

Public Document Pack



BARRY KEEL
Chief Executive
Floor 1 - Civic Centre
Plymouth
PL1 2AA

www.plymouth.gov.uk/democracy

Date 15/11/10 Telephone Enquiries 01752 307815 Fax 01752 304819
Please ask for Mrs. Katey Johns e-mail katey.johns@plymouth.gov.uk

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

DATE: WEDNESDAY 24 NOVEMBER 2010
TIME: 2 PM
PLACE: COUNCIL HOUSE (NEXT TO THE CIVIC CENTRE)

Committee Members –

Councillor James, Chair
Councillor Ball, Vice Chair
Councillors Browne, McDonald, Nicholson, Ricketts, Stevens, Thompson and Wildy.

Co-opted Representatives –

Mr. D. Fletcher (Chamber of Commerce)
Mr. J. Paget (Young People)

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.

Please note that, unless the Chair agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used during meetings.

BARRY KEEL
CHIEF EXECUTIVE

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

PART I (PUBLIC MEETING)

AGENDA

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. JOINT PERFORMANCE AND FINANCE REPORT (Pages 1 - 46)

To receive the Joint Performance and Finance Report as submitted to Cabinet on 16 November, 2010, and identify issues for further review / monitoring by panels.

4. MEDIUM TERM FINANCIAL STRATEGY (Pages 47 - 78)

To consider the Medium Term Financial Strategy as presented to Cabinet on 16 November, 2010.

5. MINUTES (Pages 79 - 86)

The Overview and Scrutiny Management Board will be asked to agree the minutes of the meeting held on 27 October, 2010.

6. CHAIR'S URGENT BUSINESS

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

7. LEADER AND CHIEF EXECUTIVE (Verbal)

The Overview and Scrutiny Management Board will receive an update from the Leader and Chief Executive on current Council issues.

8. COUNCILLOR CALL FOR ACTION - BUDSHEAD TRUST

To receive the minute from Cabinet and a verbal update from the Localities Manager for the north-west of the City.

9. TRACKING DECISIONS (Pages 87 - 90)

The Overview and Scrutiny Management Board will monitor progress on previous decisions.

10. FORWARD PLAN (Pages 91 - 94)

To receive new items from the Forward Plan with a view to identifying items for scrutiny.

11. RECOMMENDATIONS

To receive and consider recommendations from scrutiny panels, Committees, Cabinet or Council.

12. WORK PROGRAMMES:

12a To consider and approve work programmes for each of the panels, to include a progress update from each of the Chairs **(Pages 95 - 98)**

12b To receive an update from the non-chair Member working group **(Verbal)**

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)

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.

This page is intentionally left blank

CITY OF PLYMOUTH

Subject: Joint Performance and Finance Report

Committee: Cabinet

Date: 16 November 2010

Cabinet Member: Councillor Bowyer and Councillor Sam Leaves

CMT Member: CMT

Author: Sandra Wilson, Corporate Accountancy and Finance Manager, Patrick Hartop, Policy and Performance Officer

Contact: Tel: 01752 304942
e-mail: sandra.wilson@plymouth.gov.uk
patrick.hartop@plymouth.gov.uk

Ref: SW/Fin0910

Key decision : No

Part: I

Executive Summary:

This report outlines the performance and finance monitoring position of the Council as at the end of the second quarter, September 2010.

The primary purpose of this report is to detail how the Council is delivering against its key performance indicators in terms of performance, and its financial measures using its capital and revenue resources. It is deliberately strategic in focussing on key areas of performance, expenditure, and risk, and includes under each Departmental Business section a scorecard, incorporating a summary of performance.

At this stage, the Council is forecasting a revenue overspend at year end of £3.342m (June quarter reported an overspend of £5.727m) against a net revenue budget of £201.824m (1.28%). The Main variations relate to

- **Children's Services £1.839m:**
The department continues to experience a high number of children in care which is causing pressure on the budget. Early intervention services have reduced the forecast overspend and will continue to be developed to address the challenges. There is also a forecast increase in the cost of transporting children with complex needs, and officers are currently reviewing the children's transport policy and will present options to Cabinet at a future meeting.
- **Community Services £1.550m:**
The main reason for the overspend in community services is due to an underlying increase in demand and complexity of needs in Learning Disability services relating to long stay residential services and supported living, and an increase in short stay residential and nursing care. The transformation agenda continues to shape the future of adult social care services in Plymouth. In terms of environmental services an ageing fleet of specialist vehicles has led to an increase in repair costs and increases in subsequent vehicle hire costs, which has been offset by a general

reduction in the levels of waste going to landfill and other management action to contain spend.

These variations exclude any variance on the agreed delivery plans for the year and the in-year reduction target. At the end of September 2010 required delivery plan actions total £13.499m of which £4.221m are still at some risk of non achievement.

The Comprehensive Spending Review as announced on 20 October 2010 will have implications for the future revenue and capital funding of the Council. At this date the full implications are still being studied and will be referred to in the next quarterly report. The Medium Term Financial Strategy will also be updated to reflect changes as they become apparent. However the in year revenue and capital funding reductions previously announced in the emergency budget have been reflected within this years planning and delivery plans and are included in the figures in this report.

A separate report on the capital programme was presented to full Council on 11 October 2010, with the movement in the programme reflected in the monitoring report. The latest approved Capital Programme for the year now stands at £93.142m. Actual spend to the end of September 2010 is £28.441m, or 31%. Further new schemes totalling £0.544m are to be referred to full Council for inclusion on the programme.

The comprehensive spending review indicated that local authority funding for capital schemes was facing a reduction of up to 45%. Until the full implications of the CSR, have been identified, a hold has been placed on any further new commitments against any unringfenced funding within the Capital Programme. Commitments will only be made against schemes where secured external funding will be lost if commitments are not made or where projects are ensuring legislative compliance and failure to commit will leave the council at risk.

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

This quarterly report is fundamentally linked to delivering the priorities within Council's corporate plan.

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

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 the quarterly reports.

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

N/a

Recommendations & Reasons for recommended action:

That Cabinet approve:-

1. Directors progressing urgently further Delivery Plans and outstanding actions to address the remaining shortfall in 2010/11.
2. Cabinet note the latest 2010/11 capital forecast of £92.179m and Council be requested to approve that the following new schemes (included in the latest forecast) be added to the programme for 2010/11:

Brickfields improved Athletics facilities	£0.133m
Reinstatement of playing fields at Lipson Vale	£0.407m
3. The transfer of £2.333m from earmarked reserves to an Invest to Save reserve.
4. The budget virements as outlined in section 12.3 be formally approved by Cabinet in accordance with Financial Regulations.
5. The Cabinet approve that the land and properties, as outlined in **Appendix E**, be appropriated from the HRA to the General Fund.

Alternative options considered and reasons for recommended action:

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

Background papers:

- Plymouth City Council Corporate Plan 2010-13
- 2010/11 Budget Papers
- Plymouth City Council Medium Term Financial Strategy – revised June 2010
- Joint Finance and Monitoring report to 30 June 2010, reported to Cabinet 10 august 2010

Sign off:

Fin	djn1 011. 007	Leg	1009 6/DV S	HR	N/A	AM	N/A	IT	N/A	Strat Proc	N/A
Originating SMT Member: Malcolm Coe, AD Finance, Assets & Efficiencies											

Plymouth City Council
Performance and Finance Monitoring – 2010/11
Figures up to and including 30 September 2010

1. Introduction

- 1.1 The Council continues to improve its financial and performance management arrangements, placing greater ownership and accountability on departmental management teams in relation to improving performance and delivering against budget. This is the second quarterly report for 2010/11 and covers the period to 30 September 2010.
- 1.2 In line with the previous report, a score card focusing on the areas of concern and actions being undertaken to remedy the shortfalls has been included within each Directorate report. Budget monitoring this year places a greater focus on the monitoring of delivery plan actions by the departments and progress against delivery now has been included within the report.
- 1.3 As reported in the previous report, a detailed review of the reserves and provisions held by the Council have been undertaken during the period, with a recommendation that a number of reserves be removed and the balance transferred to a revenue 'Invest to Save' reserve to assist with the transformational change programme/future budget saving options. Further detail is given in Section C, Corporate Items and Cross Cutting issues and also in **Appendix B**.
- 1.4 A balanced scorecard for key Human Resources indicators for the Council, for Departments and for budget holders is still under development for inclusion in future reports.
- 1.5 This report contains the following sections and Appendices:-

Section 'A' – Executive Summary - Performance

Section 'B' – Executive Summary - Finance

- Revenue
- Income Summary
- Capital
- VFM

Section 'C' – Departmental Performance & Finance Report

- Department scorecards
- Department Budget Delivery Plans
- Department Risk items
- Departmental Medium Term Issues
- Corporate Items and Cross Cutting Issues

Section 'D' - Concluding Remarks

Section 'E' - Recommendations

Appendices

Appendix A – Finance Monitoring Summary Graph.

Appendix B –Reserves identified for transfer to Invest to Save reserve.

Appendix C – Capital Programme Monitoring Summary Sheet.

Appendix D – Transfers from Reserves to meet Revenue Expenditure 2010/11







Appendix E – Schedule of HRA land and properties to be appropriated to General Fund.

SECTION A - EXECUTIVE SUMMARY PERFORMANCE

2. Performance

- 2.1 A performance summary is provided for departments in a scorecard format along with budget variances. The narrative within the scorecard is intended to provide a high level overview with a focus on explaining corrective action where required. The scorecards use a RAG (red, amber, green) traffic light system to indicate current performance.

RAG rating key:

Budgets			
	0% - 0.8% overspend / 0% - 1.8% under spend		0.8% - 0.99% overspend / 1.8% - 1.99% under spend
	1% or more overspend / 2% or more under spend		
Measures – an average of all measures that sit within Departments			
	Indicators are on track		the AVERAGE of all indicators is up to 15% off target
	The AVERAGE of all indicators is more than 15% off target		

Key performance issues to note

2.2 Development

Strategic Housing

Overall most indicators are performing to target including those covering energy efficiency, homelessness and fuel poverty. Performance is not on target in relation to the removal of Category 1 hazards from private sector housing, (62 have been removed against a target of 250 for the year). The number of inspections of homes in multiple occupation is also slightly off target at 67 against a target of 75.

2.3 Corporate Support

Finance Assets and Efficiencies

The cumulative 'in year' collection rate for Council Tax was 53.83% at the end of September against the target of 53.97%. In order to improve the 'in year' collection rate, we are continuing to promote the more proactive collection methods such as direct debit, website and phone transactions and use of cash machines.

At 20 days Performance of Timeliness of processing housing and council tax benefit claims is currently beating the local target set of 20.80 days. This is an improvement on the same period last year when performance stood at 23.40 days. However, significant improvement is needed to exceed the unitary average of 9 days. To make progress against this, we are building on the success of the 'lean systems' pilot, integrating housing benefit officers with council tax collection and customer services staff to work within a mixed team environment focused on customer needs.

Human Resources

Over 80% of all council employees received their annual performance appraisal by the end of September 2010, which was the deadline for receiving all appraisals. To increase performance towards the target of 100% all Assistant Directors have been provided with lists of outstanding appraisals. This information will be followed up by HR to ensure any issues are resolved and support is given in tackling poor performers

Customer Services

Customer Services were awarded the national accolade of Gov Metric Council of the Year for the best use of customer feedback in service improvement. Call handling performance remains strong with 91.1% of calls answered against a target of 80%. However, despite this strong performance against target 11 separate telephony downtime incidents were recorded. The business case for the new telephony system was approved by the Capital Delivery Board and installation of the new system is timetabled for Q1 2011.

2.4 Community Services

Culture Sport and Leisure

The leisure management project is ahead of schedule with three organisations bidding for the contract. There is also an opportunity for an earlier contract start date, which will smooth the transition from the current sports facilities to the new Plymouth Life Centre. The Plymouth Life Centre project is still on track and on budget.

Environmental Services

The percentage of waste going to land fill remains on target at 59.10% which is 2.58% lower than the same period last year. The household recycling rate for the quarter is 35.42% which is 2.5% higher than the same period last year. However, this is lower than the seasonally adjusted target of 42% for the period which means the annual target (36%) is at risk. In response to this position, a student recycling information pack aimed at promoting a culture of re-use has been produced.

Over the last quarter, Environmental Services has celebrated a number of awards and achievements including a Britain in Bloom Gold Award for the Parks Department; the Royal Horticultural Society's Neighbourhood Award (across 24 of the City's neighbourhoods), plus Green Flags for the Hoe and Freedom Fields.

Adult Social Care

Adults, older people and carers receiving Self Directed Support (SDS) is on target (15% against an annual target of 30%). Trends will be closely monitored to ensure continued progress towards the annual target. Targets for adults with learning disabilities in settled accommodation and in employment are significantly lower than planned. Activity underway to improve performance includes increasing the number of reviews completed, plus a series of operational improvements. Trends will be closely monitored to improve progress towards the annual target.

2.5 Children's Services

Social Care

Whilst Quarter 2 has reported improvement in some performance measures, a number do not meet their target. 60.7% of initial assessments were completed on time, an improvement over last quarter. The timing and quality of initial and core assessments is one of our top priorities with intensive focus in this area. The number of Children subject to a Child Protection Plan has increased from 363 to 384, however the number of Children in Care has reduced from 435 to 433.

Learner and Family Support

The majority of indicators are meeting their targets, however, uptake of school lunches in both the primary and secondary sectors, whilst increasing, are not meeting their national targets. We anticipate that publicity campaigns, new menus and event days will have a positive impact on awareness and uptake. The number of SEN Statements issued (within 26 weeks) are short of the desired target. Action Plans put in place still need time to develop and are being reviewed on a regular basis to ensure effective delivery.

2.6 Development of indicators to measure Plymouth's priorities

Work on identifying Level 1, 2 and 3 indicators to monitor Plymouth's four priorities is near completion. 21 Level 1 indicators have been identified as high level indicators, which we will share with our partners to monitor against achieving the City's vision. The Council has identified 27 Level 2 indicators which will represent the Council's main contribution to the Level 1 indicators.

Our public sector partners are in the process of developing their own Level 2 indicators and once these are ready they will be reviewed alongside our own to make sure they robustly support the Level 1 indicators. We are in the process of developing a set of Level 3 indicators which underpin our Level 2 indicators and at the same time monitor other critical aspects of council performance. Once the indicators have been finalised at the beginning of November, work will begin on establishing targets and accountabilities. The next quarterly performance report will be based on the new Level 2 and 3 indicators. Level 1 indicators will be monitored on an annual basis by the Council and Plymouth 2020 Partnership.

SECTION B EXECUTIVE SUMMARY – FINANCE

3. General Fund Revenue Budget

- 3.1 Table 1 shows the revenue monitoring position for each Directorate for the period up to 30 September 2010.

Table 1

DEPARTMENT	Latest Approved Budget £000	Latest Forecast Outturn £000	Monitoring Variation to 30 September £000	Movement in Period £000
Director for Children and Young People	51,822	53,661	1,839	(1,356)
Director for Community Services	111,180	112,730	1,550	(885)
Director for Development and Regeneration	16,234	16,226	(8)	(38)
Director for Corporate Support	32,454	32,434	(20)	(87)
Chief Executive	2,160	2,141	(19)	(19)
Corporate Items and Capital Financing	(12,026)	(12,026)	0	0
TOTAL	201,824	205,166	3,342	(2,385)

3.2 Departmental budget variances £3.342m overspend

As shown in the table, departmental budget variances of £3.342m are forecast at the end of September 2010. Further details of the variations are outlined in the individual Directors reports in Section C of this report. The major variations are summarised below:

3.2.1 Children's Services

Learner and Family Support

An increase in the costs of transporting children, forecast at £0.650m, is the result of children with more complex needs requiring individual transportation and in some circumstances more than one passenger assistant, as opposed to sharing journeys in minibuses. Officers are currently reviewing the Transport Policy to present options for Cabinet to consider.

Lifelong Learning

A wide range of delivery plans are helping to achieve a favourable year end forecast (£0.559m), including vacancy management, reviewing contracts, maximising grant.

Social Care

The increased numbers of children in care giving a forecast year end adverse variation of £1.960m. Although partially offset with early intervention services, the increased numbers compared to budget are, Independent Sector Placements in residential Care of 20 compared to a budget of 14 and Foster Care of 52 compared to a budget of 39. This represents a slight reduction as early intervention services continue to be developed to address the challenges.

3.2.2. Community Services

Adult Social Care

The main net variations contained within adult social care are due to an underlying increase in demand and complexity of needs in Learning Disability services relating to long stay residential services and supported living which is offset with delivery plan savings. There has also been an increase in short stay residential and nursing care. The transformation agenda continues to shape the future of adult social care services in Plymouth.

Environmental Services

Overall, the net year end forecast overspend has reduced from £0.800m to £0.578m. An ageing fleet has increased specialist vehicle repairs leading to higher repair costs and increases in subsequent vehicle hire costs, which has been offset by a general reduction in the levels of waste going to landfill and other management action to contain spend.

3.3 Delivery Plans – Actions at some risk of non – achievement - £4.221m

In setting the budget for 2010/11, departmental delivery plans totalling £9.514m were agreed in order to achieve a balanced budget. Following the announcements of cuts to a number of grants and policy changes by the new coalition Government in July 2010, departments were set a further target to reduce their budgets by a further £3.985m. DMT's have now identified actions to meet the additional targets and details are outlined in the relevant Directorate reports.

However, whilst delivery plans may have been identified, the savings proposed have yet to be achieved in full. Progress against each delivery plan action is closely monitored against a RAG rating. Against total delivery plans of £13.499m, £4.221m are rated as either amber or red risk.

Table 2 below summarises the progress against delivery plans as at the end of September by department.

Table 2 – Delivery Plan Summary

Department	Budget Book	Additional Savings Targets	Total Delivery Plan Actions	Green	Amber	Red
	£000	£000	£000	£000	£000	£000
Children and Young People	1,583	1,181	2,764	1,674	0	1,090
Community Services	5,273	1,596	6,869	4,652	453	1,764
Development & Regeneration	1,125	238	1,363	1,129	185	49
Corporate Support	460	820	1,280	600	550	130
Chief Executive	412	150	562	562	0	0
Corporate Items	661	0	661	661	0	0
Total	9,514	3,985	13,499	9,278	1,188	3,033

4 Income Summary

4.1 The position on income collection across the Council as at 30 September 2010 is shown in table 3 below:

Table 3

Type of debt	AE Quartile	Budgeted income 2010/11	Year to date Actual % 2009/10	Year to date Actual % 2010/11	Achieved % 2009/10	Year end Target % 2010/11	Year end Projected % 2010/11
Council Tax	4	£93m	53	54	95	96.5	96
NNDR	2	£80m	61	62	96	97.5	97.5
Sundry Debt	n/a	£46m#	90*	91^	96^	92.5	92.5^
Commercial Rent	n/a	£5m#	86*	94^	98^	90	90^
Trade Waste	n/a	£1m#	88*	99^	99^	94	94^
Adult Residential Care	n/a	£9m#	92*	92^	95^	94	94^

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

^ Does not include debt which has been raised in the last 30 days. * Estimated

- 4.2 Council Tax projected collection levels have slightly fallen and action to reverse this has been taken with changes to collection processes. This has resulted in an increased number of court summons being issued against last years levels, (as non compliance is dealt with at an earlier stage). Current collection levels are still in excess of last year so there is reasonable confidence that we will achieve the 96.5% target for collection.
- 4.3 Our in year collection of NNDR remains ahead of the profiled target.
- 4.4 Collection of sundry debt remains a challenge. Action has been taken to bring the billing and recovery of commercial rent under the responsibility of Finance, Assets & Efficiencies and this function now sits under the control of the Income Maximisation Manager, this will ensure synergy in collection strategies, to optimise collection rates and promote cross function working. Performance is still tracking above previous year levels, and we remain on target to achieve overall collection of 92.5%.

5. Capital Programme

- 5.1 The Capital programme for the year was approved by Council on 3 March 2010 at £99.941m. This increased to £100.415m, as reported in the June 2010 report, as a result of slippage and other movements in the programme. A separate report on the capital programme was presented to and approved by full Council on 11 October 2010 which revised the programme downwards to £93.142m.

Table 4 shows the movement in the approved programme since the last quarterly report and the full Council report.

