

**BROMSGROVE DISTRICT COUNCIL**

**CABINET**

**05 MARCH 2008**

**DECEMBER (QUARTER 3) PERFORMANCE REPORTING**

Responsible Portfolio Holder	Councillor Roger Hollingworth Leader of the Council Councillor Geoff Denaro Cabinet Member for Finance
Responsible Head of Service	Hugh Bennett Assistant Chief Executive Jayne Pickering, Head of Financial Services

**1. SUMMARY**

To report to Cabinet on the Council's performance at 31<sup>st</sup> December 2007 (period 9, quarter 3).

**2. RECOMMENDATIONS**

- 2.1 That Cabinet notes that 55% of PI's are Improving or Stable, compared to 83% at Quarter 2
- 2.2 That Cabinet notes that 73% of PI's are achieving their Year To Date target, (72% at Q2)
- 2.3 That Cabinet notes that 75% of PI's are predicted to meet their target at year end (79% at Q2).
- 2.4 That Cabinet notes the financial position for both revenue and capital funding for the second quarter of £198k underspend and £840k respectively.
- 2.5 That Cabinet approval is given for the carrying forward of the estimated under spent budgets totalling £2.250m from 2007/08 to 2008/09 as detailed on Appendix 5.

**3. BACKGROUND**

- 3.1 The format of the quarterly report to Cabinet has been changed to provide an integrated report, both at department and overall council level, of performance and finance. Risk Management updates are presented to the Audit Board on a quarterly basis for members consideration. Detailed information on performance will continue to be provided as appendices to CMT, Leader's group and PMB.
- 3.2 Following a recommendation from a recent review of the Data Quality Strategy by Internal Audit this report will now include a regular section to report on data quality issues.

- There continues to be some errors in reporting of performance in Departmental submissions as follows :-
  - Planning & Environment – 4 errors in reporting and 1 PI not reported in time
  - Human Resources & Organisational Development – 4 errors in reporting
  - E-Government & Customer Services – 4 errors in reporting
  - Culture & community – 3 errors in reporting
  - Finance – 3 errors in reporting.
  - Waste Management & Street Services – 1 error in reporting

3.3 These errors were in the coding of the target/trend information – i.e. incorrect traffic lighting and/or incorrect reporting as to whether performance is improving, stable or declining or simply transposition of numbers. There were no indications that the underlying performance figures were incorrect. The relevant Departmental Performance Champions have been notified and advised.

#### 4. **PROGRESS IN THE QUARTER**

4.1 An integrated performance and finance report for each department, plus a council summary, is shown below.

## 4.2 Integrated Performance, Finance & Risk Report

<b>Chief Executive's Department</b>	<b>Quarter 3 (Dec 31<sup>st</sup>) 2007/08</b>
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### Performance Summary

No. of PI's improving ( <b>I</b> )	1	No. of PI's meeting YTD target	0	No. of PI's where est. outturn projected to meet target	0
No. of PI's Stable ( <b>S</b> )	0	No. of PI's missing YTD target by < 10%	0	No. of PI's projected to miss target by < 10%	0
No. of PI's worsening ( <b>W</b> )	0	No. of PI's missing YTD target by >10%	1	No. of PI's projected to miss target by >10%	1

### Achievements

Overall, the Corporate Communications, Policy and Performance Team will achieve its key deliverables, as per its business plan for 2007/2008. Good areas of performance include:-

- Positive feedback from the Audit Commission on our Direction of Travel;
- A 2 out of 4 for Data Quality (improved from a score of 1 the previous year);
- Overall performance of the Council set to deliver at least a "Fair" level of performance for 2007/2008, which should lead to an overall rating of "Fair" when we have our next Comprehensive Performance Assessment;
- The launching of the District's Sustainable Community Strategy and performance framework for the LSP;
- Regular quality reports to Cabinet and PMB on performance and the improvement plan;
- Agreement on corporate customer standards and departmental customer standards, which will go live on 31 January, along with the Council's customer feedback system and customer manual for staff; and
- Working with heads of service to complete the draft Council Plan 2008/2011 and service business plans, which will be signed off by portfolio holders in February.

### Issues

There are two issues for the Team: \_

- Agreeing a shared way forward and approach for Area Committees in 2008/2009; and
- Improving the press coverage of the Council, which due to the difficult budget round and Single Status is running at around the 70% mark, compared to a target of 80%.

### Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Corporate Projects</b>	100	50	64	14	100	0
<b>Policy &amp; Performance</b>	5	311	294	-18	-17	-23
<b>Corporate Management</b>	893	433	446	13	911	18
<b>TOTAL</b>	<b>998</b>	<b>794</b>	<b>801</b>	<b>9</b>	<b>994</b>	<b>-5</b>

## Financial Commentary

The Corporate Communications, Policy and Performance Team expects to exceed its income target for Together Bromsgrove and this plus a renegotiated contract for the customer panel should see the team underspend for 2007/2008.

## Capital Budget summary April- December 2007

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Policy &amp; Performance</b>	45	0	0	0	35	-10
<b>TOTAL</b>	45	0	0	0	35	-10

## Financial Commentary

- The Customer Feedback system will be implemented in the final quarter of 2007/08.
- The contribution towards the re-development of Bromsgrove railway station will now be phased and part will now be paid in 2008/09.

