

CITY OF PLYMOUTH

Subject: Joint Finance and Performance Report
Committee: Cabinet
Date: 14 July, 2009
Cabinet Member: Councillor Bowyer and Councillor Ricketts
CMT Member: CMT
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Part: I

Executive Summary:

The council has worked hard to improve its financial and performance management arrangements, placing greater ownership and accountability to departmental management teams in relation to improving performance and delivering against budget.

This report outlines the performance monitoring and finance position of the council as at the end of May 2009, and includes outturn information for 2008/09 relating to the LAA, Corporate Plan and the National Indicator Set. The primary purpose is to report on how the council is delivering against its corporate improvement priorities and key performance measures using its capital and revenue resources.

The report is deliberately strategic in focussing on key areas of performance, spend and risk, and includes under each Departmental Business section a one page scorecard, incorporating a summary of progress against the relevant Corporate Improvement Priorities and financial performance.

A new style performance report has been designed which brings together performance and programme information to deliver a strategic overview of the performance of each CIP. Detailed information relating to individual performance indicators can still be accessed on eperform the Council's performance management system.

The final outturn of the Corporate Plan for 2008/09 indicates that 63% of indicators met or exceeded target. We have now completed the first year of monitoring the National Indicator Set (NIS). Provision of data has improved as the year has progressed.

Whilst there has been some improvement in performance of the LAA stretch targets (2007/10) the risks previously identified remain high particularly in health. Particular risks for the council include teenage pregnancy and improving the life chances of looked after children and adults participation in exercise. In all there is currently £1.5m of reward grant at risk from council owned targets and £3.4m for all stretch targets out of a total of £7.4m. All of the key risks previously identified for the 2007/10 stretch

targets remain in place for the LAA 2008/11. In addition we have identified under-performance against NI 117 NEETs due to the current economic climate. Risk mitigation procedures have been put in place to support the achievement of under-performing targets.

At this stage, the council is forecasting a revenue overspend at year end of £1.049m against a net revenue budget of £196.525m (0.53%). Main variations relate to the increased pressure in children looked after cases as well as cost pressures in adult social care. The proposed capital programme for 2009/10, as at the end of May '09, is £98.385m against an original approved programme for the year of £92.208m

Corporate Plan 2009-2012:

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

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

Resource implications are referred to throughout the report. It is intended that the council's Medium Term Financial Forecast will be updated regularly throughout the year to take account of the variances and pressures identified through this reporting.

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

Recommendations & Reasons for recommended action:

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

1. It is recommended that the contents of the LAA review report (shown in Appendix A) are noted and that Cabinet endorse the LSP Executive decision to delegate to the Head of Policy, Performance and Partnerships the reallocation of 2007-10 pump priming grant in consultation with LSP outcome leads.
2. It is recommended that the Performance Team challenge and review performance indicators, and targets, as part of the refresh of the Corporate Plan
3. It is recommended that the CIP improvement plans totalling £0.910m for CIPs 2,5,6,7,13 and 14 are funded from the Transformational Change Reserve, and that the name of the reserve is changed to "the Corporate Improvement Priority Reserve" (to be used to fund priority change initiatives)
4. It is recommended that the 2009/10 overall capital programme is increased by £6.176m (£5.365m slippage and £0.812m other changes) as detailed 4.2 and Appendix C
5. To note (as in the previous year) that each Director, (and Departmental Management Team), is responsible for delivering their end of year revenue

budget within a tolerance of no more than 1% overspend and no more than 2% underspend, and achieving greater than 80% spend of their 2009/10 capital programme

6. It is recommended that the favourable variation on General Fund accounts resulting from the reduced energy contract prices is transferred to Corporate Property (Corporate Support) to offset increased costs being incurred on the Corporate Estate and admin offices
7. It is recommended Council's Minimum Revenue Provision, (MRP), policy statement for 2009/10 be amended to include the "Asset life – Annuity method for PFI schemes", and this be referred to full Council for ratification
8. It is recommended that the 'Fleming' VAT reimbursement of £0.218m, and any future successful 'Fleming' claims, be transferred to the Corporate Improvement Priority Reserve

Alternative options considered and reasons for recommended action:

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

Background papers:

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

Sign off:

Head of Fin	CR D/C eSF 900 001	Head of Leg	LT1 029	Head of HR		Head of AM		Head of IT		Head of Strat Proc	
Originating SMT Member: Malcolm Coe, Head of Finance – (Governance and Planning)											

Plymouth City Council
Performance and Finance Monitoring – 2009/10
Figures up to and including 31 May 2009

1. Introduction

- 1.1 The primary objective of this report is to join up the key elements of business planning across the Council and report to senior management and Councillors major variations in performance, revenue and capital spend and highlight significant risks to future performance and budgets.
- 1.2 This report covers the period from 1 April 2009 to 31 May 2009. Individual Directors and their management team 'own' the content of their respective departmental pages. Key performance information has been chosen by each department to demonstrate progress against the Council's 14 corporate improvement priorities and/or key areas of service delivery that are currently under-performing.

2. Performance Position – Executive Summary

2.1 First Bi-monthly report 2009/10

The first bi-monthly report incorporates a new reporting format for reporting the Corporate Improvement Priorities. Scorecards have been produced for each CIP which bring together priority performance indicators and relevant programme milestones and risks. The scorecards also contain budget variance data for each Department. As with the previous year a small number of key indicators and milestones will be the focus of respective reports. However, where emerging issues arise these need to be fed into successive reports when required. The narrative within the scorecard is intended to provide a high level overview of each CIP with a focus on explaining corrective action where required. Detailed information, if required will continue to be reported on eperform.

Key performance messages emerging from the departmental scorecards include:

2.2 CIP 5: Providing Better and more Affordable Homes

The LAA target for affordable homes is on track for this period with 42 units completed. Work is ongoing to proactively work with a number of housing providers to continue the delivery of new affordable homes through the current housing market slowdown, including more recently identifying potential eligible sites for the Government's new 'Kick-start' programme

CIP 11: Improving access across the city

A number of milestones have slipped in relation to the cycling infrastructure and strategy developments and the Accessibility Action Plan. A decision is awaited from Network Rail regarding the alignment of the cycle route through St. Judes. The Accessibility Action Plan will be incorporated into a proposed bid being led by Property and Economic Development with LTP support into the North Stonehouse Neighbourhoods Project.

2.3 CIP 7: Keeping Children Safe

The stability of placement indicator for Looked after children is one of eight under the Improve the Life Chances of Looked After Children stretch target. Performance remains challenging for this indicator and there is a risk of losing the reward grant of £117,000 if the target is not achieved in 2010. Placement stability meetings have been introduced into practice but have not been fully embedded. The council aims to improve the matching of placements by introducing a 'payment for skills' fostering scheme and improving current processes and procedures.

CIP 8: Improving Skills and Educational Achievement

The school attainment indicators at Key Stage 2 and 4 which fall under the stretch target Improve the Life Chances of Looked After Children remains challenging. There is a risk of losing the combined £200,000 reward grant if the targets are not achieved in 2010. The Virtual School Development Plan identifies a range of actions which are being implemented to improve performance on these measures.

2.4 CIP 3: Helping People to Live independently

Plymouth Adult Services continues to perform strongly, including on our LAA targets, increasing the number of people who are supported to live independently and have choice in services they receive. This includes reducing the number of people admitted to residential and nursing care. We are currently refreshing our objectives and targets against the corporate priorities and the transformation agenda following the completion of the Annual Performance Assessment.

CIP 6: Providing More and Better Culture and Leisure Activities

Whilst the LAA stretch target to increase levels of physical activity is currently on track, there is a risk of not reaching the target due to the reliance on a nationally run sample survey. Failure to meet the target will mean the loss of reward grant of £618,000 in 2010. We are currently looking at ways of increasing publicity around activities and facilities.

CIP 10: Disposing of Waste and Increasing Recycling

The percentage of waste recycled during this period is higher than the same period last year but is currently below this years' more demanding target. This is due to much higher quality requirements at paper and card re-processors, following the credit crunch, which has led to more material being rejected to landfill. The expansion of the garden waste collection service in July 2009 will help to reduce the shortfall.

2.5 CIP 13: Supporting the Council to Perform Better

The Job Evaluation project continues to be a priority with 98% of appeals being completed by the end of May, with the project on target for completion by the end of July '09. However this has resulted in some slippage in the development of role profiles and resources will be allocated to this in the near future.

2.6 CIP 2: Informing and involving Customers

The refreshed CIP is built on the requirements of the new 'Duty to Involve' which came into effect in April. The duty requires us to inform, consult and involve local residents in the design and delivery of services. Activity in April and May has focused on planning for the receipt of results from the Place Survey; inclusion of engagement and consultation competencies in the new corporate competency framework; and planning for the Member Development Programme.

2.7 LAA outturn position 2008/09

The main report provides a review of Plymouth's Local Area Agreement for the period April 2008 to March 2009.

Stretch Targets 2007/10

There are 29 indicators within the agreement. Whilst there has been some improvement in performance of the LAA stretch targets (2007/10) the risks previously identified remain high particularly in health relating to tackling obesity smoking and alcohol cessation and emergency bed days. Particular risks for the council include teenage pregnancy and improving the life chances of looked after children in Children's Services and adults participation in exercise in Community Services. In all there is currently £1.5m of reward grant at risk from council owned targets and £3.4m for all stretch targets out of a total of £7.4m.

In response, the Healthy Theme Group has put in place risk mitigation procedures to support the achievement of under-performing targets which includes the implementation of recovery planning and the establishment of a dedicated delivery group supported by performance specialists and target leads.

Children's Services are leading on delivering a new strategy for addressing sexual health and well-being for young people. This brings together a more robust approach for tackling teenage pregnancy. Plans are also in place for tackling attainment for looked after children and stability of placements.

In order to support areas of under performance the Head of Policy, Performance and Partnerships has been delegated by the LSP Executive to reallocate Pump Priming Grant in line with a set of key principles agreed by the Executive. This process will ensure that all the remaining Pump Priming Grant will be focused on areas where the maximum reward grant can be claimed.

Recommendation 1:

- It is recommended that the contents of the LAA review report (shown in Appendix A) are noted and that Cabinet endorse the LSP Executive decision to delegate the decision on reallocating the 2007-10 pump priming grant to the Head of Policy, Performance and Partnerships in consultation with LSP outcome leads

2.8 LAA 2008/11

All of the key risks previously identified for the 2007/10 stretch targets remain in place for the LAA 2008/11 – breastfeeding, teenage conceptions and childhood obesity. In addition, there is under-performance against NI 117 NEETs due to the current economic climate. A full outturn report for 2008/09 can be found at **Appendix A**

2.9 Corporate Plan and National Indicator Set Outturn 2008/09

The final outturn of the Corporate Plan for 2008/09 indicates that 63% of indicators met or exceeded target.

We have now completed the first year of monitoring the National Indicator Set (NIS). Provision of data has improved as the year has progressed. However, there are still gaps in our knowledge. We are still awaiting the official release of 18 Place Survey indicators and 10 indicators have been deferred. Of the NI's where performance data has been produced, 50% have met their target. In general the majority of indicators where targets have been set fall within the LAA 2008/11 where our performance outturn is known. More detailed analysis of the NIS will be required as part of the development of an evidence base to ensure that Plymouth is focused on the right areas. In this respect we are awaiting the release of our 2008/09 benchmarking data from the PWC Benchmarking Club which will provide a clearer picture.

The new national performance framework does not require councils to publish an annual performance plan. Traditionally publication of the performance plan has been a key channel for communicating how well the Council is performing. Consideration will need to be given as to how this information will be delivered in the future.

