CITY OF PLYMOUTH

Subject:	Joint Finance and Performance Report
Committee:	Cabinet
Date:	19 January 2010
Cabinet Member:	Councillor Bowyer and Councillor Ricketts
CMT Member:	CMT
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Ref:	SW
Part:	I

Executive Summary:

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

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

At this stage, the Council is forecasting a revenue overspend at year end of £3.081m against a net revenue budget of £196.525m (a variation of +1.6%). The main variations continue to relate to the increased pressure in children looked after cases as well as cost pressures in adult social care and loss of income due to the economic climate. Actions to address the pressures are outlined within the report.

The report also outlines the latest position on the capital programme. Our overall assessment of year end spend is £88.7m which remains affordable. Actual spend on the capital programme as at end of November 2009 is £50.463m.

Into the medium and longer term the Council is facing significant pressures due to the national economic situation, the Local Government funding settlement and local demand led pressures.

Corporate Plan 2009-2012:

This bi-monthly report is fundamentally linked to delivering the corporate improvement priorities within the Council's Corporate Plan.

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

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

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

Recommendations & Reasons for recommended action:

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

1. Cabinet note the forecast overspend on the General Fund Revenue Budget and the actions being taken by Directors to reduce the overspend by year end.

2. Cabinet note the repayment of a second dividend in respect of monies invested in Heritable Bank bringing amounts now recovered, including interest, to £907,594.

3. The movement on the capital programme during the period be noted and the inclusion of new schemes totalling £0.745m, outlined paragraph 6.8 and scheme variations totalling £0.211m, outlined in paragraph 6.10 be added to the programme for 2009/10.

Alternative options considered and reasons for recommended action:

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

Background papers:

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

Sign off:

Fin	**AB Corpfin 900010**	Leg	**DVS 1089**	HR		AM		IT		Strat Proc	
Originating SMT Member: Malcolm Coe, Assistant Director – Finance, Assets & Efficiency											

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

1. Introduction

1.1 This report reviews the Council's performance for the period 1 April 2009 to 30 November 2009 and is written in the context of both the Medium Term Financial Strategy and the Use of Resources Assessment. The Budget report for 2009/10 (Appendix A budget robustness) outlined a number of financial risks that the Council potentially faced over the short to medium term. It is appropriate the bi-monthly reporting should continue to review risks and give consideration to future levels of the working balance and reserves.

1.2 The detailed budget exercise for 2010/11 is now well underway. As part of this exercise the Council is reviewing its corporate priorities together with known budget pressures, including those outlined within this report. In order to ensure a balanced budget can be set Directors will be required to produce detailed action plans to achieve target budgets which will be subject to review and scrutiny as part of the normal budget process. This will take place over the next few months, culminating in a final budget report to Cabinet on 9 February 2010.

1.3 The Council completed its transfer of the housing stock to Plymouth Community Homes (PCH) on 20 November 2009. An update on the transfer implications, both financial and other issues such as land transfers, has been included within the Housing Revenue Account (HRA) section of the report.

1.4 Progress against the Local Area Agreement targets is reported to the Local Strategic Partnership (LSP) Executive Board and LSP individual theme groups. However it is also appropriate that these should be regularly reported to Cabinet as the Local Authority remains the accountable body for the formal reporting of the performance against the stretch targets and will be the accountable body for any resulting reward grant. The LAA performance reports are presented to the LSP executive on a quarterly basis. This report therefore includes the summary position as at the end of September 2009, as presented to the LSP Executive on 25 November 2009.

1.5 This bi-monthly report therefore includes the following information and Appendices:

Section A – Executive Summary

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

Section B – Directorate reports

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

Section C - Housing Revenue Account and Stock Transfer Update

Section D - Treasury Management

Section E – LAA Progress Report

Section F – Concluding Remarks

Appendices

- Appendix A – Revenue expenditure variation in graphical form
- Appendix B – Summary Capital Expenditure and Financing
- Appendix C - LAA Stretch Targets

SECTION A – EXECUTIVE SUMMARY

2. Performance Position

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

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

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

2.2 **CIP 3: Helping people to live independently**
The LAA targets aimed at supporting people to live independently and to have choices in the services they are offered continue to perform strongly.

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

2.3 **CIP 4: Reducing inequalities between communities**
Benefit and tax credit take-up is exceeding the annual target with £3.2m realised in the first six months of the year.

2.4 **CIP 5: Providing better and more affordable homes**
The target for delivering 236 affordable homes remains on track for the year

2.5 **CIP 7: Keeping Children Safe**
The number of looked after children remains high which has put pressure on both the budget and performance. New work practices have been put in place to tackle the extra workload. This has resulted in a positive reduction in the number of placements for children in foster care.

2.6 **CIP 8: Improving skills and educational achievements**
NEET's (Young People not in Education Employment or Training) performance has improved during this period. A multi-agency steering group has been set up so that work can be driven in a coordinated fashion across a wider partnership and progress can be measured.

2.7 **CIP 9: Developing high quality places to learn in**
An announcement was made on 30 November 2009 that Plymouth's initial project is now in the national Building Schools for the Future (BSF) Programme. The funding of £80m will allow significant investments to be made into secondary school provision including a new school for the south west of the city.

2.8 **CIP 10**: **Disposing of waste and Increasing recycling**
Performance in refuse collection continues to improve with the number of missed refuse and recycling collections the lowest since rezoning and below the target of 75 missed bins per day. The recycling target has under performed in this period and is now unlikely to meet the end of year target. Initiatives to increase the City's recycling rate now include: Improvements to Chelson Meadow recycling centre, expansion of garden waste collection scheme, Improvements to the materials recycling facility (MRF). The Safe and Strong group are providing support in increasing the City's recycling rate and further initiatives are planned for 2010.

2.9 **CIP 13: Supporting staff to perform better**
Over 90% of role profiles have now been completed and all managers have been trained to use the new competency framework.

2.10 **CIP 14: Providing better value for money**
The Value for Money target for this year is particularly challenging and will require significant corporate support to achieve target. Roles and Responsibilities have been drafted with the Director for Corporate Support championing the efficiency agenda at Corporate Management Team. Work has begun to raise the profile of the efficiency return with a view to getting back on track by the end of 2009/10.

3. Revenue Position

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

Table 1

Fund	Latest Approved Budget £'000	Monitoring Variation September 2009 £'000	Monitoring Variation November 2009 £'000	Change in Period £'000
General Fund	196,525	2,341	3,081	740
Trading Accounts	(2,308)	314	316	2
HRA*	66	(4)	(4)	0

* surplus/deficit for year, not updated for November
NB Brackets ( ) reflect a favourable variation

3.2 The trading accounts are reported within the relevant Directorate reports in section B, and the HRA under Section C.

General Fund

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

Table 2

Department	Latest Approved Budget £'000	Monitoring Variation as at 30 November 09 £'000	Percentage variation %	Change in Period £'000
Children's Services	52,222	1,179	2.3	(39)
Community Services	102,489	1,483	1.4	562
Development & Regeneration Services	16,685	623	3.7	112
Corporate Support	35,872	(27)	(0.01)	105
Chief Executive	2,762	(24)	(0.9)	0
Corporate Items	(13,505)	(153)	1.1	0
Total	**196,524**	**3,081**	**1.6**	**740**

3.4 The budget variation targets of no more than 1% overspend or 2% underspend remain in place for 2009/10. The summary table shows that the monitoring position has deteriorated further during the period and that an overspend of £3.081m, or 1.6% when compared to net revenue budget, is now forecast for the year. In terms of financial management, the budget variation target continues to be breached in 3 Departments. The main reasons for the variations are summarised below with more details outlined in the individual Director's reports.

3.5 Children's Services: forecast overspend of £1.179m

The above overspend is mainly due to the non-achievement of the £1.162m Action Plan within Children's Social Care, although there are various savings and overspends within the department which produce a broadly neutral position in other areas.

There has been a modest improvement of £0.039m in the forecast overspend since the last reporting period and Action Plans are currently being shaped in the following areas to mitigate against the potential overspend at the year end:

- The home to school transport policy is undergoing a review
- The Integrated Disability Service direct payments is being reviewed in conjunction with wraparound packages of care and independent sector placements for children
- General efficiencies including ongoing review of agency staff and temporary staffing arrangements, stationery and conferences are being put into place.

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

3.6 Community Services: forecast overspend £1.483m

The overall Community Services position is the result of a net increase in Adult Social Care of £2.000m and Culture Sport and Leisure of £0.054m costs offset by net savings within Environmental Services (£0.066m), Safer Communities (£0.015m) and the departments Service Strategy and Regulation Service (Business Support) (£0.490m). The change in the period is due to an increase in Adult Social Care costs offset by savings within Business Support.

Adult Social Care

The throughput clients and complexity of clients needs have continued to increase steadily during the year across a range of client groups resulting in additional pressures of approximately £3.200m. At the same time the transformation of the service and actions to address known cost pressures has taken longer than planned or produced lower than expected savings. Additional review panel efforts to reconsider clients needs have been successful in limiting new and future spend but not significantly reducing existing spend. The main cost pressures are:

Increased Costs

- Community Based Services, showing a year end forecast of £1.800m more than budget with increased direct payments for a range of clients and increased supported living (mainly for Learning Disabilities).
- Learning Disability showing a year end forecast of +£0.567m.
- Intermediate care showing a year end forecast of +£0.359m.
- Occupational Therapy showing a year end forecast of +£0.343m.

Delivery Plans delayed or achieving mixed results

- Delayed reprovision of short-term respite care services for older people and Learning Disability resulting in a slippage of savings £0.560m.
- Reduction in direct payments £2.200m.
- Savings arising from the implementation of Carefirst £0.450m.

Adult Social Care performance has significantly improved in the last year. At the same time the service continues to address a range of legislative and other agendas that are driving wider transformation. A programme board, chaired by the Director, is to be established to ensure transformation, performance, improved client outcomes, alignment with partners, cost reduction and financial risks are all managed and co-ordinated effectively.

Business Support
The department's Business Support section has been taking action to contain spend in order to set aside resources to address departmental cost pressures, initially carefirst costs. The (£0.490m) is the result of holding vacancies and limiting the use of the training budget and other costs such as consultancy and travel related expenses.

3.7 Development & Regeneration: overspend £0.623m

Previous reports identified pressures for reduced rental income and car parking. The position has worsened by £0.113m since that last reported. This is a result of further reductions in property rental income of £0.213m offset by various efficiency savings of (£0.100m).

It is expected that the recently upgraded Theatre Royal car park pay on foot scheme will generate additional income but it is too early to estimate at the current time.

It should also be noted that recent indications are that the authority will receive a further £0.374m additional Housing and Planning Delivery grant. Formal confirmation of the terms is still awaited but based on previous criteria approximately a third of this sum equating to £0.124m will be applied to capital works with the balance of £0.250m remaining for revenue. This has not yet been reflected in the forecast, but if confirmed will be utilised to reduce the forecast overspend.

3.8 Corporate Support : forecast underspend (£0.027m)

Recruitment to the key management posts has now been successfully completed and the new staff are now in post. This will enable the remaining structure to be finalised and the necessary efficiencies to be achieved over the longer term.

However, the delay in implementing the new departmental management structure, together with the associated costs of recruitment, has resulted in a reduction of £0.105m to the favourable variation reported in September.

The Directorate will continue to manage its resources in the current year by a combination of robust vacancy management, minimising the use of temporary staff and freezing non essential expenditure.

3.9 Although Departments will continue to strive to reduce the overspend now forecast, the approved financial tolerance limits do allow for an overspend of up to +1% net revenue budget, or £1.965m. The current carry forward policy assumes all overspends will be carried forward unless Cabinet determines otherwise.

3.10 Any overspend at the end of the year would need to be met from the Working Balance, which could potentially reduce the balance to below the recommended level and/or lead to an adverse Use of Resources Score.

Recommendations:

1. Cabinet note the forecast overspend on the General Fund Revenue Budget and the actions being taken by Directors to reduce the overspend by year end.

3.11 **<u>Icelandic bank Update</u>**

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

3.11.2 The last report outlined the deadlines for submission of the formal claims to the creditor committees of the 2 Icelandic banks. These claims have now been submitted, although at this stage initial feedback shows that the winding up Boards for each have chosen to treat the claims differently as outlined below:

<u>Glitnir £6m</u>

The winding up board for Glitnir have rejected the claim that local authority deposits should have priority creditor status. As a result the recovery could be as low as 31% (previously forecast as 100%). The local authority solicitors, Bevan Britton will be appealing this decision on behalf of all local authorities and remain hopeful that full recovery will still be attained.

<u>Landsbanki £4m</u>

The winding up board for Landsbanki have agreed to the priority creditor status for local authorities but have received a number of objections to this decision from other creditors which will likely result in a delay in moving forward as these are resolved. The board has also rejected the local authority claims for penalty interest. Final recovery is anticipated at 88% (previous report stated 83%).

<u>Heritable Bank £3m</u>

Heritable Bank recovery is being dealt with under English insolvency law and is progressing as anticipated. A second dividend of 12.65p was received in December totalling £399,146.56, including interest. This brings the amount recovered to date, including interest, to £907,594. Final recovery is still anticipated at 80%.

3.11.3 As part of closure of the accounts 2008/09 a sum of £0.281m was transferred to reserve to meet the costs of any losses from these investments, and approval has also been given to transfer any interest payments received.

3.11.4 The Council has been permitted to defer charging any losses to its revenue account until 2010/11 under special regulations and has requested that these regulations should be extended for at least a further year given the uncertainties surrounding recoveries at the present time. However in the meantime, Officers have submitted a request to CLG for a Capitalisation Direction which would enable any losses to be spread over a ten to twenty year period. The outcome of the Capitalisation Direction request will not be known until the end of January 2010.

Recommendations:

2. Cabinet note the repayment of a second dividend in respect of monies invested in Heritable Bank bringing amounts now recovered, including interest, to £907,594.

4 Income Summary

Table 3

Type of debt	**Actual % 2007/08**	**Actual % 2008/09**	**AE Quartile**	**Budgeted income 2009/10***	**Target % 2009/10**	**Year end Projection 2009/10**
Council Tax	92.5%	94.2%	4	£91.018m	96.0%	96.0%
NNDR	97.6%	96.7%	2	£79.666m	97.0%	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%	91.5%
Commercial Rent (general fund)	*n/a*	*80.8%*	*n/a*	*£5.000m#*	*92.5%*	*88.0%*
Trade Waste	*n/a*	*87.5%*	*n/a*	*£1.200m#*	*94.0%*	*94.0%*
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

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

4.1 Local Taxation

Council Tax Collection – Forecast 96.0% v Target 96.0%

Performance for November fell slightly below target by 0.2% although the cumulative collection rate remains just above the target of 71.7% and represents an improvement against the same period last year. 13% fewer reminders and 17.5% fewer summonses have been sent compared to last year, although there has been an increase of 39% for those customers who are paying by arrangement, indicating that these customers need to be closely monitored.

NNDR - Forecast 96.9% v Target 97.0%

Collection during November was above the target, improving the cumulative collection rate, but slightly below the original target for in-year collection. We do expect to achieve the revised forecasted collection rate of 96.9% by the end of March 2010.

4.2 Housing Rents – Estimate 97.8% v Target 98.5%

Stock transfer applicable from 20 November 2009 and therefore the City Council is no longer responsible for Housing Rents. This income target will be removed from future reports.

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

The monthly collection rate for November increased to 91.6% with the year to date collection rate at November being 90.5% which is an increase of 3.6% against the period last year. As a result we are confident we will still achieve a year end collection rate of 91.5%

Adult residential and non residential care – Forecast 92.0% v Target 93.0%
Debt secured by legal charge has increased to 55% of total debt outstanding which means more debt will be recovered but only once clients assets are realised. The team has improved its financial assessment processes resulting in earlier billing which has contributed to consistent collection rates in spite of economic conditions. Further improvements are planned by working more closely with Social Care teams to reduce the late notification of clients care services commencing, which can also impact on prompt billing and recovery.