**Performance Summary**

No. of PI's improving <b>(I)</b>	3	No. of PI's meeting YTD target	3	No. of PI's where est. outturn projected to meet target	4
No. of PI's Stable <b>(S)</b>	0	No. of PI's missing YTD target by < 10%	2	No. of PI's projected to miss target by < 10%	0
No. of PI's worsening <b>(W)</b>	3	No. of PI's missing YTD target by >10%	1	No. of PI's projected to miss target by >10%	2

**Achievements**

- Attendances at Arts Events will meet its 07/08 target despite of the fact that the early summer programme was heavily disrupted by the poor summer weather. This target will be re-profiled in 2008/09.
- BVPI 127a will meet it's 2007/08 target at the end of the year due to increased partnership working with in the CDRP (for example increased availability of taxis at weekends) and increased police presence on the street.
- BVPI 128 continues to perform well with a 23% reduction in vehicle crime against target in November 07.

**Issues:**

- BVPI 127b continues to be worse than target due to the poor start to 2007/08, although performance is now stable the initial low target has resulted in an out turn that is expected to be worse than target by 30%. This BVPI has been subject to a PI clinic in consultation with West Mercia Police, where no further action is proposed due to it's deletion in 2008/08.
- Sports Centre usage will fail to met its end of year target due to the delays that occurred in the Phase 2 building programme. Due to the nature of the works, additional works that were required as part of the trust transfer and BDC's revised project management of the design & build programme the works were delayed by 5 weeks, this has resulted in close down period commencing in the traditional peak months of Jan and Feb 08.

## Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Arts Services</b>	278	139	151	12	277	0
<b>Cemeteries</b>	-35	-48	-44	4	-31	5
<b>Community Safety</b>	641	374	411	37	-31	5
<b>Culture &amp; Community Services Management</b>	0	163	127	-36	-56	-55
<b>Museums &amp; TIC</b>	121	55	53	-1	118	-3
<b>Parks &amp; Open Spaces</b>	894	142	178	36	943	49
<b>Sports &amp; Recreation General</b>	281	65	55	-10	274	-8
<b>Sports Centres</b>	974	651	694	43	1064	90
<b>TOTAL</b>	<b>3,154</b>	<b>1,542</b>	<b>1,625</b>	<b>83</b>	<b>3,255</b>	<b>101</b>

### Financial Commentary

- In the 07/08 budget the Dolphin Centre income was increased by £60k to reflect the additional income the Phase 2 income was expected to generate. The Phase 2 development was not scheduled to be completed until 2008/09. This saving has been resolved in the recently completed MTFP.
- This report reflects the projected loss of income at the Dolphin Centre as highlighted in the above commentary. Currently staff are maximising the dry side activity opportunities and increasing marketing and promotion activities. Plans are also in place to promote the reopening of the centre in March 08.
- The above expenditure includes the additional staffing requirements identified (£21K) in the 2008 medium term financial plan in relation to the CCTV control room service.
- The under performance of the annual civic bonfire is contained within the above figures, this represents an income short fall of £17k
- The additional costs of £19k (£13k of SS&WM charges) of associated with the reintroduction of the Christmas Lights switch on is included in the performance report. Sponsorship proposals are being developed for 2008 to ensure that this financial impact is not repeated in future years.
- The Sports Development income figures include the poor performance during the summer holiday period relating to the weather conditions which reduced income by £3.5k.

## Capital Budget summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Cemeteries</b>	15	6	3	-3	7	-8
<b>Community Safety</b>	18	18	19	1	19	1
<b>Parks &amp; Open Spaces</b>	919	435	320	-115	658	-261
<b>Leisure Facilities</b>	995	45	53	8	515	-480
<b>Sport &amp; Recreation General</b>	130	130	-	-130	130	0
<b>TOTAL</b>	<b>2,077</b>	<b>634</b>	<b>395</b>	<b>-239</b>	<b>1,329</b>	<b>-748</b>

### Financial Commentary

- Additional projects in relation to the refurbishment at the Dolphin Centre and the replacement of the hot water system have been approved of £895k
- Within the parks and open spaces the New Sporting Pitches (Garringtons/UEF) scheme for £210k has been withdrawn and the Barnsley Hall Play area, Belbroughton Play facilities and Charford S106 Schemes have all been completed.
- It is projected that there will be an under-spend of £748k by the end of the financial year. This is mainly due to an under-spend of £480k on the upgrade of the Dolphin Centre, along with an underspend of £215k for the New Park (football Pitches) at Barnsley Hall. Both will be requested to be carried forward into 2008/09.

<b>Planning &amp; Environment Services</b>	<b>Quarter 3 (Dec 31<sup>st</sup>) 2007/08</b>
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**Performance Summary**

No. of PI's improving (I)	3	No. of PI's meeting YTD target	7	No. of PI's where est. outturn projected to meet target	7
No. of PI's Stable (S)	2	No. of PI's missing YTD target by < 10%	0	No. of PI's projected to miss target by < 10%	0
No. of PI's worsening (W)	2	No. of PI's missing YTD target by >10%	0	No. of PI's projected to miss target by >10%	0

**Achievements:**

- Development Control performance continues to be high. As a “standards” Authority for the determination of major applications we are charged with determining 65% of major applications within 13 weeks. Performance currently stands at 100%
- We are currently rated the 24<sup>th</sup> best authority ( out of 367) for the determination of major applications
- We are the 42<sup>nd</sup> best authority for determining “Minor” applications and 99<sup>th</sup> best for determining “Others”.
- We have achieved the governments target for Households occupying temporary accommodation 2 years early
- We passed our BSI 2000 audit inspection in Building Control
- Households occupying temporary accommodation – government set target for 2010 achieved 2 years early

**Issues:**

- Income is down with regard to Land Charges due to the impact of private search companies yet the workload in the Local Land Charges team has increased due to the government guidance to produce personal searches within 48 hours and deal with all work on an equal basis
- Sickness levels remain on target
- Preparation taking place for the Audit Housing Inspection in February 08. The self assessment has been forwarded.



## Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Development &amp; Building Control</b>	715	39	-3	-42	704	-11
<b>Environmental Health</b>	1017	426	357	-69	970	-47
<b>Licensing</b>	2	-3	-60	-57	-38	-41
<b>Planning Administration</b>	-11	117	185	68	67	78
<b>Strategic Housing</b>	3360	433	457	24	3377	17
<b>Strategic Planning</b>	621	393	346	-47	570	-51
<b>Economic Development</b>	92	82	76	-6	103	10
<b>Retail Market</b>	27	8	17	10	47	20
<b>TOTAL</b>	<b>5,824</b>	<b>1,494</b>	<b>1,376</b>	<b>-119</b>	<b>5,799</b>	<b>-24</b>

### Financial Commentary

- The current underspends were due to a number of vacancies within the department that have only recently been filled this is majority offset with spend against agency staff. As the majority of posts have now been filled there will be a reduced underspend by the end of the financial year.
- Current savings on consultancy fees including the Longbridge budget. It is anticipated that the use of consultancy fees for the advice on planning matters will not be spent at the end of the financial year and be requested to carry forward until 08/09 this has been profiled to reflect this.
- There has been an increase in income on licensing budgets which are estimated to continue into 2008/09 and will form part of revised budget proposals.
- It is projected there will be an under-spend of £25k by the end of the financial year. This being the net effect of the underspends on salaries against the loss of income in land charges due to customers using other agencies, Market Hall due to the imminent closure and the closure of the hostels.

## Capital Budget summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Strategic Housing</b>	3,626	1,367	1,227	-140	2,156	-1,470
<b>TOTAL</b>	<b>3,626</b>	<b>1,367</b>	<b>1,227</b>	<b>-140</b>	<b>2,156</b>	<b>-1,470</b>

### Financial Commentary

- Expenditure in 2007/08 to date on Disabled Facilities Grants and Discretionary Home Repair Grants totals £321k. There is now likely to be an end of year under-spend of £421k. The main reasons for the underspend are staffing issues and the 12 month time limit for getting work carried out following approval being granted.
- Grants to RSL schemes are also well under way in this year with £135k being spent to date of the total capital budget of £662k. Total payments of £241k are projected and the likely underspend of £423k will be requested to be carried forward to 2008/09.
- The Homeless Hostels Re-modelling scheme has commenced an £270k has been spent to date. It is projected that the carry forward of £38k to 2008/09 will be required for completion of the scheme.
- The Extra Care Sheltered Housing- Gilbert Court, Charford project commenced in September 2007 and 50% has been paid to date. There will now be an under-spend in relation to this scheme that will be requested to be c/fwd into 2008/09.

### Performance Summary

No. of PI's improving <b>(I)</b>	4	No. of PI's meeting YTD target	10	No. of PI's where est. outturn projected to meet target	10
No. of PI's Stable <b>(S)</b>	3	No. of PI's missing YTD target by < 10%	0	No. of PI's projected to miss target by < 10%	0
No. of PI's worsening <b>(W)</b>	3	No. of PI's missing YTD target by >10%	0	No. of PI's projected to miss target by >10%	0

### Achievements

- All ten key performance indicators are on year to date target & are projected to meet year end target. We are now entering the period of cessation of green waste collections which will have an impact on indicators for the balance of the year; however we are expecting to meet targets.
- Street cleansing is continuing to improve due to the enthusiasm of the team and Supervisor and has been motivated by the achievement of Green Apple Award in November. The team were presented with their award by the local MP at a presentation ceremony in the Council House.
- Two man working has now been introduced on 6 of the 8 refuse rounds.

### Issues:

- Refuse vehicles continue to cause concern. They are considerably improved following recent work but are still well below the reliability levels that should be expected of this type of vehicle. This continues to have an impact on the cost of the service.

### Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Car Parks</b>	-718	-444	-485	-41	-760	-42
<b>Cleansing</b>	1283	753	657	-96	1156	-127
<b>Depot – Miscellaneous</b>	-19	22	179	156	-124	-106
<b>Environmental Enhancements</b>	7	5	-8	-13	-1	-8
<b>Garage</b>	151	74	102	28	252	101
<b>Grounds Maintenance</b>	592	343	340	-3	591	-1
<b>Highways</b>	262	173	189	17	315	52
<b>Refuse Collection</b>	2,791	1,796	1,747	-49	2,954	164

<b>Travel Concessions</b>	427	316	185	-131	450	23
<b>TOTAL</b>	<b>4,777</b>	<b>3,039</b>	<b>2,907</b>	<b>-132</b>	<b>4,833</b>	<b>56</b>

#### Financial Commentary

- The financial management arrangements within Street Scene are more robust than in previous years as the position at the second quarter is similar to that reported at end September 07.