Recommendation 2:

- It is recommended that the Performance Team challenge and review performance indicators, and targets, as part of the refresh of the Corporate Plan

2.10 Data Quality

The Corporate Data Quality Audit of 2008 made a number of recommendations which focused on people and skills and governance and policies. In general progress has been made against the recommendations. However, further work is required in respect to role profiles and training.

An audit of stretch targets has been undertaken by Internal Audit who, in general, were satisfied with the existing arrangements. A final audit will take place prior to claiming the reward grant in 2010.

The 2009 Data Quality Audit will commence in July 2009. The results of the Audit will continue to feed into the Use of Resources score for 2009. The scope of the Audit will remain largely unchanged with a review of governance and

management arrangements along with a spot check of a range of performance indicators. A full report can be found at **Appendix B**

2.11 CIP Resourcing

Corporate Management Team have been reviewing the CIP action plans with lead officers. Following the previous approvals by Cabinet to fund CIP activities, and the recommendation from the Resources and Performance Overview and Scrutiny Panel to clarify specific resourcing for CIPs, the following additional requirements have been identified

CIP 2 Informing and Involving Customers - £0.153m
 CIP 5 Better and more affordable Housing - £0.1m
 CIP 6 Improving cultural and leisure activities - £0.07m
 CIP 7 Keeping children safe - £0.194m
 CIP 13 Supporting staff to perform better - £0.151m
 CIP 14 Improving value for money - £0.25m

This totals £0.910m and will reduce the estimated balance on the TCP reserve at the end of March 2010 to £0.091m

Recommendation 3:

- It is recommended that the CIP improvement plans totalling £0.910m for CIPs 2,5,6,7,13 and 14 are funded from the Transformational Change Reserve, and that the name of the reserve is changed to “the Corporate Improvement Priority Reserve” (to be used to fund priority change initiatives)

3. Revenue Position – Executive Summary

3.1 The council has continued to improve its approach to financial management. This includes the timing and format of information produced as well as the reliability of the supporting data. A key priority in the coming year is to continue the stability in the revenue budget forecasts presented within these reports.

3.2 The following table sets out the forecast for the Council’s overall revenue position as at 31st May 2009.

Fund	Latest Approved Budget £'000	Monitoring Variation May 2009 £'000	Monitoring Variation July 2009 £'000	Change in Period £'000
General Fund	196,525	1,037	N/A	-
Trading Accounts	(2,308)	12	N/A	-

NB Brackets () reflect a favourable variation

- 3.3 The following table shows the monitoring position for each Directorate. Future reports will include an Appendix which will show in graphical form the budget variations reported to Cabinet bi-monthly:

Department	Latest Approved Budget £'000	Monitoring Variation as at 31 May 09 £'000	Percentage variation %	Change in Period £'000
Children's Services	50,584	501	1.0	-
Community Services	102,954	550	0.5	-
Development & Regeneration Services	15,540	112	0.7	-
Adverse variations on trading accounts	-	12	-	
Corporate Support	33,642	429	1.3	-
Chief Executive	1,866	205	11.0	-
Corporate Items / Home Office	(8,061)	(760)	(8.4)	-
Total	196,525	1,049	0.53	-

- 3.4 The latest approved budget included above has been amended from the position reported to Council in March 2009 to reflect the approved changes to the Organisational Management Structure. For example, the movement of the Street Services function from Development to Community Services.
- 3.5 The reported variations are generally within the agreed financial performance targets of no more than 1% overspend and no more than 2% underspend for each department. The highest variation from the target is within Chief Executive which relates to an action plan for structural management changes which will now be vired to Corporate Support. Officers are currently working through the detail on this area.
- 3.6 The overspending in Children's Services relates to an increase in demand within the Looked After Children's Service which is partially offset by savings in the Foster Care budget. Community Services are forecasting a slight overspend due to increased costs in Community based services, particularly within learning disabilities. Increases in corporate property costs have resulted in a forecasted overspend in Corporate Support which will be offset by underspending within the corporate items budget through reduced energy costs.
- 3.7 The significant underspend within the Corporate Items budget relates to treasury management activity. The council adjusted 2009/10 revenue budgets to reflect lower investment returns as at March 2009. However, since then, we have reduced our overall borrowing portfolio and received a corresponding saving against the revenue costs of borrowing. Revised cashflow forecasts have also improved our interest receivable position.

3.8 Income Summary

2009/10 Income Collection performance

Type of debt	Actual % 2007/08	Actual % 2008/09	AE Quartile	Budgeted income 2009/10*	Target % 2009/10	Year end Position 2009/10
Council Tax	92.5%	94.2%	4	£91.018m	96.0%	96.0%
NNDR	97.6%	96.7%	2	£79.666m	97.0%	97.0%
Housing Rents	97.3%	96.4%	4	£40.274m	98.5%	97.8%
Sundry Debt	85.9%	86.9%	n/a	£60.000m#	92.5%	91.0%
Adult Residential Care	n/a	90.3%	n/a	£9.000m#	93.0%	92.0%

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

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

Adult Residential Care is included in the overall sundry debt position but is shown separately as a key area of debt

3.8.1 Local Taxation

Council Tax Collection

A collection rate of 9.08% was achieved in May against a target of 8.78%, with the cumulative collection rate of 17.14% performing 0.33% ahead of target. Recovery for current year debts has started, and the number of reminders issued is less than the same time last year, supporting the better collection rate and increased direct debit take-up. Work to ensure accounts are amended earlier, resulting in correct billing will also contribute to improvements to collection rates.

NNDR

The collection rate in May was 7.38% against a target of 8%. We are ahead of the cumulative target by 5.95%, due largely to the early payment of rates by the Council. The continuing economic climate is still hitting the business community hard and this is reflected in poorer collection rate for May. The council is still waiting for guidance relating to the Business Rates deferral scheme.

3.8.2 Housing Rents

The outturn position for rent collected during 2008/09 was 96.4%, which despite being below the full-year projections, reflected the impact of the economic climate. In response to this, a proactive approach to rent collection has been implemented at the start of 2009/10 and early projections suggest that a collection rate of 97.8% could be achieved at the point of transfer of stock to Plymouth Community Homes in October 2009.

3.8.3 Sundry Debt collection.

The current year debt is showing a year to date figure of 89.9%. An increase of 5.4% against the same period for 2008/09. The total sundry debt outstanding has

reduced from 3% at the end of 2008/09 to 2%. Closer links with the Social Inclusion Unit have been established to enable the debt recovery team to signpost all relevant benefits to individuals experiencing financial difficulty.

Sundry Debt performance will be analysed by the key areas of debt during 2009/10, these being Commercial Rents, Adult residential and non-residential care and Trade Waste. A target of 93% has been agreed for Adult residential and non-residential care. Targets are currently being negotiated for Trade Waste and Commercial rents and performance will be incorporated in the next bi-monthly report.

Adult residential and non residential care

The current collection rate is 92% against the 93% target. Of the current balance outstanding, 46% is secured by legal charge against service users' property. These funds are considered recoverable but not necessarily within the 12 month period due to the current property market conditions.

April and May's figures remain consistent at 92% and while this represents 1% below target it shows a small improvement on previous years figures for the same period. The preferred method of payment is standing order and this is promoted at every opportunity.

Legal Services are working to strengthen and formalise undertakings signed by service user representatives to enable more effective recovery action to be taken in future and work to review recovery practices has begun.

Commercial Rent

The Property and Economic Development Service now has a dedicated recovery officer to improve rent debt collection. A recovery strategy has also been developed to improve working practices and to maximise income collection.

Direct debit is being promoted as an efficient method of collection. Payments are now also being taken over the phone to maximise recovery. Past performance is currently being analysed in order to determine a collection rate against which to monitor performance.

Trade Waste

New working practices are being developed in trade waste to ensure a more commercial focus drives improved collection rates, through payment in advance of service and withdrawing services. As with Commercial Rent past performance is being reviewed to establish a stretching target for 2009/10 and this will be reported in the next bi-monthly report.

4. Capital Position

2009/10 Overall Capital Position

- 4.1 The original capital budget for 2009/10, (as part of the wider five year capital programme), was approved in March 2009 as £92.208m. Additional slippage in relation to spend on schemes carried forward from 2008/09 was £5.365m which was reported as part of the Cabinet report on 2nd June 2009. In this bi-monthly report we are also making recommendations to increase the in-year capital programme by £0.812m. This is due to a net increase of £2.636m of schemes in Children's Services being brought forward which are being financed from grant funding. There are also variations and re-profiling of other Directorate schemes reducing the forecast by (£1.825m).
- 4.2 The revised forecast of in-year capital spend, (accounting for the recommended changes), is £98.385m, with actual spend as at 31 May '09 standing at £2.043m (2.1% of full year forecast). The following table summarises the programme:

	Budget			Changes for Approval		
Department	Original Budget 2009/10	Transfers between Depts	Restated Original Budget 2009/10	09/10 Slippage	Other Proposed Changes in Period	Revised forecast May '09
	£' 000	£' 000	£' 000	£'000	£'000	£'000
Corporate Support	0	0	0	0	0	0
Chief Executives	700	0	0	396	0	1,096
Development	19,460	(2,089)	17,371	2,249	(1,226)	18,394
Children's Services	52,057	0	0	297	2,636	54,991
Community Services	19,990	(5,132)	14,858	1659	(171)	16,347
Corporate Items - HRA	0	7,222	7,222	762	(278)	7,761
Total	92,208	0	92,208	5,365	812	98,385

Recommendation 3:

- It is recommended that the 2009/10 overall capital programme is increased by £6.176m (£5.365m slippage and £0.812m other changes) as detailed 4.2 and Appendix C.

- 4.2 The 2009/10 latest forecast on capital programme expenditure is shown in 4.2 and a more detailed analysis is shown in **Appendix C**.
- 4.3 There will be a need to constantly review the five year capital programme in the light of any changes in funding streams either capital receipts or external grants, and officers will be looking at this on an ongoing basis.

DEPARTMENTAL BUSINESS REPORTS:

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

5. Children's Services

5.1 Corporate Improvement Priorities:

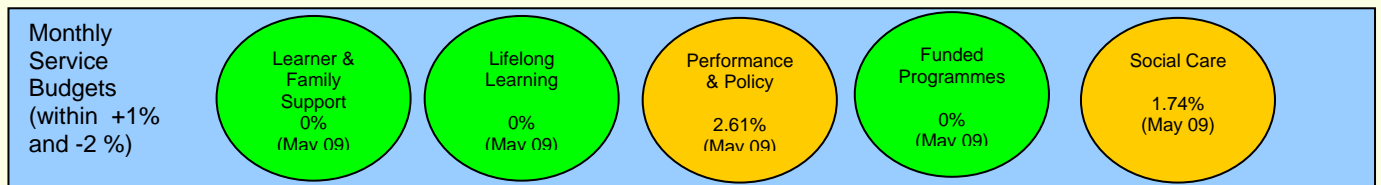
The Children's Services department is leading on the following Corporate Improvement Priorities.

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

5.2 Progress against priorities

The following scorecard outlines progress against each CIP overall.

Children's Services CIP Progress and Management Report 1st Bi-monthly 2009-10



7. Keeping children safe

Risks



Milestones



Indicators



Whilst initial assessments are being completed within timescales by social workers, the target has been missed during this period due to late inputting into the system. There is a management plan in place to address this.

The placement stability indicator is one of eight under the Improve the Life Chances of Looked After Children stretch target. Performance remains challenging for this indicator and there is a risk of losing the reward grant of £117,000 if the target is not achieved in 2010. Placement stability meetings have been introduced into practice but have not been fully embedded. The council aims to improve the matching of placements by introducing a 'payment for skills' fostering scheme and improving current processes and procedures. Meetings are being organised with the LSP office to assess whether additional Pump Priming Grant is required to support performance improvement.