Commercial Rent – Forecast 88.0% v Target 92.5%
The current year collection rate demonstrates a 7% increase in the year to date figure of 87% compared to approx 80% last year. Figures for debt over 30 days shows a collection rate of approx 95%. As bills are sent in advance of the due date a concerted effort to target customers in the first 30 days and a continuing push to increase the direct debit take up will further improve the position.

Trade Waste – Forecast 94.0% v Target 94.0%
Performance at the end of November indicates a year end collection of 94.0%, in line with the target.

5. Medium Term Financial Forecast- Revenue

5.1 Work on setting the budget for 2010/11 is well underway. As part of this work the target budgets for departments are being reviewed and will be reported as part of the budget report in February 2010.

5.2 The Council has been informed that the formula grant for 2010/11 will be in line with indicative allocations of £106.022m which represents a 2.5% increase over 2009/10. Details are still awaited on a number of specific grant allocations, the final allocation for Area Based Grant and absolute clarity on the impact of the government efficiency targets.

5.3 2010/11 represents the final year of the 3 year settlement period. The pre budget report of 9 December announced that the next comprehensive spending review will now be delayed until after the election. However it is clear that there will be tight public expenditure constraints in future years and that Local Government will face the brunt of these, with actual grant cuts of between -2.5% up to -10% possible. It is therefore essential that we continue to plan properly for the long-term.

5.4 CMT are currently undertaking a detailed budget challenge exercise where Directors and their Departmental Management Teams have been requested to challenge themselves and the pressures they face and to identify options for VFM and budget savings. This challenge will continue into the new year.

5.5 Additional resources have already been notionally allocated to those 'pressures' which have been identified as a corporate priority during the year. The next step will be for Directors to identify actions to enable the overall budget to be brought within total resources available. Revised targets for the next three years will be issued to Directors following the completion of the budget challenge exercise. The pressures currently faced include:

- Growing numbers of looked after children
- Waste Management
- Housing Stock Transfer- Corporate impact/residual costs
- Transformational Change
- Equal pay claims
- Redundancy costs
- Shortfall capital receipts/short term borrowing costs
- Strategy for change/BSF
- Increase demand from a growing elderly population
- Economic Climate/Support for local business
- Insurance Fund/H&S issues
- Icelandic Bank Losses.

6. Capital Position

2009/10 Overall Capital Position

6.1 The capital programme for 2009/10, as approved in the previous monitoring report, is £100.422m. This bi-monthly report outlines recommendations to decrease the in-year capital programme by £5.077m, which would reduce the programme to £95.345m. Actual spend as at 30 November 09 was £50.463m (52.9% of full year forecast).

6.2 The movement in the programme is summarised in table 4. Further details of the movements within the programme are outlined in Appendix B with more details provided within the individual Directorate reports.

6.3 Although the latest forecast spend for the year is £95.345m, as outlined in previous reports, based on historical trends it is highly unlikely that this level of programme delivery will be achievable by the end of the year. Following a high level review of the departmental programmes taking into account expenditure to date and the likelihood of expenditure being incurred as forecast for the final three months of the financial year based on known contractual commitments, it is considered that a more realistic estimate is a total spend of £88.7m, or 88% of the latest forecast.

Table 4

	Budget		**Changes for Approval**		**Expenditure**		
Department	**Restated Original Budget 2009/10**	**Latest Appr'd Budget Sept 09**	**Proposed Change in Period**	**Latest Forecast Nov 09**	**Expend as at Nov 09**	**Spend %'age of Forecast**	**Revised Forecast for year**
	£000	£000	£000	£000	£000	%	£000
Corporate Support	700	2,407	(6)	2,401	1,399	58.3%	2,200
Development	17,371	22,062	355	22,417	6,302	28.1%	19,000
Children's Services	52,057	56,663	(759)	55,904	33,872	60.6%	53,000
Community Services	14,858	11,299	(4,667)	6,632	2,286	34.5%	6,600
Corporate Items - HRA	7,222	7,991	0	7,991	6,604	82.6%	7,900
Total	**92,208**	**100,422**	**(5,077)**	**95,345**	**50,463**	**52.9%**	**88,700**

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

	£000
New schemes approved	745
Re-profiling/scheduling of schemes	(6,033)
Other Variations	211
Total variation in period	**(5,077)**

6.5 Capitalisation Directions

Officers submitted Capitalisation Direction applications totalling £20.8m to DCLG on 15 December 2009 as follows:

	£000
Pensions fund contribution (including redundancy strain)	9,000
Major projects	6,000
Potential Icelandic bank Losses	5,800
	20,800

These applications would need to be financed from capital receipts and/or unsupported borrowing. The outcome of these applications will not be known until the end of January, and have not currently been reflected within the figures above. Formal Cabinet approval for the use of the Capitalisation Directions will need to be sought once we are informed of which, if any, have been approved by DCLG on 31 January 2010.

6.6 The Capital Programme Board (CPB) is responsible for overseeing the Governance and monitoring of the Capital Programme. However, Officers are currently working on a new officer governance structure to prioritise and monitor capital investment to improve on the work done over the last few years by the Capital Programme Board (CPB). The new structure is considered necessary due to the current volatility of capital funding, to ensure funding opportunities are maximised and better co-ordinated, alongside maximum benefit realisation from projects. This is now being led by the recently appointed Head of Capital and Assets with the intention to bring a new governance structure proposal to the next Cabinet for consideration. Officers are currently piloting some of the proposals alongside the existing approved CPB to allow an initial review of how well the proposals work.

6.7 Officers of the CPB have considered new schemes brought forward in the period and are recommending that the following schemes now be included within the programme:

6.8

	£000
CCTV Richmond Walk	183
Cumberland Gardens	18
Airport 'Airside' Works	544
	745

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

These schemes will be funded by grants and contributions (£0.727m) and section 106 contributions (£0.018m).

6.9 Project Officers continue to keep the programme under review and the main schemes re-profiled during this period are shown below. Further details of the reasons behind the reprofiling are outlined in the individual Directors reports.

	£000
Mill Ford Modernisation	(300)
Kitchen Projects: New Improved	(310)
Kitchen & Dining Facilities	(366)
Devonport People Park	(400)
Springhill - Play Facilities	(131)
Southernway Federation (Beechwood/Oakwood Schools)	(200)
Estover Campus / Hospital School	(226)
Efford Reorganisation (Highfield/Plymview)	1,491
Longcause - Specialist Sports Hall & SEN Provision	(285)
Central Park – Life Centre	(4,511)
All Chiildren's Centres	(200)
14-19 Diploma Gateways - External Providers & Pending Allocations	100
College Road - New Kitchen	(99)
Yealmpstone Farm - Remodelling Project	(157)
Lipson CC - Artificial Turf Pitch	(100)
Other	(339)
	(6,033)

6.10 The capital programme is kept under continual review and therefore it is common for 'other' variations to arise and be reported to the CPB. These would include for example, additional grants and contributions being awarded for schemes currently in progress, and reduced or increased costs on current approved schemes which fall within financial regulation and standing order tolerance levels. The variations falling within this category during the period are as follows:

	£000
Tavistock Road - Bus & Cycle Lanes	88
PHSG - Redesignating Specialist Status	(25)
Devolved Formula Capital & Capital Project	30
Harnessing Technology Grant	191
Fair Play 'Playbuilder' Programme	(50)
Museum Ground Floor Development	60
Living Over the Shops	(70)
Other	(13)
	211

6.11 Based on the assumption that capital receipts are used to finance the capital programme as "funding of last resort", and that grants and contributions are, in the main, able to be moved to future years without penalty or clawback, a programme of £88.7m would be financed as follows:

	£000
Supported Borrowing	17,942
Unsupported Borrowing	9,608
Grants & Contributions (inc Section 106)	54,510
Capital Receipts	0
Revenue & Funds	6,640
Assumed financing of programme	**88,700**

6.12 The actual financing will be reviewed as part of the closedown process in the light of final spend for the year, slippage on individual schemes and any conditions on funding such as capital grant deadlines.

Recommendations:

3. The movement on the capital programme during the period be noted and the inclusion of new schemes totalling £0.745m, outlined paragraph 6.8 and scheme variations totalling £0.211m, outlined in paragraph 6.10, be added to the programme for 2009/10

7. Medium Term Capital Programme Update

7.1 Council approved a capital programme of £371.208m to the period 2013/14 at its budget meeting on 2 March 2009. As reported previously the programme has been updated to remove the 2008/09 spend, and for any new approvals or re-profiling, and an additional year 2014/15 has been added to maintain a rolling 5 year programme. The only scheme currently shown in 2014/15 is the Eastern Corridor following re-profiling of the scheme. The final programme for 2014/15 will be firmed up over the next few months as and when further details of capital funding are announced by the relevant Government Departments. The latest 5 year programme is now forecast to be £257.773m with movement since 2 March 2009 as follows:

	£000
MTFP as per budget setting	371,208
Less: 2008/09	(78,096)
Other Adjustments - re-profiling and new approvals	(22,374)
Revised MTFP as at September 2009	270,738
Further Movement in Period (see below)	(12,965)
Revised MTFP as at November 2009 (2009/10 to 2014/15)	**257,773**

7.2 The main reason for the movement in the period is as a result of the re-profiling of the Eastern Corridor scheme beyond the current medium term capital programme reporting period, with other variations as follows:

	£000
2009/10 New approvals & Variations (see 6.5 above)	957
East End Community Transport Community Scheme	(1,566)
Eastern Corridor (re-profiled beyond 2014/15)	(12,001)
Life Centre	(308)
Fairplay ‘Playbuilder’ Programme	(50)
Devolved Fomula Capital Projects	3
	(12,965)

7.3 Capital Receipts Update

7.3.1 The capital receipts requirement within the current medium term programme is £27.303m. At the end of November, actual capital receipts available to finance the programme stood at £2.215m, excluding the Citybus receipt (see below) as shown below:

	£000
Capital receipts b/fwd from 2008/09	347
Capital receipts received in 2009/10 as at 30 Nov 2009	1,868
Capital receipts available as at 30 Nov 2009	**2,215**

7.3.2 There is a separate report on this agenda related to Tamar Science Park which proposes a funding package which will mean the Council forgoes potential future capital receipts on this site. These potential capital receipts have not been included in the capital receipts forecast as proposals for any future sale of this land would be subject to commercial negotiations by a third party.

7.3.3 In addition the Council received £19.265m from the disposal of Plymouth Citybus. At this stage this has been invested with UK banks. There are currently no spending plans earmarked to be financed from the City Bus capital receipt, any proposals would form part of a future Cabinet report.

SECTION B- DEPARTMENTAL BUSINESS REPORTS:

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

8. Children's Services

8.1 Corporate Improvement Priorities:

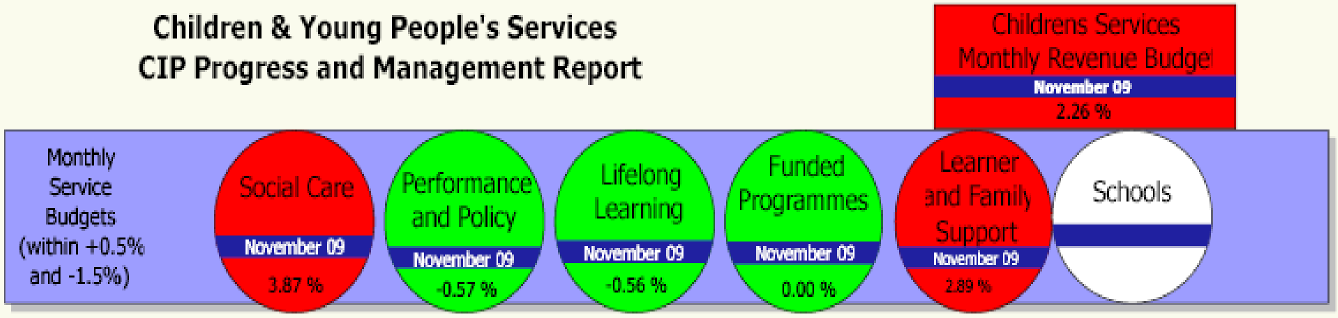
The Children's Services department is leading on the following Corporate Improvement Priorities:

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

8.2 Progress against priorities

The following scorecard outlines the progress against each CIP.

Children & Young People's Services
CIP Progress and Management Report



CIP 7. Keeping children safe

Measures Milestones

There has been mixed performance in this area. Following central government clarification we have amended counting rules for assessment timescales. This led to an initial dip in performance from 61% to 31% of initial assessments completed within 7 days and from 76% to 34% of core assessments completed within 35 days. This has been tracked on a weekly basis and service levels have substantially improved to approximately 60%.
A range of initiatives have been put in place to halt the number of placement moves that children in care experience. In September the % of children experiencing 3+ placements peaked at 17.7% but has reduced to 15% in November. Sustained improvements are anticipated to year end. There are a substantially higher number of children with a child protection plan but plans have not drifted – we will confidently meet targets at year end. This CIP also includes anti-bullying measures. During November's Anti-Bullying week the Children and Young People's Trust launched its new strategy and toolkit for all professionals working with children.

CIP 8. Improving skills and educational achievement

Measures Milestones

Performance improvements have been made in key areas identified within this CIP, especially Foundation Stage and KS4. There have been particular improvements to narrow gaps in attainment between those pupils entitled to free school meals and those who are not.

The latest validated data for education attainment for children in care shows 41% children in care attaining Key Stage 2 English and 32% attaining Key Stage 2 Maths. This performance is based on results from summer 2008. Validated results from 2009, due early in January, show significant improvements, borne out from individualised support to children with more than 50% achieving the target level. It is important to note that the very small size of cohort means that year on year comparisons should be treated with caution.

The number of young people aged 16-18 who are not in education, employment or training is 6.9%, a significant drop on the second quarter performance of 8.3%. This has been achieved against a difficult regional and national position. Early indications are that there has been a significant rise in the post 16 staying on rate. Plymouth continues to experience a declining labour market with the lowest current stock of vacancies for any local authority area in the region. A number of meetings have been held around managing responses to the recession between Connexions and specific employer groups and agencies.

CIP 9. Developing high quality places to learn in

Measures Milestones

BSF announcement was made on 30th November 2009, this means that Plymouth's Initial project is in the BSF Programme. A further £80m will allow significant investment to be made into secondary provision including a new school for the SW of the city.

8.3 Revenue Budget Monitoring - £1.179m overspend 2.26% of net budget

The key reasons for the overspend are:

a) Policy and Performance - (£0.020m) underspend (0.57%) of net budget

The main change since the last report is the inclusion of the carefirst pressure for children's services of £0.246m which has been partly offset by the departmental carry forward from 2008/09 of £0.129m and £0.043m for ME Learning in the social care training budget. The previously identified net pressure of £0.061m relating to the joint appointment of the Assistant Director for Health post and his personal assistant has been reduced to £0.030m following successful negotiation of the contribution from 50% to 25%.

b) Learner and Family Support - £0.269m overspend 2.89% of net budget

There has been a net improvement of £0.054m since the last report which is largely due to expenditure on projects being curtailed to partly offset the unavoidable pressures that have arisen in this area.

c) Lifelong Learning - (£0.072m) underspend (0.55%) of net budget

This area is forecast to underspend at the year end by (£0.072m), an improved position since the last report largely due to employee related savings being significantly in excess of the target which has been partly consumed by a variety of cost pressures previously reported.

d) Social Care - £1.002m overspend 3.87% of net budget

There has been an adverse variation of £0.084m since the last report due to minor changes in areas previously reported including an additional two placements over (now seven over) budget in the Independent Residential Care sector and additional pressure relating to the cost of Legal Agents.

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

- The home to school transport policy is undergoing a review;
- The Integrated Disability Service direct payments is being reviewed in conjunction with wraparound packages of care and independent sector placements for children;
- General efficiencies including ongoing review of agency staff and temporary staffing arrangements, stationery and conferences.

