

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

18 NOVEMBER 2008

SEPTEMBER (QUARTER 2) INTEGRATED FINANCE & PERFORMANCE REPORT

Responsible Portfolio Holder	Councillor Mike Webb Cabinet member for Performance 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 PMB on the Council's performance and financial position at 30th September 2008 (period 6, quarter 2).

2. RECOMMENDATIONS

- 2.1 That PMB notes that 44% of PI's for which data is available are Improving or Stable.
- 2.2 That PMB notes that 82% of PI's for which data is available are achieving their Year to Date target.
- 2.3 That PMB notes that 92% of PI's for which data is available are predicted to meet their target at year end.
- 2.4 That PMB notes the successes and areas for potential concern as set out in the 'Council summary' below.

3. BACKGROUND

- 3.1 This is the second integrated quarterly finance and performance report for 2008/09. In the first report the performance element was revised to reflect the introduction of the new 'National Indicator' set which replaced the former Best Value Performance Indicator set on 1st April.
- 3.2 Following a recommendation in the 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 – 3 errors in reporting
 - Human Resources – 1 error in reporting.

3.3 Three of 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; one was submission of an incorrect figure. All of these were identified by checks applied at the corporate level and quickly resolved. 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 on the following pages.

4.2 The 44% figure for PI's improving or stable is worthy of further explanation. There are 14 PI's where performance has worsened in September compared to August. However many of these the performance decline has only been slight and 13 of these were still meeting their year to-date target and are still projected to meet year end target. Thus this lower than usual figure is not, at this stage, a cause for concern.

4.3 Areas for potential concern include

- Sickness absence figures remain worse than target and at current rates the year end target will be missed by a considerable amount. The Assistant Chief Executive has held a performance clinic to identify if any further measures can be taken to bring this down. As a result of the Performance Clinic it has been agreed that a report will be put together for December's PMB providing background analysis on age and nature of workforce and issues associated with that. The report will also discuss the Active Health Partners budget bid which was scored as "medium" priority by CMT, along with examples of longer term issues from the LGE list of good practice, like home working, health insurance etc. so that we can move the debate onto being an employer of choice, as well as tackling consistent offenders.
- Time taken to process benefit claims has worsened again. The main reason for this is vacancies in the team. A new system, Voice Recognition Analysis, funded by DWP, is being piloted which it is hoped will enable fast tracking of a number of claims and thus improve the performance on this indicator from November onwards.
- Speed of processing of all types of planning applications has declined, with performance on "other" planning applications now more than 10% off target. This has primarily been as a result of two members of staff leaving within the quarter, one of whom also had a period of sick leave prior to his departure. Interviews were undertaken to replace both individuals and positions were offered but rejected due to the uncertainty over job evaluation. Both posts are currently being re-advertised. In the meantime, the Development Control Unit has increased the level of work undertaken by the Planning Consultant to concentrate on improving the performance level in the "other" category, enabling case officers to concentrate on the "minor" category.

4.4 Financial Position

Overall Council Summary	Quarter 2 (Sept 30th) 2008/09
--------------------------------	--------------------------------------

Performance Summary

No. of PI's improving (I)	19	No. of PI's meeting YTD target	24	No. of PI's where est. outturn projected to meet target	27
No. of PI's Stable (S)	10	No. of PI's missing YTD target by < 10%	2	No. of PI's projected to miss target by < 10%	1
No. of PI's worsening (W)	0	No. of PI's missing YTD target by >10%	2	No. of PI's projected to miss target by >10%	0

Achievements

The Council has had another strong six months in terms of its performance with the vast majority of its indicators achieving or exceeding their targets. Notable achievements against our priorities include:-

- The percentage of household waste reused, recycled or composted, which is consistently over 45% each month;
- Exceeding our affordable housing target (74 units built in the first 6 months against a target of 60).
- Missed refuse collections being consistently under target for quarter 2, with a reduction in calls on this issue to the customer service centre.
- Very good performance at the customer service centre, with the resolution at the first point of contact being consistently above 95%, when the target is 85%. The percentage of calls answered was also better than target for the second quarter, the average was 25 seconds (target is 30 seconds).

We also received our second customer panel (satisfaction) results, which enabled us to track satisfaction levels against last year's baseline. There were some very strong improvements in the levels of satisfaction including:-

- A 13 percentage point rise in the satisfaction with clean streets and recycling (which reflects the increased investment in street cleansing).
- A 29 percentage point rise in the ease of contacting the Council (83%, up from 54% one year ago).
- A 20 percentage point rise in residents finding "Together Bromsgrove" useful or very useful.