8. Improving skills and educational achievement

Risks



Milestones



Indicators



The school attainment indicators at Key Stage 2 and 4 which fall under the stretch target Improve the Life Chances of Looked After Children remains challenging. There is a risk of losing the combined £200,000 reward grant if the targets are not achieved in 2010. The Virtual School Development Plan identifies a range of actions which are being implemented to improve performance on these measures. Meetings are being organised with the LSP office to assess whether additional Pump Priming Grant is required to support performance improvement.

9. Developing high quality places to learn in

Risks



Milestones



Indicators



There is a risk that the delivery of Phase 3 of Children's Centres may be delayed due to the complexity of assembling the right property investments. Meetings are to be held with Asset Management to ensure that the right level of support is provided to mitigate this risk.

5.3 Revenue Budget Monitoring - forecast overspend of £0.501m

The key reason for the department's projected revenue overspend is increased demand within the Looked After Children's service, resulting in the original target budget being difficult to achieve (approx. £0.44m projected overspend). Publicity surrounding high profile media cases has had impact within this budget heading. There is also a projected overspend within the Performance and Policy service.

Overspends are being partially offset by savings within the In House Foster Care Budget due to a staged implementation of the 'Payment For Skills' scheme.

The number of Social Work vacancies has reduced dramatically. The Department has employed a significant number of newly qualified Social Workers who are currently being supported by our experienced workforce, reducing reliance on agency staff.

5.4 Key High Level Risks

The key risk areas within Children's Services are

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

5.5 Capital Spend / Programme

The original approved Capital Budget for 2009/10 was £52.057m. In addition to which, there has been £0.297m slippage from the 2008/09 programme which was reported as part of the outturn position to Cabinet in June '09.

The revised 2009/10 forecast as at the end of May is £54.991m, due to a variety of new schemes, (with corresponding funding), added. Net expenditure as at the end of May '09 was £1.679m. Details of the major profile changes and variations are outlined below.

Variations and Medium Term Forecast

The major variations are as follows:

£000's	Profile Changes
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£1.00M	Devolved Capital - Profile amended to represent overall anticipated expenditure. Detailed individual estimates to be added as they become available.
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£0.72M	14-19 projects required in advance of previous programme.
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£0.60M	Montpelier Primary – Now on site, progress in advance of previous estimated cash flow.
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(£0.39M)	Compton New Classrooms – Updated profile from business case.
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£0.32M Goosewell SEN provision – Works expected to complete 2009/10.

£000's New Approvals / Variations

£0.07M Targeted Capital for Cooking Spaces - award approved 2008/09
(but not in budget book)

£0.69M Plymstock Tented Sports Hall

(£0.20M) Amendment to Harnessing Technology allocation

(£0.09M) Project completion cost overstated (re prior year adjustments)

(£0.15M) Glen Park School Project – removed from 09/10 programme,
school completed 2008/09

6. Community Services

6.1 Corporate Improvement Priorities:

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

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

6.2 Progress against priorities

Community Services CIP Progress and Management Report 1st Bi-monthly 2009-10

Monthly
Service
Budgets
(within +1%
and -2 %)

Environmental
Services
0.07%
May 09

Adult health &
social care
0.79%
May 09

Business
Support
0%
May 09

Culture, Sport
& Leisure
0.33%
May 09

Safer
Communities
0%
May 09

3. Helping people to live independently

Risks



Milestones



Indicators



Plymouth Adult Services continues to perform strongly, including on our LAA targets, increasing the number of people who are supported to live independently and have choice in services they receive. This includes reducing the number of people admitted to residential and nursing care. We are currently refreshing our objectives and targets against the corporate priorities and the transformation agenda following the completion of the Annual Performance Assessment.

4. Reducing inequalities between communities

Risks



Milestones



Indicators



There is a risk associated with the Efford Gypsy site due to not knowing whether we will be successful in getting government funding to build the site. However planning permission has now been secured and a lot of work has gone into the bid which has been submitted on time.

Although work is progressing on Locality working, there is still some risk of agreement not being reached on a model, as it progresses through democratic, partnership and consultation processes. Formal consultation will start shortly to mitigate this risk.

The timescale for awarding the Financial Inclusion Advice Services contract has slipped due to procurement processes becoming more protracted than initially thought. Work has taken place in liaison with Strategic Procurement to implement a revised timetable taking as short a period as possible. Existing contracts have been extended to ensure there is no break in provision of service.

Community Services Cont'd

6. Providing more and better culture and leisure activities

Risks



Milestones



Indicators



Whilst the LAA stretch target to increase levels of physical activity is currently on track, there is a risk of not reaching the target due to the reliance on a nationally run sample survey. Failure to meet the target will mean the loss of reward grant of £618,000 in 2010. We are currently looking at ways of increasing publicity around activities and facilities. The Place Survey found that satisfaction with sports and leisure facilities is well below the Unitary and Metropolitan average. This can be attributed to the poor facilities at Central Park pools and the Mayflower Centre, which will be alleviated by the building of the Life Centre and the new Management arrangements which will be in place.

10. Disposing of waste and increasing recycling

Risks



Milestones



Indicators



The percentage of waste recycled during this period is higher than the same period last year but is currently below this year's more demanding target. This is due to much higher quality requirements at paper and card reprocessors, following the credit crunch, which has led to more material being rejected to landfill. The expansion of the garden waste collection service in July 2009 will help to reduce the shortfall.

Both the residual household waste and municipal waste to landfill indicators have shown significant improvements over last year and are within this year's more stringent targets.

The Place Survey results reveal lower satisfaction rates with refuse collection, kerbside recycling and the cleanliness of public places. With the survey being undertaken immediately after the re-zoning of refuse rounds it is unsurprising that reduced satisfaction was recorded. The issues following re-zoning have now largely been addressed although there is still a need for continuous improvement to drive up customer satisfaction.

6.3 Revenue Budget Monitoring – forecast £0.550m overspend

- 6.3.1 **Adult Social Care** – £0.500m overspend mainly due to increased costs in Community Based Services, particularly in learning disabilities. The department continues to work on improving procurement efficiencies of commissioned services as well as considering the use of alternative service provision
- 6.3.2 **Culture, Sport and Leisure** – £0.033m overspend mainly due to an anticipated deficit for the Mayflower Trust and lower income levels as a result of a delayed launch of new commercial facilities at Mount Edgecumbe.
- 6.3.3 **Environmental Services** – £0.017m overspend due to work that needs to be carried out that was previously funded by a grant.

6.4 Key High Level Risks

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

- a) The high unit cost of adult social care placements, particularly within Learning Disabilities, combined with the changes in funding responsibility between the PCT and Adult Social Care relating to both reviews of joint packages of care, Continuing Health Care and transfer of Learning Disability commissioning budgets.
- b) The ability of the department to increase service levels / independent living client numbers to achieve the CIP targets – particularly within Adult Social Care.
- c) Managing expectations of enhanced levels of service against the approved budget particularly around waste collection and street scene.
- d) Increasing pressures of LATS and landfill tax on the waste disposal budget.
- e) Fall in predicted income due to economic downturn e.g trade waste

6.5 Capital Spend / Programme

The original capital programme for Community Services that was set for 2009/10 was £19.990m. In addition, there has been £1.706m slippage from the 2008/09 programme which was reported as in the outturn report to Cabinet in June '09.

The revised 2009/10 forecast as at the end of May is £16.346m, with net expenditure of reported at (£0.108m) due to accruals from 2008/09. Details of the major profile changes and variations are outlined below.

The major variations are as follows:

£000's	New Approvals / Variations
£0.275m	Mental Health Grant activities
(£0.278m)	Devonport redevelopment schemes
(£0.388m)	Chelson Meadow contract savings from Capping and Leachate works in 2008/09 which were slipped into 2009/10, have now been reprofiled into 2011/12 to provide for known current landscaping obligations

7. Development

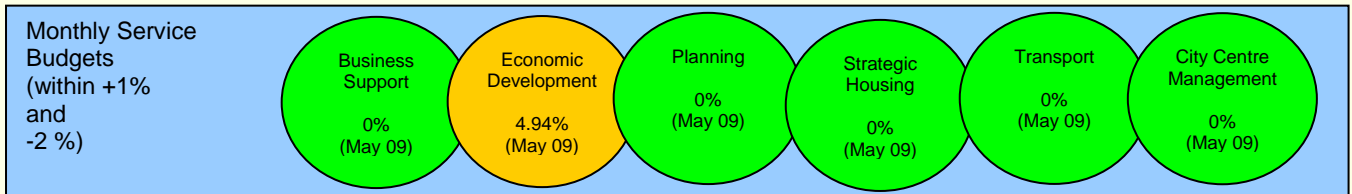
7.1 Corporate Improvement Priorities:

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

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

7.2 Progress against priorities

Development CIP Progress and Management Report 1st Bi-monthly 2009-10



5. Providing better and more affordable housing

Risks



Milestones



Indicators



A large scheme of affordable homes was completed in May with 42 units at St Michaels which keeps the LAA target for affordable homes on track for this period. Work is ongoing to proactively work with a number of housing providers to continue the delivery of new affordable homes through the current housing market slowdown, including more recently identifying potential eligible sites for the Government's new 'Kick-start' programme

There is a new requirement from the Homes & Communities Agency that Local Housing Companies must be agreed as a priority for funding within our Local Investment Plan before any further funding will be made available to move forward.

11. Improving access across the city

Risks



Milestones



Indicators



There are some key risks and slippage issues which are contributing to the red rating for this CIP. However these are being managed and we therefore expect to show improvement in the next report. A review of the bus networks is now complete and a delivery plan is being developed for 09/10. The plan will reflect the recommendations made in the reviews and also incorporate stakeholder feedback following a public transport conference which took place at the end of April. The Accessibility Action Plan will be incorporated into a proposed bid being led by Property and Economic Development with LTP support into the North Stonehouse Neighbourhoods Project. Meetings scheduled for June with Children's Services and services within NHS Trust are to progress the delivery of the Action Plan. Improvements in the cycling infrastructure are being progressed through the East End Community Infrastructure Funded scheme. A decision is awaited from Network Rail regarding the alignment of the cycle route through St. Judes. A presentation was made to Cycling England on 29th May 2009 regarding proposals.

12. Delivering sustainable growth

Risks



Milestones



Indicators



In the light of the current market conditions and analysis of local and national data the future housing delivery targets for the LAA NI154 have been revised downwards as part of the LAA refresh from the current level of 1000 dwellings per year to 400 this year and 300 dwellings in 2010/11. A Market Response Action Plan is being developed with Plymouth Regeneration Forum, which will engage with key strategic partners to share information and strategies for addressing economic downturn

7.3 Revenue Budget Monitoring – forecast over spend of £0.112m

7.3.1 The forecast overspend relates to Economic Development who are currently predicting an over-spend of £0.112m mainly due to pressures of either loss of income or additional expenditure from vacated premises. There is also a possibility that there may be an additional pressure re costs associated with Bickleigh Down however this will be clarified at a later date.