The reasons for the current variations include:

- Additional Car Parking income generated to the anticipated budget.
- Cleansing – current and projected underspends due to vacant posts and improving the efficiency of the service by using less operatives.
- Highways – shortfalls on projected income as the Highways partnership no longer rent the Burcot Room together with income targets set for general highways and drainage work that is now undertaken by the County Council. These pressures will be addressed as part of the medium term financial plan review for 2008/09-2010/11.
- There is a current phased reduction in the number of operatives carrying out refuse collection and it is anticipated that the overspend on this area will reduce by year end.

#### Capital Budget summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Car Parks</b>	18	18	0	-18	18	0
<b>Replacement Vehicles</b>	1,479	933	705	-228	1,044	-435
<b>Travel Concessions</b>	20	20	0	-20	0	-20
<b>TOTAL</b>	<b>1,517</b>	<b>971</b>	<b>705</b>	<b>-266</b>	<b>1,062</b>	<b>-455</b>

#### Financial Commentary

- The 10 year Vehicle Replacement Programme has already incurred expenditure of £705k including multi lift vehicles, street cleaning vehicles and equipment, 4 second hand recycling vehicles and 3 chariot lawnmowers. There has been a budget saving of £180k on the purchase of the recycling vehicles.
- It is anticipated that the new car parking machines will be in place by the end of 2007/08.

### Performance Summary

No. of PI's improving ( <b>I</b> )	0	No. of PI's meeting YTD target	3	No. of PI's where est. outturn projected to meet target	2
No. of PI's Stable ( <b>S</b> )	3	No. of PI's missing YTD target by < 10%	1	No. of PI's projected to miss target by < 10%	1
No. of PI's worsening ( <b>W</b> )	2	No. of PI's missing YTD target by >10%	1	No. of PI's projected to miss target by >10%	2

### Achievements:

- Health and Safety** – The Council undertook its first Stress Survey of all employees towards the end of 2007 and generated some particularly pleasing results. We exceeded the HSE targets in 3 out of the 6 standards. This is an area in which the Council is able to say that it is leading the way compared to some of our neighbouring authorities.
- Budget** – Supporting the Finance Team and Council as a whole to manage the HR implications of the 2008/9 budget (34 redundancies/deletion of posts) in order to ensure that financial resources of the Council are aligned to the Council priorities. Positive and effective consultation with the recognised trade unions and BERR took place (with no major industrial relations issues arising from the proposals), and with just 1.5 compulsory redundancies projected to be the final number in April 2008 when all notice periods will have expired. We are also pleased to report, as projected, that 3 of the “at risk” individuals either have been, or will be, redeployed into more secure employment with the Council (one of whom has actually secured a promotion as a result of this process).
- Sickness** – Despite also being reported in the section relating to “issues” below (recognising that we will almost certainly miss our annual performance target for 2007), sickness absence levels are nevertheless considerably improved upon last year's performance. To that extent, it is clearly an achievement.
- Two Tick Symbol Secure** – the two tick disability symbol is a signal to prospective job applicants that the Council welcomes applications from people with disabilities, thus taking a further step towards the achievement of a representative workforce, and supporting our corporate equalities agenda.
- Implementation of EDMS** (part of the Spatial project) in accordance with planned timescales – as the pilot department for implementation of EDMS across the whole Council it was critical that we delivered implementation on time and shared our learning with other departments.
- Shared Services Agenda** (efficiency improvements and financial savings) – Agreement to outsource the payroll function to Redditch Borough Council; representing an example of the Council's willingness to support the wider Shared Services agenda. Arrangements are currently underway to ensure a smooth transition of the service for April 2008.

- **Single Status** – The job evaluation work has been completed and all data translated into the pay modeller. A proposed pay model has been “agreed in principle” with the unions and is projected to be approved by CMT in early February before communicating the results to all staff towards the end of February. Again, this particular project has benefited from successful partnership working between management and the recognised trade unions, with both sides working hard to understand each others respective position and find a solution that could be acceptable to both sides. Working relationships throughout this project have been extremely positive, with the expected outcome being that the unions will support and recommend the final package to their membership.

**Issues:**

- **Sickness absence** - as outlined above, sickness absence levels are expected to fall outside of the planned target for 2007. This appears to be attributable to short term absences as opposed to the long term absences which were a problem in the previous year. It is evident that there is no one single reason that can be attributed to these absences; it was however projected that the uncertainty, and subsequent reality, of the budget would have a negative effect upon absence levels.

**Revenue Budget summary**

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Human Resources &amp; Organisational Development</b>	117	443	436	-8	128	10
<b>TOTAL</b>	<b>117</b>	<b>443</b>	<b>436</b>	<b>-8</b>	<b>128</b>	<b>10</b>

**Financial Commentary**

- The underspend to date is due to budgets on general supplies and services not fully used.
- There is an under-spend is on the corporate training budget and Councillors training budget – however it is anticipated that these budgets will be used fully during the remainder of 07/08.
- The projected out-turn for the financial year is over-spent due to some unexpected legal costs that have not been budgeted for.

