although this is just short of the target for the year. More specific details of the progress against the main debt categories are as follows:

4.3.1 Adult residential and non residential care - Forecast 92.0% v Target 93.0%

The current collection rate remains 92.0% against the 93.0% target. Debt secured by legal charge has increased to 56.0% of total debt outstanding.

A senior officer post vacant since May has just been filled. The postholder's role will include the ongoing monitoring of visiting and assessment procedures, which enables prompt and accurate billing of clients contributions to the cost of their care. Income collection procedures will be updated in October to increase the use of automatic reminders and shorten periods before reminders and further recovery action is undertaken which will help to improve the amount collected.

4.3.2 Commercial Rent - Forecast 88.0% v Target 92.5%

The current year collection of debt is showing a year to date figure of 85.3% when compared to 80.0% last year and reflects the impact of having a dedicated recovery officer. Surveyors continue to encourage more tenants to pay rent by monthly direct debit, especially when their lease is being renewed. A targeted direct debit mail shot will also encourage more tenants to switch to direct debit.

4.3.3 Trade Waste - Forecast 94.0% v Target 94.0%

The Trade Waste service switched to pre-pay service from 1st September, with bills being despatched a month in advance of service delivery. After an initial bedding in period services that are not paid for will not be provided. This initiative has reduced the outstanding debt under 30 days from 100% to 68% in one month. At the end of September, the amount of debt collected was 92.9%, 1.1% below the target of 94.0% but an improvement on last month. The forecasted figure for year end remains at 94%.

5. Medium Term Financial Forecast- Revenue

5.1 As part of the budget exercise for 2009/10, revenue funding was allocated to match known revenue pressures and notional allocations were provided to Directors for the following two financial years. This allocation was undertaken on a priority basis linking with corporate improvement priorities, deliberately placing more funds into frontline, key services for the public.

5.2 Local authorities are entering the final year of a 3 year settlement and whilst officers remain hopeful that the indicative formula grant allocation for 2010/11 will remain unchanged, future year resources are less certain. All national parties have made it clear that there will be tight constraints on public expenditure and we therefore need to start to plan for this now. This will require a change in culture across the organisation as Directors and their management teams implement more proactive medium term planning in order to drive out efficiencies within their services.

5.3 In preparation for the detailed budget exercise for 2010/11, officers have reviewed the underlying corporate assumptions contained within the notional targets and revised the targets accordingly. In order to maintain a rolling three year forecast an additional year has also been added. Over the next few months CMT, Directors and their departmental management teams will be working to review and/or revise the allocation of resources across priority areas and address the underlying need to deliver efficiencies. The latest indicative targets for each Department are outlined in the Director's reports, but these may yet be subject to change as the budget review process progresses.

5.4 The MTFS as approved in April outlined a number of budget pressures facing the Council over the medium term, including.

- Waste Management
- Housing Stock Transfer- Corporate impact/residual costs
- Transformational Change
- Equal pay claims
- Redundancy costs
- Shortfall capital receipts/short term borrowing costs
- Strategy for change/Building Schools for the Future (BSF)
- Increase demand from a growing elderly population
- Economic Climate/Support for local business
- Insurance Fund/H&S issues
- Icelandic bank Losses.

As part of budget monitoring and the final closedown process for 2008/09, various transfers to reserve were made to meet some or all of these potential costs. There is a need to keep under review the adequacy of these reserves and the potential financial risk still remaining on a continual basis. An update to the reserves position for 2009/10 is provided at Appendix C.

5.5 New/emerging pressures

This report continues to identify ongoing budget pressures in the following areas:

- Looked after Children
- Community Based Services including Learning Disabilities
- Leisure – possible participation in free swimming to under 16 year olds

5.6 The bi-monthly monitoring reports continue to address proposals to address known risks and priorities for example:

- £3.745m has been approved from the Corporate Improvement Priority Reserve to resource the Corporate Improvement Priorities (CIPs).
- The transfer of the 'Fleming' Vat recoveries to the CIP reserve to provide funding for future improvement priorities.
- The reallocation of 2007-10 LAA pump priming grant to support areas of under performance on areas where the maximum reward grant can be claimed.
- The proposal to transfer interest recovered on the Icelandic bank investments to the investment reserve.
- Transfer of energy savings to corporate property to offset increased costs being incurred on the Corporate Estate and admin offices.

6. Capital Position

2009/10 Overall Capital Position

- 6.1 The capital programme for 2009/10, as approved in the previous monitoring report, is £103.098m. This bi-monthly report outlines recommendations to decrease the in-year capital programme by £2.676m, which would reduce the programme to £100.422m. Actual spend as at 30 September 09 was £35.687m (35.5% of full year forecast).
- 6.2 The movement in the programme is summarised in table 5. Further details of the movements within the programme are outlined in Appendix B with more details provided within the individual Directorate reports.
- 6.3 The latest forecast spend for the year is £100.422m after allowing for movements during the period. However as outlined in the previous report, based on historical trends it is highly unlikely that this level of programme delivery is achievable in year. As part of the last report, Cabinet approved the following recommendation:
- “In the light of historical trends, the revised capital programme and financing requirement for the year be set at £82.478m, project officers to identify schemes to be re-profiled into future years”.
- 6.4 Project officers are currently reviewing each scheme and scoring these against a weighted ‘outcomes’ matrix which will be subject to independent review and challenge and reported back to CMT and Cabinet over the next few months. This review will also be used to identify schemes that can be re-profiled into future years. For monitoring purposes it is still assumed that a revised programme of £82.478m for 2009/10 is realistic and achievable.

Table 5

| Department | Budget | | Changes for Approval | | Expenditure | | Revised Forecast for year £000 |
|-----------------------|--|--------------------------------------|-----------------------------------|---------------------------------|------------------------------|------------------------------|-----------------------------------|
| | Restated Original Budget 2009/10 £000 | Latest Appr'd Budget July 09 £000 | Proposed Change in Period £000 | Latest Forecast Sept 09 £000 | Expend as at Sept 09 £000 | Spend %'age of Forecast % | |
| Corporate Support | 700 | 1,097 | 0 | 1,097 | 593 | 54.1% | 877 |
| Development | 17,371 | 24,417 | (1,044) | 23,373 | 4,019 | 17.2% | 19,533 |
| Children's Services | 52,057 | 58,426 | (1,763) | 56,663 | 24,443 | 43.1% | 46,741 |
| Community Services | 14,858 | 11,397 | (99) | 11,298 | 2,038 | 18.0% | 9,118 |
| Corporate Items - HRA | 7,222 | 7,761 | 230 | 7,991 | 4,594 | 57.5% | 6,209 |
| Total | 92,208 | 103,098 | (2,676) | 100,422 | 35,687 | 35.5% | 82,478 |

- 6.5 The movement on the programme during the period can be summarised as follows:

| | £000 |
|------------------------------------|-----------------------|
| New schemes approved | 349 |
| Re-profiling/scheduling of schemes | (3,109) |
| Other Variations | <u>84</u> |
| Total variation in period | <u>(2,676)</u> |

- 6.6 The Capital Programme Board (CPB) is responsible for overseeing the Governance and monitoring of the Capital Programme. The CPB considers new schemes brought forward and recommends their inclusion in the programme, subject to confirmation and satisfactory funding available to meet both the capital costs and any resulting revenue cost. The CPB is recommending that the following schemes now be included within the programme:

| | £000 |
|---|-------------------|
| Alexandra Park – Specialist Wall Repairs & Play Equipment | 43 |
| Lipson Community College – Redesigning Specialist Status | 50 |
| Living Over the Shops | 26 |
| Minor Works | 50 |
| Door Entry System | 20 |
| Decency Standards | <u>160</u> |
| | <u>349</u> |

All schemes are scheduled to be completed within 2009/10.

- 6.7 These schemes will be funded by grants and contributions (£0.076m), section 106 contributions (£0.043m), and major repairs allowance (£0.230m).
- 6.8 Project Officers continue to keep the programme under review and schemes re-profiled during this period are:

| | £000 |
|--|-----------------------|
| Chelson Meadow Capping – Phase 2 | 583 |
| Leachate Treatment & Storage Upgrade | (783) |
| Material Recycling Facility Upgrade | (766) |
| Mercury Abatement Equipment in Crematoria | (143) |
| Devonport Guildhall | 18 |
| Stonehouse CPO Scheme | (100) |
| Efford Primary School Re-organisation | (1,778) |
| Lipson Vale Primary School – Condition Works | (18) |
| Heattec | (80) |
| Schools Devolved Formula Capital | <u>(42)</u> |
| | <u>(3,109)</u> |

6.9 Other variations reported during the period are as follows:

| | £000 |
|---|------------------|
| Coombe Dean Replacement Windows | 5 |
| Coombe Dean – 14-19 Diploma Gateway | 32 |
| Devolved Formula Capital Projects | 58 |
| Hele – Redesigning Specialist Status School | (25) |
| YOT accommodation in Barne Barton | 35 |
| Admiralty Street Prohibition of Driving Order | <u>(21)</u> |
| | <u>84</u> |

All variations are fully funded and are permitted within tolerance limits of original approvals.

6.10 Based on the assumption that capital receipts are used to finance the capital programme as “funding of last resort”, and that grants and contributions are, in the main, able to be moved to future years without penalty or clawback, a programme of £82.478m would be financed as follows:

| | £000 |
|--|----------------------|
| Supported Borrowing | 18,638 |
| Unsupported Borrowing | 15,202 |
| Grants & Contributions (inc Section 106) | 42,216 |
| Capital Receipts | 0 |
| Revenue & Funds | <u>6,422</u> |
| Assumed financing of programme | <u>82,478</u> |

6.11 The actual financing will be reviewed in the light of schemes re-profiled into future years.

Recommendations:

3. The movement on the capital programme during the period be noted and the inclusion of new schemes totalling £0.349m and scheme variations totalling £0.084m, outlined in paragraph 6.6, be added to the programme for 2009/10.

7. Medium Term Capital Programme Update

7.1 Council approved a capital programme of £371.208m to the period 2013/14 at its budget meeting on 2 March 2009. The programme has now been updated to remove the 2008/09 spend, and for further re-profiling of schemes leaving a 5 year (MTFP) Capital Programme of £270.738m as follows:

| | |
|--|-----------------------|
| | £000 |
| MTFP as per budget setting | 371,208 |
| Less: 2008/09 | (78,096) |
| Other Adjustments - re-profiling and new approvals | <u>(21,807)</u> |
| Revised MTFP as at July 2009 | 271,305 |
| Further Movement in Period (see below) | <u>(567)</u> |
| Revised MTFP as at September 2009 | <u>270,738</u> |

The movement in the period is as follows:

| | |
|--|---------------------|
| | £000 |
| 2009/10 New approvals & Variations (see 6.5 above) | 433 |
| Chelson Meadow Capping – Phase 2 | (1,331) |
| Leachate Treatment & Storage Upgrade | 267 |
| Eastern Corridor | <u>64</u> |
| | <u>(567)</u> |

- 7.2 Table 6 below shows how the programme will be financed over the 5 year period, together with a risk analysis of each funding stream.

Table 6 Risk Assessed Programme

| | MTFP £'000 | Green £'000 | Amber £'000 | Red £'000 |
|-------------------------|----------------|----------------|----------------|---------------|
| Capital Receipts | 27,317 | 11,007 | 14,802 | 1,508 |
| Unsupported Borrowing | 28,242 | 13,242 | 15,000 | 0 |
| Supported Borrowing | 48,190 | 28,503 | 19,687 | 0 |
| Grants | 132,068 | 84,945 | 36,185 | 10,938 |
| Contributions/ Sect 106 | 28,283 | 6,709 | 21,074 | 500 |
| Revenue and Funds | 6,638 | 6,638 | 0 | 0 |
| Total | 270,738 | 151,044 | 106,748 | 12,946 |

- 7.3 The anticipated funding has been risk assessed as follows:

£151.044m green (56%) – likely to be received
£106.748m amber (39%) – subject to uncertainty
£12.946m red (5%) – high risk of not being realised

- 7.4 Red risks are assumed capital receipts, grants and contributions that the Council has been advised will not now be forthcoming. A potential change in Government could add to funding risk. The MTFP is currently being reviewed in order to address the funding risk.

7.5 The Department for Transport (DFT) has issued guidance on preparing future year transport strategies and has outlined indicative allocations that the Department expects to receive subject to future spending reviews. Under these assumptions, Plymouth could expect to receive an additional £8.356m over the period 2014/15. This has not yet been reflected in the figures outlined above, and inclusion of this amount into the MTFP will be considered in the light of the overall review of the capital programme and risk analysis following discussions with the regional Transport department.

7.6 Capital Receipts Update

The capital receipts requirement within the current medium term programme is £27.317m. At the end of September, actual capital receipts available to finance the programme stood at £2.103m as shown below.

| | |
|---|---------------------|
| | £000 |
| Capital receipts b/fwd from 2008/09 | 347 |
| Capital receipts received in 2009/10 as at 30 Sept 2009 | <u>1,756</u> |
| Capital receipts available as at 30 Sept 2009 | <u>2,103</u> |

The latest capital receipts schedules still show that receipts in excess of £28m will be generated over the next 5 years, but many of the receipts will be generated towards the end of the 5 year timescale, and temporary borrowing may be necessary to meet any timing differences. A capital financing reserve has been set up to meet the costs of any borrowing incurred. Over the next few months all schemes will be re-profiled, including monthly cash flow forecasts, to ensure robustness for year on year spend forecasts and we will continue to review and revise investment priorities in line with funding available.

7.7 The capital strategy for 2009/10 – 2013/14 outlined a number of projects under development. These projects are subject to ongoing work/ feasibility studies and do not currently form part of the approved programme and include:

- Accommodation Strategy/Civic Centre replacement
- Parkside/training centre
- History Centre

SECTION B- DEPARTMENTAL BUSINESS REPORTS:

Key budget and CIP variations for each department are shown in scorecard format. Where there is a risk in relation to achieving either performance indicators, key CIP milestones and/or budget out-turn within agreed tolerance levels, 'Amber' or 'Red' tags have been displayed. Mitigation action to address such risks is detailed by each department.

8. Children's Services

8.1 Corporate Improvement Priorities:

The Children's Services department is leading on the following Corporate Improvement Priorities.

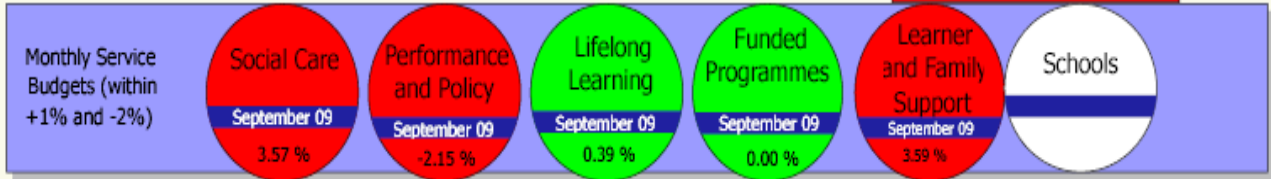
- Keeping Children Safe (CIP 7)
- Improving skills and educational attainment (CIP 8)
- Developing high quality places to learn in (CIP 9).

8.2 Progress against priorities

The following scorecard outlines the progress against each CIP.

**Children's Services
CIP Progress and Management Report**

Childrens Services
Monthly Revenue Budget
September 09
2.34 %



CIP 7. Keeping children safe

Measures Milestones

Whilst there has been a small improvement in initial assessment performance, robust action taken to ensure caseloads are at an appropriate level has impacted on Social Workers' ability to complete Initial Assessments (IAs) and Core Assessments in a timely manner & although children & families have been seen within timescales some significant delays in inputting to the system have occurred. A new duty rota is now in place to ensure IAs are completed to timescales in the future. Increased focus on stability has led to the establishment of a stability focus group to drive improvements in this area. Payment for Skills scheme implemented on October 5th is ahead of schedule. We are currently completing audits on our Child Protection caseload to ensure practice is applied to the highest possible standard and our current caseload of plans that exceed 2 years is under 3%. However an initial spike in the cessation of plans greater than 2 years in the first quarter has yet to even out for this indicator but as the reduction observed in qtr 2 is expected to continue.

CIP 8. Improving skills and educational achievement

Measures Milestones

There are a number of initiatives that have been put in place to tackle the growing number of young people Not in Education, Employment or Training and there is recognition that this needs to be co-ordinated across departments within Plymouth City Council. We are seeking to set up a steering group, closely linked with the 14-19 group, and also as part of the LSP structure, so the work can be driven in a coordinated fashion across the wider partnership and progress can be measured.

Good practice is being shared with Torbay and a refresh of CIP 8 2010-11 is looking to introduce an employer initiative scheme.

£60k has been received from Department for Children, Schools and Families to run pathfinder Key Stage 2 programme in Whiteleigh as part of the Early Intervention Project

CIP 9. Developing high quality places to learn in

Measures Milestones

Academies discussions developing and public support and enthusiasm is building. Building Schools for the Future (BSF) initial wave schools attending National College for School Leadership change management courses, and BSF corporate team are now in place. The pace of this CIP is building significantly.

8.3 Revenue Budget Monitoring - £1.218m overspend, 2.34% of Net Budget

Key reasons for the Department's overspend are:

- (a) Policy and Performance – (£0.073m) underspend, (2.15%) of net budget

A pressure of £0.061m relating to the cost of the joint appointment arrangement with the Primary Care Trust (50% contribution towards the Assistant Director for Health post and his personal assistant) which was not included in the budget is being offset by employee vacancies savings and funding from Learner & Family Support towards the Performance Management Service.