7.3.2 Development Trading Accounts:

The latest forecast position on the trading accounts is an adverse variation of £0.012m. Details of individual accounts are as follows:

	Approved Budget £'000	Variation 31 May 2009 £'000	Change in period £'000
Pannier Market	142	12	-
Off Street Parking	(1,114)	-	-
On Street Parking	(1,336)	-	-
Street Trading	0	-	-
Total	(2,308)	12	-

The variation on the City Market is due to a conditions survey that is being carried out. Any work that arises from this will be monitored and reported as necessary

7.4 Key High Level Risks

7.4.1 Income

There is continuing recessionary pressure on business throughout the city and initial indications are that income from rentals, planning applications and building control may be further affected beyond the assumptions already built into the budget. The Council has produced a Market Recovery Delivery Plan which has identified the key pressures and endorses a number of priorities to support businesses. These areas will be closely monitored and will be the subject of further reports.

7.4.2 Housing

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

Transport

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

7.5 Capital Spend / Programme

The original Capital Programme for Development that was set for 2009/10 was £19.4m. This has since been reduced by the transfer of £5.3m (at Original estimate) of Environmental Services projects to Community Services, and Strategic Housing projects being transferred from Community Services. The latest monitoring update for Development is now shown below. This includes projects which may subsequently be transferred to Corporate Support relating to Corporate Property.

Actual expenditure, net of 2008/09 accruals, as at the end of May 2009 was £0.151m, or 0.8% of the Latest Forecast.

	<u>Development</u>
	<u>£m</u>
Approved Budget	17.371
Slippage from 2008/09	2.249
Latest Forecast variations (see below)	(1.226)
Latest Forecast May 2009	18.394

Significant variations against individual capital schemes are:

(£1.251m) Millbay docks inner basin programme

This project was included in the Medium Term Financial Forecast at a total estimated scheme cost 2009–11 of £2.5m .As a result of a budget review by the Regional Development Agency and the fact that there was no commitment by others to develop the site, the total spending plans to be 100% funded by the R.D.A, have now been cancelled.

(£0.385m) Northern corridor A386

Land compensation & associated legal fees budget re-profiled into 2010/11, as agreed with the Department of Transport (funders).

Outstanding Issues

North Cross Footbridge insurance claim:

As a result of an accident in 2007/08, replacement works totalling £237k were undertaken. The works were agreed at the time with the loss adjuster. The insurance company has since raised concerns over the works carried out, and have indicated a likely financial settlement of considerably less than the costs incurred. Legal Services are pursuing this matter on behalf of the designated Amey Project Officer. If there is a shortfall, resources will need to be identified to meet the value of the accrued, anticipated insurance funding.

Local Transport Plan:

The approved 2009/10 budget is currently being reviewed in the light of budget reductions which were quantified at budget setting time, but for which the detail had yet to be distributed across schemes. Further reductions are also required as set out in the monitoring paragraph, on L.T.P above. Forecasts are being updated to ensure that they are robust

and deliverable. The revised programme will be included in the next joint Finance and Performance monitoring report.

Eastern Corridor

The whole life scheme costs for this programme have been reviewed, and an update to the current Medium Term Financial Forecast will be presented to Cabinet in July 2009. This includes an overall programme increase of £18.7m to £124.7m. It has been identified that £19m is now specifically earmarked for the East End Project, details of which are given in the paragraph below.

East End

As a result of the East End Community Transport project securing £9.78m of Community Infrastructure Funding, towards the total estimated project costs of £19.4m, the project is now considered distinctly from the Eastern Corridor Major scheme. A report to Cabinet in July 2009 will identify issues associated with the outline bid which has been submitted, to make use of an £8m Regional Infrastructure Funding loan.

City Market

In light of a number of recent health and safety issues, a detailed condition survey of the market has been commissioned, the results of which are expected later this month and will be the subject of a report in due course. The report may highlight the need for additional works to be undertaken – the cost of which will need to be assessed against the Council's current capital and revenue priorities.

8. Corporate Support

8.1 Corporate Improvement Priorities:

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

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

8.2 Progress against priorities

Corporate Support CIP Progress and Management Report 1st Bi-monthly 2009-10

Monthly Service
Budgets
(within +1%
And -2 %)

Customer Services
& Business
Transformation
1.23%
(May 09)

Departmental
Management
0.00%
(May 09)

Democracy &
Governance
0.12%
(May 09)

Human
Resources
-1.15%
(May 09)

Finance, Assets &
Efficiencies
2.78%
(May 09)

ICT
0.00%
(May 09)

1. Improving Customer Care

Risks



Milestones



Indicators



Following discussions at the CIP Programme Board, the original PID and action plan for year 2 of the CIP has been withdrawn. A revised action plan and PID is currently being written and will be published following sign off from the Programme Board and Sponsor.

13. Supporting council staff to perform better

Risks



Milestones



Indicators



The Job Evaluation project has now been prioritised resulting in a resource that was made available for the development of role profiles being redeployed to the JE team. This has resulted in 98% of appeals being completed by the end of May with the project now on target for completion by the end of July. However this has resulted in some slippage in the development of role profiles which will now be considered when the redeployed resource becomes available.

Slippage in the delivery of the Management Systems Solutions (MSS) e-learning software has impacted on the completion of the e-learning tools. The pilot has now been split and as a result the Absence Management package will be completed initially and rolled out across the authority followed by the MSS utilities.

14. Providing better value for money

Risks



Milestones



Indicators



The Place Survey has indicated a significant drop in resident's satisfaction with VFM. The Council has identified key areas of high/ low performance and has set three year VFM revenue budget targets in areas such as Learning Disabilities. Key quality and cost PI's need to be established to measure progress against VFM priorities. Communication on key VFM achievements both internal and external will be crucial to the success of this CIP. Other key VFM indicators will include improving our income collection rates and maximising return from Treasury management activities whilst minimising risk

8.3 Revenue Budget Monitoring – forecast overspend of £0.429m

8.3.1 The major variation is a forecast overspend in Finance, Assets and Efficiencies of £0.434m. This is made up of:

Corporate Property - are currently predicting an over-spend of £0.247m mainly due to additional rent increases and NNDR charges in relation to council owned properties. These additional costs are beyond the control of Corporate Support, hence it is recommended that corresponding savings achieved through reduced energy costs are used to offset this additional spend.

Procurement – forecast overspend of £0.164m which is due to a shortfall in printing income budgets. An option appraisal has been undertaken to identify how to address the shortfall and whilst part of the review can be implemented quickly, other proposed changes will require longer. Therefore some of the efficiencies will not be fully realised until 2010/11.

Finance - forecast overspend £0.087m at present through not having detailed action plans in place to achieve the required efficiency targets. It is anticipated that these targets will be achieved during the re-alignment and management re-structure of the Finance, Assets and Efficiencies part of the Directorate.

8.3.2 Existing gas and electricity energy contracts have just been renewed as part of the Devon Procurement Partnership with corresponding price reductions in many cases. Additional funding was allocated in setting 2009/10 budgets to meet with anticipated costs based on previous year's energy price and usage trends. We are now forecasting resulting savings across all Directorates as a result of these re-negotiated contracts. It is proposed that the Directorate energy budgets be reduced to offset additional costs that are being incurred in the Corporate Property Estate as detailed above.

Recommendation 5:

It is recommended that the favourable variation on General Fund accounts resulting from the reduced energy contract prices is transferred to Corporate Property (Corporate Support) to offset increased costs incurred on the Corporate Estate

8.3.3 The Customer Services and Business Transformation Service is forecast an overspend of £0.025m related to recruitment costs for the new Assistant Director post. Once the overall Departmental senior management restructure is finalised some savings will need to be vired to meet the staffing costs surrounding this post.

8.4 Key High Level Risks

The key risk areas within Corporate Support relate to

- the review of print and document services to ensure efficiencies are realised within the service
- the level of new benefit claims and changes within the revenues and benefits service related to the current economic climate, officers are monitoring this position

8.5 Capital Spend / Programme

The original capital programme for ICT which has been transferred from Chief Executives for 2009/10 was £0.707m which has been increased for further slippage at 2008/09 outturn of £0.387m giving a total programme of £1.09m.

The current projection is to achieve 100% of the total programme. Total expenditure to the end of May is £0.049m, which equates to 4.46% of the approved programme.

9. Chief Executive

9.1 Corporate Improvement Priorities:

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

- Informing and Involving Customers (CIP 2)

9.2 Progress against priorities

Chief Executive's CIP Progress and Management Report 1st Bi-monthly 2009-10

Monthly Service
Budgets
(within +1%
and -2 %)

Policy &
Performance

17.78%
(May 09)

Corporate
Communications

-2.28%
(May 09)

2. Informing and Involving Customers

Risks



Milestones



Indicators



The refreshed CIP is built on the requirements of the new 'Duty to Involve' which came into effect in April. The duty requires us to inform, consult and involve local residents in the design and delivery of services. Activity in April and May has focused on planning for the receipt of results from the Place Survey; inclusion of engagement and consultation competencies in the new corporate competency framework; and planning for the Member Development Programme.

9.3 Revenue Budget Monitoring – forecast overspend of £0.205m

The key reason for the department's projected revenue overspend is the Department's efficiency saving target related to the senior management restructuring and improving how activities are co-ordinated. Following the restructure much of this will now be achieved in the Corporate Support Department and the efficiency target will be reduced accordingly. There are some staff vacancy savings which will partially offset the amended target.

9.4 Key High Level Risks

The high risk area within Chief Executives area is the funding for the LSP back office support which is currently funded from an approved carry forward. This will need to be considered during this financial year as the co-ordinated performance and support units are reviewed

10. Corporate Items & Cross-Cutting Issues

10.1 Corporate Items - Revenue Budget Monitoring – forecast underspend of (£0.760m)

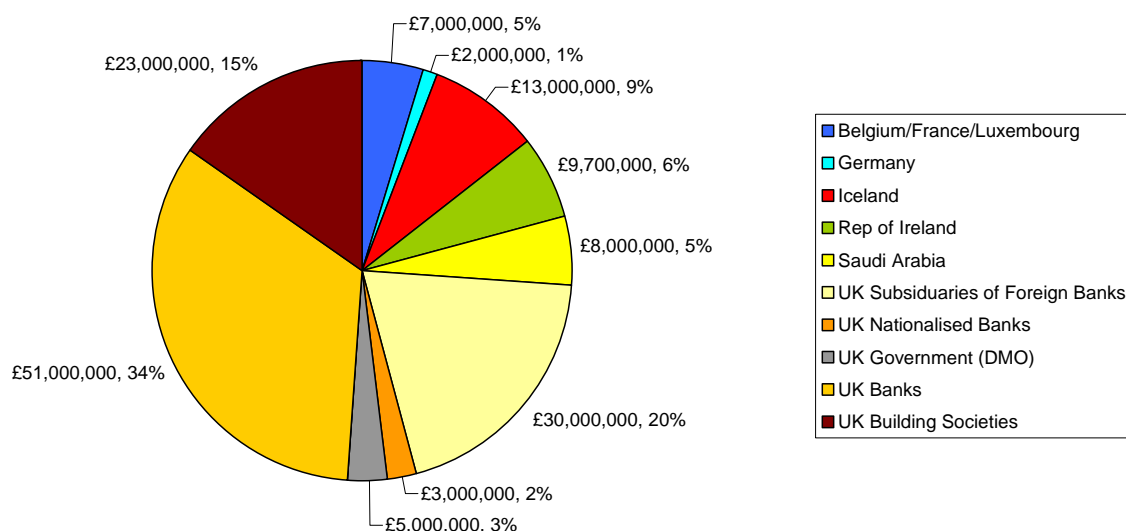
10.1.1 The key reasons for the revenue underspend of (£0.760m) within corporate items is a favourable variation on Treasury Management, the estimated General Fund savings resulting from energy contracts, and current work on reclaiming VAT, which are detailed below.

10.1.2 Treasury Management update

At 31 March 2009, the Council's investments were £213.800m and its borrowings £370.383m. At the end of May 2009 these had reduced to £151.700m and £296.583m.