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

8.4 Progress against 2009/10 Action Plans

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

8.5 Dedicated Schools Grant (DSG)

The Council receives funding for Schools through the Dedicated Schools Grant. The grant funds expenditure either directly through the Individual Schools Budget (ISB) or incurred by the Council on behalf of schools. Any over or underspends on the DSG are carried forward. The distribution of the ISB element of the grant is in accordance with the schools funding formula and the overall DSG has to be approved by the Schools Forum. The schools budget for 2009/10 was set using the figure of £140.487m (estimated DSG of £140.137m + £0.350m brought forward from 2010/11 budget). The final DSG for the year was announced as £140.166m, providing an additional £0.029m and Schools Forum agreed that this would be used to reduce the commitment for 2010/11 by adjusting the £0.350 brought forward from 2010/11 to £0.321m.

August 2009 monitoring of the DSG reported to Schools Forum indicated a broadly neutral position but the October 2009 monitoring indicated a forecast pressure of £0.940m. The pressures are mainly due to the increased costs of special educational needs statements and the cost of school redundancies being significantly in excess of the budgeted figure. This was reported to the Schools Forum on 8 December 2009. Although the Council's general fund is not directly affected by the adverse position on the DSG, budgetary pressures on Schools could impact on various performance indicators for the Council.

8.6 Key High Level Risks

- Achieving the challenging Children Social care budget reduction whilst ensuring that safeguarding issues are not compromised

- Recognising that many of the performance indicators are the responsibility of Partners (as Leads) requiring the development of aligned or pooled budgets

8.7 Departmental Medium Term Forecasts

The departmental medium term forecasts are currently being updated as part of the more detailed budget exercise for 2010/11. As part of this exercise revised departmental targets will be set.

However, the key issues facing this department over the medium term are delivering a Value for Money (VFM) service throughout the department, especially within the Social Care division and progressing the challenging Building Schools for the Future (BSF) transformational change programme

8.8 Capital Spend / Programme

Table 5

	Original Approved Budget	Latest Approved Budget	Latest Forecast Oct 2009	Latest Forecast Nov 2009	**Bi Monthly Variance**	Expenditure as % of Latest Forecast
	£000	£000	£000	£000	£000	%
Children's Services Department	52,057	56,663	55,753	55,904	**759**	60%

Actual expenditure as at the end of November 2009 was £33.872m.

The major variations on the programme in the period (over £100,000) are as follows:

£000	**Profile Changes**
(300)	New School Milford. Project suspended. Managed delay to mitigate risk associated with estimated future funding.
(310)	School Kitchens TCF for New and Improved Facilities (Various projects). Delay due to detailed design and affordability issues.
(366)	School Kitchen and Dining Facilities (Various projects). Updated information from school managed projects – now likely to start in 20010/11, mainly due to requirement to undertake works in school holiday periods.
(200)	Southernway Federation (2 New Schools Southway). Final completion and demolition works now expected to be spring 2010.
(226)	Hospital School. Project delivery re-phased to match contractors schedule for Estover Campus. Likely construction is now Summer 2010 to Summer 2011.
1,491	Highview (New School at Efford). Contractor is ahead of original schedule. Programme has been amended against the revised cash flow statement.
(285)	Longcause School – £150k Specialist Sports (Covered MUGA) Delayed at design stage due to affordability. £135k New SEN Facilities (New build extension) now anticipated to start on site spring 2010.
(200)	Children's Centres Phase 3. Woodford Children's Centre start on site now anticipated Spring 2010 following programme review.
100	14-19 Diploma Gateway – Allocations to External Partners. Works undertaken at City College and College of Art and Design in advance of original estimates.

(99)	College Road – New Kitchen. Delay due to design complications. Works now planned to start Summer 2010.
(157)	Yealmpstone Farm Remodelling / Early Years. Minor delay due to affordability and design review. Likely start on site spring 2010.
(100)	Lipson CC Changing Facilities. Delay due to design and affordability issues.
(237)	Other Profile Changes
(889)	**Total Children's Services Profile Changes**
	Variations
190	Harnessing Technology. Correction to budget. Amount retained centrally was understated.
(60)	Other Variations
130	**Total Children's Services Variations**

8.9 Sure Start

Sure Start Revenue
No anticipated variation

Sure Start Capital

The confirmed allocations of Sure Start capital grant for 2008-11, were incorporated within the approved capital programme. Early Years surveys have now been completed and prioritised grants to providers are being considered. Phase 3 Children's Centre projects have now been agreed in principle and allocations made. Detailed design work for priority projects is underway and it is now anticipated that most projects will start on site during spring 2010. Plans and progress have been discussed with Together for Children (TfC) and are currently within their required timescales for delivery.

All unspent Capital funds from the 2009/10 allocation will be carried forward to 2010/11 without the requirement for further DCSF approval as it forms part of a 3 year 2008 -11 funding allocation.

9. Community Services

9.1 Corporate Improvement Priorities:

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

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

9.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall.

Community Services
CIP Progress & Management Report

Community Services Monthly Revenue Budget

November09

+1.45%

Monthly Service Budgets (Within +0.5% and - 1.5%)

Safer Communities	Environmental Services	Culture, Sport & Leisure	Business Support	Adult Health & Social Care
November09	November09	November09	November09	November09
-0.89%	-0.27%	+0.53%	-15.79%	+3.19%

CIP 3. Helping people to live independently

Measures Milestones

The Service has met targets on a number of indicators that contribute to helping people to live independently.

The annual performance assessment for 2008-09 was published in December 2009. The Adult Social Care Service was reported as performing well overall and against each of the seven outcomes measured by the Care Quality Commission.

A mid year review of performance for 2009-10 has been undertaken and as a result greater focus is given to timeliness of assessments, reviews and work with carers.

The work to produce a workforce development plan from the strategic framework is on track to be completed by 31 March 2010. We are co-locating health and social care staff in Plymstock/Plympton from January 2010 as part of the agreed joint direction of travel with health. The number of people with learning disabilities admitted to residential care continues to reduce from the 2008-09 outturn position.

The budget continues to be under considerable pressure and there are a number of management action plans in place that are frequently reviewed, although a risk of a continued budget pressure remains.

CIP 4. Reducing inequalities between communities

Measures Milestones

Planning permission has been secured for the Efford Gypsy site and a lot of work went into a bid for government funding to build the site, which was submitted in June. We had expected to hear the outcome of this by the end of October but a decision is still awaited from the Secretary of State.

There is a risk associated with both the delay, and not knowing whether we will be successful in getting government funding to build the site. Not getting the money would mean we would not have the £1.4m required for the build A significant delay in the announcement could mean we would have to revise timescales in project plan. The detailed implications of these will be reviewed as necessary.

Consultation on Locality working has been undertaken, including a formal Scrutiny process, and the results are being considered by LSP partners to help develop a model for Locality working.

Benefit and tax credit take-up is significantly exceeding the target (£3.2m realised in first 6 months of 2009/10) following the start of a new contract for delivery of financial advice to the public. The recession has led to an increase in demand for these services. Community Cohesion and equalities work is on schedule.

Community Services

CIP Progress & Management Report (Continued)

Community Services Monthly Revenue Budget
November09
+1.45%

Monthly Service Budgets (Within +0.5% and -1.5%)	Safer Communities	Environmental Services	Culture, Sport & Leisure	Business Support	Adult Health & Social Care
	November09	November09	November09	November09	November09
	-0.89%	-0.27%	+0.53%	-15.79%-	+3.19%

CIP 6. Providing more and better culture and leisure activities — Measures — Milestones

Three milestones have now been completed, and a further fourteen are proceeding on schedule. The budget situation continues to improve (from +0.96% in September to +0.53%) and plans are in place to bring it in on budget.

The milestones linked with opportunities to participate in culture and sports facilities are on track: capacity has been confirmed to coordinate an action plan for the Olympics and Cultural Olympiad. Although there is a risk over the securing of a third venue for the British Art Show, two venues have been confirmed; the third has been identified and is awaiting final negotiations before confirmation.

The milestones to provide excellent cultural services to enhance the quality of life have been updated. This has been to allow for a fuller consultation to take place over the sports strategy, revised and agreed by cabinet, and to address issues raised by APSE in the preparatory assessment for the Public Service Excellence award. A legal agreement has now been reached on provision of a publicly accessible swimming pool in the north of the city and is awaiting details of the specification and design for final agreement. Finally tender evaluation is continuing for the Life Centre to ensure the best value for money possible.

The milestones to evidence how culture, sport & leisure are being used to address corporate objectives are also on track: for example, there will be two new headspace schemes in the forthcoming Devonport and Plympton libraries, and the number of education and hard-to-reach groups participating in outreach programmes are exceeding their targets.

CIP 10. Disposal of waste and increasing recycling — Measures — Milestones

We have now completed 8 out of 14 of the milestones and a further 4 are running on track to be completed on schedule.
The milestones relating to Key Improvement No. 1: Secure long term residual waste treatment facilities, have been updated to reflect the latest project delivery dates..This reflects the final tenders in August 2010 with operational delivery on track for 2014.

Although improvements to increase the capacity and capability of the Materials Recycling Facility (MRF) to recycle waste has been delayed, this does not affect the current operational service delivery as the existing plant is able to process/cope with current recycling tonnages. The upgrade has been planned in anticipation of future projected higher recycling rates.
The increase in NI193, Municipal waste to landfill, in November 2009 is a normal and expected seasonal increase, largely due to reductions in garden waste and DIY related tonnages, and not a cause for concern. Data for the previous two years illustrates the seasonal increase in Municipal waste to landfill throughout the winter months. Municipal waste land filled is still decreasing and is 3% less than at the same point last year. This success is also reflected in the residual waste per household which is currently 3kg less than at the same point last year.

However, it is unlikely that the annual recycling target will be met. This is due in part to the economic recession causing the recycling market to introduce higher quality standards particularly for mixed paper and card. Initiatives to increase the City's recycling rate now include: Improvements to Chelson Meadow recycling centre; Expansion of garden waste collection scheme and Improvements to the materials recycling facility (MRF)

In addition, the Safe and Strong group are providing support in increasing the City's recycling rate and further initiatives are planned for 2010 including a further expansion of the garden waste scheme, and an upgrade to the Materials Recycling Facility to increase capacity and capability of dealing with predicted extra tonnages. It is however a challenge to change behaviour to ensure residents recycle more of their waste.

9.3 Community Services Dept – Forecast is an overspend of £1.483m

The latest forecast is £103.972m against a revised budget of £102.489m, representing a departmental year end adverse variance of £1.483m (1.4%).

The adverse position is the result of a net increase in Adult Social Care of £2.000m and Culture Sport and Leisure of £0.054m costs offset by net savings within Environmental Services (£0.066m), Safer Communities (£0.015m) and the departments Service Strategy and Regulation Service (Business Support) (£0.490m). The change in the period is due to an increase in Adult Social Care costs offset by additional savings within Business Support

Adult Social Care – £2.000m overspend
The throughput of clients and complexity of clients needs have continued to increase steadily during the year across a range of client groups resulting in additional pressures of approximately £3.200m. At the same time the transformation of the service and actions to address known cost pressures has taken longer than planned or produced lower than expected savings. Additional review panel efforts to reconsider clients needs have been successful in limiting new and future spend but not significantly reducing existing spend. The main cost pressures are:

Increased Costs

- Community Based Services, showing a year end forecast of £1.800m more than budget with increased direct payments for a range of clients and increased supported living (mainly for Learning Disabilities);
- Learning Disability showing a year end forecast of +£0.567m;
- Intermediate care showing a year end forecast of +£0.359m;
- Occupational Therapy showing a year end forecast of +£0.343m.

Delivery Plans not achieved or delayed

- Delayed reprovision of services arising from Older People and Learning Disability resulting in a slippage of savings £0.560m;
- Reduction in direct payments £2.200m;
- Savings arising from the implementation of Carefirst £0.450m.

The change in the reporting period is the cumulation of increased review panel activity and specific review teams only being able to reduce new cost pressures as opposed to reducing existing spend. Work with the PCT is also planned to address the issues and implications relating to continuing health care.

Adult Social Care performance has significantly improved in the last year. At the same time the service continues to address a range of legislative and other agendas that are driving wider transformation. A programme board, chaired by the Director, is to be established to ensure transformation, performance, improved client outcomes, alignment with partners, cost reduction and financial risks are all managed and co-ordinated effectively.

Culture, Sport and Leisure – £0.054m overspend, a reduction of £0.044m from the last period. This is mainly as a result of slippage with the procurement of a Leisure Management Operator. The Mount Edgcumbe Joint Committee have approved the recommendation to request an additional contribution from the constituent authorities at £0.100m a piece, to support the business during the first part year trading of new enterprises. Action is also being taken to ensure future contributions of this nature will not be necessary.

Environmental Services – (£0.066m) underspend, mainly due to reducing the spot hire costs in Fleet & Garage and lower Waste Disposal land fill tax volumes. These savings are partly offset by increased overspends in Parks & Waste Collection.

Safer Communities – (£0.015m) underspend due to vacancy savings.

Business Support (Service Strategy and Regulation) – (£0.490m) underspend due to vacancy savings. The departments Business Support section has been taking action to contain spend in order to set aside resources to address departmental cost pressures, initially carefirst costs. The change in the period of approximately £0.400m is the result of using vacancy savings and limiting the use of training budget and other costs such as consultancy and travel related expenses to offset the wider departmental cost pressures. The impact of this will result in future carefirst costs having to be managed and resources identified.

9.4 Progress against 2009/10 Action Plans

A delivery plan was agreed as part of the 2009/10 revenue budget for Community Services. A significant number of the actions within the delivery plan impact on Adult Social Care, and current indications are that the actions are going to be challenging to achieve. Approaching year end further short term actions to contain spend will now be considered. Progress against all action plans continues to be monitored monthly with remedial or alternative action being considered as necessary.

9.5 Key High Level Risks

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

a) The high unit cost of adult social placements, particularly within Learning Disabilities, combined with the changes in funding responsibility between the PCT and Adult Social Care relating to both reviews of joint packages of care, Continuing Health Care and transfer of Learning Disability commissioning budgets. The impact of a potential Swine Flu outbreak and also the severe and prolonged cold weather may also create additional pressures on the Adult Social Care service.
b) The ability of the department to increase service levels / client numbers to achieve the CIP targets – particularly within Adult Social Care.
c) Managing expectations of enhanced levels of service against the approved budget particularly around adult social care, 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.

9.6 Departmental Medium Term Forecasts

The departmental medium term forecasts are currently being updated as part of the more detailed budget exercise for 2010/11. As part of this exercise revised departmental targets will be set.

The key medium term issues for the department are:

a) The demographic changes within the population and increasing complexity of some client groups, such as Learning Disabilities, resulting in increased need for adult social care services.

b) The Personalisation Agenda with Individual Budgets will have a fundamental impact on Adult Social Care. Feedback from the pilot sites identify that this cannot be seen as a mechanism for providing savings. This will require careful monitoring during implementation to build on learning from other authorities experiences.

c) The integration and joint commissioning agendas and the partnership working with the PCT.

d) The impact of any potential Central Government changes relating to free social care are currently being considered.

e) The Municipal Waste Management Strategy (MWMS) identified that waste management costs would increase significantly in the future due to the need to procure a waste disposal facility. The business case identified a revenue shortfall of £215million. This equates to £8m per annum (2011-2013), reducing to a £6m annual increase (2014-2039). These pressures will need to be incorporated into future budgets.

f) In the short term, the Authority also faces additional budgetary pressures to implement new recycling initiatives, buy LATS credits, fund increased landfill tax (£8 per tonne each year), and fund contributions to the 'balancing fund' account created to meet the £215m shortfall. These have already been reflected in the Medium Term Financial Forecast, but funding / budget savings have yet to be determined.

g) Plymouth has successfully bid to be part of the England world cup bid. If Plymouth is part of a successful England bid, the event would generate substantial revenue into the city and region with an estimated total spend in the city of around £292 million. The benefits of this would largely flow to the private sector. There are a number of implications for the Medium Term but they are very difficult to quantify at this stage, however, they are likely to be in the region of £15 million in the period from 2010 - 2019. The majority of these costs would be incurred in the last three years (2017-2019). The Council will need to work with Central Government and partners, in particular the private sector, to identify potential further sources of funding to reduce the impact on the Council Tax payer.