- (b) Learner & Family Support – £0.323m overspend, 3.59% of net budget

There is a £0.323m overspend due to an increase in demand on Transport within the Pupil Access Service due to more Early Years placements requiring 1:1 escorts, more children in Mainstream who had previously attended Special Schools and a higher number of children with greater needs. This is partly offset by employee savings across Learner & Family Support.

Integrated Disability Service has a £0.100m overspend due to increased Direct Payments.

- (c) Lifelong Learning – £0.050m overspend, 0.39% of net budget

(£0.200m) savings have arisen within Early Years and Childcare Service from a combination of vacancy savings and utilisation of grant income within the Education 5 to 19 Service.

The above underspends have been consumed by overspends in a variety of areas including the Youth Strategy, Workforce Reform Development service and Schools Redundancy Panel decisions.

- (d) Social Care – £0.918m overspend, 3.57% of net budget

Our In-House Fostering Service is currently implementing 'Payment For Skills' fostering rates in line with consultation, this has resulted in a net (£0.112m) saving within the Fostering Service.

Vacancy savings across this area of the department account for a favourable variation of (£0.525m) although the number of Social Work vacancies has reduced significantly.

The 16+ Service (Care Leavers) have reduced the provision of supported accommodation together with minimal reductions in other Looked After Children Services support in line with young people's needs resulting in a saving of (£0.207m).

The Adoption Service is showing an underspend of (£0.162m) as the need for regular financial assistance has been reduced by providing wrap around packages where appropriate together with reduction in take up of special guardianship placements.

There are pressures within the Looked After Children's Service of £0.958m as there are currently five placements over budget for Independent Sector Residential Care amounting to an additional £0.894m and other pressures identified within the Looked After Children's Service amount to £0.064m. This has also impinged on the cost of legal agents which are currently projected to overspend by £0.097m. It must be noted that the council has no control over placements ordered by the court system which have unavoidable significant financial implications. Favourable variations are reported from a noticeable reduction of court ordered criminal and welfare secure placements of (£0.171m) with only one placement within the first six months of the year, plus other contracted services saving of (£0.119m) for Looked After Children cost.

As set out above, there are a number of known variations that have been reflected in the monitoring forecast. Action Plans are being shaped in the following areas to mitigate against the potential non-achievement of the £1.162m saving anticipated when setting the base budget.

- Negotiations are taking place with the Primary Care Trust with a view to amending the percentage share of the joint appointment referred to above
- The home to school transport policy is undergoing a review
- The Integrated Disability Service direct payments will be reviewed in conjunction with wraparound packages of care and independent sector placements for children
- General efficiencies including ongoing review of agency staff and temporary staffing arrangements, stationery and conferences.

Indications are that whilst management action will continue to be taken to minimise the forecast overspend during the year, national and local high profile media cases will increase the pressures on the service. In addition, officers are currently assessing the potential implications of the Southwark judgement which relates to the new responsibilities for 16/17 year olds where previously short term help, such as housing support, was provided but now local authorities will be required to take them into care until the age of 25. This will not only have a financial implication, but will affect the numbers of looked after children and the stability of placements. The impact of this on the homelessness budget will need to be assessed with a re-allocation of budget resources as appropriate.

8.4 Progress against 2009/10 Action Plans

£3.540m of action plans were set within the 09/10 revenue budget for Children's Services. At present, Action Plans totalling £2.254m have been or are on course to be achieved with £0.124m assessed as Amber presenting some risk of achievement and £1.162m assessed as Red risk presenting a high risk of not being achieved. Management action will continue to be taken to manage this variation in the context of the issues raised above where the safety of children is not compromised. Examples of actions being implemented are outlined above.

8.5 Key High Level Risks

- Achieving the challenging Children Social care budget reduction whilst ensuring that safeguarding issues are not compromised
- Recognising that many of the performance indicators are the responsibility of Partners (as Leads) requiring the development of aligned or pooled budgets

8.6 Departmental Medium Term Forecasts

The Council's Medium Term Financial Forecast looks forward to predict the financial position for the next 3 years to include estimates of resources and expenditure. The target budget has been updated to reflect the final costs of the Job evaluation appeals and revised corporate assumptions for pay award and utility costs as outlined in section 5 above. The target budget is currently undergoing review as part of the detailed budget setting exercise for 2010/11. A further year, 2012/13, has now been added in order to maintain a rolling three year budget. The target budget for future years may be subject to change as part of the budget review challenge process currently underway.

| | Adjusted Target Budget £m |
|---------|--|
| 2009/10 | 52.123 |
| 2010/11 | 51.569 |
| 2011/12 | 51.773 |
| 2012/13 | 52.396 |

Pressures currently identified for future years include:

Key issues are delivering a Value for Money (VFM) service throughout the department, especially within the Social Care division.

8.7 Capital Spend / Programme

The latest approved capital programme for children's services is £58.426m. The revised 2009/10 forecast spend at the end of September was £56.663m, with actual expenditure of £24.443m, representing 47% of the original budget.

The changes during the period were:

| | |
|--|-----------------------|
| Re-profiling | £000 |
| Efford Primary School Re-organisation | (1,778) |
| Lipson Vale Primary School – Condition Works | (18) |
| Healthtec | (80) |
| Schools Devolved Formula Capital | (42) |
| | <u>(1,918)</u> |

| | |
|--|------------------|
| New Approvals | £000 |
| Lipson Community College – Redesigning Specialist Status | 50 |
| | <u>50</u> |

| Other Variations | £000 |
|---|-------------------|
| Coombe Dean Replacement Windows | 5 |
| Coombe Dean – 14-19 Diploma Gateway | 32 |
| Devolved Formula Capital Projects | 58 |
| Hele – Redesigning Specialist Status School | (25) |
| YOT accommodation in Barne Barton | <u>35</u> |
| | <u>105</u> |

A review of current pressures and potential savings is currently being undertaken and will be reported in the next cycle.

8.8 Sure Start

Sure Start Revenue

Due to delays nationally in commencing the new 2 Year Old Funding project there is a forecast variation of (£0.050m) against the revenue grant spend. All authorities are experiencing a delay on this project and information is awaited from the DCSF on whether carry forward will be allowed to reflect this position.

Sure Start Capital

Early Years surveys have now been completed and prioritised grants to providers are being considered. Phase 3 Children's Centre projects have now been agreed in principle and allocations made. Detailed design work for most projects will start shortly. It is anticipated that most projects will start on site during 2009/10. Plans and progress have been discussed with Together for Children (TfC) and are currently within their required timescales for delivery.

All unspent Capital funds from the 2009/10 allocation will be carried forward to 2010/11 without the requirement for further DCSF approval.

9. Community Services

9.1 Corporate Improvement Priorities:

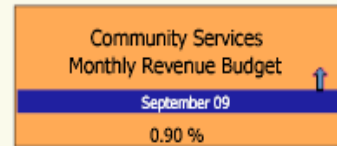
The Community Services department is leading on the following Corporate Improvement Priorities.

- Helping people to live independently (CIP 3)
- Reducing inequalities between communities (CIP 4)
- Providing more and better cultural and leisure opportunities (CIP 6)
- Disposing of waste and increasing recycling (CIP 10)

9.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall.

**Community Services
CIP Progress and Management Report**



CIP 3. Helping people to live independently



Plymouth Adult Services continues to perform well, including LAA targets, increasing the number of people supported to live independently and have choice in the services they are offered. We have considered our targets post Sept 09 and have now received our assessment from Care Quality Commission. We are currently undertaking our mid year Referral, Assessments and Packages (RAP) data return and will know the position at the end of Oct. We will then review our targets again.

The budget continues to be under pressure due to increased demand and our service improvement agenda to support more people to live independently. There is a comprehensive management action plan to reduce the projected overspend which will be reviewed regularly

CIP 4. Reducing inequalities between Communities



Planning permission has now been secured for the Efford Gypsy site and a lot of work has gone into the bid which was submitted on time.

There is, however, still a risk associated with not knowing whether we will be successful in getting government funding to build the site. This would mean we did not have the £1.4m required for the build and the detailed implications of this will be reviewed as necessary, after we are told whether our bid is successful, in late October. Consultation on Locality working is underway and the timeframe for this has been extended to allow further discussion and feedback over the proposals. Benefit and tax credit take-up is exceeding the target following the start of a new contract for delivery of financial advice to the public. Community Cohesion and equalities work is on schedule.

**Community Services
CIP Progress and Management Report Cont'd**

CIP 6. Providing more and better culture and leisure activities

Measures 

Milestones 

External funding to provide capacity to support the Cultural Board has been identified and confirmed. Two venues have already been confirmed for the British Arts Show and a 3rd is being negotiated. The Inspire mark from LOGOC has been secured for one of the key Cultural Olympiad projects and a draft action plan will be ready in the New Year. All activities are being planned within existing budgets. Concerted activity is taking place to ensure the LAA stretch target on physical activity is met - awaiting Active People Survey results. Work continues with the Arts Council and the Theatre Royal around securing a viable long term future for the Theatre. The sports strategy timescale has been revised and agreed by cabinet - completion by March 2010. Six companies have been invited to tender on 26th October for the leisure management operator contract. Budget pressures have been built into budget discussions. Work continues to identify suitable accommodation for the record office, which might lead to the removal of public records by the National Archives. Property Services are looking for a suitable building. Discussions with the Museums, Libraries & Archives Council and the National Archives on this issue continue. Outline planning permission has now been secured, and work is on track to complete Plympton Library by March 2011. Changes to the governance arrangements for Mt. Edgcumbe are on track for completion by March 2010. With regard to Brickfields, staff have now transferred and draft heads of terms are on track for agreement by March 2010. A legal agreement has been reached with regard to providing publicly accessible swimming pools in the north of the city, but we awaiting details of the specification and design. These are expected within the next month.

CIP 10. Disposal of waste and increasing recycling

Measures 

Milestones 

The PFI procurement process is proceeding to the latest agreed programme with short listed solutions now in the detailed development stage. However, final tenders are now expected in August 2010 against June 2010 with operational delivery in 2014.

The Material Recycling Facility upgrade will now slip into 2010/11, this will not affect operational efficiency on the budget.

There is good news in that household waste produced was over 8kg per head lower than the same period last year and waste land-filled was 2% lower than target. However household recycling rates in September was slightly lower than the same month last year (around 0.4%) and the annual target is at risk of not being met. There is a small under-spend in the budget due to reduced tonnage sent to landfill.

Performance in refuse collection continues to improve with the number of missed refuse and recycling collections the lowest since rezoning and below the target of 75 missed bins per day.

9.3 Community Services Dept – Forecast overspend of £0.921m

The latest forecast is £103.056m against a revised budget of £102.135m, representing a departmental year end adverse variance of £0.921m (0.9%). The main variations from the budget within the service areas are: -

- (a) Adult Social Care – £0.750m overspend, mainly due to increased costs in Community Based Services. This is partially offset by departmental assumptions of savings made through the achievement of the Delivery Plans and improved procurement efficiencies of commissioned services and alternative service provision.
- (b) Culture, Sport and Leisure – £0.098m overspend. Additional budget demands have arisen as new trading activities at Mount Edgumbe are developed, costs arising from the procurement of a new leisure operator, further support required to meet trading deficit of Mayflower Leisure Centre and the impact of successful JE appeals against grant funded posts. These have been offset by vacancy savings, events not held in 2009/10, together with management action to contain spending.
- (c) Environmental Services – £0.173m overspend, mainly due to overspends in Parks, Waste Collection/Transfer and an increase in Fleet & Garage. The position is partly offset by savings in Waste Disposal, Grounds Maintenance and the Public Protection Service.
- (d) Safer Communities – (£0.010m) underspend due to vacancy savings.
- (e) SSR – (£0.090m) underspend due to vacancy savings. Although this favourable variation is subject to disaggregation of the team for stock transfer purposes. It is anticipated that any residual resources will contribute, in part, towards the pressures arising from the Care First project costs.

9.4 Progress against 2009/10 Action Plans

A delivery plan was agreed as part of the 2009/10 revenue budget for Community Services. A significant number of the actions within the delivery plan impact on Adult Social Care, and current indications are that the actions are going to be challenging to achieve. A contributory factor is the delayed implementation of the Care First project. Officers have been requested to identify resources to enable this project to progress as a matter of urgency.

Progress against each action plan will be monitored monthly with remedial action taking place where necessary.

In view of the overspend forecast the following additional actions have now been implemented:

Community Packages:

- (a) Manage the cost of community packages by raising the authorisation levels to senior managers within the service.
- (b) Senior managers reviewing all new/increased packages weekly.

- (c) Creating dedicated reviewing officers from existing workforce and setting timescales for review of high cost packages
- (d) Bringing forward the start of the resource allocation system and support planning (setting cost ceilings)
- (e) Reviewing and renegotiating block and spot contract provision.
- (f) Continuing to scrutinise all posts to be filled or covered and agree only those that relate to meeting our statutory responsibilities and delivery plans.

Learning Disability Services:

- (a) Revisiting recently determined social care cases to ensure health no longer have responsibility.
- (b) Reviewing top 50 high cost packages to manage costs down, to ensure that any transfers from long stay care to community placements are cost neutral and to review and renegotiate block and spot contract provision

S117 Mental Health Aftercare:

- (a) To review and screen for Continuing Health Care

9.5 Key High Level Risks

The key financial risks for 2009/10 across Community Services are summarised below.

- (a) The high unit cost of adult social placements, particularly within Learning Disabilities, combined with the changes in funding responsibility between the PCT and Adult Social Care relating to both reviews of joint packages of care, Continuing Health Care and transfer of Learning Disability commissioning budgets.
- (b) The ability of the department to increase service levels / client numbers to achieve the CIP targets – particularly within Adult Social Care.
- (c) Managing expectations of enhanced levels of service against the approved budget particularly around waste collection and street scene.
- (d) Increasing pressures of LATS and landfill tax on the waste disposal budget.
- (e) Fall in predicted income due to economic downturn e.g. trade waste
- (f) Following the decision to work in partnership with Plymouth Argyle to submit a host city World Cup bid to the football association the Council are making a contribution towards the bid costs of £75,000. This is being funded from a transfer from the General Contingency to Leisure Services approved by the Director of Corporate Support under his delegated powers.

9.6 Departmental Medium Term Forecasts

The Council's Medium Term Financial Forecast looks forward to predict the financial position for the next 3 years to include estimates of resources and expenditure. The target budget has been updated to reflect the final costs of the Job evaluation appeals and revised corporate assumptions for pay award and utility costs as outlined in section 5 above. The target budget is currently undergoing review as part of the detailed budget setting exercise for 2010/11. A further year, 2012/13, has now been added in order to maintain a rolling three year budget. The target budget for future years may be subject to change as part of the budget review challenge process currently underway.

| | Adjusted Target Budget £m |
|---------|--|
| 2009/10 | 102.501 |
| 2010/11 | 111.743 |
| 2011/12 | 112.386 |
| 2012/13 | 113.530 |

The key medium term issues for the department are:

- (a) The demographic changes within the population resulting in increased need for adult social care services.
- (b) The Personalisation Agenda with Individual Budgets will have a fundamental impact on Adult Social Care. Feedback from the pilot sites identify that this cannot be seen as a mechanism for providing savings. This will require careful monitoring during implementation to build on learning from other authorities experiences.
- (c) The Municipal Waste Management Strategy (MWMS) identified that waste management costs would increase significantly in the future due to the need to procure a waste disposal facility. The business case identified a revenue shortfall of £215million. This equates to £8m per annum (2011-2013), reducing to a £6m annual increase (2014-2039). These pressures will need to be incorporated into future budgets.
- (d) In the short term, the Authority also faces additional budgetary pressures to implement new recycling initiatives, buy LATS credits, fund increased landfill tax (£8 per tonne each year), and fund contributions to the 'balancing fund' account created to meet the £215m shortfall. These have already been reflected in the Medium Term Financial Forecast, but funding / budget savings have yet to be determined.
- (e) Whilst additional funding has been identified through the carry forward process to delay impact against the Theatre Royal grant reduction, a budget pressure remains for future years against the Theatre Royal grant due to not being able to capitalise £0.250m of the grant monies.

- (f) The impact of staffing requirements as a result of approved Life Centre governance statement is being assessed and prudential borrowing requirements for Life Centre ahead of closure of existing facilities.
- (g) Further consideration is being given to the Free Swimming initiative directed at under 16's with further cost of £0.250m forecast for 2010/11 and for further consideration as part of the 2010/11 budget setting process.
- (h) Slippage to the Leisure Management project as a result of procurement demands by the Life Centre project will result in an estimate £0.055m costs in 2010/11 which will be included in budget review discussions as together with a further pressure of improving existing facilities to a Corporate B standard gives a projected pressure of £0.400m in 2010/11.

9.7 Capital Spend / Programme

The latest approved budget for Community Services is now £11.397m and actual expenditure as at the end of September 2009 was £2.038m.

