

CITY OF PLYMOUTH

Subject: Joint Finance and Performance Report
Committee: Cabinet
Date: 16 March 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 January 2010.

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

At this stage, the Council is forecasting a revenue overspend at year end of £3.146m against a net revenue budget of £196.525m (a variation of +1.6%). However this will reduce to £0.399m after applying a number of corporate health adjustments as approved by Council at its meeting of 1 March 2010. The main variations continue to relate to the increased pressure in children social care as well as cost pressures in adult social care and loss of income due to the economic climate.

The report also outlines the latest position on the capital programme. Our overall assessment of year end spend is £95.8m which remains affordable. Actual spend on the capital programme as at end of January 2009 is £62.364m.

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 2010-2013:

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.

None

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. The forecast revenue overspend is noted, and the actions of Directors to reduce this overspend.
2. The movement on the capital programme during the period be noted and the inclusion of new schemes totalling £8.148m, outlined paragraph 6.6 and scheme variations/reprofiling totalling (£5.697m), outlined in paragraphs 6.7 and 6.8, 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 identified throughout the report.

Background papers:

- Plymouth City Council Corporate Plan 2009-12 (including 14x Corporate Improvement Priorities)
 - 2009/10 Budget Papers – presented to Full Council 2 March 2009
 - Plymouth City Council Medium Term Financial Strategy – revised March 2009
 - Audit Commission Use of Resources Key Lines of Enquiry (available on the audit commission website)
 - Joint Finance and Performance report to Cabinet 14 July 2009, 15 September 2009 and 10 November 2009, 19 January 2010
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Sign off:

Fin	DN 0910022	Leg	LT1105	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 31 January 2010

1. Introduction

1.1 This report reviews the Council's performance for the period 1 April 2009 to 31 January 2010 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 This bi-monthly report 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

Section D - Treasury Management

Section E- LAA

Section F – Concluding Remarks









Appendices

- Appendix A – Revenue Expenditure variation in graphical form
- Appendix B – Summary Capital Expenditure and Financing
- Appendix C – Healthy Theme Group Report – 3rd Quarter 2009/10
- Appendix D - Reserves

SECTION A – EXECUTIVE SUMMARY

2. Performance Position

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

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

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

2.2 CIP 3: Helping people to live independently

Adult Services continue to perform well against targets maintaining a focus on assessments, reviews and work with carers.

The budget continues to be under considerable pressure.

2.3 CIP 4: Reducing inequalities between communities

The unexpected rejection of our bid for £1.4m of funding to build a Gypsy site at Efford Warren, is a significant problem. The Council is reviewing its' options.

Benefit and tax credit take up continue to exceed the target with £4.6m realised in the first 9 months of 2009/10.

2.4 CIP 5: Providing better and more affordable housing

306 affordable homes have been delivered by the end of January which has exceeded our LAA target of 236 for the year to April.

2.5 CIP 7: Keeping children safe

The number of looked after children remains high and continues to put pressure on both the budget and performance. New work practices have been developed and are being embedded to tackle the extra workload.

2.6 CIP 8: Improving skills and educational achievement

The number of young people who are not in education, employment or training (NEET) has improved despite the difficult regional and national position.

The 2009 academic results for children in care show a significant improvement on 2008, however achieving the 2009/10 stretch targets remains challenging.

2.7 CIP 10: Disposal of waste and increasing recycling

The recycling indicator has again under performed this period and is unlikely to meet its end of year target. This has an impact on the percentage of municipal waste landfilled which rose to the highest level recorded for the year. A number of measures are in place to rectify this, however changing people's behaviour to recycle more of their waste remains very challenging.

2.8 CIP 13: Supporting Council staff to perform better

100% of role profiles have now been finalised and 89% of appraisals have been completed using the new competency framework.

2.9 CIP 14: Improving value for money

New efficiencies are being identified in year with cumulative in year efficiencies achieved to date of £9.6m. Further work is being developed by the Head of Value for Money and Efficiencies and the Head of Capital and Assets to drive the wider efficiency agenda.

The Council's Carbon Reduction commitment has confirmed that potential annual financial liabilities of approximately £360k are to be incurred from 2010 onwards.

3. Revenue Position

3.1 The following table sets out the forecast for the Council's overall revenue position as at 31 January 2010.

Table 1

Fund	Latest Approved Budget £'000	Monitoring Variation November 2009 £'000	Monitoring Variation January 2010 £'000	Change in Period £'000
General Fund	196,525	3,076	399	(2,667)
Trading Accounts	(2,357)	322	564	242
HRA*	66	(100)	(70)	30

* surplus/deficit for year, not updated for January
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 31 January 2010. Appendix A tracks the movement during the year in graphical form.

Table 2

Department	Latest Approved Budget £'000	Monitoring Variation as at 31 January 10 £'000	Percentage variation %	Change in Period £'000
Children's Services	52,217	1,559	3.0	380
Community Services	102,804	1,345	1.3	(138)
Development & Regeneration Services	16,318	384	2.4	(239)
Corporate Support	35,536	(139)	(0.4)	(112)
Chief Executive	2,750	(64)	(2.3)	(40)
Corporate Items	(13,100)	61	(0.5)	219
Sub Total	196,525	3,146	1.6	70
Less Corporate Health Adjustments				
LABGI	0	(229)		(229)
Fleming VAT refunds	0	(2,144)		(2,144)
Planning and Housing Delivery grant		(374)		(374)
Adjusted Total for year	196,525	399	0	(2,677)

- 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 across service budgets has deteriorated further during the period and that an overspend of £3.146m, or 1.6% when compared to net revenue budget, is now forecast for the year. Directors have enacted a number of delivery plans within the current financial year to drive through budget savings, and will continue to prioritise spending reviews in the remaining weeks of the financial year. However a number of exceptional costs incurred, such as enabling the housing stock transfer, and increased service pressures in such areas as safeguarding children and adult social care, has made it difficult to achieve a balanced budget.
- 3.5 We have maintained a focus over recent years to build, and retain, adequate working balances and improve our overall Use of Resources assessment. With this in mind, we propose that the final end of year overspend be funded through:
- (a) The Council has been working in partnership with PriceWaterhouse Coopers to reclaim VAT brought about through changes in legislation, which has successfully resulted in a 'one-off' repayment of £2.144m from HM Customs of Excise. This has been detailed in previous monitoring reports throughout the

year and Cabinet have previously approved that this amount be transferred to reserves, subject to the final position for the year;

- (b) We have received notification of a further Local Authority Business Growth Incentive (LABGI) grant of £0.229m for 2009/10. As in previous years, we have continued to use existing revenue budgets in 2009/10 to support the local economy and we again intend to use this new grant allocation as part of the year end adjustment;
- (c) Within the budget monitoring forecasts for the Development and Regeneration department we have accounted for a Housing and Planning Delivery Grant of £0.375m. The council has recently received notification of an additional £0.374m Housing Planning Delivery Grant allocation for 2009/10 which, to date, has not been accounted for in current budget monitoring;
- (d) Continued departmental management action to reduce spend up to 31 March 2010 (and beyond).

3.6 The individual Directors reports in section B outline in detail the reasons for the variations on their budgets with the main issues summarised below:

3.6.1 Children's Services: forecast overspend of £1.559m

There has been an increase in the forecast outturn of £0.380m since the last report.

The main variations include:

- Pressures of £0.093m relating to the Children's Services element of the Carefirst project over and above the budgeted sum (total contributions in 2009/10 required of £0.264m partly met by utilising the carry forward of £0.129m from 2008/09 and £0.043m for ME learning from within the social care Training Budget)
- Additional costs of extended parent and child placements totalling £0.144m
- Care leavers £0.129m due to a combination of additional cost of accommodation and placements for 16/17 year olds arising from the Southwark judgement
- Other cost pressures have been mostly offset by increased vacancy savings

Management action continues to be taken to minimise the overspend at outturn including a reduction in the number of agency staff across the department

3.6.2 Community Services: forecast overspend £1.345m

The latest forecast is £104.151m against a revised budget of £102.804m, representing a forecast year end adverse variance of £1.345m (1.31%).

The forecast position represents a net performance compared to budget of:

- Adult Social Care of £2.000m - adverse
- Culture Sport and Leisure of £0.099m costs - adverse
- Environmental Services (£0.149m) - favourable

- Safer Communities (£0.025m) – favourable
- Service Strategy & Regulation (Business Support) (£0.580m) – favourable

The change in the period is due to pressures in Adult Social Care, Culture Sport & Leisure, a reduction in previously reported forecast savings in Environmental Services offset by further savings in Service Strategy & Regulation.

Adult Social Care – £2.000m overspend. The volume 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 £3.450m, this has been managed down to £2.700m and will continue to be addressed right up until the year end. The key variations are:

- Management Support and Care Management £0.132m
- Residential and Nursing Care (£0.650m)
 - in house and short stay services £1.014m
 - Long stay services (£2.422m)
 - Loss of chargeable income £0.788m
- Community Based Services £3.213m
 - Increased spend on direct payments £1.728m
 - Spot and Block Domiciliary Care, net £0.189m
 - Supported Living £1.212m
 - Community Equipment £0.435m
 - Non-Residential Income £0.271m
 - Day Care and other spend (£0.457m)
- Further Savings (£0.678m)

It is therefore anticipated that further action will be necessary and is being explored, including some very short term measures to contribute towards the (£0.678m) which also includes the ongoing panel and high cost package reviews

Culture, Sport and Leisure – £0.099m overspend due to trading deficits at Brickfields, Mayflower Centre and Mount Edgcumbe.

Environmental Services – (£0.149m) underspend due to a reduction in Public Protection Services costs and an increase in income, reduced hire costs in Fleet & Garage and lower Waste Disposal land fill tax volumes.

SSR – (£0.580m) underspend mainly due to vacancy savings, associated staffing costs and training.

3.6.3 Development & Regeneration: overspend £0.384m

There has been a slight improvement in the position during the period due to further reduced patronage on concessionary fares of (£0.200m) and increased vacancies and other favourable variations on housing and other areas totalling (£0.276m). However, this has been partly offset by further reductions in income of £0.228m relating to reduced rental income and poor car park patronage in January following poor weather.

It should also be noted that the authority will receive a further (£0.374m) additional Housing and Planning Delivery grant which has been applied to reduce the forecast overspend.

3.6.4 Corporate Support : forecast underspend (£0.139m)

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

The main variations include:-

- Utilising £0.109m additional admin subsidy grant
- Higher level of vacancies within Human Resources than previously reported

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.

3.6.5 Chief Executives: forecast underspend (£0.064m)

The Chief Executive Department's monitoring for January shows a favourable variation of (£0.064m) an increase in the period of (£0.040m). The department continues to achieve savings by holding vacancies and general slowing down of running expenses.

3.6.6 Corporate Items: forecast overspend £0.061m

The main reasons for the adverse variation of £0.219m during the period is the inclusion of the residual costs of stock transfer £0.816m partially offset by additional area based grant and energy contract savings.

3.7 If Directors and Departmental Management teams are unable to achieve reduced spend to balance the budget by 31 March 2010, any residual amount would have to be funded through working balances.

3.8 In contrast to this, if departments over-achieve the year end savings target, any resulting surplus will be allocated to the councils Waste Management Reserve.

3.9 In compliance with our Medium Term Financial Strategy, we aim to retain the Council's working balance at a level exceeding 5% of net revenue budget. Our forecast working balance at 31 March 2010 is £11.517m which is approximately 5.7% of our 2010/11 net revenue budget.

Recommendations:

1. The forecast revenue overspend is noted and the actions of Directors to reduce this overspend.

3.10 Icelandic banks update

3.10.1 Capitalisation Direction

On 31 January the Council received confirmation that the Capitalisation Direction application for the potential Icelandic bank losses had been approved in the sum of £5.8m. The Council is not required to account for any losses in Iceland until 2010/11 but can use the capitalisation direction to bring the losses into its accounts earlier. By utilising the Capitalisation Direction the Council could minimise the impact by spreading the loss over a 20 year period.

The situation with regards to Iceland remains unclear and subject to uncertainty. The £5.8m assumed a worst case scenario. For instance, the Council has recently been advised that it will now receive an additional dividend payment from Heritable which will reduce the statutory impairment charge. The final impairment charge from Glitnir and Landsbanki will depend on negotiations and outcome of court cases with the banks over future months. A retrospective adjustment (downwards) can be made in future years to any capitalisation made in 2009/10 as and when the position becomes clearer.

Cabinet approved the use of the Direction at its meeting of 9 February 2010.

3.10.2 Heritable Bank £3m

The Council has been advised that a further dividend will be payable in respect of Heritable bank before the end of the financial year, although there is no indication of how much this will be at this stage. Amounts recovered to date including interest, total £907,594.

3.10.3 Glitnir £6m

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.

3.10.4 Landsbanki £4m

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%).

3.10.5 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. The balance on this reserve is now £0.324m.

4.0 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%	96.9%
Housing Rents	97.3%	96.4%	4	£40.274m	98.5%	97.8%
Sundry Debt [^]	85.9%	86.9%	n/a	£60.000m#	92.5%	91.5%
<i>Commercial Rent (general fund)</i>	<i>n/a</i>	<i>80.8%</i>	<i>n/a</i>	<i>£5.000m#</i>	<i>92.5%</i>	<i>88.0%</i>
<i>Trade Waste</i>	<i>n/a</i>	<i>87.5%</i>	<i>n/a</i>	<i>£1.200m#</i>	<i>94.0%</i>	<i>94.0%</i>
<i>Adult Residential Care</i>	<i>n/a</i>	<i>90.3%</i>	<i>n/a</i>	<i>£9.000m#</i>	<i>93.0%</i>	<i>92.0%</i>

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

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

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

4.1 Local Taxation

Council Tax Collection – Forecast 96.0% v Target 96.0%

In-month collection during January fell slightly below target, with 9.2% collected against a target of 9.6%. Therefore the cumulative collection rate has fallen just below target with 89.94% collected against a target of 90.28%. This remains a 1.16% increase on the cumulative rate at the same time last year. This gap will put us below the revised forecasted collection rate of 96.9% by the end of March, although this will depend on whether we can improve on the forecast targets in the final two months of the year.

NNDR - Forecast 96.9% v Target 97.0%

Collection during January remains below the target with 7.75% collected against a target of 8.05%. This brings the cumulative collection rate to 91.62%, which is 1.03% below the target of 92.65%. This gap will put us below the revised forecasted collection rate of 96.9% by the end of March, although this will depend on whether we can improve on the forecast targets in the final two months of the year.

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

- Year to date collection is 89% compared to 87% for the same period last year
- In year collection (Apr 09-Jan 10) is 79%. £28.6m collected against £36.1m raised
- >30 days shows collection of 86%. £27.4m collected against £31.9m raised

There have been issues with a £2.5m invoice raised against Plymouth Primary Care Trust (invoicing the PCT for adult services commissioned is the method required by the Department of Health for 2009/10 and 2010/11) and approx £0.750m that was raised against Plymouth Community Homes that have had a detrimental impact on the collection percentage.