Table 4

	Latest Forecast June 2010	Further variations reported to Council 11th October 2010	Latest Budget Approved at Oct Council	Sept 2010 Variations/ Re-Profiling	Sept 2010 New Projects for Approval	Latest Forecast Sept 2010
	£000	£000	£000	£000	£000	£000
Children and Young people	39,224	(3,588)	35,636	(1,279)	0	34,357
Community Services	29,526	(4,064)	25,462	(232)	540	25,770
Development & Regeneration	30,845	(2,033)	28,812	8	0	28,820
Corporate Support	820	2,412	3,232	0	0	3,232
Total Capital Programme	100,415	(7,273)	93,142	(1,503)	540	92,179

- 5.2 The latest approved capital budget for 2010/11 is £93.142m which was reported to Full Council on 11th October 2010.

At the end of September the revised forecast of spend for 2010/11 is £92.179m. Actual expenditure totalled £28.441m, representing the 31% of the latest forecast capital budget. Capital expenditure by department is shown in table 5.

Table 5

Department	Latest Forecast September 2010	Actual Spend to End September 2010	Spend as % of Latest Forecast
	£000	£000	%
Children & Young People	34,357	14,269	41.5%
Community Services	25,770	5,753	22.3%
Development & Regeneration	28,820	8,306	28.8%
Corporate Support	3,232	113	3.5%
Total Capital Monitoring	92,179	28,441	30.9%

The current capital expenditure against the latest forecast is showing as 30.9% which may seem low being that we are now currently half way through the financial year. However within Community Services the cash flow forecast is for larger contractor invoices expected during the latter part of the year on the Plymouth Life Centre. The latest forecast figure of £92.179m also includes new projects – some that have only just been approved and spend has not yet started on them, and some that are waiting approval at the December Full Council therefore there will be no expenditure until after approval has been given. Project and finance officers are reviewing the capital schemes on a monthly basis to try to ensure that the most up-to-date information is provided in the monitoring.

- 5.3 The capital programme for 2010/11 will be funded as shown below. In line with previous years, capital receipts will remain funding of last resort. At the end of the year, officers will review all funding available to the Council including grants and contributions and capital receipts and will allocate funding in order to maximise the resources available.

Funding Source	£000
Capital Receipts	7,443
Unsupported Borrowing	16,715
Supported Borrowing	8,166
Grants & Contributions	54,906
S106 / Tariff / Revenue	4,949
Total	92,179

The financing across each directorate is outlined in **Appendix C**.

- 5.4 The Comprehensive Spending Review announcement on the 20 October 2010 indicated that local authority funding for capital schemes could reduce by up to 45%. Until further detail is received, a hold has been placed on any further commitments against any unringfenced funding within the Capital Programme.

Commitments will only be made against schemes where secured external funding will be lost if commitments are not made or where projects are ensuring legislative compliance and failure to commit will leave the council at risk.

- 5.5 Details of the more significant monitoring variations and new approvals during the period are outlined below:

Reprofiling/Other Variations

£000

- (1,279) This represents re-profiling of schools devolved capital funding and is an initial estimate of balances to be carried forward. Detailed monitoring information continues to be gathered from individual schools and it is likely there will be further re-profiling.
- (117) Re-profiling of part of Colwill Lodge scheme works, as the majority of the works are likely to be carried out in 11/12.

New projects to be approved by full Council:

£000

- 133 Brickfields - this project is seeking approval in order to provide a new athletics facility at Brickfields Recreation Ground to incorporate a new long jump and relocated shot put facility to provide for facilities lost through the development of the Plymouth Albion east stand. Currently the facilities on site do not meet the British Athletic Association Triple A Standard. The project is being funded from contributions and S106 funding ring fenced.
- 407 Land Contamination remediation project at Lipson Vale funded by an Environment Agency grant. This will reinstate the playing fields at Lipson Vale to their former condition for community use.

5.6 Invest to Save Projects

Officers at Capital Delivery Board considered potential investment to save bids from departments at a recent meeting and the Director for Corporate Support discussed a number at Corporate Management Team. It is planned to look at a number in more detail during November at CMT with recommendations to be brought to Cabinet as appropriate.

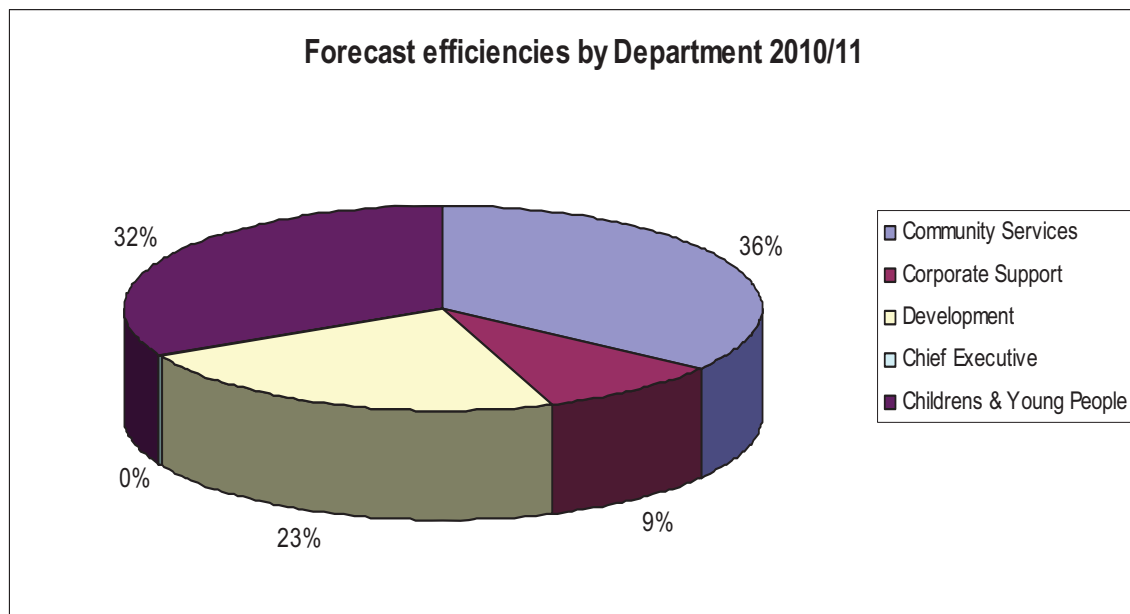
6. VFM Statement

6.1 Measuring and reporting Value for Money gains

The Authority continues to encourage initiatives for identifying VFM efficiency gains with good success. With the demise of the National Indicator reporting requirement the channel and accountability for reporting of efficiencies within the Council has now changed. With effect from 18 October 2010 Councils are no longer required to report efficiencies to Central Government through NI 179 and the overall requirement for central data reporting is currently being reviewed by DCLG. Nonetheless, the internal reporting of efficiencies has continued to improve substantially across the Council through development of a monitored VFM programme which is focused on Benefit delivery through the Budget Delivery Plans for each Directorate (all cashable efficiency savings are being reported against plans to achieve budget targets as well as general efficiencies to improve services to customers). The programme has ensured that governance of the VFM monitoring process has been enhanced and ensures that gains are challenged before inclusion, thus ensuring compliance with good practice.

6.2 Current Financial Year

The forecast efficiency return to DCLG under NI 179 for 2010/11 was due to be submitted on 22 Oct 10. Therefore, an efficiency total of £29.14m has been identified through initiatives carried out across the Council for financial year 20010/11 and is broken down by Directorate as follows:



Work is continuing to progress well across all departments to identify additional in-year efficiencies. In-year plans already include £19.25m identified as service efficiencies and a roll-forward of £9.9m for year-on-year efficiencies - current total of £29.14m against our internal in-year target of £31.7m.

6.3 VFM Programme

The VFM programme of major projects is continuing to identify considerable cross-Council efficiencies for the Council these include:

Procure 2 Pay

This project aims to deliver better control of expenditure across the Authority through development of a more efficient and effective purchasing process. Centralised buying through professional and trained buyers is a key area of current development.

Order to Cash/Debtor Management

This project's aim will be to improve cash collection and standardise debtor management processes across the Council.

Single Point of Contact (SPOC) for Corporate Support

This project has been initiated to improve the access to the services provided for internal customers of Corporate Support areas through provision of a single point of contact.

SECTION C – DEPARTMENTAL PERFORMANCE & FINANCE REPORT

7. Children's Services

7.1 General Fund Revenue Monitoring – Forecast is an overspend of £1.839m

The latest forecast is £53.661m compared to a revised net budget of £51.822m and represents an adverse forecast year position of £1.839m, or 3.55% against latest approved budget.

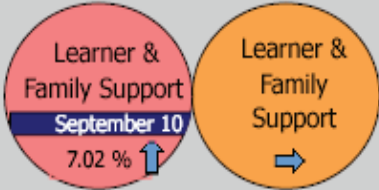


Further explanation is reported in the scorecard.

Children & Young People Services Quarterly Budget & Performance Report

1/2

Monthly Service Budget	Performance	Comments
		<p>The Children's Social Care forecast spend has reduced by (£0.985m) within the second quarter. The Divisional budget has significant pressures around Children in Care placements, Parent and Child Assessments and the additional cost of Legal Agents within the care process. In order to deal with the pressures within the Children in Care placement budget, delivery plans have been put in place in order to put in place early intervention services (£0.987m). Additional savings across the Divisional 'Children's Social Care budget' of (£0.390m) have been offset by increased employee costs £0.198m and expenditure within the Family Support Service of £0.183m with a view to maximising early intervention services. The department continues to work with the Courts in developing robust preventative services to reduce or prevent court ordered placements. Independent Sector Placements have reduced in the quarter Residential Care from 24 to 20, Foster Care from 56 to 52.</p> <p>Whilst Quarter 2 has reported improvement in some performance measures, a number do not meet their target. 60.7% of initial assessments were completed on time, an improvement over last quarter. The timing and quality of initial and core assessments is one of our top priorities with intensive focus in this area. The number of Children subject to a Child Protection Plan has increased to from 363 to 384 but the number of Children in Care has reduced from 435 to 433. This is evidence of significant volume of activity in these areas.</p>
		<p>The Performance & Policy budget is under spent by £0.212 m. Commissioning, Planning and Performance have put a number of delivery plans in place to reduce back office costs - for example holding or deleting vacant posts and reducing spend on business support items. Both our Young People substance misuse partnership and Teenage Pregnancy grant are on target financially.</p> <p>The teenage conception target is a significant challenge. The number of conceptions rose slightly in Quarter 1 and Quarter 2 2009 according to nationally released figures. Nevertheless, this is in the context of sharper rises among the majority of our statistical neighbours.</p>
		<p>The latest financial forecast shows there are no adverse variations to report. The favourable variation of £0.559m has resulted from the achievement of delivery plans. Early indications of 2009/10 Academic year data suggest good performance improvements in both early years and KS4. The picture at primary level is more mixed. We report significant improvements in achievement across early years foundation stage as well as a further narrowing of the gap for Children and Young People achieving 5 A*-C in English and Maths. Release of National Data in the autumn will allow further analysis and comparison, but early indications look like overall performance will compare favourably with national and statistical neighbours. With regard to initiatives to tackle primary school underperformance: we continue to deliver focused support and challenge through the Improving Schools Programme, school to school support provided through Pathways to Success and the continuation of Plymouth's involvement in Priority Learning Local Authorities Initiative.</p>

Human Resources

Monthly Service Budget	Performance	Comments	2/2
		<p>The latest forecast shows a net overspend of £0.650m. The main reasons for the overspend are:</p> <ul style="list-style-type: none">• <u>Pupil Access Services Transport</u> - £0.506m overspend mainly due to the increase in complexity of children requiring transport. Many children now require 1:1 support in taxis rather than on minibuses which has increased the number of routes operated and the number of passenger assistants. An ageing minibus fleet is also increasing the cost of vehicle maintenance. Officers are shaping plans for changes in transport policy for Members consideration.• <u>Schools Catering Service</u> - forecast deficit reduced by £0.100m as a result of increased take-up of primary school meals, improved efficiency in the use of food and the reduction of overtime.• <u>Integrated Disability Service</u> -Forecast pressure of £0.366m which mainly relates to direct payments and short breaks. The pressure has been partially offset by maximising the Aiming High for Disabled Children grant, bringing the net overspend to £0.066m.• <u>LFS Management</u> -Forecast overspend of £0.178m resulting from fewer vacancy savings due to the deletion of posts identified in subsequent delivery plans. <p>The majority of indicators are meeting their targets, however, uptake of school lunches in both the primary and secondary sectors, whilst increasing, are not meeting their national targets. We anticipate that publicity campaigns, new menu's and event days will have a positive impact on awareness and uptake. The number of SEN Statements issued (within 26 weeks) is some way short of target. Action Plans put in place still need time to develop and these are being reviewed on a regular basis to ensure effective delivery. We are working closely with health to try to overcome these issues.</p>	
		<p>Quarter 2 – There is a forecast pressure of £1.033m for the 2010 Dedicated Schools Grant. The pressures are mainly due to the increased cost of special educational needs allocations to schools, independent special school placements and the early years free entitlement resulting from the increased birth rate. Delivery plans are being developed to limit the level of overspend carried into 2011/12. Although the Councils general fund is not directly affected by the adverse position on the Dedicated Schools Grant, budgetary pressures on Schools could impact on various performance indicators. The Council and Schools Forum are working together to address these pressures to minimise the adverse impact on the available resources for schools in the next academic year.</p> <p>The current Dedicated Schools Budget of £140.037m is split £128.109 direct schools expenditure and £11.928 Central Expenditure (managed on behalf of schools)</p>	
		<p>There are no material financial variations to report at this stage.</p>	
Human Resources			

7.2 Progress against 2010/11 Delivery Plans

Table 6

Delivery Plan No.	Description	2010/11 £m	RAG rating
1	Review of admin across the Council	0.100	Green
2	Seek additional contribution towards the Cost of Building Schools for the future	0.300	Green
3	Additional Contributions from DSG for pensions and EOTAS	0.343	Green
4	Remove Concessionary Fares 16+	0.022	Green
5	Savings Target to be achieved by reducing staff in high performing areas/link with locality working funding & Review of senior management within Lifelong Learning	0.150	Green
6	Charge ICAN (speech and language needs) services to Early Years Grant	0.080	Green
7	Seek Performance Reward Grant for partnership projects - including youth service & grants to voluntary sector	0.091	Green
8	Review of Early Years grants	0.050	Green
9	Family support	0.085	Green
10	Reduced Wrap Around packages for permanency placements and reduce secure bed nights	0.133	Green
11	Multi-Systemic Therapy Contract (consider ceasing contract) value £140k in 10/11. Dept of Health currently part fund	0.000	Green
12	Negotiate savings in Connexions contract	0.100	Green
13	No inflation Allocated. in social care where linked with Fostering Network rates (frozen at 09/10 levels)	0.129	Green
	Delivery Plans within original 2010/11 Budget	1.583	

£1.583m of action plans were set within the 10/11 revenue budget for Children's Services and these are either all delivered or currently on track to be achieved.

The Department was set a further target of £1.181m during the year. Of this amount £0.191m relates to the removal of grant income, leaving a net £1.090m to be

achieved by the department. These have currently been flagged as red risk. The department has however identified potential additional Action Plans totalling £3.335m to address both the in year budget reductions and the current budget pressures. Delivery plans will be monitored under key programme themes and plans to contribute towards next year continue to be developed and discussed with key partners, such as schools.

7.3 Key High Level Risks

- Achieving financial performance within Children Social care budget delivery continues to be a challenge whilst ensuring that safeguarding issues are not compromised
- Delivery plans at risk due to staggered implementation.
- Reducing the number of Court ordered Parent & Child assessment placements.
- Continual recruitment of experienced Social Work staff in order to provide a robust service.
- Meeting increasing demand and delivering financial savings within Dedicated Schools Grant direct schools spend and central expenditure

7.4 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Maintaining front line services during a financially challenging climate, in particular the significant level of grants funding frontline services.
- Achieving the Delivery Plans
- Integration with Health partners

8. Community Services

8.1 Community Services Forecast is an overspend of £1.550m


The net revenue budget target has been reduced by £1.596m which represents the June reductions. The latest forecast is £112.730m against a revised budget of £111.180m, and represents an adverse forecast year end variance of £1.550m or (1.39%) against latest approved estimate.

Further explanation is reported in the scorecard.

Community Services Quarterly Budget & Performance Report			1/2
Monthly Budget	Performance	Comment	
		<p>There is a £0.035m year-end forecast under spend in Safer Communities due to staffing costs being lower than budgeted</p> <p>Challenges remain in dealing with serious violence. So far 2010/11 has shown an increase (of 28 incidents to a total of 201) compared to the same period in 2009/10; and we are not performing well when compared to other similar cities. However, less serious violence during 2010/11 has shown a decrease (82 fewer crimes) compared with the same period in 2009/10, and when compared with similar cities our performance is more favourable. Working with the police and other partners, we are delivering actions focusing on prevention, early intervention and enforcement. Recent figures appear to indicate some success in tackling serious violence. The second quarter of 2010/11 shows a decrease on the same period last year (7 fewer incidents) and a reduction (of 31 incidents) on the first quarter. The uncertain economic climate means that serious violence is more likely place additional pressure on us to deal with it. The council's work to support and advise people with financial difficulties is on target. A recent development is a partnership established between the council and City of Plymouth Credit Union to help people, including staff, save and get access to affordable loans.</p>	
		<p>Quarter 2 represents a £0.128m (1.18%) net forecast year end overspend against budget. This is due to extra investment in the leisure management project as well as lower than required retail revenues at Mt. Edgcombe and the Mayflower Centre. Cleaning charges were higher than expected and will be reviewed.</p> <p>There are risks associated with Museum grant funding due to the abolition of the Museums, Libraries and Archives Council (MLA). At this stage, we do not have any information on the implications of this, but are planning for a reduction in funding for the renaissance programme next year. The extra investment in the leisure management project will lead to significant annual savings. The leisure management project is ahead of schedule with three organisations bidding for the contract. There is also an opportunity for an earlier contract start date, which will smooth the transition from the current sports facilities to the new Life Centre. The Life Centre project is still on track and on budget. In August, Plymouth featured highly in the World Cup presentation and was well received by the FIFA visiting team. The British Fireworks Championship event brought in approximately 100,000 people. Visitor numbers to the City rose over this period last year. Visitors to the outdoor pools also rose due to the governments free swimming initiative and despite the government ending the programme for under 16s and over 60s in July.</p>	
		<p>Overall, the net year end forecast overspend has reduced from £0.800m at the end of quarter 1 to £0.578m at the end of quarter 2. This can be largely attributed to a reduction in waste going to land fill (81,376 tonnes currently forecast against an annual target of 85,000 tonnes). Vehicle repair and maintenance costs are increasing due to an aging fleet and the high cost of specialist repairs. Income from Trade Waste continues to be lower than budgeted despite making a moderate surplus of £0.067m. The percentage of waste going to land fill over the quarter (59.10%) is 2.58% lower than the same period last year (61.68%). The household recycling rate for the quarter is 35.42% (2.5% higher than the same period last year). This is lower than the seasonally adjusted target of 42% for the period which means the annual target (36%) is at risk. In response to this, activity contributing to improving the rate of recycling over the last quarter has included – in partnership with the University of Plymouth - completion of a student recycling information pack. Aimed at promoting a culture of re-use, waste minimisation and recycling, packs will be distributed to student households through the University. Over the last quarter, Environmental Services has celebrated a number of awards and achievements including a Britain in Bloom Gold Award for the Parks Department; the Royal Horticultural Society's Neighbourhood Award (across 24 of the City's neighbourhoods), plus Green Flags for the Hoe and Freedom Fields. Additionally, two apprentices have been taken on in Garage Services.'</p>	