The latest forecast spend for the year is £11.298m or 76% of the original 2009/10 programme. The programme for each service area is shown in table 7 below:

Table 7

| Community Services Capital Programme | Latest Approved Budget | Spend to 30 September | Latest Forecast |
|---|-------------------------------|------------------------------|------------------------|
| | £000 | £000 | £000 |
| Culture, Sport & Leisure | 9,770 | 1,830 | 9,770 |
| Adult Social Care | 576 | 142 | 576 |
| Environmental Services | 1,051 | 67 | 952 |
| Community Services | 11,397 | 2,038 | 11,298 |

The movement on the Community services capital programme in the period is as follows:

| | |
|---|------------------|
| | £000 |
| Re-profiling | |
| Mercury Abatement Equipment in Crematoria | (142) |
| New Approvals | |
| Alexandra Park – Specialist Wall Repairs & Play Equipment | <u>43</u> |
| | <u>99</u> |

10. Development & Regeneration

10.1 Corporate Improvement Priorities:

The Development Department is leading on the following three Corporate Improvement Priorities :

- Providing better and more affordable housing (CIP 5)
- Improving access across the City (CIP 11)
- Delivering sustainable growth (CIP12)

10.2 Progress against priorities

The following Strategy Map outlines progress against each CIP overall.

Development - CIP Improvement & Management Report

Development Monthly Revenue Budget
September 09
3.07 %



CIP 5. Providing better and more affordable housing



Continued good progress on the delivery of energy efficiency measures through our various schemes, including the Plymouth Warm Zones which has been rebranded to Cosy Devon to further encourage uptake of insulation grants. We are developing our plans to pilot a home energy project to tackle Hard to Treat homes, phase 1 is focusing on 114 private sector homes in Devonport which is on target to be up and running from January 2010. Phase 2 forms part of our bid for further regional funding to target the homes of elderly and vulnerable people who are most at risk through cold and poorly heated homes. To date we have enabled the completion of 77 new affordable homes and subject to securing additional grant support from the Homes and Communities agency we are hopeful of at least 218 completions for the year. This would be only 8 units short of our target, but a number of completions have slipped into 2010/11 due to a combination of delays on funding and developer negotiations in the current housing market slowdown. We are supporting a couple more stalled sites to bid to the newly announced Kick Start II programme. We have completed the annual update of our Strategic Housing Market and Needs Assessment 2009 which builds upon our better understanding of the current housing market. PCC and PCH have agreed to delay the stock transfer date until 16th November 2009 to allow completion of final legal arrangements and negotiations due to the complexity of this particular transfer. It is the largest in the region, and unique in that it is a deficit government backed transfer with a major regeneration project as part of the project

CIP 11. Improving access across the city



Performance on delivery of key action plans remains behind schedule with four key documents not yet finalised, but progress has been made since the last report. Following earlier resourcing issues, the corporate travel plan is now in final draft form and the bus network review is similarly in its final draft assessment phase. The Accessibility action plan has been delayed until January due to the cancellation of the Healthy Theme Group meeting, and there are ongoing discussions with Network rail for the permissions or acquisitions needed for the proposed continuation of cycle routes in accordance with the cycle strategy:

In view of these delays no improvement will be seen until the New Year.

CIP 12. Delivering sustainable growth



Delivery of the City's growth agenda is still broadly on track despite the inevitable impact of the recession. The City centre company has successfully secured the Business Improvement District (BID) levy renewal for a further 5 years. The renewal which will unlock a £10m investment has 89% support and was the best of any renewal in the country. Major regeneration projects at Devonport, Millbay, Plymstock Quarry and Sherford are being reviewed as a result of recessionary impacts, but progress is being made on removing obstacles to delivery. Job creation initiatives are being pursued through the Urban Enterprise Programme and through the continuing implementation of both the Recession Action Plan and the Market Recovery Action Plan. In parallel with these short term measures, planning for the upturn and the delivery of the city's longer term growth continues with the preparation of the Local Investment Plan under the Single Conversation with the Homes and Communities Agency and the publication of plans for the City Centre. There has been a delay in establishing new streamlined governance arrangements to drive forward the growth agenda because of the need to ensure alignment with the requirements of sub regional, delivery partner, and private sector stakeholders. Planning permission has now been submitted for part of the Eastern Corridor Major Scheme bid, which although slipped from the original programme, reflects wider strategic corridor planning requirements. The Government's decision to remove £2.4 Million of previously approved New Growth Points funding will have an impact on the phasing of strategic infrastructure necessary for the delivery of homes and jobs. The impact of this reduction is currently being assessed through the Single Conversation process. The recently announced further delay in the publication of the Regional Spatial Strategy continues the uncertainty within which investment decisions have to be made. The City Council continues to lobby Government to revise the Regional Spatial Strategy to better reflect Plymouth's growth plans.

10.3 Development & Regeneration – Forecast Revenue overspend of £0.511m

Significant progress has been made in the last period reducing the overspend forecast by £0.499m. However there continues to remain a pressure on the General Fund from reduced revenue contributions from the Car Park reserve of £0.508m and Market reserve of £0.114m resulting from below forecast income levels and increase capital charges following land and property revaluations. Other pressures result from increased costs on the CCTV budget. Offsetting this is a favourable variation on the concessionary fares budget but this is a volatile area that will need to be closely monitored.

Almost half of the current predicted overspend is a result of the late introduction of increased capital charges (£0.233m) which were not included in the budget at the beginning of the year. The lower revenue in parking, due in part to significant changes in the service leading to an early year downturn in income (Theatre Royal refurbishment and changes to on- street enforcement) is now being reduced as the efficiency savings identified start to be fed through in higher income levels.

Further business planning is currently being undertaken to identify further savings for the remainder of the year to close the gap.

10.4 Development Trading Accounts

The position on the trading accounts as at the end of September 2009 is as follows:

Table 8

| | Latest Approved Budget | Outturn Forecast September 09 | Latest Variance |
|--------------------|-------------------------------|--------------------------------------|------------------------|
| | £000 | £000 | £000 |
| Off Street Parking | (1,125) | (894) | 231 |
| On Street Parking | (1,349) | (1,273) | 76 |
| Street Trading | 0 | 0 | 0 |
| City Market | 138 | 145 | 7 |
| Total | (2,336) | (2,022) | 314 |

10.5 Progress against 2009/10 Action Plans

£3.155m of action plans were set within the 2009/10 revenue budget for Development & Regeneration.

The majority of action plans relate to restructuring of services and reductions in staffing. These are largely complete. At present actions totalling £0.117m have been identified as a red risk and potentially unachievable, although all of the action plans are under review.

10.6 Key High Level Risks

There is continuing recessionary pressure on business throughout the city and initial indications are that income from rentals, planning applications and building control may be further affected beyond the assumptions already built into the budget. It is still too early to quantify the full impact as some income does not follow any particular trend. The Council has, however, produced a Market Recovery Delivery Plan which has identified the key pressures and endorses a number of priorities to support businesses. These areas will be closely monitored and will be the subject of further reports.

A condition survey has recently been undertaken on the Pannier Market which has highlighted the need to plan ahead for significant investment in the facility both in terms of repair and improvement. Some works will require to be undertaken within the next couple of years and detailed proposals will be formulated to be considered in the budget setting process.

As part of the housing stock transfer, the Council is required to put in place a viable business plan for tackling housing issues in the North Prospect Estate. The authority is currently in consultation with the Homes and Communities Agency over funding arrangements. The potential financial implications are not yet known and will be the subject of a future report.

Other areas sensitive to consumer demands are concessionary fares and the annual dividend received from the local bus undertaking. Again it is too early to tell as to whether expenditure and income will be maintained at budgeted levels

10.7 Departmental Medium Term Forecasts

The Council's Medium Term Financial Forecast looks forward to predict the financial position for the next 3 years to include estimates of resources and expenditure. The target budget has been updated to reflect the final costs of the Job evaluation appeals and revised corporate assumptions for pay award and utility costs as outlined in section 5 above. The target budget is currently undergoing review as part of the detailed budget setting exercise for 2010/11. A further year, 2012/13, has now been added in order to maintain a rolling three year budget. The target budget for future years may be subject to change as part of the budget review challenge process currently underway.

| | Adjusted Target Budget £m |
|---------|--|
| 2009/10 | 16.683 |
| 2010/11 | 17.952 |
| 2011/12 | 18.699 |
| 2012/13 | 18.971 |

10.8 Capital Spend / Programme

The latest approved programme for Development is £24.417m. This is now forecast to reduce to £23.373m and the main movement on the programme is detailed below. Actual spend to the end of September was £4.019m.

£000

(766) Materials Recycling facility

£0.854m was approved in October 2008 for the upgrading of the M.R.F at Chelson Meadow. The approved works, previously scheduled to be 50% undertaken in each of the financial years 2009 – 11, have now largely been delayed until 2010/11. This is as a result of delays in procuring the works & the fabrication of the parts required.

(200) Chelson Meadow capping and leachate works

The capping restoration budget has been reduced by £0.666m 2009/13, as a result of tendered contract savings. This largely translates as £0.200m of slippage from 2009 to 2010/11, with the significant reduction falling in 2011/12.

(100) Reprofiting of Stonehouse Compulsory Purchase Order Scheme – bad weather not allowed for in work schedule.

18 Re-profiting Devonport Guildhall payment anticipated in 10/11 will now be accrued in 09/10.

26 New Approval in Strategic Housing – Living over the Shops

(22) Variation – Admiralty Street, Prohibition of Driving Order – project no longer proceeding

10.9 Capital Projects Under Development

Transport Asset Management Plan - £0.056m 2009/10

Proposals are being prepared for Capital Programme Board seeking approval to spend £0.056m which has been awarded to PCC in 2009/10, from the DfT. This capital grant has been awarded to support proposals that will create and maintain a Transport Asset Management database, suitable to provide the detailed information that will be required in the accounts, to comply with proposed future International Financial Reporting Standards.

Devonport Home Insulation Project

The budget holder for this scheme is currently completing funding forms for submission to the Capital Programme Board. This scheme will be grant funded.

11. Corporate Support

11.1 Corporate Improvement Priorities:

The Corporate Resources department is leading on the following Corporate Improvement Priorities.

- Improving Customer Care (CIP 1)
- Supporting Staff to Perform Better (CIP 13)
- Providing better Value for Money (CIP 14)

11.2 Progress against priorities

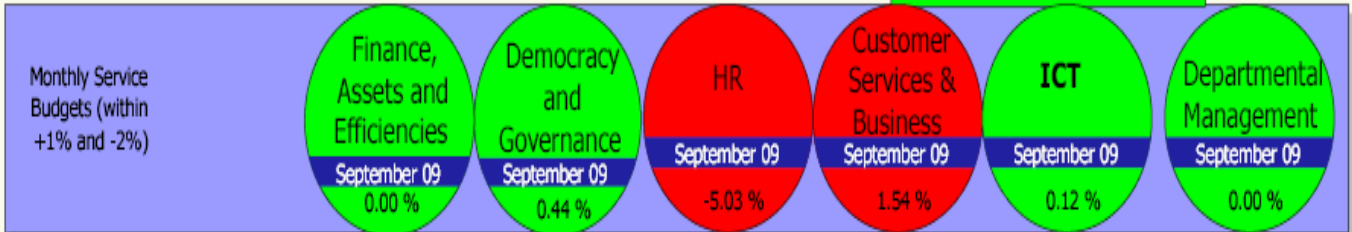
The following Scorecard outlines progress against each CIP overall.

Corporate Support CIP Progress and Management Report

Corporate Support
Monthly Revenue Budget

September 09

-0.37 %



CIP 1. Improving Customer Service

Measures 

Milestones 

The CIP plan was signed off by CMT during September and the action plans are rolling out effectively. Funding from CLG was granted and CIP1 will be managing the 'Getting it right and righting the wrongs' pilot as the regional champion for the South West. Some slippage has been caused due to the delay in sign off, but it is likely that the majority of projects will remain on schedule.

The one area of slippage currently is in relation to the replacement software solution for complaints handling. A wider corporate review of the CRM requirements has highlighted that it is more cost efficient to invest in a single CRM solution that also delivers complaints capability. A project plan scoping this work is currently under review, but a delay in implementation on this milestone has been flagged red as there is likely to be slight slippage.

CIP 13. Supporting Council staff to perform better

Measures 

Milestones 

Negotiations are continuing with Trade Unions to finalise changes to the Single Status Terms and Conditions. 90% of managers have been trained in the use of the PCC Competency framework and departments are planning appraisals in readiness for the 31st January 2010 deadline.

Manager Self Service development is continuing and the project team is closely reviewing the project plan and is addressing technical difficulties arising in the transfer to a new technical platform.

The e-Learning package to be used in the roll out of training for MSS is now under development.

Although risks and issues have been identified for other workstreams, these are being managed and all other projects are on target.

CIP 14. Improving value for money

Measures 

Milestones 

The first Business case to support the Accommodation strategy has been drafted for presentation to Corporate Management Team in November. Limited progress has been made in developing Service Level Agreement's for support services and the future direction of this action will need to be determined.

2009/10 Value for Money (VfM) targets are currently being reviewed and new targets for the medium term are being negotiated as part of the 2010/11 corporate planning / budget setting cycle. The Assistant Director for Finance, Assets and Efficiencies is leading the negotiations with Directors who will each be asked to produce a VfM delivery plan, which will include a contribution towards National Indicator 179 (Measuring VfM gains).

We are currently reviewing our 3 year efficiency plan in order to increase the level of efficiencies we can drive out in 2010/11. The efficiency targets are proving challenging to evidence due to tightening of criteria. Roles and Responsibilities have been drafted with the Director for Corporate Support championing the efficiency agenda at Corporate Management Team. Work has begun to raise the profile of the efficiency return with a view to getting back on track by the end of 2009/10.

The Council's Carbon Reduction Commitment has confirmed the potential financial liabilities to be incurred from 2010 onwards. These liabilities are being incorporated in the Medium Term Financial Forecast and relevant actions and training continue to be developed to help reduce our carbon footprint and limit the level of financial penalties.

The Improvement and Development Agency for Local Government have recognised the Council's positive environmental sustainability work relating to Carbon Reduction Commitment as a best practice case study.

11.3 Revenue Budget Monitoring – Forecast underspend of (£0.132m)

The main variations are:

- (a) Finance, Assets and Efficiencies:
A neutral position is being forecast for this area. The key management posts have now been successfully filled with staff due to take up positions over the next few months. This will enable the remaining structure to be finalised and efficiencies achieved over the longer term.
- (b) Democracy and Governance :
An overspend of £0.025m mainly in respect of action plan efficiencies that transferred from the 'old' Chief Executives Department which are in the process of being addressed.
- (c) Human Resources
An under spend of (£0.200m) mainly as a result of vacancies and secondments to major projects.
- (d) Customer Service and Business Transformation
An overspend of £0.035m relating in the main to recruitment costs for the new management structure.

11.4 Progress against 2009/10 Action Plans

£2.696m of new action plans were set within the 2009/10 revenue budget for Corporate Support. As at the end of September, monitoring of progress indicated plans totalling £0.197m have been rated as at high risk of not being achieved. The high risk element relates to a reduction in building cleaning costs and savings in the upkeep of Windsor House. Both of these budget areas are currently being reviewed.

11.5 Key High Level Risks

The highest risk is that some efficiency savings, including those carrying on from previous years, have not yet been fully identified although now allocated to managers for action.

11.6 Departmental Medium Term Forecasts

The Council's Medium Term Financial Forecast looks forward to predict the financial position for the next 3 years to include estimates of resources and expenditure. The target budget has been updated to reflect the final costs of the Job evaluation appeals and revised corporate assumptions for pay award and utility costs as outlined in section 6 above. The target budget is currently undergoing review as part of the detailed budget setting exercise for 2010/11. A further year, 2012/13, has now been added in order to maintain a rolling three year budget. The target budget for future years may be subject to change as part of the budget review challenge process currently underway.

| | Adjusted Target Budget £m |
|---------|--|
| 2009/10 | 35.634 |
| 2010/11 | 34.069 |
| 2011/12 | 34.519 |
| 2012/13 | 35.277 |

11.7 Capital Spend / Programme

The latest approved capital programme for corporate support for 2009/10 is £1.097m. Actual spend at end of September was £0.593m.