## Capital Budget summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>HR &amp; OD</b>	30	0	0	0	0	-30
<b>Total</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-30</b>

### Financial Commentary

The £30k budget carried forward from 2006/07 is still unspent to date - this scheme has seen delays due to the organisational restructure in 2006/07. Research is still under way to identify the requirements of the new system and the link with the spatial project, before a tender specification can be prepared. It is likely that a request to carry forward the budget into 2008/09 will be made.

<b>Legal, Equalities &amp; Democratic Services</b>	<b>Quarter 3 (Dec 31<sup>st</sup>) 2007/08</b>
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### Performance Summary

No. of PI's improving ( <b>I</b> )	0	No. of PI's meeting YTD target	2	No. of PI's where est. outturn projected to meet target	2
No. of PI's Stable ( <b>S</b> )	2	No. of PI's missing YTD target by < 10%	0	No. of PI's projected to miss target by < 10%	0
No. of PI's worsening ( <b>W</b> )	0	No. of PI's missing YTD target by >10%	0	No. of PI's projected to miss target by >10%	0

### Achievements

#### Legal and Democratic

- Implementation of Civica Case Management System
- Introduction of new Procedure Rules for Standards Committee Hearings
- Consultation exercise concluded in respect of Constitution review
- Shared Service discussions progressed with County and other Districts
- Successful roll out of all Committee minutes and agendas on new corporate printing system
- Member training continues within timescales

#### Equalities and Diversity

- Disability Equality training continues to roll out corporately
- Disabled users Forum held first meeting in accordance with timescales
- Equalities and Diversity Forum involved in Participatory Budget sessions
- Royal Visit planned for January to celebrate success of joint County and District Venture
- Black History Society continues with Planning for Black History Month next year
- TES project continues within timescales

- Equality Officer working with Modern Member Steering Group to identify Member training and development requirements for quarter 4 of the training programme

### Elections

- New Elections Manager began with the Council at the beginning of December
- Officers trained on New Elections System
- Work continues to implement new system in accordance with timescales

### Assets Management

- Discussions with County in respect of managed service
- Assets management action plan continues in accordance with identified targets and in accordance with timescales

### Issues

- Member Development programme has fallen behind in respect of the modules that relate to Top team, and Cabinet and Opposition mentoring. This has been as a consequence of the unavailability of agreed training provider.
- Member attendance at organised training events continues to be a problem. The Monitoring Officer and Chief Executive are working with the Leaders of the the groups within the context of the Modern Member Steering Group to address this issue.

### Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Administration &amp; Registration</b>	947	365	327	-37	909	-38
<b>Committee Services</b>	0	158	158	1	2	2
<b>Corporate Facilities</b>	-5	40	36	-4	-2	3
<b>Elections</b>	97	54	124	70	167	70
<b>Facilities Management</b>	-97	405	357	-48	-101	-3
<b>Legal Services</b>	-19	248	249	0	-14	4
<b>Valuation Services</b>	0	58	60	2	3	3
<b>TOTAL</b>	<b>923</b>	<b>1,328</b>	<b>1,311</b>	<b>-17</b>	<b>964</b>	<b>40</b>

### Financial Commentary

- This over-spend is mainly due to the additional expenditure required to undertake a successful election and bi-election during a period of limited staffing resource within the team.
- Additional income, however, has been generated by the legal team through contracts with BDHT.



## Capital Budget Summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Elections</b>	22	22	24	2	24	2
<b>Facilities Management</b>	171	6	1	-5	1	-170
<b>Legal Services</b>	14	6	7	1	13	-1
<b>TOTAL</b>	<b>207</b>	<b>34</b>	<b>32</b>	<b>-2</b>	<b>38</b>	<b>-169</b>

### Financial Commentary

- The under-spend that is showing to date, is mainly due to schemes still being in the planning and discussion stages – e.g being the Alterations at the Council House for DDA Improvements, whereby SCOPE have identified 218 priority 1 changes that need to be made. It is anticipated that these budgets will remain unspent until a clearer picture is available on the future of some of the Council's facilities. A request will be made to carry the £150k budget forward to 2008/09.
- The over-spend on the election system is due to contractual costs relating to the old system.

**Performance Summary**

No. of PI's improving <b>(I)</b>	0	No. of PI's meeting YTD target	3	No. of PI's where est. outturn projected to meet target	5
No. of PI's Stable <b>(S)</b>	2	No. of PI's missing YTD target by < 10%	3	No. of PI's projected to miss target by < 10%	1
No. of PI's worsening <b>(W)</b>	4	No. of PI's missing YTD target by >10%	0	No. of PI's projected to miss target by >10%	0

**Achievements**

- Invoices paid on time using the new process of turn round within 48 hours
- Further improvements in the processing times for new benefit claims
- Detailed costings of the financial impact of the identified pressures and savings in respect of the budget projections
- Professional advice and support to budget holders and members for the medium term financial plan 2008/09-2010/11.
- Continued support to the 3<sup>rd</sup> Age Project in conjunction with the County Council by the welfare officer.
- Support by the benefits team for the implementation of the local housing allowance – continued communication with the landlords forum
- Initial meetings with the new external auditors – Audit Commission
- Maintained collection rates on Council Tax and NNDR despite staffing shortages
- Significant improvement on the accuracy of benefit claims for the quarter (1 error - )
- Further implementation of the Government Procurement Card to reduce invoices
- Commencement of 2 year contract for Procurement Manager and in the provision of support to Redditch Council
- Presentation to the Audit Board in respect of the actions in relation to the Risk Registers
- Preparation and presentation of Value for Money action plan to members