Community Services

Quarterly Budget & Performance Report

Monthly Budget	Performance	Comment
 <p>Adult Health & Social Care September 10 1.21 %</p>	 <p>Adult Social Care</p>	<p>Net year end forecast overspend for quarter 2 is £0.879m. Overall, there has been a saving of (0.756m) since the first quarter.</p> <p>Learning disability services overspend has decreased by (£0.813m) since the end of the first quarter. Costs are scrutinised at the Learning Disabilities panel and where appropriate, service users in long stay residential care are being offered supported living in the community. Mental Health and substance misuse spend has decreased by (£0.337m). Residential and detoxification spend has reduced partly due to the reduction in number of referrals and also from savings due to the way detoxification services are now being provided. There has been a change from residential to day care placements, which are mainly lower in cost. Short stay and respite costs for over 65's and people with physical and sensory disabilities are showing a net overspend of £0.509m. Although expenditure in this area has increased, action is being taken to reduce the number of short stay placements and promote community based alternatives.</p> <p>Adults, older people and carers receiving Self Directed Support (SDS) as a percentage of service users receiving a community-based service and carers receiving services is on target (15% against an annual target of 30%) at the end of the 2nd quarter. Trends will be closely monitored to ensure continued progress towards the annual target. Targets for adults with learning disabilities in settled accommodation and in employment are significantly lower than planned. Activity underway to improve performance includes increasing the number of reviews completed, plus a series of operational improvements. Trends will be closely monitored to improve progress towards the annual target.</p>
 <p>Business Support August 10 0.00 %</p>		<p>There is no adverse variation to report. The Business Support activities have been transferred to Safer Communities.</p>

8.2 Progress against 2010/11 Delivery Plans

Table 7

Delivery Plan No.	Description	2010/11 £m	RAG rating
1	Review of admin across the Council (anticipated savings in this department)	0.503	GREEN
2	Review of staffing establishment within specialist teams and occupational therapy services	0.604	GREEN
3	Contract Inflation - NIL contract inflation awarded for 2010/11 where no prior agreement in place	1.000	GREEN
4	Review of Service Provision for Older People residential care and physical disability day care	0.176	AMBER
5	In House Dom Care - redevelopment of in house services to focus on intermediate and rehabilitation enabling a greater through put of service users and prevent over usage of residential care	0.250	GREEN
6	Developing the personalisation RAS and reshaping block contract to recognise changes in support services	0.870	RED
7	Learning Disability Services: efficiency savings through reviewing day care costs and applying a commissioning framework to ensure consistent unit costs	0.272	AMBER
8	Fair Access to Care: to review the current eligibility criteria to ensure more rigorous application plus the full year effect of panels and specific case reviews in 2009/10	1.410	GREEN
9	Modernisation of Short Breaks for LD (Welby)	0.148	AMBER
10	Review of Library Service including the School Library Service is underway with a view to identifying future shape of service and levels of delivery. Specifically the School Library Service is reliant on a minimum level of buy in to remain viable.	0.040	GREEN
11	Leisure Management Review. Outsourcing of management of sport and leisure facilities will seek efficiencies in running the new Plymouth Life Centre and other facilities	Commercially Sensitive	AMBER
12	Category Management and Buyer Roll Out. To consider the scope for supporting the corporate roll out within Community Services to drive procurement savings from control of demand, improvements to process in addition to procurement savings	TBC	TBC
	Delivery Plans within original 2010/11 Budget	5.273	

Community Services is largely on track to delivery £4.605m of delivery plans contained in the underlying budget. The Adult Social Care personalisation Resource Allocation System and the review of older people residential care and physical disability day care savings will be challenging to achieve in the current year. It is not possible to finalise the savings to be achieved by the Leisure Management Review at this time as any value will be commercial sensitive. Progress for the Leisure Management project is monitored by the Plymouth Life Centre and Leisure Related Projects Board. Assistant Directors continue to explore alternative options where underlying delivery plans are at risk.

A further £1.596m of additional delivery plans need to be identified following the in year reductions in June. £0.391m has already been identified to address the reductions as follows:

- Free swimming - 8 months saving Free Swimming Initiative (£0.267m)
- Non committed funds and other grants (£0.113m)
- Deletion of posts (£0.011m)

Furthermore, Adult Social Care are currently drawing up delivery plans to address in year budget pressures and these will be presented to the next Adult Social Care Programme Board and then presented to members for consideration.

8.3 Key High Level Risks

The key financial risks during 2010/11 across Community Services are summarised below.

- Achieving Adult Social Care Delivery Plans and associated budget reductions without compromising safeguarding issues and ensuring sufficient scope to develop the market successfully to meet the requirements of the personalisation agenda
- Growth in demography and increasing levels of long term care needs for high dependency within Adult Social Care
- Impact on social care of the Primary Care Trust QIPP efficiencies
- Environmental Services - Managing expectations of enhanced level of service against the current budget, particular in the service area of Waste Collection Street Scene.
- Mount Edgcumbe – a projected overspend has been highlighted to the Joint Committee with officers of both constituent authorities working to present options to reduce the over spend.

8.4 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Maintaining front line services during a financially challenging climate, in particular where reductions in grants will impact upon expenditure in front line services.
- Achieving the challenging Adult Social Care Transformation with reductions without compromising safeguarding issues.

- Growth in demography and increasing levels of long term care needs for high dependency
- Integration with Health partners
- Municipal Waste Management Strategy (MWMS) identified that waste management costs would increase significantly due to the need to procure a waste disposal facility.
- In the short term, the Authority also faces additional budgetary pressures to implement new recycling initiatives, buy LATS credits and fund increased landfill tax (£8 per tonne each year).
- Funding for a World Cup if England's bid is successful with Plymouth as a host city


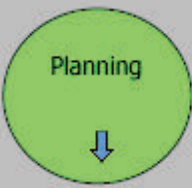

9. Development and Regeneration

9.1 Development and Regeneration – Forecast Under spend of (£0.008m) (0.05%)

The latest forecast is £16.226m against a latest approved budget of £16.234m, representing a forecast year end under spend of (£0.008m) (0.05%).

Further explanation is reported in the scorecard.

Development Quarterly Budget & Performance Report			1/2
Budget	Performance	Comment	
		<p>Action is ongoing to monitor budget variations within this area of the service to ensure that budget targets are met.</p> <p>Performance milestones are on target, with LTP 3 and the East End highway scheme both progressing to programme. Further work is ongoing on developing the wider Eastern Corridor major scheme bid, but uncertainty on future funding and the absence of new criteria from the DfT may potentially delay further work.</p>	
		<p>There are no material financial variations to report at this stage. This is a small support team.</p>	
		<p>Economic Development continues to develop a set of measures that can directly influence and also demonstrates the council's contribution to the growth of the city. The Wealthy Theme Group has now been reconstituted to become more private sector led and a review of the Local Economic Strategy's action plan is now underway. This will feed into the emerging Local Economic Partnership (LEP) which will be taking over the work of the Regional Development Agency under the new government guidance.</p> <p>Economic Development is due for an end of year overspend due to the reduction in income from commercial rents.</p> <p>The Development Dept as a whole is on track to deliver within budget</p>	
Human Resources			

Budget	Performance	Comment 2/2
		<p>The overall forecast is showing a greater saving than expected. Notwithstanding considerable adverse variations arising from a significant projected shortfall in building control fee income, the Service is forecasting a net favourable variation of £90k. This is because of proactive income generation initiatives, a robust approach to driving out efficiencies and delivering savings, and reprogramming of the Local Development Framework.</p> <p>Progress with the delivery of affordable and net additional homes is on target. The service is working up other measures that will support the Council's commitment to the Growth Agenda.</p>
		<p>Strategic Housing is showing a balanced budget position, however, this could be affected in future by reductions in the 'Think Family' grant from Children's Services, which funds the Family Intervention project, but is not shown currently as a pressure.</p> <p>Overall most indicators are performing to target including those covering energy efficiency, homelessness and fuel poverty. Performance is not on target in relation to the removal of Category 1 hazards from private sector housing – this covers the removal of up to 29 hazards of which 62 have been removed against a target of 250 for the year. The number of inspections of homes in multiple occupancy is also slightly off target at 67 against a target of 75.</p> <p>Work to remove hazards is done through loans to owner occupiers, HMO licensing work, reactive work responding to complaints and energy efficiency work. Reactive work is on target, but HMO licensing and loans work have both underperformed, with loans difficult to sell to the public at a time of financial restraint. We have also been unable to establish a Community Energy Savings Programme (CESP) that would improve the energy SAP rating of difficult to treat homes – though we now expect this scheme to be up and running from January 2011. As a result we have revised our end of year target to 200 Category 1 hazards removed.</p>
		<p>The residual waste Private Financial Initiative (PFI) procurement has reached the call for final tenders stage, dialogue with bidders has closed. It is on target to meet the accelerated programme i.e. sign contracts by 31 March 2011 (from 31 May 2011). It is anticipated at this stage of the financial year that any resource implications arising from the acceleration will be managed within the overall budget when 2011/12 funding is taken into account.</p> <p>As at the end of September, the Council has land filled 4,600 tonnes less biodegradable waste than the permits held and is within target. It is estimated that the Council will landfill 7,000 tonnes less biodegradable waste than its total holding of Landfill Allowance Trading Scheme (LATS) permits by the end of Quarter 4. These surplus permits can be carried over to 2011/12 to meet future LATS obligations.</p>
Human Resources		

9.2 Progress against 2010/11 Delivery Plans

Table 8

Delivery Plan No.	Description	2010/11 £m	RAG rating
1	Review of admin across the Council (anticipated savings in this department)	TBC	AMBER
2	General efficiencies across the department incl reductions in consultancy, services & supplies and business support	0.342	GREEN
3	Streamlining of the LDF through merging of the remaining Area Action Plans and Development Plan Documents and reprogramming of the Core Strategy	0.133	GREEN
4	Implement improvements to the Planning Application Service by introducing a development enquiry service	0.055	AMBER
5	Rationalisation of the existing on street car parking charging regime, with the combination of ongoing improvements to parking provision, and increasing hourly rates	0.085	GREEN
6	Rationalisation of the existing off street car parking charging regime, together with a package of investment and service improvements	0.110	AMBER
7	General savings across all revenue budgets within Strategy, Sustainable transport and Network Management & car parking back office	0.178	GREEN
8	Introduce mobile CCTV Enforcement to reduce bus lane and school vicinity parking offences	0.020	AMBER
9	Following Stock Transfer further clarity on the retained housing service via an initial review has realised some efficiencies, including increasing external funding and income and refocusing services on areas of need - further reviews will release expected efficiencies throughout the year .	0.202	GREEN
	Delivery Plans within original 2010/11 Budget	1.125	

In addition to the delivery plans above, the department has been set a further target to achieve savings of £0.238m. This will be achieved through funding tenancy support to residents at Raglan Court from Supporting people grant and a review of a range of activities within the Economic Development service area to maximise income generation.

9.3 Key High Level Risks

- Heavy reliance on income generation which is affected by market forces e.g. car-parking
- Direct and indirect implications of cessation/reductions in Government grants (Rev & Cap)
- Revenue costs of developing schemes not always chargeable to capital
- Requirement to invest to develop schemes which are 'ready to go' when the economic situation improves as growth is a key priority for the Council
- Some previously recurring grants have been utilised to cover the cost of core service provision e.g. New Growth Points funding

9.4 Departmental Medium Term Financial issues

- Housing capital grants to continue the affordable housing programme this year have not been reduced, however further HCA investment in affordable housing is unclear, and will be determined through the Comprehensive Spending Review. Nationally the 2010/11 programme of £2.4 Billion has been reduced by £450m. No information is yet available on the future of Private Sector Housing Grants.
- Resourcing a long term growth agenda rather than reacting to short term delivery needs will be challenging in the current economic climate.
- Loss of external funding through grants will impact on areas of core service in future e.g. Housing Planning Delivery Grant

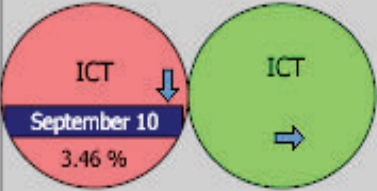
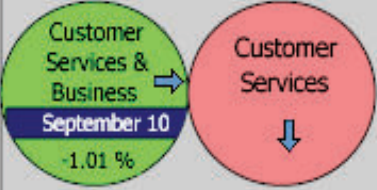

10. Corporate Support

10.1 General Fund Revenue Monitoring— Forecast under spend of (£0.020m) (0.06%)

The latest forecast is £32.434m against a latest approved budget of £32.454m, representing a forecast year end under spend of (£0.020m) (0.06%).

Further explanation is reported in the scorecard.

Corporate Support			1/2
Quarterly Budget & Performance Report			
Budget	Performance	Comment	
		<p>The monthly collection rate for National Non Domestic Rates (NNDR) remains on track to reach the year end target of 97.50%. The cumulative 'in year' collection rate for Council Tax was 53.83% at the end of September against the target of 53.97%. This equates to £50.234m against a target of £50.365m, a shortfall of £130,641. In order to improve the 'in year' collection rate, we are continuing to promote the more proactive collection methods such as direct debit, website and phone transactions and use of cash machines. Performance of 'in year' council tax collection rates has improved over the last 2 years and is approaching the all unitary average.</p> <p>At 20 days Performance of Timeliness of processing housing and council tax benefit claims is currently beating the local target set of 20.80 days. This is an improvement on the same period last year when performance stood at 23.40 days. However, significant improvement is needed to exceed the unitary average of 9 days. To make progress against this, we are building on the success of the 'lean systems' pilot, integrating housing benefit officers with council tax collection and customer services staff to work within a mixed team environment focused on customer needs. We will set a more challenging improvement target for 2011 and ensure we have relevant actions in place to deliver (for example, along with Customer Services, we will undertake a major staff restructure early in the new year)</p> <p>Our national efficiency indicator NI179 has been discontinued along with the rest of the National Indicator Set. However, we will continue to monitor our efficiencies incorporating our cross cutting Delivery Plan monitoring</p>	
		<p>Over 80% of all council employees received their annual performance appraisal by the end of September 2010, which was the deadline for receiving all appraisals. The latest October figure has risen to 86%. To increase performance towards the target of 100% all Assistant Directors have been provided with a list of outstanding appraisals and follow up meeting will be made by HR managers. Of the 80%, 84.5% met expectations and 11.2% exceeded expectations. Those employees meeting or exceeding expectations, and are due for an increment, will receive their increment in October's pay. 4.3% of those reviewed did not meet expectations and strategies are being identified to address their performance requirements.</p> <p>We are seeking to recruit 100 apprentices to cover grade A-E posts across the Council. 20 apprentices have been offered placements to date, and recruitment is taking place for a further 3.</p>	
Human Resources			

Budget	Performance	Comment 2/2
		<p>Overall availability of the top 14 systems remains on target at 98%. The financial situation shows some improvement though with still some difficult underlying issues which are likely to affect our levels of efficiency savings.</p> <p>Capitalisation of key operational expenses has improved but has not yet closed the gap. Reviews of various projects are underway to seek further means of recovering more resources.</p>
		<p>Customer Services were awarded the national accolade of Gov Metric Council of the Year for the best use of customer feedback in service improvement. Call handling performance remains strong with 91.1% of calls answered against a target of 80%. However, despite this strong performance against target 11 separate telephony downtime incidents were recorded. The public could not contact us during these times - which ranged from 15 minutes to over 2 hours in length. The business case for the new telephony system was approved by the capital projects board and installation of the new system is timetabled for Q1 2011, as it needs to dovetail with the Accommodation strategy work for maximum synergy and efficiency. The new system will not only rectify the fault but provide an improved customer experience and more reliable customer data.</p> <p>Corporate complaints under performed in September with 60% of Stage 2 complaints being resolved on time against a target of 100%. This was due to a small number of more complex complaints. This situation is being monitored closely to ensure these cases are resolved promptly.</p>
		<p>Legal Services is actively working with the Income Recovery and Systems Teams to create a management report which will enable us to analyse our performance in the recovery of income, the judgments obtained and the reasons for debt write off. Once that report is finalised we will be in a position to provide meaningful performance data.</p> <p>We are also in negotiation with the Planning department to agree a process whereby the legal fees for S106 agreements are paid 'up front' thus negating the problem of chasing outstanding invoices.</p>

Human Resources

10.2 Progress against 2010/11 Delivery Plans

Table 9

Delivery Plan No.	Description	2010/11 £m	RAG rating
1	Review of administration (savings for Corporate Support)	0.060	AMBER
2	Pilot the 'Buyer Roll out across Corporate Support	0.050	AMBER
3	Rationalise management structures of Revs & Bens & customer services	0.100	GREEN
4	Finance restructure – reduction in management posts	0.200	GREEN
5	Generate efficiencies through better use of SAP	0.050	GREEN
6	IT investment / improvement plan to generate efficiencies	TBC	RED
7	Review and restructuring of Democracy & Governance	TBC	AMBER
8	Move more services into the Customer Contact Centre	TBC	RED
	Delivery Plans within original 2010/11 Budget	0.460	

8 core delivery plans totalling £0.460m were set within the 2010/11 revenue budget for Corporate Support. The department was broadly on target to achieve a balanced budget before the recommended reduced in-year spending reductions £0.820m required.

At this stage delivery plans have focused on continuing to increase the efficiency of the overall department through specific targeted work across Revenues and Benefits and the Contact Centre, and through reducing the number of points of contacts into the whole department. All initiatives are aimed at improving services to our customers whilst reducing costs.

10.3 Key High Level Risks

- ICT Investment Programme ~ capacity to address the Council transformational change agenda e.g. technology required for an effective customer contact centre amongst others
- Challenge of improving support services whilst managing down spend
- HR ensuring that expertise is retained and redundancy costs are minimised
- Capacity within the department to support the Council's change agenda and challenging financial targets

10.4 Departmental Medium Term Financial issues

- The Comprehensive Spending Review (CSR) for the whole council
- Accommodation Strategy
- Current SLA agreements with PCH end on 31 March 2011.
- Increasing demand for services



11. Chief Executive

11.1 Chief Executives Departmental – Forecast is an under spend of (£0.019m)

The latest forecast is spending of £2.141m against a revised budget of £2.160m, representing a forecast year end favourable variance of (£0.019m).

Further explanation is reported in the scorecard.

Assistant Chief Executive Quarterly Budget & Performance Report

Monthly Service Budget	Performance	Comments
 <p>Corporate Communications September 10 1.41 % ↑</p>		<p>The forecasted budget shows an adverse variation due to shortfall in Studio income. Work is ongoing to establish an updated charging method to reduce the shortfall. The shortfall is also largely offset by a favourable variance on salary budgets.</p>
 <p>Performance, Policy & Partnerships September 10 -1.55 % ↓</p>		<p>The previous pressures highlighted are resolved due to use of reserves and carry forwards from previous years. However, these funds will not be available for future years and remains a pressure from 11/12 onwards. There are staff savings due to Maternity Leave in the Civil Protection Unit and work is ongoing to identify additional savings and costs to be passed on to external service users.</p> <p>National Indicators and Local Area Agreement The Secretary of State for Communities and Local Government has announced the end of the National Indicator set and has also relinquished control of Local Area Agreements which has resulted in the non payment of reward grant for the 2008/2011 LAA. This decision was fully expected and the anticipated reward grant does not feature in our future plans. The Government intends to replace the National Indicator Set with a smaller range of indicators.</p> <p>City Priorities The agreement of Level 1 indicators is near completion. Level 2 & 3 indicators have been identified as PCC's contribution to delivering on the four city wide priorities.</p> <p>Census Preparations for the 2011 Census are underway. A Census Local Partnership Plan has been created in partnership with the Office of National Statistics. This plan covers our preparations right up to and including Census Day on the 27 March 2011. Current work involves a large scale recruitment campaign for temporary employees to support the Census in Plymouth, submitting intelligence to the Office of National Statistics over hard to reach areas within the city and the creation of a detailed consultation and communications strategy to ensure visibility of the census to every resident within the city.</p>
Human Resources		

11.2 Progress against 2010/11 Delivery Plans

Table 10

Delivery Plan No.	Description	2010/11 £m	RAG rating
1	Review of admin across the council (anticipated savings in this department)	TBC	AMBER
2	Deletion of post and amalgamation of functions across existing staffing	0.067	GREEN
3	LSP back office costs met from Performance Reward Grant	0.285	GREEN
4	General efficiencies across department	0.060	GREEN
	Delivery Plans within original 2010/11 Budget	0.412	

Delivery plan savings of £0.412m were built into the approved budget. These delivery plans have been achieved in full for 2010/11 although as this relies on a one off transfer from reserve, further actions will need to be addressed for future years.

In addition the department has been set an additional reduction target of £0.150m. The Chief Executives department has addressed this issue with savings from the cancellation of the Residents Panel (£0.040m), and the use of reserves (£0.110m). As identified above, additional actions will need to be identified to offset the budget reduction for future years.