12. Chief Executive

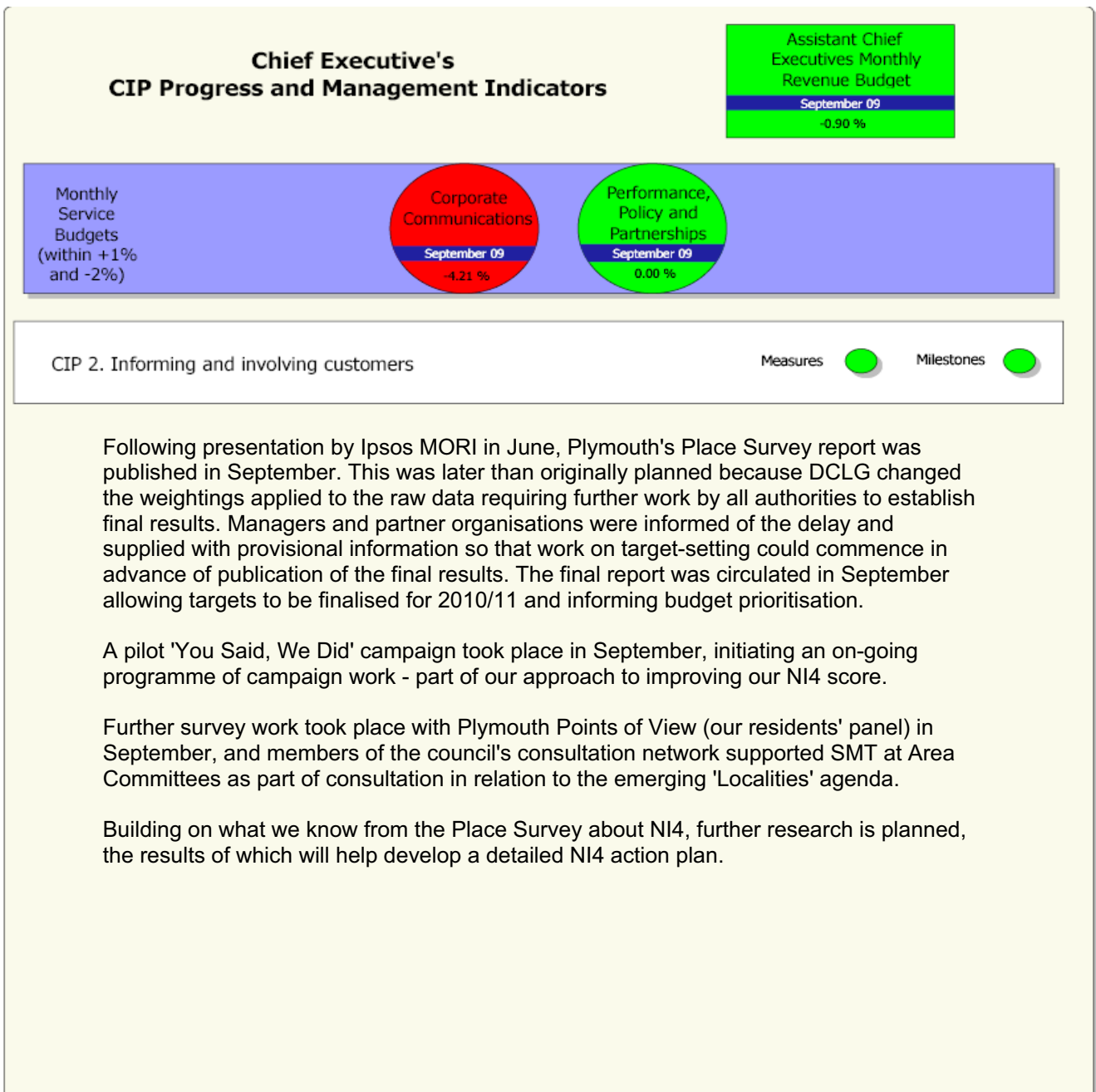
12.1 Corporate Improvement Priorities:

The Chief Executive's department is leading on the following Corporate Improvement Priorities.

- Informing and Involving Customers (CIP 2)

12.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall.



12.3 Revenue Budget Monitoring – under spend of (£0.024m)

The Chief Executive Department's monitoring for September shows a favourable variation of £0.024m, resulting from vacancies above target and general slowing down of running expenses.

12.4 Progress against 2009/10 Action Plans

£0.505m of action plans were set within the 2009/10 revenue budget for Chief Executive's Department. It is forecast that these will be achieved in full for the current year, although some of this will be achieved by vacancy savings which may not be ongoing into future years. Any shortfall for future years will be addressed during the next few months as the department reviews actions to bring its budget back to target in each year over the medium term.

12.5 Key High Level Risks

Whilst the action plans and current projections show a breakeven position for this financial year, there is pressure on future years' budgets as this is dependant on securing external funding streams.

12.6 Departmental Medium Term Forecasts

The Council's Medium Term Financial Forecast looks forward to predict the financial position for the next 3 years to include estimates of resources and expenditure. The target budget has been updated to reflect the final costs of the Job evaluation appeals and revised corporate assumptions for pay award and utility costs as outlined in section 6 above. The target budget is currently undergoing review as part of the detailed budget setting exercise for 2010/11. A further year, 2012/13, has now been added in order to maintain a rolling three year budget. The target budget for future years may be subject to change as part of the budget review challenge process currently underway.

| | Adjusted Target Budget £m |
|---------|--|
| 2009/10 | 0.918 |
| 2010/11 | 1.701 |
| 2011/12 | 1.476 |
| 2012/13 | 1.515 |

13. Corporate Items & Cross-Cutting Issues

13.1 Corporate Items - Revenue Budget Monitoring – underspend of (£0.153m)

There is an overall adverse variation on the capital financing budget due in part to the continuing financial climate which is affecting our ability to achieve the target rate of return on our investments, and an adjustment to the annual Minimum Revenue Provision (MRP).

This is being offset by the favourable variation from the reduced energy prices under the new contract (net of the agreed virement to corporate property) and the favourable impact from the reduction in the pay award assumption from 2% to 1%.

13.2 Risk Management (1) - Items not reflected in the figures

13.2.1 Contingency

The 2009/10 budget includes a general contingency provision of £0.500m. The Director for Corporate Support acting under delegated authority has approved a virement of £0.075m from the contingency to Community Services to meet the costs of the world cup bid. This will leave a contingency of £0.425m. The figures above assume this will be spent in full.

13.2.2 JE contingency

At the start of the year the Council had a sum of £1.514m held in contingency to meet the costs of JE appeals and a further £2.1m was carried forward from 2008/09. All the appeals have now been agreed and final payments were made in August. The outcomes of a few outstanding issues may affect some job evaluation outcomes and the necessary adjustments will be made to budgets as required. The contingency budget has been reallocated across departments by way of a budget virement to meet the resulting increased costs and is reflected in the departments latest approved budget . However in accordance with Financial Regulation budget virement limits, the virement requires ratification by Cabinet.

| | £000 |
|---|---------------------|
| Children's Services | 430 |
| Community Services | 552 |
| Development and Regeneration | 356 |
| Corporate Support | 383 |
| Chief Executive | 57 |
| Transfer to provision for backdated impact previous years | <u>437</u> |
| | <u>2,215</u> |

This will leave a sum of £1.399m against the contingency 'carry forward' reserve. Further adjustments to reflect the additional successful appeals will be made during the next monitoring period. Any remaining balance on the JE Carry forward reserve will be utilised to offset increased costs next financial year. However from financial year 2011/12, the contingency provision will be exhausted and departments will be expected to contain any increased costs within their departmental target budgets.

13.2.3 Corporate Impact of Stock transfer

It is currently estimated that there will be a cost to the General Fund of £0.7m as a result of the stock transfer in 2009/10. This has not currently been reported in the variance figures. Against this sum it is anticipated that VAT shelter receipts of £0.5m will be forthcoming, although at the present time VAT shelter receipts will need to be treated as capital receipts.

Officers are working on a range of options to minimise the impact of the funding mismatch and which include seeking an urgent meeting with DCLG to discuss the possibility of an in principle agreement for an exceptional Capitalisation Direction over the next 5 years and/or agreement to a to a special regulation under section 9 (3)(a) of the 2003 Local Government Act 2003 permitting the Council to treat Vat shelter receipts as revenue.

13.2.4 Back dated Equal pay claims

The Council has received a number of equal pay claims and grievances. These are being dealt with by way of grievance hearings and through the Employment Tribunal system. Grievance hearings will be held during November/December 2009 although tribunal claims are unlikely to be heard in the current financial year. The council secured a Capitalisation Direction to cover equal pay claims in 2007/8. However the Capitalisation Direction may only be used for those claims submitted prior to 31 March 2008.

As part of closedown for 2008/09 the Council set aside a further £0.350m in a reserve for equal pay claims and although a further application for a Capitalisation Direction was submitted earlier this year, the Council has been informed that its application has been unsuccessful.

13.2.5 Redundancy Position

At the end of September redundancy payments totalling £0.588m had been paid (including the strain payment to the pension's fund) with a further £0.362m of payments in the system. This brings the total redundancy payments to £0.950m. The Council has an earmarked reserve to meet the costs of redundancies and this stood at £1.133m at 1 April 2009. Further redundancies are expected over the next few months as departments seek to meet their planned staffing reductions but steps will be taken to minimise the impact by deleting vacant posts and natural wastage where ever possible. Once the reserve has been exhausted, any further costs will add to the pressure on the revenue budget.

13.2.6 VAT – 'Fleming' Claims

As reported previously, the council has secured reimbursement of £0.477m in respect of overpaid VAT. This will be transferred to the Corporate Improvement reserve in accordance with the approved recommendation. The Council has 2 further claims outstanding for which the VAT officer has recently requested additional information in support of the claims.

13.2.7 Icelandic Bank Losses

As part of the last report approval was given to transfer any interest received from investments in Icelandic Banks to the Icelandic Bank Reserve to offset residual losses. Interest of £0.024m has been received from the first dividend payment from Heritable Bank. A further dividend is due at the end of the year. The claims submitted for Landslanki and Glitnir include interest up to 22 April 2009 with the majority of this payable at a penalty rate of 22%, although it is not yet known when the first payments will be received. Further details of the anticipated recoveries are shown in table 3.

Recommendations:

4. The reallocation of the JE contingency across council departments, as outlined in section 13.2.2, be approved.
5. Officers seek an urgent meeting with DCLG to discuss options to utilise the capital monies from the VAT shelter agreement to offset revenue pressures, these options to include:
 - (i) an in principle agreement to an exceptional Capitalisation Direction over the next 5 years, and/or
 - (ii) agreement to a special regulation under section 9 (3)(a) of the 2003 Local Government Act 2003 permitting the Council to treat Vat shelter receipts as revenue.

13.3 Risk Management (2) - Mid year Review of Reserves, Balances & Provisions

(a) Working Balance

The Council's Working Balance currently stands at £11.739m which equates to 5.9% of net revenue spend. The working balance is forecast to reduce to £11.517m at the end of the year. This is within the tolerance levels within our Medium Term Financial Strategy, (March 2009), and remains in line with the Unitary Authority average.

(b) Reserves

The Council has created a number of specific reserves in order to plan in advance for known and anticipated future revenue costs. At 1 April 2009, these reserves stood at £23.631m. The total on these reserves will fluctuate during the year as they are used to meet ongoing pressures. The balance at 31 March 2010 is forecast to be £14.183m.

The main reserves and their purpose is shown at Appendix C.

As part of the closedown process last year additional approvals were given for carry forward of budget in a number of areas. Normally these budgets would be expected to be spent in full in the following financial year. However in two of these areas it is now expected that the reserve will not be utilised until 2010/11. These are being reported for information only and no further approval is required to slip the monies between years:

- LSP – the Local Public Sector Agreement (LPSA) strategy will not be finalised until November and the delay will result in the commissioning of work, and the reserve contribution, now slipping into 2010/11.
- JE appeals/competency framework – a transfer to reserve was made to meet HR costs of finalising JE appeals and implementing the new competency framework. It is now forecast that approximately £0.161m of this allowance relating to the new competency framework will slip into 2010/11.

The other main change to the movement on the reserves from that reported previously is the slippage of the DRCP local solution monies into 2010/11.

(c) Provisions

The Council has a number of budget provisions set up to meet known liabilities. The current provisions and estimated movement in the year are outlined in Appendix D. The main provisions relate to the insurance fund, specific provisions set up for the backdated costs of JE and JE appeals and the HRA gas servicing ex-gratia payments, together with a number of bad debt provisions.

(d) Contingent Liabilities

In addition to the specific reserves and provisions outlined above, there are a number of areas that may result in a financial liability to the Council but which cannot be quantified both in terms of costs and timing with any certainty. In the main these relate to legal claims against the Council or guarantees given by the council to its subsidiaries and associates. The Council is required to disclose all contingent liabilities in a note in the Statutory Statement of Accounts.

During the year contingent liabilities are kept under review and details reported to Audit Committee as part of the risk register monitoring. Many of the items contained within contingent liabilities have already been reported within the relevant sections of this report. Where considered appropriate, the Director for Corporate Support will make recommendations for budget provisions or transfer to reserves as a corporate health adjustment, reporting any action required to Cabinet as part of the monitoring reports.

As part of the negotiations for the Housing stock transfer the Council has been required to provide a number of warranties to Plymouth Community Homes, including warranties against asbestos and environmental claims. As any payments under these warranties will be unknown and unquantifiable, these items will be included as a contingent liability for accounting purposes.

The main contingent liabilities currently reported are:

- Municipal Mutual Insurance Ltd- Scheme of Arrangement- the company experienced trading difficulties and is working towards a 'solvent run off' until all outstanding claims settled, but there is a potential clawback arrangement if the company becomes insolvent, whereby the creditors would be required to pay a proportion of the claims paid. These claims totalled £1.286m at 31 March 09.
- PLUSS Organisation Ltd – the Council has guaranteed payments into the pensions fund for transferred employees, has also provided a loan of £0.235m and jointly agreed a bank overdraft facility with Torbay and Devon County Council.
- Section 117 refunds- the Council discloses a potential contingent liability in respect of claims for reimbursement from self funders, although the last claim submitted was in 2003.
- Single status equal pay claims – see 13.2.4 above.
- Civic centre – a contingent liability disclosed whilst the future of the building remains subject to uncertainty.
- Connexions – the Council has guaranteed to meet an element of pension liabilities should the organisation be wound up.
- Housing stock condition – Works required to meet decency standards – stock due to transfer to Plymouth Community Homes on 16 November 2009.
- Housing stock transfer – section 25 loan – possibility of loan not being reimbursed if transfer fails– stock due to transfer 16 November 2009.
- Contaminated land – potential liability for clean up costs especially if land transferred to developers.
- Treasury Management – Investment losses – see above.

13.4 Partnership – Accountable Body Schemes – DRCP

The final grant allocation for the year has now been confirmed as £7.621m. Actual spend at the end of the 2 quarter was £1.258m with claims yet to be processed totalling £0.976m. The programme remains high risk not least because much of the spend is profiled to the last two quarters of the year. Monthly meetings continue to be held with officers from DRCP, PCC and GOSW.

The delivery plan for 2009/10 assumed land acquisitions of £1.2m would be achieved in 2009/10. This element of the delivery plan is now unlikely to be achieved and DRCP staff are seeking alternative schemes to utilise the grant available. In order to provide an element of flexibility and give further time to work up and consider options, approval has been given by NDC to slip the 'local solution' monies into 2010/11.

The 10 year programme enters its final year in 2010/11 and attention is now focussed on completing major capital schemes and succession planning for post NDC grant. Cabinet have received and approved in principle the succession plan for DRCP and the necessary paperwork has been submitted to DCLG. However the Council's approval remains subject to the following conditions:

1. Completion of financial checks to include Neighbourhood Manager costs, Devonport Community Land and Leisure Trusts and their asset bases.
2. Discussion and agreement to the letter of intent between DRCP and the City Council.
3. The approval of Communities & Local Government of the Devonport Community Land Trust Governance arrangements.
4. Completion of the review into the future use of Parkside by the Director for Corporate Support.
5. Subject to agreement that we will be engaged in the discussion between DRCP and DCLG during the period end of October 2009 to April 2010.

One of the proposals for the succession plan is the appointment of a Devonport Neighbourhood Manager on an initial 3 year contract. This post will be funded from NDC grant, but as grant may not be carried forward after the end of the programme, it is proposed that DRCP meet the Council's current costs of running Brickfields, with an equivalent amount set aside in a City Council reserve to be utilised to fund the Devonport Neighbourhood Manager post in 2011/12 and 2012/13.

Recommendation:

6. Cabinet note the action taken by Officers to ensure funding for the Devonport Neighbourhood Manager post is available over the next 3 years and agree to the transfer of £0.100m to an earmarked reserve in return for additional NDC grant funding towards Brickfields running costs.

Section C – Housing Revenue Account

14 HRA – Revenue Budget

- 14.1 Due to the impending stock transfer and the requirement of staff to produce the initial budget for Plymouth Community Homes (PCH), there has been limited detailed monitoring of the HRA during the period. However at this stage of the transfer process, it is still expected that pending all the residual entries to the HRA account post transfer, a working balance of at least £2m will remain.
- 14.2 Over the next few weeks officers will commence the closedown entries for the account, in particular liaising with PCH over apportionment of arrears and prepaid income.
- 14.3 Steps will also be taken to ensure the necessary consent is in place to transfer residual properties, namely the SHIP hostel and decanted properties at Devonport from the HRA to the Council's general fund. This will enable the final subsidy claim to be submitted in September 2010 and, subject to the auditors being satisfied that the claim is correct, an application to be made to the secretary of state to formally close the HRA. It is at this stage that any balances on the HRA would transfer to the General Fund.

15 Capital Programme

- 15.1 The latest approved capital programme for the year is £7.761m, with forecast spend at the end of September standing at £7.991m. Actual expenditure as at the end of September 2009 was £4.594m.
- 15.2 The forecast spend of £7.991m assumed a programme to 19 October based on an apportionment of capital resources up to transfer date. This figure included outstanding decanting works at Devonport, totaling £0.932m, which were due to be completed after transfer but for which equivalent capital resources were to be transferred to PCH, leaving a net programme of £7.060m. As a result of the extension to the transfer date to 16 November concerns have been raised about continuity of work/workloads etc, and it has been agreed that housing may continue to spend on the programme up to the original approval of £7.992m with any spend above £7.060m being 'reimbursed' by PCH. This will be effected by deducting any excess spend from the payment we have agreed for Devonport, the actual overspend to be determined once transfer has taken place and we have paid outstanding invoices and calculated the retention payments.
- 15.3 The Council will receive additional Major Repairs Allowance (MRA), totaling approximately £0.733m as a result of the extended transfer date. This amount will be transferred to the major repairs reserve. Once the final retention payments and other outstanding liabilities from the HRA capital programme have been settled, any balance remaining in the major repairs reserve will be used to repay debt.