Key areas

Adult residential and non residential care – Forecast 92.0% v Target 93.0%

- Year to date collection is 92% compared to 90% for the same period last year
- In year collection (Apr 09-Jan 10) is 92%. £8.5m collected against £9.2m raised
- >30 days shows collection of 95%. £7.8m collected against £8.3m raised

Commercial Rent – Forecast 88.0% v Target 92.5%

- Year to date collection is 86% compared to 90% for the same period last year
- In year collection (Apr 09-Jan 10) is 86%. £3.6m collected against £4.1m raised
- >30 days shows collection of 88%. £3.5m collected against £3.9m raised

Trade Waste – Forecast 94.0% v Target 94.0%

- Year to date collection is 92% compared to 87% for the same period last year
- In year collection (Apr 09–Jan 10) is 90%. £0.900m collected against £1m raised
- >30 days shows a collection of 99%. £0.763m collected against £0.767m raised

5. Medium Term Financial Forecast- Revenue

- 5.1 The City Council, like everyone else, finds itself operating in the midst of a serious, unprecedented economic downturn. The National Debt currently stands at circa £178b; there will be a General Election early in 2010 bringing a possible emergency budget and we know that local government funding will reduce for the foreseeable future.
- 5.2 The current economy is causing significant budget pressures, as we experience the impact of reduced income from our car parks reflecting reduced trading activity; there is a significant drop in income from commercial rent as businesses close and vacate premises. The downturn has also brought reduced interest rates and therefore reduced income for our treasury investments.

- 5.3 As well as reduced income, the economy has brought further pressure on the Council due to the increased demand from areas such as Housing Benefits. We have to manage the pressures of increased numbers of children looked after, whilst managing the demographic growth and the demands of investing in services for our older people. As people live longer, so the demand on Council resources increases. We must also keep a watching brief on the massive shortfall in our pension funding.
- 5.4 Our resource assumptions through to 2012/13 reflect expected formula grant reductions for 2011/12 and 2012/13 which is unprecedented in terms of local authority funding to date.
- 5.5 We are used to getting in the region of a £6m year on year increase in revenue funding, to fund pay increases, general inflation costs, and the ever increasing demands on our services. Every 1% Council Tax rise represents just under £1m at £950k, and a 1% drop in Formula Grant represents approximately £1.06m. For 2010/11, we will receive a 2.5% increase in our formula grant, and are assuming a council tax increase of around 3% in line with the current MTFP.
- 5.6 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. Our current forecasts assume a real terms reduction of -2.5%.
- 5.7 Additional resources have been notionally allocated to those 'pressures' which have been identified as a corporate priority during the year including:
- Children's social care/looked after children
 - Waste Management
 - Housing Stock Transfer- Corporate impact/residual costs
 - Redundancy costs
 - Strategy for change/BSF
 - Increase demand from a growing elderly population
 - Economic Climate/Support for local business
- 5.8 These pressures will be kept under review and reported as part of the bi-monthly monitoring reports.
- 5.9 The 2010/11 budget will be finalised on 1 March 2010 at full Council. Each Department has been issued with a budget target for 2010/11. Indicative departmental targets for 2011/12 and 2012/13 will be issued as part of the update to the Medium Term Financial Strategy. Targets will change during the year as budget virements are actioned as part of the management process.

6. Capital Position

2009/10 Overall Capital Position

- 6.1 The capital programme for 2009/10, as approved in the previous monitoring report, is £95.345m. This bi-monthly report outlines recommendations to increase the in-year capital programme by £2.451m, which would increase the programme to £97.796m. Actual spend as at 31 January 10 was £62.364m (63.8% 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 £97.796m, 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 two months of the financial year based on known contractual commitments, it is considered that a more realistic estimate is a total spend of £95.8m, or 98% of the latest forecast.

Table 4

Department	Budget		Changes for Approval		Expenditure		Revised Forecast for year £000
	Restated Original Budget 2009/10 £000	Latest Appr'd Budget Nov 09 £000	Proposed Change in Period £000	Latest Forecast Jan 10 £000	Expend as at Jan 10 £000	Spend %'age of Forecast %	
Corporate Support	700	2,401	7,569	9,970	1,631	16.3%	9,900
Development	17,371	22,417	(2,001)	20,416	9,445	46.3%	19,000
Children's Services	52,057	55,904	(3,065)	52,839	40,752	77.1%	52,500
Community Services	14,858	6,632	(52)	6,580	3,261	49.6%	6,500
Corporate Items - HRA	7,222	7,991	0	7,991	7,275	91.0%	7,900
Total	92,208	95,345	2,451	97,796	62,364	63.8%	95,800

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

	£000
New schemes approved	8,148
Re-profiling/scheduling of schemes	(5,327)
Other Variations	<u>(370)</u>
Total variation in period	<u>2,451</u>

- 6.5 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:

	£000
Brickfields Astroturf replacement	97
Transport Asset Management Plan	56
Eastern Corridor – RDA capacity grant funded	50
Capitalisation approvals	7,800
Theatre Royal Car Park Lift Installation	80
Devonport Park additional DRCP funding	13
Devonport Guildhall project	<u>52</u>
	<u>8,148</u>

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

These schemes will be funded by grants and contributions (£0.268m), capital receipts (2.0m) unsupported borrowing (£5.8m) and revenue contributions (£0.080m)

- 6.6 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
School Kitchens	(250)
Compton	(260)
Highview (Efford)	(580)
Estover Campus	(325)
Early Years Grants	(900)
Childrens Centres	(200)
Childrens Services – other	(550)
Chelson Meadow / Leachate Works	(771)
Strategic Housing	(800)
Devonport Park	(277)
A386 George Junction	(115)
Other	<u>(299)</u>
	<u>(5,327)</u>

- 6.7 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
Civic Amenity Site	(100)
LTP reduced programme (funding reduction)	(98)
Private Sector Grants	(180)
Other	8
	<u>(370)</u>

- 6.8 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 £95.8 would be financed as follows:

	£000
Supported Borrowing	18,211
Unsupported Borrowing	15,192
Grants & Contributions (inc Section 106)	51,931
Capital Receipts	3,919
Revenue & Funds	<u>6,547</u>
Assumed financing of programme	<u>95,800</u>

- 6.9 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:

2. The movement on the capital programme during the period be noted and the inclusion of new schemes totalling £8.148m, outlined paragraph 6.6 and scheme variations/reprofiling totalling (£5.697m), outlined in paragraphs 6.7 and 6.8, be added to the programme for 2009/10

7. Medium Term Capital Programme Update

The current medium term capital programme 2009/10 – 2014/15 of £267m was approved at cabinet on 9 February 2010 and ratified at full Council on 1 March 2010. This figure has now increased by £7.8m (funded £2m from capital receipts and £5.8m unsupported borrowing) to £275m as a result of the capitalisation direction approvals detailed in paragraph 13.1.3

7.1 Capital Receipts Update

- 7.1.1 The capital receipts requirement within the current medium term programme is £30.359m. At the end of January, actual capital receipts available to finance the programme stood at £6.661m (excluding the Citybus receipt) as shown below:

	£000
Capital receipts b/fwd from 2008/09 (includes previously	4,789

ring-fenced receipt as per 9 February 2010 cabinet budget report - recommendation 3)	
Capital receipts received in 2009/10 as at 31 Jan 2010	<u>1,872</u>
Capital receipts available as at 31 Jan 2010	<u>6,661</u>

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

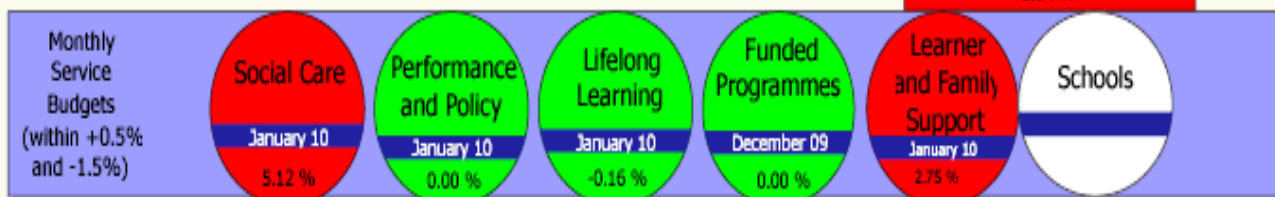
The following strategy map outlines the progress against each CIP.

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

Childrens Services
Monthly Revenue Budget

January 10

3.04 %



CIP 7. Keeping children safe

Measures



Milestones



Initial (IAs) and Core Assessment (CAs) are continuing to be monitored on a weekly basis. The placement stability indicator remains challenging with increasing demand for placements. Placement stability meetings were introduced into practice last year and are being fully embedded. Our recruitment strategy with a large recruitment campaign for Foster Carers have seen a large number of enquiries/responses and we anticipate over this year will impact positively on placement stability. There is a substantially higher number of children with a child protection plan but plans have not drifted. After achieving our target in 2008/9 and bettering the Nat. Avg. by 2.3% the first 6 months of 2009/10 has seen this trend continue. We expect to confidently meet targets at year end. Budget pressures are being experienced particularly with regard to staff resources. As work demands increase there is a need for more qualified social workers and experienced managers.

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% 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



Plymouth's Initial project is in the BSF Programme. This will allow significant investment to be made into secondary provision including a new school for the SW of the city. There is a buoyant atmosphere despite the long term pessimistic views about the effects that a reduction in public spending will bring.

8.3 Revenue Budget Monitoring - £1.559m overspend, 3.04% of Net Budget

The key reasons for the overspend are:

a) Policy and Performance – break-even

A contribution to the Carefirst project of £0.264m has been included within policy and performance section which will be partially met by the departmental carry forward from 2008/09 of £0.129m and £0.043m for ME Learning in the social care training budget. The budget for Carefirst will need to be vired to the Corporate project by the end of the year.

Efficiency savings and the maximisation of grant income have been identified to meet remaining pressures and deliver action plans.

b) Learner and Family Support - £0.257m overspend 2.75% of net budget

This area is experiencing pressures on school transport, particularly relating to escort costs for Early Years placements and the integrated disability service. These are being partially offset by vacancies and general reigning in of expenditure.

c) Lifelong Learning - (£0.021m) underspend (0.16%) of net budget

This area is forecast to return a modest underspend of (£0.020m) at the year end due to employee related savings being significantly in excess of the target offsetting a variety of cost pressures as previously reported.

d) Social Care - £1.322m overspend 5.12% of net budget

There has been an adverse variation of £0.320m across the whole range of Children's Social Care budgets since the last report mainly due to:-

- Additional costs of extended parent and child placements totalling £0.144m
- Rise in the Independent sector placements. There are now 406 placements within Children in Care which is an increase of 29 since the published number of 377 in April 2009
- Care leavers £0.129m due to a combination of additional cost of accommodation and placements for 16/17 year olds arising from the Southwark judgement. The impact of this on the homelessness budget (which formerly met the cost of accommodation for this client group) will need to be assessed with a reallocation of budget resources made as appropriate.

As set out above, there are a number of known variations that have been reflected in the monitoring forecast. Action Plans are currently being progressed in the following areas to mitigate against the potential overspend:

- The home to school transport policy is undergoing a review;
- The Integrated Disability Service direct payments has been 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 are increasing the pressures on the service.

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 minimise 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.

December 2009 monitoring of the DSG reported to Schools Forum on 25 January 2010 indicated a forecast pressure of £0.984m (an adverse variation of £0.045m since the previous report). 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. As over and underspends on the DSG are carried forward this will be a pressure in 2010/11 in addition to the £0.321m brought forward to 2009/10 which will have to be 'repaid' and is a commitment for next year. 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 2010/11 budget will be finalised on 1 March 2010 at full Council. Each Department has been issued with a budget target for 2010/11. Indicative targets for 2011/12 and 2012/13 will be issued as part of the update to the Medium Term Financial Strategy. Targets will change during the year as budget virements are actioned as part of the management process.

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 Jan 2010	Bi Monthly Variance	Expenditure as % of Latest Forecast
	£000	£000	£000	£000	%
Children's Services Department	52,057	55,904	52,839	(3,065)	77%

Actual expenditure as at the end of January 2010 was £40.752m.

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

£000 Profile Changes

- (325) Estover Campus New Build - Due to ICT delay and spread of contingency in cash flow.
- (580) High View (Efford) - Profile adjustment following receipt of detailed cash flow statement against previous estimated amendment in November 09. Project is in advance of original plan by about £0.9M net.
- (260) Compton New Classrooms - Design delay over options analysis and affordability. Scheme has now been increased to provide an integrated nursery unit (using ring fenced Early Years Grant).
- (900) Early Years Grants to Private, Voluntary and Independent (PVI) Nurseries. Delay in gathering condition and other information required to allow allocations to be made. Now anticipated that majority of works will take place in 2010/11. Ring fenced funding can be carried forward.
- (250) Delay in start of works to School Kitchens. Due to extended feasibility period.
- (200) Children's Centres - Delayed project starts due to affordability, lease and stake holder issues within proposed projects. Grant can be carried forward and projects should still be completed within funders required timescales.

(550) other

(3,065) Total Children's Services Profile Changes

8.9 Sure Start

Sure Start Revenue

No anticipated variation

Sure Start Capital

No change from previous report

9. Community Services

9.1 Corporate Improvement Priorities:

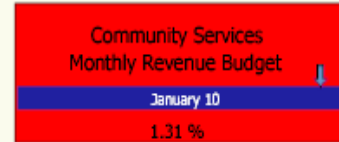
The Community Services department is leading on the following Corporate Improvement Priorities.

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

9.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall.

**Community Services
CIP Progress and Management Report**



CIP 3. Helping people to live independently



Following our mid-year performance review & subsequent monthly monitoring reports, we are continuing our focus on our assessments, reviews & work with carers. We expect to meet our milestones around Personal Budgets & Direct Payments. Social care staff have now co-located with healthcare staff in Plympton & Plymstock.

The budget continues to be under considerable pressure.

Management action plans are in place to help address the projected overspend.

CIP 4. Reducing inequalities between Communities



The unexpected rejection of our bid for £1.4m of funding to build a Gypsy site at Efford Warren, is a significant problem. The Council is reviewing its' options.

Following consultation on Locality working, including a formal Scrutiny process, LSP partners have agreed a model for Locality working which was supported by Cabinet on 19th Jan 10 and agreed by full council on 1st Feb 10.

Benefit and tax credit take-up is significantly exceeding the target (£4.6m realised in first 9 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. The Financial inclusion action plan is on target to be reviewed by March 2010 and a Scrutiny task & finish group will be part of this.

Community Cohesion and equalities work is on schedule.

Community Services CIP Progress and Management Report Cont'd

CIP 6. Providing more and better culture and leisure activities

Measures  Milestones 

The majority of milestones have been completed or are on target for the end of the financial year. The agreement has been signed for the provision of a swimming pool in the north of the city and the construction contract has been let for the building of the Life Centre. In addition the LAA Stretch Target '% of adult pop (16-74) participating in 30 mins of moderate physical activity 3 days per week' on schedule to meet its end of the 3 year projection. These are all significant milestones that have been achieved.