**Issues**

- Recruitment to Accountancy Services Manager post with effect from March 08 – may have impact on the year end planning
- Unsuccessful recruitment to revenues officer - post covered by agency support to maintain performance towards year end
- Issues with printing of bills and benefit letters being addressed by ICT department
- Project Management of the POP project – delayed until Accountancy Services Manager in post

## Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Benefit Administration</b>	242	-11	85	96	273	32
<b>Benefit Payments</b>	48	36	-9	-45	48	0
<b>Central Overheads</b>	121	90	102	12	117	-4
<b>Financial Services – Accountancy &amp; Admin</b>	60	367	245	-122	61	1
<b>Financial Services – Internal Audit</b>	0	105	100	-6	-3	-3
<b>Grants &amp; Donations</b>	86	65	82	17	85	-1
<b>Local Taxation</b>	996	112	213	102	1,017	21
<b>Revenues &amp; Benefits System Control</b>	1	148	112	-36	-5	-6
<b>TOTAL</b>	<b>1,554</b>	<b>911</b>	<b>929</b>	<b>18</b>	<b>1,593</b>	<b>39</b>

### Financial Commentary

- The implementation of the restructure within Revenues and Benefits and the resulting unsuccessful recruitment campaign has led to an overspend in having to utilise agency staff to ensure performance continued to improve. The majority of posts are now filled and there will be a reduction in agency time following the main billing process in March.
- Vacancies within the accountancy team have been utilised to fund additional support to close final accounts within statutory deadlines.

## Capital Budget summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Accountancy &amp; Audit</b>	45	22	11	-11	45	0
<b>Total</b>	<b>45</b>	<b>22</b>	<b>11</b>	<b>-11</b>	<b>45</b>	<b>0</b>

### Financial Commentary

- The Purchase Order Processing system is in pilot stages in accountancy and ICT departments. It is anticipated that the system will be rolled out to all sections of the Council by March 2008 commencing with Revenues and Benefits section and the CSC.
- The majority of this scheme was completed in 2006/07 and the budget for this year is mainly for the backfilling of staff.

**Performance Summary**

No. of PI's improving ( <b>I</b> )	1	No. of PI's meeting YTD target	4	No. of PI's where est. outturn projected to meet target	2
No. of PI's Stable ( <b>S</b> )	0	No. of PI's missing YTD target by < 10%	0	No. of PI's projected to miss target by < 10%	1
No. of PI's worsening ( <b>W</b> )	3	No. of PI's missing YTD target by >10%	0	No. of PI's projected to miss target by >10%	1

**Achievements****Customer Service Centre**

The queue management system is working well in the CSC and is used to manage the flow of customers. A large screen has been installed in front of the customer waiting area with information about the Council and Council services displayed on it.

The queue management system also monitors waiting times for face to face customers and provides management information about the types of enquiries being handled in the centre. Since October approx 4000 customers have been logged on the queue management system. The average wait time for customers in the CSC is 4 minutes and is well below the HUB performance target of 15 minutes. The average face to face customer serving time is 11 minutes.

Currently all CSC PI's are exceeding target:

- Resolution at first point of contact (all services) is showing a consistent trend of improvement and is exceeding the target by 11%.
- Resolution at first point of contact (telephone) is also above target at 94%  
Resolution at first point of contact (face to face) is 98%. The queue management system mentioned above has had a direct positive impact on this PI.
- 80% of calls will be answered before the call is abandoned is above target at 84%

The Customer Panel results from last years survey indicated that 72% of our customers would recommend the CSC to a friend. Demonstrating a good level of satisfaction with the service delivered by the CSC. This measure has now been included in the E-Government & Customer Services Business Plan as an annual CSC performance indicator.

A Customer Access Strategy has been drafted and incorporated into the review of the Customer First Strategy. This document was reviewed by the Customer First Board and is due to go forward to Cabinet in early February. This group has also held Customer Clinics with departments to investigate and resolve customer service issues.

**Information Communication Technology Services**

Delivered training for departmental content authors for the website and intranet to enable each department to authorise their own web content. This will speed up the process of getting information published on the Council's website.

Installed and configured new servers ready for the IDOX software install for the Spatial Project.

The Revenues and Benefits system, Academy, was upgraded to the latest version ready for year end processing.  
 The Environmental Health and Revenues printing systems have been moved to a more robust server reducing the risk of system failure.  
 The first phase of new computers were installed at the Depot.  
 Software packages were created to help speed up the installation of programs to support the Spatial Project.  
 The last legacy systems have been migrated onto the current ICT infrastructure.  
 A pilot project with a small group of Cllrs has been started to evaluate the use of Citrix thin client at home.

**Spatial Project**

Completed training and acceptance testing for Human Resources as part of the rollout of the Electronic Document Management System  
 Human Resources went live with the Electronic Document Management (EDM) System  
 Completed EDM workshops for Chief Executives and Leisure & Community Services Departments.  
 The new Land & Property Business Applications have been loaded onto the IT Infrastructure ready for rolling out to departments during 2008.  
 The Strand Elections Management software has been installed  
 The web based Public Access Modules have been installed ready for implementation during 2008.  
 Departmental presentations of the Land & Property Business Applications have been started.