Section D – Treasury Management Activity

16. Loans and Investments

Borrowing

16.1 The Council's loans at 30 September 2009 were:

| | Principal O/S £000 | Average Rate % |
|----------------------------------|--------------------------|-------------------|
| PWLB (Public Works Loan Board) | 141,500 | 5.4528 |
| Market Loans | 130,000 | 4.4202 |
| Bonds | 83 | 3.4458 |
| Temporary Loans | 9,000 | 0.2733 |
| Total Borrowing: | 280,583 | 4.8077 |
| Add Devon Debt @ 30/09/09 | 34,644 | 5.4000 |
| Total Debt 30/09/09 | 315,227 | 4.8728 |

16.2 The following borrowing limits for 2009/10 were approved by Council in March 2009:

- Authorised limits £406m
- Operational Boundary £430m

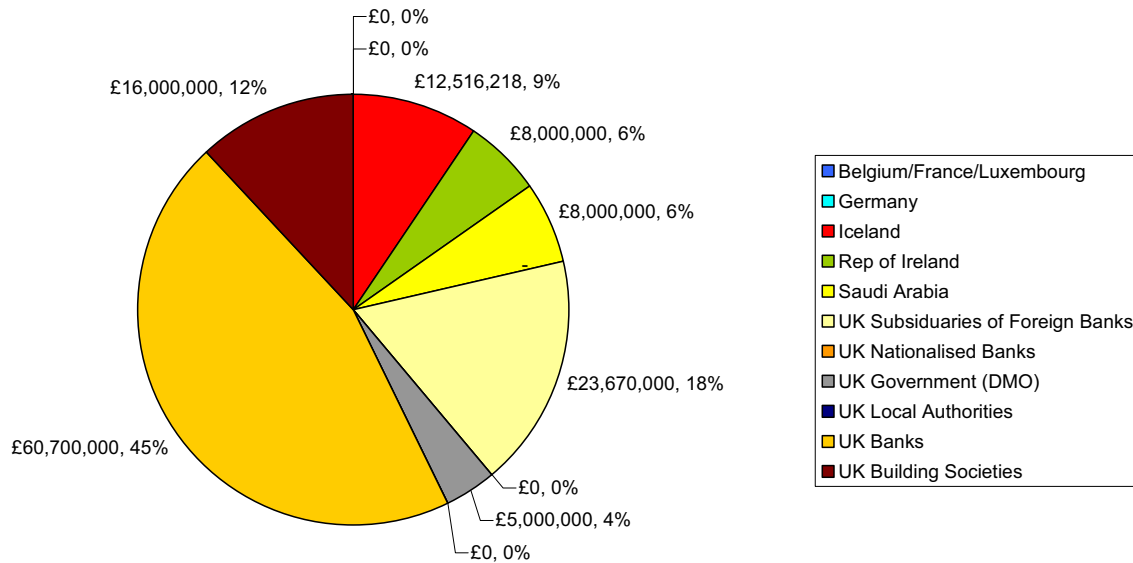
16.3 The maximum borrowing outstanding in the period 1 August 09 to 30 September 09 was £331.51m on 3 August 09. This was within both the authorised limit and the operational boundary. At 30 September 09 borrowing had fallen to £315.23m. The reduction is due to the repayment of temporary borrowing taken to cover cash flow requirements.

16.4 Based on the latest capital programme projections, there will be a need to take out additional loans to the value of at least £25m during the year. As actual spend on the capital programme remains low at the present time, the financing requirement continues to be managed via general cash flows, temporary borrowing and balances. This strategy will be continued through to the year end with low rate short-term loans taken as required delaying the need to take out additional long-term loans at relatively high interest rates.

Investments

16.5 At 30 September the Council's investments stood at £133.886m. This has fallen from £157.666m at 31 July due to a number of maturing deposits used to repay short term borrowing and cover cash flow requirements. The pie chart below analyses the investments by country.

**PCC DEPOSITS BY COUNTRY AT 30th SEPTEMBER 2009 - Total Deposits
£133,886,218.38**



16.6 Investments are made short term to cover cash flow and liquidity requirements and longer term to maximise and guarantee future income. In line with our investment strategy for 09/10 the following longer term deposits were taken during the period.

| Amount | Start Date | End Date | Term (days) | Rate % |
|--------|------------|----------|-------------|--------|
| £5.0m | 02/09/09 | 01/09/10 | 364 | 1.80 |
| £5.0m | 28/09/09 | 27/09/10 | 364 | 1.85 |

16.7 The above deposits have been taken above target rates and increased the forecast return on investments in 09/10. However current market conditions continue to put pressure on the Council’s treasury management activity. In line with cash flow requirements to year end, deposits will be made in shorter period maturities and call accounts at rates below target. This is reflected in the budget monitoring for corporate items.

16.8 A number of bank call accounts are used for the liquidity requirements of the Authority. Funds are available for same day withdrawal and can therefore be used to cover cash flow requirements. The Treasury Management policy and strategy approved by Council in March 09 set a maximum limit of £10m on each of these call accounts. In order to give greater flexibility and to enable more effective management of risk with each of the banks the limit on call accounts has been removed with these deposits managed within the overall exposure limit with each bank. This action has been taken by the Director for Corporate Support acting under delegated authority to manage the Council’s investments on a day to day basis.

16.9 The Council has call accounts with the following banks:

- Abbey
- Bank of Scotland (BOS)
- Clydesdale
- Royal Bank of Scotland (RBS)

16.10 All new investments are made in accordance with the approved counter party list, for varying periods up to a maximum of 12 months, based on liquidity requirements and the overall investment maturity profile.

Recommendation:

7. Note the action taken by Director for Corporate Support, acting under delegated authority, to remove the £10m limit on call accounts, these deposits to be managed within the overall credit limit for each banking group.

16.11 Progress on reducing debt and investment levels

In accordance with regulations, the Council has set aside funds to repay debt through the statutory requirement to make an annual charge to revenue (minimum revenue provision). A further set-aside balance has accrued as part of the requirement to set aside capital receipts to reimburse the funds used to repay a £34.4m loan for the Pavilions. These balances are shown within the Capital Adjustment Account on the Council's Balance Sheet.

The balance set aside stood at £53.8m at 31/3/09. During 2009/10 further sums will be set aside bringing the balance to £62.5m, including the full reimbursement of the funds used to finance the £34.4m loan repayment.

In line with the Council's strategy to reduce debt and minimise credit risk, and in consultation with our Treasury advisors, Arlingclose, this balance will be fully utilised in 2009/10 to repay the temporary borrowing taken in lieu of new longer term borrowing. Based on our current forecast to year end and the impact of stock transfer this will result in the Council's total debt, including £34.64m administered by Devon County Council, falling to approximately £227m at 31 March 2009. At the same time the Council's deposits invested in banks and building societies are forecast to fall from the balance at 30 September 2009 of £133.886m to £73.425m.

16.12 Audit Commission Report into Local Authority Investments in Iceland

The Audit Commission issued its report 'Risk and Return' outlining its findings into local authority deposits in Iceland earlier this year. The report identified a number of good and bad practices across authorities and set out a number of recommendations.

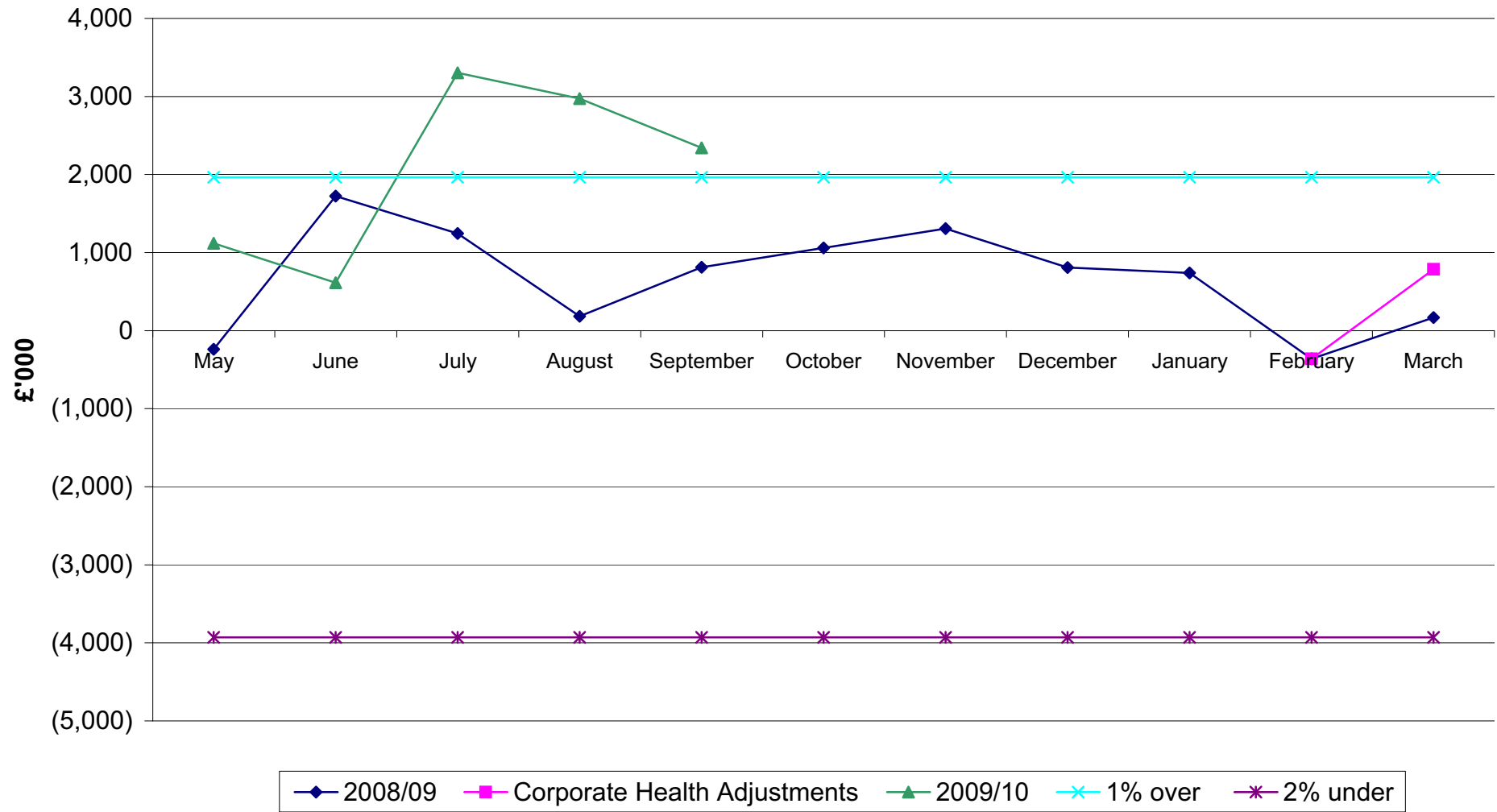
Although the authority can score itself as meeting best practice in a number of areas and has implemented the majority of the recommendations, the authority has recently commissioned an independent report from our treasury advisors, Arlingclose, to outline any further improvements that could be made to our treasury management practices and any recommendations will be reported to Cabinet at a later date.

Section E – Concluding Remarks

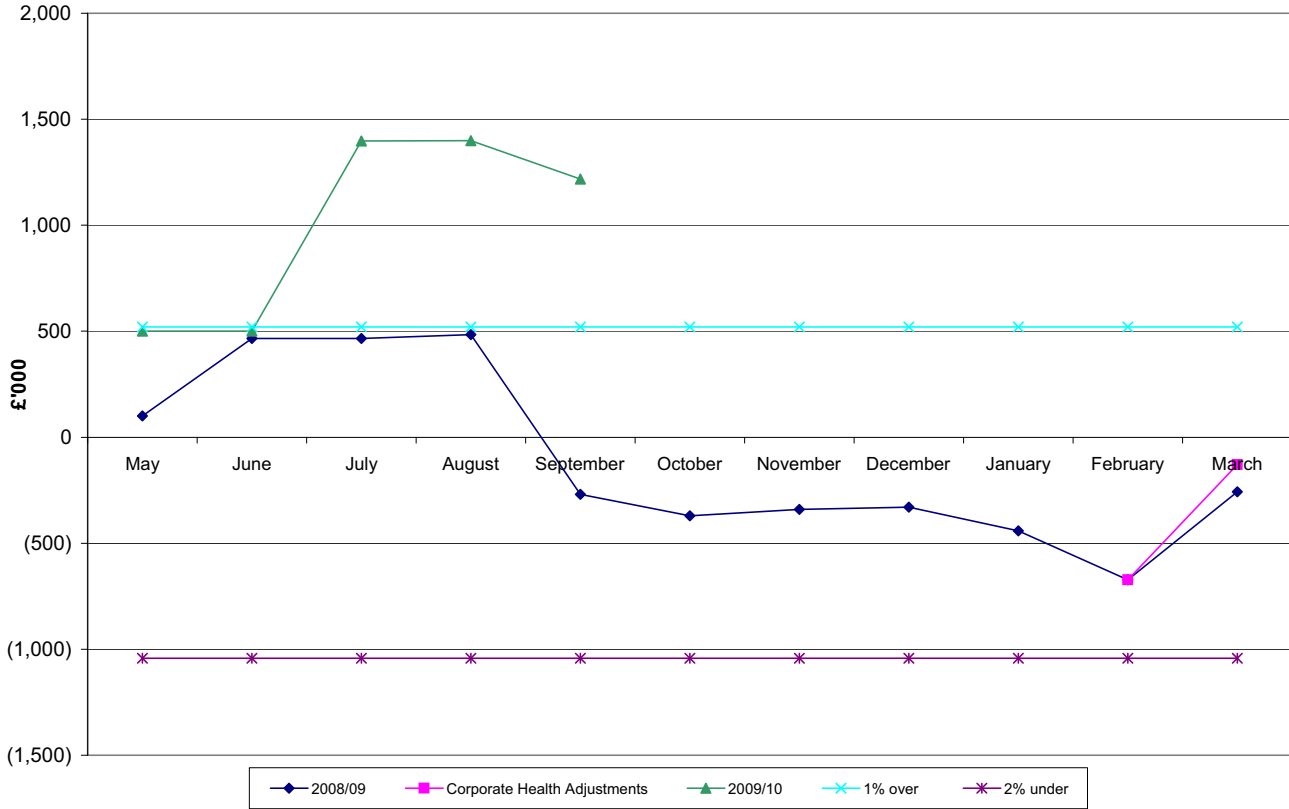
17. Summary

- 17.1 Performance information has been shown in a scorecard format highlighting the overall position of each CIP with narrative provided by each CIP lead to explain any issues arising and actions being taken
- 17.2 General Fund is forecasting a year end adverse variation (or overspend) of £2.341m or +1.2% of net revenue budget.
- 17.3 The revised in-year capital forecast and financing requirement is £82.478m, with actual spend as at 30 September standing at £35.687m.
- 17.4 A working balance of £2m is still forecast for the HRA but the actual amount will not be determined for some months as there remain a number of outstanding financial issues that will need to be addressed post transfer.

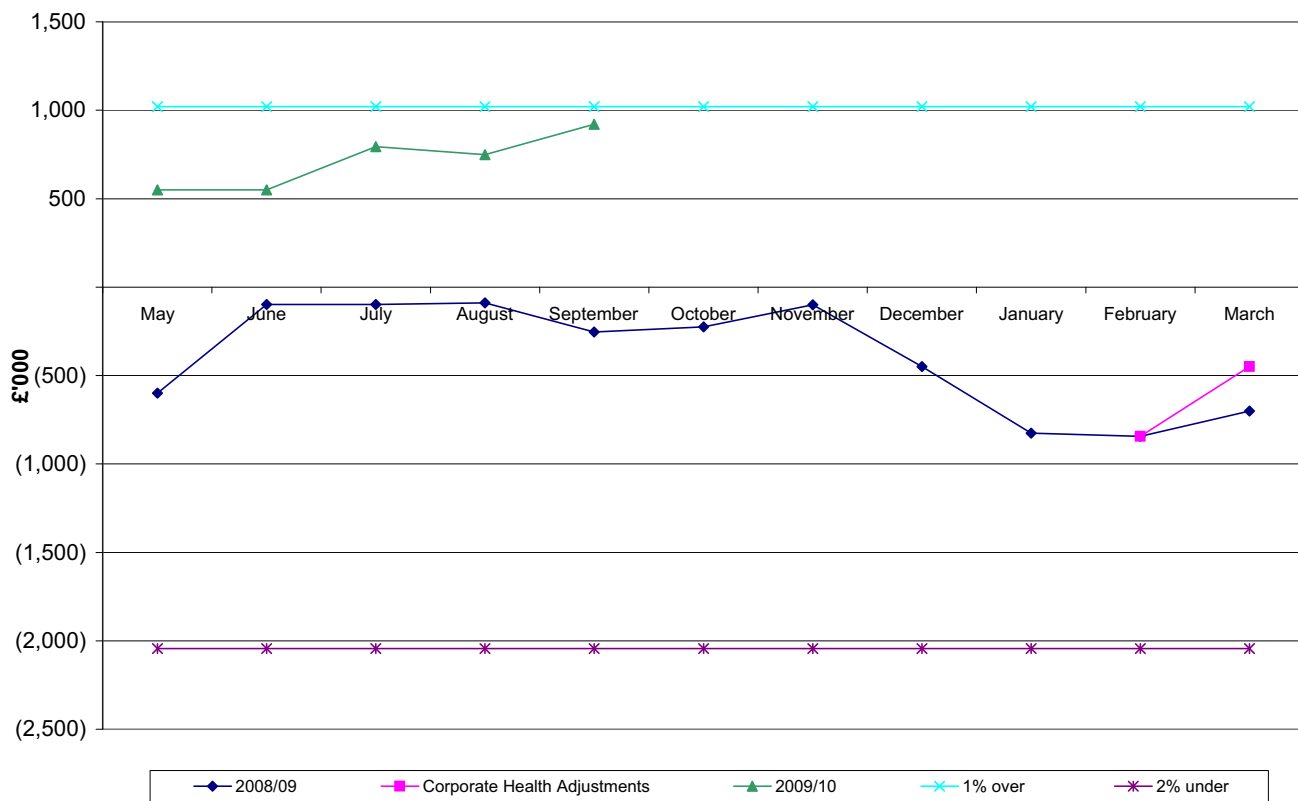
General Fund Monitoring Comparison 2008/09 & 2009/10