We also maintained our high percentage of 73% for residents who would recommend the customer service centre to a friend.

These satisfaction and perception measures will become more important as Comprehensive Performance Assessment is replaced by Comprehensive Area Assessment and the Government focuses on addressing why resident satisfaction in public services has not improved nationally, despite the increased investment levels.

Issues

There have been a number of performance issues in the second quarter. Areas of concern include:-

- Sickness absence, which after an excellent first quarter, has increased dramatically during quarter 2. The Assistant Chief Executive and Head of HR&OD held a performance clinic during October to look at this issue and a report will be coming to December's Performance Management Board on options for addressing this issue.
- The time take to process benefits claims has also started to creep upwards and by September was 2.5 days above target. The Assistant Chief Executive and Head of Financial Services are due to hold a performance clinic to look at this issue.
- There has also been some variation in the planning indicators in quarter 2 caused by staff turnover resulting from the job evaluation results. We have been able to recruit to the vacancies and expect performance to increase to its high levels in quarter 3.
- Although not an indicator, the Council has held a number of focus groups on customer access. These focus groups indicate that, while we are now getting the basics right, we have some way to go in order to address some of the more difficult customer issues we face.
- Sports centre usage is below target, due to the refurbishment at the Dolphin Centre, but we expect usage levels to substantially increase once the new gym facilities are open.

We were also disappointed that satisfaction with our parks and events offer fell year on year in the Customer Panel survey, but we think this reflects the timing of the survey (before the summer holidays and events like street theatre). We intend to run the survey in September next year.

Finally, the Council has improved its performance levels significantly over the last two years, but we are beginning to see a levelling off of performance. In order to keep on improving we need to start redesign services projects like the Joint CEO, lean systems work and measuring avoidable contacts.

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
Corporate Services	886	555	548	-7	864	-22
E-Government & Customer Services	64	788	798	10	51	-13
Financial Services	1,567	575	585	10	1,542	-25
Legal, Equalities & Democratic Services	922	914	844	-70	895	-28
Human Resources & Organisational Development	94	291	216	-75	114	20
Planning & Environment Services	5,531	910	718	-192	5,588	57
Street Scene & Community	8,071	2,227	2,509	281	8,348	277
SERVICE TOTAL	17,136	6,261	6,218	-43	17,402	267
Interest on Investments	-408	-245	-618	-373	-893	-486
COUNCIL SUMMARY	16,728	6,016	5,600	-416	16,509	-219

Financial Commentary

The Council is operating close to its financial targets across most areas for the period to September. However, some of the under spends reflected in departments relate to further efficiency/negotiated savings made in areas such as business rates and insurance. As these are corporate in nature they will not be available for departments use to offset alternative expenditure and will be returned to a corporate budget as part of a revised budget exercise due imminently during the Medium Term Financial Plan process

The projected outturn shows the major pressures arise mainly in Street Scene and Community. This is due to the delay in the transfer of the sports centres to the Leisure Trust together with a projected shortfall on car parking income and increased costs relating to the improved travel concessions scheme. These pressures are identified as part of the draft Medium Term Financial plan to be considered for inclusion in the 2009/10 budget.

The current projected outturn for net cost of services is anticipated to be an over spend of £267k. This will be offset by the additional income generated from investments of £486k. This is presented later in this report and is mainly due to the rescheduling of the capital programme resulting in more funds available for investment together with the external management of a proportion of our funds that has created capital increase over the period

The revised net position would be an under spend of £219k.

Capital Budget summary April-Sept 2008

Department	Revised Budget £'000	Actual spend YTD £'000	Projected outturn £'000	Projected variance £'000
Corporate Services	0	0	0	0
E-Government & Customer Services	4,413	69	4,410	(3)
Financial Services	34	1	34	0
Legal, Equality & Democratic Services	120	14	120	0
Human Resources & Organisational Development	0	0	0	0
Planning & Environment	2,168	670	2,169	1
Street Scene and Community	2013	269	2021	23
Budget for Support Services Recharges	130	0	130	0
TOTAL	8,878	1023	8,884	21

Financial Commentary

The revised Capital Programme as approved in September reflects a more accurate profile of the Councils capital spend over the first half year. The Spatial project is now in its final stages with the majority of the expenditure to be met in November 08. The Asset Management Group monitor the Capital Programme on a monthly basis together with HOS and service accountants to ensure the projects are delivered on time and within budget.