11.3 Key High Level Risks

The key financial risk facing Chief Executives during 2010/11 are summarised below;

- Review of Design Studio recharges to ensure that service is able to recover adequate costs.
- Continued monitoring of non-salary costs to ensure sustainability of action plan target of 5%.
- Confirmation of flexibility of grant funding in order to roll forward grant in respect of Integrated Mapping project. No funding currently in place for future year commitments for this project £0.078m.

11.4 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Completion of the review of the Local Strategic Partnership (LSP) support and performance & policy unit. Due to the reduction of grant funding available in future years the current establishment is unsustainable. During 2010/11 the department has been able to use reserves earmarked for the department to support the section but this will not be possible in future years.
- Confirmation of intentions regarding Residents Panel.
- Continued discussions regarding the possibility of Peninsula Partnership arrangements for Civil Protection Units with Cornwall County Council and Torbay Council.
- Review of arrangements to ensure maximum recovery of costs involved with staging short sermon exercise and services provided to external bodies for Civil Protection work.

12. Corporate Items and Cross Cutting Issues

- 12.1 Whilst there is no overall variation to report on the corporate items budget, there are some variations across the individual budget headings as shown in table 11.

Table 11

Service	Latest Approved Budget £000	Forecast £000	Variation £000m
Other Corporate Items	(21,407)	(22,038)	(631)
Major Projects	(1,218)	(448)	770
Capital Financing/ Treasury Management	10,599	10,460	(139)
Totals	(12,026)	(12,026)	0

12.2 Capital Financing Budget /Treasury Management

- 12.2.1 Delivery Plan budget savings of (£0.661m) were set against the capital financing budget. At the end of September savings of (£0.427m) have been achieved against the specific delivery plan actions. The shortfall is however being offset by increased investment returns and other Capital financing adjustments, giving an overall variation of £0.139m. Officers continue to explore options to achieve further savings in line with the treasury management strategy.
- 12.2.2 Table 12 below shows the Council's borrowing and investment position at 30 September 2010.

Table 12

	Principal O/S 30 June 2010 £000	Principal O/S 30 September 2010 £000	Average Rate %
PWLB (Public Works Loan Board)	62.555	62,555	5.3702
Market Loans	130,000	130,000	4.4202
Bonds	83	77	1.4469
Temporary Loans	46.900	66.950	0.3025
Total Borrowing:	239,538	259,582	3.5862
Add PFI	33,156	33,156	8.7300
Total Debt 30/09/10	272,694	292,738	
Investments	142.401	159,762	1.6137

- 12.2.3 During the period, officers continued to negotiate short-term loans to cover the capital financing requirement for 2010/11, rather than use balances and reserves. This has contributed (£0.212m) towards the delivery plan savings for the year to date. Further savings are anticipated from the continued policy to take short-term borrowing where available for the remainder of the year, although following the Comprehensive Spending Review and changes to PWLB borrowing rates, short term borrowing rates have started to increase, which will affect this strategy in the remainder of the year.
- 12.2.4 The average rate of interest achieved on new deposits so far this year is 1.1097% compared to a budget rate of 1%, contributing (£0.074m) towards the delivery plan savings. The underlying bank base rate remains at 0.5%.
- 12.2.6 During the period, the Council received a further dividend of 4.14p totalling £130,450.24 (including interest of £6,328.48) in respect of deposits in Heritable Bank bringing the total amount recovered to date to £1.431m or 45.39%. Recovery of monies in Glitnir and Landsbanki remain subject to court proceedings. The cost of the continuing external legal advice will be met in the first instance from the Icelandic bank reserve.

12.3 Other Corporate Items

This budget contains the costs of items which cannot easily be allocated to departments, such as enhanced Superannuation costs, transfers to reserves and provisions and the general contingency as well as income from support service recharges and Area Based Grant.

Pay Award

The Council budgeted for a 1% pay award which was in department's budgets and equated to circa £1m. This has now been recovered from departments and held corporately to be used to meet the costs of redundancies and other pressures.

Contingency

The budget currently includes a contingency provision of £0.500m. It is assumed that this will not be spent during the year.

Area Based Grant

Area Based Grant (ABG) is an unringfenced Government grant. As such the income is held within the Corporate Items budget. The Council was originally notified that it would receive £21.920m ABG for 2010/11. As part of the Government announcement of 10 June 2010, the Council was subsequently advised that it would receive a cut of £1.802m or 0.6% in its ABG allocation for 2010/11. No variance against corporate items is reported as the reduction in grant has been taken into account in the £4m budget reductions targets allocated to departments. However achieving all the £4m target reductions will leave a net favourable variation of (£1.510m), currently held in the corporate items budget. This has not yet been included in the monitoring figures.

Reserves & Provisions

Based on current projections there is potentially a pressure on the Insurance Fund. However, there can be large fluctuations in claims numbers, costs and movements in reserves during the year. It is anticipated that any shortfall on this fund would be met from the insurance reserve in the first instance.

At the 1 April 2010, the Council's earmarked reserves stood at £19.310m. Reserves are to be held for statutory reasons, to comply with proper accountancy practice or have been set up voluntarily to earmark resources for future spending plans. Whilst there is no limit to the amount of money that an authority can hold in reserve, there is a requirement that the level of reserves be kept under review. A detailed review of all the reserves has been undertaken by the Corporate Management Team (CMT) during the period and a sum of £2.333m has been identified for transfer to a new Invest to Save reserve, subject to cabinet approval, to help fund future projects to deliver budget savings in the light of the Government funding reductions. Further details are outlined in Appendix B, Reserves and Provisions

Budget Virements

The Council's net budget requirement was set by Council at its meeting on 1 March 2010 at £201.824m. Amendments to this overall budget can only be made by Full Council. However, during the year there will be several movements in budget allocations across services/departments as part of the delivery of the day to day business of the Council. Movements in the budget are continually tracked and an audit trail held for budget control purposes. In addition, Financial Regulations require all budget virements in excess of £100,000 to be approved by Cabinet. Cabinet are now requested to approve the following budget virements that have been made during the current financial year:

1. Pooling of consultancy budgets within Development and Regeneration, enabling a budget reduction to be delivered: Total in Department virement made £277,562.
2. Movement of the Council's contribution to the schools PFI from Corporate Items to Children's Services: £578,107
3. Update to individual service budgets for one off, in-year transfers from the carry forward and transformational change reserves: £1.636m. Further detail is outlined in Appendix D

4. Transfer from Corporate Items to Children's Services budget for LSC Special Purposes grant allocated via Area Based Grant £228,286.

12.4 Major Projects

- BSF- The BSF programme has been suspended by the Government. Whilst there will be revenue savings from the reduced requirement for the BSF team for this financial year, the savings will accrue to the revenue reserve and have been taken into account in the transfer outlined above.
- Carefirst- In February 2010 Cabinet approved arrangements for the introduction and updating of Carefirst across the Council. The Carefirst Board meets monthly to manage progress delivery of the project. The project has continued to address wider service transformation and improvements, behaviours and cultures within services. This will enable us to fully utilise the system and get the maximum benefits, both for safeguarding, operationally and for financial efficiencies.

Total Carefirst forecast spend for 2010/11 stand at £1.340m against resources of £1.281m. The in year shortfall of £0.059m, will be managed by the reprofiling of expenditure where appropriate and cash releasing efficiencies in operational processes following successful re-engineering of procedures as Carefirst is implemented.

- Residual costs of Stock transfer- A number of pressures are being experienced on the residual stock transfer budget. The budget assumed the transfer of £2m from the HRA Working Balance during the year. However such as the finalisation of utility bills and contract retention payments, the working balance currently stands at only £1.495mm following confirmation of the final Subsidy and Item 8 Determinations for 2009/10 requiring a backdated adjustment to the account, together with residual costs still being incurred consequently leaving a shortfall of £0.505m.

There is a further potential unfunded liability of approximately £0.265m on the budget. Officers continue to review options to reallocate the residual costs across Directorates both in the current and future years.

The final subsidy claim for 2009/10 has now been submitted for audit. Once this has been certified, and providing there are no issues raised, Officers will be able to apply to DCLG for approval to formally close the HRA.

However there still remains an element of land and commercial property accounted for within the HRA. This needs to be appropriated to the Council's General Fund, before the account can be closed, although it should be noted that this is an accounting adjustment only. Details of the relevant assets to be transferred are shown in Appendix E.

12.5 Key High Level Risks

- Continuing low interest rates and restricted counter party list impacting on the ability to achieve target rates of return and meet delivery plan savings
- Changes to PWLB borrowing rates following CSR announcement

SECTION D - CONCLUDING REMARKS

- 13.1 In order to set a balanced budget for 2010/11, each Department was required to identify a number of departmental delivery plans and Appendix A of the budget report, presented to Cabinet on 10 February 2010, outlined the risks to the budget, rating these in the usual traffic light system of Red/Amber/Green. The departmental reports in Section C continue to outline the key risks to the achievement of departmental budgets and issues impacting on future years.
- 13.2 After the Second quarter of the year the Council is forecasting a revenue overspend at year end of £3.342m against a net revenue budget of £201.824m (1.28%). Directors are required to take action to bring their budgets back to a break even position by year end.
- 13.3 In June 2010 the Government announced a series of in year spending reductions for 2010/11. These reductions, in the main, relate to grant funding. There are also a number of changes to policy, enacted by Government, that will impact on spend for the Council. In response to this each department has received an additional in year budget saving target with an overall target to reduce budgets by a further £4m in 2010/11.
- 13.4 Moving forward, the Comprehensive Spending Review was announced on 20th October 2010. It will continue to significantly reduce the level of revenue and capital spending available for Local Authorities in future years. The Medium Term Financial Strategy (MTFS) as approved by Cabinet in June 2010 included a forecast of a potential revenue funding gap by 2013/14 of circa £30m if no compensating action was taken. This forecast, based on latest Government announcements, is still broadly of the right order.
- 13.5 One consequence of the funding reductions outlined in the CSR will be an impact on our staffing budget. While it is too early to say the exact extent of this, it is highly likely redundancies will have to be made. Directors and Assistant Directors are assessing this as part of their delivery plans.
- 13.6 The Corporate Management Team is working with the Cabinet to develop a transformational change programme that fundamentally challenges the organisation's culture, structure and approach to service delivery.
- 13.7 Further pressure is expected on the capital programme for future years following the CSR announcement and we await further detail.

SECTION E – RECOMMENDATIONS

14. That Cabinet approve:-

14.1 Directors progressing urgently further Delivery Plans and outstanding actions to address the remaining shortfall in 2010/11

14.2 Cabinet note the latest 2010/11 capital forecast of £92.179m and Council be requested to approve that the following new schemes be added to the programme for 2010/11:

Brickfields improved Athletics facilities £0.133m

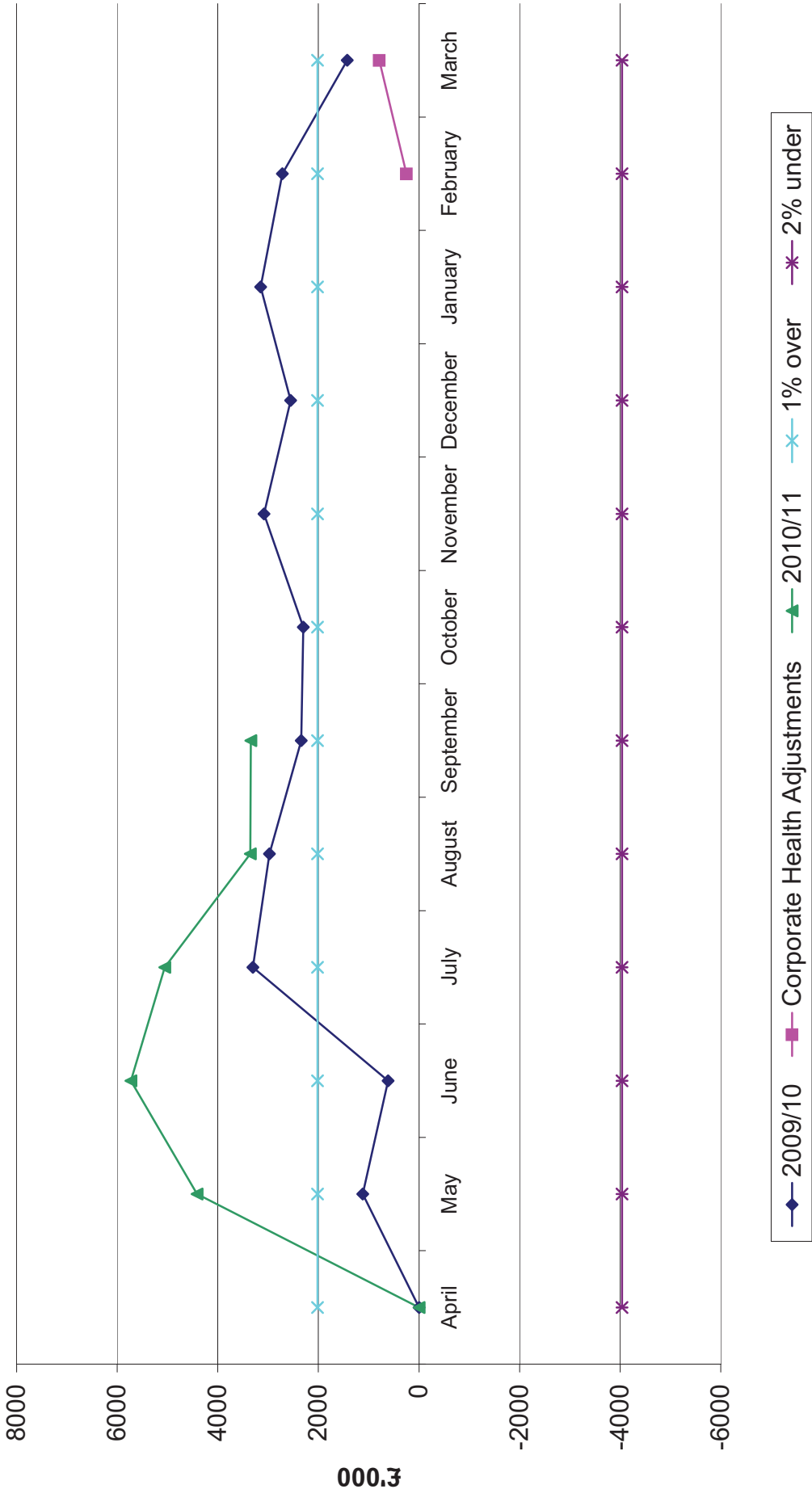
Reinstatement of playing fields at Lipson Vale £0.407m

14.3 The transfer of £2.333m from earmarked reserves to an Invest to Save reserve to be approved.

14.4 The budget virements as outlined in section 12.3 be formally approved by Cabinet in accordance with Financial Regulations.

14.5 The appropriation of HRA land and properties, as per the schedule at Appendix E, to the General Fund be approved.

General Fund Monitoring Comparison 2009/10 & 2010/11



Reserves & Provisions Review

Proposed integration of Reserves:

Reserve	Balance @ 31.3.10 £000	Transfer to Invest to Save Reserve £000	Comments
Insurance Reserve	1,179	-179	Merge funds to create one reserve and set balance at £1m
Risk Mgt Fund	50	-50	

Transfer to new Invest to Save Reserve

Strategy for Change	250	-250	Corporate Reserve set up to part fund the revenue cost of developing the Building Schools for the Future project. Project ceased.
Statutory Licensing Scheme carry forward from 2009/10	30	-30	This is money set aside from a budget carry forward. Costs to be met from revenue budget.
CIP Reserves	2,299	-1,425	Uncommitted balance on reserve to be transferred/amalgamated into new reserve.
Care and Repair Reserve	21	-21	Costs met from current budgets
DSO Reserve Fund	43	-43	Accumulated surpluses from trading activities under Compulsory Competitive tendering (CCT). These accounts now form part of general fund budgets and do not need separate reserves.
City Centre Partnership Fund	18	-18	Surpluses on sponsorship/commercial activities.
Artificial Turf Pitch Reserve	54	-54	Match funding set aside for Manadon Changing rooms. Transfer balance in full and address funding requirement if proposal to proceed with scheme at later date.
Tamar HA Reserve A/c	58	-58	Handback costs/repairs liabilities- costs being met from revenue budget.
PSECETS Initiatives Fund Plymouth	26	-26	Transfer balance in full, address funding if proposal to proceed with project.
Waste Transfer Station	15	-15	Set up as guarantee in event of leachate contamination. Council policy to treat such guarantees as contingent liability rather than make formal provision.
Leachate Treatment Reserve	93	-93	
Weston Mill Cemetery	71	-71	Separate consideration ongoing re cemetery improvements, including funding options.
TOTAL	4,207	-2,333	

Appendix C
Capital Programme
Summary Monitoring Sheet September 2010

2010/11 Capital Programme

	2010/11					September					Financing of 2010/11 Latest Forecast				
	Original Budget Plus Sllipage £m	Latest Forecast August 10 £m	New Approvals/Variations Taken to Council 11th October £m	Other Re-Variations Sep 10 £m	New Approvals to Full Council £m	Latest Forecast Sep 2010 £m	Actuals £m	Spend as % of Latest Forecast	COMMENTS	Capital Receipts £m	Unsupported Borrowing £m	Single Capital Pot Supported Borrowing £m	Grants & Contribns £m	Revenue / Funds / S106 £m	Total Funding £m
Childrens Services	38.488	35.636	0.000	0.068	(1.347)	34.357	14.269	41.53%		0.700	2.284	0.054	31.087	0.232	34.357
Community Services	29.029	24.911	0.551	(0.317)	0.085	25.770	5.753	22.32%		3.295	12.146	3.274	6.922	0.133	25.770
Corporate Support	0.820	1.748	1.484	0.000	0.000	3.232	0.113	3.50%		1.056	0.000	0.000	0.454	1.444	3.232
Development	31.604	30.009	(1.197)	0.000	0.008	28.820	8.306	28.82%		3.170	1.229	4.838	16.443	3.140	28.820
Total Capital Programme	99.941	92.304	0.838	(0.249)	(1.254)	92.179	28.441	30.85%		7.443	16.715	8.166	54.906	4.949	92.179

Total Years Capital Programme

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	Future yrs	Total
	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	LATEST FORECAST	
	£m	£m	£m	£m	£m	£m	£m	£m
Childrens Services	34,357	19,031	14,953	0,000	0,000	0,000	0,000	68,341
Community Services	25,770	18,428	0,939	0,000	0,000	0,000	0,000	45,137
Corporate Support	6,398	6,398	0,500	0,500	0,000	0,000	0,000	10,890
Development	28,820	16,042	6,203	6,530	7,856	13,200	88,000	166,451
Total Capital Programme	92,179	59,899	22,655	7,030	7,656	13,200	88,000	290,619

	Financed By					
	Capital Receipts	Unsupported Borrowing	Single Capital Pot Supported Borrowing	Grants & Contribns	Revenue / Funds / S106	Total Funding
	£m	£m	£m	£m	£m	£m
	2,121	3,784	5,154	56,824	0,458	68,341
	13,493	19,946	3,275	7,963	0,460	45,137
	5,778	3,014	0,000	0,000	1,444	10,890
	6,891	1,729	24,831	100,180	32,820	166,451
Total Capital Programme	28,283	28,473	33,260	165,421	35,182	290,619

Capital Receipts Summary

Year	Capital Receipts b/fwd from Previous Year	Forecast Capital Receipts (GF)	Housing	Total Receipts Expected	Capital Receipts Required for Funding (as above)
	£m	£m	£m	£m	£m
2010/2011	2,257	4,661	0,005	6,923	7,443
2011/2012		2,532		2,532	19,572
2012/2013		5,078			0,768
2013/2014		9,702		9,702	0,500
2014/2015		2,650		2,650	0,000
Total	2,257	24,623	0,005	26,885	28,283

In Year (Shortfall) / Surplus of Capital Receipts	£m
	(0.520)
	(17.040)
	4.310
	9.202
	2.650

The temporary shortfall of required capital receipts is to be funded by short-term unsupported borrowing that is financed from the Capital Finance Reserve.