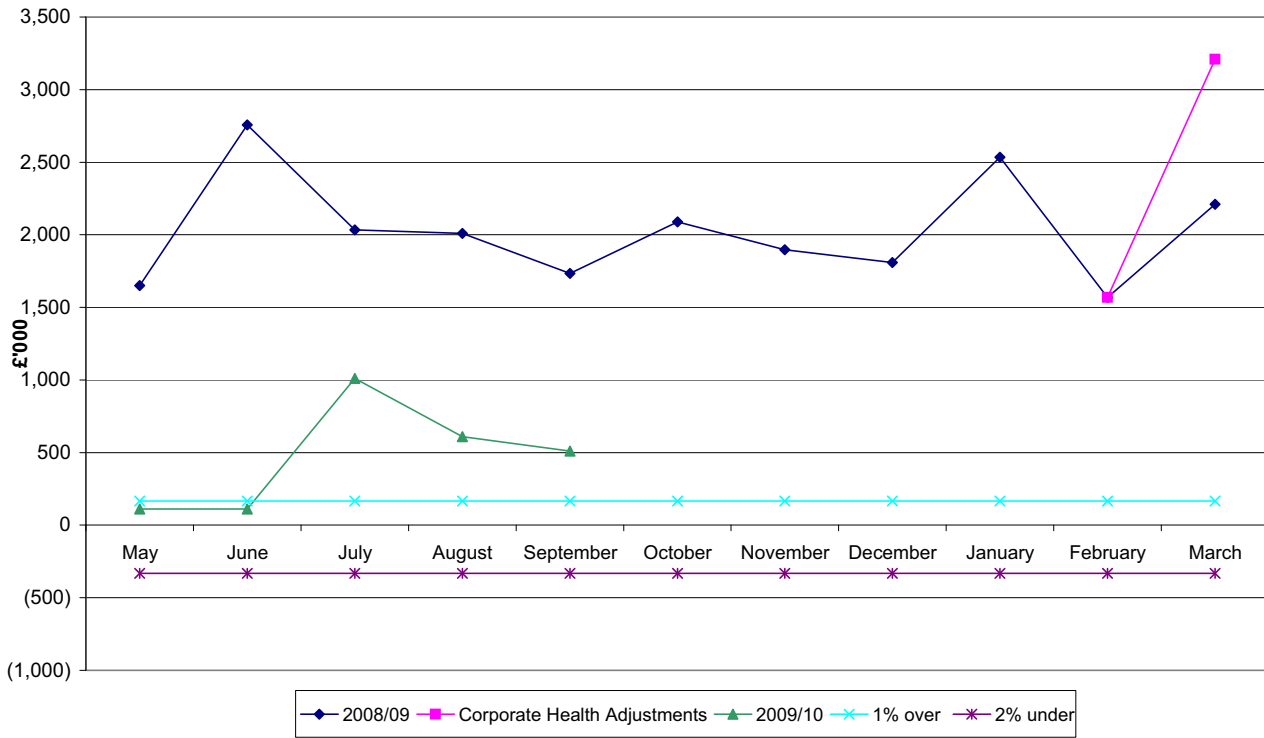
Children's Services Monitoring Comparison 2008/09 & 2009/10



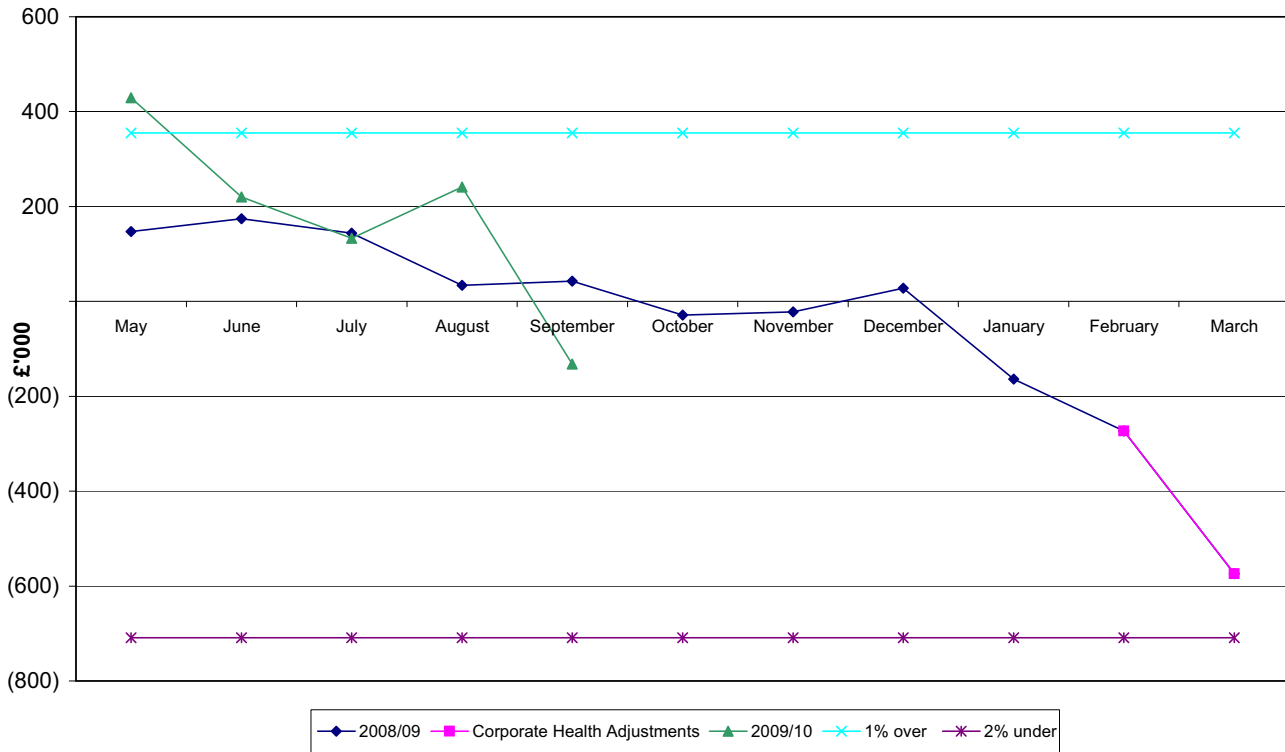
Community Services Monitoring Comparison 2008/09 & 2009/10



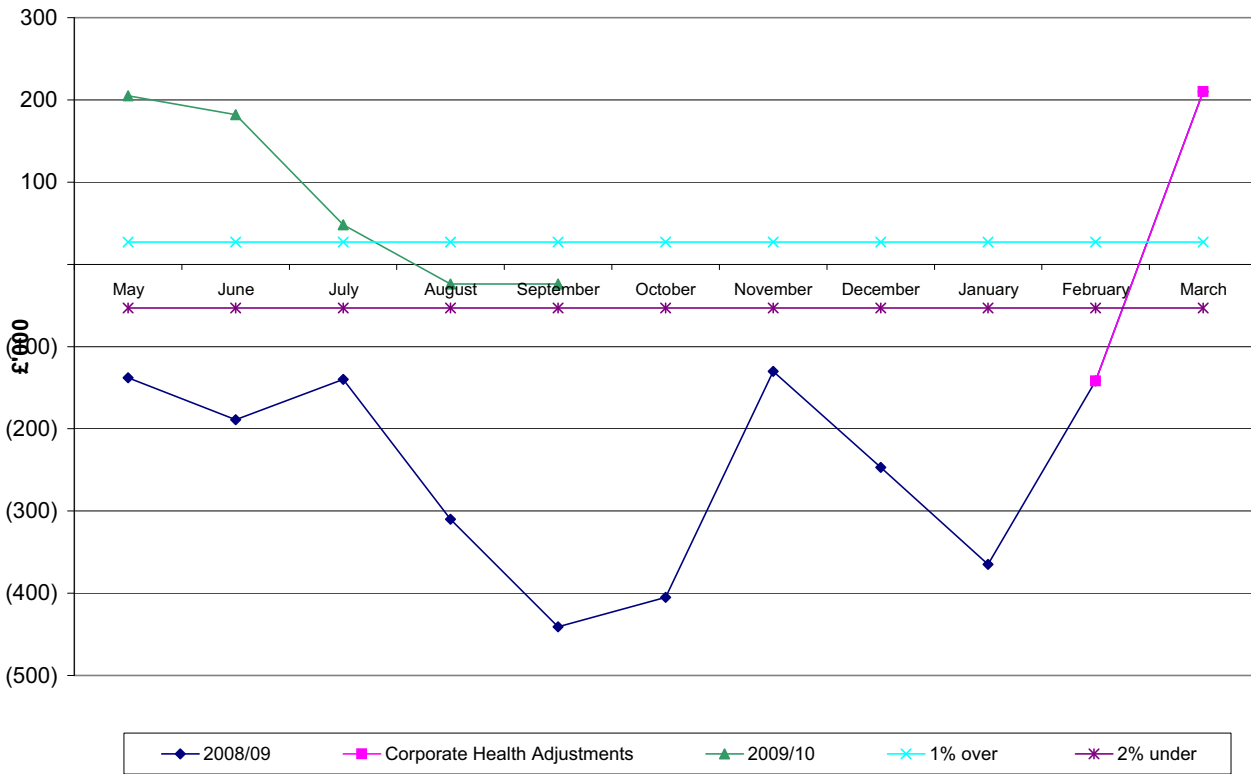
Development Monitoring Comparison 2008/09 & 2009/10



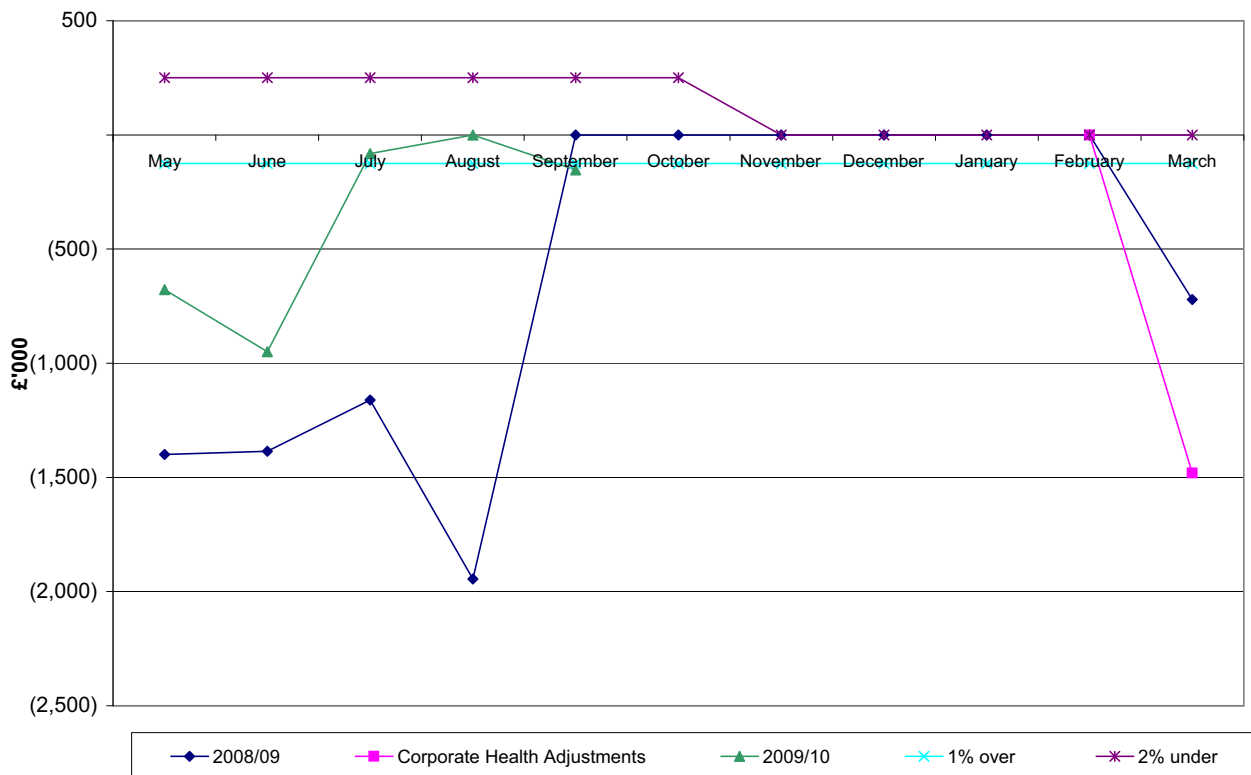
Corporate Support Monitoring Comparison 2008/09 & 2009/10