9.7 Capital Spend / Programme

Table 6

	Latest Approved Budget	Latest Forecast Oct 2009	Latest Forecast Nov 2009	**Bi Monthly Variance**	Expenditure as % of Latest Forecast
	£000	£000	£000	**£000**	%
Leisure, Culture & Sport	9,770	9,770	5,320	**(4,450)**	37
Adult Health & Social Care	576	576	576	**0**	29
Environmental Services	952	952	736	**(216)**	18
TOTAL	**11,298**	**11,298**	**6,632**	**(4,666)**	**34**

Actual spend on the programme as at end of November 2009 was £2.286m

The significant variations arising during the period are:

£000

(4,511) Life Centre

The start date of the major contract build is subject to another report on this agenda, and dependent on the report decision, the earliest start date will now be the beginning of February. Therefore there will be a reduction in expenditure reflected in 2009/10.

(216) Parks section 106 funded projects – reprofiling into 2010/11

4 projects have been part reprofiled into 2010/11, as a result of staff workloads in Parks services, and delays in progress following public consultation exercises.

10. Development & Regeneration

10.1 Corporate Improvement Priorities:

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

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

10.2 Progress against priorities

The following Strategy Map outlines progress against each CIP overall.

Development - CIP Improvement & Management Report

Development Monthly Revenue Budget
November 09
3.74 %

Monthly Service Budgets (within +0.5% and -1.5%)	Transport	Business Support	Economic Development	Planning	City Centre Management	Strategic Housing	Waste Management Projects
	November 09	November 09	November 09	November 09	August 09	November 09	November 09
	3.12 %	-4.34 %	17.28 %	-0.21 %	0.00 %	0.00 %	-7.48 %

CIP 5. Providing better and more affordable housing — Measures — Milestones

Stock transfer completed as Plymouth Community Homes officially took over Plymouth City Council's housing stock on 20 November.
We have now set up a small pilot scheme to tackle hard to treat homes. We are currently working with eight individual homeowners, of which three have actually confirmed, to support the installation of external wall insulation to improve the energy efficiency of their hard to treat properties. We are continuing to develop our plans to set up a larger scheme tackling 114 private rented homes in Devonport, and hope to have this established by March 2010.
By end of November we have enabled 130 new affordable home completions and are now currently projecting meeting our NI 155 target of 236 homes for the year.

CIP 11. Improving access across the city — Measures — Milestones

Progress continues to be made in meeting the respective milestones on accessibility. As previously reported, final sign off of the accessibility action plan cannot take place until the Health LSP group meets again in January next year. Work continues on the sustainable schools strategy with an expected completion by March 2010. Finally, with changes to DfT guidance the development of a delivery plan for bus service improvements is now of wider scope and thus has taken longer than expected to deliver, but a draft is now in its final stage of approval.

CIP 12. Delivering sustainable growth — Measures — Milestones

Delivery of the City's growth agenda is still broadly on track despite the inevitable impact of the recession through the Urban Enterprise Programme and the continuing implementation of both the Recession Action Plan and the Market Recovery Action Plan. Job creation and housing delivery initiatives are all on schedule. Delivery of strategic infrastructure is on track with planning permission now granted for the Eastern Corridor Community Infrastructure Scheme. Master planning for Central Park has had to be re-programmed following clarification of funding and the need for further detailed design work. Delivery of growth programmes has been affected by the Government's decision to remove £2.4 Million of previously approved New Growth Points funding which has resulted in the re-phasing of several infrastructure projects. Governance issues in relation to the proposed Plymouth Growth Board and streamlining groups have slipped. This is as a consequence of the Single Conversation and LSP governance issues and the need to align these. It is still anticipated that governance arrangements will be decided by March 2010. The position with the Regional Spatial Strategy continues to be uncertain.

10.3 Development & Regeneration – Forecast Revenue overspend of £0. 624m

Development currently has a forecasted revenue overspend at year end of £0.624m, the majority of which is due to recessionary pressures. The position has slightly worsened owing to the loss of rental income of £0.216m partially mitigated by net savings across the department of £0.103m.

Cumulatively there is a shortfall of £0.286m of car park income, £0.114m shortfall from City Market reserves and £0.346m of loss of income from commercial property rent. Where possible, Officers are taking remedial action to remedy e.g. reviewing potential car park improvements, including the impact of the recently upgraded Theatre Royal car park pay on foot scheme, and these will be monitored closely over the coming months.

Other variations include £0.059m due pressures on funding for CCTV, £0.223m in respect of capital charges on the parking account, offset by an expected favourable variation of (£0.250m) from concessionary fares - although this is a volatile area and it will be monitored closely. There is also an expected reduction in the Citybus dividends £0.084m.

It should also be noted that recent indications are that the authority will receive a further (£0.374m) additional Housing and Planning Delivery Grant. Formal confirmation of the terms is still awaited but based on previous criteria approximately a third of this sum equating to (£0.124m) will be applied to capital works with the balance of (£0.250m) remaining for revenue. Subject to confirmation this would reduce the pressure on Development to £0.374m. Approval is also being sought for further capitalisation for Theatre Royal car park improvements e.g. lift works. If this is approved this will amount to £0.100m and reduce the pressure further to £0.274m

Further business planning is currently being undertaken to identify further savings for the remainder of the year and officers are working towards a balanced position for the year.

10.4 Development Trading Accounts

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

Table 7

	Latest Approved Budget	Outturn Forecast November 09	Latest Variance
	£000	£000	£000
Off Street Parking	(1,125)	(908)	217*
On Street Parking	(1,349)	(1,230)	119*
Street Trading	0	0	0
City Market	138	131	(7)
Total	**(2,336)**	**(2,007)**	**329**

*See above re comments in shortfall in income and other pressures on car park accounts

10.5 Progress against 2009/10 Action Plans

£3.155m of action plans were set within the 2009/10 revenue budget for Development The majority of action plans relate to restructuring of services and reductions in staffing. These are largely complete.

Currently, only £0.117m of the General Fund action plans have been highlighted as being unachievable although all of them are under review.

10.6 Key High Level Risks

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, however, produced a Market Recovery Delivery Plan which has identified the key pressures and endorses a number of priorities to support businesses. These areas will be closely monitored and will be the subject of further reports.

Housing
As part of the housing stock transfer, the Council, together with Plymouth Community Homes, is required to put in place a viable business plan and Masterplan for tackling housing issues in the North Prospect Estate. The authority has agreed to prioritise this with the Homes and Communities Agency (HCA) as part of the single conversation, matching funds agreed as part of stock transfer . While this funding is in principle from HCA through a tripartite funding agreement, future government budgetary changes could impact on this and there is some uncertainty over the full ten years development timescale.

10.7 Departmental Medium Term Forecasts

The departmental medium term forecasts are currently being updated as part of the more detailed budget exercise for 2010/11. As part of this exercise revised departmental targets will be set.

10.8 Capital Spend / Programme

Table 8

	Original Approved Budget	Latest Approved Budget	Latest Forecast Oct 2009	Latest Forecast Nov 2009	**Bi Monthly Variance**	Expenditure as % of Latest Forecast
	£000	£000	£000	£000	**£000**	
Development Directorate	20,932	22,062	22,361	22,417	**355**	28%

Actual spend at the end of November 2009 was £6.3m.

The significant variations arising during the period are:

£000

544 **Airport works - airside works**
There remains £0.544m funding available via the Regional Development Agency to fund airside works which are scheduled to be undertaken by Plymouth City Airport by the end of November 2009. These works are outstanding from a 2001 grant agreement, whereby the RDA agreed to provide Plymouth City Council with grant funding totalling £4.179m. This provided for £2.929m towards the realignment costs of the A386, grant funded works which are completed and fully audited; and £1.25m for airside improvements.

(399) **Devonport Park – reprofiling into 2010/11**
New project management regulations that require a legal contract to be in place before works can start on site, and the need to secure discharge of the planning condition on the new pavilion have resulted in a two month scheme delay for this project. Funders, Heritage Lottery have been fully briefed regarding this small delay.

88 **Tavistock Road Bus & Cycle Lane**
Increased costs identified on scheme to be funded from section 106 monies.

183 **Richmond Walk CCTV – new scheme approval**
Capital Programme Board officers have approved the installation of 2 CCTV cameras at Richmond Walk, to be funded in full by Devonport Regeneration Community Partnership.

11. Corporate Support

11.1 Corporate Improvement Priorities:

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

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

11.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall.

Corporate Support
CIP Progress and Management Report

Corporate Support Monthly Revenue Budge
November 09
-0.07 %

Monthly Service Budgets (within +0.5% and -1.5%)

Finance, Assets and Efficiencies	Democracy and Governance	HR	Customer Services & Business	ICT	Departmental Management
November 09	November 09	November 09	November 09	November 09	November 09
0.60 %	1.24 %	-4.88 %	0.00 %	0.00 %	0.00 %

CIP 1. Improving Customer Service

Measures Milestones

The lean systems work in Revenues and Benefits/Customer Services continues to improve service and enables greater demand to be met effectively with fewer staff. The roll-out of lean systems to other parts of the organisation has been put on hold and will be revisited as part of CIP1 for 2010/11.

The replacement of the current complaints systems has been delayed due to identifying a supplier that can provide a corporate solution to CRM. It is still hoped that that this will be on target for the new date of March 10.

The CLG review redress pilot is well on track and is progressing within both PCC and with Teignbridge and Exeter CC partners.

CIP 13. Supporting Council staff to perform better

Measures Milestones

Negotiations are continuing with Trade Unions to finalise changes to the Single Status Terms and Conditions. Over 90% of role profiles have been completed. Managers have now been trained in the use of the PCC Competency framework and departments are planning appraisals in readiness for the 31st Jaunuary 2010 deadline. Communications around appraisals are planned throughout December and January and appraisals rates will be closely monitored to ensure appraisals take place.
Manager Self service (MSS) development is on-track and instability issues appear to have been resolved and a sample of managers from across the organisation are being invited to participate in acceptance testing in January.
The e-Learning package to be used in the roll out of training for MSS is now under development. The system is planned to go live in April 2010. Although risks and issues have been identified for other workstreams, these are being managed and all other projects are on target.

CIP 14. Improving value for money

Measures Milestones

A business case to support the Accommodation strategy has been presented to Corporate Management Team in November. The first pilot is now in place on Floor 5 of the Civic Centre. This will be monitored and evidence gathered to inform the wider implementation of the strategy. The learning from Service Level Agreements put in place for stock transfer will inform the CIP14 refresh to determine the work needed next year.
Efficiencies identified to date against our NI179 efficiency indicator remains below target. However, the new Heads of Service have been recruited, which will help to drive the CIP14 and wider efficiency agenda (Head of Value for Money and Head of Capital and Assets). In addition Value for Money Delivery plans are currently being produced as part of the Budget/Medium Term Financial Planning process.

The Council's Carbon Reduction Commitment has confirmed the potential financial liabilities to be incurred from 2010 onwards (approx £360k per annum). These liabilities are being incorporated in the Medium Term Financial Forecast and relevant actions and training continue to be developed to help reduce our carbon footprint and limit the level of financial penalties.

The Low Carbon Network launched in June 2009 is progressing well with 48 local companies undertaking training in carbon management throughout September, October and November. The city's Climate Change Action Plan will be launched on 16th December and a Climate Change Commission is being established to guide both the Council and the LSP.

11.3 Corporate Support – Forecast underspend of £0.027m (0.075%) of net budget

The forecast variation in Corporate Support shows a projected underspend of (£0.027m) which is a reduction of £0.105m since September.

The main variations are:

(a) Finance, Assets and Efficiencies:
A net overspend of £0.100m is being forecast for this area. The key management posts have now been successfully filled which will enable the remaining structure to be finalised and efficiencies achieved over the longer term. There are unavoidable overspends in the areas of finance, capital & assets and procurement partly offset by vacancy savings throughout the service and an underspend in Revenues & Benefits.

(b) Democracy and Governance :
An overspend of £0.073m is forecast partly in respect of action plan efficiencies that transferred from the 'old' Chief Executives Department which are currently being addressed together with additional staff related costs within Democracy and Governance mitigated by salary related savings in Legal services.

(c) Human Resources
An under spend of (£0.200m) mainly as a result of vacancies and secondments to major projects.

11.4 Progress against 2009/10 Action Plans

£2.696m of new action plans were set within the 2009/10 revenue budget for Corporate Support. As at the end of November, monitoring of progress indicated plans totalling £0.200m have been rated as at high risk of not being achieved. The high risk element relates to a reduction in building cleaning costs and savings in the upkeep of Windsor House. Both of these budget areas are currently being reviewed.

11.5 Key High Level Risks

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

11.6 Departmental Medium Term Forecasts

The departmental medium term forecasts are currently being updated as part of the more detailed budget exercise for 2010/11. As part of this exercise revised departmental targets will be set.

11.7 Capital Spend / Programme

The latest approved capital programme for corporate support for 2009/10 is £2.407m. This is forecast to reduce by £0.006m by the end of the year to £2.401m. Actual spend at end of November was £1.399m.

a) The latest approved budget for I.T. for 2009/10 is £1.094m.

The current projection is to achieve 100% of the total programme. Actual expenditure, net of 2008/09 accruals as at the end of November 2009 was £0.744m, which equates to 68.01% of the Latest Approved Budget.

b) The latest approved budget for Corporate Real Estate is £1.307m.

The current projection is to achieve 100% of the total programme. Actual expenditure, net of 2008/09 accruals as at the end of November 2009 was £0.655m, or 53% of the proposed Latest Approved Budget.

12. Chief Executive

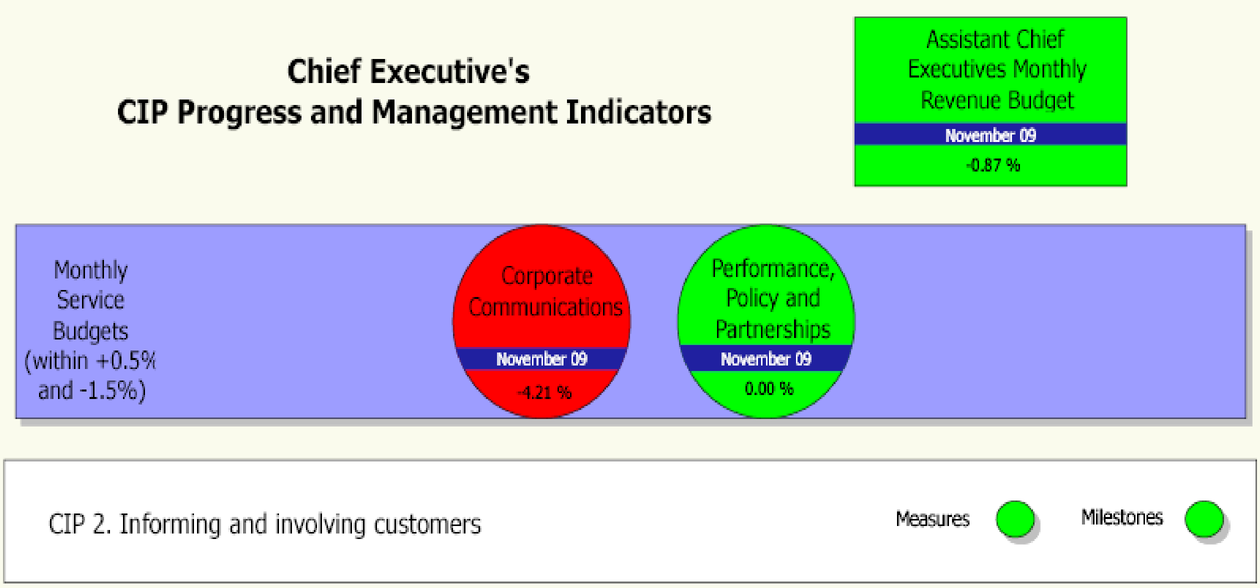
12.1 Corporate Improvement Priorities:

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

- Informing and Involving Customers (CIP 2)

12.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall:



A pilot 'You Said, We Did' campaign took place during Sept and Oct, initiating an on-going programme of campaign work - part of our approach to improving our NI4 score. Slogans associated with the campaign were again used in association with a programme of activity that took place in Oct and Nov to promote the corporate improvement priorities. 'Have your says', and 'You Said, We Did' promotional messages featured in a three day public event in Drakes Circus, at the Respect Festival and appeared in 'Plymouth People' during this time. As well as influencing the council's review of its priorities, it is proposed that feedback from the public received at this event will be used as a source of future 'You said, we did' activity and associated slogans.