Performance Summary

No. of PI's improving (I)	6	No. of PI's meeting YTD target	13	No. of PI's where est. outturn projected to meet target	14
No. of PI's Stable (S)	4	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 (W)	4	No. of PI's missing YTD target by >10%	1	No. of PI's projected to miss target by >10%	0

Achievements

The running of the expanded events programme over the summer period with new locations across the district.

The success of the Community Safety & Sports development summer diversionary programme utilising the Council's investment in youth facilities.

The implementation and completion of four new play facilities across the district and the offer of 50K grant funding from the DCSF for further play improvements.

The commencement of the phase 2 refurbishment works at the Dolphin Centre to improve the on site health & fitness provision.

Grounds Maintenance and Cleansing crews targeting the town centre working with members to improve the visual aspect of the High Street and surrounding roads.

Refuse collection calendars produced giving information on the new chargeable green waste service.

Systems in place to deal with the payments for the green waste service working together with CSC and front of house.

Customer complaints reduced by 50%

Issues

The worsening position in relation to Violent Crime.

The poor usage figures at the Sports centre over the summer period and lower than forecast income generation.

Concern that the residents will leave paying for the green waste service until the last minute causing a backlog of payments to process.

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
Community Safety	713	265	296	31	698	-15
Parks & Recreation	664	122	142	20	669	5
Promotions	329	106	170	64	396	67
Sports Centres	618	202	270	68	756	139
Sports Development	572	72	53	-19	562	-10
Streets & Grounds	2,315	577	591	14	2,268	-47
Car Parks	-787	-463	-428	35	-690	97
Depot Misc	-16	336	230	-106	-173	-157
SS&C Mgt/admin	0	192	220	28	11	11
Transport & Waste	3,227	603	736	133	3,319	92
Travel Concessions	436	216	227	11	521	85
Waste Policy	0	0	2	2	11	11
TOTAL	8,071	2,227	2,509	281	8,348	277

Financial Commentary

- The projected overspend for Community Safety relates to an expected increase in equipment maintenance costs; these are slightly offset by an expected increase in income. There are also reduced staffing costs due to post movements.
- Projected overspend on Promotions relates to ongoing costs of the Museum.
- Sports Centres projected overspend relates to the delay of the Trust transfer.
- Sports Development projected under spend relates to the new Sports Development Offices being in post for only 10 months in this financial year.
- Car park income is showing a projected reduction, due to a national footfall reduction of 1.5% reflecting current economic and fuel conditions. The remaining shortfall is a combination of the reduction in use due to the price increase, the trend results in a reduction in ticket sales of 4% in the first year.
- Travel concessions overspend is due to an increase in claims.

Capital Budget summary April-Sept 2008/09

Service	Revised Budget £'000	Actual spend YTD £'000	Projected outturn £'000	Projected variance £'000
Cemeteries	7	0	7	0
Community Safety	164	4	164	0
Parks, Play areas & Open Spaces	339	134	339	0
Leisure Centres	713	130	720	7
Culture and Community General	126	110	126	0
Replacement Vehicles	599	139	600	1
Site works	65	0	65	0
TOTAL	2,013	517	2,021	8

Financial Commentary

- The continuation of the 10 year Vehicle Replacement Programme across the service, many vehicles already delivered, including new vans / tipper trucks for cleansing, garage, highways, and grounds, and new mowers and equipment for grounds, and the service has been working with procurement to ensure best value, further vehicles delivered in October.
- Community safety CCTV scheme is progressing expenditure expected in October / November.
- Parks and Play area's Big lottery funded schemes, Alvechurch youth scheme, and King George V Playing fields.
- Dolphin centre work continues to be completed by April 2009, with a projected final bill of £720k, an additional report has been submitted requesting approval for expenditure on equipment for the new fitness suite.

Performance Summary

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

Achievements

The Department as a whole has maintained strong performance throughout the quarter. The Department Management team undertook an "Away Day" to discuss the 2009/10 Business Plan and forthcoming budget bids and those are currently feeding through the budget cycle. Additionally the CAPS UNIFORM and ICLIPSE software systems have been rolled out across the Department as part of the Spatial Project. That has involved significant officer time undertaking appropriate training and relevant deadlines have been met. Staff consultation with regard to the impact of the Department restructure was undertaken throughout September with the aim of presenting the Review to CMT in October and Cabinet in November.