**Issues:**

Staff sickness levels at the CSC are exceeding the departmental target. An action plan has been discussed with the CSC Manager to better manage this situation.

**Revenue Budget summary**

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Customer Service Centre</b>	61	252	256	4	37	-23
<b>E-Government</b>	86	1,314	1,277	-37	49	-37
<b>TOTAL</b>	<b>147</b>	<b>1,566</b>	<b>1,533</b>	<b>-33</b>	<b>86</b>	<b>-60</b>

**Financial Commentary**

The underspends are mainly due to managed savings within the section and the impact of vacancies within the Customer Service Centre

### Capital Budget summary April-December 2007/08

Service	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>E-Government</b>	537	318	141	-177	279	-258
<b>Customer Services</b>	30	30	25	-5	26	-4
<b>TOTAL</b>	<b>567</b>	<b>348</b>	<b>166</b>	<b>-182</b>	<b>305</b>	<b>-262</b>

#### Financial Commentary

- The majority of the schemes are now underway and the new 2007/08 scheme, with a budget of £75k for the Replacement of Desktop Printers of which have all been installed.
- The Provision of Queue management system at the CSC is now complete. This £30k scheme, has been delivered and installed and is now working.
- Talks are still on-going regarding the way forward for the Government Connect Scheme. It is expected that the budget will not be spent this year and a request will be made to carry forward the budget to 2008/09.
- It is projected that £200k will be spent on the £385k Spatial Project budget in 2007/08 and the carry forward of £185k to 2008/09 will be required.

**Performance Summary**

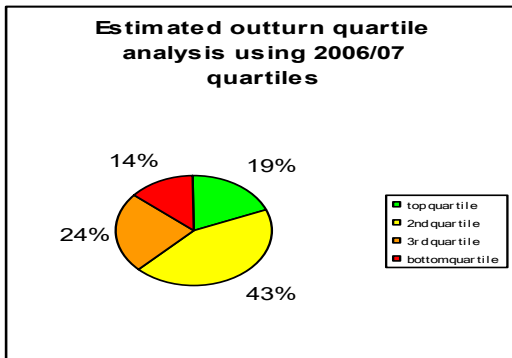
No. of PI's improving ( <b>I</b> )	12	No. of PI's meeting YTD target	32	No. of PI's where est. outturn projected to meet target	33
No. of PI's Stable ( <b>S</b> )	12	No. of PI's missing YTD target by < 10%	6	No. of PI's projected to miss target by < 10%	3
No. of PI's worsening ( <b>W</b> )	17	No. of PI's missing YTD target by >10%	3	No. of PI's projected to miss target by >10%	6

**Achievements:**

55% of PI's are Improving or Stable (83% at Q2)  
 73% of PI's are achieving their Year To Date target (72% at Q2)  
 75% of PI's are predicted to meet their target at year end (79% at Q2)

The considerable drop in the percentage of PI's improving or stable warrants further explanation. Of the 17 PI's where performance worsened in period 9 (compared to period 8) fifteen are on target year to date and are projected to meet year end target. For many of these PI's the decline in performance in December was marginal and not a cause for concern.

**Quartile analysis of estimated outturn  
 Using 2006/07 quartiles**



NB not all BVPI indicators are gathered quarterly, so the pie chart does not give a full picture of the projected position at the year end

## Revenue Budget summary

Service Head	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Corporate Services</b>	998	794	804	10	994	-5
<b>Culture &amp; Community</b>	3,154	1,542	1,625	83	3,255	101
<b>E-Government &amp; Customer Services</b>	147	1,566	1,533	-33	86	-60
<b>Financial Services</b>	1,554	911	929	18	1,593	39
<b>Legal &amp; Democratic</b>	923	1,328	1,311	-17	964	40
<b>Human Resources &amp; Organisational Development</b>	117	443	436	-8	128	10
<b>Planning &amp; Environment Services</b>	5,824	1,494	1,376	-119	5,799	-24
<b>Street Scene &amp; Waste Management</b>	4,777	3,039	2,907	-132	4,833	56
<b>TOTAL</b>	<b>17,493</b>	<b>11,117</b>	<b>10,920</b>	<b>-198</b>	<b>17,652</b>	<b>157</b>

### Financial Commentary

The Council is significantly underspent in the third quarter due to the impact of vacant posts. Due the majority of these posts being filled the budget holders together with the reported shortfalls in income at the Dolphin Centre and land charges services it is anticipated that there will be a £157k overspend at year end.

This will be offset by the additional income generated from investments of £602k. This is presented later in this report and is mainly due to a combination of underspends on the capital programme resulting in more funds available to be invested and the interest rates being much higher than anticipated due to the current state of the market

The revised net position would be an underspend of £445k. The underspend would be transferred to balances as reported in the Medium Term financial plan.