There has been some delay in the appointment of the management contractor for sports facilities and the project milestones have been revised. There is a possible delay on the Plympton library scheme and potential solutions are being considered.

Meetings have been held with the National Archives and the Museum, Libraries and Archives Council (MLA) to agree a long term approach to the issue of the West Devon Records Office re-location.

Further work will commence in the new financial year regarding the long term financial viability of the Theatre Royal.

It is planned to take the Sports Facilities Strategy to Cabinet early in the next financial year as it is being revised following extensive consultation.

Long term management arrangements for Brickfield Sports Centre forms part of the leisure management contract subject to a competitive dialogue process, commencing spring 2010.

New young persons headspaces schemes will take place in the Devonport library in the summer of 2010, and Plympton library in Spring 2011

Chartermark inspection and assessment of Museum in March 2010.

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. One of the three shortlisted bidders withdrew from the procurement in January 2010 but the remaining bidders are continuing on programme to prepare their detailed solutions for return in March 2010. Operational delivery is 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.

As stated in previous comment (November 2009) 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. The percentage of municipal waste landfilled in December rose to the highest level recorded in the year to date reflecting normal seasonal patterns but was almost 3.6% better than the same month last year and the cumulative performance for the year to date is within 0.2% of the annual target

Disruption to collections caused by heavy snow and ice in the early part of the month resulted in the average number of reported missed collections per day exceeding the target for the first time in 5 months. Performance returned to normal during the second half of the month.

9.3 Community Services Dept – Forecast is an overspend of £1.345m

The latest forecast is £104.151m against a revised budget of £102.804m, representing a forecast year end adverse variance of £1.345m (1.31%).

The forecast position represents a net performance compared to budget of:

- Adult Social Care of £2.000m - adverse
- Culture Sport and Leisure of £0.099m costs - adverse
- Environmental Services (£0.149m) - favourable
- Safer Communities (£0.025m) – favourable
- Service Strategy & Regulation (Business Support) (£0.580m) – favourable

The change in the period is due to pressures in Adult Social Care, Culture Sport & Leisure, a reduction in previously reported forecast savings in Environmental Services offset by further savings in Service Strategy & Regulation.

The Director and Assistant Directors continue to hold vacancies and review non-essential spend to help the departments overall financial position.

The main variations from the budget within the service areas are: -

Adult Social Care – £2.000m overspend. The volume 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 £3.450m, this has been managed down to £2.700m and will continue to be addressed right up until the year end.

The key variations are:

- Management Support and Care Management £0.132m
- Residential and Nursing Care (£0.650m)
 - in house and short stay services £1.014m
 - Long stay services (£2.422m)
 - Loss of chargeable income £0.788m
- Community Based Services £3.213m
 - Increased spend on direct payments £1.728m
 - Spot and Block Domiciliary Care, net £0.189m
 - Supported Living £1.212m
 - Community Equipment £0.435m
 - Non-Residential Income £0.271m
 - Day Care and other spend (£0.457m)
- Further Savings (£0.678m)

In year actions have achieved results in a number of areas, however, new and increased pressures, together with some delays in achieving savings, have led to the current overspend position. The culmination of the numbers of increased panels plus specific review team activity is contributing to slowing down further cost pressures, but not significantly reducing existing spend. The management of costs through the further access to care criteria is £0.400m which is lower than the savings initially anticipated'.

It is therefore anticipated that further action will be necessary and is being explored, including some very short term measures to contribute towards the (£0.678m) which also includes the ongoing panel and high cost package reviews, these may include:

- Capital Grant maximisation by reviewing revenue spend
- Reduce the volume of temporary staff being used
- Review of Direct Payments to identify overpayments or under utilisation

There are also a number of risks contained within the assumptions:

- The Health Learning Disability Transfer to Social Care, being backdated to 2008/09, is not contained within these assumptions due to ongoing dialogue with Health partners, £0.300m
- Income will be recovered from Health (also subject to ongoing dialogue)
 - (£0.448m) – Learning Disability Forensic Clients recharges
 - (£0.556m) – Joint Packages, recharges

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, will meet for the first time before the end of the financial year. This will ensure transformation, performance, improved client outcomes, alignment with partners, cost reduction and financial risks are all managed and co-ordinated effectively during 2010/11.

Culture, Sport and Leisure – £0.099m overspend due to trading deficits at Brickfields, Mayflower Centre and Mount Edgcumbe.

The deficit position projected at Brickfields of £0.170m is a result of higher costs for the dance/activity programme and site utilities and lower income on the Astro Turf. The Astro Turf surface has been out of commission during the year as it was not safe to use. Devonport Regeneration Community Partnership have funded improvement works that have recently started to improve the surface. A review of instructed classes will ensure that costs will be covered by income in future. The Mayflower Centre deficit is comparable with previous years and is a result of declining income/usage due to the competition the centre faces from newer citywide Community facilities within school sites, it also faces the challenge of operating during the Life Centre construction.

At Mount Edgcumbe higher staffing costs have been incurred during the initial set up of the new and enhanced catering/retail activity and unforeseen work to the sewerage infrastructure also had to be completed. A business plan has been produced within constituent authority support and income generation from landlord and commercial activities, challenge and review of this continues with colleagues from Cornwall Council to develop and achieve increasing efficiencies for the future to include improved risk management and to replenish reserves.

The Library Service book fund spend has been curtailed in the short term to help manage budget pressures arising within the service.

Environmental Services – (£0.149m) underspend due to a reduction in Public Protection Services costs and an increase in income, reduced hire costs in Fleet & Garage and lower Waste Disposal land fill tax volumes.

Safer Communities – (£0.025m) underspend due to further vacancy savings and savings within equality commissioning.

SSR – (£0.580m) underspend mainly due to vacancy savings, associated staffing costs and training. 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, but now to contribute towards the Adult Social Care position.

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 some of the actions are going to be challenging to achieve. Consequently, further short term actions to contain spend are continually being considered. Progress against all action plans continues to be monitored monthly and in some cases weekly. Eg panel reviews.

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 Health and Adult Social Care relating to both reviews of joint packages of care, Continuing Health Care and transfer of Learning Disability commissioning budgets.
- b) The ability of the department to increase service levels / client numbers to achieve the CIP targets – particularly within Adult Social Care.
- c) Managing expectations of enhanced levels of service against the approved budget particularly around waste collection and street scene.
- d) Increasing pressures of Landfill Allowances Trading Scheme 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 2010/11 budget will be finalised on 1 March 2010 at full Council. Each Department has been issued with a budget target for 2010/11. Indicative targets for 2011/12 and 2012/13 will be issued as part of the update to the Medium Term Financial Strategy. Targets will change during the year as budget virements are actioned as part of the management process.

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 without careful monitoring during implementation to build on learning from other authorities experiences.
- c) The integration and joint commissioning agendas and the partnership working with Health Partners
- d) The impact of proposed Central Government changes relating to free personal care are currently being determined in more detail. Early assumptions highlight a direct financial pressure of £1m pa with a part year impact in 2010/11 of £0.500m if the scheme becomes law and is implemented in October 2010 as planned by the Government. Changes will also need to be made to the care management process which might create financial pressure which will need to be addressed by management.
- e) The Municipal Waste Management Strategy identified that waste disposal costs would increase significantly in the future years due to the need to procure and operate 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. There are a number of implications for the Medium Term, likely to be in the region of £15 million in the period 2010-2019. The Council will need to work with Central Government, partners, and the private sector, to identify further sources of funding to reduce the impact on the Council Tax payer.

- h) The Mount Edgcombe Business plan carries with it an element of risk, due to increased income aspirations in the catering facilities. Increased monitoring will need to be considered to ensure that the performance of the delivery plan is achieved in order to avoid any liabilities for the City Council and Cornwall Council respectively.
- i) The unexpected rejection of the £1.4m capital funding bid to build a Gypsy site at Efford Warren creates a financial pressure. Discussions are taking place to explore if the bid can be resubmitted.

9.7 Capital Spend / Programme

Community Services	Latest Approved Budget	Latest Forecast Jan 2010	Monthly Variance	Spend to Jan 10	Spend as % of Latest Forecast
	£000	£000	£000	£000	%
Culture, Sport & Leisure	5,320	5,416	97	2,924	54
Adult Health & Social Care	576	445	(131)	199	45
Environmental Services	736	719	(17)	138	20
TOTAL	6,632	6,580	(51)	3,261	50

Actual spend on the programme as at end of January 2010 was £3.261m

Significant variations against individual capital schemes are:

£000

Culture Sport & Leisure

- 97 Brickfields Astroturf has been approved for installation of new Astroturf which is fully funded via Devonport Regeneration Community Partnership

Adult Social Care

- (131) Assumptions made that current year budget and roll forwards from last year will be spent in full this year, however, one scheme which was planned with our health partners has not come to fruition. Approval from the Department of Health has been sought in order to roll this forward to the new financial year.

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
January 10
2.35 %



CIP 5. Providing better and more affordable housing

Measures ●

Milestones ●

Affordable Housing completions by end January 2010 has reached 306 (against our LAA NI 155 target of 236) and we are projecting completions for the year to be 389. This is as a result of proactive 'enabling' work that turned the threats posed by the housing market slowdown and recession into opportunities to purchase additional affordable units and sites. In addition properties delivered under the Government's Home Buy Direct scheme to help in the market slowdown are also able to be counted as affordable housing. With Stock Transfer completed we are continuing working on establishing a monitoring system to monitor the delivery of transfer promises and progress towards Decency targets. In January we completed our first Mortgage Rescue through a mortgage to rent option under the government's Mortgage Rescue Scheme sufficient alone to prevent homelessness. There are a further three in the pipeline.

CIP 11. Improving access across the city

Measures ●

Milestones ●

The emphasis for 09/10 work programme has been improving reliability of public transport journeys on the A386 Northern Corridor including improving access to health and employment facilities in Derriford. The bus priority lanes on the A386 are on track for completion by end of March. The updated Derriford Hospital Accessibility Action Plan has been agreed with the Hospital and has now been adopted by the Healthy Theme Group. Progress continues on preparation of further Accessibility Action Plans and delivery of accessibility measures but progress on the Young Persons Accessibility Action Plan is slipping. The Strategic Cycle Network Plan has been completed and is now informing cycle infrastructure priorities for the 10/11 Capital Programme including the delivery of a key cycle route into St. Judes being delivered as part of the East End scheme. The 10/11 Transport Capital Programme has been agreed by Corporate Delivery Board. The draft Network Management Plan is on schedule to complete end of February. The Corporate Travel Plan needs to be brought to CMT to enable it to progress.

CIP 12. Delivering sustainable growth

Measures ●

Milestones ●

As last reported, the Delivery of the City's growth agenda is still on track despite the recession. Work on the recession action plan is now looking towards recession recovery and the Market Recovery Action Plan for 2009 is now complete, with 7 sites having gained planning consent and 3 others still under consideration. The work of the wealthy theme group is being considered alongside the wider LSP workings with a new work programme and membership due for decision in the coming months. Delivery of strategic infrastructure is still on track with work on the East End Community transport Improvements scheme due to begin in May. The east End scheme is the current focus to ensure delivery within the agreed DCLG funding timeframes. The City Centre and University Area Action Plan has been to its hearing and we now await the Inspectors report in March 2010. 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. 384m

Development currently has forecasted revenue overspend at year end of £0.385m, the majority of which is due to recessionary pressures. There is a shortfall of £0.545m of car park income, £0.128m shortfall from City Market reserves and £0.421m of loss of income from Economic Development income. Where possible, Officers are taking remedial action possible 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.

Other variations include £0.059m due pressures on funding for CCTV, £0.223m from an understatement of capital charges on the parking account. However offsetting these adverse variations are favourable variations including a variation of (£0.450m) from concessionary fares - although this is a volatile area and it is being closely monitored – an additional (£0.213m) of income being received from Sutton Harbour, and other variations totaling (£0.328m).

It should also be noted that the authority will receive a further £0.374m additional Housing and Planning Delivery Grant.

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 January 2010 is as follows:

Table 7

Activity	Latest Approved Budget £'000	Latest Forecast £'000	Monitoring Variation to 30 November £'000	Monitoring Variation to 31 January £'000
City Market	138	143	(7)	5
Off Street Parking*	(1,125)	(756)	217	369
On Street Parking*	(1,349)	(1,146)	119	203
Street Trading	0	0	0	0
Development Trading Accounts	(2,336)	(1,759)	329	577

*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 which are largely complete.

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 are being closely monitored and will be the subject of further reports.

Housing

As part of the housing stock transfer, the Council is required to put in place a viable business plan for tackling housing issues in the North Prospect Estate. At the finalisation of the transfer agreement, we secured a funding arrangement with the Homes and Communities Agency, of £44m over 10 years as part of the Local Investment Plan package. PCH will also contribute the remaining funding under a tripartite agreement to regenerate the estate. The first step in this process is the development of a master plan, and stakeholder meetings are underway together with technical surveys to achieve this.

10.7 Departmental Medium Term Forecasts

The 2010/11 budget will be finalised on 1 March 2010 at full Council. Each Department has been issued with a budget target for 2010/11. Indicative targets for 2011/12 and 2012/13 will be issued as part of the update to the Medium Term Financial Strategy. Targets will change during the year as budget virements are actioned as part of the management process.

10.8 Capital Spend / Programme

Table 8

	Original Approved Budget	Latest Approved Budget	Latest Forecast Dec 2009	Latest Forecast Jan 2009	Bi Monthly Variance	Expenditure as % of Latest Forecast
Development Directorate	£000 20,932	£000 22,417	£000 21,900	£000 20,416	£000 (2,001)	46%

Actual spend at the end of January 2010 was £9.4m.

The significant variations arising during the period are:

£000

(115) A386 George Junction

The settlement of land compensation claims has further been reprofiled into 2010/11, as a number of claims remain with the district auditor, and it is unclear what these final claims will be. A letter to the Dft, as part grant funder of this project, detailing these changes has been drafted by the Project Officer.

56 Transport Asset Management Plan

This project will coordinate a number of currently disorganised recording systems, to produce one consistent system, which can be subsequently further developed to produce the requirements of the International Financial Reporting System. This expenditure is grant funded and must be defrayed by 31.03.10.

(277) Devonport Park

With severe weather forecasted for the whole of January, the Project Officer has considered it prudent to reprofile £277k of expenditure into early 2010/11. This meets the funding conditions of the Heritage Lottery grant.

(771) Chelson Meadow Capping/Leachate works

Reprofiling of contractual pain share and contingency allowances, as well as the associated fees for programmed contractual completion movement to 2010/11, following accelerated delivery programme approval.

(100) Civic Amenity Recycling Centre

The 100k contingency for contamination arisings, budgeted in 2009/10, is no longer required and the Capital Receipt funding earmarked for this has been returned to the corporate centre.