Although the level of investment has reduced significantly, there remains an inherent risk in the portfolio in terms of investment in the current climate. Council Officers continue to manage risk out by the most appropriate methods in conjunction with our Treasury Advisors. The pie chart below shows the analysis of the investment portfolio as at 31 May 2009.

**PCC DEPOSITS BY COUNTRY AT 29th MAY 2009 - Total Deposits
£151,700,000**



All new investments are made in accordance with the approved counter party list, for varying periods up to a maximum of 12 months, based on liquidity requirements and the overall investment maturity profile. The average interest rate achieved on investments to the end of May was 1.74%, against a target of 1.5%. In addition, forecasted revenue savings have occurred through reducing our overall borrowing portfolio.

Amendment to Minimum Revenue Provision (MRP) Policy

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 (SI 2008/414) place a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision (MRP) has been issued by the Secretary of State and local authorities are required to “have regard” to such Guidance under section 21(1A) of the Local Government Act 2003. The broad aim of ‘prudent’ provision is to ensure that debt is repaid over a period reasonable with that over which the capital expenditure provides benefits. There are four options and at the start of each year full Council is required to approve the MRP policy for the year. The policy for 2009/10 was approved on 2 March 2009.

As part of the move to produce local authority statutory accounts on an International Financial Reporting Standards (IFRS) basis from 2010/11, Local Authorities will now be required to account for PFI schemes ‘on Balance Sheet’ and this element of the move to IFRS has been brought forward to the 2009/10 financial year. Authorities have been awaiting guidance on the accounting requirements, and this was issued at the end of June 09.

The Council has one PFI scheme which will come ‘on Balance Sheet’ with effect 1 April 2009. This has highlighted the need to amend the MRP policy statement to include an additional option for PFI schemes: “Asset Life – Annuity Method” in order to ensure there is no impact on the council tax requirement. This will enable the annual MRP set aside to be made on a basis consistent with the PFI credits received from the Government.

For PFI schemes, MRP will commence in the year that the PFI credits commence.

Recommendation 7:

The Council’s MRP policy statement for 2009/10 be amended to include: Asset life – Annuity method for PFI schemes and this be referred to Full Council for ratification

10.1.3 Corporate Energy Contracts

The Corporate Energy Contracts for electricity and gas have been renegotiated which will generate savings across the council. Initial work on reviewing the impact of General Fund savings estimates annual savings in the region of (£0.3m) and it is proposed that this is used to offset the estimated overspend in corporate property costs (see executive summary recommendations).

10.1.4 VAT – ‘Fleming’ Claims

Under UK VAT law, claims for overpaid VAT must be made within three years of the end of the relevant VAT accounting period. A number of cases were brought before the UK Courts challenging the validity of the three year cap, particularly

the lack of any transitional period at the time of clarification of VAT treatment in areas such as excess parking charges and library charges. The decision of the House of Lords in the two cases of Michael Fleming (t/a Bodycraft) v HMRC and Conde Nast Publications Ltd v HMRC held that the three year cap should be disapplied as no adequate transitional relief period was given at the time that the legislation was introduced. HM Revenue & Customs gave taxpayers until 31 March 2009 to make claims.

The Council, in common with many other local authorities, has submitted a number of claims in respect of overpaid VAT in areas where HM Revenue & Customs (HMRC) has clarified the VAT liability of an activity as being a non-business or exempt supply (not subject to VAT), rather than a taxable supply as it had been previously treated.

The net value of the Council's claims were approximately £1m.

The first of these claims has been accepted in the sum of **£0.218m** net of consultant's fees. HRMC have confirmed that simple interest will be payable on this claim but this has not yet been calculated. The Council's VAT advisors will be submitting a claim to the High Court for compound interest on the Council's behalf. It is proposed that when received, claims be transferred to the Corporate Improvement Priority Reserve. The council's overall forecast revenue position assumed that this recommendation is approved.

Recommendation 8:

It is recommended that the 'Fleming' VAT reimbursement of £0.218m, and any future successful 'Fleming' claims, be transferred to the Corporate Improvement Priority Reserve

10.2 Reserves, Balances, Contingency

(a) Contingency

The 2009/10 budget includes £0.5m as a general contingency, excluding any carry forward from 2008/09.

(b) Working Balance

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

(c) Reserves

The council created a number of specific reserves throughout 2008/09 to account for known budget pressures such as waste management, project costs for housing stock transfer, job evaluation etc. We will regularly review the status of all of our key reserves and an updates will be provided in bi-monthly reporting.

10.3 Risk Management & Issues that might impact on future budgets

- (a) Icelandic Investments
There are risks to the council associated with potential losses on its investments in Icelandic Banks. The council has set aside £0.281m in a specific reserve to meet potential future costs based on the best information available to date. The council is expecting the first repayment of £0.450m in July '09 relating to the £3m investment with Heritable Bank.
- (b) Capital Receipts
The council has an approved five year capital programme part of which is to be funded from estimated capital receipts. Given the current state of the economy the council has set aside a revenue reserve of £0.975m to fund temporary borrowing costs in case some of the capital receipts are not realised.
- (c) Redundancy costs
The council is not able to capitalise the cost of likely redundancies during 2009/10 through not meeting the threshold limits set within the capitalisation criteria. A specific reserve of £1.0m has been put aside for redundancy costs. Actual costs against this reserve are not known at this stage.
- (d) Corporate Impact Group (transfer of Housing Stock)
A Corporate Impact Team has been established to assess the overall impact of the transfer of the HRA stock to a newly established Housing Association. A revenue reserve has been set aside for this work of £0.735m. The impact of HRA stock transfer on general fund costs over the medium term will be included in the Medium Term Financial Forecast, once it has been assessed. The overall corporate impact of stock transfer is likely to be an increase general fund costs.
- (e) Waste Disposal Balancing Reserve
A 'waste disposal management reserve' of £0.750m has been created as a starting point in proactively planning and accounting for the estimated increased costs that the Council will face. However, the likely costs are likely to significantly exceed this reserve.
- (f) Pensions update
The Council's pension deficit at 31 March 2009, as calculated by the Actuary for the annual Statement of Accounts has increased by £133m to £348.221m. The increase has arisen partly due to adverse conditions in the economy and its impact on investment returns and changes to the assumptions in terms of liabilities, such as life expectancy. Statutory arrangements mean that the deficit will be funded from increased contributions over a rolling 25 year period. Amendments to the employer contributions are assessed every 3 years, the next review being effective from 2011/12.

The deficit as at 31 March 2009 does not take into account the impact of the Council's stock transfer and staff being TUPE'd across to Plymouth Community Homes. Where TUPE'd staff choose to stay within the local government pension scheme and the transferring organisation applies for admitted body status, it is normal practice for the new organisation to start with a fully funded scheme, with the deficit at transfer date being made 'good' by the Council by means of increased contributions. Initial indications of the deficit in respect of the stock transfer indicate this to be in the region of £19m. The impact **before** any other changes to increased contributions resulting from the general economic conditions and increase in the fund deficit, is an increase in the Council's

contributions rate of 1.1%, which equates to approximately £0.800m per annum. Options to fund the deficit will form part of the ongoing negotiations between the respective bodies.

10.6 Medium Term Financial Forecast

- 10.6.1 Budgeting over the medium term, we have allocated revenue funding to match known revenue pressures for 2009/10 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. The three year budget targets are summarised below:

	Target budget £000
2009/10	196,525
2010/11	205,764
2011/12	210,702

- 10.6.2 The allocation of funding across departments will be affected by the current organisational restructure. The impact of the corresponding movements in funding will be detailed in regular 2009/10 monitoring reports.
- 10.6.3 Based on estimated resources available and departmental revenue targets that have been set for the next three years, our medium term financial forecast is showing a **balanced budget for 2009/10**, but there remains a revenue funding gap in both 2010/11 and 2011/12. The Corporate Management Team and Cabinet will continue to work on reducing, and balancing, this gap throughout 2009/10.
- 10.6.4 The MTFS identifies a number of pressures facing the Council over the medium term. It is important that the medium term position is kept under review on an ongoing basis. An update will be provided as part of each bi-monthly monitoring report and this will include proposed actions to meet the underlying shortfall to meet target budget as well as early identification of any new or increased pressures emerging during the year to enable informed decisions about any reallocation of resources to be made.

10.7 Housing Revenue Account (HRA)

Housing Revenue Account – Forecast £0.100m favourable variation.

	Latest Approved Budget £'000	Latest Forecast Outturn £'000	Monitoring Variation to 31 st May £'000
Income	(45,556)	(45,556)	0
Expenditure	45,622	45,522	(100)
Less Transfer from Reserves	0	0	0
(Surplus) / Deficit	66	(34)	(100)
Working Balance	(1,976)	(2,076)	

10.7.1 Overall the forecast monitoring variation for the year is (£0.100m) favourable, providing a surplus for the year of £0.034m, with a Working Balance forecast of £2.076m.

10.7.2 Following a successful tenant vote in November 2008, the council is due to transfer it's 15,000 dwellings to Plymouth Community Homes (PCH), a not-for-profit Housing Association, on 19th October 2009. However, as this has not yet been approved by Full Council or by the Secretary of State (and as this will not happen until PCH has achieved all the necessary formal registration criteria), the HRA budget monitoring position is still based on the full financial year. Council will be asked to approve a revised budget based on the period up to date of transfer in due course.

10.7.3 Income - Although the overall position for income is as per budget, it should be noted that there are offsetting variations within Dwelling rental income and HRA Subsidy. This follows the option provided by Department of Communities & Local Government (DCLG) to reduce the approved 2009/10 rent rise by 50%.

10.7.4 On 27th April Council approved a rent free period to enable this option to be implemented at Plymouth. Officers are continuing to prepare for this implementation of the rent free period. This has been a complex issue, partly due to the timing of the Government announcement and the impact on housing benefit, and also due to the planned transfer of the housing stock to PCH mid way through the financial year. Should the transfer proceed on 19th October as planned, the reduction in rent approved by Council will be approximately £0.900m, which will be offset by £0.600m amendment to Subsidy and £0.300m contribution from PCH.

10.7.5 At this stage the variations are reported reflecting a full year impact, resulting in a reduction of rental income of £1.238m in a full year, however, this would be offset by a corresponding decrease in subsidy payable to DCLG.

10.7.6 Contingency – £0.100m of the contingency budget has been allocated to ensure that the HRA year-end working balance does not drop below £2m. The remainder of the contingency has been ring fenced to absorb any post transfer issues.

10.7.7 HRA - Key High Level Risks

- a) Repairs costs will continue to be a high risk area within the HRA. Current indications are that repairs expenditure is broadly in line with the profiled budget.
- b) The HRA Management Board has agreed to allocate the contingency budget for post transfer issues.
- c) The planned housing stock transfer to PCH on 19th October may result in the Working Balance being higher or lower than budgeted due to timing of income and expenditure. This is being reviewed by the HRA Management Board.

11. Summary

- 11.1 Performance information has been shown in a scorecard format highlighting the overall position of each CIP with narrative provided by each CIP lead to explain any issues arising and actions being taken
- 11.2 General Fund is forecasting a year end **adverse** variation (or overspend) of **£1.049m**, 0.53% of net revenue budget.
- 11.3 The HRA is projecting a forecast underspend of £0.1m.
- 11.4 The revised forecast of in-year capital programme is £98.385m, with actual spend as at 31 May '09 standing at £2.043m (2.1% of full year forecast)

Appendix A - LAA Outturn Report 2008/09

1.0 Background

1.1 This report provides a review of Plymouth's Local Area Agreement for the period April 2008 to March 2009. It also provides more detail for those LAA 2008 targets and 2007 LAA stretch targets currently showing as red or amber. In addition, options for reallocating Pump Priming Grant (PPG) are identified.