Chief Exec Monitoring Comparison 2008/09 & 2009/10



Corp Items Monitoring Comparison 2008/09 & 2009/10



SUMMARY CAPITAL PROGRAMME - as at 31st September 2009

| | Budget | | | | | | Financing | | | | | | |
|----------------------------|-------------------------------|------------------------------------|-----------------------------------|--------------------------------|---------------------------------|-----------------------------|---------------|------------------|-----------------------|---------------------|-------------------------------------|-----------------|-----------------|
| | Latest Approved Budget (July) | New Approvals (August & September) | Re-Profiling (August & September) | Virements (August & September) | Variations (August & September) | Latest Forecast (September) | Expenditure | Capital Receipts | Unsupported Borrowing | Supported Borrowing | Grants, Contributions & Section 106 | Revenue & Funds | Total Financing |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Children's Services | 58,426 | 50 | -1,919 | | 105 | 56,663 | 24,443 | 2,707 | 5,557 | 11,962 | 36,300 | 136 | 56,663 |
| Community & Neighbourhood | 11,398 | 43 | -143 | | | 11,299 | 2,038 | 794 | 6,918 | | 3,538 | 48 | 11,299 |
| Corporate Support | 1,097 | | | | | 1,097 | 593 | | 2 | | 1,094 | | 1,097 |
| Development & Regeneration | 24,417 | 26 | -1,048 | | -22 | 23,373 | 4,019 | 1,023 | 2,724 | 4,600 | 14,703 | 323 | 23,373 |
| HRA | 7,761 | 230 | | | | 7,991 | 4,594 | | | 2,076 | | 5,915 | 7,991 |
| #REF! | | | | | | | | | | | | | |
| Grand Total | 103,098 | 349 | -3,110 | | 84 | 100,422 | 35,688 | 4,524 | 15,202 | 18,638 | 55,636 | 6,422 | 100,422 |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent | |
|-----------------------------------|--|--|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|--|
| Children's Services | Completed Programmes: Outstanding Payments | Basic Need | - | - | - | - | - | - | - | - | |
| | | Emergency Works | - | - | - | - | - | - | (3,356) | | |
| | | NOF | 110,000 | - | - | - | - | 110,000 | 382 | 0.35% | |
| | | Planned Modernisation | 2,300 | - | - | - | - | 2,300 | 2,026 | 88.09% | |
| | | Strategic Projects | - | - | - | 81,688 | - | 81,688 | 42,572 | 52.12% | |
| | Condition and School Development Works | Condition Projects | - | - | - | - | - | - | - | - | |
| | | Condition Works: | 513,251 | - | (18,330) | (106) | 4,570 | 499,385 | 345,342 | 69.15% | |
| | | Condition Works: Primary | 58,945 | - | - | - | - | 58,945 | 1,689 | 2.87% | |
| | | Condition Works: Special Schools | - | - | - | - | - | - | - | - | |
| | | Removal of Temporary Classrooms: Primary | 1,000,000 | - | - | - | - | 1,000,000 | 224,571 | 22.46% | |
| | | Removal of Temporary Classrooms: Secondary | - | - | - | - | - | - | 6,180 | | |
| | | School Development: Primary | 2,253,394 | - | - | (80,000) | - | 2,173,394 | 575,736 | 26.49% | |
| | | School Development: Secondary | - | - | - | - | - | - | - | - | |
| | | School Development: Special Schools | 135,026 | - | - | - | - | 135,026 | 84,162 | 62.33% | |
| | | Surestart / Extended Schools / Children's Centres / Families | 722,507 | - | - | - | - | 722,507 | 15,447 | 2.14% | |
| | Sustainability / Carbon Reduction / Spend to Save | 837,640 | - | - | - | - | 837,640 | 350,026 | 41.79% | | |
| | Devolved Formula Capital | Nursery | 106,340 | - | - | - | - | 106,340 | 12,019 | 11.30% | |
| | | Other | 236,144 | - | - | (10,586) | - | 225,558 | 110,629 | 49.05% | |
| | | Primary | 1,799,751 | - | (42,464) | (326,679) | - | 1,430,608 | 565,877 | 39.55% | |
| | | Secondary | 1,201,974 | - | - | (112,241) | - | 1,089,733 | 315,413 | 28.94% | |
| Special | | 227,063 | - | - | - | - | 227,063 | 50,882 | 22.41% | | |
| Devolved Formula Capital Projects | Children's Social Care | - | - | - | - | - | - | - | - | | |
| | Nursery | 1,038 | - | - | - | 744 | 1,782 | 902 | 50.62% | | |
| | Other | 3,212 | - | - | - | - | 3,212 | - | 0.00% | | |
| | Primary | 443,777 | - | - | 256,821 | 3,635 | 704,233 | 357,726 | 50.80% | | |
| | Secondary | 477,289 | - | - | 59,609 | 48,558 | 585,456 | 353,760 | 60.42% | | |
| | Special | 30,102 | - | - | 800 | 5,040 | 35,942 | 16,791 | 46.72% | | |
| Focused Work | 14-19 Diploma Gateways & International Baccalaureate | 2,061,990 | - | (80,000) | (30,000) | 32,000 | 1,983,990 | 828,215 | 41.74% | | |
| | Condition Bid Programme (formerly Seed) | 1,311,881 | - | - | 12,437 | 130 | 1,324,448 | 637,417 | 48.13% | | |
| | ICT Projects | 468,278 | - | - | 45,549 | - | 513,827 | 569,303 | 110.80% | | |
| | Reducing Risk Bid Programme (formerly Security) | 237,673 | - | - | - | - | 237,673 | 76,941 | 32.37% | | |
| | School Meals | 1,523,551 | - | - | - | - | 1,523,551 | 81,317 | 5.34% | | |
| | Surestart / Extended Schools / Children's Centres / Families | 1,817,608 | - | - | 80,000 | - | 1,897,608 | 109,758 | 5.78% | | |
| Other Programmes | Other Items | - | - | - | - | - | - | - | | | |
| School Led Projects | Basic Need | - | - | - | (81,688) | - | (81,688) | (142,157) | 174.02% | | |
| | Children's Social Care | 191,852 | - | - | - | - | 191,852 | 16,587 | 8.65% | | |
| | Condition Bid Programme (formerly Seed) | - | - | - | - | - | - | - | | | |
| | DDA / Access Bid Programme | 75,000 | - | - | - | - | 75,000 | 10,726 | 14.30% | | |
| | Other Items | 826,402 | - | - | - | - | 826,402 | 59,249 | 7.17% | | |
| | Reducing Risk Bid Programme (formerly Security) | 1,077 | - | - | 915 | - | 1,992 | 1,992 | 100.02% | | |
| | SEN Placement Commitments in Schools | 160,527 | - | - | 15,000 | - | 175,527 | 41,146 | 23.44% | | |
| Strategic Programmes | City Development (Section 106 Projects) | 82,193 | - | - | 60,000 | - | 142,193 | 2,535 | 1.78% | | |
| | Development Fund | - | - | - | - | - | - | - | | | |
| | Diversity | - | - | - | - | - | - | - | | | |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent |
|-------------|---------|---------------------------|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|
| | | Expanding Popular Schools | 212,500 | - | - | - | - | 212,500 | 1,983 | 0.93% |
| | | Localities | - | - | - | - | - | - | - | |
| | | Multi-Agency Working | 100,000 | - | - | - | - | 100,000 | 7,047 | 7.05% |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent |
|---------------------|---------|---------------------------------------|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|
| | | PFI | 2,761,427 | - | - | - | - | 2,761,427 | 2,731,623 | 98.92% |
| | | Primary Capital Programme | 19,547,441 | - | (1,777,952) | - | - | 17,769,489 | 11,286,380 | 63.52% |
| | | School Development: Secondary | 935,553 | 50,000 | - | 10,981 | (25,000) | 971,534 | 300,601 | 30.94% |
| | | Secondary Development / BSF | 14,247,527 | - | - | - | - | 14,247,527 | 4,160,684 | 29.20% |
| | | Special Education Needs and Inclusion | 1,504,612 | - | - | 17,500 | - | 1,522,112 | 184,157 | 12.10% |
| | | Tuition Service | - | - | - | - | - | - | - | - |
| | | Youth / Adult Learning | 199,164 | - | - | - | 35,706 | 234,870 | 49,114 | 20.91% |
| Children's Services | | | | | | | | | | |
| Total | | | 58,426,009 | 50,000 | (1,918,746) | - | 105,383 | 56,662,646 | 24,443,396 | 43.14% |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent | |
|----------------------------------|----------------------------------|----------------------------------|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|---|
| Development & Regeneration | Local Transport Plan | Capital Maintenance | 1,572,150 | - | - | (134,000) | - | 1,438,150 | (25,089) | -1.74% | |
| | | Demand Management | 574,986 | - | - | 25,946 | (21,636) | 579,296 | 165,532 | 28.57% | |
| | | Developer Contribution | - | - | - | - | - | - | - | - | - |
| | | Dft settlement not yet allocated | (38,165) | - | - | 65,019 | - | 26,854 | 6,510 | 24.24% | |
| | | Northern Corridor | 735,843 | - | - | - | - | 735,843 | 310,219 | 42.16% | |
| | | Public Transport | 1,881,886 | - | - | 101,000 | (5,000) | 1,977,886 | 203,307 | 10.28% | |
| | | Regeneration & Urban Renewal | - | - | - | - | - | - | - | - | - |
| | | Road Safety | 205,726 | - | - | (3,000) | - | 202,726 | 48,302 | 23.83% | |
| | | Safety Camera Partnership | 97,748 | - | - | - | - | 97,748 | 2,531 | 2.59% | |
| | Walking & Cycling | 866,332 | - | - | (55,965) | - | 810,367 | 254,394 | 31.39% | | |
| | Planning | Planning | 431,800 | - | - | - | - | 431,800 | 1,202 | 0.28% | |
| | Transport - Development Projects | Alleygates | 5,676 | - | - | - | 10,250 | 15,926 | 1,676 | 10.52% | |
| | | Barbican Landing Stage | 12,302 | - | - | - | - | 12,302 | (24,243) | -197.07% | |
| | | Cumberland Gardens | 370,000 | - | - | - | - | 370,000 | 12,709 | 3.43% | |
| | | Granby Green | 54,095 | - | - | - | - | 54,095 | 47,354 | 87.54% | |
| | | Parks | 1,538,051 | - | - | - | - | 1,538,051 | 153,388 | 9.97% | |
| | | Plymouth Gateway | 162,230 | - | - | - | - | 162,230 | - | 0.00% | |
| | | Stonehouse Regeneration | - | - | - | - | - | - | (12,897) | - | |
| | Transport - Non LTP | Eastern Corridor | 2,123,629 | - | - | 1,000 | (1,000) | 2,123,629 | - | 0.00% | |
| | | Other | 400,000 | - | - | - | - | 400,000 | - | 0.00% | |
| | | West End | 2,927,625 | - | - | - | - | 2,927,625 | 1,376,458 | 47.02% | |
| | Property & Economic Development | Commercial Developments | 718,690 | - | (100,000) | - | - | 618,690 | 6,434 | 1.04% | |
| | | Corporate Real Estate | 1,292,977 | - | 17,700 | - | - | 1,310,677 | 466,265 | 35.57% | |
| | | Parks | - | - | - | - | - | - | - | - | |
| | Strategic Housing | Disabled Adaptations | - | - | - | - | - | - | - | - | |
| | | HECA Programme Private Sector | 417,717 | - | - | - | - | 417,717 | 83,929 | 20.09% | |
| | | Misc Schemes | 100,000 | - | - | - | - | 100,000 | - | 0.00% | |
| Partnership & Affordable Housing | | 338,309 | 26,000 | - | - | - | 364,309 | 739 | 0.20% | | |
| Private Sector Grants | | 2,360,028 | - | - | - | - | 2,360,028 | 1,089,963 | 46.18% | | |
| Private Sector Regeneration | 315,663 | - | - | - | - | 315,663 | 10,854 | 3.44% | | | |
| Environmental Services | Recycling | 851,725 | - | (766,000) | - | - | 85,725 | - | 0.00% | | |
| | Waste | 4,099,760 | - | (200,153) | - | (4,317) | 3,895,290 | (160,054) | -4.11% | | |
| Development & Regeneration Total | | 24,416,783 | 26,000 | (1,048,453) | - | (21,703) | 23,372,627 | 4,019,482 | 17.20% | | |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent |
|---------------------------------|----------------------------|------------------------------------|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|
| Community & Neighbourhood | Leisure Culture & Sport | Central Park | 7,607,103 | - | - | - | - | 7,607,103 | 1,150,752 | 15.13% |
| | | Libraries | 829,396 | - | - | - | - | 829,396 | 80,414 | 9.70% |
| | | Mount Edgumbe | 307,011 | - | - | - | - | 307,011 | 157,059 | 51.16% |
| | | Museums | - | - | - | - | - | - | 40,693 | - |
| | | Other Leisure | - | - | - | - | - | - | - | - |
| | | Plymouth Leisure | 1,026,560 | - | - | - | - | 1,026,560 | 400,651 | 39.03% |
| | Adult Health & Social Care | Community Care | 576,398 | - | - | - | - | 576,398 | 141,647 | 24.57% |
| | | Drug Users in Treatment Programmes | - | - | - | - | - | - | - | - |
| | Environmental Services | Environmental & Regulatory | 142,500 | - | (142,500) | - | - | - | - | - |
| | | LPSA | - | - | - | - | - | - | - | - |
| | | Parks | 324,416 | 43,441 | - | - | - | 367,857 | 57,853 | 15.73% |
| Vehicle Purchases | | 584,361 | - | - | - | - | 584,361 | 9,056 | 1.55% | |
| Community & Neighbourhood Total | | 11,397,745 | 43,441 | (142,500) | - | - | 11,298,686 | 2,038,124 | 18.04% | |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent |
|-------------------|---------------------|---------------------|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|
| Corporate Support | Human Resources | Human Resources | 6,745 | - | - | - | - | 6,745 | - | 0.00% |
| | Information Systems | Information Systems | 1,087,495 | - | - | - | - | 1,087,495 | 593,478 | 54.57% |
| | Legal Services | Legal Services | 2,497 | - | - | - | - | 2,497 | - | 0.00% |
| Corporate Support | | | | | | | | | | |
| Total | | | 1,096,737 | - | - | - | - | 1,096,737 | 593,478 | 54.11% |

| Directorate | Service | Sub Programme | Latest Forecast - July | New Approval August & September | Re-Profiling August & September | Virements August & September | Variations August & September | Latest Forecast - September | Actuals (accruals basis) | % of LF Spent |
|-------------|-------------------------|--------------------------|------------------------|---------------------------------|---------------------------------|------------------------------|-------------------------------|-----------------------------|--------------------------|---------------|
| HRA | Housing Revenue Account | Decency Standards | 4,555,583 | 160,000 | - | 35,000 | - | 4,750,583 | 3,149,148 | 66.29% |
| | | Devonport | 1,322,870 | - | - | - | - | 1,322,870 | 164,293 | 12.42% |
| | | Disabled Adaptations | 451,413 | - | - | (50,000) | - | 401,413 | 295,033 | 73.50% |
| | | HRA Capitalised Salaries | 520,034 | - | - | - | - | 520,034 | 482,889 | 92.86% |
| | | Major Repairs | 910,918 | 70,000 | - | 15,000 | - | 995,918 | 502,263 | 50.43% |
| HRA Total | | | 7,760,818 | 230,000 | - | - | - | 7,990,818 | 4,593,626 | 57.49% |
| Grand Total | | | 103,098,092 | 349,441 | (3,109,699) | - | 83,680 | 100,421,514 | 35,688,105 | 35.54% |

Movement in Reserves 2009/10

| | Balance as at 31/03/2009 £'000 | Transfers to Reserves £'000 | Transfers from Reserves £'000 | Balance as at 31/03/2010 £'000 | Purpose of reserve |
|--|--------------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|---|
| Off Street Parking | 0 | (851) | 851 | 0 | Represents Accumulated trading surplus |
| On Street Parking | 0 | (1,261) | 1,261 | 0 | Represents Accumulated trading surplus |
| City Market | (0) | (230) | 230 | (0) | Represents Accumulated trading surplus |
| Commuted Maintenance | (931) | 0 | 23 | (908) | Contribution from developers /section 106 agreements to provide for future maintenance over a period of years |
| Education Carry Forwards | (3,207) | (1,535) | 3,073 | (1,669) | Schools ringfenced resources mainly from grants |
| Taxis | 131 | (25) | 0 | 106 | Represents Accumulated trading deficit |
| Street Trading | (104) | 0 | 0 | (104) | Represents Accumulated trading surplus |
| Land Charges Development Fund | (54) | (35) | 35 | (54) | To fund improvements in the LLC service |
| Accommodation Reserve | (1,262) | (550) | 250 | (1,562) | To meet costs of repairs to Office Accommodation, and submission of planning applications for Civic and new office accommodation. |
| Insurance Reserve | (1,429) | 0 | 350 | (1,079) | To meet any unforeseen/increased costs of insurance claims or works to minimise insurance risk . Expenditure anticipated re almshouses |
| Carry Forwards | (3,856) | 0 | 2,156 | (1,700) | Reserve set up from end of year budget underspends to meet future Council priorities. This reserve will generally be utilised in full in the following year but may be supplemented as part of Closedown following assesment of future risks and budget pressures. reserve includes the JE appeals contingency of £2.1m. £1.399m anticipated as remaining at year end |
| Redundancies | (1,133) | 0 | 1,133 | 0 | To meet costs of redundancies in 2009/10 |
| DRCP Freedom and Flexibility 07/08 reserve | (1,145) | 0 | 0 | (1,145) | Reserve set aside to meet future expenditure in Devonport, in lieu of grant funding in 2007/08. Approval to slip into 2010/11. |
| Corporate Improvement Reserve | (3,836) | (576) | 3,662 | (750) | Fund to be used to support the CIP's |
| Stock Transfer | (735) | 0 | 735 | (0) | This reserve is used to support the costs incurred in preparing for potential stock transfer |
| Capital Reserve | (975) | 0 | 0 | (975) | To be used to support the capital programme and potential shortfall in capital receipts. Anticipated will be required in 2010/11 and 2011/12 |
| Waste Balancing Reserve | (750) | (350) | 0 | (1,100) | Reserve set up to proactively provide and manage the future budget shortfall when the waste PFI scheme becomes operational. |
| PFI reserve | (1,801) | 0 | 0 | (1,801) | PFI credits received in advance |
| Job Evaluation/Equal Pay | (350) | 0 | 0 | (350) | To meet costs of equal pay claims submitted after 1 April 2008 onwards |
| Strategy for Change (BSF) | (250) | (100) | 350 | 0 | To support the cost of submitting our BSF bid continuing the priority of providing high quality learning environments |
| Iceland Bank | (281) | (24) | 0 | (305) | Allowance for investment losses of the money invested in the Icelandic banks. Approved transfer to reserve of interest receivable under dividend repayments |
| Urban Enterprise Fund | (1,000) | 0 | 674 | (326) | Match funding to ensure that Plymouth gains access to the European funding available to the region to support Urban Enterprise |
| Other Reserves | (663) | (92) | 295 | (460) | as required to meet specific policy commitments |
| Sub Total | (23,631) | (5,629) | 15,077 | (14,183) | |
| Working Balance | (11,739) | (128) | 350 | (11,517) | General Balance available to meet unforeseen expenditure. This balance represents 6% of net revenue expenditure and is in line with Unitary Council averages |
| | (35,370) | (5,757) | 15,427 | (25,700) | |

() Means favourable

Position on Provisions as at 30 September 2009

| Provision | Balance at 31/03/09 | Provisions made in year | Provisions used in year | Balance at 31/03/10 |
|--|---------------------|-------------------------|-------------------------|---------------------|
| | £000 | £000 | £000 | £000 |
| General Provisions | | | | |
| Provision for Repayment of Grant | (337) | 0 | 0 | (337) |
| JE back dated appeals/Pay increase | (300) | 0 | 300 | 0 |
| Backdated equal pay* | (3,330) | 0 | | (3,330) |
| Provision For Remedial Work DSD | (51) | 0 | 0 | (51) |
| Provision For Cyclical Repairs | (8) | (1) | 0 | (9) |
| s117 Refunds | (347) | 0 | 347 | 0 |
| Repaid Renovation Grants | (18) | (2) | 1 | (19) |
| Plymouth Pavilions | (80) | 0 | 80 | 0 |
| HRA Gas Servicing Ex-Gratia Payments | (1,786) | 0 | 1,786 | 0 |
| Sub Total: | (6,259) | (3) | 2,515 | (3,747) |
| Insurance provisions | | 0 | 0 | |
| Accident Fund | (1,831) | (630) | 315 | (2,146) |
| Insurance Public Liability Fund | (2,905) | (1,208) | 752 | (3,361) |
| Insurance Computer Fund | 0 | 0 | 0 | 0 |
| Insurance Property Fund | (192) | (173) | 94 | (271) |
| Money Fidelity and All Risks Policy | 0 | 0 | (15) | (15) |
| Balance of Risk for School | (132) | 0 | 16 | (116) |
| DCC Insurance Fund Provision | (152) | 0 | 0 | (152) |
| Insurance Public Liability HRA | (366) | (100) | 100 | (366) |
| Sub Total Insurance Provisions: | (5,579) | (2,110) | 1,263 | (6,426) |
| Total Provisions | (11,838) | (2,113) | 3,778 | (10,173) |
| | | | | |
| Total provision for bad debt | (5,505) | (687) | 790 | (5,402) |

* **Note** £1.842m added to provision in 2008/09 in line with statutory accounting requirements. This amount is offset by a negative 'backdated equal pay' reserve of £1.842m. This amount will not be charged to the revenue budget until actual payments are made. This differs from the treatment of all other reserves which are required to be charged to revenue when the provision is set up and/or transfers to the provision are made.