(800) Strategic Housing

This includes reprofiling of the following projects from 09/10, into 2010/11: Loans (£250k), stock condition (£45k), home energy (£66k), empty homes (£50k), and C.P.O recycling (£63k). Other slippage in 09/10 is required in 10/11, to help to balance Public Sector Renewal and Disabled Facilities Grant (D.F.G) income pressures and a huge demand in D.F.G's.

11. Corporate Support

11.1 Corporate Improvement Priorities:

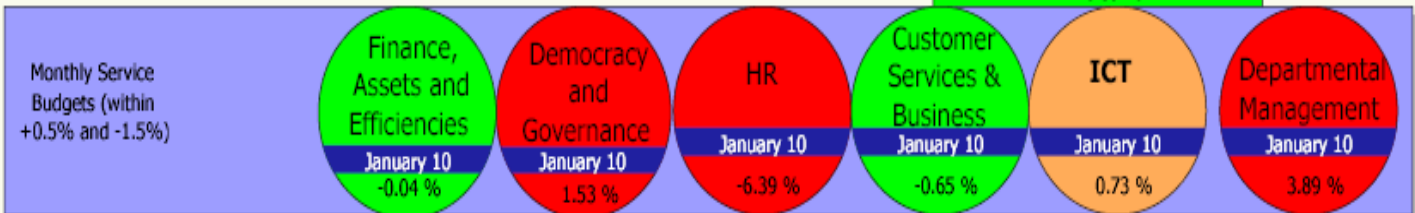
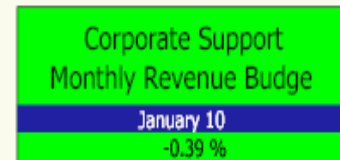
The Corporate Support department is leading on the following Corporate Improvement Priorities.

- 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



CIP 1. Improving Customer Service

Measures ● Milestones ●

The corporate complaints handling course has been developed and will be piloted in February. Monthly surveys have been designed to assess customer satisfaction and will be commenced in February with feedback to all service managers on a quarterly basis. The CRM pilot has been scoped and the pilot will be looking at the suitability for managing the complaints process which will be completed by April. The Getting it Right and Righting the Wrongs Pilot has commenced with Cashiers, Libraries, Exeter City Council and Teignbridge district Council all being supported to help test the toolkit and achieve Customer Service Excellence Accreditation by April. The 'Customer Promise' and Staff Suggestion and Customer Care Award Scheme have all been completed and drafts submitted to CMT for approval with roll out anticipated after June. Work is underway to identify services for inclusion into the Customer Contact Centre and some LEAN Systems thinking analysis is being scoped for Public Protection Service. Analysis of the telephony requirements is nearing completion with a final report expected by April. A decision regarding which other service will be included in the scope for LEAN Systems thinking is awaited from CMT. Staff training in change management (FISH) is being successfully rolled out across the council and will continue through to April.

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. 100% role profiles have been completed. In line with target, 89% appraisals have been completed using the new competency framework. Manager-On-Line development is on-track and instability issues appear to have resolved. User Acceptance testing has commenced and feedback from managers is positive and issues are being promptly addressed. Volume testing is to be undertaken to further safeguard the robustness of the system. The communications rollout has commenced and briefings to raise awareness amongst managers of Manager-On-Line are planned for week commencing 8th February 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 ●

The Accommodation Strategy presented to Corporate Management Team in November was agreed in principle but exact details for implementation are still being considered. The Floor 5 pilot is providing evidence to inform the wider implementation of the strategy. A Service Level Agreement has been put in place with PCH and will inform the CIP 14 refresh to determine the work needed next year. We are continuing to identify new efficiencies in year, for example through the development of the Waste PFI in partnership with Torbay and Devon. Our current cumulative in year efficiencies achieved to date is £9.6m, which has been formally accepted by the CLG. Where this is short of our cumulative target, we are confident that recent developments will strengthen our position. Much progress has been made in improving awareness and understanding of VFM across the Council, however where slippage has occurred, this has mainly been in areas of central coordination where there had been delays to the appointment of the new Head of VFM & Efficiencies role in the Finance, Assets & Efficiencies restructure. 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. We have been successful in securing funding from Salix to fund several projects across the authority.

11.3 Corporate Support – Forecast under spend of (£0.139m) (-0.4%)

The forecast variation in Corporate Support shows a projected underspend of (£0.139m) compared to (£0.027m) forecast in November.

The main variations are:

(a) Finance, Assets and Efficiencies:

A net underspend of £0.007m is now 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.

(b) Democracy and Governance :

An overspend of £0.089m is forecast mainly as a result of additional staff related costs within Democracy and Governance mitigated by salary related savings in Legal services.

(c) Human Resources

An under spend of (£0.260m) 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 January, monitoring of progress indicated plans totalling £0.047m have been rated as at high risk of not being achieved in the planned areas. However, compensating savings have been made across the department for 2009/10.

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 2010/11 budget will be finalised on 1 March 2010 at full Council. Each Department has been issued with a budget target for 2010/11. Indicative targets for 2011/12 and 2012/13 will be issued as part of the update to the Medium Term Financial Strategy. Targets will change during the year as budget virements are actioned as part of the management process.

11.7 Capital Spend / Programme

	Original Approved Budget	Latest Approved Budget	Latest Forecast Dec 2009	Latest Forecast Jan 2009	Bi Monthly Variance	Expenditure as % of Latest Forecast
	£000	£000	£000	£000	£000	
Corporate Support	700	2,401	2,401	9,970	(7,569)	16%

£000

Latest approved	2,401
Capitalisation direction (see para 13.1.3)	7,800
Reprofiling (mainly IT programme)	<u>(231)</u>
Forecast year end position	<u>9,970</u>

Actual spend at end of January was £1.63m.

a) The latest approved budget for I.T. for 2009/10 is £1.087m.

The current projection is to achieve 80% of the total programme. Actual expenditure, net of 2008/09 accruals as at the end of January 2010 was £0.772m, which equates to 87% of the Latest Approved Budget.

b) The latest approved budget for Corporate Real Estate is £1.310m.

The current projection is to achieve 100% of the total programme. Actual expenditure, net of 2008/09 accruals as at the end of January 2010 was £0.860m, or 66% of the proposed Latest Approved Budget.

12. Chief Executive

12.1 Corporate Improvement Priorities:

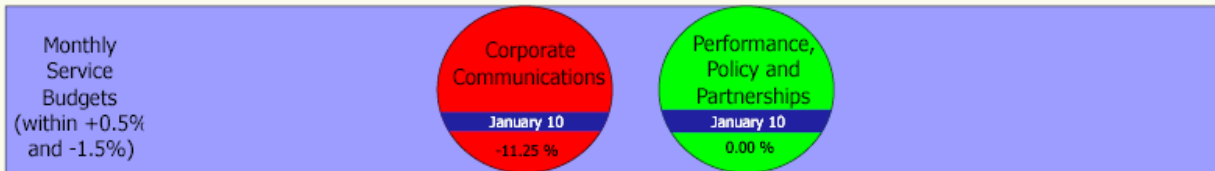
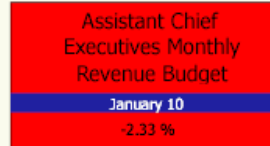
The Chief Executive's department is leading on the following Corporate Improvement Priorities.

- Informing and Involving Customers (CIP 2)

12.2 Progress against priorities

The following Scorecard outlines progress against each CIP overall:

Chief Executive's CIP Progress and Management Indicators



CIP 2. Informing and involving customers

Measures



Milestones



The final resident's panel (Plymouth Points of View) survey of the current contract was completed in December. As previously reported, the future role of the panel is the subject of discussion with partners, and is also a consideration in on-going work to develop new public engagement systems underpinning the emerging Localities model.

The CIP2 programme manager continues to work closely with Localities leads to develop associated public engagement systems, building on good practice from elsewhere in the country, and drawing on input from the council's consultation network. This work will continue in line with approved Localities timescales.

Work to continue joining up partnership activity in respect of public engagement is featured in the CIP 2 refresh. The development of an associated (NI4) partnership-wide action plan aims to improve Place Survey scores and will - in part - be informed by the results of a series of 4 focus groups which commenced in January (funded with Targeted Support monies drawn down from government via Creating Excellence). Through these focus groups, we are exploring with residents from across the city their thoughts on what drives their perceptions of their ability to influence local decision-making (NI4).

Elsewhere, work - led by CPU - is progressing with ISD and Customer Services to improve use of the web and associated on-line systems to support customer feedback.

CIP2 and CIP1 leads are continuing to look at ways of joining up respective work programmes to ensure best use of resources and improve outcomes for our customers.

12.3 Revenue Budget Monitoring – under spend of (£0.064m)

The Chief Executive Department's monitoring for January shows a favourable variation of (£0.064m) an increase in the period of (£0.040m) due to the under spend on the cost of Plymouth People. The department continues to achieve savings by holding vacancies 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. Future year implications are being addressed 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

Delivery plans have been identified to achieve the 2010/11 target budget. However, work will need to continue to identify ongoing savings to address the pressures in future years, as this still relies heavily on external funding.

Funding is required to replace the website content management system and whilst this project is actively being taken forward expenditure is not likely to be incurred until 2010/11.

12.6 Departmental Medium Term Forecasts

The 2010/11 budget will be finalised on 1 March 2010 at full Council. Each Department has been issued with a budget target for 2010/11. Indicative targets for 2011/12 and 2012/13 will be issued as part of the update to the Medium Term Financial Strategy. Targets will change during the year as budget virements are actioned as part of the management process.

13. Corporate Items & Cross-Cutting Issues

13.1 Corporate Items - Revenue Budget Monitoring – overspend £0.61m (-0.5%)

13.1.1 An adverse variation of £0.061m is forecast for the year, an adverse variation of £0.219m over the 2 months. A summary of the main variations forecast for the year, with details of the main variations arising in the period is outlined below:

	£000
Pay Award	(1,054)
Energy contracts	(484)
Enhanced superannuation	(13)
Area Based Grant (see below)	(106)
City Bus dividend (transferred to corporate items)	84
Revenue cost of stock transfer	816
Capital Financing	<u>819</u>
	<u>61</u>

13.1.2 Contingency

The contingency for the year of £0.500m has been utilised in full, following the approval by Cabinet at its meeting of 9 February to a virement of £0.425m to the Carefirst project.

13.1.3 Capitalisation Directions

The Council received notification that 2 of its applications for a Capitalisation Direction had been successful. At its meeting of 9 February Cabinet agreed to the capitalisation of up to £2m of redundancy pension strain payments. Cabinet will give further consideration to the capitalisation of up to £7m as a one off transfer to the pensions fund by the end of the year.

The approval of the capitalisation direction means that the cost of statutory and non statutory elements of redundancies can not only now be met in full from the redundancy reserve, but there will be a balance on the reserve which can be carried forward to future years. Capitalisations in respect of pension strain payments must be met from capital receipts.

Approval was also given to capitalisation of a further £5.8m in respect of potential Icelandic bank Losses. This amount will be financed by temporary borrowing, pending receipt of VAT shelter/RTB receipts.

The £7.8m will need to be added to the capital programme for 2009/10.

An additional transfer to the pension fund of up to £7m will be considered prior to year end subject to identification of capital resources.

13.1.4 Area Based Grant (ABG)

A number of new grants awarded during the year will be paid as Area Based Grant, with latest indications from the CLG website showing total ABG for the year of £14.727m a favourable variation of (£0.106m). Departments will usually receive notification of a new grant award from the relevant Government department, and whilst the grant may be issued for a specific initiative and there may therefore be an expectation by the Government Department that it is used to deliver specified outcomes, ABG remains a general unringfenced grant and the Council is free to determine how this should be used. In line with the policy agreed by CMT during budget setting 2009/10, all ABG awards in respect of 'new' grants are not allocated to departments but form part of the overall general resource pot for the Council. It has been assumed that additional grant in 2009/10 will therefore be utilised to offset the forecast budget overspend.

Corporate Projects

13.1.6 Revenue cost of stock transfer

As part of the budget setting exercise for 2010/11, we have worked to firm up the implications of the residual costs of stock transfer, and allocated budgets across departments as appropriate. The total part year revenue cost is now estimated as £0.816m. This variation has not previously been reflected in monitoring figures, but given the unsuccessful outcome of the major projects exceptional capitalisation direction, it is unlikely that alternative options will now be identified to enable these costs to be offset from the capital resources negotiated under the transfer agreement, and the (adverse) figure has now been included within the Corporate items forecast outturn for the year.

13.1.7 Citybus Dividend

The Citybus dividend payable to the Council in respect of 2008/09 financial year is £0.084m less than budget. In recognition that the sale of Citybus was a corporate project, it is appropriate that the shortfall in the dividend should be reported as a corporate not departmental pressure.

13.1.8 CareFirst

As reported to Cabinet on 9 February, arrangements for the introduction and updating of Carefirst across the Council have recently been reviewed and implemented following consideration by CMT, these include revised governance with the formation of a new Project Board to tighten controls and focus on the delivery of the project. Importantly we are now viewing the project as more than just simply implementing a technological solution or package and are addressing wider service transformation and improvements, behaviours and cultures within services. This will enable us to fully utilise the system and get the maximum benefits.

We have reviewed the timetable and put Children's Services first in terms of implementation and Adult Social Care second. The result of this is that Children's Services will be implemented significantly quicker than previously planned. This will address concerns and issues raised as part of the recent inspection of the service.

Adult Social Care will see the system implement during 2012 which is not significantly longer than original timescales.

The level of required resources to achieve the timescales has also been revisited, all budgets have been reviewed, while there are ongoing budget challenges these will be address by keeping the project under constant review and looking to deliver efficiencies as a result of the new systems and transformation work as we progress. Provision of £0.400m has been made available in the 2010/11 and 2011/12 budgets and approval has been given to vire the balance on the contingency of £0.425m to the project.

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

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.

13.3 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 latest position on the reserves is shown in Appendix D.

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 monitoring of the insurance provision has indicated that current claims will exceed the available provision by around £0.5m. Any deficit on the account will be topped up by a transfer from the insurance reserve in the first instance.

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 Contingent Liabilities

In addition to the specific reserves and provisions outlined above, there are a number of areas that may result in a financial liability to the Council but which cannot be quantified both in terms of costs and timing with any certainty. In the main these relate to legal claims against the Council or guarantees given by the Council to its subsidiaries and associates. The Council is required to disclose all contingent liabilities in a note in the Statutory Statement of Accounts. The contingent liabilities were reported in detail in the last monitoring report, and there has been no change during the period.

13.4 Partnership – Accountable Body Schemes – DRCP

The grant allocation for the year is £7.621m. Actual spend to the end of January 2010 was £2.513m with claims yet to be processed totalling £0.449m. The programme remains high risk not least because much of the spend is profiled to the last two quarters of the year. Monthly claims are in place for High risk, high value schemes to enable earlier warnings of potential underspends in the year. Monthly meetings continue to be held with officers from DRCP, PCC and GOSW.