2.0 Summary Performance against targets

2.1 The performance reports on the Local Area Agreement are set out in the appendices of this report. Two reports are provided. The first at Table 1 provides an overview of performance against the 2007-10 LAA targets by Theme Group. Table 2 provides an overview of our 2008/11 targets that are currently underperforming (either red or amber).

3.0 Performance against 2008-11 LAA Targets

3.1 As previously reported, there are still a number of gaps in our knowledge about how we are performing against the targets in the 2008 LAA. The late release of the Place Survey has impacted on 4 targets in the Safe and Strong block and a number of adult social care indicators are awaited for the Health block. A number of national indicators are deferred until 2010 and as a result baselines and targets have not been set.

3.2 At the time of completing this report, many of the areas of key risk identified are those already known to us through our performance monitoring of the 2007 LAA Stretch targets – breastfeeding, teenage conceptions and childhood obesity. We now also have evidence of underperformance against NI 117 NEETs. These have been previously highlighted as areas of anticipated underperformance given the economic downturn.

The stretch targets are considered in more detail in section 4 below.

4.0 Performance against 2007 Stretch Targets

4.1 The sections below highlight the areas of most concern in respect of the performance of the 2007 LAA stretch targets.

4.2 Overall, of the 29 stretch target indicators, the headline results are as follows:

- 12 targets are green
- 6 targets are red
- 5 targets are amber
- 6 targets are still unknown until the data becomes available. However, out of the 6 two drugs targets are likely to be green, brief interventions for alcohol abuse is also likely to be green. Both structured intervention for alcohol abuse and smokers quitters are both likely to be red. It is not certain at this time how the hospital admissions for assaults indicator will perform.

This represents an improvement on the last report presented where the number of reds has reduced from 9 to 6.

Appendix A - LAA Outturn Report 2008/09

4.3 Healthy Thematic Area – Responsible Executive Member John Richards

The areas previously identified as under-performing continue to be the focus for concern. In particular, the latest data for teenage conceptions (2007 data) has shown an increase in the conception rate of under-18s reflecting a national increase. Smokers quitting, childhood obesity and decreasing the harm caused by alcohol are still underperforming. Whilst the indicator for women breast feeding has improved performance is still amber. Emergency Bed days also remains amber.

4.4 Wealthy Thematic Area – Responsible Executive Member Nigel Pitt

The performance position has improved. We continue to remain on track to deliver the target around Incapacity Benefit (IB) claimants but are now also on track to achieve the target for mental health users returning to work. However, the Lead Officer for the IB claimants target has raised concern that the economic downturn may impact on the achievement on this target in the medium term although it is too early to be clear on how great a risk this represents.

4.5 Safe & Strong Thematic Area – Responsible Executive Member Jim Webster

On the whole we continue to deliver against the stretch targets. However, the stability of placement target for looked after children has moved from amber to red. Indicative figures for improving reporting of DV now look disappointing for the year. Whilst the signs are positive, we still do not have a definitive out-turn position against the drug treatment targets.

4.6 Wise Thematic Area – Responsible Executive Member Bronwen Lacey

There is new data to report against these annual targets which points to underperformance against the targets relating to the attainment levels for Looked After Children (LACs). A series of intensive interventions are planned to address this but given the small cohort, the targets are vulnerable.

5.0 Risks identified

5.1 The following targets are considered high-risk:

• Teenage pregnancy	£618K
• Young people and alcohol	£247K
• Breastfeeding mothers	£154K
• Smoking in deprived areas and in pregnant women	£618K
• Year 6 children obese	£309K
• Looked after children	£315K
• Emergency Bed Days	£618K
• Total	£2.879M

5.2 Lower-risk but still with the potential to under-achieve is the target for increasing DV reporting, worth £247K. The lead for this project has identified funding as a risk factor.

Appendix A - LAA Outturn Report 2008/09

6.0 Risk Mitigation

6.1 The key areas of under-performance identified in previous reports continue to be the focus of attention. In response, the Healthy Theme Group has put in place risk mitigation procedures to support the achievement of under-performing targets. The implementation of recovery planning and the establishment of a dedicated delivery group supported by performance specialists and target leads would appear to have started to have an impact on some of the 2007 stretch targets.

6.2 The newly identified areas of risk – Looked After Children and DV reporting appear to have robust plans in place. The LSP Executive Group will continue to closely monitor performance on all targets and ensure active management of risk by the appropriate lead officers.

7.0 Pump Priming Grant

7.1 Pump Priming Grant (PPG) is allocated over three years from April 2007 to March 2010. The PPG can be carried across financial years within this three year period however, if any PPG remains unspent as of the 31st March 2010 the remaining grant will be returned to Government Office South West.

7.2 The 22 April Executive Group agreed to reallocate £52, 000 savings to SSC2 Domestic Abuse and the remaining £5,435 to CYP1 Improving the life-chances of looked after children subject to confirmation that additional grant would contribute positively to achieving the stretch target.

7.3 Since then the final outturn for performance 2008/09 is now available in Table 1 and 2 and interim grant certificates have now been received detailing actual spend against allocation for the last two years until the 31st March 2009.

7.4 A further £32,437 saving is available for reallocation from grant set aside as contingency to support the back office function for 2009/10. It is proposed that this is redirected to deliver on stretch target outcomes.

7.5 On this basis the Executive Group have agree at their meeting on the 3rd June 2009 to key principles for withdrawing and reallocating the grant to ensure no funding is lost to the city, that maximum Performance Reward Grant is levered and outcomes for local people are maximised. The key principles are as follows:-

Withdraw Grant	Allocate Grant
7.6 Where on course to meet or exceed target (note risk of disincentive)	7.9 Identified risk to achieving target and clear business case shows extra resource will lead to target achievement
7.7 Where spend is low AND no assurance that spend will be achieved by 31 March 2010 (no plan or not robust).	
7.8 Where performance is poor and target is unlikely to be reached even with PPG	

Appendix A - LAA Outturn Report 2008/09

7.10 The Head of Policy, Performance and Partnerships of Plymouth City Council has delegated authority to reallocate the Pump Priming Grant in line with the key principles agreed by the Executive.

7.11 A mid year risk assessment against spend is to be carried out by the LSP Support Team for the 02 September Executive Group meeting.

8.0 Recommendation

It is recommended that the contents of the LAA review report are noted and that Cabinet endorse the LSP Executive decision to delegate the decision on reallocating the 2007-10 pump priming grant to the Head of Policy, Performance and Partnerships in consultation with LSP outcome leads

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Table 1 LAA 2007 stretch targets

Stretch Target	Indicator	Performance	Lead Officer & Agency
1. Improve the life-chances of looked after children	Long term stability of children looked after (2.5 years) (PAF B71)		Mairead MacNeil, PCC Children's Services
	Employment, education and training for care leavers (PAF A4)		
	Stability of placements (PAF A1)		
	Employment, Education and Training for care leavers at 16 (local from OC2 return)		
	Final warnings/reprimands and convictions of Children Looked After (local from OC2 return)		
	Percentage of 11 year olds achieving level four in English at Key Stage Two (local from OC2 return)		
	Percentage of 11 year olds achieving level four in Maths at Key Stage Two (local from OC2 return)		
	Percentage of 16 year old looked after children achieving 5 or more GCSEs grade A*-G		
2. Reduce the under 18 conception rate	Teenage pregnancy rate (conceptions to women aged less than 18 years per 1,000 women aged 15-17 years inclusive)		Deb Laphorne, NHS Plymouth
3. Reduce re-offending rates	Number of convictions recorded by the police for all PPOs (Prolific and Other Priority Offenders) on the PPO scheme at 31 st March 2007 (Cohort 1)		Craig McWhinnie, Devon and Cornwall Constabulary
	Number of convictions recorded by the police for all PPOs joining the PPO scheme between 1 st April 2007 and 31 st March 2008 (Cohort 2)		
4. Reduce violent crime	Number of incidents of BCS Category Wounding		Jim Webster, Devon and Cornwall Constabulary
5. Reduce the harm caused by domestic violence	Number of Domestic Violence Incidents recorded by Devon and Cornwall Constabulary		Clive Milone, Plymouth City Council*
	Percentage of Domestic Violence crimes resulting in a Brought to Justice Outcome (BTJO).		
6. Reduce the harm caused by illegal drugs	Number of people entering drug treatment	TBC	Wendy Hannon, DAAT
	Percentage of people entering drug treatment that are retained in treatment for at least 12 weeks	TBC	
7. Improve the health of young children	Prevalence of obesity in year 6 (11year olds)	TBC	Gill Lewendon, NHS Plymouth
	Percentage of women breastfeeding at 6-8 weeks post partum.		Alison Mackenzie, NHS Plymouth
	Percentage of schools achieving Healthy Schools Status		Alison Rowntree, PCC Children's Services

Table 1 LAA 2007 stretch targets

Stretch Target	Indicator	Performance	Lead Officer & Agency
8. Decrease the harm caused by alcohol in young people	Number of young people (19-25), referred from criminal justice and hospital settings, who are given brief interventions for alcohol misuse related to violent crime and / or hospital admission / attendance		Mike Jarman, NHS Plymouth
	Number of young people (19-25), referred from criminal justice and hospital settings, who complete at least 6 weeks of structured extended brief intervention and/or treatment for alcohol misuse related to violent crime and unplanned hospital admission / attendance		
	Rate of Alcohol specific hospital admissions for those over 16 years old per 100,000– ICD 10 codes – E244, F10, G312, G621, G721, 1426, K292, K70, T510, T511, X45		
	Rate of Assault related admissions in the 16-30 year old age group per 100,000– ICD 10 codes – X93-X99, Y01-Y09.	TBC	
9. Decrease the year on year rise in obesity levels	Increase the percentage of adult population participating in 30 minutes of moderate physical activity three or more times per week		James Coulton, PCC Leisure Services
10. Reduce the gap in premature mortality rates	The number of pregnant women referred to NHS stop smoking services who have quit smoking at 4 weeks.	TBC	Sarah Wyatt, NHS Plymouth
	Increase the number of people, living in the most deprived areas (bottom third neighbourhoods), who have quit smoking at 4 weeks after attending NHS stop smoking services	TBC	
11. Improve the quality of life and independence of older people	Absolute reduction in emergency bed days, recorded by Plymouth PCT for over 75's in LDP quarterly returns.		Elaine Fitzsimmons/Pam Marsden, NHS Plymouth
12. Increase employment and reduce the impacts of poverty and ill-health	Number of people on an incapacity benefit (i) for 2 years or more living in the Plymouth LAA area helped by Plymouth Works Partnership (ii) into sustained employment (iii) as measured by Individual tracking of participants and outcomes through the partnership		Jacki Williams, JobCentre Plus
	Number of people claiming incapacity benefit (i) in the Plymouth LAA area who have a care plan with the Plymouth Mental Health team who are supported by the Plymouth Works Partnership (ii) into sustainable employment (iii) as measured by individual tracking of participants and outcomes through the partnership.		