Transfers from Reserves to meet Revenue Expenditure 2010/11

	Carry Forward £000	CIP £000	Total £000
<u>Childrens Services</u>			
Keeping children safe		132	
Departmental Total			132
<u>Community Services</u>			
Improving culture and leisure opportunities		62	
leisure management		19	
Narrowing the gap		49	
Recession response		40	
Departmental Total			170
<u>Development & Regeneraton</u>			
LEF	40		
Departmental Total			40
<u>Corporate Support</u>			
Capital data base acquisition	31		
Single status/equal pay	257		
General carry forward	66		
Improving VFM		180	
Specialist Lawyers		88	
Competency framework training		18	
HR posts to assist with tupe issues		45	
Supporting staff to perform better		73	
Departmental Total			758
<u>Chief Executive</u>			
LSP and performance management	264		
Improving customer engagement		74	
Departmental Total			338
<u>Corporate Items</u>			
Care first development	198		
Departmental total			198
Total	856	780	1636

HRA ASSETS TO BE APPROPRIATED TO GENERAL FUND

Asset Register reference	Asset	Locality
1240	ESTATE MAPS	BELLIVER
1861	WOLSELEY PARK	WOLSELEY ROAD
215	OPEN SPACE	ABBOTSBURY WAY
216	PLAYGROUND	ABBOTSBURY WAY
217	AGATON FORT OPEN SPACE	AGATON FORT ROAD
219	PLAYGROUND	ARNSIDE CLOSE
220	TREE BELT	ARSCOTT LANE
221	PLAYGROUND	AXE CLOSE
222	OPEN SPACE	AYLESBURY CRESCENT
223	OPEN SPACE	BIGGIN HILL
224	OPEN SPACE	BLANDFORD ROAD
225	PLAYGROUND	BOULTER CLOSE
226	PLAYGROUND	BOURNE CLOSE
227	OPEN SPACE	BRENTFORD AVENUE
228	OPEN SPACE	BROOMFIELD DRIVE
230	OPEN SPACE	BUDSHEAD ROAD
231	OPEN SPACE	CARLTON TERRACE
232	OPEN SPACE	CHADDLEWOOD
233	PLAYGROUND	CHANNEL PARK AVENUE
234	TREE BELT	CHURCH HILL
235	PLAYGROUND	CLOWANCE STREET
236	OPEN SPACE	COLTISHALL CLOSE
238	TREE BELT	COLWILL WALK
240	PLAYGROUND	COVERDALE PLACE
241	OPEN SPACE	CROYDON GARDENS
242	OPEN SPACE	DALTON GARDENS
243	OPEN SPACE	DARTMOUTH WALK
244	PLAYGROUND	DOCKRAY CLOSE
245	PLAYGROUND	DURRANT CLOSE
248	OPEN SPACE	LEYPARK WALK
249	OPEN SPACE	FARM LANE
250	PLAYGROUND	FROGMORE AVENUE
251	OPEN SPACE	GRANBY WAY
253	PLAYGROUND	HAWTHORNE CLOSE
254	PLAYGROUND	HESSARY DRIVE
255	OPEN SPACE	HILL PATH
256	OPEN SPACE	HONICKNOWLE GREEN
257	PLAYGROUND	INGRA WALK
259	OPEN SPACE	JAMES STREET
260	PLAYGROUND	JAMES STREET
261	PLAYGROUND	KESWICK CRESCENT
262	OPEN SPACE	LAKE VIEW CLOSE
263	OPEN SPACE	LAMERTON CLOSE
264	PLAYGROUND	LANCASTER GARDENS
265	PLAYGROUND	LANGDALE GARDENS
266	PLAYGROUND	LEGIS WALK
267	TREE BELT	LONG DOWN GARDENS
268	PLAYGROUND	LOWER PARK DRIVE
269	OPEN SPACE	MAIDSTONE PLACE
271	PLAYGROUND	MILFORD LANE
272	OPEN SPACE	MORICE STREET
276	PLAYGROUND	PENDEEN CRESCENT
277	OPEN SPACE	PENDEEN CRESCENT
278	PLAYGROUND	PENRITH GARDENS
280	OPEN SPACE	ROCHFORD CRESCENT
281	PLAYGROUND	RYDAL CLOSE
282	OPEN SPACE	SAUNDERS WALK
283	PLAYGROUND	SEVERN PLACE
284	PLAYGROUND	SHERRIL CLOSE
285	PLAYGROUND	SOUTH HILL
286	TREE BELT	SOUTHWAY LANE

HRA ASSETS TO BE APPROPRIATED TO GENERAL FUND

Asset Register reference	Asset	Locality
287	OPEN SPACE	ST.BUDEAUX GREEN
288	OPEN SPACE	ST.EVAL PLACE
289	PLAYGROUND	ST.PANCRAS AVENUE
290	PLAYGROUND	STAPLE CLOSE
291	OPEN SPACE	STAPLEFORD GARDENS
292	OPEN SPACE	SWIFT GARDENS
293	PLAYGROUND	TAW CLOSE
294	PLAYGROUND	THAMES GARDENS
295	PLAYGROUND	TORRIDGE WAY
296	PLAYGROUND	TILLEY CLOSE
297	PLAYGROUND	TORVER CLOSE
298	PLAYGROUND	TYNEDALE CLOSE
299	ADELAIDE PARK	UNION PLACE
300	PLAYGROUND	WANSTEAD GROVE
301	PLAYGROUND	WASDALE CLOSE
302	PLAYGROUND	WASDALE GARDENS
303	PLAYGROUND	WINNICOTT CLOSE
304	OPEN SPACE	WYTHBURN GARDENS
305	PLAYGROUND	YELVERTON CLOSE
306	PLAYGROUND	YEWDAL GARDENS
563	LAND ADJ FORDER BATTERY	FORT AUSTIN AVENUE
2582	GAS GOVENOR	LINKETTY LANE
2583	GAS GOVENOR	LONGBRIDGE ROAD
2584	GAS GOVENOR	MAIDSTONE PLACE
2585	LAND FOR GAS GOVENOR	MILITARY ROAD
2586	GAS GOVENOR	SOUTHWAY DRIVE
		LONGBRIDGE ROAD /
1014	SITE OF DRY SKI SLOPE	WILBURT ROAD
2479	SITE AT	DARTMOOR VIEW
2499	SITE AT	MOUNT STREET
2504	LAND AT	PATTINSON DRIVE
2562	LAND AT	WHITLEIGH GREEN
		DELAMERE
		ROAD/EGGBUCKLAND
2580	GAS GOVENOR	ROAD
2608	LEASED PREMISES - THE FALSTAFF	75 CLITTAFFORD ROAD
		BOMIN ROAD /
2609	LEASED PREMISES - THE TIGER	DORCHESTER AVENUE
2611	LEASED PREMISES -THE ALBERMARLE	BUDSHEAD ROAD
2612	LEASED PREMISES - THE LION & COLUMN	HAM GREEN
		THURLESTONE WALK /
2613	LEASED PREMISES -THE WINDMILL	BAMPTON ROAD
564	CAR PARK	HOEGATE PLACE
		CRESSBROOK DRIVE,
717	RESIDENTIAL GROUND RENTS	MAINSTONE
718	RESIDENTIAL GROUND RENTS	WALCOT CLOSE,ESTOVER
720	RESIDENTIAL GROUND RENTS	FROGMORE ESTATE
721	RESIDENTIAL GROUND RENTS	CHADDLEWOOD
815	LEASED PREMISES - THE TOWN HOUSE	HARWELL STREET
856	LAND AT	STOGGY LANE (EAST)
871	LAND AT	KINGS TAMERTON ROAD
911	SITE AT	FARM LANE QUARRY
		11-13 LOWER COMPTON
138	DEPOT	ROAD
2547	PUBLIC CAR PARK	WHITLEIGH GREEN
27	PUBLIC CAR PARK	BAMPTON ROAD
2547	PUBLIC CAR PARK	WHITLEIGH GREEN
27	PUBLIC CAR PARK	BAMPTON ROAD

CITY OF PLYMOUTH

Subject: Medium Term Financial Strategy 2010-2014
Committee: Cabinet
Date: 16 November 2010
Cabinet Member: Councillor Bowyer
CMT Member: Director for Corporate Support
Author: Malcolm Coe (Assistant Director Finance Assets and Efficiencies)
Contact: Tel: 01752 304150
e-mail: Malcolm.Coe@plymouth.gov.uk
Ref: MC
Key Decision: No
Part: I

Executive Summary:

The Council's Medium Term Financial Strategy (MTFS) was updated and presented to Cabinet in June 2010 following the detailed budget exercise for 2010/11. It is important that the document is updated on a rolling basis in order to continuously improve our approach to aligning revenue and capital spend to areas of highest importance for our local communities.

Officers have now further updated the MTFS following the Comprehensive Spending Review announcements of 20 October 2010 and earlier announcements from the Coalition Government. The strategy will be subject to further review as part of the detailed budget exercise currently in progress.

The MTFS is closely linked to, and compliments, all of the Council's core documents as contained within our budgetary framework. Cabinet are therefore requested to recommend the Strategy to full Council for adoption.

The updated MTFS is attached.

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

The MTFS is a core document that enables the Council to deliver against its priorities as detailed on the Corporate Plan 2010-14 and progress against the 35 Local area Agreement targets in support of the Sustainable Community Strategy.

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

The MTFS identifies the likely costs and pressures that the Council will face and matches these against the anticipated resource allocation over the period 2010-14

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

The Strategy outlines the Council's attitude to risk, governance arrangements for effective financial management, opinion regarding financial resources including council tax levels and objectives for retaining adequate reserves.

Recommendations & Reasons for recommended action:

The Updated Medium Term Financial Strategy (MTFS) for the period 2010-14 be recommended to Council for adoption.

Alternative options considered and reasons for recommended action:

N/A

Background papers:

Council's budget report to Cabinet 10 February 2010 and Council 3 March 2010.
MTFS update to Cabinet June 2010

Sign off:

Fin	DJN101 1.009	Leg/ Dem& Gov	TH 081110	HR	n/a	Corp Prop	n/a	IT	n/a	Strat Proc	n/a
Originating SMT Member: Malcolm Coe											

Medium Term Financial Strategy 2010 to 2014



Plymouth City Council
Oct 2010



Medium Term Financial Strategy 2010-13

Contents:

1. Our Summary Financial Objectives
2. Introduction
3. Our Corporate Planning Framework 2010-14
4. Our General Fund Revenue Position
 - Revenue Resources available
 - Council Tax
 - Budget Pressures and Medium Term Financial Forecast
 - Income collection
 - Revenue spend and income assumptions
 - Significant Reserves and Provisions
5. Our Capital Position
6. Our approach to Treasury Management
7. Efficiencies and Value for Money
8. Our Financial Governance Arrangements

Appendix A

Appendix B

1. Our Summary financial objectives:

- (a) Medium term financial forecasts will be monitored and managed regularly by Corporate Management Team and Cabinet. Future years' revenue funding gaps will be addressed on an on-going basis.
- (b) Council Tax to remain in line with government guidelines with a tax 'freeze' in place for 2011/12. In future years we will strive to maintain Council Tax levels as low as possible;
- (c) Retain a revenue working balance of at least 5% of net revenue budget at the end of each financial year;
- (d) Where practical, (depending on grant conditions), to 'pool' grant funding with all other revenue resources and allocate based on corporate priorities as per the council's corporate plan and partnership's Sustainable Community Strategy;
- (e) Spending departments may carry forward up to 50% of end of year revenue underspend, (subject to overall year end position and approval by CMT), as long as such underspend is declared and reported from September monitoring onwards. Use of carry forwards must link directly to priorities;
- (f) Departments may be required to carry forward any end of year overspend, as directed by CMT, and make good this spend over future financial years;
- (g) To formally review the purpose and adequacy of specific reserves and provisions on an annual basis and to regularly monitor and report on key variations against such reserves through finance and performance reports;
- (h) To continue to drive Value for Money (VFM) throughout the council by undertaking robust benchmarking and encouraging departments to set VFM targets based on high spending and/or poorly performing services;
- (i) Maximise opportunities for generating efficiencies through effective commissioning and joined up spending with key partners;
- (j) Financial Regulations and levels of Delegated Authority to be formally reviewed and approved by the Audit Committee annually;
- (k) To maintain or improve income collection rates and to minimise the amount of debt written off by the council.

How we will measure our progress:

- (l) Maximise delivery of the Council's budgeted capital programme for 2010/11 and continue to monitor and report on outcomes achieved through capital investment;
- (m) Generate the £28m of capital receipts required to deliver the capital programme by March 2015.
- (n) Deliver a year on year net revenue budget outturn within a tolerance of up to 2% underspend and maximum of 1% overspend;
- (o) Aim to achieve the required year end balances for specific reserves and provisions to meet the costs of known future financial commitments;
- (p) Reduce costs whilst maintaining or improving service quality to achieve the departmental Value for Money targets as set within the 2010/11 revenue budget
- (q) Aim to achieve 2010/11 in year income collection targets of:
 - Council Tax 96.5%
 - NNDR 97.5%
 - Commercial Rents 90.0%
 - General debtors 92.5%
- (r) Work towards the following Treasury Management targets under our (March 2010) revised policy:
 - Maintain the council's overall investment portfolio at under £188 throughout the financial year;
 - Achieve a return on new investments in the (2010/11) year of 1.25%
 - Maintain an overall level of council borrowing of under £281m throughout the financial year;
 - Generate a revenue saving in excess of £100k per annum through buying back, and rescheduling, debt currently managed by Devon County Council (approx £34m at an average rate of 5.4%)

2. Introduction

This summary Medium Term Financial Strategy, (MTFS), covers the period 2010-14. It identifies the likely costs and pressures that the council will face and matches these against the anticipated resource allocation over the period.

This version updates the MTFS produced in May 2010, which was presented to Cabinet on 8th June 2010 and the Overview & Scrutiny Management Board on 30th June 2010. The intention is to update the previously presented information for any relevant impact on funding from the Government's Comprehensive Spending Review of 20th October 2010.

At this date, although we know the headlines from the CSR, we are still awaiting details and the full impact on Plymouth City Council. We have national headlines rather than the individual grant allocations for our Authority; the earliest we can expect to have more detail is towards the end of November 2010.

The CSR national headlines are a real terms reduction of 28% in local authority budgets over the next four years. The fall in grant is more than 7% a year. However, we are awaiting confirmation of what specific items are covered by grants. This is because there are moves to include a number of specific grants within the formula grant, and exclude others previously included.

The MTFS is a core document that enables the council to deliver against its priorities as detailed in the Corporate Plan 2010-13 and progress against the 35 Local Area Agreement targets in support of the Sustainable Community Strategy. The Council's priorities are currently being updated.

This document should not be read in isolation. It needs to be read in conjunction with the Council's 2010/11 Revenue and Capital Budget reports. This strategy supplements the figures noted in the budget for the current financial year 2010/11 and looks ahead and models the financial resources and spending plans for the next three years 2011/12 – 2013/14.

With effect from the 11/12 financial year, the Council needs to have a sharper focus on a fewer number of priorities to continue to drive improvement. The evidence based 'Plymouth Report' has led to the adoption of four city and council priorities.

The Strategy outlines the council's attitude to risk, governance arrangements for effective financial management, opinion regarding council tax levels and objectives for retaining adequate reserves.

Developments and enhancements will be made to this document on a rolling basis in order to continuously improve our approach to aligning revenue and capital spend to areas of highest importance for our local communities.

The MTFS is closely linked to, and complements, all of the council's core documents as contained within our budgetary framework. These documents are available to download from our website (www.plymouth.gov.uk).

The future of Local Government funding is still uncertain with more detail required following the October 2010 CSR. We do know there will be significant spending reductions in the coming years. This MTFS presents a financial context regarding the scale of this challenge. The council is developing a transformational change programme in response to the financial challenges ahead in order to proactively bridge the funding gap whilst maintaining and improving the services that we provide to our customers.

This Strategy covers:

General Fund – expenditure and income relating to the day to day delivery of our core services and functions. For 2010/11 this equates to £612.5m spend and £410.7m income, leaving a net revenue requirement of £201.8m;

Housing Revenue Account (HRA) – The council successfully transferred its Housing Stock to Plymouth Community Homes in November 2009. It therefore no longer operates an active HRA, hence this section of the MTFS has been removed.

Capital – The council has reviewed and updated its five year capital programme considering the current economic climate, accounting for future risks around government capital allocations and achievability of capital receipts. We still have an ambitious and significant investment programme in physical assets and local infrastructure. Targeted capital investment will help contribute towards achieving corporate priorities and/or generate on-going revenue savings. Our planned capital spend up to the end of March 2015 is £189m

3. The Corporate Planning Framework 2010-14

The Plymouth 2020 local strategic partnership has a shared vision of making Plymouth “One of Europe’s finest, most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone” by 2020.

To achieve this shared vision the partners have agreed to focus their priorities around four themed areas aimed at making the city healthy, wealthy, safe and wise. The diagram below shows how the vision for the city is being delivered through theme groups and supported by the partnership.



Partners have their own visions and strategies that ultimately aim to deliver that shared vision for the city. Plymouth City Council’s vision is to deliver excellent local services to Plymouth residents and has set itself the goal of becoming an “excellent” authority by 2012.

Our shared priorities for the city

The priorities below were identified for both the council and the partnership following publication of the Plymouth Report, which for the first time brought together needs analyses and capacity data from across the city as a basis for priority setting.

Deliver growth

Promote Plymouth as a thriving growth centre by creating the conditions for investment in quality new homes, jobs and infrastructure

Raise aspirations

Promote Plymouth and encourage people to aim higher and take pride in the city

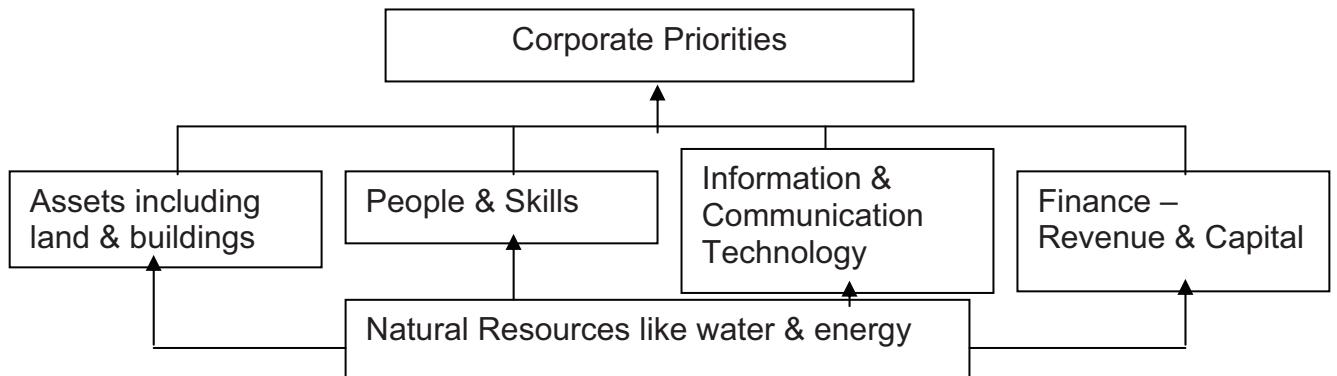
Reduce inequality

Reduce the inequality gap, particularly in health, between communities

Provide value for communities

Work together to maximise resources to benefit customers and make internal efficiencies

Figure 1: Use of Resources Planning Framework



Reporting to Corporate Management Team, Cabinet and Scrutiny will continue to combine progress against priorities with key performance indicator information, revenue budget forecasts and capital programme updates.

4. Our General Fund Revenue Budget

Revenue Resources available

The Comprehensive Spending Review (CSR) 2007 allowed the council to plan, with reasonably certainty, the revenue resources available up to, and including, the 2010-11 financial year. However, revenue resources from 2011/12 onwards is, at this stage, uncertain. Indications are that, due to the level of national debt, future settlements will be extremely challenging for local government resulting in significantly reduced funding. The full extent of the CSR announced in October 2010 has still to be fully understood in terms of clarity for 2011/12 – 2013/14. The review headlines Grant reductions of 7%+ per year plus a Council Tax freeze. However, there is also discussion around a 2.5% special grant to compensate for the "lost" council tax increase. Due to the lack of clarity, this report builds on our previously published assumptions around a 5% grant reduction each year together with a council tax freeze.