The 18th Plymouth Points of View (PPOV) survey completed in October, and the 19th and final one of the existing contract commenced in November. Review of the contract will be completed, the plan being to re-establish the panel as a tool supporting partnership wide consultation activity. Initial discussions with partners have been positive - subject to further agreement, the contract will be re-issued by the end of March 10. Recent PPOV reports can be found on the council web site.

A working group met in November to discuss public engagement in the context of the emerging localities agenda, and PCC consultation leads will have the opportunity to have their say about this important piece of work at their quarterly meeting in January. The results of these discussions will inform the localities operating model scheduled for implementation in the first quarter of 1010/11.

Finally, work to improve how consultation opportunities are promoted on the Council's web site has been on-going with banners on staffroom and the main home page frequently used to draw attention to the corporate consultation calendar. The CIP2 programme manager will continue to be involved in how the web (and other channels) are used to provide information to the public about engagement and consultation opportunities

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

The Chief Executive Department’s monitoring for November continues to show a favourable variation of (£0.024m), resulting from vacancies above target and general slowing down of running expenses.

12.4 Progress against 2009/10 Action Plans

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

12. 5 Key High Level Risks

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

12. 6 Departmental Medium Term Forecasts

The departmental medium term forecasts are currently being updated as part of the more detailed budget exercise for 2010/11. As part of this exercise revised departmental targets will be set.

13. Corporate Items & Cross-Cutting Issues

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

There has been no significant movement on this budget during the period. As reported previously the economic and financial climate is affecting our ability to achieve the target rate of return on our investments, and although we are still forecasting a small favourable variation in this area this is being more than offset by an adjustment to the annual Minimum Revenue Provision (MRP) following clarification of accounting treatment.

There remains a favourable variation from the reduced energy prices under the new contract (net of the agreed virement to corporate property) and the impact from the reduction in the pay award assumption from 2% to 1%.

<u>Contingency</u>

The balance remaining on the general contingency is £0.425m. The figures above assume this will be spent in full.

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

13.2.1 <u>Capitalisation Directions</u>

As outlined earlier in the report, Officers have submitted a number of Capitalisation Direction applications to DCLG. If approved, the Council will be able to fund certain 'revenue' expenditure from capital receipts and/or unsupported borrowing. Approval of the applications will assist the Council to manage both its revenue and capital resources over the medium term.

Formal Cabinet approval for the use of the Capitalisation Directions will need to be sought once we are informed of which, if any, have been approved by DCLG on 31 January 2010 and this approval will outline the implications on the current year and medium term revenue and capital budgets
.

13.2.2 Back dated Equal pay claims

The Council has received a number of equal pay claims and grievances. These are being dealt with by way of grievance hearings and through the Employment Tribunal system. Grievance hearings commenced during November and some payments will be made during December for successful cases. It is unlikely that any tribunal claims will be heard in the current financial year. The Council secured a Capitalisation Direction to cover equal pay claims in 2007/08. However the Capitalisation Direction may only be used for those claims submitted prior to 31 March 2008.

As part of closedown for 2008/09 the Council set aside a further £0.350m in a reserve for equal pay claims and although a further application for a Capitalisation Direction was submitted earlier this year, the Council has been informed that its application has been unsuccessful. It is anticipated that the current provisions will be sufficient to meet any approved claims during the remainder of this financial year, but there may well be a pressure on next year's budget.

13.2.3 Redundancy Position

At the end of November redundancy payments totalling £1.003m had been paid (including the strain payment to the pension's fund) with a further £0.460m of payments in the system. This brings the total redundancy payments to £1.464m, exceeding the current reserve provision by £0.331m. Further redundancies are expected over the next few months as departments seek to meet their planned staffing reductions but steps will be taken to minimise the impact by deleting vacant posts and natural wastage where ever possible. In order to manage the pressure on revenue in the current year, Officers have included a sum of £2m within the Capitalisation Direction applications for the costs of the redundancy strain payments.

At the end of November 2009, 72 employees had left the authority as a result of redundancy following the issue of the HR1 notice in February 2009.

13.2.4 VAT – 'Fleming' Claims

As reported previously, the Council has secured reimbursement of £0.477m overpaid VAT in respect of excess parking charges. HM revenue have now approved a further two claims in respect of cultural admissions and sports services at a value of approximately £1.6m, including simple interest, net of fees to PWC. These are due to be repaid within the next few weeks. A further claim in respect of sports tuition fees has been approved, pending HM revenue and custom's policy clarification. Cabinet have previously approved that all Fleming reimbursements be transferred to the Corporate Improvement reserve in line with current approved policy that one-off windfall amounts be transferred to reserves. The Director of Corporate Support would still recommend that this policy should be continued at the present time.

13.2.5 Care First

The Carefirst project is a key IT project in driving improvements to safeguarding within Adult Social Care and Children's & Families Social Care. The Financial implication of this was previously reported at approximately £700k in 2009/10 and £800k in 2010/11. However, the project implementation is being prioritised and reprofiled to more affordable levels and the financial implications will be reported initially to CMT and as part of the next monitoring report. Community Services and Children's Services continue to explore options to resource and finance the project.

13.2.6 LABGI

The Council has been advised that it has been awarded £0.229m for 2009/10 under the new LABGI scheme. This represents a significant reduction on amounts received in previous years and representations on the method of allocation were made to the relevant Government Department. Given the current adverse variation forecast, a decision on the use of the LABGI monies will be made once the final position for the year is known.

13.2.7 Corporate Impact of Stock Transfer

The anticipated increased costs to the Council's General Fund for the current year following the transfer of the Council's stock on 20 November is £0.728m. This has not yet been reflected within the forecast outturn figures. Cabinet have previously been advised that the Council successfully negotiated monies from the Vat shelter and RTB receipts to offset these costs but that these receipts had to be treated as capital receipts whilst the majority of the pressures were revenue in nature. Officers continue to explore options to minimise the funding mismatch, including the Capitalisation Direction applications outlined above. An update on the financial costs and other issues such as land transfer is outlined in Section C.

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

13.3.1 Working Balance

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

13.3.2 Reserves

The Council has created a number of specific reserves in order to plan in advance for known and anticipated future revenue costs. At 1 April 2009, these reserves stood at £23.631m. The total on these reserves will fluctuate during the year as they are used to meet ongoing pressures. The balance at 31 March 2010 is currently forecast to be £17.136m, an increase over that previously reported of £2.952m.

The main movement during the period is in relation to the Corporate Improvement Reserve where £1.248m in respect of approved schemes, as shown in Table 9 below, is now forecast to slip into 2010/11.

Table 9

Slippage £000	Initiative	Reasons
500	Develop high quality places to learn	Slippage of Building Schools for future monies to 2010/11 following delayed approval of programme by Central Government
130	Asset Review	Underspend on original projections
130	Improve Customer Service	Complaints module Phase 1 likely to slip to 2010/11
100	Better & more affordable housing	Limited progress made on developing the Local Housing Company as this needs to be linked to the Local Investment Plan (first draft due March 2010)
120	VFM	Slippage on SLA development training for project work, corporate property data base & environmental sustainability
46	Reducing inequalities between Communities	Due to a delay in the appointment of a project officer for the work around localities
222	Other	Mainly slippage to 2010/11 on various activities
1,248	**Total**	

These are being reported for information only and, subject to approval to the slippage by the CIP Board, no approval is required from Cabinet to slip the monies between years.

In addition to the Movement on the Corporate Improvement Reserve outlined above, there will be an increase in the transfers to reserve of £1.684m as a result of the successful claims for VAT reimbursement (see section 13.2.4), and additional interest from the Heritable bank deposit of £19,646 (see section 3.10).

A review of all reserves will be undertaken as part of the Council's corporate health adjustments once the final outturn position for the year is known.

13.3.3 Provisions

The Council has a number of budget provisions set up to meet known liabilities. The main provisions relate to the insurance fund, specific provisions set up for the backdated costs of JE and JE appeals and the HRA gas servicing ex-gratia payments, together with a number of bad debt provisions. The level of provisions are kept under review during the year and details of the latest balances were included within the last monitoring report. There has been no significant change during the period.

The final level of provisions for the year will be reviewed as part of the corporate health adjustments undertaken during the year-end process. Any increases or decreases required will be reported to Cabinet within the final monitoring report for the year.

13.3.4 <u>Contingent Liabilities</u>

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

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

The main contingent liabilities currently reported are:

- Municipal Mutual Insurance Ltd- Scheme of Arrangement- the company experienced trading difficulties and is working towards a ‘solvent run off’ until all outstanding claims settled, but there is a potential clawback arrangement if the company becomes insolvent, whereby the creditors would be required to pay a proportion of the claims paid. These claims totalled £1.286m at 31 March 09.
- PLUSS Organisation Ltd – the Council has guaranteed payments into the pensions fund for transferred employees, has also provided a loan of £0.235m and jointly agreed a bank overdraft facility with Torbay and Devon County Council.
- Section 117 refunds- the Council discloses a potential contingent liability in respect of claims for reimbursement from self funders, although the last claim submitted was in 2003.
- Single status equal pay claims – see 13.2.2 above.
- Civic centre – a contingent liability disclosed whilst the future of the building remains subject to uncertainty.
- Connexions – the Council has guaranteed to meet an element of pension liabilities should the organisation be wound up.
- Contaminated land – potential liability for clean up costs especially if land transferred to developers.
- Treasury Management – Investment losses
- Warranties included within the Housing Stock Transfer agreement, including environmental and asbestos warranties.

13.4 <u>Partnership – Accountable Body Schemes – DRCP</u>

The final grant allocation for the year has now been confirmed as £7.621m. Actual spend to the end of November 2009 was £2.150m with claims yet to be processed totalling £0.042m. The programme remains high risk not least because much of the spend is profiled to the last two quarters of the year. High risk, high value schemes have now been put onto monthly claims to enable earlier warnings of potential underspends in the year. Monthly meetings continue to be held with officers from DRCP, PCC and GOSW.

The 10 year programme enters its final year in 2010/11 and attention is now focussed on completing major capital schemes and succession planning for post NDC grant. Cabinet have received and approved in principle the succession plan for DRCP and the necessary paperwork has been submitted to DCLG, who have undertaken their initial assessment of the proposals and queries and questions raised as a result are currently being addressed. However the Council's approval remains subject to the following conditions, and whilst Officers of both the Council and DRCP have met to discuss a way forward, conditions 1, 2 and 4 in particular still remain to be fully resolved.

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

Section C – Housing Revenue Account and Stock Transfer Update

14 HRA – Revenue Budget

14.1 Following the stock transfer on 20 November 2009, Officers have commenced the closedown entries for the account, with a priority being focused on agreeing the apportionment of arrears and prepaid income with PCH. This work is due to be completed in early January 2010. It is still expected that pending all the residual entries to the HRA account post transfer, a working balance of at least £2m will remain.

14.2 One of the next steps will be to ensure the necessary consent is in place to transfer residual properties, namely the SHIP hostel and Raglan Court to the Council's General Fund and transfer of remaining decanted properties at Devonport to Devon & Cornwall Housing Association. This will enable an application to be made to the Secretary of State (S of S) to formally close the HRA. It will also be necessary to transfer any HRA land that did not transfer to PCH from the HRA to the General Fund, but this does not require S of S approval. The final subsidy claim will be submitted in September 2010 and, subject to the auditors being satisfied that the claim is correct, formal closure would be effective and any balances on the HRA would then transfer to the General Fund.

15 HRA Capital Programme

15.1 The latest approved capital programme for the year is £7.991m which was based on an apportionment of HRA ringfenced capital resources available up to transfer date. Work to finalise the capital entries as at transfer date is ongoing. Spend up to the end of November was £6.604m but current indications are that spend up to transfer date, including outstanding commitments that remain with the City Council, will be £7.662m. In addition under the transfer agreement, the City Council has undertaken to transfer resources to PCH to enable completion of the decanting works at Devonport. This figure is currently being finalised between the two organisations in the light of the estimated outturn.

16. Stock Transfer Update

16.1 A report was taken to Council on 26 October 2009 outlining in detail the stock transfer proposals in relation to the transfer of the Council's housing stock to Plymouth Community Homes. The formal transfer took place on 20 November 2009.

16.2 The 26 October report outlined that the transfer would have significant financial implications for the Council with the estimated costs to the Council over the first full 5 years being £20.1m. The report also outlined that Officers had successfully negotiated monies from the VAT shelter agreement and RTB receipts estimated at £17m during the same period, as shown in table 10, leaving a net 'deficit' of £3.0m.

Table 10

	Year 1 2009/10 £m	*Year 2 2010/11 £m*	*Year 3 2011/12*	*Year 4 2012/13*	*Year 5 2013/14*	*Year 6 2014/15*	*Total*
Corporate Impact	0.7	0.7	3.2	3.4	3.4	3.4	**14.8**
Pensions Deficit payt			1.3	1.3	1.3	1.3	**5.2**
Total cost to GF	**0.7**	**0.7**	**4.5**	**4.7**	**4.7**	**4.7**	**20.0**
VAT Receipts *	(0.5)	(3.1)	(3.0)	(3.1)	(3.1)	(2.4)	**(15.2)**
RTB Receipts *	0	(0.1)	(0.3)	(0.4)	(0.5)	(0.5)	**(1.8)**
Total Receipts	**(0.5)**	**(3.2)**	**(3.3)**	**(3.5)**	**(3.6)**	**(2.9)**	**17.0**
Net Effect	**0.2**	**(2.5)**	**1.2**	**1.2**	**1.1**	**1.8**	**3.0**

16.3 However the report also stated that under current regulations VAT shelter and RTB receipts must be treated as capital receipts whilst the majority of the pressures remain revenue in nature. Officers continue to work up options to minimise the impact of the funding mismatch, including the submission of a number of Capitalisation Direction requests (outlined earlier in the report). Officers also continue to press for a change in the Regulations under section 9 (3)(a) of the 2003 Local Government Act 2003 which would permit the Council to treat Vat shelter receipts as revenue.

The outcome of the Capitalisation Directions will not be known until the end of January 2010.

16.4 Further to the report of 26 October 2009, a period of intense and delicate final negotiations followed in the weeks leading up to the transfer, with the final agreement being signed on 20 November 2009. The sections below highlight the proposals which were amended in the final negotiations and where applicable their anticipated financial impact. The stock transfer Corporate Impact Board were advised of, and approved, the changes prior to the formal transfer.

16.5 <u>VAT & RTB Receipts</u>

Whilst the VAT & RTB sharing position reported to Council on 26 October did not change in the final negotiations, PCH’s funders required a waiver to be inserted into the agreement. The waiver clause deals with the Council's entitlement to money being waived if PCH’s lender is enforcing security over the property and/or to recover any funds advanced under the terms of the Loan Agreement ie if PCH get into severe financial difficulty.

The waiver therefore states in these circumstances that the Council waives any entitlement to any payments under the VAT or RTB sharing agreement. It should be noted that this would only be in circumstances where the bank was looking to recover funds advanced under the terms of the loan agreement and, in reality, before it ever got that far the HCA, the Tenant Service Agency (TSA) , the bank, the Council and PCH would all be discussing how the situation could be retrieved.