LAA Target	Indicator	Performance 08-09	Lead Officer
Table 2 LAA Targets 2008-09			
H1 Reduce health inequalities between neighbourhoods and communities of interest within the city	L(LAA)01 Reduce the gap in life expectancy between the fifth highest and lowest areas	No target	Deb Lapthorne
	NI 141 (Local LAA) Percentage of vulnerable people achieving independent living - Yearly		Pam Marsden
H2 Prevent illness & promote health & well-being by tackling the underlying causes of ill-health	L(LAA)03 % adult population (16-74) participating in 30 mins moderate physical activity once a week		
	L(LAA)04 Increase in the no of contacts with the primary care mental health service by 10% by 2010		
	L(LAA)05 Emotional Well-being & Mental Health of Children & Child Adolescent Mental Health Services		
	NI 053(1) (LAA) Prevalence of breastfeeding at 6-8 weeks from birth - % being breastfed at 6-8wks		Deb Lapthorne
	NI 056(1) (LAA) Obesity among primary school age children in Year 6 - Total obese		Mairead MacNeil
	NI 112(LAA) Under 18 conception rate		Colin Moore (AD)
	NI 115 - Regular alcohol use among young people		Colin Moore (AD)
H3 Improve the quality of life & independence of people living with disability & chronic illness	NI 124(LAA) People with long-term condition are independent & in control of condition		Pam Marsden
	NI 130(LAA) Social Care clients receiving self directed supp.(direct payments & indi budget) - Y		Julia Penfound
	NI 135(LAA) Carers receiving needs assess/review & a specific carer's service, or advice & info Y		Pam Marsden
	NI 136(LAA) People supported to live independently through social services (all ages) - Y		Pam Marsden
W1 Increase both the size and number of businesses in the city	NI 171(LAA) Proportion of business registrations per 10,000 resident population aged 16 and above		Nalin Seneviratne
	NI 172(LAA) Percentage of small businesses in the area showing employment growth		Nalin Seneviratne
W2 Reduce levels of worklessness	NI 151(LAA) Overall employment rate (Working Age)		Nalin Seneviratne
W3 Provide infrastructure to support the city's sustainable economic, employment & housing growth	NI 154(LAA) Net additional homes provided		Jonathan Bell
W4 Increase the supply of new affordable housing	NI 155(LAA) Number of affordable homes delivered (gross) - Y		Frances Turner
W5 Manage the growth in congestion and improve accessibility by sustainable modes	L(LAA)6/L(TIE)1 Achieve robust evidence of the impact of sustainable economic and housing growth		Philip Heseltine
	NI 175ii(LAA) Access to services and facilities between 7 and 9am		Chris Sane
	NI 175i(LAA) Access to services and facilities between 1 and 3pm		Chris Sane
W6 Address the impacts of climate change and move towards a low-carbon economy	NI 186(LAA) Per capita CO2 emissions in the LA area		Giles Perritt
SSC1 Promote positive relationships between people from different backgrounds	NI 001(LAA) Deferred - % people who believe people from different backgrounds get on well		Peter Aley
SSC2 Improve community involvement and engagement in decision-making and service delivery	NI 004(LAA) Deferred - % people who feel they can influence decisions in their locality		Giles Perritt

LAA Target	Indicator	Performance 08-09	Lead Officer
Table 2 LAA Targets 2008-09			
	NI 006 / L(LAA)8 Deferred - Participation in regular volunteering		Giles Perritt
	NI 007(LAA) Deferred - Environment for a thriving third sector		Giles Perritt
SSC3 Ensure equity of access to services	NI 140(LAA) Deferred - Fair treatment by local services - Yearly		Peter Aley
SSC4 Safeguard and improve the life chances of vulnerable children	NI 060(LAA) Core assess for childrens social care carried out within 35 wkg days of commencement		Mairead MacNeil
	NI 064(LAA) Child protection plans lasting 2 years or more		Mairead MacNeil
	NI 069 / L(LAA)9 Children who have experienced bullying		Colin Moore (AD)
SSC5 Reduce re-offending rates, violence and acquisitive crime	L(LAA)11 Reduce criminal damage - Yearly		
	NI 016(LAA) Serious acquisitive crime rate		Peter Aley
	NI 018(LAA) Deferred - Adult re-offending rates for those under probation supervision		Peter Aley
	NI 019(LAA) Deferred - Rate of proven re-offending by young offenders		Mairead MacNeil
	NI 020(LAA) Assault with injury crime rate		Peter Aley
	NI 026(LAA) Deferred - Specialist support to victims of a serious sexual offence		Peter Aley
	NI 032(LAA) Deferred - Repeat incidents of domestic violence		Clive Milone
	NI 045(LAA) Young offenders engagement in suitable education, employment or training - Yearly		Mairead MacNeil
	NI 046 / L(LAA)10) Young offenders access to suitable accommodation - Yearly		Mairead MacNeil
SSC6 Improve levels of confidence in local agencies to tackle community concerns	NI 021(LAA) Deferred - Dealing with local concerns re anti-social behaviour & crime by LA & police		Clive Milone
SSC7 Minimise waste and improve levels of recycling	NI 192(LAA) Percentage of Household waste sent for reuse, recycling and composting - Y		Jayne Donovan
SSC8 Improve local environmental quality	NI 195a(LAA) Improved street & environmental cleanliness - Levels of litter - Annual.		Jayne Donovan
	NI 195b(LAA) Improved street & environmental cleanliness - Levels of detritus - Annual		Jayne Donovan
SSC9 Raise the standards of our existing homes	L(H)1 Housing Stock Transfer		Andrew Cobb
	NI 187a (LAA) Tackling fuel poverty- % people receiving income based benefits in low energy		Frances Turner
Wi1 Improve the skills of the working age population at all levels	NI 164(LAA) Proportion of pop aged 19-64 (males), 19-59 (females) qualified to at least Level 3		Colin Moore (AD)
Wi2 Improve opportunities for young people to make a positive contribution	NI 110 - Young people's participation in positive activities		Colin Moore (AD)
	Number of permanent exclusions for Primary School		Maggie Carter
	Number of permanent exclusions for Secondary School		Maggie Carter
	Number of temporary exclusions for Primary School		Maggie Carter
	Number of temporary exclusions for Secondary School		Maggie Carter

LAA Target	Indicator	Performance 08-09	Lead Officer
Table 2 LAA Targets 2008-09			
Wi3 Increase the numbers of young people participating in higher level education & skills training	NI 080 (Local LAA) Achievement of a Level 3 qualification by the age of 19		Colin Moore (AD)
	NI 117 16 to 18 year olds who are not in education, training or employment (NEET) - Yearly		Colin Moore (AD)
Wi4 Improve educational achievement at all levels	NI 072 Achievement of at least 78 points across early years Foundation Stage		Colin Moore (AD)
	NI 073 Achievement at level 4 or above in both English & Maths at KS 2	No targets set	Colin Moore (AD)
	NI 074 Achievement at level 5 or above in both English & Maths at KS3		Colin Moore (AD)
	NI 075 Achievement of 5 or more A*-C grades at GCSE or equivalent incl maths & english		Colin Moore (AD)
	NI 083 Achievement at level 5 or above in Science at KS3	No targets set	Colin Moore (AD)
	NI 087 Secondary school persistent absence rate - Yearly		Maggie Carter
	NI 092 Narrow the gap between lowest achieving 20% early years FSP & the rest		Colin Moore (AD)
	NI 093 Progression by 2 levels in English between KS1 & KS2	No target set	Colin Moore (AD)
	NI 094 Progression by 2 levels in Maths between KS1 & KS2		Colin Moore (AD)
	NI 095 Progression by 2 levels in English between KS2 & KS3		Colin Moore (AD)
	NI 096 Progression by 2 levels in Maths between KS2 & KS3		Colin Moore (AD)
	NI 097 Progression by 2 levels in English between KS3 & KS4		Colin Moore (AD)
	NI 098 Progression by 2 levels in Maths between KS3 & KS4		Colin Moore (AD)
	NI 099 Looked after children reaching level 4 in English at KS2		Colin Moore (AD)
	NI 100 Looked after children reaching level 4 in Maths at KS2		Colin Moore (AD)
	NI 101 Looked after children achieving 5 A*-C GCSEs (or equiv) at KS4 (inc English & Maths)	No target set	Colin Moore (AD)

Appendix B Data Quality Report 2009

1.0 Introduction

- 1.1** This report provides a summary of progress against the Corporate Data Quality Action Plan 2008/09 which incorporates recommendations made in the 2007 and 2008 Data Quality Audits conducted by the Audit Commission and Grant Thornton respectively. The report also provides an update on the rolling programme of internal data quality audits conducted by the Internal Audit team.

2.0 Data Quality Audit 2008

- 2.1** The results of successive Data Quality Audits feed into the score for the Use of Resources Assessment. The results of the 2008 Audit conducted by Grant Thornton were generally favourable with the Council achieving Level 3 status (out of 4).

- 2.2** Overall the recommendations made in 2008 focus on two management areas:

People and skills - reflect responsibilities in role profiles and appraisals and establish a formal programme of training

Governance and Policies – strengthen data quality in partnership arrangements.

In relation to people and skills, a limited amount of work has been done with performance teams to identify key people who are involved with data handling. The new competency framework and the accompanying roll out of appraisals will provide an opportunity to embed these recommendations further where required. In terms of partnership data quality, a number of partnership data sharing agreements are being developed. Initially a high level in principle agreement to be signed by Chief Officers is being developed. More detailed agreements will then be developed to address specific issues. This work is being incorporated into one of the LSP's improvement projects.

- 2.3** In addition to a review of the management arrangements Grant Thornton also conducted a spot check of 8 performance indicators including 2 mandatory council tax benefit indicators, in line with the Audit Commission guidance. The Audit found a number of errors for the mandatory indicators BVPI 78a&b, processing of benefit claimants and as a result these indicators are both qualified.

3.0 Audit of the Stretch Targets 2007/11

- 3.1** Internal Audit conduct a rolling programme of data quality checks of the Stretch targets for 2007/10. Successful draw down of reward grant is dependant on each indicator undergoing a data quality audit. The last audit was conducted at the end of 2008. In general the Audit Team is satisfied with the arrangements they looked at. A number of recommendations were made to individual outcome leads and these are being followed up the Corporate Performance Team and Internal Audit. A final audit will need to take place prior to claiming the reward grant in 2010.

Appendix B Data Quality Report 2009

3.0 Arrangements for 2009

- 3.1** The 2009 Data Quality Audit will commence in July 2009. The results of the Audit will continue to feed into the Use of Resources score for 2009. The scope of the Audit will remain largely unchanged with a review of governance and management arrangements along with a spot check of a range of performance indicators. The Auditors will also want to be assured that corrective action has been taken in respect to the two qualified indicators. In order to prepare for the Audit Internal Audit will undertake a review of Corporate Plan performance indicators.

4.0 Recommendations

- 4.1** Note the progress being made against the 2008 Audit recommendations and areas for further development in respect of people and skills
- 4.2** In order to prepare for the Audit Internal Audit will undertake a review of Corporate Plan performance indicators
- 4.3** Note the arrangements for the Data Quality Audit 2009 including a review of existing qualified indicators.