The impact of such a permutation is as follows:

Figure 2: Revenue Resources Forecast

	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Formula Grant	106.022	100.721	95.685	90.901
Increase / (decrease) over previous year	2.5%	(5.0%)	(5.0%)	(5.0%)
Council Tax income including collection fund	95.803	95.803	95.803	95.803
Total Resources available	201.825	196.524	191.488	186.704

This requires the council to actually reduce revenue spend by over £15m between 2010/11 and 2013/14, with no allowance given for growth or known service pressures. The Council is therefore adopting a new process for setting the budget, using eleven cross cutting themes to drive savings out.

Treatment of Specific Grant Funding

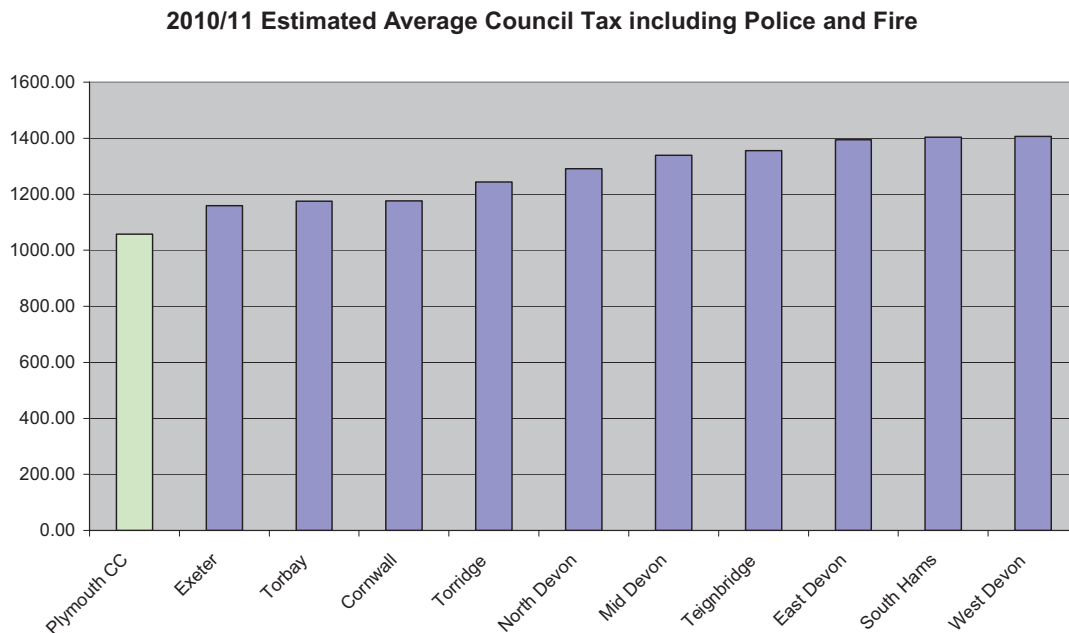
The largest specific grant that the Council receives is the Dedicated Schools Grant (DSG). In excess of £150m, the funding is spent either directly by Schools, (Primary, Secondary and Special), through their formula allocations, or by the authority on their behalf. The Schools Forum, (a representative group of Head Teachers and relevant stakeholders), are consulted on the local authorities formula distribution and the amounts administered centrally. Any over or underspends on the DSG are carried forward to the following financial year with a neutral impact on the council's general fund.

Where practical, (depending on grant conditions), the Council aims to 'pool' all non- ringfenced grant funding received with all other revenue resources. Total resources are allocated based on corporate prioritisation linked to the council's corporate plan and partnership's Sustainable Community Strategy.

Council Tax

The Council Tax increase levied by Plymouth City Council for 2010-11 is 2.89%. This increase retains Plymouth City Council as the lowest average council tax across Devon and the wider South West as detailed in the following graph:

Figure 3: 2010/11 Devon Average Council Tax



A number of specific revenue pressures has led to having to increase the council tax, including increased costs in adult social care regarding the growing number of elderly people in the area, increased costs of waste disposal and the national trend of increasing number of children in care. The economy is also placing pressure on revenue and capital budgets for example, through falling income collection rates and reduced ability to generate capital receipts.

The council's aim, as stated in this strategy, is to strive to maintain Council Tax levels as low as possible. We have managed to reduce the percentage increase in Council Tax for each of the last three financial years. For 2011/12 it has been indicated that there will be a national 'freeze' on Council Tax. For financial modelling purposes, figure 2 continues to 'freeze' Council Tax levels for each of the next three years.

Every 1% increase, (or decrease), in the levy of council tax equates to approximately £950k of revenue funding.

There is a desire to maintain the status of being at, or towards, the lowest average council tax in the region. Therefore, any future council tax rises will give full consideration to this and, as such will:

- (a) Not exceed Government guidelines for any individual year and;

(b) Will strive to continue to reduce the level of year on year increases levied

Budget Pressures and Medium Term Financial Forecast

The Council set its revenue budget for 2010/11 at the Council meeting on 1 March 2010. Council Directorates have, for some time, identified known and anticipated expenditure pressures on a rolling three year basis. These pressures have been reported within bi-monthly performance and finance reports presented to Cabinet and Scrutiny throughout 2009/10.

Budgeting over the medium term, we have allocated revenue funding to match known revenue pressures for 2010/11 and provided notional allocations for the following two financial years. This allocation has been undertaken on a priority basis linking with corporate improvement priorities, deliberately placing more funds into frontline, key services for the public.

We have identified a number of high risk, and high cost, issues that will have a significant impact on future year's revenue budgets:

Waste disposal costs

Waste disposal costs are rising in every council across the country. We continue to work in partnership with Torbay and Devon County Councils to build an 'Energy to Waste' plant as our solution to long term waste disposal. A waste management reserve has been set up to prepare for the future however, the actual cost of waste collection and disposal over the next ten years and beyond significantly outweigh existing provision.

Reduced income through economic downturn

We continue to strive to improve our income collection rates in all major areas including council tax, NNDR and sundry debtors. Challenging income targets have been set for 2010/11 however there is a risk that the economic climate could continue to impact on our ability to be able to achieve these targets.

Reduced return from council investments

Prior to 2009/10, the council has been very successful in generating significant returns on investments through its treasury management activity. In a financially unstable market, we will not be able to achieve such rates of return for the foreseeable future. For 2010/11 we have assumed a rate of 1.25% return on all new investments made. With the Bank of England base rate currently standing at 0.50% (as at March 2010), this target is challenging and represents a risk.

Demographic growth in elderly residents

The impact on adult social care budgets of the increasing number of younger adults with complex personal care needs combined with increasing life expectancy of both younger adults and the elderly population is recognised throughout the country. Plymouth has a higher than average elderly population and, as such, is anticipating significant cost pressures in the medium to long term. Funding has been allocated for this for each of the three years in the MTFS. However, there is a strong risk that this allocation will be insufficient to meet with actual demand.

Increasing number of children in care

Recognising that we have had a higher than average number of children in care, we have actively been reducing the number in care since 2007/08. Our revenue budget is now in line with unitary average council spend. However, high profile media cases has resulted in a national trend of increasing numbers of children in care and there is a risk that actual (financial) demand could exceed the resources available.

Pensions

The council's next three year review of its pension fund assets and liabilities will be undertaken in 2011/12. Our current employer superannuation contribution rate is 19.4%. There is a strong risk that the next valuation could identify a significant funding gap on the Pension fund and require a higher employer contribution rate. In addition, additional pressure on pension liability is attributable to the transfer of staff to Plymouth Community Homes and the new CityBus operators (where full pension liability has to be met by Plymouth City Council). The Coalition Government has announced a fundamental review of public sector pensions and we will not know the impact of any funding changes until Spring 2011.

Building Schools for the Future (BSF)

The City Council successfully progressed its BSF bid and stood to receive approx £70m under phase 1 to reinvigorate five secondary Schools. This was a significant investment opportunity in the City. However, the new Government has ended the BSF programme for projects not already commenced. The October 2010 CSR announced a review of the school building programme, with an as yet unknown outcome for Plymouth.

Housing Stock Transfer (residual costs)

The council transferred its housing stock to Plymouth Community Homes (PCH) in November 2009. Although this will bring, much needed, major investment in improving living standards for many Plymouth residents, there is a residual cost of the transfer that has to be born by the council. For example, the council needs to fund the pension shortfall for staff who TUPE'd to PCH. Future capital monies through either 'right to buy' receipts or the 'VAT shelter', are available to assist in addressing these revenue pressures.

Summary of revenue pressures and future years budget gap

Clearly we are not able to fund all of these budget pressures without introducing management action to reduce costs. As a starting point, we have allocated provisional figures to each pressure area to better understand the challenge that is facing the council in future years. This can be seen as **Appendix A**, and summarised as follows:

Figure 4: Revenue Forecast –resources vs spending plans

	2010/11	2011/12	2012/13	2013/14
Formula Grant (based on 5.0% reduction)	106.022	100.721	95.685	90.901
Council Tax income (based on a Council Tax freeze)	95.803	95.803	95.803	95.803
Total Resources available	201.825	196.524	191.488	186.704
Known Spending Plans	* 202.325	208.335	212.045	216.505
Forecasted Funding Shortfall	0.500	11.811	20.557	29.801

In summary, a possible scenario of reduced revenue resources combined with a 'no change' approach on current spend plans could result in a revenue funding gap of **£11.8m in 2011/12 rising to £29.8m in 2013/14**

In response to this, the Corporate Management Team is working with the Cabinet to develop a transformational change programme that fundamentally challenges the organisation's culture, structure and approach to service delivery. This change programme, which will include proposals for 'invest to save' will be finalised, progressed and reported on throughout 2010/11.

The Corporate Management team are also working with the Cabinet to challenge all of the underlying assumptions used in the spending plans. To achieve a balanced budget given the reduced funding, we will have to radically change the way we work as a Council.

Income Collection

In-year collection targets have been set for Council Tax, Business Rates, Commercial Rent, and Sundry Debt Income. The Council's major sources of income will continue to be monitored and reported on a regular basis.

In 2009/10 we have continued to increase our collection rates in all of our core income streams other than NNDR. However, due to the difficult economic conditions, we have fallen slightly short of the ambitious targets that we set.

For future years, we continue to set year on year improvement targets to generate as much 'in year' income as possible. Robust action plans are being delivered to ensure that future year targets are achieved.

Figure 5: Income Collection Targets

Type of debt	Actual % 09/10	Target % 10/11	Target % 11/12	Target % 12/13	Target % 13/14
Council Tax	95.20%	96.50%	97.00%	97.00%	97.00%
NNDR	96.00%	97.50%	98.00%	98.00%	98.00%
Commercial Rents	85.00%	90.00%	92.00%	94.00%	94.00%
Sundry Debt	88.00%	92.50%	93.00%	93.50%	93.50%

Council Tax and Non-Domestic Rates

Collection targets for the medium term period are based on achieving top quartile performance, based on current quartile projections for our family group. For Council Tax, we have continued to make significant progress, improving from collecting 92.5% in year for 2007/08, raising to 94.5% in 2008/09 and 95.20% for 2009/10. We continue to promote Direct Debit as our preferred method of collection and will continue to explore further options to maximise the level of income collected.

Commercial Rents

We have separated out the collection of Commercial Rents income from 'Sundry Debtors' in order to target specific improvement activity on collecting this income from the relatively low baseline of 85% as identified in 2009/10. We believe that a year on year target of achieving an additional 2% is achievable over the medium term.

Sundry Debt

Although we did not manage to achieve our 09/10 target of 92.5%, by focusing our efforts on risk, materiality and our key customers we have continued to improve in year collection during 2009/10. Our 3 year targets will enable us to compare favourably with the Unitary average (as part of the annual CIPFA Benchmarking).

Collection of sundry debt remains a challenge. Action has been taken to bring the billing and recovery of commercial rent under the responsibility of Finance, Assets & Efficiencies and this function now sits under the control of the Income Maximisation Manager, this will ensure synergy in collection strategies, to optimise collection rates and promote cross function working. Performance is still tracking above previous year levels, and we remain on target to achieve overall collection of 92.5%.

VAT

The standard rate of VAT will increase to 20% with effect from 4 January 2011. Action is being taken to ensure that where appropriate, all affected Council services will be charged at the correct VAT rate.

Revenue Spend and Income Assumptions

In forecasting our future year expenditure commitments, a number of assumptions are made on increased costs such as inflation, income levels, grants, superannuation etc. The key assumptions made within our medium term forecast are as follows:

Figure 6: Key spending / inflation assumptions

Description	2010/11	2011/12	2012/13	2013/14	Sensitivity
Pay, NI, Price	1.00%	1.00%	1.00%	1.00%	+/- 0.50% = £0.500m
Superannuation increased employer contribution	0.00%	5.00%	5.00%	5.00%	+/- 1.0% = £0.162m
Energy – increases	10%	5%	5%	5%	+/- 5.0% = £0.149m
Income – fees and charges	3.00%	3.00%	3.00%	3.00%	+/- 0.50% = £0.182m
Return on council investments	1.25%	1.50%	2.50%	2.50%	+/- 0.50% = £0.181m
Specific Departmental Assumptions					
Social Care Commissioning	0%	2.00%	2.00%	2.00%	+/- 0.50% = £0.349m
Supporting people	up to 3.5%	up to 3.5%	up to 3.5%	up to 3.5%	+/- 0.50% = £0.041m
Children's services placements	0%	2.50%	2.50%	2.50%	+/- 0.50% = £0.032m
Total Sensitivity / Risk re: changes to the above Expenditure assumptions:				+/- £1.596m	
Resources					Sensitivity
Council Tax	2.89%	0.00%	0.00%	0.00%	+/- 0.50% = £0.475m
Formula grant variation	2.5%	-(5.00)%	-(5.00)%	-(5.00)%	+/- 0.50% = £0.530m
Council Tax total collected	98.50%	98.50%	98.50%	98.50%	+/- 0.10% = £0.100m
Total Sensitivity / Risk re: changes to the above Resource assumptions:				+/- £1.105m	

CMT and Cabinet will continue to monitor, review and challenge the above assumptions to ensure any increases are kept to an absolute minimum.

Revenue Delivery Plans

As part of the 2011/12 budget setting, Directors, Assistant Directors and Cabinet have signed up to Revenue Delivery Plans and eleven cross cutting budget delivery items. These plans detail the key actions that will have to be put in place in order to deliver a balanced budget.

Governance

1. Department budgets will remain with ultimate responsibility and accountability resting with Directors and their DMTs, with overview provided by CMT.
2. Any additional resources allocated or spending reductions applied through the theme groups will be translated to clearly show the impact on overall departmental budgets (same as applied for the 2010/11 in year revenue spending reductions)
3. Thematic Groups will meet and develop clear plans as to how to achieve the three year spending reduction targets that they have been set. Progress from these groups has to be fed back into Departmental Management Teams (and/or Departmental Improvement Boards)
4. Departmental Management Teams (and/or Improvement Boards) will maintain an overview of progress against their 3 year departmental budgets using the existing, risk rated 'Delivery Plan' process.

Delivery Plans will promote accountability and ownership of the budget whilst focussing senior manager and member attention on the key strategic issues and risks. They will be monitored throughout 2010/11 as part of standard performance and finance reporting.

Significant Reserves and Provisions

The council has created a number of specific reserves and provisions in order to plan in advance for known and anticipated future revenue costs. We will regularly review the appropriateness and use of these reserves throughout each financial year. Where relevant, recommendations for changes will be reported to Cabinet on an on-going basis. As a minimum, **all** specific reserves will be reviewed on an annual basis in March as part of the end of year accounting closedown arrangements.

A brief description of the purpose of each of our significant specific reserves and provisions is as follows:

Waste Management Reserve

The cost of disposing the City's waste is due to rise sharply over the coming years. Since closing our landfill site, Chelson Meadow, (due to it being full), we have entered into a contractual arrangement to dispose our waste in Cornwall for the immediate future. Longer term, we are entering into a Private Finance Initiative, (PFI), with Devon County and Torbay Councils to build a new 'waste into energy' plant. We are putting aside regular contributions to meet the anticipated increased cost of waste collection.

Job Evaluation / Equal Pay

The council successfully implemented Job Evaluation and Equal Pay during 2008/09. The on-going revenue costs associated with this has been built into budgets and medium term forecasts. However, there is potential for increased revenue costs if the total salary bill, including successful appeals, outweighs the additional funding that has been allocated to departments.

Invest to Save

Following a full review by CMT, it is proposed to transfer unused monies from earmarked reserves to a new Invest to Save reserve scheme. These reserves will be allocated to projects which will generate future savings.

Redundancy Costs

To achieve a balanced revenue budget for 2010/11, and beyond, a number of revenue budget delivery plans will result in reduced staffing. The council will continue to work towards minimising redundancies where possible and practical to do so. However, bearing in mind the likely future local government finance settlements, it is prudent to establish a redundancy reserve.

Capital Financing Reserve

A capital financing reserve has been established to fund risks around future achievement of our five year capital programme. Since the economic downturn, pressure has intensified on capital budgets through not being able to generate the required level of capital receipts. The primary purpose of this reserve is to meet the revenue costs associated with having to take out short term borrowing to match the cashflow gap of when capital spend is required linked to when actual receipts are anticipated.

Provision for Icelandic Bank Losses

The council had £13m of investments with failed Icelandic banking organisations, Glitnir, Heritable and Landsbanki which collapsed in October 2008. We continue to work towards retrieving as much of this investment as possible however, at present, it is unclear how much we are likely to recoup. In 2009/10 the council successfully applied for a capitalisation direction for £5.7m to meet the worst case scenario of our losses, which has been added to our five year capital programme. This reserve will help fund the revenue cost of any required borrowing to meet this direction.

Accommodation Reserve - preparing for new Civic Centre

The council's existing Civic Centre is not 'fit for purpose'. It is expensive to maintain and, in the long term, is not structurally secure. Funding needs to be set aside to progress with alternative office accommodation whilst meeting the costs of essential, unplanned maintenance of the Civic Centre. This is detailed within our accommodation strategy and forms part of the council's strategic asset management plan.

Insurance Fund Reserve

A provision that has been set up to meet the cost of anticipated future insurance claims based on existing known liabilities and estimated future liabilities. It enables the council to reduce its payments to external insurance providers by transferring some of the risks of small claims to the authority.

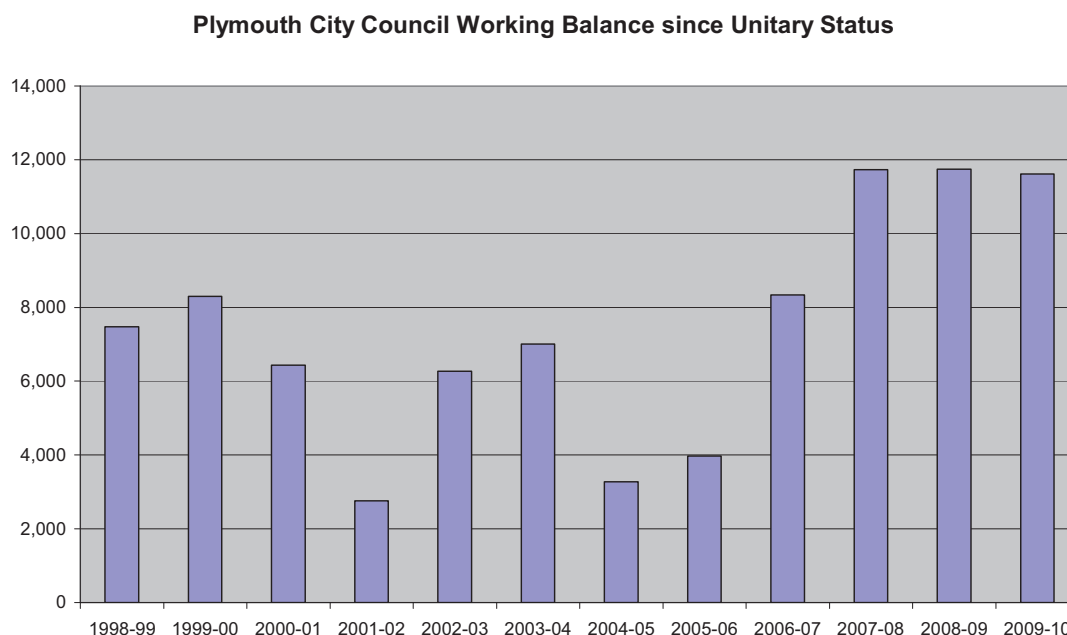
Figure 6 represents what we are planning will be in these reserves and provisions at the end of each of the next three financial years:

Figure 7: Targeted significant reserves and provisions

	Estimate 31 Mar '10 £000	Target for 31 Mar '11 £000	Target for 31 Mar '12 £000	Target for 31 Mar '13 £000	Target for 31 Mar '14 £000
Waste Management Reserve	1,500	1,750	2,000	2,250	2,250
Corporate Improvement Reserve	2,298	0	0	0	0
Job Evaluation / Equal Pay	1,345	0	0	0	0
Redundancy Costs	582	500	0	0	0
Capital Financing Reserve	975	975	650	450	0
Provision for Icelandic Bank Losses	134	100	75	0	0
Accommodation provision - Civic Centre	1,812	1,562	1,300	1,000	1,000
Insurance – General Fund Reserve	1,179	1,000	1,000	1,000	1,000
Invest to Save	0	2,500	1,000	500	0

Working Balance

The Council's 'Working Balance' is the revenue reserve that is put aside to cover any significant business risks that might arise outside of the set budget. This reserve has significantly improved over recent years and, as at March 2010, stood at £11.5 million. This equates to approximately 5.7% of net revenue budget for the year which in line with the average for Unitary Councils. We continue with our policy of maintaining adequate reserves giving consideration to the significant constraints that will be placed on public sector spending for the foreseeable future.