There is however a risk to the Council on the VAT shelter, in that if the bank takes action to enforce their security then for a short period of time until the property is transferred to another RSL and the VAT starts to flow again, the Council's share of VAT receipts will stop.

Whilst the Council fought hard against agreeing to this waiver, the risks to the Council as a result of the final agreed wording is considered manageable and minimal.

With regard to the RTB Sharing Agreement, the risk to the Council is during the period to 31 March 2015 when any receipts are to be shared equally between the Council and PCH. After this date the Council will receive 100% of the next £10m of any receipts up to and ending on 31 March 2039.

16.6 Pensions Shortfall

The Council report outlined that the Council was required to ensure the pension fund for staff transferring under TUPE arrangements was fully funded at transfer date, and that an indicative deficit figure of £19.19m had been provided by the Pension Fund actuaries. The pensions fund deficit was subject to much scrutiny and discussion during the final week of the transfer process with PCH funders, RBS, culminating in a revised valuation being requested. As a result the pensions deficit increased to £23.67m, in part due to additional staff being included on the transfer list. A transfer of assets to this value will now be made from the Council's pension fund to the PCH element of the fund. This will increase the impact on the Council's annual contribution by approximately £0.1m per annum from that previously reported, but this will not impact until 2011/12.

The next pensions fund triennial revaluation is due to commence in March 2010. In order to calculate the deficit the actuaries had updated for economic conditions including forecast investment returns, but had not completed a full review of all assumptions such as longetivity and mortality rates. As a result RBS required a clause to be inserted within the transfer agreement requiring a full revaluation to be undertaken as part of the next triennial revaluation backdated to transfer date rto the effect that:

- should the deficit be found to be higher than £23.67m, additional assets will be transferred from the Council's element of the pension fund to the PCH fund, subject to a maximum of £1.5m;

- should the deficit be lower than £23.67m, an equivalent amount of assets will be transferred back to the Council's element of the pension fund, with no maximum ceiling.

16.7 Staffing Implications / TUPE

The number of staff transferring to PCH reported to Council was 515, however it was known that this figure would change due to leavers and new starters, the final number of staff who transferred to PCH under TUPE was 512.

16.8 Employment clauses

To meet PCH's funders requirements, the Council were required to give a number of employment warranties as follows:

- As part of the agreement relating to the transfer of staff under TUPE, the Council agreed to retain liability for existing employment claims and also employment claims relating to the transfer, for 3 years from the Completion Date. The Council also retained liability in the event that the partners of on-call supervisors bring equal pay claims on the basis that they have not been receiving the minimum wage.

- The Council has agreed to indemnify PCH against liabilities which arise in relation to the number of employees who are to transfer to PCH at the end of any Service Level Agreement increasing beyond the number anticipated and agreed by PCC and PCH at the Completion Date ie the deferred TUPE list set out in the transfer agreement.

- The Council agreed to indemnify PCH against any claims against them which arise out of any failure on the part of the Council before the Completion Date to undertake a job evaluation exercise in accordance with the NJC Local Government Services Implementation Agreement 2004 and to implement a pay structure which complies with the Equal Pay Act 1970. Claims that the Council has not complied with its obligations referred to as regards job evaluation will also fall at the Council's door.

16.9 Assets to Transfer

There were a small number of changes to the list of assets transferring to PCH. These were as follows:

- Raglan Court
  It was originally agreed to transfer Raglan Court to PCH who would then lease the property back to the Council to use as temporary accommodation. However, on closer scrutiny of the detailed proposals it was considered that this arrangement would not be a cost effective option for the Council and the building was retained by the Council.

- North Prospect sub soil
  One of the final issues to be negotiated was whether the sub soil at North Prospect should transfer to PCH or be retained in the Council's ownership. The discussions centered around the redevelopment proposals and agreement was finally reached that the subsoil would transfer to PCH with the exception of the four major roads within North Prospect estate (Wolsely Road, North Prospect Road, Ham Drive and Beacon Park Road), which have been retained by the Council.

Further clauses were inserted placing an obligation on PCH to allow access to Highways for any statutory work to be undertaken and to allow the Council to have requested sub soil back within a period of 28 days as necessary.

- Miscellaneous Assets
  Plymouth Community Homes agreed to pay the Council £0.025m for the plant and machinery held within the Manufacturing Division.

- Vehicles
  The transfer agreement included a schedule of 101 vehicles that would transfer to PCH. PCH agreed to meet the outstanding loan costs for the vehicles, totalling £0.487m.

16.10 Arrears

The original report outlined that the HRA was showing an element of uncollected income (arrears) in respect of housing rents, shop rents, service charges and other general debtors, and, that normal practice in a stock transfer is that an element of arrears at transfer date are sold (assigned) to the RSL, with any residual debt remaining with the Council. The following protocol on sharing of arrears was agreed with PCH:

Income Source	Assigned to PCH	Valuation Basis
Rents		
Current Tenants	Y	CIPFA average formula
Former Tenants	Y	Nominal sum £1
Housing Benefit Overpayments	N	PCC liability
Court Costs		
Current Tenants	Y	50%
Former tenants	Y	0%
Miscellaneous accounts	Y	0% Accounts on rent accounting system
Service Charges		
Capital accounts	Y	85% for 2009/10 and 50% prior year accounts
Capital Bills not yet raised	Y	90% of amounts due
Revenue	Y	90% current year and 50% prior year accounts
Debtors	N	PCC liability
Commercial rents	N	PCC liability

The transfer agreement outlined that the final position on arrears would be reconciled within a 28 day period, based on working days, ending in early January 2010. This work is in progress.

16.11 Capital Programme

As a result of the delay in the transfer date, additional capital resources became available under the HRA subsidy Major Repairs Reserve formula. Although capital works continued in the interim period to ensure consistency of workflow, as the cost of these works were already included within the transfer proposals and approved funding, an agreement was reached that £0.500m of these resources would remain for the benefit of the Council.

16.12 Manufacturing Indemnity

PCH's funders requested that PCC gave an indemnity on any future claims that may arise on any defective windows that were installed whilst in the Council's ownership. The Council had no choice but to provide this indemnity but are confident that this will never be called upon.

16.13 Asbestos Protocol

It was reported to Council that because of the significance of asbestos, PCC would need to give PCH an indemnity for 20 years agreeing that if the cost of asbestos works exceeds the cost currently in their business plan of £10m the Council would meet any additional costs. Additionally if any personal injury is caused to residents due to asbestos currently in the properties, the Council will be liable for claims brought within 30 years. These terms are usual in stock transfers and were agreed prior to the report to Council, however, in order to protect the Council as much as possible, the Council undertook due diligence on PCH's property information and an asbestos protocol was written to further protect the Council.

Following negotiations with PCH the significant provisions within the protocol are as follows;

- Type 3 surveys must be carried out, ensuring the asbestos within a property can be viewed and work undertaken as an overview rather than revisiting.
- PCH to update PCC every 6 months on works, allowing an early indication of whether costs are going to escalate.
- 3 quotations are required for all work

16.14 Disposals Clawback

Although the disposals clawback remained in essence as detailed in the Council report, a slight change was requested by PCH's funder in that the funder requested that they also be consulted as well as the Council should PCH sell any land or property.

16.15 Service Level Agreements (SLA's)

Negotiations continued on SLA's up until transfer and a small number of changes to charges were agreed and the terms of two of the SLA's were changed:

- The term of the Management of Shops SLA was agreed to 31 December 2010 (previously 31 March 2011) and the charge for the service was agreed at £0.108m pa as opposed to PCC's initial proposal of £0.168m.

- The IT SLA was agreed at PCC's proposed charge of £0.820m pa but PCH has the option to terminate in March 2010 and then to have further break clauses at 3 monthly intervals. IT staff are currently working up the transition plans with PCH and it appears unlikely that March will be an achievable date, June is a possibility but given what needs to be achieved to complete the full transition September is probably a more realistic target to complete the full transition/handover. If it is assumed that the SLA ends in September 2010 then there will be a net loss of income of approximately £0.109m in 2010/11.

- The reverse charge for the Cashiering SLA ie where PCH charge PCC for collection of Council Tax, Housing Benefit overpayments etc at PCH's housing branch offices was reduced from PCH's proposed charge of £0.090m pa to £0.050m pa.

16.16 <u>Deferred TUPE</u>

A schedule of support service posts that will transfer to PCH at the termination of the SLA's formed part of the transfer agreement and following negotiations around the SLA's, the Council identified an additional 3 posts that needed to be included on the deferred TUPE list. This will result in an estimated saving to the Council of approximately £0.090m pa on the termination of the SLA's.

16.17 <u>Revised Financial Implications</u>

All detailed costs, including those financial implications outlined above, will be scrutinised as part of the Council's budget challenge and an updated financial position will be reported in the next bi-monthly performance and budget monitoring report.

Section D – Treasury Management Activity

17. Loans and Investments

Borrowing

17.1 The Council's loans at 30 November 2009 were:

	Principal O/S £000	Average Rate %
PWLB (Public Works Loan Board)	30,129	5.7265
Market Loans	130,000	4.4202
Bonds	83	3.4458
Temporary Loans	45,075	0.3522
Total Borrowing:	**205,287**	**3.7183**
Add Devon Debt @ 30/11/09	**34,361**	**5.4000**
Total Debt 30/11/09	**239,648**	**3.9595**

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

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

17.3 The maximum borrowing outstanding in the period 1 October 09 to 30 November 09 was £318.74m on 20 November 09. This was within both the authorised limit and the operational boundary.

17.4 Following the Stock transfer, the Department of Communities and Local Government (DCLG) repaid the HRA proportion of the Council's Public Works Loan Board debt totalling £91.37m, together with an early redemption premium of £25.94m which has led to a significant reduction in the Council's debt. Whilst the reduction in debt is a positive step, the Council's revised debt portfolio has a significant proportion of market loans which we will look to address over time.

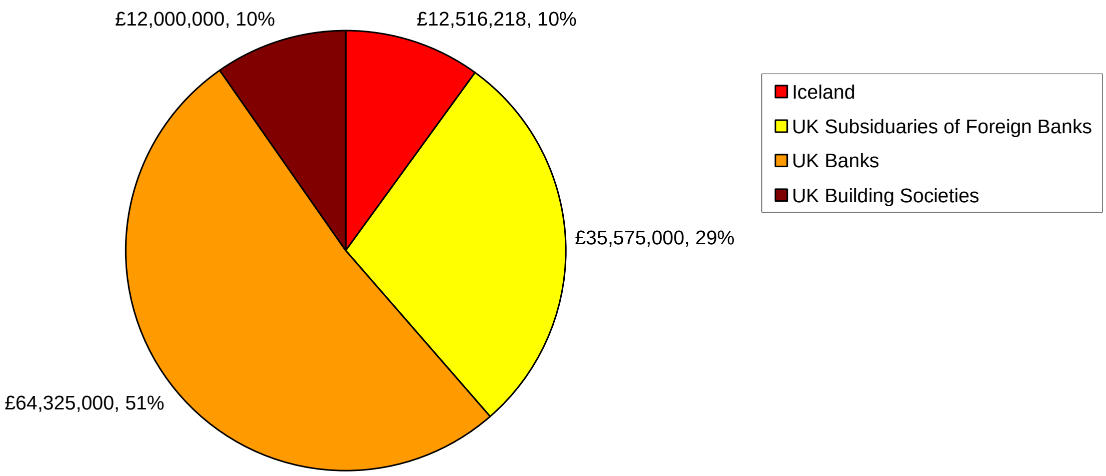
17.5 At the end of November 2009 the Council's borrowing stood at £239.65m, including temporary borrowing taken to cover cash flow requirements. This represents a reduction of £166.08m since the 1 April 2009 and is in line with the Council's policy to reduce debt.

17.6 The current borrowing strategy for the remainder of 2009/10 will be to continue maximise cash flow and maturing deposits to finance the capital programme taking low rate short-term loans as required, delaying the need to take out additional long-term loans at relatively high interest rates.

Investments

17.7 At 30 November the Council's investments stood at £124.416m.This has fallen from £133.886m at 30 September due to a number of maturing deposits used to repay short term borrowing and cover cash flow requirements. The pie chart below analyses the investments by country.

PCC DEPOSITS BY COUNTRY AT 30th NOVEMBER 2009 - Total Deposits £124,416,218.38



17.8 The investment level is forecast to fall to £73.425m by 31 March 2010 as the Council continues its policy to reduce debt and investment levels in the current financial climate.

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

Amount	Start Date	End Date	Term (days)	Rate %
£5.0m	03/11/09	02/11/10	364	1.80

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

17.11 On 11 January 2010 Abbey, along with Alliance & Leicester and Bradford & Bingley will be rebranded as Santander. These banks have been part of the Santander group for some time however they will now loose their distinct brand name. Abbey is the named institution which can avail of the UK Government's Credit Guarantee Scheme. From 11 January Santander UK plc (the new name for Abbey) will be the named institution within this scheme. From this date the Council's lending list will be amended to reflect this change in name. All other procedures for deposits with this bank will remain unchanged.

17.12 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.

17.13 Treasury Management Code of Practice and Prudential Code

CIPFA have recently published an updated Treasury Management Code of Practice and a revised Prudential Code. These publications outline the principles that should be followed by local authorities for borrowing and investments. The Treasury Management Code in particular concentrates on Investments whilst the Prudential Code covers borrowing strategies. Both of the codes contain a number of new recommendations and whilst the codes themselves remain a best practice guide and do not have a statutory force, the main recommendations have been adopted by CLG and incorporated into Capital Finance Regulations, currently issued in draft for consultation. The revised codes include recommendations from both the House of Commons Select Committee and the Audit Commission following their report 'Risk and Returns'.

One of the new recommendations arising from the House of Commons Select Committee report relates to scrutiny of the treasury management function. The report stated:

"All Local Authorities should have an Audit Committee with specific responsibility for the scrutiny of the Treasury management function"

"Audit Committee members should take their responsibility for that scrutiny seriously and need to ensure they are properly trained".

A formal training session has been scheduled for 22 January 2010 for Audit Committee Members (mandatory attendance) and will be extended to Scrutiny Chairs and Cabinet Members as a minimum.

In addition to the recommendations above, the other main recommendations include:

- Investments priorities should be Security and Liquidity rather than Yield.
- Strategies must be taken to Full Council before the start of the financial year but Councils should consider revised strategies during the year where appropriate.
- Investment Strategies should be formally published.
- Authorities should not just rely on credit ratings but on a wide range of information including the internet.
- Authorities should comment on the use of Consultants and the limits on their liability within their strategies.
- Authorities should comment on investment of borrowing in advance and the risks associated with this.

The revised Borrowing and Investment strategies are currently being prepared and will be available for Audit Committee at the training session. The strategies form part of the normal budget process and will be presented to Cabinet, together with the budget report in February, and full Council in March.

Section E – LAA

18. LAA

18.1 Progress against the Local Area Agreement (LAA) targets is reported to the Local Strategic Partnership (LSP) Executive, Board and LSP individual theme groups on a quarterly basis. This report therefore includes the summary position as at the end of September 2009, as presented to the LSP Executive on 25 November 2009. The following paragraphs highlight some of the main issues arising and more details are shown in Appendix C. Achieving all of the 2007-10 stretch targets would enable £7.4m of performance reward grant (PRG) to be claimed over 2010/11 and 2011/12. However based on the current performance levels it is anticipated that at least £3.2m of the performance reward grant is now high risk and unlikely to be claimable. Where targets are 2007-10 stretch targets, the figure for PRG at risk is provided below.