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 which are yet to be addressed, and whilst Officers of both the Council and DRCP have met to discuss a way forward, conditions 1, and 2 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

14 HRA – Revenue Budget

- 14.1 Officers have now completed negotiations with PCH and agreed the apportionment of the arrears and prepayments. Work is continuing on the closedown entries for the account and 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 and which has been budgeted to be spent in 2010/11 as outlined at council in October 2009.
- 14.2 Officers have also written to the CLG to seek formal consent to:
- (i) transfer residual properties, namely the SHIP hostel and Raglan Court to the Council's General Fund, and
 - (ii) formally close the HRA.
- 14.3 It will also be necessary to transfer any HRA land that did not transfer to PCH from the HRA to the General Fund, and this will be completed as part of the overall closedown of the Council's accounts.
- 14.4 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. Invoices continue to be paid for work completed/outstanding commitments prior to transfer date and spend up to 31 January was £8.604m, including a sum of £0.900m to complete works at Devonport. Officers continue to negotiate reimbursement of the overspend from PCH.

Section D – Treasury Management Activity

16. Loans and Investments

Borrowing

16.1 The Council's loans at 31 January 2010 were:

	Principal O/S £000	Average Rate %
PWLB (Public Works Loan Board)	30,129	5.7265
Market Loans	130,000	4.4202
Bonds	83	3.5574
Temporary Loans	40,650	0.2943
Total Borrowing:	200,862	3.7808
Add Devon Debt @ 31/01/10	34,220	5.4000
Total Debt 31/01/10	235,082	4.0165

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

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

16.3 The maximum borrowing outstanding in the period 1 December 09 to 31 January 10 was £237.082m on 18 January 10. This was within both the authorised limit and the operational boundary.

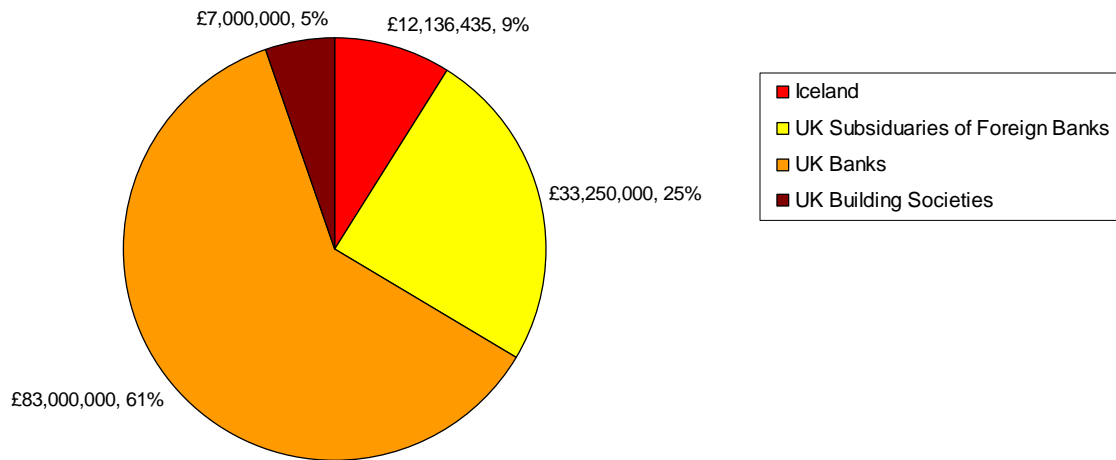
16.4 At the end of January 2010 the Council's borrowing stood at £235.082m, including temporary borrowing taken to cover cash flow requirements. This represents a reduction of £170.652m since the 1 April 2009 and is in line with the Council's policy to reduce debt.

16.5 The current borrowing strategy for the remainder of 2009/10 will be to continue to 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

16.6 At 31 January the Council's investments stood at £135.386m. This has increased from £124.416m at 30 November due to the receipt of £19.265m from the City Bus sale offset in part by the use of deposits to cover temporary loan repayments and cash flow requirements. The pie chart below analysis the investments by country.

**PCC DEPOSITS BY COUNTRY AT 31st JANUARY 2010 - Total Deposits
£135,386,435.48**



16.7 The investment level is forecast to fall to £105m by 31 March 2010 as the Council continues its policy to reduce debt and investment levels in the current financial climate.

16.8 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	09/12/09	08/12/10	364	1.82
£5.0m	19/01/10	18/01/11	364	1.82

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

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

16.11 The revised Borrowing and Investment strategies for 2010/11 were approved by Cabinet on 9 February 2010, following scrutiny by the Audit Committee. The strategies will apply from 1 April 2010.

Section E – Local Area Agreement

17. LAA

17.1 Progress against the Local Area Agreement 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 December 2009, to be presented to the LSP Theme Groups in February and March 2010. The following paragraphs highlight the main areas to note. 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.

17.2 Health Targets

- 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 – the third quarter performance figures show that the stretch target has not been achieved and the PRG cannot now be claimed (£618K lost).
- Smoking cessation – despite significant additional activity by the Smoking Cessation Service and increased referrals, the two stretch targets are highly 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 - the target is not likely to be met in spite of a more focussed plan. Recent local data indicates the trend is worsening again. (£618K at risk).
- 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 £628K of Reward Grant.

17.3 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 very poorly due to the slow-down in the housing market. We are seeking a re-negotiation around what we can achieve within the scope of our local market recovery actions.

17.4 Safe & Strong Targets

- Stability of Looked After Children placements – impacts being felt resulting from the Baby P case and the Southwark judgement which bring more young people into the care system, this is very difficult to resolve in the short term. (£234K).
- 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 to convince the national treatment Agency that our local data is more reliable than the national data. (£1111K at risk).
- NI 192 Recycling levels – currently showing amber, there is a risk that the target for the year will not now be met.
- 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.

17.4 Wise Targets

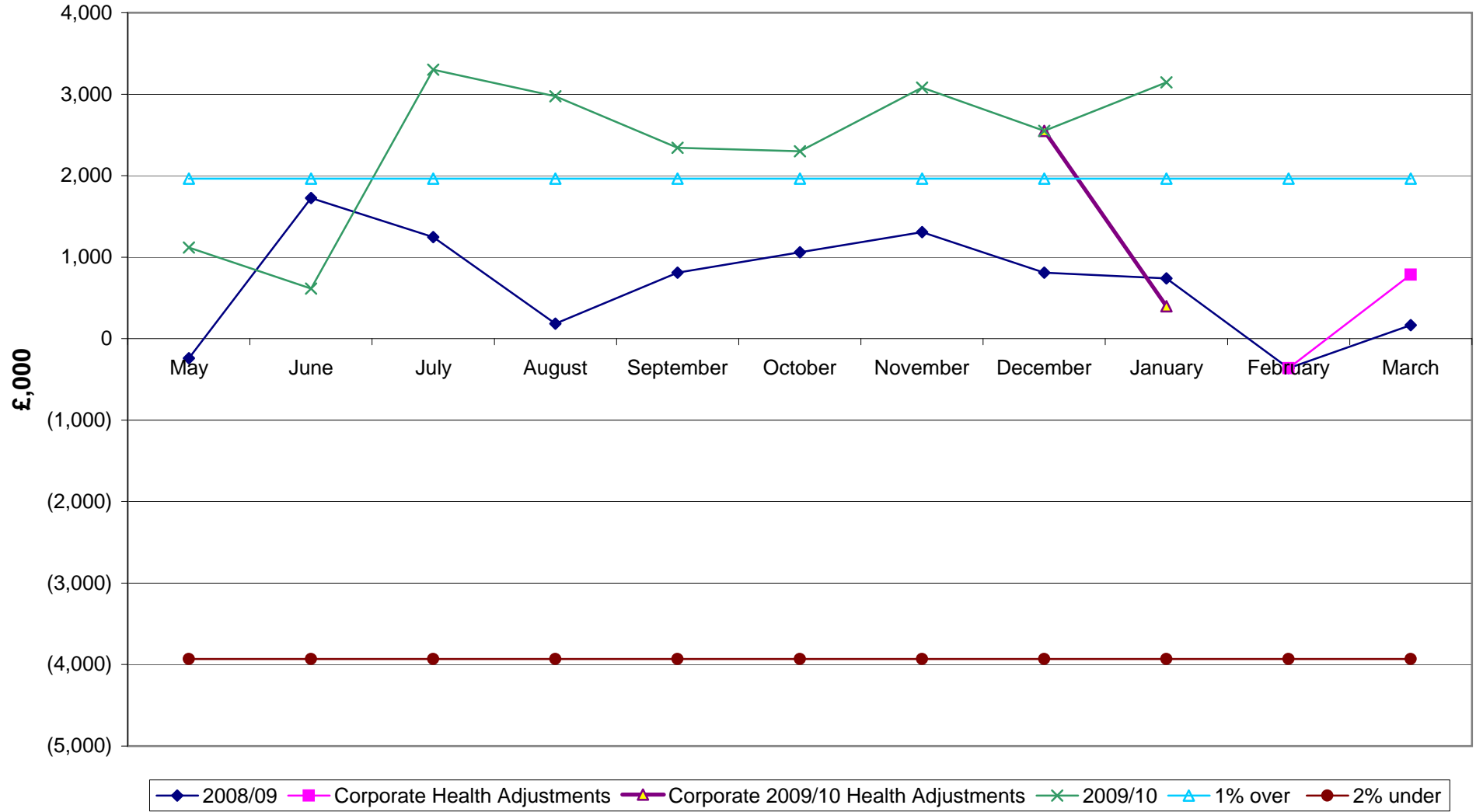
- Attainment of Looked After Children - although the annual data points to underperformance against the targets relating to the attainment levels for Looked After Children (LACs), recent local data demonstrates considerable success this year. A series of intensive interventions are in place but given the very small cohort, the targets are vulnerable. (£276K at risk).
- NI 117 NEETs – this is an area of concern at a national and local level. Poor performance last year has now improved and continues to improve. However this issue remains a key priority for the Council and the Partnership.
- Adult skills levels (NI 164) are currently on track to achieve.

Section F - Concluding Remarks

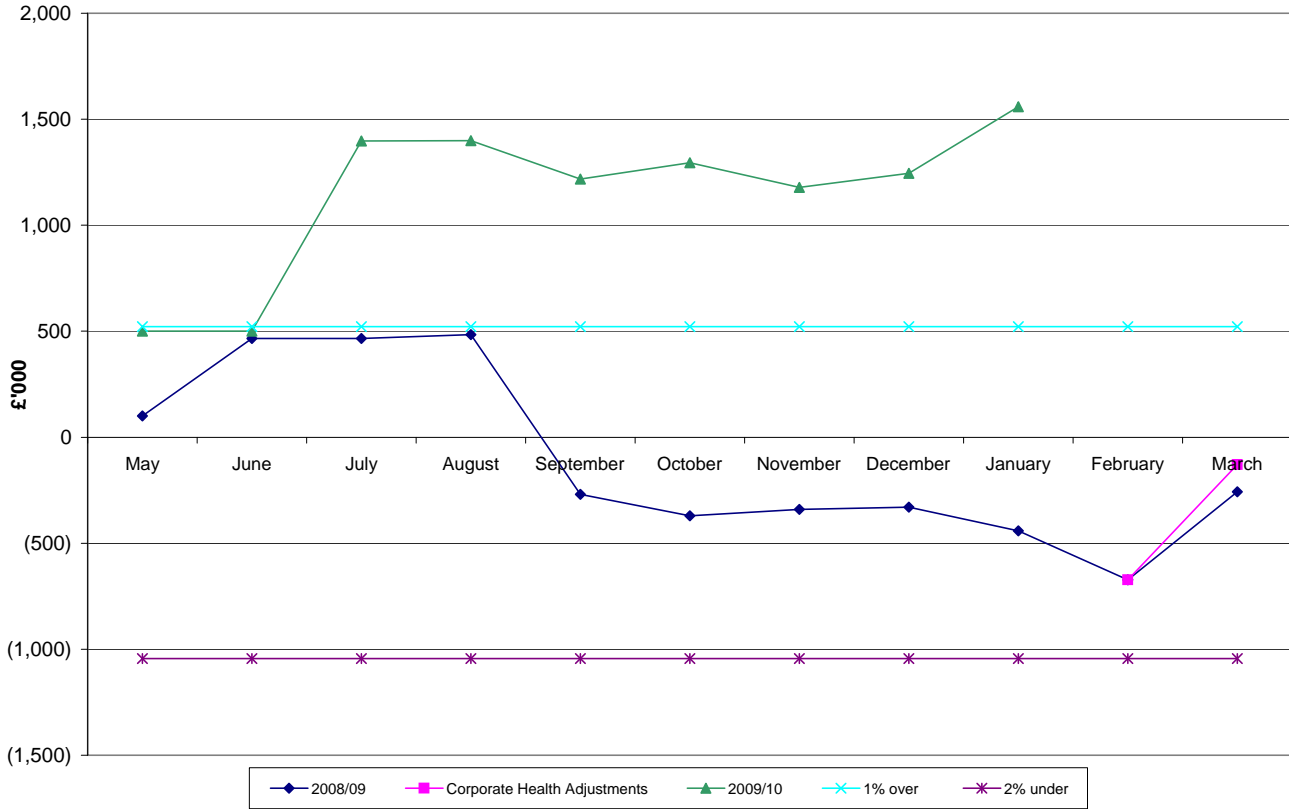
18. Summary

- 18.1 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
- 18.2 General Fund is forecasting a year end adverse variation (or overspend) of £3.146m or +1.6% of net revenue budget. However this will reduce to £0.399m after applying a number of corporate health adjustments as approved by Council on 1 March 2010.
- 18.3 The revised in-year capital forecast and financing requirement is £95.8m, with actual spend as at 31 January 2010 standing at £62.364m.
- 18.4 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.
- 18.5 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.