Environmental Health Officers have responded to the Food Standards Agency audit Inspection with an action plan which has been endorsed by the FSA and Cabinet.

Strategic Housing

The Council's support of and partnership working with Bromsgrove Youth Homelessness Forum and BDHT has lead to the CLG making us West Midlands Regional Centre of Excellence for Youth Homelessness. Additionally final training and local directory of access, step by step guide and application inputting for Choice Based Letting has been on going in preparation for going live date of 7th October.

Within the Building Control Section a BSI 9002 major unannounced 3 year strategic audit was carried out by external assessors. There was a successful outcome with no non-conformities raised for the first time in 8 years and accordingly accreditation was re-awarded.

Work on the Town Centre Area Action Plan was carried out throughout the quarter with staff attending Street Theatre and Farmers Markets events. The response rate has been very high and work will take place in October to assess the consultation response.

Performance within Development Control has been affected by sickness absence and staff leaving. Nevertheless performance for the quarter was as follows:

Major = 71%

Minor = 60%

Other = 88%

Issues

The roll out of the Spatial project throughout the quarter has impacted on officer time and therefore sections have been proactively managing their work streams to ensure performance remains at an acceptable level. This is an issue that is regularly discussed at the Department Management Team meetings and issues are escalated when necessary. Staff recruitment and retention remains an issue with two further Development Control staff leaving in the quarter. Interviews for replacements were undertaken and posts were offered but rejected on the basis of the uncertainty surrounding Job Evaluation. The acceptance of the restructure proposals will assist in managing 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
Building Control	17	-48	-62	-14	14	-3
Development Control	908	117	19	-98	835	-73
Environmental Health	997	287	228	-59	968	-29
Licensing	-4	-10	-46	-36	-35	-31
Planning Administration	-8	51	94	43	104	112
Strategic Housing	3,103	329	335	6	3,155	52
Strategic Planning	354	116	84	-32	335	-19
Economic Development	114	58	54	-4	118	4
Retail Market	50	10	12	2	94	44
TOTAL	5,531	910	718	-192	5,588	57

Financial Commentary

- The current under-spends are due to a number of vacancies within the department that of which some have recently been filled resulting in a reduced underspend by the year end. The remainder of vacant posts will be reviewed as part of a wider Departmental Review that is looking into efficiencies and savings as part of the three year financial plan.
- It is projected there will be an over -spend of 102k by the end of the financial year. This is being the net effect of the under-spends on salaries against the loss of income in land charges, Market Hall, the closure of the hostels and the loss of income on Pre-transfer Right to Buys (PRTB's).

Capital Budget summary April-Sept 2008/09

Service	Revised Budget £'000	Actual spend YTD £'000	Projected outturn £'000	Projected variance £'000
Strategic Housing	2,058	671	2,032	(26)
Town Centre	110	0	110	0
TOTAL	2,168	671	2,142	(26)

Financial Commentary

- Improvements in the processing of applications has increased amount of DFG's completed by the second quarter, on target to commit annual budget.
- Grants to RSL schemes – a number of schemes are under way including the provision of general need affordable housing for rent, on former hostel sites.
- Town centre – invoices for this project have been received in October and therefore not shown above.

E-Government & Customer Services	Quarter 2 (Sept 30th) 2008/09
---	---

Performance Summary

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

Achievements

Customer Service Centre

Telephony Indicators – All key indicators have been exceeded this quarter with the continued excellent performance set against a rise in call volumes. The increase in call volume was expected towards the end of this quarter and matches previous yearly call trends.

Resolution Rates – Resolution rates across all access channels continue to exceed target with resolution at first point of contact averaging 98%.

Queue management information – During this quarter approx 7000 customers have been logged on the queue management system. The average wait time for these customers in the CSC was 7 minutes and is below the HUB performance target of 15 minutes. The average face to face customer serve time was 12 minutes an increase of one minute compared to last quarter. Both of these are within the target set for the service centre. The top service requested was Benefits with Bus Pass enquires remaining in second place.

During September all staff were trained in use of the new Choice Based Letting system which will be live in the CSC in early October. Staff will now be able to support customers who experience difficulty self serving when using the system.