18.2 Health Targets

- NIs 135, 136 and 141 (Adult Social Care) targets are performing well and on track to achieve by the end of the LAA period
- Targets relating to adult activity levels are also on track and if the Active People Survey results this year confirm the trend we should lever in £618K of Reward Grant.
- Alcohol and young people – this stretch target is highly unlikely to be met due to the unrealistic scale of improvement required in the timescale. (£247K at risk)
- Emergency bed days – detailed action plan in place to try and recover this stretch target but the colder than usual 2008 winter and swine-flu pandemic put this target at risk. (£618K at risk)
- Smoking cessation – despite significant additional activity by the Smoking Cessation Service and increased referrals, the two stretch targets are unlikely to be met. (£618K at risk)
- NI 56 childhood obesity – the stretch target is not likely to be met, increased coverage of the Year 6 pupil survey has increased the recording of obesity prevalence, i.e. as a greater proportion of children are weighed, it appears that a greater proportion of obese children are identified. (£309K at risk)
- NI 112 teenage conceptions - a more focussed plan has been embedded and there is significant change in activity across the City but this target is unlikely to be met.

18.3 Wealthy Targets

- Stretch targets relating to getting IB claimants back to work are on track to achieve by the end of March and deliver £618K of Reward Grant
- Housing targets relating affordable homes are on track to achieve (NI 155) by the end of the LAA period although there has been a quarterly dip in performance
- Net additional housing targets (NI 154) are performing less well due to the slow-down in the housing market. We are seeking a re-negotiation with Govt. around what we can achieve within the scope of our local market recovery actions

18.4 Safe & Strong Targets

- Crime targets within this theme are generally performing well. Our stretch targets for prolific offenders are well on track and both violent crime (NIs 20 & 32) and acquisitive crime (NI 16) are down.
- Stability of placements for children in care – impacts being felt resulting from the Baby P case and the Southwark judgement which bring more young people into the

care system, range of responses now in place but difficult to resolve in the short term.

- Domestic abuse reporting – the stretch target to increase reporting is at risk despite increased third party reporting. (£247K at risk)
- Numbers entering drug treatment – there are data issues relating to the 2008/9 financial year, but it is apparent that we do not have sufficient numbers entering drug treatment to reach this target. Further data cleansing is underway. (£111K at risk)
- NI 192 Recycling levels – currently showing amber, there is a significant risk that the target for the year will not now be met.

18.5 Wise Targets

- Adult skills levels (NI 164) are currently on track to achieve.
- Attainment of Children in Care - The latest validated data for education attainment for children in care shows 41% children in care attaining Key Stage 2 English and 32% attaining Key Stage 2 Maths. This performance is based on results from summer 2008. Validated results from 2009, due early in January, show significant improvements, borne out from individualised support to children with more than 50% achieving the target level. It is important to note that the very small size of cohort means that year on year comparisons should be treated with caution.
- NI 117 NEETs – The number of young people aged 16-18 who are not in education, employment or training is 6.9% This has been achieved against a difficult regional and national position. Early indications are that there has been a significant rise in the post 16 staying on rate. Plymouth continues to experience a declining labour market with the lowest current stock of vacancies for any local authority area in the region. A number of meetings have been held around managing responses to the recession between Connexions and specific employer groups and agencies.

Section F - Concluding Remarks

19. Summary

19.1 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

19.2 General Fund is forecasting a year end adverse variation (or overspend) of £3.081m or +1.6% of net revenue budget.

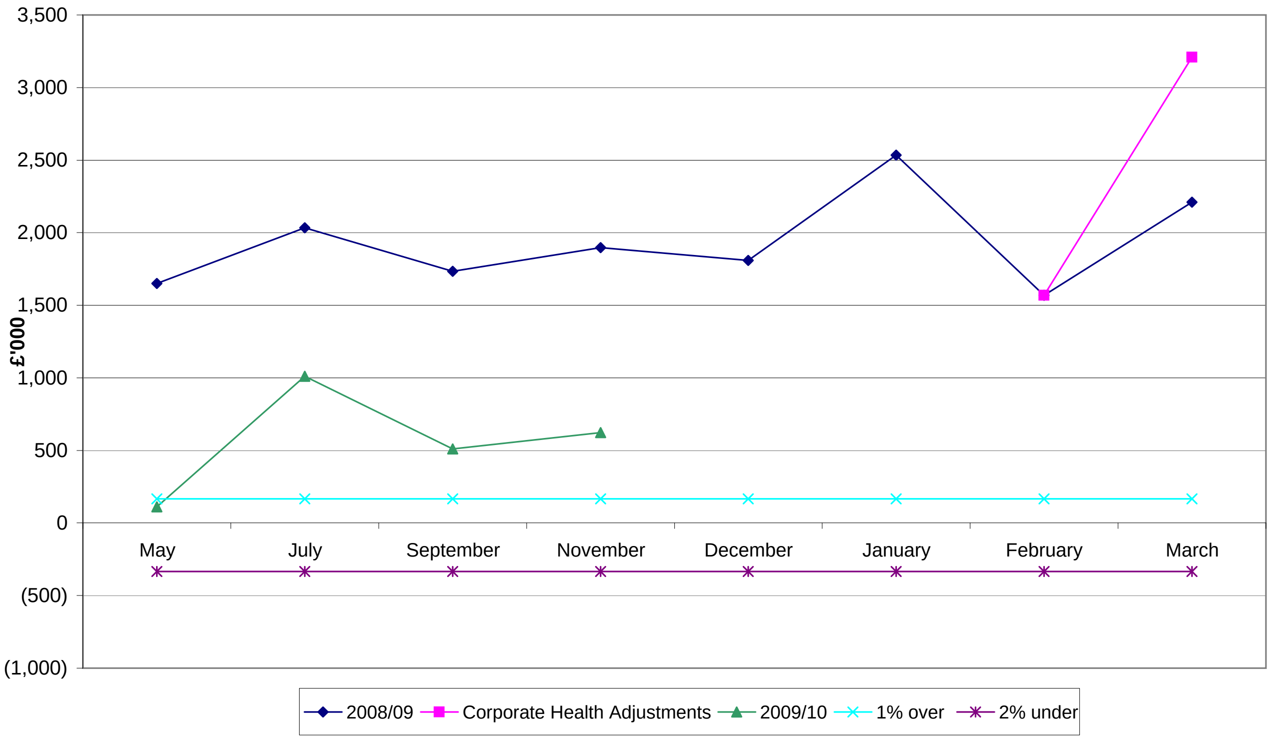
19.3 The revised in-year capital forecast and financing requirement is £88.7m, with actual spend as at 30 November standing at £50.463m.

19.4 A working balance of £2m is still forecast for the HRA but the actual amount will not be determined for some months as there remain a number of outstanding financial issues that will need to be addressed post transfer.

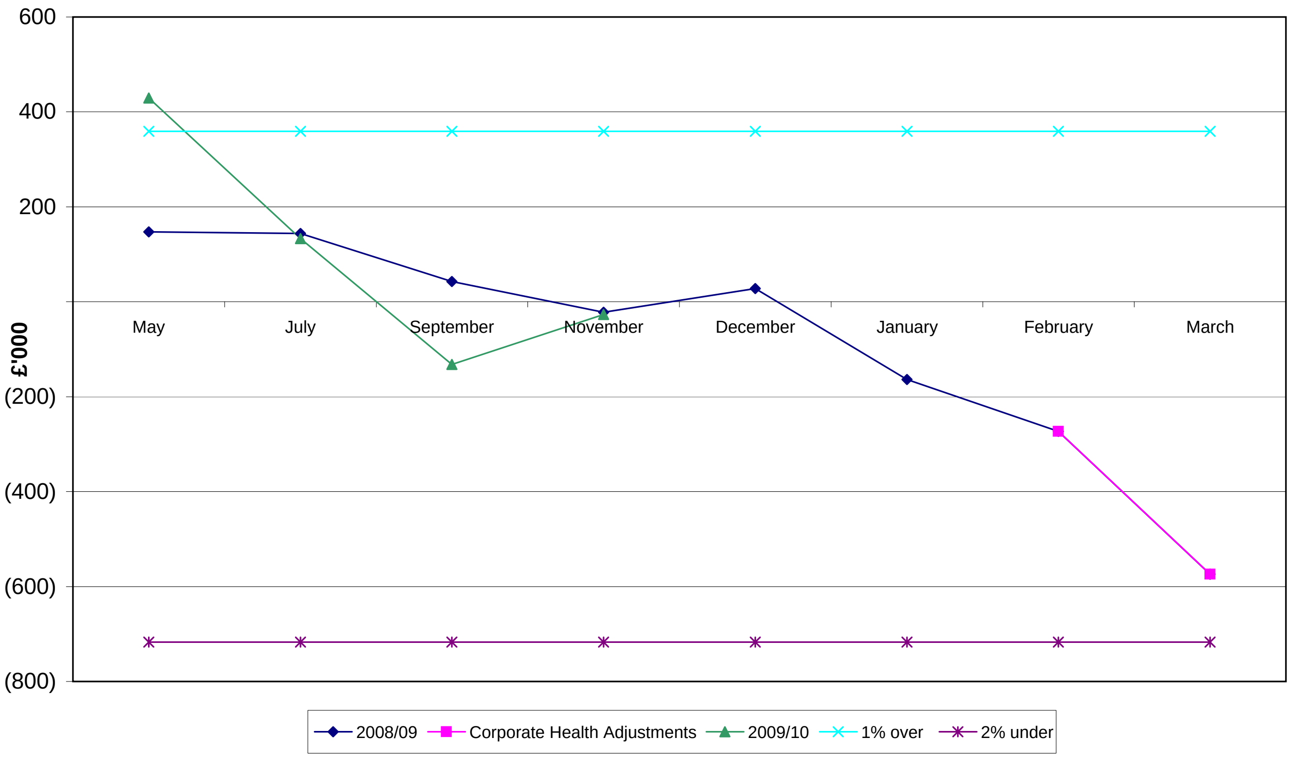
19.5 A number of the LAA areas are underperforming, meaning that performance reward grant of £3.2m is at high risk.

19.6 In the medium to longer term the Council is facing significant pressures due to the national economic situation, the Local Government funding settlement and local demand led pressures.

Development Monitoring Comparison 2008/09 & 2009/10



Corporate Support Monitoring Comparison 2008/09 & 2009/10



SUMMARY CAPITAL PROGRAMME - as at 30th November 2009

	Budget						Financing					
	Latest Approved Budget (September) £'000	New Approvals (October & November) £'000	Re-Profiling (October & November) £'000	Variations (October & November) £'000	Latest Forecast (November) £'000	Expenditure £'000	Capital Receipts £'000	Unsupported Borrowing £'000	Supported Borrowing £'000	Grants, Contributions & Section 106 £'000	Revenue & Funds £'000	Total Financing £'000
Children's Services	56,663		(889)	131	55,904	33,872	2,707	5,357	11,266	36,451	123	55,904
Community & Neighbourhood	11,299		(4,727)	60	6,632	2,286	1,038	1,525		3,960	109	6,632
Corporate Support	2,407			(6)	2,401	1,399	18	71		2,139	173	2,401
Development & Regeneration	22,062	745	(417)	27	22,417	6,303	1,002	2,656	4,600	13,839	321	22,417
HRA	7,991				7,991	6,604			2,076		5,915	7,991
Grand Total	**100,422**	**745**	**(6,033)**	**212**	**95,345**	**50,463**	**4,765**	**9,608**	**17,942**	**56,389**	**6,641**	**95,345**

Directorate	Service	Sub Programme	Sum of Latest Forecast - September	Sum of New Approval October & November	Sum of Re-Profiling October & November	Sum of Virements October & November	Sum of Variations October & November	Sum of Latest Forecast - November	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	Comments
Children's Services	Completed Programmes: Outstanding Payments	Basic Need	-	-	-	-	-	-	-		
		Emergency Works	-	-	-	-	-	-	(3,356)		
		NOF	110,000	-	(100,000)	-	-	10,000	638	6.38%	Lipson CC - Changing rooms for ATP. Delay at feasibility due to constraints of funding available. Likely start on site summer 2010.
		Planned Modernisation	2,300	-	-	-	-	2,300	2,026	88.09%	
		Strategic Projects	81,688	-	-	-	-	81,688	48,262	59.08%	
	Condition and School Development Works	Condition Projects	-	-	-	-	-	-	-		
		Condition Works:	499,385	-	(52,500)	(13,727)	(6,752)	426,406	378,616	88.79%	Victoria Road Roof Works (£60k) - likely start on site Summer 2010. DHSB Roof repairs £4K, Widey Court Temp Refurb £3K
		Condition Works: Primary	58,945	-	-	-	-	58,945	57,223	97.08%	
		Condition Works: Special Schools	-	-	-	-	-	-	-		
		Removal of Temporary Classrooms: Primary	1,000,000	-	-	20,000	-	1,020,000	546,802	53.61%	
		Removal of Temporary Classrooms: Secondary	-	-	-	-	-	-	62,682		
		School Development: Primary	2,173,394	-	-	-	-	2,173,394	1,164,677	53.59%	
		School Development: Secondary	-	-	-	-	-	-	-		
		School Development: Special Schools	135,026	-	-	-	-	135,026	85,309	63.18%	
		Surestart / Extended Schools / Children's Centres / Families	722,507	-	(200,000)	-	-	522,507	28,597	5.47%	Children's Centres Phase 3. Woodford Childrens Centre start on site now anticipated Spring 2010.
		Sustainability / Carbon Reduction / Spend to Save	837,640	-	(85,000)	-	-	752,640	709,049	94.21%	Estimated saving in Boiler Replacement Programme carried forward to support phase 2 projects. (Schools Supported Borrowing)
	Devolved Formula Capital	Nursery	106,340	-	-	(13,852)	-	92,488	15,666	16.94%	
		Other	225,558	-	-	-	5,615	231,173	124,971	54.06%	
		Primary	1,430,608	-	173	(229,009)	49,880	1,251,652	604,185	48.27%	
		Secondary	1,089,733	-	-	(325,258)	30,535	795,010	880,923	110.81%	
		Special	227,063	-	-	(17,341)	(39,480)	170,242	29,105	17.10%	
	Devolved Formula Capital Projects	Children's Social Care	-	-	-	-	-	-	-		
		Nursery	1,782	-	-	279	(744)	1,317	1,960	148.80%	
		Other	3,212	-	-	(1,121)	-	2,091	-	0.00%	
		Primary	704,233	-	-	430,269	(16,000)	1,118,502	597,744	53.44%	
		Secondary	585,456	-	-	3,001	-	588,457	467,470	79.44%	
		Special	35,942	-	-	8,792	-	44,734	20,796	46.49%	
	Focused Work	14-19 Diploma Gateways & International Baccalaureate	1,983,990	-	100,000	100,000	-	2,183,990	1,609,874	73.71%	Grants to external providers - advance delivery against programme.
		ICT Projects	513,827	-	-	(2,473)	190,887	702,241	612,400	87.21%	Harnessing Technology Grant - correction to centrally held grant total.
		School Meals	1,523,551	-	(774,769)	289,500	487	1,038,769	219,595	21.14%	Re-phasing of various kitchen projects due to extended feasibilty / design period.
		Surestart / Extended Schools / Children's Centres / Families	1,897,608	-	(70,000)	(87,065)	-	1,740,543	122,416	7.03%	Woodford Extension works. Start on site now programmed for Easter 2010.
	Other Programmes	Other Items	-	-	-	-	-	-	-		
	School Led Projects	Basic Need	(81,688)	-	-	-	-	(81,688)	(102,413)	125.37%	
		Children's Social Care	191,852	-	-	(15,000)	-	176,852	51,122	28.91%	
		Condition Bid Programme (formerly Seed)	1,564,113	-	(186,500)	(149,853)	(8,825)	1,218,935	981,745	80.54%	Reprofiling - PHSG (£27K) Lighting & Windows. Yealmpstone Farm (£157K), slipped into 10/11. Variations - Widey Court (£4K), Plymstock Windows & Doors (£7k), DHSG Playing Courts £2k
		DDA / Access Bid Programme	75,000	-	-	-	-	75,000	22,195	29.59%	
		Other Items	826,402	-	-	-	(50,000)	776,402	71,019	9.15%	Playbuilder grant contribution to project reported within Development programme.