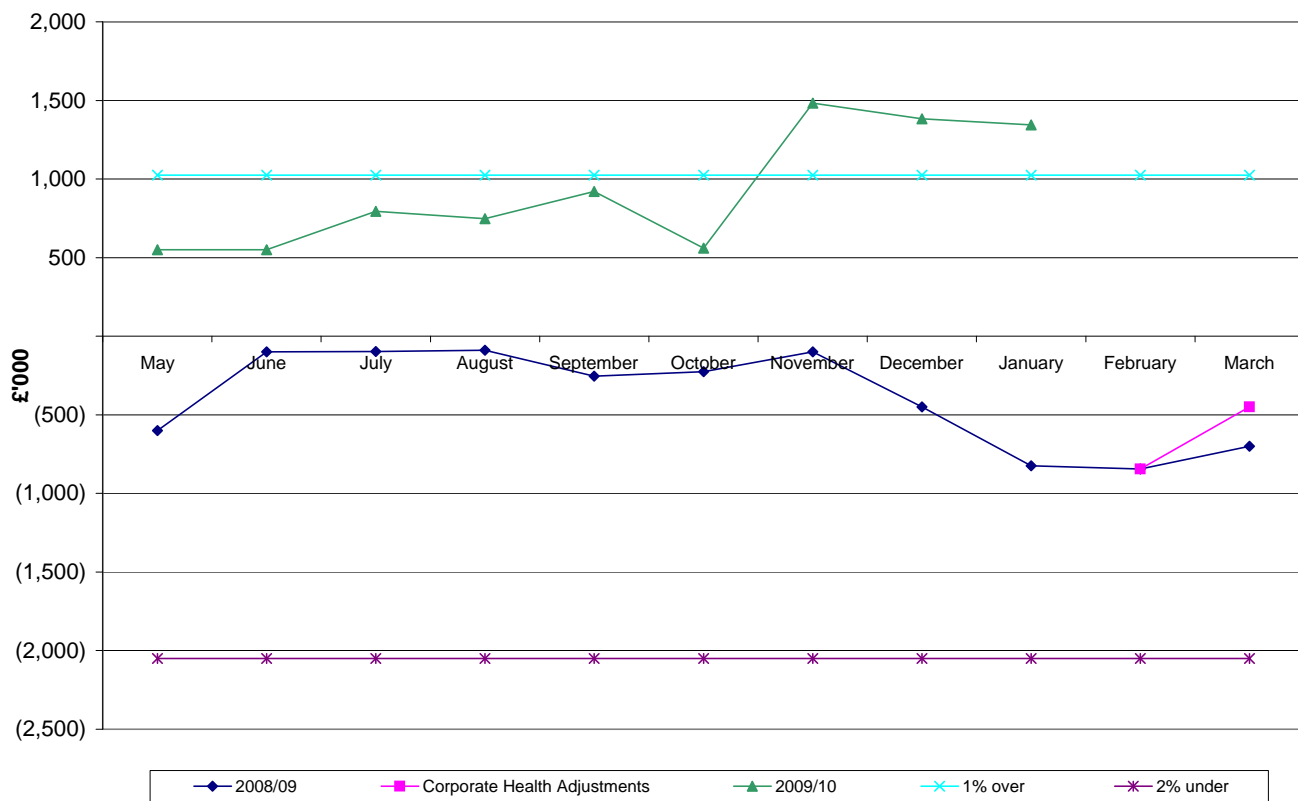
General Fund Monitoring Comparison 2008/09 & 2009/10



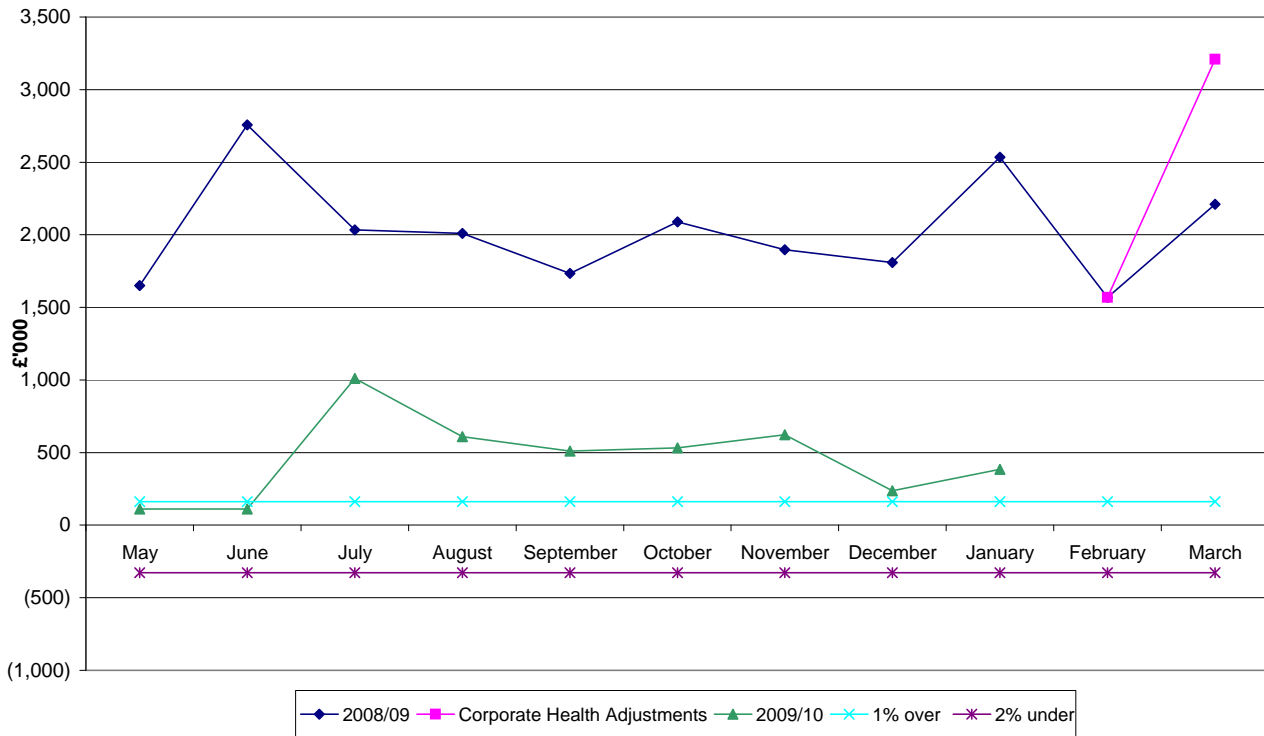
Children's Services Monitoring Comparison 2008/09 & 2009/10



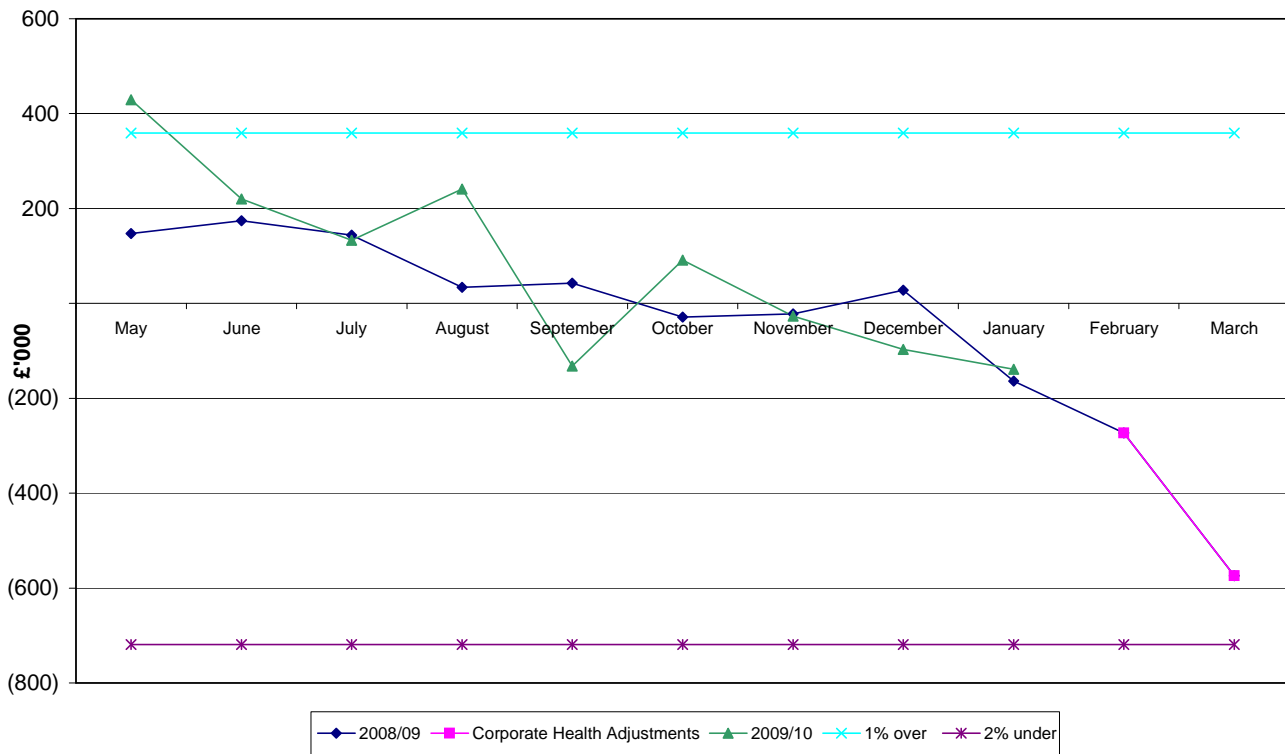
Community Services Monitoring Comparison 2008/09 & 2009/10



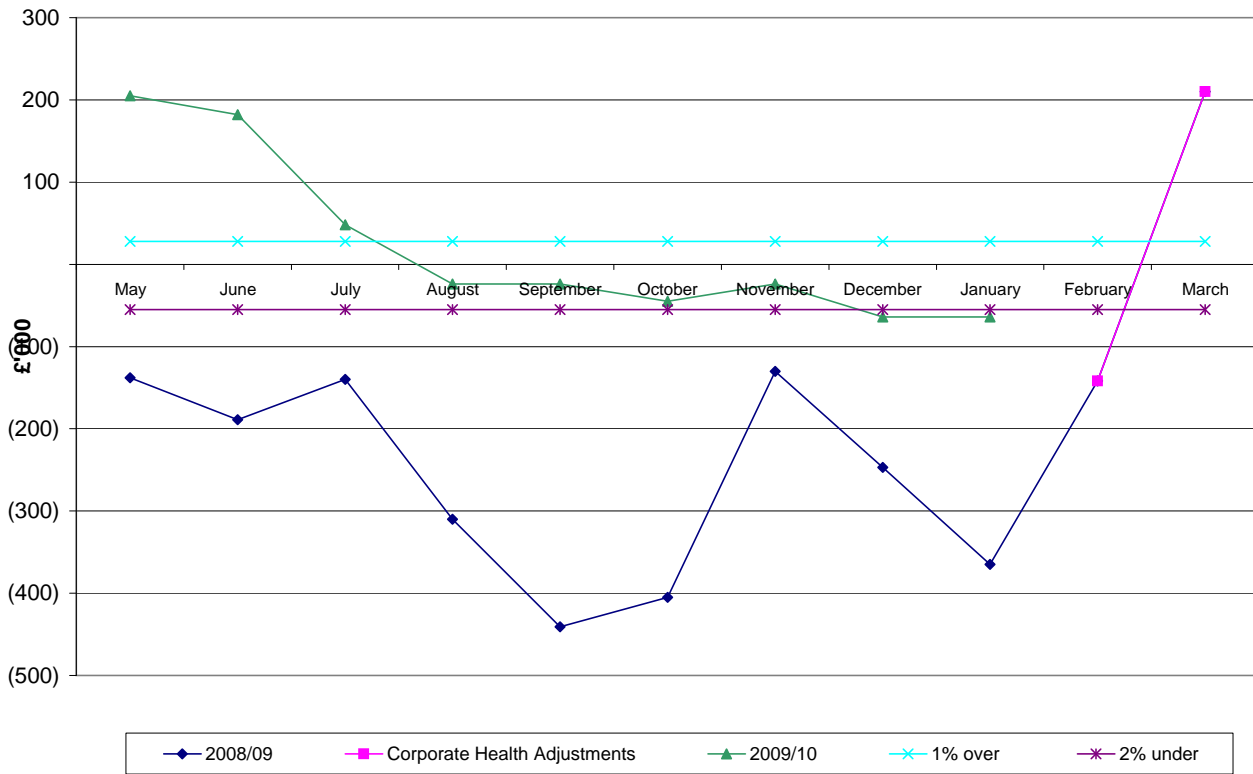
Development Monitoring Comparison 2008/09 & 2009/10



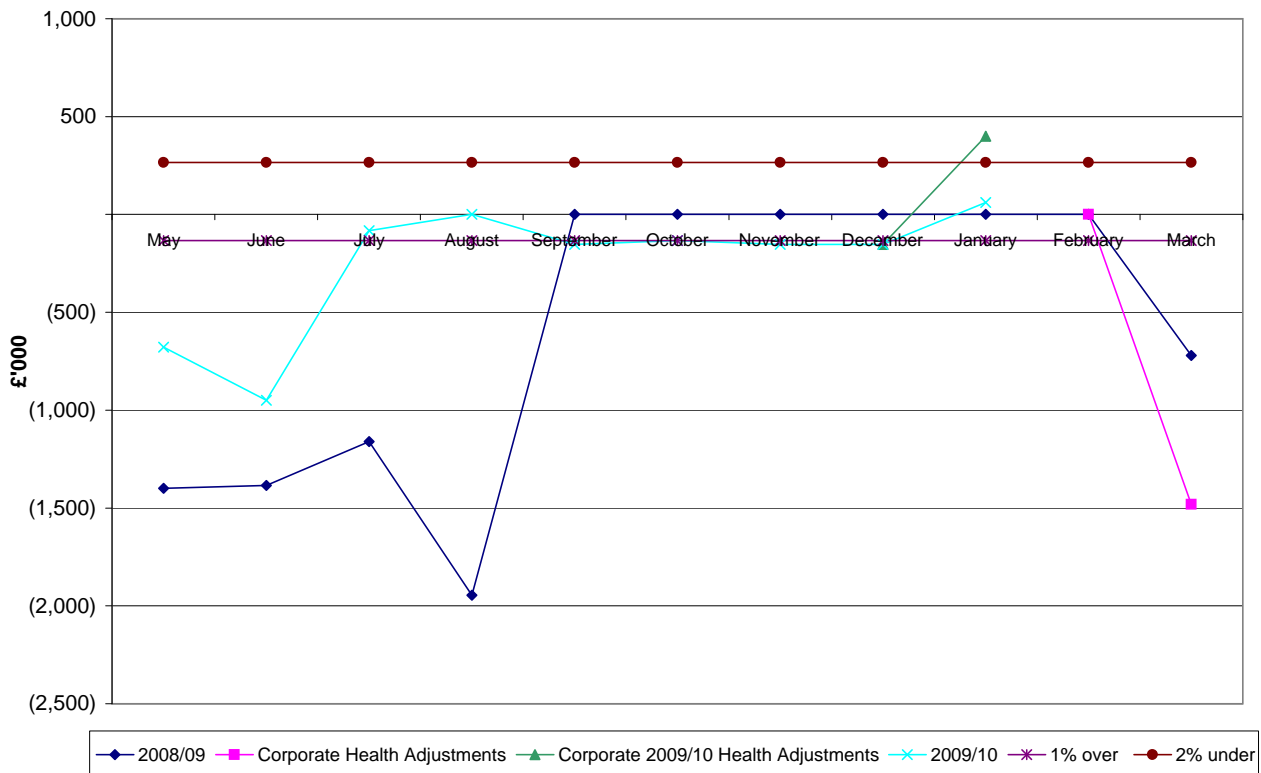
Corporate Support Monitoring Comparison 2008/09 & 2009/10