Figure 8: Working Balance Levels

The Audit Commission does not provide specific guidance on what the level of council reserves should be other than that they should be adequate to cover potential risks. Plymouth has significantly improved the approach to risk management over recent years. Our strategic and operational risk registers are comprehensive and are regularly reported to, discussed and challenged by senior officers and members.

5. Our Capital Position

Our financial strategy for capital has been to fully utilise the supported capital borrowing allocation available to us in tandem with maximising the availability of grant and third party payments.

We maintain the principle that capital schemes are only approved into the programme where specific funding has been clearly identified and supported by business cases. Thereby, the capital investment programme, at any set point in time, will evidence 100% funding allocation against approved schemes. Capital investment is prioritised to ensure that outcomes are maximised against the council's Priorities.

The council continues to challenge the affordability of its five year capital programme for the period 2010/11 to 2014/15. There remains significant volatility around future capital grant funding and income generation through capital receipts. Criteria that the council applies in prioritising the programme is detailed in **Appendix B**. The comprehensive spending review indicated that local authority funding for capital schemes was facing a reduction of up to 45%. Until the full implications of the CSR, have been identified, a hold has been placed on any further new commitments against any unringfenced funding within the Capital Programme.

The revised programme for the period 2010/11 to 2014/15 of **£189m** was approved by Full Council on 11 October 2010 (this excluded the 2009/10 figures which were part of the last published MTFS). Further monitoring and new projects are subject to approval by Full Council on 6th December 2010 and produce a programme as follows:

Figure 9: Five year Departmental Capital Programme

	2010/11 £000s	2011/12 £000s	2012/13 £000s	2013/14 £000s	2014/15 £000s	Total £000s
Children's Services	34,357	19,091	14,953	-	-	68,341
Community & Neighbourhood	25,770	18,428	939	-	-	45,137
Development & Regeneration	28,820	16,042	6,203	6,530	7,656	65,251
Corporate Support/items	3,232	6,398	560	500	-	10,690
	92,179	59,899	22,655	7,030	7,656	189,419

This spend will be funded by:

	<u>£000</u>
* Capital Grants/Contributions	88,721
* Supported Borrowing	33,260
* Unsupported Borrowing	28,473
* Capital Receipts	28,283
* Section 106 / Revenue / Funds	10,682

We remain committed to a significant capital investment programme despite the current economic climate. The Council, engaging with partners in major regeneration of the City, will not only contribute towards delivering improvement priorities, but will also help to sustain much needed work opportunities in the local area (for example, the construction industry).

Significant schemes that will be delivered by 2014 include:

- £37.5m on a state of the art new college at Estover;
- £14.2m on improving Schools in the Southern Way Federation;
- £8.6m for a new School at Efford;
- £6m on the modernisation of Mill Ford special School;
- £22m on improving transportation Plymouth (Local Transport Plan);
- £60m on improving transport access in Eastern side of the City Centre;
- £3.2m on regenerating the West End;
- £3.88m on bringing Devonport People's Park 'back to life';
- £46.5m on the Life Centre.

We are developing our long term waste disposal solution with Torbay and Devon County Councils, building a multi million pound waste to energy plant, with the Waste Partnership looking to announce a preferred delivery partner in 2011.

Following the emergency budget announcements by the coalition government in June 2010 the Council has had its BSF funding removed and officers are awaiting details of what funding is likely to be available for those projects and 'basic need' schemes nationally.

Capital Receipts

We will regularly review the assets that we own to ensure that they are fit for purpose and optimise the use of capital receipts, where deemed beneficial, in order to support our overall capital investment programme. However, our ability to generate capital receipts has been severely impacted in recent months due to rapidly falling land and property prices.

In reviewing the capital programme as part of 2010/11 budget setting we have significantly **reduced our reliance on capital receipt funding to £28.2m over the five year period**. This funding is based on a schedule of specific assets, with current estimated valuations and proposed timing for disposals. Our view is that we will only dispose of very few assets over the next three years, with disposals increasing towards the end of the five year programme on the assumption that market conditions will improve.

The council has built in the requirement for **additional temporary borrowing** to cover the shortfall in capital receipt income for the 2010/11 and 2011/12 financial years. It is planned that this borrowing will be repaid in future years to coincide with our forecasted capital receipt income. Capital receipt generation will be kept under constant review by the Capital Delivery Board as part of regular monitoring. Any variations to the forecasted position will be reported to Corporate Management Team and Cabinet at the earliest possible opportunity.

Invest to save

A vital element of effective financial management for future years is our ability to commission, and deliver, invest to save projects that improve services provided to our customers and efficiencies in the way in which we work. As part of 2010/11 budget setting, we were open with our intent to develop relevant schemes, through capital funding, that will drive transformational change and generate revenue savings. The first of these to progress is the accommodation strategy which is rationalising the number of office premises to release revenue savings.

6. Our Approach to Treasury Management

The council's approach to Treasury Management has been significantly revised since the collapse of the Icelandic banking institutions in October '08. Plymouth has £13m invested with failed Landsbanki, Glitnir and Heritable Banks. As at October '10, we have received back £1.431m, however, it is still not known as to how much, in total, the council is likely to receive. We have therefore applied for, and successfully been granted, capitalisation directions of £5.7m to cover the worse case scenario of these investment losses which has been added to our five year capital programme. The council continues to vigorously pursue all outstanding monies.

The council's published Treasury Management Strategy details our borrowing limits and specifies approved institutes for investment, (with maximum limits), based on credit ratings and other pertinent factors. We maintain regular engagement with our Treasury Management advisors, ArlingClose, and constantly seek their advice on our strategic direction and key operational decisions.

Inevitably, our approach to Treasury Management activity is now much more risk adverse and entails only investing with a very small number of financial institutions with the highest possible credit rating backed by added security.

With significantly lower interest rates from investments, we have adopted an approach of proactively reducing our overall borrowing and investment portfolio and associated revenue costs. Throughout 2009/10 we have reduced our investments by over £60m, making a corresponding reduction in council borrowing of over £100m (includes the transfer of council housing stock).

Borrowing Limits

The Council is required to set out its annual Borrowing and Investment Strategy recognising its implications on the Council's revenue budget.

It is a statutory duty under the Local Government Act 2003 for the council to determine and keep under review how much it can afford to borrow. The Council must have regard to the Prudential Code when setting its Authorised Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future Council Tax and Council rent levels is 'acceptable'.

The council approved its revised Treasury Management and Investment Strategy in March 2010. In this Strategy with have approved the following borrowing limits:

- The Authorised Borrowing limits of 2010/11 = £347m, 2011/12 = £337m and 2012/13 = £324m;
- The Operational Boundary limit of 2010/11 = £295m, 2011/12 = £295m and 2012/13 = £293m

Devon Debt Rescheduling

At the start of 2010/11, the council still had a proportion of its debt managed by Devon County Council. This debt relates to the dis-aggregation of assets and liabilities upon the formation of Plymouth City Council at the last Local Government Re-organisation in 1997.

The value of this debt was approximately £34m. The associated revenue costs that we paid Devon for managing this debt was based on an average percentage rate of the County Council's entire borrowing portfolio. In 2009/10, PCC paid a rate of 5.4% on the £34m debt.

Over the last two years borrowing costs, nationally, have significantly reduced. In June 2010 we took the opportunity to 'buy back' the £34m debt from Devon County Council and rescheduled this debt at a reduced percentage rate in order to generate revenue savings.

In this MTFS, we have budgeted to generate revenue savings of £100k in 2010/11 through this transaction.

Treasury Management Targets

Our Treasury Management Board maintains weekly meetings making strategic decisions on managing risk whilst optimising our investment rate of return and minimising our borrowing costs.

In terms of our strategy moving forward, we will aim to maintain a modest investment and borrowing portfolio throughout this period of financial uncertainty. As a guide, we will aim to keep our overall investments below £188m and our borrowing below £281m.

Despite low interest rates, the council will still require to undertake a number of investments in each financial year which is linked to the timing of core income being received and payments being made. The Treasury Management Board has set itself clear targets for financial returns for **new investments** which have been built into the MTFF. Targets have also been set for, not only reducing our financial level of borrowing, but also the average rate of interest that we pay for our remaining borrowing portfolio.

Figure 10: Targets for Investment & borrowing Percentage Rates

Financial year	Rate of return for new investments	Average borrowing as @ 31 March
2010/11	1.25%	4.10%
2011/12	1.50%	4.50%
2012/13	2.50%	4.50%
2013/14	2.50%	4.50%

Minimum Revenue Provision (MRP) Policy

The Council is required to make a revenue charge each year to provide for the repayment of loans taken out to finance capitalised expenditure.

Government's Capital Financing Regulations places the duty for an authority each year to make an amount of Minimum Revenue Provision which it considers to be "prudent". The prudent provision is to ensure that debt is repaid over a period reasonably in line with that over which the capital expenditure provides benefits.

Under the regulations, the authority is required before the start of each financial year to prepare a statement of its policy on making MRP and submit it to the full Council. The approved policy for 2010/11 is as follows:

Supported Borrowing

For borrowing supported by Revenue Support Grant the Council will continue to use the current method of 4% of the adjusted Non-HRA capital financing requirement.

Unsupported Borrowing

For new borrowing under the prudential system for which no Government support is being given and is therefore self-financed, MRP will be made in equal annual installments over the life of the asset.

Capitalisation Directions

For capitalisation directions on expenditure incurred since 1 April 2008 MRP will be made in equal annual installments over 20 years in line with DCLG guidance.

In all cases MRP will commence in the financial year following the one in which the expenditure is incurred.

7. Efficiencies and Value for Money

The 2007 Comprehensive Spending Review required councils to generate 'cashable' efficiency savings of 4% per year for each of the three financial years up to and including 2010-2011, a cumulative figure of £27m.

The Value for Money reviews that the council has undertaken to date provide evidence that we have reduced costs whilst either maintaining, or improving, service quality in areas such as planning, waste collection, learning disabilities and children's social care.

With effect from 18 October 2010 Councils are no longer required to report efficiencies to Central Government through NI 179 and the overall requirement for central data reporting is currently being reviewed by DCLG.

Nonetheless, the internal reporting of efficiencies has continued to improve substantially across the Council through development of a monitored VFM programme which is focused on Benefit delivery through the Budget Delivery Plans for each Directorate (all cashable efficiency savings are being reported against plans to achieve budget targets as well as general efficiencies to improve services to customers). The programme has ensured that governance of the VFM monitoring process has been enhanced and ensures that gains are challenged before inclusion, thus ensuring compliance with good practice.

In addition to formal VFM reviews and targets, the council will continue to progress with a number of initiatives that will improve efficiencies such as cascading out the 'lean systems' approach (following a successful pilot in Housing Benefits) and developing further partnership working such as the Waste Management PFI

The Council will continue to improve the alignment between Value for Money reviews and required efficiency returns through developing a council-wide VFM delivery plan.

Achieving Value for Money remains a key issue for the council. Our improvement activity in this area will focus on achieving outcomes under the following headings:

- Driving value for money through more effective support services;
- Driving value for money from our core services to customers;
- Ensuring that our key resources of finance, capital, ICT, assets and people are better aligned to our priorities;
- Developing a consistent approach, with our partners in tackling climate change issues.

We will also continue to develop our approach to driving VFM from capital investment, ensuring that 'invest to save' projects are carefully considered and evaluated to deliver tangible outcomes and maximum return from our investment.

8. Our Financial Governance Arrangements

The council has been working on improving its financial and governance arrangements for a number of years. Financial Management has improved, performance management has improved, scrutiny has developed and an independent audit committee is operating well. A comprehensive Budgetary Control Project has promoted ownership and effective financial management amongst budget managers in service directorates.

The council's medium term strategy focuses on joining up the individual elements to ensure effective, integrated monitoring and management of:

- Corporate Plan / corporate improvement priorities;
- Benchmarking spend and key performance indicator information;
- Revenue budget and spending linked to priorities;
- Delivery against revenue delivery plans;
- Delivery of Value for Money and overall efficiency targets;
- Delivery of the capital programme linked to corporate priorities
- Introduction of cross cutting budget delivery themes

We will continue to build upon the existing reporting template which joins up these core elements. In 2010/11 we have introduced quarterly integrated reports (supplemented by monthly scorecards) which will continue to be presented and challenged by:

- Corporate Management Team;
- Cabinet;
- Scrutiny Management Board

The **audit committee** will continue to provide an essential role in ensuring that we provide effective governance. In particular, their quarterly meetings will challenge progress made against the annual governance statement, internal and external audit plan, reports and recommendations. In addition, the audit committee has now assumed the lead member role in challenging and placing assurance on the council's Treasury Management arrangements. The committee has received relevant training and has had significant input in revising our Treasury Management Strategy for 2010/11.

Our internal audit service continues to be provided through the Devon Audit Partnership, a shared service arrangement with Devon County and Torbay Councils. The core objective of this arrangement is to improve the quality and efficiency of audit services.

To ensure that our financial procedures and practices are reviewed, up to date and reflect the operational business requirements and risks that the council faces, Financial Regulations and levels of Delegated Authority will be submitted to, and approved by our audit committee on an annual basis.

Consultation

The Council continues to keep its partners and the community fully informed of its financial position and plans through the Local Strategic Partnership, meetings with the Chamber of Commerce, awareness sessions at Area Committees, promoting summarised statement of accounts and specific meetings held with partners and community groups. A special two day Scrutiny Panel robustly challenges the council's alignment of resources to corporate priorities as part of the annual budget setting process. Consultation continues to evolve and improve and plans for 2011/12 budget include a web site 'You Choose' tool for direct engagement with the public and interested parties

Measuring our progress

Quarterly reporting of progress made against specific corporate plan measures and targets will continue to be presented to senior officers and members. The key targets as detailed in this medium term financial strategy will be incorporated within the finance and performance reports with any key changes recommended to, and approved through, Cabinet.

External Assessment

Prior to the dissolution of the Audit Commission it's annual Use of Resources assessment was the main measure that demonstrated progress regarding improving our financial monitoring and management.

The council exceeded the Use of Resources improvement targets that it set for 2008 and were successful in achieving an **overall rating of 3** as follows:

Figure 11: Use of Resources Targets and Scores

UoR Category	2007 Score	2008 target	2008 Actual
Financial Reporting	1	3	3
Financial Management	2	2/3	3
Financial Standing	2	2/3	3
Internal Control	2	3	3
Value for Money	2	2/3	2

The revised UoR framework under Comprehensive Area Assessment measures how the council, and its partners, successfully delivers tangible outcomes to the local area. We scored well in this new framework in 2009 (inaugural year) and set targets and plans for future improvement. With the demise of the commission, the council is seeking new internal measures to ensure the momentum of previous improvements are not lost.

Appendix A

Notional 3 Year Revenue Forecast vs Spend Commitments

Revenue Resources:	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Formula Grant (based on 2.5% reduction)	106.022	100.721	95.685	90.901
Council Tax income (@ 2.5% increase per annum)	95.803	95.803	95.803	95.803
Total Resources available	201.825	196.524	191.488	186.704

Budgeted Spending plans for 2010/11	201.825	201.825	201.825	201.825
Pay award (based on 1% per annum)	-	1.000	2.000	3.000
Pension - increased contribution based @ 5%	-	0.800	0.800	0.800
Redundancy costs - transformational change	0.500	0.750	-	-
Inflation - utilities (5% increase per annum)	-	0.150	0.300	0.450
Adult Social Care -Inflation (2% per annum)	-	1.400	2.800	4.200
Adult Social Care – demographics (assume '10/11 plans complete)	-	1.000	2.000	3.000
Children's Services placements inflation (2.5% per annum)	-	0.160	0.320	0.480
Children in Care - increase in number looked after	-	0.750	1.500	2.250
Building Schools for Future – Revenue costs of project	-	0.500	0.500	0.500
Increased Waste Disposal costs – Partnership PFI	-	-	-	-
Known Spending Plans	* 202.325	208.335	212.045	216.505

Forecasted Funding Shortfall	0.500	11.811	20.557	29.801
---	--------------	---------------	---------------	---------------

- Assumes that all 2010/11 Budget Delivery Plans are achieved on time.
-
- (a) Receive a year on year decrease of 5% on formula grant
- (b) Decide to freeze council tax for the next 3 years
- (c) Take no management action such as invest to save

Appendix B

Criteria applied to revise the 5 year Capital Programme

The following criteria was applied to the revision of the council's five year capital programme as part of the 2010/11 budget setting process:

- We will retain the principle of a 5 year fully funded capital programme. No schemes will be placed in the programme without clarity on how the specific scheme will be funded;
- Capital schemes must contribute towards delivering the council's priorities;
- Added priority will be given to schemes that contribute towards cross-cutting issues i.e. deliver improvements against more than one priority;
- All significant capital schemes will be challenged by the Capital Delivery Board in a consistent and fair manner;
- We will continue to maximise the amount of external grant that the council is able to attract in support of the capital programme;
- New schemes requiring funding will need to deliver against invest to save principles whereby revenue savings will be required as a result of the capital investment;
- Approval of capital schemes will consider the context of the credit crunch and likely timing of related future developments (in particular housing)
- We will actively manage areas of high financial risk through ensuring that a maximum threshold is set for the reliance on unsupported borrowing and capital receipt generation (based on known disposals);
- The council's overall borrowing portfolio, compared to other unitary councils, will be considered in setting thresholds for any additional borrowing requirements;
- Any revenue costs associated with additional borrowing will be factored into the council's revenue budget for 2010/11 and three year Medium Term Financial Forecast;
- Political priorities need to be considered in finalising the revised five year capital programme.

This page is intentionally left blank

Overview and Scrutiny Management Board

Wednesday 27 October 2010

PRESENT:

Councillor James, in the Chair.

Councillor Ball, Vice-Chair.

Councillors Browne, McDonald, Nicholson, Ricketts, Stevens, Thompson and Wildy.

Apologies for absence: Mr. D. Fletcher and Mr. J. Paget (Co-opted Representatives).

Also in attendance: Phil Mitchell, Localities Manager for the north-west of the City, Mark Rich, LSP/Localities Co-ordinator, Mike Hocking, Head of Corporate Risk and Insurance, Paul Cotter, Claims Inspector, Lynne Skelton, Senior Liability Claims Officer, Giles Perritt, Lead Officer, and Katey Johns, Democratic Support Officer.

The meeting started at 2 p.m. and finished at 4.15 p.m.

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.

47. **DECLARATIONS OF INTEREST**

The following declarations of interest were made in accordance with the Code of Conduct –

Name	Minute No. and Subject	Reason	Interest
Councillor Wildy	53 - Urgent Executive Decisions	Partner is a contractor with Devonport Regeneration Partnership	Personal
	54 - Forward Plan	Trustee of Keyham Community Partnership	Personal
Councillor Thompson	54 - Forward Plan	Director of Plymouth Community Homes	Personal
Councillor McDonald	54 - Forward Plan	Director of Plymouth Community Homes	Personal
Councillor Nicholson	54 - Forward Plan	Director of YMCA	Personal
Councillor Browne	52 - Insurance Compensation Costs	Chair of Corporate Health, Safety and Welfare Committee	Personal

48. **MINUTES**

In response to his query regarding 'invest to save', Councillor Thompson was informed that it was discussed at the meeting on 22 September, however, a satisfactory response had not been received.