Directorate	Service	Sub Programme	Sum of Latest Forecast - September	Sum of New Approval October & November	Sum of Re-Profiling October & November	Sum of Virements October & November	Sum of Variations October & November	Sum of Latest Forecast - November	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	Comments
		SEN Placement Commitments in Schools	175,527	-	-	15,054	-	190,581	76,731	40.26%	
	Strategic Programmes	Projects)	142,193	-	-	-	-	142,193	3,056	2.15%	
		Development Fund	-	-	-	-	-	-	-		
		Diversity	-	-	-	-	-	-	-		
		Expanding Popular Schools	212,500	-	-	-	-	212,500	5,444	2.56%	
		Localities	-	-	-	-	-	-	-		
		Multi-Agency Working	100,000	-	-	-	-	100,000	19,352	19.35%	
		PFI	2,761,427	-	-	-	-	2,761,427	2,733,413	98.99%	
		Primary Capital Programme	17,769,489	-	1,290,503	(3,184)	-	19,056,808	13,032,488	68.39%	Efford (Highview) £1.5M - Contractor progress ahead of original schedule. Southernway new schools - Completion works and demolition likely to fall spring 2010.
		School Development: Secondary	971,534	-	-	(9,012)	(25,000)	937,522	592,202	63.17%	PHSG £25K school project elements moved to revenue.
		Secondary Development / BSF	14,247,527	-	-	-	-	14,247,527	7,580,581	53.21%	
		Special Education Needs and Inclusion	1,522,112	-	(810,803)	-	-	711,309	330,256	46.43%	overall programme affordability risk. Hospital School at Estover Campus £225K - Build start now anticipated 2010 in line with Estover campus phase 2, Longcause £150K SEN provision - start on site Easter 2010, £130K Covered MUGA (sports) delayed due to affordibility
		Tuition Service	-	-	-	-	-	-	-		
		Youth / Adult Learning	234,870	-	-	-	-	234,870	86,685	36.91%	
Children's Services Total			56,662,646	-	(888,896)	-	130,603	55,904,353	33,871,504	60.59%	

Directorate	Service	Sub Programme	Sum of Latest Forecast - September	Sum of New Approval October & November	Sum of Re-Profiling October & November	Sum of Virements October & November	Sum of Variations October & November	Sum of Latest Forecast - November	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	Comments
Development & Regeneration	Local Transport Plan	Capital Maintenance	1,456,898	-	-	(82,000)	-	1,374,898	41,698	3.03%	
		Demand Management	579,296	-	-	2,500	-	581,796	185,169	31.83%	
		Developer Contribution	-	-	-	-	-	-	-		
		Dft settlement not yet allocated	26,854	-	-	56,095	-	82,949	-	0.00%	
		Public Transport	1,977,886	-	-	46,424	88,000	2,112,310	292,977	13.87%	Tavistock Road - Reallocation of S106 used in 08/09, releasing SCP for increased costs.
		Regeneration & Urban Renewal	-	-	-	-	-	-	-		
		Road Safety	202,726	-	-	-	-	202,726	54,528	26.90%	
		Safety Camera Partnership	79,000	-	-	-	-	79,000	1,424	1.80%	
		Walking & Cycling	810,367	-	-	(23,019)	7,595	794,943	276,258	34.75%	Pottery Quay - increased costs.
		Northern Corridor - A386	735,843	-	-	-	-	735,843	317,310	43.12%	
	Planning	Planning	-	-	-	-	-	-	-		
		Housing & Planning Delivery Grant	58,846	-	-	-	-	58,846	-	0.00%	
		Stepping Stones to Nature	94,730	-	10,000	-	-	104,730	-	0.00%	Stepping stones to nature, additiona £10k available from revenue, b/f from 10/11.
	Transport - Development Projects	Barbican Landing Stage	12,302	-	-	-	-	12,302	(8,185)	-66.54%	
		Cumberland Gardens	370,000	17,717	-	-	-	387,717	73,715	19.01%	Additional S106 available.
		Granby Green	54,095	-	-	-	-	54,095	46,986	86.86%	
		Other	15,926	183,410	-	-	-	199,336	1,952	0.98%	CCTV at Richmond Walk, funded by DR
		Plymouth Gateway	-	-	-	-	-	-	-		
		Stonehouse Regeneration	-	-	-	-	-	-	(12,897)		
		Devonport Street Lighting	372,954	-	-	-	-	372,954	139,643	37.44%	
		North Stonehouse	-	-	-	-	-	-	-		
		Devonport Heritage Trail	67,500	-	22,500	-	1,000	91,000	34,630	38.05%	Project ahead of schedule.
		Devonport Park	1,538,051	-	(399,489)	-	609	1,139,171	244,582	21.47%	Changes to project management regs requiring legal contract in place before discharge of planning conditions delayed project, pushing into first 2 months of 10/11
	Transport - Non LTP	Eastern Corridor	1,146,405	-	-	-	-	1,146,405	-	0.00%	
		Other	-	-	-	-	-	-	-		
		West End	2,927,625	-	-	-	-	2,927,625	1,669,310	57.02%	
		A38 Junction Imps	400,000	-	-	-	-	400,000	6,110	1.53%	
		East End Community Transport Improvement Scheme	977,224	-	-	-	-	977,224	486,000	49.70%	
	Property & Economic Development	Commercial Developments	618,690	544,150	(50,000)	-	-	1,112,840	164,942	14.82%	Airport £554K, RDA grant claimed on behalf of PCA. Stonehouse CPO, (£50K) project not spending.
		Parks	-	-	-	-	-	-	-		
	Strategic Housing	Disabled Adaptations	-	-	-	-	-	-	-		
		HECA Programme Private Sector	417,717	-	-	-	-	417,717	118,996	28.49%	
		Misc Schemes	100,000	-	-	-	-	100,000	-	0.00%	
		Partnership & Affordable Housing	364,309	-	-	-	(70,206)	294,103	739	0.25%	
		Private Sector Grants	2,360,028	-	-	-	-	2,360,028	1,600,069	67.80%	
		Private Sector Regeneration	315,663	-	-	-	-	315,663	34,797	11.02%	
	Environmental Services	Recycling	85,725	-	-	-	-	85,725	-	0.00%	
		Waste	3,895,290	-	-	-	-	3,895,290	531,854	13.65%	
Development & Regeneration Total			22,061,950	745,277	(416,989)	-	26,998	22,417,236	6,302,608	28.12%	

Directorate	Service	Sub Programme	Sum of Latest Forecast - September	Sum of New Approval October & November	Sum of Re-Profiling October & November	Sum of Virements October & November	Sum of Variations October & November	Sum of Latest Forecast - November	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	Comments
Community & Neighbourhood	Leisure Culture & Sport	Central Park	7,607,103	-	(4,510,930)	-	-	3,096,173	1,247,922	40.31%	recommended action approved by the Life Centre Programme Board on Monday 14th December and reflects the latest cashflow projections for the project together with current funding proposals.
		Libraries	829,396	-	-	-	-	829,396	118,541	14.29%	
		Mount Edgcumbe	307,011	-	-	-	-	307,011	168,798	54.98%	
		Museums	-	-	-	-	60,407	60,407	40,736	67.44%	
		Other Leisure	-	-	-	-	-	-	-		
		Plymouth Leisure	1,026,560	-	-	-	-	1,026,560	411,341	40.07%	
	Adult Health & Social Care	Community Care	576,398	-	-	-	-	576,398	167,917	29.13%	
		Drug Users in Treatment Programmes	-	-	-	-	-	-	-		
	Environmental Services	Environmental & Regulatory	-	-	-	-	-	-	-		
		LPSA	-	-	-	-	-	-	-		
		Parks	367,857	-	(216,480)	-	-	151,377	58,092	38.38%	Parks @, Hemerdon Heights, Patna Place, Springhill, Beaumont Park, slipped due to changes in resident preference after consultation, and resourcing issues.
		Vehicle Purchases	584,361	-	-	-	-	584,361	72,826	12.46%	
Community & Neighbourhood Total			11,298,686	-	(4,727,410)	-	60,407	6,631,683	2,286,173	34.47%	

Directorate	Service	Sub Programme	Sum of Latest Forecast - September	Sum of New Approval October & November	Sum of Re-Profiling October & November	Sum of Virements October & November	Sum of Variations October & November	Sum of Latest Forecast - November	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	Comments
Corporate Support	Human Resources	Human Resources	6,745	-	-	-	(6,745)	-	-		HR Payroll system - Project complete, any further spend to be met through revenue.
	Information Systems	Information Systems	1,087,495	-	-	-	-	1,087,495	743,829	68.40%	
	Legal Services	Legal Services	2,497	-	-	-	-	2,497	850	34.04%	
	Property & Economic Development	Corporate Real Estate	1,310,677	-	-	-	558	1,311,235	654,129	49.89%	
Corporate Support Total			2,407,414	-	-	-	(6,187)	2,401,227	1,398,808	58.25%	

Appendix B

Directorate	Service	Sub Programme	Sum of Latest Forecast - September	Sum of New Approval October & November	Sum of Re-Profiling October & November	Sum of Virements October & November	Sum of Variations October & November	Sum of Latest Forecast - November	Sum of Actuals to be reported (accruals basis)	Sum of % of LF Spent	Comments
HRA	Housing Revenue Account	Decency Standards	4,750,583	-	-	-	-	4,750,583	4,577,685	96.36%	
		Devonport	1,322,870	-	-	-	-	1,322,870	212,312	16.05%	
		Disabled Adaptations	401,413	-	-	-	-	401,413	442,418	110.22%	
		HRA Capitalised Salaries	520,034	-	-	-	-	520,034	520,034	100.00%	
		Major Repairs	995,918	-	-	-	-	995,918	851,757	85.52%	
HRA Total			7,990,818	-	-	-	-	7,990,818	6,604,206	82.65%	
Grand Total			100,421,514	745,277	(6,033,295)	-	211,821	95,345,317	50,463,299	52.93%	

Appendix C

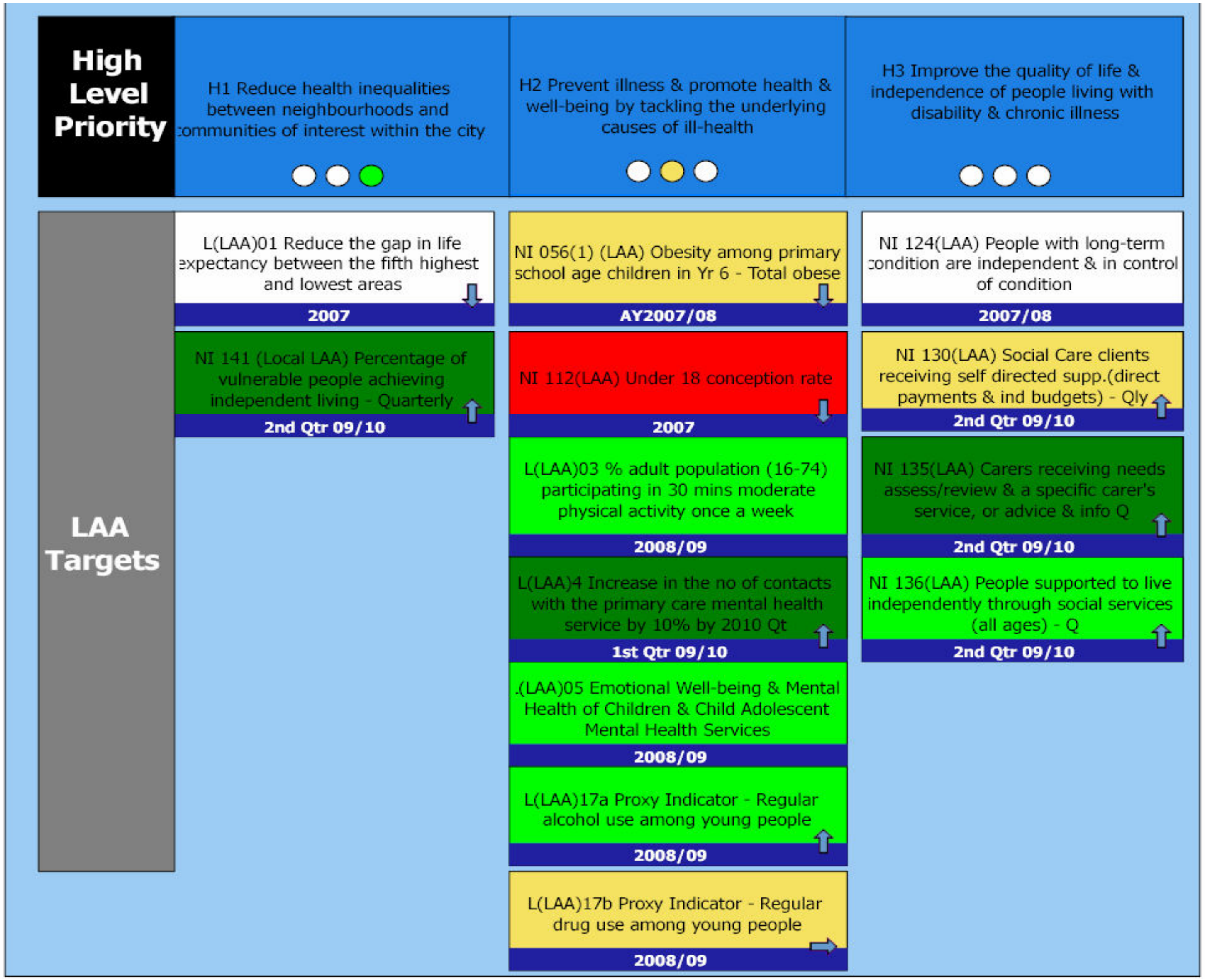
2007 -10 Stretch Targets and 2008 – 10 LAA 2nd Quarter 2009/10

LAA 2007-10 Healthy Stretch Targets

A Healthy Place to Live and Work - Stretch Targets

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

Healthy LAA 2008-11



LAA 2007-10 Wealthy Stretch Targets

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

Wealthy LAA 2008-11

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

2007-10 LAA Safe & Strong Stretch Targets

Safe & Strong City Stretch Targets

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

Safe and Strong LAA 2008-11

A Safe and Strong City

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

2007-10 LAA Wise Stretch Targets

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

Wise LAA 2008-11

A wise city - a location for learning achievement and leisure

High Level Priority	Wi1 Improve the skills of the working age population at all levels	Wi2 Improve opportunities for young people to make a positive contribution	Wi3 Increase the numbers of young people participating in higher level education & skills training	Wi4 Improve educational achievement at all levels	Wi5 Widen cultural and leisure opportunities
LAA Targets	NI 164(LAA) Proportion of pop aged 19-64 (males), 19-59 (females) qualified to at least Level 3 ↑ 2008	NI 110 - Young people's participation in positive activities ↑ AY2008/09	NI 080 (Local LAA) Achievement of a Level 3 qualification by the age of 19 ↑ AY2007/08	NI 072 Achievement of at least 78 points across early years Foundation Stage ↑ AY2008/09	
			NI 117 16 to 18 year olds who are not in education, training or employment (NEET) - Yearly ↓ 2008/09	NI 073 Achievement at level 4 or above in both English & Maths at KS 2 ↓ AY2008/09	
				NI 075 Achievement of 5 or more A*-C grades at GCSE or equivalent incl maths & english ↑ AY2007/08	
				NI 087 Secondary school persistent absence rate - Yearly ↑ AY2007/08	
				NI 092 Narrow the gap between owest achieving 20% early years FSP & the rest ↑ AY2008/09	
				NI 093 Progression by 2 levels in English between KS1 & KS2 ↓ AY2007/08	
				NI 094 Progression by 2 levels in Maths between KS1 & KS2 ↑ AY2007/08	
				NI 099 Looked after children reaching level 4 in English at KS2 ↓ AY2007/08	
				NI 100 Looked after children reaching level 4 in Maths at KS2 ↓ AY2007/08	
				NI 101 Looked after children achieving 5 A*-C GCSEs (or equiv) at KS4 (inc English & Maths) ↑ AY2007/08	