## Capital Budget summary April-December 2007/08

Department	Revised Budget £'000	Profiled budget YTD £'000	Actual spend YTD £'000	Variance to date £'000	Projected outturn £'000	Projected variance £'000
<b>Corporate Services</b>	45	-	-	-	35	-10
<b>Culture &amp; Community</b>	2,077	634	395	-239	1,329	-748
<b>E-Government &amp; Customer Services</b>	567	348	166	-182	305	-262
<b>Financial Services</b>	45	22	11	-11	45	-
<b>Legal, Equality &amp; Democratic Services</b>	207	34	32	-2	38	-169
<b>Human Resources &amp; Organisational Development</b>	30	-	-	-	-	-30
<b>Planning &amp; Environment</b>	3,626	1,367	1,227	-140	2,156	-1,470
<b>Street Scene and Waste Management</b>	1,517	971	705	-266	1,062	-455
<b>Budget for Support Services Recharges</b>	127	-	-	-	127	-
<b>TOTAL</b>	<b>8,241</b>	<b>3,376</b>	<b>2,536</b>	<b>-840</b>	<b>5,097</b>	<b>-3,144</b>

### Financial Commentary

Underspends mainly due to Disabled Grants, Gilbert Court, Spatial Project, Dolphin Centre, and purchase of vehicles as in the main report above.

## 4.2 Carry Forward of unspent capital budgets 2007/08

4.2.1 Monitoring of capital budgets takes place monthly and the position is reported regularly to Performance Management Board and Executive Cabinet. The position at December 2007 shows that many schemes have been delayed for a variety of reasons and will require the remaining budgets to be carried forward to 2008/09 to allow for progression and completion. It is now recommended that approval be given for the estimated budget carry forwards as part of the monitoring and reporting process.

4.2.2 The total of budgets which require carrying forward is £2.250m and the full schedule showing individual schemes can be seen on Appendix 5

## 4.3 Sundry Debtors

4.3.1 Sundry Debt is raised by the Council to ensure effective recovery of debts owing. The outstanding balance at 31/12/07 was £260k which includes £34k of car parking fines, £30k S106 fund, £20k lifeline debts, £54k rents/ hire charges, £22k building regulations and £40k in respect of services provided by the Council to other organisations (eg contracts with BDHT for legal work).

## 5.0 TREASURY MANAGEMENT

### 5.1 Investment Interest

5.1.1 For the period to 31st December 2007 the Council received net investment income amounting to £1,013k against predicted year to date receipts of £569k. This income is a combination of interest earned on in-house managed funds (cash currently surplus to cash flow requirements that is placed on short-term deposit) and the investment income arising on the externally managed funds (Invesco and HSBC fund managers). The increased interest has arisen due to slippage on the capital programme which has made additional surplus cash available for deposit, combined with enhanced interest rates achieved as a result of the recent market conditions. The estimated position at year end is an additional £602k to that included within the budget.

5.1.2 Details on the individual fund managers' performance is detailed below.

### 5.2 INVESCO

#### 5.2.1 Investment Update

As part of our investment strategy funds held with Invesco were recalled in the quarter to December 2007. The funds will be managed in-house thereby saving management fees of approximately £23k per annum net.

#### 5.2.2 Portfolio Performance

At 1 April 2007 the Council's investment was valued at £10.886 million. The majority of the funds were recalled in early October with one investment left to run to maturity in mid-November. In this period the investments earned income amounting to £304k and management fees applied to the portfolio for the period totalled £13k.

## **5.3 HSBC**

### **5.3.1 Investment Objectives/Level of Risk**

The investment objective is set out in the Client Agreement with HSBC with a portfolio mandate of short maturity with a medium level of risk.

### **5.3.2 Portfolio Performance**

At 1 April 2007 the Council's investment was valued at £10.422 million. In the period to December the investment earned income amounting to £540k. Management fees applied to the portfolio for the period totalled £19k. The market value of the funds invested with HSBC was £10.942 million as at 31<sup>st</sup> December 2007.

## **6. LEGAL IMPLICATIONS**

None

## **7. COUNCIL OBJECTIVES**

## **8. RISK MANAGEMENT**

8.1 The main risks associated with the details included in this report are:

- Decline in performance within the departments
- Significant overspends across the Council

8.2 These risks are being managed as follows:

- Decline in performance

Risk Register: all departmental and corporate registers

Key Objective Ref No: all objectives which link to delivery of BVPI and LPI as detailed in departmental business plans

Key Objective: Delivery of Performance Indicators as presented in Business Plans

- Significant Overspends across the Council :

Risk Register: Financial Services

Key Objective Ref No: 6

Key Objective: To provide an efficient and effective accountancy service to support the financial management across the Council

## **9. CUSTOMER IMPLICATIONS**

## **10. EQUALITIES AND DIVERSITY IMPLICATIONS**

## 11. OTHER IMPLICATIONS

Procurement Issues	None
Personnel Implications	None
Governance/Performance Management	– subject of the report
Community Safety including Section 17 of Crime and Disorder Act 1998	None
Policy	None
Environmental	None

## 12. OTHERS CONSULTED ON THE REPORT

Please include the following table and indicate 'Yes' or 'No' as appropriate. Delete the words in italics.

Portfolio Holder	
Chief Executive	Yes
Corporate Director (Services)	Yes
Assistant Chief Executive	Yes
Head of Service	Yes
Head of Financial Services	Yes
Head of Legal, Equalities & Democratic Services	Yes
Head of Organisational Development & HR	Yes
Corporate Procurement Team	No

## APPENDICES

Appendix 1	Performance Summary for December 2007
Appendix 2	Detail Performance report for December 2007
Appendix 3	Detailed figures to support the performance report
Appendix 4	Detail breakdown of sickness figures
Appendix 5	Slippage schedule for capital programme

**CONTACT OFFICERS**

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John Outhwaite, Senior Policy & Performance Officer