Agreed -

- (1) that the matter would be included in the tracking resolutions schedule and a more satisfactory response followed up by the Lead Officer;
- (2) the minutes of the meetings held on 22 September and 6 October, 2010.

CHAIR'S URGENT BUSINESS

49. **Diary Dates**

The Chair informed Board Members of the following important dates for their diaries:

- 29 November, 2010 All-day workshop to consider the future of scrutiny/governance arrangements
- 22 December, 2010 Provisional meeting date to be used as workshop to prepare for budget scrutiny
- 5 January, 2011 Provisional meeting date to be used to discuss consultation with partners on budget scrutiny

50. **Councillor Call for Action - Budshead Trust**

Further to minute 45, the Chair invited the Localities Manager for the north-west of the City to update the Board on progress. A copy of the interim report was tabled for Members' information, highlights of which included that –

- (i) focus was on identifying £15,000 to secure the Trust's future through to March 2011. It was hoped that this could be achieved through a number of actions including via the Community Grant Scheme (CGS) and a potential reduction in rental costs;
- (ii) in order for ward councillors to be able to donate their portion of the CGS to the Trust, the scheme's criteria for allocating funding would have to be changed and this would require a portfolio holder decision;
- (iii) the Budshead Trust had prepared a paper setting out details of costs in 2010/11 and the services it delivered to help potential funders gain a better understanding of their work;
- (iv) discussions with a number of potential funders were ongoing, including –
 - Services for Children and Young People, through the 'Locality Alcohol Support Initiative'
 - Community Safety Partnership
 - The Police

- Ballard Trust

- (v) the Children and Young People's extended service had offered to meet with the Budshead Trust with a view to undertaking a funding search to help inform future bids;
- (vi) Plymouth University was able to offer commissioned services through Plymouth Business School to prepare funding bids and undertake a cost benefit analysis, however, this was unlikely to be followed up due to the current lack of finances;
- (vii) the Budshead Trust did not actively fundraise and should be encouraged to do so;
- (viii) the position regarding the possible temporary lease of the disused University sports pitches remained unchanged;
- (ix) Plymouth Community Homes had agreed a peppercorn rent on Budshead Trust's office premises;
- (x) potentially half of the £15,000 required had been identified to date.

A query was raised in regard to use of the CGS and whether, because the services of the Budshead Trust benefitted other wards in the north-west locality and not just Honicknowle, other ward councillors should be encouraged to donate their funding allocation. In response, Members were advised that officers would be happy to take this on board, however, this would be subject to the change in the allocation criteria being approved by the portfolio holder.

The Board thanked the officer for his report and congratulated him on the progress made to date.

Agreed that –

- (1) a further report be submitted to the next meeting of the Board on 24 November, 2010;
- (2) as a matter of urgency, the portfolio holder responsible for the Community Grant Scheme be requested to reconsider the eligibility criteria in order that it can be used for core funding.

(In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chair brought forward the above items of business because of the need to inform Members).

51. **TRACKING DECISIONS**

The Board considered a schedule of previous decisions made. It was reported that with regard to -

- (i) 20 – Proposed Legislative Changes – there was a role to play for the non-chair members;

- (ii) 39 – Quarterly Scrutiny Reports – the first draft of the revised format was due for consideration in January 2011.

52. **INSURANCE COMPENSATION COSTS**

Further to minute 10, the Head of Corporate Risk and Insurance, Claims Inspector, and Senior Liability Claims Officer were in attendance to report on the level of costs of insurance compensation payments incurred by the Council. The report –

- (i) summarised the number, cost and most common types of claims per annum for Public Liability and Employer's Liability since the Council had become a unitary authority in 1998;
- (ii) included information about the structure of the Council's insurance programme, how claims were investigated and managed and how the costs were funded.

In response to questions raised, Members were advised that –

- (iii) the Council was responsible for paying all claims under £100,000 and the first £100,000 of claims in excess of this amount;
- (iv) the Council had previously had to deal with a number of third party property claims from housing tenants, however, the transfer of housing stock to Plymouth Community Homes meant that it was no longer responsible;
- (v) claims due to surface defects on footways, carriageways and open spaces accounted for the majority of insurance claim costs;
- (vi) time was taken to discuss claims with highways so that their repair and maintenance programme was informed. The frequency of inspections varied from between 3, 6, 9 and 12 months depending upon the condition of the roads;
- (vii) the cost of the Council's in-house service equated to a charge of £126.50 per claim compared to the average across 65 other unitary authorities of £266.50;
- (viii) the contract for the Council's insurance provider was due for renewal in April, 2011;
- (ix) Plymouth City Council was looking to form a mutual insurance with 23 other authorities but, to date, had not considered sharing insurance services with its partners;
- (x) consideration would be given to offering use of the Council's in-house services to neighbouring authorities, such as Cornwall and Torbay;
- (xi) Officers would be happy to participate in the forthcoming Growth and Prosperity task and finish group looking at highway maintenance;

- (xii) the Council took a proactive approach in monitoring insurance claims to ensure that trends in any one particular area were identified. Issues were therefore routinely brought to the attention of operational managers both during and after the investigation of each claim so that any necessary repairs, training or equipment identified were acted upon;
- (xiii) information on the number and cost of Employer's Liability claims and the associated risk management activity was reported to the Corporate Health, Safety and Welfare Committee.
- (xiv) written responses would be provided in regard to –
 - whether the Council had sufficient budgetary provision for the delivery of statutory health and safety training
 - the cost of the Council's insurance contract

Agreed that –

- (1) Officers explore the possibility of selling the Council's in-house insurance services to neighbouring authorities and of pooling insurance resources with its partners;
- (2) the issues raised around prevention and investing to save future claims be further explored as part of the 'Review of Highway Maintenance' Task and Finish Group being undertaken by the Growth and Prosperity Overview and Scrutiny Panel, and its findings considered as part of the budget scrutiny process.

(Councillor Browne declared a personal interest in respect of the above item).

53. **URGENT EXECUTIVE DECISIONS**

The Board considered the decision taken in respect of the 'Final sign-off of Devonport Regeneration Community Partnership (DRCP) Succession Strategy' and the reasons for urgency, supplemented by the information circulated separately to Members by the Chair.

Concern was expressed at the reasons for urgency and a request for post-decision scrutiny was put to the Board.

Agreed that post-decision scrutiny on the matter would take place.

(Councillor Wildy declared a personal interest in respect of the above item).

(Councillor Wildy's proposal for there to be post-decision scrutiny on the matter, having been seconded by Councillor Thompson, was put to the vote and declared carried).

54. **FORWARD PLAN**

The Board noted the new additions to the Forward Plan.

(Councillors McDonald, Nicholson, Thompson and Wildy declared personal interests in respect of the above item).

55. **RECOMMENDATIONS**

The Board considered recommendations from the Customers and Communities and Growth and Prosperity Overview and Scrutiny Panels. It was agreed that with regard to –

- (1) Customers and Communities Minute 38, the recommendations arising from consideration of the Three Year Review of the Licensing Act 2003 Statement of Licensing Policy including the Cumulative Impact Policy, be referred to Cabinet;
- (2) Growth and Prosperity Minute 43, the recommendations be taken alongside the task and finish group report being considered later on the agenda (see minute 56b).

56. **WORK PROGRAMMES**

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

The work programmes of the Overview and Scrutiny Management Board and Panels were considered and noted. In addition, Councillor Wildy sought to table a project initiation document in respect of Assylum Seekers in Care in order that a task and finish group could take place in December. However, as it was currently good practice not to table documents at meetings, the Chair refused its submission. It was therefore agreed that approval of the project initiation document be delegated to the Board's Lead Officer in consultation with Chair, Vice-Chair and Councillor Wildy.

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

The Board considered the following task and finish group reports –

- Modernisation of Adult Social Care
- Review of Community Events and Road Closure Policy

With regard to the report on Modernisation of Adult Social Care, Councillor Ricketts reported that -

- (i) subject to Management Board referral, the report would be presented to Cabinet on 16 November, 2010;
- (ii) the task and finish group had looked at three big issues, namely –
 - Short breaks for people with learning disabilities
 - Fairer contributions policy, charging within a personalised system
 - Modernisation of Older People's Services
- (iii) the review had received media interest with a number of articles having appeared in the press;
- (iv) a summary of all the consultation data received was attached as a supplement to the agenda.

Whilst concern was expressed by some Members that the consultation might not have captured enough views and that individual care needs may not be taken into account, all Members were pleased to note that no permanent resident of Frank Cowl House would be forced to move, which was in line with Council policy.

With regard to the Review of Community Events and Road Closure Policy, Councillor Nicholson reported that –

- (v) the Council's current mechanism for charging for community events and road closures was arbitrary and unfair;
- (vi) a large element of the cost charged related to the advertisement process.

In response to questions raised, Members were advised that –

- (vii) the allocation criteria for the Community Grants Scheme (CGS) would have to be checked but it was possible that it could be used as a funding contribution towards such schemes;
- (viii) some local authorities did not advertise road closures but this contrary to current legislation and those authorities were at risk of legal action. Further investigation was under way to establish whether it would be possible to advertise on the website rather than have to place an advert in the local press.

The Chair asked that the Board's congratulations be passed to both panels for the work undertaken in carrying out their respective task and finish groups.

Agreed that with regard to –

- (1) Modernisation of Adult Social Care, the report and its recommendations be commended to Cabinet;
- (2) the Review of Community Events and Road Closure Policy, the report and its recommendations be commended to the Cabinet Member for Transport.

(Councillors McDonald, Stevens and Wildy abstained from voting in respect of the Modernisation of Adult Social Care item).

57. **EXEMPT BUSINESS**

There were no items of exempt business.

This page is intentionally left blank

**OVERVIEW AND SCRUTINY MANAGEMENT BOARD
24 NOVEMBER 2010**

TRACKING DECISIONS

Bold target date = outstanding by more than 2 months

Grey = Completed

OVERVIEW AND SCRUTINY MANAGEMENT BOARD 2010/11 DECISIONS

Minute number	Decision	Date agreed	Action by	Progress	Target date	Comments
86 R2.9	Budget 2010/2011 <u>Recommended</u> - that, in the interests of openness and transparency, governance arrangements for the allocation of 'spend to save' resources, including the role of scrutiny panels are prepared and published.	15/02/10	Cabinet	In the absence of a satisfactory response the Board's Lead Officer, Giles Perritt is take a pro-active approach in following this recommendation through to a satisfactory conclusion.		
39 (1) (2)	Quarterly Scrutiny Reports <u>Agreed</u> that there should be consistency in the way Members were addressed across all reports; the format and content of the quarterly reports be reviewed. Panel Chairs, in liaison with Lead Officers, to work toward developing a new and interesting format and style for future reports, examples of which to be trialled when the next quarterly updates were due.	22/09/10	All Panels	First draft of revised format reports due in January, 2011.		
45 (1)	Councillor Call for Action – Budshead Trust <u>Recommended</u> that Phil Mitchell, as the Localities Manager, for the north-west of the City is urgently requested to take the strategic lead in working with high-level partner representatives to identify ways of supporting the Budshead Trust to enable, in the first instance, identification of core funding to deliver its current projects and then, in the longer term, to examine – <ul style="list-style-type: none"> the Trust's governance arrangements potential future funding opportunities A report on how this is progressing with timescales be submitted to the next meeting of the Overview and Scrutiny Management Board;	6/10/10		Progress report submitted to Overview and Scrutiny Management Board on 27/10/10.	27/10/10	

Minute number	Decision	Date agreed	Action by	Progress	Target date	Comments
(2)	the Trust takes up the Council's offer of assistance in preparing future funding bids and Officers contact the University on behalf of the Trust to see if it can offer similar support;	06/10/10				
(3)	the University is approached about undertaking a cost-benefit analysis to demonstrate the benefit of the work undertaken by the Trust and compare it to the cost of dealing with the problems that could arise in the neighbourhood should the Trust cease operating;					
(4)	subject to the Community Grant Scheme criteria being met, the Honicknowle ward councillors donate their allocation to the Trust as a short-term funding solution;					
(5)	the Council's Head of Capital and Assets is asked to investigate further the possibility of the Trust taking a temporary lease of the disused University sports facilities to help them generate income;					
(6)	enquiries are made concerning a potential reduction in premises rental costs to the Budshead Trust.					
50	Councillor Call for Action – Budshead Trust <u>Agreed</u> that - (1) a further report be submitted to the next meeting of the Board on 24 November, 2010; (2) as a matter of urgency, the portfolio holder responsible for the Community Grant Scheme be requested to reconsider the eligibility criteria in order that it can be used for core funding.	27/10/10		On agenda for discussion at Board meeting on 24 November, 2010.		
52	Insurance Compensation Costs <u>Agreed</u> that – (1) Officers explore the possibility of selling the Council's in-house insurance services to neighbouring authorities and of pooling insurance resources with its partners; (2) the issues raised around prevention and investing to save future claims be further explore as part of the 'Review of Highway Maintenance' Task and Finish Group being undertaken by the Growth and Prosperity Overview and Scrutiny Panel, and its findings considered as part of the budget scrutiny process.	27/10/10	Mike Hocking G&POSP	Discussions ongoing. Task and Finish Group commenced on 8 November, 2010.		
53	Urgent Executive Decisions - 'Final sign-off of Devonport Regeneration Company Partnership (DRCP) Succession Strategy' <u>Agreed</u> that post-decision scrutiny on the matter would take place.	27/10/10		Date to be agreed.		

Minute number	Decision	Date agreed	Action by	Progress	Target date	Comments
55	Recommendations <u>Agreed</u> that with regard to - (1) Customers and Communities Minute 38, the recommendations arising from consideration of the Three Year Review of Licensing Act 2003 Statement of Licensing Policy including the Cumulative Impact Policy, be referred to Cabinet; (2) Growth and Prosperity Minute 43, the recommendations be taken alongside the task and finish group report being considered later on the agenda (see minute 56b).	27/10/10	Cabinet	To be considered by Cabinet on 16 November, 2010.		
56	Work Programmes (a) To consider and approve work programmes for each of the panels <u>Agreed</u> that approval of the project initiation document in respect of Assylum Seekers in Care be delegated to the Board's Lead Officer in consultation with Chair and Vice-Chair and Councillor Widly.	27/10/10	Giles Perrit, Chair, Vice-Chair and Cllr. Wildy			
56	Work Programmes (b) To agree Project Initiation Documents / Task and Finish Group Reports <u>Agreed</u> that with regard to – (1) Modernisation of Adult Social Care, the report and its recommendations be commended to Cabinet; (2) the Review of Community Events and Road Closure Policy, the report and its recommendations be commended to the Cabinet Member for Transport.	27/10/10	Cabinet Cabinet Member for Transport	To be considered by Cabinet on 16 November, 2010.		

This page is intentionally left blank

POLICY FRAMEWORK ITEM: CHILDREN AND YOUNG PEOPLE'S PLAN 2011 - 2014
DATE FIRST INCLUDED IN THE FP: 11 NOVEMBER 2010

Nature of the decision:

To approve the Children and Young People's Plan 2011-2014.

(Note: this item is a voluntary addition to the Forward Plan. The decision is not a Key Decision)

Who will make the decision? City Council (Cabinet Member: Councillor Mrs Watkins)

Timing of the decision? July 2011

Who will be consulted and how?

Persons to be consulted with:

- Children and Young People Overview and Scrutiny Panel on 24 February 2011;
- Plymouth Safeguarding Children's Board;
- NHS Plymouth Board;
- Plymouth Children & Young People's Trust Board;
- Plymouth 2020 Board;
- Children, young people and families, via Parent Partnership, Equal Voices and Youth Service participation networks;
- Children and Young People's Trust staff via uEngage online survey & relevant meetings.

Process to be used:

Attendance and presentation of the draft plan at relevant meetings. The draft plan will be considered at Cabinet on 8 February 2011.

Information to be considered by the decision makers:

Draft Children and Young People's Plan 2011-2014;
 Cabinet recommendations from the meeting in June 2011 (date to be determined).

Documents to be considered when the decision is taken

Children and Young People's Plan 2011-2014 Needs Assessment

Representations: In writing by 9 May 2011 to -

1. Director of Services for Children and Young People;
2. Councillor Mrs Watkins (Cabinet Member)

Contact details available from Plymouth City Council Tel: 01752 668000

Further information – Availability of Documents:

For further information contact: Claire Oatway, Head of Service Quality and Performance

E mail: claire.oatway@plymouth.gov.uk Tel: 01752 307465

This page is intentionally left blank

POLICY FRAMEWORK ITEM: CHILDREN AND YOUNG PEOPLE'S PLAN 2011 - 2014
DATE FIRST INCLUDED IN THE FP: 11 NOVEMBER 2010

Nature of the decision:

To approve the Children and Young People's Plan 2011-2014.

(Note: this item is a voluntary addition to the Forward Plan. The decision is not a Key Decision)

Who will make the decision? City Council (Cabinet Member: Councillor Mrs Watkins)

Timing of the decision? July 2011

Who will be consulted and how?

Persons to be consulted with:

- Children and Young People Overview and Scrutiny Panel on 24 February 2011;
- Plymouth Safeguarding Children's Board;
- NHS Plymouth Board;
- Plymouth Children & Young People's Trust Board;
- Plymouth 2020 Board;
- Children, young people and families, via Parent Partnership, Equal Voices and Youth Service participation networks;
- Children and Young People's Trust staff via uEngage online survey & relevant meetings.

Process to be used:

Attendance and presentation of the draft plan at relevant meetings. The draft plan will be considered at Cabinet on 8 February 2011.

Information to be considered by the decision makers:

Draft Children and Young People's Plan 2011-2014;
Cabinet recommendations from the meeting in June 2011 (date to be determined).

Documents to be considered when the decision is taken

Children and Young People's Plan 2011-2014 Needs Assessment

Representations: In writing by 9 May 2011 to -

1. Director of Services for Children and Young People;
2. Councillor Mrs Watkins (Cabinet Member)

Contact details available from Plymouth City Council Tel: 01752 668000

Further information – Availability of Documents:

For further information contact: Claire Oatway, Head of Service Quality and Performance

E mail: claire.oatway@plymouth.gov.uk Tel: 01752 307465

This page is intentionally left blank



Overview and Scrutiny Management Board

Work Programme 2010/11

Topics	J	J	A	S	O	N	D	J	F	M	A	M
Budget Scrutiny <ul style="list-style-type: none"> Corporate Plan revising and updating Capital Strategy and Asset Management Plan Capital Programme 2011/12 Setting Revenue Budget and Council Tax levels 2011/12 								12 & 17				
Cabinet response to budget scrutiny recommendations				22						23		
Joint Finance and Performance monitoring, including LAA performance monitoring and Medium Term Financial Strategy	30			22		24				23		
Scrutiny Quarterly Monitoring / Annual Scrutiny Report	30			22				26				
Leader and Chief Executive				22		24			15 & 17			
Annual Expenditure on Insurance Compensation					27							
Data Sharing between Agencies (min27(b)3) refers)												

Key:

New item

This page is intentionally left blank

Work Programme 20010/11

[illegible]

Proposed work programme	J	J	A	S	O	N	D	J	F	M	A
Local Strategic Partnership (Support) (as referred by O&S Management Board)											
Policy and Performance											
Corporate Plan								13			
Environment Policy 2009/2013 (CIP 14)						3					
Carbon Management Plan 2008/2013 (CIP 14)						3					
Climate Change Action Plan 2009/2011 (CIP 14)						3					
Communications											
Internal and External Communications Strategy						3					
Corporate Improvement Priorities											
CIP 2 – Involving Residents				2							
CIP 13 – Staff Performance				2						10	
CIP 14 – Value for Money	3			2		3				10	
Quarterly Scrutiny Reports				2				13			
Other Issues											
Budget and Performance Report				2		3		13		10	
Task and Finish Groups(brought forward)											
Housing Needs (Joint Task & Finish Group as referred by O&S Management Board)											

Key:

New Item