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CITY OF PLYMOUTH

Subject: Customers and Communities Overview and Scrutiny Panel Quarterly Report

Committee: Customers and Communities Overview and Scrutiny Panel

Date: 23 November 2009

CMT Member: Director for Community Services

Author: Pete Aley (Customers and Communities Overview and Scrutiny Panel Lead Officer)

Contact: Tel no: 01752 304321
Email: pete.aley@plymouth.gov.uk

Ref:

Part: I

Executive Summary:

This report sets out a review of the Customers and Communities Overview and Scrutiny Panel for the second quarter of 2009/10.

Corporate Plan 2009-2012:

The Customer and Communities Overview and Scrutiny Panel provides strategic scrutiny of the following Corporate Improvement Priorities and key areas:

- CIP1 - improving customer service
 - CIP6 - providing more and better culture and leisure activities
-

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

None.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

None.

Recommendations and Reasons for recommended action:

That the report is noted

Alternative options considered and reasons for recommended action:

N/A

Background papers:

Customers and Communities Overview and Scrutiny Panel minutes.

Sign off: N/A

CITY OF PLYMOUTH

Customers and Communities Overview and Scrutiny Panel Quarterly Report

1. Introduction

- 1.1 This report sets out a review of the Customers and Communities Overview and Scrutiny Panel for the second quarter of 2009/10, incorporating the meetings of 27 July, 28 September and 26 October 2009.

2. Scope of the Overview and Scrutiny Panel

- 2.1 The Customers and Communities Overview and Scrutiny Panel is primarily concerned with the strategic scrutiny of the following Corporate Improvement Priorities and key areas –

- CIP1 - Improving customer service
- CIP6 - Providing more and better culture and leisure activities

- 2.2 The detailed terms of reference for the panel are contained in Appendix 1.

- 2.3 The panel consists of the following members and officers

| Title | Name | Attendances (3 meetings) |
|-------------------------------|--------------|-----------------------------|
| Councillor (Chair) | Fox | 3 |
| Councillor (Vice Chair) | Wildy | 3 |
| Councillor | Berrow | 3 |
| Councillor | Mrs Foster | 3 |
| Councillor | McDonald | 3 |
| Councillor | Mrs Nicolson | 2 |
| Councillor | Roberts | 3 |
| Councillor | Smith | 2 |
| Councillor | Mrs Stephens | 2 |
| Lead Officer | Pete Aley | 2 |
| Democratic Support Officer | Helen Wright | 3 |

- 2.4 The Panel, through strategic and operational scrutiny, supports the following cabinet members and Council Management Team members -

| Title | Name |
|--|----------------------|
| Cabinet Member for Safer and Stronger Communities | Councillor Brookshaw |
| Cabinet Member for Leisure, Sport and Culture | Councillor Jordan |
| Cabinet Member for Street Scene, Waste and Sustainability | Councillor Leaves |
| Cabinet Member for Customer Services, Performance and Partnerships | Councillor Ricketts |
| Director for Community Services | Carole Burgoyne |

2.5 The panel submitted a recommendation to the Overview and Scrutiny Management Board that the relevant CIPs and cross cutting CIPs were included on its Terms of Reference. It was essential for the panel to look at cross cutting CIPs to avoid silo working.

2.6 The panel has a budget of £2,000 to support the scrutiny work.

3. Key Achievements to Date

3.1 The panel has now met on three occasions. Meetings have been well attended by panel members. A positive contribution has been made to support the strategic and operational overview in particular the following achievements have already been made –

- The panel has approved a work programme focusing on the CIPs.
- The panel has recommended that feedback from the Overview and Scrutiny Management Board is a standing item on its own agenda, enabling the panel to ensure it operates effectively and maintains a good working relationship with the Overview and Scrutiny Management Board and other Overview and Scrutiny panels.
- The panel has recommended to the Overview and Scrutiny Management Board that it provided a 'tool kit' outlining the process and procedure for a Councillor Call for Action and the 'tool kit' is made available to Members, departments and interested parties within the next committee cycle. A further recommendation was made for the strategic partners to make resources available to undertake research on the national indicators 17 and 21 and enhance the delivery of the mapping of the intergenerational work within the City;
- The panel has recommended to Cabinet following its scrutiny of the 12 month review of the cumulative impact policy that –
 - ▶ it did not accept the conclusion of the consultation process;
 - ▶ the existing policy should remain in place;
 - ▶ a full review should take place together with the three year licensing review for 2011.
- The panel formed part of the consultation process for the development of the Plymouth Sports Facility Strategy. It was agreed by the panel to bring the strategy back to a future meeting after the conclusion of the public consultation process on 22 January 2010.
- Two successful meetings of the joint task and finish group on Localities Working have taken place on 2 and 5 November 2009. Witnesses that attended included the police, representatives from the council and the third sector, members of the public and the Chairs from two Area Committees.

The joint report was currently being drafted and would be submitted to the Overview and Scrutiny Management Board on 2 December 2009. Members of the joint task and finish group were –

Councillor Fox (Chair)
Councillor Wildy (Vice Chair)
Councillor Purnell
Councillor Roberts
Councillor Mrs Stephens
Councillor Mrs Watkins

4. On the Horizon

- 4.1 Localities working will be considered prior to recommendations being made to Cabinet on 19 January 2010 and Council on 1 February 2010.
- 4.2 The panel will be receiving an update and agreeing the future scrutiny arrangements for the Life Centre and related leisure projects at its panel meeting on 23 November 2009.
- 4.3 The panel agreed to bring back to a future meeting the Tackling Anti Social Behaviour Strategy including the Councillor Call for Action.
- 4.4 With the council facing challenging budget pressures in the year ahead, the panel queried the 'value' of producing a quarterly scrutiny report. The report needs to be more focused on monitoring the outcomes of the panel's recommendations.

5. Recommendation

- 5.1 That the progress of the Customers and Communities Overview and Scrutiny panel is noted by the Overview and Scrutiny Management Board.

Customers and Communities Overview and Scrutiny Panel

Terms of Reference

- To review new and existing policies and consider how they may be improved and developed;
- To monitor the budget and performance of the Cabinet Member, Department and partners to ensure that the priorities for the area are being delivered upon;
- To monitor performance against the relevant Corporate Improvement Priorities;
- To review Policies within the Budget and Policy Framework;
- To consider Equality Impact Assessments against new and existing policies;
- To investigate local issues to find out how the council and its partners can improve to meet the needs of local people;
- To make recommendations about service delivery to the Cabinet (via the Board)
- To review and scrutinise the performance of partner organisations
- To set up Ad-Hoc Working Groups as and when required;
- To produce quarterly progress reports to go to the management board

Policy areas

- Customer Services
- Environmental Services
- Safer Communities
- Leisure, Culture and Sport
- Environmental regulation
- Crime and Disorder (This Panel will take on the role of the Crime and Disorder Overview and Scrutiny Panel)

Cabinet Members

- Street Scene, Waste and Sustainability
- Customer Services, Performance and Partnerships
- Safer and Stronger Communities
- Leisure, Culture and Sport

Directorates

- Community Services
- Corporate Support

Corporate Improvement Priorities (CIPs)

- Customers Service (CIP 1)
- Culture and Leisure (CIP 6)

LSP Link

- Safe and Strong

Membership

The Chair of the Panel shall serve on the Overview and Scrutiny Management Board. The Customers and Communities Overview and Scrutiny Panel will be chaired by a Member of the majority political group with the vice-chair from the opposition political group. All Members of the panel will adhere to the general rules of Overview and Scrutiny.

CITY OF PLYMOUTH

Subject: Growth & Prosperity Overview and Scrutiny Panel Quarterly Report
Committee: Growth & Prosperity Overview and Scrutiny Panel
Date: 23 November 2009
Cabinet Member: Councillor Kevin Wiggins (Transport)
Councillor Ted Fry (Planning, Strategic Housing and Economic Development)
CMT Member: Anthony Payne (Director for Development & Regeneration)
Author: Gill Peele (Growth & Prosperity Overview and Scrutiny Panel Lead Officer)
Contact: gill.peele@plymouth.gov.uk
Ref: GP-OSPQtr2-
Part: Part I

Executive Summary:

This report sets out a review of the Growth & Prosperity Overview and Scrutiny Panel for the second quarter of 2009/2010.

Corporate Plan 2009-2012:

The Growth & Prosperity Overview and Scrutiny Panel provides strategic scrutiny of the following Corporate Improvement Priorities and key areas:

- CIP5 - Providing better and more affordable housing
 - CIP11 - Improving access to the city
 - CIP12 - Delivering Sustainable Growth
 - The strategic and operational activities of the Department for Development & Regeneration
-

Implications for Medium Term Financial Plan and Resource Implications:

Including finance, human, IT and land

None

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

None

Recommendations & Reasons for recommended action:

That the report is noted

Alternative options considered and reasons for recommended action:

N/A

Background papers:

Growth & Prosperity Overview and Scrutiny minutes and forward plan

Sign off: N/A

CITY OF PLYMOUTH

Growth & Prosperity Overview and Scrutiny Panel Quarterly Report

1. Introduction

- 1.1 This report sets out a review of the Growth & Prosperity Overview and Scrutiny Panel for the second quarter of 2009/10, incorporating the meetings of 20th July and 28th September 2009 respectively.

2. Scope of the Overview and Scrutiny Panel

- 2.1 The Growth & Prosperity Overview and Scrutiny Panel is primarily concerned with the strategic scrutiny of the following Corporate Improvement Priorities and key areas:
- o CIP5 - Providing better and more affordable housing
 - o CIP11 - Improving access to the city
 - o CIP12 - Delivering Sustainable Growth
 - o The strategic and operational activities of the Department for Development & Regeneration
- 2.2 The detailed terms of reference for the panel are contained in Appendix 1.
- 2.3 The panel consists of the following members and officers

| Title | Name | Attendances (2 meetings) |
|-------------------------|---------------|-----------------------------|
| Councillor (Chair) | D.Viney | 2 |
| Councillor (Vice Chair) | M.Coker | 2 |
| Councillor | R.Ball | 2 |
| Councillor | M.King | 0 |
| Councillor | Martin Leaves | 2 |
| Councillor | D.Reynolds | 1 |
| Councillor | B. Roberts | 2 |
| Councillor | J.Nelder | 2 |
| Councillor | G.Wheeler | 2 |
| Lead Officer | G.Peele | 2 |
| Democratic Support | H.Rickman | 2 |

- 2.4 The Panel, through effective strategic and operational scrutiny, supports the following cabinet members and CMT officers

| Title | Name |
|---|---------------|
| Cabinet Member (Planning, Strategic Housing & Economic Development) | Ted Fry |
| Cabinet Member (Transport) | Kevin Wiggins |
| Director for Development & Regeneration | Anthony Payne |

- 2.5 The panel has a budget of £2,000 to support the scrutiny work.

3. Key achievements to date

3.1 The panel met on two occasions during the period of this quarterly report. Meetings have been well structured, managed efficiently and well attended by panel members. A positive contribution has been made to support an effective strategic and operational overview, in particular the following achievements have already been made:

- The July meeting received the Director for Development & Regeneration who gave a presentation on the key drivers and objectives for the delivery of the CIPs and potential areas where the Growth & Prosperity Overview & Scrutiny would add value
- The panel has approved a work programme focusing on the CIP's and progress of key strategies, planned growth for the city ,economic development and carbon reduction commitment
- The agreed work programme focuses on helping to develop policy where the Council can tackle impacts of the recession, maintaining an oversight of progress on long term growth targets/projects, ensuring the Council understands the significance of on going strategic housing role following housing stock transfer and providing an oversight and advice on key partnership issues
- The panel is also managing and resolving it's tracking resolutions promptly. A Task and Finish group assembled during the previous year has continued to meet to complete the health & safety review of the Hoe Foreshore
- The September meeting focussed on Worklessness and the role of the Council as viewed by external partners. JobCentreplus , Working Links, Employment & Skills Board and DRCP gave presentations to the panel to set the scene for the review.
- The achievement of the panel so far this year has been helped by the understanding of issues by the Chair / Vice Chair, supported by scheduled meetings with senior officers within the Department for Development & Regeneration.

4. On the Horizon

4.1 The work programme for the quarters 3 and 4 includes the following;

- To receive information from officers on what the Council as an employer is doing to support the worklessness agenda and to invite external partners to a follow up meeting to share the panels recommendations
- To receive an update on the Carbon Reduction Commitment
- To consider the right of the Council to exercise a veto on the BID proposal
- To receive and review the LDF Annual Monitoring Report
- To receive an understanding of the Strategic Housing role of the Council and to recommend future Overview and Scrutiny involvement

- To review the current Skateboarding bye-law in the city centre

5. Recommendation

5.1 That the progress of the Growth & Prosperity Overview and Scrutiny panel is noted by the Overview and Scrutiny Management Board

Gill Peele

Lead Officer Growth & Prosperity Overview and Scrutiny Panel

2nd November 2009

Growth & Prosperity Overview and Scrutiny Panel

Growth and Prosperity Overview and Scrutiny Panel

Terms of Reference

- To review new and existing policies and consider how they may be improved and developed;
- To monitor the budget and performance of the Cabinet Member, Department and partners to ensure that the priorities for the area are being delivered upon;
- To monitor performance against the relevant Corporate Improvement Priorities;
- To review Policies within the Budget and Policy Framework;
- To consider Equality Impact Assessments against new and existing policies;
- To investigate local issues to find out how the council and its partners can improve to meet the needs of local people;
- To make recommendations about service delivery to the Cabinet (via the Board)
- To review and scrutinise the performance of partner organisations
- To set up Ad-Hoc Working Groups as and when required;
- To produce quarterly progress reports to go to the management board

Cabinet Members

- Transport
- Safer and Stronger Communities (until Housing Stock Transfer)
- Planning, Strategic Housing and Economic Development
- Street Scene, Waste and Sustainability

Directorate

- Development and Regeneration
- Community Services (until Housing Stock Transfer)

- Planning
- Transport
- Strategic Housing
- Economic Development
- Sustainability and Climate Change

Corporate Improvement Priorities (CIPs)

- Better Homes (CIP 5)
- Waste and Recycling (CIP 10) (This is first part only, i.e long term waste disposal solution)
- Transport (CIP 11)
- Sustainable Growth (CIP 12)

LSP Link

- Wealthy Theme Group

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Recommendations from Panels to Management Board**Support Services Overview and Scrutiny Panel****Item referred by O & S Management Board – role profiles****1 October 2009 - Minute 18 (iv)**

Members were informed that the indicator on role profiles showed as “amber” but officers were confident that it would be completed by the target date of December 2009.

Item referred by O & S Management Board – community engagement with the budget**29 October 2009 - Minute 29**

In respect of community engagement with the budget setting process, the Head of Performance, Policy and Partnerships informed the panel that there were various activities underway including presentations to Area Committees and a three day event in Drakes Circus Shopping Centre. The event would take place in November and would involve members of the Senior Management Team talking with members of the public and gathering their views on the Council Priorities. It was estimated that officers could speak to around 400 people over the 3 day period.

Members raised questions in relation to the advertisement of the event.

The Head of Performance, Policy and Partnerships advised that the purpose of the placing the stand in the Shopping Centre was to tap into its existing footfall and so advertising was not necessary.

Resolved to –

- (1) endorse the principle of this year’s planned activities;
- (2) request that the Head of Performance, Policy and Partnerships report back to the panel as soon as practicable to brief members on the outcome of the activities.

Item referred by O & S Management Board – provision of scrutiny resource**29 October 2009 - Minute 33**

The Head of Performance, Policy and Partnerships advised members that in relation to the existing provision of scrutiny resource –

- (i) scrutiny resources – which would be covered in this meeting;

- (ii) there had recently been confirmation of lead officers for all scrutiny panels;
- (iii) scrutiny would form the basis for a large part of the personal objectives for the lead officers;
- (iv) scrutiny resource did not include only Democratic Services, but officers from within departments and partner organisations also;
- (v) panels should strive to ensure that their work programmes were in line with the work and priorities of the Council;
- (vi) the Local Strategic Partnership –
 - was bidding for a reward grant;
 - if the bid was successful, there was some potential for scrutiny to request some of the money for more resource;
 - at this stage it was not known for certain if this was possible, or how much might be available.

Members questioned the Head of Performance, Policy and Partnerships in relation to –

- (vii) the reward grant;
- (viii) overview and scrutiny panels' existing work programmes;
- (ix) the existing resource for scrutiny in terms of staffing within the Council.

Resolved that a working group undertake to look into –

- (1) the current resource provision;
- (2) the content of panels' work programmes, including details around whether items were statutory considerations or not.

**Overview and Scrutiny Management Board
Briefing Note to the Chair**

The 'Life Centre and Related Leisure Projects including Outsourcing of Management' are included on the Customers and Communities Overview and Scrutiny Panel's work programme.

At the meeting held on 23 November 2009 an update on the Life Centre and Related Projects programme was provided.

The Panel agreed to scrutinise the following –

- the Life Centre and Related Projects Programme
- the award of the construction contract
- funding/finance of the project

An additional meeting of the Panel is required in January 2010 prior to the submission of the Life Centre report to Cabinet.

Due to the tight timescales, it will not be possible to submit the Panel's recommendations to the Overview and Scrutiny Management Board as the scheduled meeting on 2 December 2009 is too early and the meeting on 20 January 2010 will be too late.

The Panel therefore wishes to seek delegated authority from the Management Board to consider the Panel's recommendations to the Cabinet. (To conform with legislation, the Management Board would need to delegate authority to the Head of Policy, Performance and Partnerships in consultation with the Chair of the Management Board).

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