Patrick Hartop

Policy and Performance Officer

Appendix C

			Data										
Directorate	Service	Sub Programme	Sum of Original Budget (Budget Book)	Sum of Slippage From 08/09	Sum of New Approvals in month April - May	Sum of Re-profiling in month April - May	Sum of Virements in month April - May	Sum of Variation in Month April - May	Sum of Latest Forecast April - May	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent		
Children's Services	Completed Programmes: Outstanding Payments	Basic Need	-	-	-	-	-	-	-	-			
		Emergency Works	-	-	-	-	-	-	-	-			
		NOF	-	172,695	-	-	-	-	172,695	-	0.00%		
		Planned Modernisation	-	10,000	-	-	-	-	10,000	-	0.00%		
		Strategic Projects	-	-	-	-	-	-	-	-			
	Condition and School Development Works	Condition Projects	-	-	-	-	-	-	-	-	-		
		Condition Works:	600,000	27,616	-	-	-	94,068	-	533,548	-	94,068	-17.63%
		Condition Works: Primary	-	58,945	-	-	-	-	-	58,945	-	-	0.00%
		Condition Works: Special Schools	-	-	-	-	-	-	-	-	-	-	
		Removal of Temporary Classrooms: Primary	1,669,043	-	-	-	-	-	-	1,669,043	-	-	0.00%
		Removal of Temporary Classrooms: Secondary	-	-	-	-	-	-	-	-	-	-	
		School Development: Primary	1,671,380	17,986	-	600,000	-	-	-	2,253,394	600,000	-	26.63%
		School Development: Secondary	-	-	-	-	-	-	-	-	-	-	
		School Development: Special Schools	-	135,026	-	-	-	-	-	135,026	-	-	0.00%
		Surestart / Extended Schools / Children's Centres / Families	634,401	88,106	-	-	-	-	-	722,507	-	-	0.00%
		Sustainability / Carbon Reduction / Spend to Save	450,000	145,100	-	-	-	-	-	595,100	-	-	0.00%
	Devolved Formula Capital	Nursery	31,689	63,463	-	-	-	5,641	-	89,511	-	5,641	-6.30%
		Other	135,921	2,555,879	-	1,000,000	-	601,818	57,317	1,964,459	398,182	-	-20.27%
		Primary	1,520,734	1,728,625	-	-	-	150,242	194,965	2,904,152	341,740	-	-11.77%
		Secondary	1,281,438	615,132	-	-	-	30,681	137,648	2,003,537	419,101	-	-20.92%
		Special	187,993	167,937	-	-	-	41,037	-	314,893	41,037	-	-13.03%
	Devolved Formula Capital Projects	Children's Social Care	-	-	-	-	-	-	-	-	-	-	
		Nursery	-	317	-	-	-	-	-	317	-	-	0.00%
		Other	-	1,121	-	-	-	-	-	1,121	-	-	0.00%
		Primary	163,500	68,941	-	-	83,579	155,500	160,520	83,579	-	52.07%	
		Secondary	-	55,369	-	-	73,882	-	129,251	73,882	-	57.16%	
		Special	-	2,035	-	-	22,500	-	24,535	22,500	-	91.71%	
	Focused Work	14-19 Diploma Gateways & International Baccalaureate	1,000,000	295,071	-	719,560	47,359	-	2,061,990	766,919	-	37.19%	
		Condition Bid Programme (formerly Seed)	542,888	77,942	-	1,908	800,431	28,936	1,394,233	802,339	-	57.55%	
		ICT Projects	988,353	85,716	-	-	15,525	200,000	718,162	15,525	-	2.16%	
		Reducing Risk Bid Programme (formerly Security)	119,500	34,297	-	-	8,500	-	162,297	8,500	-	5.24%	
		School Meals	800,000	50,000	77,400	-	-	-	927,400	-	-	0.00%	
		Surestart / Extended Schools / Children's Centres / Families	1,680,519	318,864	-	-	131,775	-	1,867,608	131,775	-	-7.06%	
	Other Programmes	Other Items	-	-	-	-	-	-	-	-	-		
	School Led Projects	Basic Need	-	-	-	-	-	-	-	-	-		
Children's Social Care		40,592	-	-	-	-	-	40,592	-	-	0.00%		
Condition Bid Programme (formerly Seed)		-	-	-	-	-	-	-	-	-			
DDA / Access Bid Programme		250,000	-	-	-	-	-	250,000	-	-	0.00%		
Other Items		741,355	33,247	-	-	-	-	774,602	-	-	0.00%		
Reducing Risk Bid Programme (formerly Security)		-	1,077	-	-	-	-	1,077	-	-	0.00%		
SEN Placement Commitments in Schools		20,000	40,527	-	-	-	-	60,527	-	-	0.00%		

Appendix C

Directorate	Service	Sub Programme	Sum of Original Budget (Budget Book)	Sum of Slippage From 08/09	Sum of New Approvals in month April - May	Sum of Re-profiling in month April - May	Sum of Virements in month April - May	Sum of Variation in Month April - May	Sum of Latest Forecast April - May	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	
Children's Services	Strategic Programmes	City Development (Section 106 Projects)	-	7,193	-	-	-	-	7,193	-	0.00%	
		Development Fund	-	-	-	-	-	-	-	-		
		Diversity	-	-	-	-	-	-	-	-		
		Expanding Popular Schools	600,000	-	-	-	387,500	-	-	212,500	- 387,500	-182.35%
		Localities	-	-	-	-	-	-	-	-	-	
		Multi-Agency Working	100,000	-	-	-	-	-	-	100,000	-	0.00%
		PFI	2,600,000	54,527	-	-	-	-	106,900	2,761,427	-	0.00%
		Primary Capital Programme	20,908,294	- 1,348,742	-	-	-	3,467	- 18,627	19,544,392	3,467	0.02%
		School Development: Secondary	-	92,534	693,000	-	19	-	-	785,553	19	0.00%
		Secondary Development / BSF	12,366,884	- 293,489	-	-	-	-	-	12,073,395	-	0.00%
		Special Education Needs and Inclusion	815,200	117,122	-	-	325,000	-	- 102,710	1,154,612	325,000	28.15%
		Tuition Service	-	75,000	-	-	-	-	-	75,000	-	0.00%
		Youth / Adult Learning	137,800	61,364	-	-	-	-	5,888	205,052	-	0.00%
Children's Services Total			52,057,484	297,381	770,400	2,258,968	- - 392,985	54,991,248	1,679,050	3.05%		

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Development & Regeneration	Local Transport Plan	Capital Maintenance	1,769,000	-	-	-	-	-	1,769,000	- 151,318	-8.55%
		Demand Management	773,882	- 67,719	-	-	-	- 9,297	696,866	11,564	1.66%
		Developer Contribution	-	-	-	-	-	-	-	-	
		Dft settlement not yet allocated	- 456,300	-	-	-	80,000	- 128,799	- 505,099	-	0.00%
		Northern Corridor	661,999	328,844	-	- 385,000	0	-	605,843	- 20,342	-3.36%
		Public Transport	1,496,218	313,813	-	-	-	- 3,500	1,806,531	- 38,379	-2.12%
		Regeneration & Urban Renewal	-	-	-	-	-	-	-	-	
		Road Safety	435,000	7,726	-	-	-	-	442,726	10,350	2.34%
		Safety Camera Partnership	89,000	8,748	-	-	-	-	97,748	- 0	0.00%
		Walking & Cycling	713,500	227,770	-	-	-	- 15,938	925,332	30,792	3.33%
	Planning	Planning	-	58,846	-	-	-	-	58,846	-	0.00%
		Plymouth Gateway	-	-	94,730	-	-	-	94,730	-	0.00%
	Transport - Development Projects	Alleygates	-	5,676	-	-	-	-	5,676	- 847	-14.93%
		Barbican Landing Stage	-	-	-	-	-	-	-	- 26,555	
		Cumberland Gardens	-	-	-	-	-	-	-	-	
		Granby Green	104,500	- 23,190	54,940	-	- 80,000	-	56,250	- 112,217	-199.50%
		Parks	1,309,206	170,853	-	-	-	54,717	1,534,776	15,164	0.99%
		Planning	324,743	-	-	-	-	-	324,743	-	0.00%
		Plymouth Gateway	-	-	67,500	-	-	-	67,500	-	0.00%
		Stonehouse Regeneration	-	-	-	-	-	-	-	- 13,359	
	Transport - Non LTP	Eastern Corridor	1,764,000	219,405	-	-	-	138,224	2,121,629	-	0.00%
		Other	-	-	-	-	-	-	-	-	
		West End	2,204,091	600,534	-	123,000	-	-	2,927,625	195,973	6.69%
	Property & Economic Development	Commercial Developments	1,554,399	60,463	-	-	-	- 1,281,000	333,862	-	0.00%
		Corporate Real Estate	1,364,636	13,434	-	-	-	- 85,093	1,292,977	56,502	4.37%
	Strategic Housing	Disabled Adaptations	-	54,866	-	-	150,000	-	204,866	25,632	12.51%
		HECA Programme Private Sector	259,000	108,717	-	-	50,000	-	417,717	10,673	2.56%
		Misc Schemes	50,000	50,000	-	-	-	-	100,000	-	0.00%
		Partnership & Affordable Housing	320,000	63,309	-	-	- 45,000	-	338,309	120	0.04%
		Private Sector Grants	2,353,603	11,425	-	-	- 5,000	-	2,360,028	157,165	6.66%
		Private Sector Regeneration	280,133	35,530	-	-	-	-	315,663	137	0.04%
Development & Regeneration Total			17,370,610	2,249,050	217,170	- 262,000	150,000	- 1,330,686	18,394,144	151,054	0.82%

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Community & Neighbourhood	Environmental Services	Environmental & Regulatory	142,500	-	-	-	-	-	142,500	-	0.00%			
		Parks	284,014	46,575	-	-	-	-	4,073	326,516	-	0.00%		
		Recycling	826,434	25,291	-	-	-	-	-	851,725	-	0.00%		
		Vehicle Purchases	-	579,558	-	-	-	-	-	579,558	-	1,494	-0.26%	
		Waste	4,099,638	388,150	-	-	388,028	-	-	4,099,760	-	424,298	-10.35%	
	Leisure Culture & Sport	Central Park	7,851,210	-	244,107	-	-	-	-	7,607,103	98,376	1.29%		
		Libraries	694,000	135,396	-	-	-	-	-	829,396	14,473	1.74%		
		Mount Edgcumbe	125,000	182,011	-	-	-	-	-	307,011	15,786	5.14%		
		Museums	-	-	-	-	-	-	-	-	-	42,403		
		Other Leisure	-	-	-	-	-	-	-	-	-	-		
		Plymouth Leisure	669,136	357,424	-	-	-	-	-	1,026,560	150,640	14.67%		
	Adult Health & Social Care	Community Care	166,000	189,587	275,000	-	54,189	-	-	576,398	80,710	14.00%		
		Drug Users in Treatment Programmes	-	-	-	-	-	-	-	-	-	-		
Community & Neighbourhood Total			14,857,932	1,659,885	275,000	-	442,217	-	-	4,073	16,346,527	-	108,211	-0.66%

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Corporate Support	Corporate Items	Capitalisation	-	-	-	-	-	-	-	-	
		Invest to Save	-	-	-	-	-	-	-	-	
	Human Resources	Human Resources	-	6,745	-	-	-	-	6,745	1,017	15.08%
	Information Systems	Information Systems	700,471	387,024	-	-	-	-	1,087,495	47,838	4.40%
	Legal Services	Legal Services	-	2,497	-	-	-	-	2,497	-	0.00%
Corporate Support Total			700,471	396,266	-	-	-	-	1,096,737	48,855	4.45%
HRA	Housing Revenue Account	Decency Standards	3,140,038	196,671	-	-	780,000	-	4,116,709	186,951	4.54%
		Devonport	1,281,700	319,170	-	-	-	- 278,000	1,322,870	71,631	5.41%
		HRA Capitalised Salaries	520,034	-	-	-	-	-	520,034	86,672	16.67%
		Major Repairs	2,280,000	246,339	-	-	- 930,000	-	1,596,339	- 73,111	-4.58%
HRA Total			7,221,772	762,180	-	-	- 150,000	- 278,000	7,555,952	272,143	3.60%
Grand Total			92,208,269	5,364,762	1,262,570	1,554,751	- 0	- 2,005,744	98,384,608	2,042,890	2.08%