The Licensing Resource Level Agreement was signed off with the appropriate Heads of Service prior to go live in October. All staff have received training in the delivery of Licensing processes prior to the service migrating to the CSC in October.

Information Communication Technology Services

In July the Citrix thin client applications were extended to include CAPS Uniform, Iclipse and Academy. This increases the levels of access to corporate systems via the thin client remote service.

The final stage of the wireless network upgrade was also carried out to improve the wireless coverage and stabilise the signal.

In August the Radius test core modules / webstaff modules and webpublic modules were upgraded to the latest versions.

The green waste database and webfront end was created and all property details uploaded. A site to site VPN connection was also established between BDC and Redditch BC.

In September the Green Waste webpages went live enabling online payment for the service.

Spatial Project

During the last quarter the following Spatial project tasks have been completed or implemented:

- The interface between Electronic document management and Land & Property Business Application is in place and live.
- Uniform training has been completed for Street Scene & Environmental Health.
- The Document Management system is now live in all departments.
- The Intranet based mapping module LocalView has been implemented.
- Graves data has been captured from ledgers and has been cleansed.
- Streetscene implementation has been scheduled and Uniform training has started.
- The public access modules that will allow our customers to access information about Scores on the Doors and Planning applications are now live.

Issues

Sickness absence levels continue to be an issue. Monitoring of the situation is taking place in conjunction with HR to establish a way of improving the 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
Customer Service Centre	54	197	153	-44	37	-17
E-Government	10	591	645	54	14	4
TOTAL	64	788	798	10	51	-13

Financial Commentary

- It is projected that there will be an under spend of £13k by the end of the financial year. This is due to the net effect of the under spends on salaries against the overspends predicted on computer software and telephones.

Capital Budget summary April-Sept 2008/09

Service	Revised Budget £'000	Actual spend YTD £'000	Projected outturn £'000	Projected variance £'000
E-Government	4,413	69	4,410	3
TOTAL	4,413	69	4,410	3

Financial Commentary

- Phase I of the Spatial Project is on target and due to be paid November 2008

Performance Summary

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

Achievements

- Statement of Accounts received an unqualified opinion by the External Auditors
- All criteria in relation to the minimum standards on Value for Money achieved
- Use of Resources self assessment completed and reviewed by Audit Commission
- Continued support to departments with the Purchase Order Processing system
- Revised Capital Programme approved by Full Council
- Commenced preparation of 2009/10 financial plan
- Awarded pilot project of Voice Risk Analysis by DWP for benefit assessments
- Successful fraud prosecutions undertaken
- Single Person discount review started
- Continued support to Redditch for procurement services
- Support to departments to develop risk registers and quarterly updates

Issues

- Slight increase in benefit claims to be monitored in light of the decline in the economy
- Slight reduction in payments made by Business Rate payers – to be monitored for impact on collection fund.
- Delays in meeting the audit plan due to staff shortages – to be delivered by employing temporary staff to cover and by using services provided by Worcester City Council

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
Central Overheads	117	58	69	11	116	-1
Accountancy & Administration	15	252	281	29	72	57
Internal Audit	-0	63	95	32	4	4
Grants & Donations	91	46	81	35	90	-1
Revenues & Benefits	1,344	156	59	-97	1,260	-84
TOTAL	1,567	575	585	10	1,542	-25

Financial Commentary

The accountancy and audit budgets include the costs associated with the management and advice that the Council receives in relation to the investments that we hold. As detailed later in this report there is additional interest predicted of £486k which is in part due to the capital increases that have been achieved by our fund managers. The overspend in relation to the management of funds can be offset by the increase in income, in addition the advice received has ensured that the Council has not entered into any higher risk arrangements that may have jeopardised our funds. The remainder of the overspend is due to the requirement for some temporary support to cover for a senior vacancy within the audit team. Discussions are being held with other districts to identify alternative management arrangements of this service including joint working across the County.

Additional income in relation to recovery of housing benefit over payments has resulted in an underspend in revenues and benefits to offset the overspend in accountancy and audit.

Capital Budget summary April-Sept 2008/09

Service	Revised Budget £'000	Actual spend YTD £'000	Projected outturn £'000	Projected variance £'000
Finance	34	1	34	0
TOTAL	34	1	34	0

Financial Commentary

- The Purchase Order Processing system has been piloted in accountancy, E-government (including CSC), and the Revenues and Benefits section. Improvements to the system as a result of the piloted schemes is currently taking place, training to users in additional areas anticipated in December.