Chief Exec Monitoring Comparison 2008/09 & 2009/10



Corp Items Monitoring Comparison 2008/09 & 2009/10



SUMMARY CAPITAL PROGRAMME - as at 31st January 2010

	Budget						Expenditure £'000	Financing					
	Latest Approved Budget (November)	New Approvals (December & January)	Re-Profiling (December & January)	Virements (December & January)	Variations (December & January)	Latest Forecast (January)		Capital Receipts	Unsupported Borrowing	Supported Borrowing	Grants, Contributions & Section 106	Revenue & Funds	Total Financing
	£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	55,904		-3,076		11	52,839	40,752	2,657	5,357	11,650	33,051	123	52,839
Community & Neighbourhood	6,632	97	-148			6,580	3,261	1,038	1,525		3,909	109	6,580
Corporate Support	2,401	7,852	-282		-2	9,970	1,631	2,018	5,811		1,968	173	9,970
Development & Regeneration	22,417	199	-1,821		-380	20,416	9,445	201	2,499	4,485	13,003	227	20,416
HRA	7,991					7,991	7,275			2,076		5,915	7,991
Grand Total	95,345	8,148	-5,327		-370	97,796	62,364	5,914	15,192	18,211	51,931	6,547	97,796

Net Change in Monitoring

Latest Approved Budget November - Latest Forecast January

	£'000
Latest Approved Budget	95,345
Children's Services	(3,065)
Community & Neighbourhood	(51)
Corporate Support	7,569
Development & Regeneration	(2,002)
HRA	
Total Capital Programme	2,451
Latest Forecast	97,796

Expenditure £'000	Capital Receipts £'000	Unsupported Borrowing £'000	Supported Borrowing £'000	Grants, Contributions & Section 106 £'000	Revenue & Funds £'000	Total Financing £'000
695				(51)		(51)
85	2,000	5,740		(171)		7,569
1,687	(801)	(156)	(115)	(836)	(94)	(2,002)
(740)						
4,591	1,149	5,583	270	(4,458)	(93)	2,451

Capital Programme by Sub Programme as at 31st January 2010

Directorate	Service	Sub Programme	Latest Forecast - November	New Approvals	Re-Profiling	Virements	Variations	Latest Forecast - January	Actuals (accruals basis)	% of LF Spent
Children's Services	Strategic Programmes	City Development (Section 106 Projects)	142,193	-	(90,000)	(43,131)	-	9,062	10,724	118.3%
		Expanding Popular Schools	212,500	-	(262,500)	150,000	-	100,000	6,039	6.0%
		Multi-Agency Working	100,000	-	(50,000)	-	-	50,000	23,452	46.9%
		PFI	2,761,427	-	-	(28,015)	-	2,733,412	2,733,413	100.0%
		Primary Capital Programme	19,056,808	-	(654,501)	(125,000)	-	18,277,307	14,879,205	81.4%
		School Development: Secondary	937,522	-	-	-	-	937,522	699,359	74.6%
		Secondary Development / BSF	14,247,527	-	(375,000)	(5,000)	-	13,867,527	10,732,175	77.4%
		Special Education Needs and Inclusion	711,309	-	-	-	-	711,309	542,794	76.3%
		Youth / Adult Learning	234,870	-	-	-	-	234,870	114,706	48.8%
	School Led Projects	Basic Need	-	-	-	-	-	-	(20,725)	-
		Children's Social Care	176,852	-	-	-	-	176,852	84,312	47.7%
		Condition Bid Programme (formerly Seed)	1,218,935	-	(125,000)	60,000	-	1,153,935	1,024,202	88.8%
		DDA / Access Bid Programme	75,000	-	-	-	-	75,000	27,684	36.9%
		Other Items	776,402	-	-	-	-	776,402	87,977	11.3%
		SEN Placement Commitments in Schools	190,581	-	(36,751)	9,000	-	162,830	91,723	56.3%
	Focused Work	14-19 Diploma Gateways & International Baccalaureate	2,183,990	-	20,000	-	-	2,203,990	1,908,249	86.6%
		ICT Projects	702,241	-	-	-	-	702,241	647,857	92.3%
		School Meals	1,038,769	-	(250,500)	-	-	788,269	298,667	37.9%
		Surestart / Extended Schools / Children's Centres / Families	1,740,543	-	(1,050,000)	(47,413)	-	643,130	126,884	19.7%
	Devolved Formula Capital Projects	Children's Social Care	-	-	-	-	-	-	-	-
		Nursery	1,317	-	-	-	-	1,317	2,201	167.1%
		Other	2,091	-	-	-	-	2,091	-	0.0%
		Primary	1,118,502	-	2,500	63,919	7,500	1,192,421	838,461	70.3%
		Secondary	588,457	-	-	-	-	588,457	507,058	86.2%
		Special	44,734	-	-	-	-	44,734	35,893	80.2%
	Devolved Formula Capital	Nursery	92,488	-	-	-	-	92,488	15,666	16.9%
		Other	231,173	-	-	-	-	231,173	137,684	59.6%
		Primary	1,251,652	-	-	(61,580)	-	1,190,072	541,073	45.5%
		Secondary	795,010	-	-	34,131	2,530	831,671	934,668	112.4%
		Special	170,242	-	-	-	-	170,242	57,731	33.9%
	Condition and School Development Works	Condition Works:	426,406	-	-	(2,339)	663	424,730	383,314	90.2%
		Condition Works: Primary	58,945	-	-	-	-	58,945	57,223	97.1%
		Removal of Temporary Classrooms: Primary	1,020,000	-	-	-	-	1,020,000	825,503	80.9%
		Removal of Temporary Classrooms: Secondary	-	-	-	65,000	-	65,000	62,745	96.5%
		School Development: Primary	2,173,394	-	50,000	(166,985)	-	2,056,409	1,507,795	73.3%
		School Development: Secondary	-	-	-	-	-	-	-	-
		School Development: Special Schools	135,026	-	-	-	-	135,026	87,964	65.1%

Appendix B

Directorate	Service	Sub Programme	Latest Forecast - November	New Approvals	Re-Profiling	Virements	Variations	Latest Forecast - January	Actuals (accruals basis)	% of LF Spent
		Surestart / Extended Schools / Children's Centres / Families	522,507	-	(254,065)	97,413	-	365,855	52,345	14.3%
		Sustainability / Carbon Reduction / Spend to Save	752,640	-	-	-	-	752,640	725,847	96.4%
	Completed Programmes:	Basic Need	-	-	-	-	-	-	-	
	Outstanding Payments	Emergency Works	-	-	-	-	-	-	(3,356)	
		Planned Modernisation	2,300	-	-	-	-	2,300	2,026	88.1%
		Strategic Projects	-	-	-	-	-	-	(39,116)	
		New Opportunities Fund / Big Lottery (PE and Sport)	10,000	-	-	-	-	10,000	691	6.9%
Children's Services										
Total			55,904,353	-	(3,075,817)	-	10,693	52,839,229	40,752,113	77.1%

Appendix B

Directorate	Service	Sub Programme	Latest Forecast - November	New Approvals	Re-Profiling	Virements	Variations	Latest Forecast - January	Actuals (accruals basis)	% of LF Spent
Development & Regeneration	Transport - Non LTP	Eastern Corridor	2,123,629	50,000	350,000	-	-	2,523,629	-	0.0%
		Other	-	56,000	-	-	-	56,000	750	1.3%
		West End	2,927,625	-	-	-	-	2,927,625	2,476,307	84.6%
		A38 Junction Imps	400,000	-	(350,000)	-	-	50,000	16,430	32.9%
	Transport - Development Projects	Barbican Landing Stage	12,302	-	-	-	-	12,302	(6,577)	-53.5%
		Cumberland Gardens	387,717	-	(17,717)	-	-	370,000	117,825	31.8%
		Granby Green	54,095	-	-	-	-	54,095	47,250	87.3%
		Stonehouse Regeneration	183,410	-	-	-	(1,000)	182,410	(8,898)	-4.9%
		Devonport Street Lighting	372,954	-	-	-	-	372,954	193,956	52.0%
		Devonport Heritage Trail	91,000	-	-	-	-	91,000	44,970	49.4%
		Alleygates	15,926	-	-	-	6,134	22,060	2,021	9.2%
		Strategic Housing	Disabled Adaptations	-	-	-	-	-	-	-
	HECA Programme Private Sector		417,717	-	(69,000)	-	-	348,717	202,332	58.0%
	Misc Schemes		100,000	-	(45,000)	-	-	55,000	-	0.0%
	Partnership & Affordable Housing		294,103	-	(63,309)	-	-	230,794	21,866	9.5%
	Private Sector Grants		2,360,028	-	(300,000)	-	(180,148)	1,879,880	1,735,998	92.3%
	Private Sector Regeneration	Private Sector Regeneration	315,663	-	-	-	-	315,663	110,052	34.9%
		Commercial Developments	1,112,840	-	(76,690)	-	-	1,036,150	719,649	69.5%
	Property & Economic Development	Parks	-	-	-	-	-	-	-	-
		Planning	163,576	-	-	-	-	163,576	1,600	1.0%
	Local Transport Plan	Capital Maintenance	1,356,150	-	-	(149,475)	-	1,206,675	295,092	24.5%
		Demand Management	581,796	80,265	-	106,059	8,282	776,402	442,990	57.1%
		Dft settlement not yet allocated	82,949	-	-	126,746	(112,809)	96,886	-	0.0%
		Public Transport	2,112,310	-	-	(109,923)	-	2,002,387	628,655	31.4%
		Road Safety	202,726	-	-	(40,713)	-	162,013	93,272	57.6%
		Safety Camera Partnership	97,748	-	-	-	-	97,748	4,038	4.1%
		Walking & Cycling	794,943	-	-	67,306	-	862,249	416,263	48.3%
Northern Corridor - A386		735,843	-	(114,846)	-	-	620,997	328,702	52.9%	
Environmental Services		Recycling	85,725	-	(85,725)	-	-	-	-	-
	Waste	3,895,290	-	(771,541)	-	(100,000)	3,023,749	1,210,736	40.0%	
Development Projects	Devonport Park	1,139,171	12,560	(277,000)	-	-	874,731	349,619	40.0%	
	Development & Regeneration Total	22,417,236	198,825	(1,820,828)	-	(379,541)	20,415,691	9,444,898	46.3%	

Appendix B

Directorate	Service	Sub Programme	Latest Forecast - November	New Approvals	Re-Profiling	Virements	Variations	Latest Forecast - January	Actuals (accruals basis)	% of LF Spent
Community & Neighbourhood	Leisure Culture & Sport	Central Park	3,096,173	96,852	-	-	-	3,193,025	1,421,634	44.5%
		Libraries	829,396	-	-	-	-	829,396	269,163	32.5%
		Mount Edgcumbe	307,011	-	-	-	-	307,011	173,190	56.4%
		Museums	60,407	-	-	-	-	60,407	40,765	67.5%
		Other Leisure	-	-	-	-	-	-	-	-
		Plymouth Leisure	1,026,560	-	-	-	-	1,026,560	1,019,148	99.3%
	Environmental Services	Environmental & Regulatory	-	-	-	-	-	-	-	-
		LPSA	-	-	-	-	-	-	-	-
		Parks	151,377	-	(16,797)	-	-	134,580	74,371	55.3%
		Vehicle Purchases	584,361	-	-	-	-	584,361	63,649	10.9%
	Adult Health & Social Care	Community Care	576,398	-	(131,487)	-	-	444,911	198,901	44.7%
Community & Neighbourhood Total			6,631,683	96,852	(148,284)	-	-	6,580,251	3,260,821	49.6%

Appendix B

Directorate	Service	Sub Programme	Latest Forecast - November	New Approvals	Re-Profiling	Virements	Variations	Latest Forecast - January	Actuals (accruals basis)	% of LF Spent
Corporate Support	Property & Economic Development	Corporate Real Estate	1,311,235	52,461	(82,792)	-	-	1,280,904	857,510	66.9%
	Legal Services	Legal Services	2,497	-	-	-	(1,647)	850	850	100.0%
	Information Systems	Information Systems	1,087,495	-	(199,000)	-	-	888,495	772,374	86.9%
	Corporate Items	Capitalisation Invest to Save	- -	7,800,000 -	- -	- -	- -	7,800,000 -	- -	0.0%
Corporate Support Total			2,401,227	7,852,461	(281,792)	-	(1,647)	9,970,249	1,630,734	16.4%

Appendix B

Directorate	Service	Sub Programme	Latest Forecast - November	New Approvals	Re-Profiling	Virements	Variations	Latest Forecast - January	Actuals (accruals basis)	% of LF Spent
HRA	Housing Revenue Account	Decency Standards	4,750,583	-	-	-	-	4,750,583	3,921,624	82.6%
		Devonport	1,322,870	-	-	-	-	1,322,870	228,236	17.3%
		Disabled Adaptations	401,413	-	-	-	-	401,413	503,779	125.5%
		HRA Capitalised Salaries	520,034	-	-	-	-	520,034	520,034	100.0%
		Major Repairs	995,918	-	-	-	-	995,918	2,101,463	211.0%
HRA Total		7,990,818	-	-	-	-	7,990,818	7,275,135	91.0%	
Grand Total		95,345,317	8,148,138	(5,326,721)	-	(370,495)	97,796,238	62,363,700	63.8%	

Healthy Theme Group Report
3rd Qtr 2009/10

2007-10 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 AY2008/09	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 (Cumulative) 2nd Qtr 09/10	Stretch - number of bed days which are unscheduled qtr 3rd Qtr 09/10
		2. Stretch - % of schools achieving healthy schools status Qtr 3rd Qtr 09/10	Stretch - Young people complete min 6 wks of structured extended intervention for alcohol misuse Qtr 2nd Qtr 09/10		2. Stretch - Increase the number of 4 week smoking quitters attending NHS Stop Smoking Services Qtr 2nd Qtr 09/10	
		3. Stretch/New Local LAA 16 - % of women breast-feeding at 6-8 weeks post partum by 2% a year Qtr 3rd 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			

A Healthy Place to Live and Work			
High Level Priority	H1 Reduce health inequalities between neighbourhoods and communities of interest within the city	H2 Prevent illness & promote health & well-being by tackling the underlying causes of ill-health	H3 Improve the quality of life & independence of people living with disability & chronic illness
	○ ○ ●	● ○ ○	○ ○ ○
LAA Targets	L(LAA)01 Reduce the gap in life expectancy between the fifth highest and lowest areas 2007 ↑	NI 056(1) (LAA) Obesity among primary school age children in Yr 6 - Total obese AY2008/09 ↓	NI 124(LAA) People with long-term condition are independent & in control of condition 2007/08
	NI 141 (Local LAA) Percentage of vulnerable people achieving independent living - Quarterly 3rd Qtr 09/10 ↓	NI 112(LAA) Under 18 conception rate 2007 ↓	NI 130(LAA) Social Care clients receiving self directed supp.(direct payments & ind budgets) - Qly 3rd Qtr 09/10 ↑
		L(LAA)03 % adult population (16-74) participating in 30 mins moderate physical activity once a week 2008/09	NI 135(LAA) Carers receiving needs assess/review & a specific carer's service, or advice & info Q 3rd Qtr 09/10 ↑
		L(LAA)4 Increase in the no of contacts with the primary care mental health service by 10% by 2010 Qt 1st Qtr 09/10 ↑	NI 136(LAA) People supported to live independently through social services (all ages) - Q 3rd Qtr 09/10 ↓
		L(LAA)05 Emotional Well-being & Mental Health of Children & Child Adolescent Mental Health Services 2008/09	
		L(LAA)17a Proxy Indicator - Regular alcohol use among young people 2008/09 ↓	
		L(LAA)17b Proxy Indicator - Regular drug use among young people 2008/09 →	

Wealthy Theme Group Report 3rd Quarter 2009/10

2007-10 Stretch Targets

A Wealthy city which creates and shares prosperity - Stretch Targets					
High Level Priority	12. Increase employment and reduce the impacts of poverty and ill-health <div style="text-align: center;">○ ● ○</div> <div style="text-align: right;">↑</div>				
LAA Targets	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none; padding: 2px;">1. Stretch - Number of mental health users with a care plan who come off IB & return to work Qtr</td> <td style="width: 50%; border: none; padding: 2px;">2. Stretch - Support 119 IB claimants of 2 years+ into sustainable employment Qtr</td> </tr> <tr style="background-color: #000080; color: white;"> <td style="text-align: center; border: none;">3rd Qtr 09/10</td> <td style="text-align: center; border: none;">3rd Qtr 09/10</td> </tr> </table> <div style="text-align: center; margin-top: 5px;">↑ ↑</div>	1. Stretch - Number of mental health users with a care plan who come off IB & return to work Qtr	2. Stretch - Support 119 IB claimants of 2 years+ into sustainable employment Qtr	3rd Qtr 09/10	3rd Qtr 09/10
1. Stretch - Number of mental health users with a care plan who come off IB & return to work Qtr	2. Stretch - Support 119 IB claimants of 2 years+ into sustainable employment Qtr				
3rd Qtr 09/10	3rd Qtr 09/10				

2008-11 LAA

A Wealthy city which creates and shares prosperity						
High Level Priority	W1 Increase both the size and number of businesses in the city <div style="text-align: center;">○ ● ○</div>	W2 Reduce levels of worklessness <div style="text-align: center;">○ ○ ●</div>	W3 Provide infrastructure to support the city's sustainable economic, employment & housing growth <div style="text-align: center;">○ ○ ●</div>	W4 Increase the supply of new affordable housing <div style="text-align: center;">○ ○ ●</div>	W5 Manage the growth in congestion and improve accessibility by sustainable modes <div style="text-align: center;">○ ● ○</div>	W6 Address the impacts of climate change and move towards a low-carbon economy <div style="text-align: center;">○ ○ ●</div>
LAA Targets	L(ED)4 (LAA) Narrow the gap for business registrations between Plymouth average & Regional average 2008 <div style="text-align: right;">↑</div>	NI 151(LAA) Overall employment rate (Working Age) 2008/09 <div style="text-align: right;">↓</div>	NI 154(LAA) Net additional homes provided 2008/09 <div style="text-align: right;">↑</div>	NI 155(LAA) Number of affordable homes delivered January 10 <div style="text-align: right;">→</div>	NI 175i(LAA) Access to services and facilities between 1 and 3pm 2008/09 <div style="text-align: right;">↓</div>	NI 186(LAA) Per capita CO2 emissions in the LA area 2008 <div style="text-align: right;">↑</div>
	NI 172(LAA) Percentage of small businesses in the area showing employment growth 2008 <div style="text-align: right;">↑</div>	NI 151(LAA) Overall employment rate (Working Age) - 12 mnth rolling actual 1st Qtr 2009 <div style="text-align: right;">↓</div>			NI 175ii(LAA) Access to services and facilities between 7 and 9am 2008/09 <div style="text-align: right;">↓</div>	
	NI 164(LAA) Proportion of pop aged 19-64 (males), 19-59 (females) qualified to at least Level 3 2008 <div style="text-align: right;">↑</div>				L(LAA)6/L(TIE)1 Achieve robust evidence of the impact of sustainable economic and housing growth 2008/09 <div style="text-align: right;">↓</div>	

Safe & Strong Theme Group Report 3rd Quarter 2009/10

2007-10 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 ↑	2. Stretch - Convictions recorded for PPOs on the PPO scheme at 31.3.07 Qtrly ↓	Stretch - Reduction in British Crime Survey category Woundings Qtr ↑	Stretch - Number of Domestic Violence incidents recorded by D&C Police Qtr ↓	1. Stretch - Number of people entering drug treatment, as recorded by NDTMS ↑
	3. Stretch - Stability of placements (PAF A1) Qtrly ↓	1. Stretch - Reduction in convictions recorded by Police for PPOs on PPO scheme 1.4.07-31.3.08 Qtrly ↑		Stretch - % of DV crimes resulting in Brought to Justice Outcomes Qtr ↓	2. Stretch - % of people entering & retained in drug treatment for at least 12 wks recorded by NDTMS ↓
	5. Stretch - Final warnings/reprimands & convictions of Children Looked After ↑				
	3rd Qtr 09/10	3rd Qtr 09/10	3rd Qtr 09/10	3rd Qtr 09/10	2007/08
	3rd Qtr 09/10	3rd Qtr 09/10		3rd Qtr 09/10	2008/09
	2009/2010				

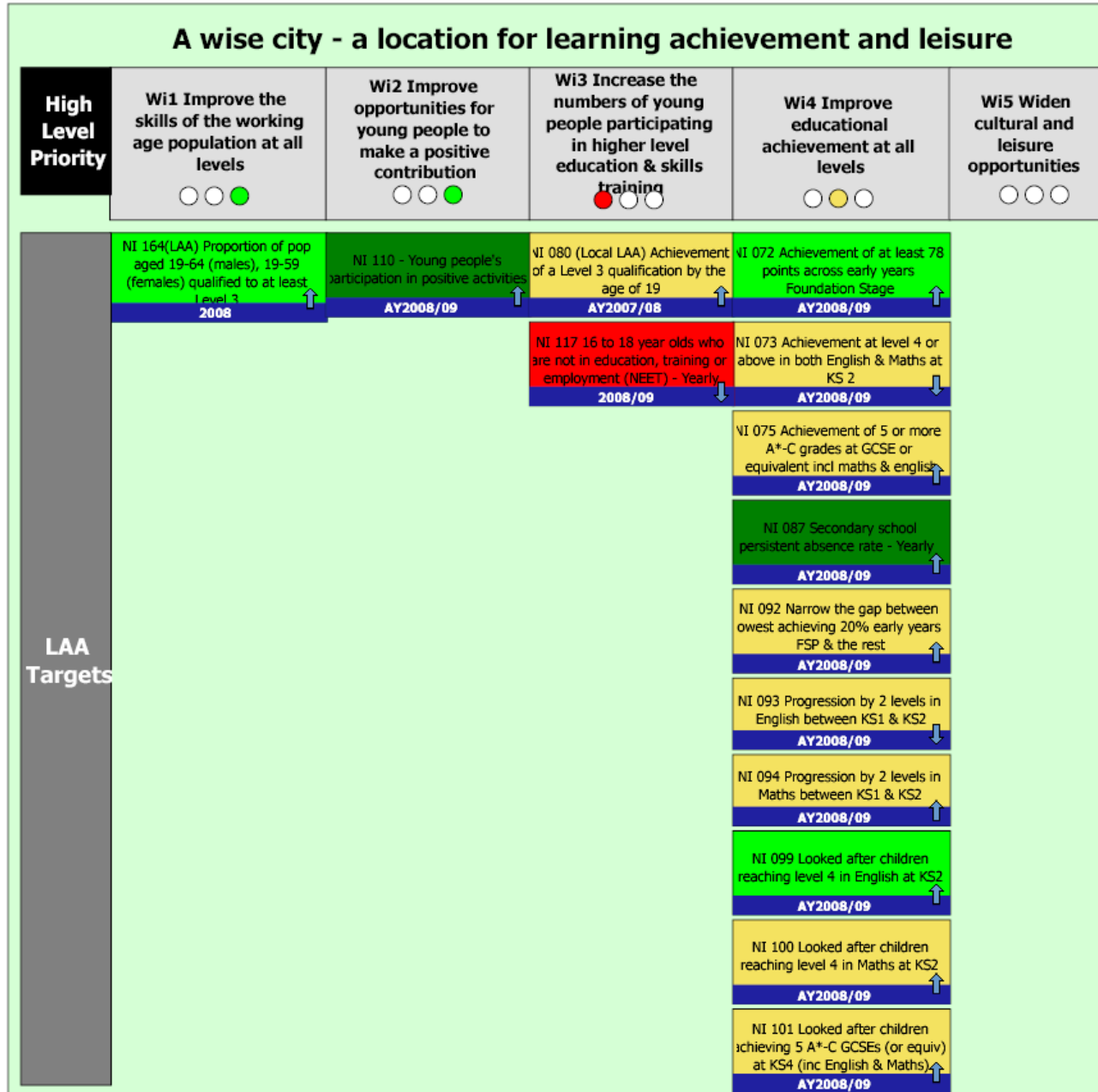
2008-11 LAA

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	VI 004(LAA) % people who feel they can influence decisions in their locality 2008	NI 140(LAA) Deferred - Fair treatment by local services - Yearly 2008	NI 060(LAA) Core assess for childrens social care carried out within 35 wkg days of commencement December 09	NI 016(LAA) Serious acquisitive crime rate - Quarterly 3rd Qtr 09/10	NI 021(LAA) Dealing with local concerns re anti-social behaviour & crime by LA & police 2008	NI 192(LAA) Percentage of Household waste sent for reuse, recycling and composting January 10	NI 195a(LAA) Improved street & environmental cleanliness - Levels of litter - Tri-Annual Period 2/2009	L(H)1/Local LAA 12 Housing Stock Transfer 2009/2010
		L(LAA)7/L(SC)4 % surveyed satisfied with neighbourhood as a place to live (NM Areas) 3rd Qtr 09/10		NI 064(LAA) Child protection plans lasting 2 years or more 3rd 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 debris - Tri-Annual Period 2/2009	NI 102(LAA) Fuel poverty- % households on benefits living with low energy 2008/09
		VI 006 / L(LAA)8 Participation in regular volunteering 2008		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 3rd Qtr 09/10				
					NI 032(LAA) Repeat incidents of domestic violence - Quarterly 3rd Qtr 09/10				
					NI 045(LAA) Young offenders engagement in suitable education, employment or training 3rd Qtr 09/10				
					NI 046 / L(LAA)10 Young offenders access to suitable accommodation - Quarterly 3rd Qtr 09/10				
					L(LAA)11 Reduce criminal damage - Q 3rd Qtr 09/10				

Wise Theme Group Report 3rd Quarter 2009-10

LAA 2007-10 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) 2009/2010 ↑	6. Stretch - % of 11 year old LAC achieving level 4 in English at Key Stage 2 (local OC2 return) 2009/2010 ↑
		7. Stretch - % of 11 year old LAC achieving level 4 in Maths at Key Stage 2 (local OC2 return) 2009/2010 ↑	8. Stretch - % of 16 year old LAC achieving 5 or more GCSEs grade A*-G 2009/2010 ↑



Movement in Reserves

	Balance as at 31/03/2009 £'000	Transfers to Reserves £'000	Transfers from Reserves £'000	Estimated Balance as at 31/03/2010 £'000	Purpose of reserve
Off Street Parking	0	(1,648)	1,648	0	Represents Accumulated trading position
On Street Parking	0	(1,230)	1,230	0	Represents Accumulated trading position
City Market	(0)	(230)	230	(0)	Represents Accumulated trading position
Commuted Maintenance	(931)	(47)	23	(955)	Contribution from developers /section 106
Education Carry Forwards	(3,207)	(1,535)	3,080	(1,662)	Schools ringfenced resources mainly from grants
Taxis	131	(30)	0	101	Represents Accumulated trading deficit
Street Trading	(104)	0	0	(104)	Represents Accumulated trading surplus
Land Charges Development Fund	(54)	(35)	35	(54)	To fund improvements in the LLC service
Accommodation Reserve	(1,262)	(550)	250	(1,562)	To meet costs of repairs to Office Accommodation, and submission of planning applications for Civic and new office accommodation.
Insurance Reserve	(1,429)	0	50	(1,379)	To meet any unforeseen/increased costs of insurance claims or works to minimise insurance risk . Expenditure anticipated re almshouses
Carry Forwards	(3,856)	0	2,106	(1,750)	Reserve set up from end of year budget underspends to meet future Council priorities. This reserve will generally be utilised in full in the following year but may be supplemented as part of Closedown following assessment of future risks and budget pressures. reserve includes the JE appeals contingency of £2.1m. £1.293m anticipated as remaining at year end
Redundancies	(1,133)	0	1,133	0	To meet costs of redundancies in 2009/10
DRCP Freedom and Flexibility 07/08 reserve	(1,145)	0	33	(1,112)	Reserve set aside to meet future expenditure in Devonport, in lieu of grant funding in 2007/08. Approval to slip into 2010/11.
Corporate Improvement Reserve	(3,836)	(100)	2,459	(1,477)	Fund to be used to support the CIP's
Stock Transfer	(735)	0	735	(0)	This reserve is used to support the costs incurred in preparing for potential stock transfer
Capital Reserve	(975)	0	0	(975)	To be used to support the capital programme and potential shortfall in capital receipts. Anticipated will be required in 2010/11 and 2011/12
Waste Balancing Reserve	(750)	(350)	0	(1,100)	Reserve set up to proactively provide and manage the future budget shortfall when the waste PFI scheme becomes operational.
PFI reserve	(1,801)	0	0	(1,801)	PFI credits received in advance
Job Evaluation/Equal Pay	(350)	0	0	(350)	To meet costs of equal pay claims submitted after 1 April 2008 onwards
Strategy for Change (BSF)	(250)	(100)	350	0	To support the cost of submitting our BSF bid continuing the priority of providing high quality learning environments
Iceland Bank	(281)	(43)	0	(324)	Allowance for investment losses of the money invested in the Icelandic banks. Approved transfer to reserve of interest receivable under dividend repayments
Urban Enterprise Fund	(1,000)	0	674	(326)	Match funding to ensure that Plymouth gains access to the European funding available to the region to support Urban Enterprise
Other Reserves	(663)	(92)	338	(417)	All reserves have been reviewed and confirmed as required to meet specific policy commitments
Sub Total	(23,631)	(5,990)	14,373	(15,248)	
Working Balance	(11,739)	(128)	350	(11,517)	General Balance available to meet unforeseen expenditure. This balance represents 6% of net revenue expenditure and is in line with Unitary Council averages
	(35,370)	(6,118)	14,723	(26,765)	