Chief Executive's Department	Quarter 2 (Sept 30th) 2008/09
-------------------------------------	---

Performance Summary

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

Achievements

The Communications, Policy and Performance Team are on target with the majority of its projects. In the second quarter the key project has been preparation for the forthcoming CPA inspection. So far, things have gone smoothly, with the next stage being the site visit, week commencing 10 November. The team have also produced key documents like the Council Plan Part 1 (and completed the survey work and performance work required for this document), which sets out the priorities for the next three years, the community strategy refresh, a new community engagement strategy and a draft performance management strategy. The communications part of the team is continuing to manage both internal and external communications to a high standard, which this year has included much more involvement from staff in determining the Council's priorities and a pilot budget jury.

Issues

While CPA is going well so far, it remains an area of concern, simply because of its importance. The latest edition of Together Bromsgrove is about to be produced, which is of high standard, but we are predicting a shortfall in advertising income against target, however, this will be contained within the Team's budget. The Team are also working towards the implementation of a community transport scheme. Whilst a small scheme, this will need to be managed carefully in the coming months, to ensure the launch (planned date 01 July 2009) is without hitch. The proposed roll out of the third Local Neighbourhood Partnership has been delayed due to the work on CPA, however, two stakeholder events are now planned for November and December, a draft terms of reference has been consulted on, and a website is being developed for the Rubery LNP and action plans developed for both LNPs. Similarly, the launch of the parish plan "adoption" scheme has been slightly delayed, but should go live in November (one month behind schedule).

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
Policy & Performance	38	196	199	3	38	0
Corporate Management	789	335	326	-9	767	-22
Corporate Projects	59	24	23	1	59	0
TOTAL	886	555	548	-7	864	-22

Financial Commentary

The Corporate Communication, Policy and Performance team has secured external funding for the post of Improvement Manager and contributions towards the costs of the Local Strategic Partnership. Whilst there may be pressure achieving the income target for Together Bromsgrove it is expected that savings elsewhere within the team's budget will adequately meet any shortfall.

The projection incorporates the cost sharing of the Joint Chief Executive post with Redditch Borough Council.

Performance Summary

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

Achievements

- The Council agreed at the start of the Municipal Year to introduce mandatory training in relation to all Boards and Committees. The date by which all members needed to have achieved this standard was the end of September 2008 and this target has been met with the exception of two members and a date has been agreed for this training to be undertaken before the boards upon which they sit meet again.
- The Legal Department continues to undertake the large scale voluntary registration project both in relation to the land holding at BDC and the land holding at RBC. This enables the Council to move towards the advantages that registered land holdings will achieve for the organisation and also works towards the shared service agenda and moves towards achieving the income generation targets in the departments 2008/9 budget projections
- Through the Parish Council Forum a process for managing Public Speaking at Planning Committee has been agreed and officers have agreed to publish certificate of lawfulness applications on the website.
- The asset management plan was reviewed and updated and agreed by Cabinet.
- The office who manage the incoming and outgoing post have negotiated a new contract with the document exchange providers that have resulted in costs being reduced by 50%
- The case management system in the legal department is now live and operational and it is anticipated that the debt recovery process will now be much more streamlined and efficient. It will also assist the joint working proposals within the legal section and Redditch Borough Council
- The Standards Committee produced an Annual Standards Committee Report which was the first of its kind for Bromsgrove District Council and is a testament to the strength of this committee in the newly emerging ethical framework within the organisation and the decision making process.

Issues

- Like all Council's nationally BDC is struggling with the delivery of the 'overview' element of the Scrutiny agenda. As a result the leaders of all groups have been meeting to discuss the options that may be available in relation to the development of this area. This work continues and it is hoped that a resolution can be found to this and that a report can be taken to the Full Council meeting in October to discuss the same.

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
Administration Services	0	61	57	-4	-10	-10
Committee & Member Services	789	217	219	1	795	6
Elections & Registration	178	59	50	-9	184	6
Facilities Management	-83	380	335	-45	-114	-31
Legal Services	38	197	183	-13	40	1
TOTAL	922	914	844	-70	895	-28

Financial Commentary

- The budget for the electoral services department is and will continue to be overspent for this year. The Elections Manager post was vacant for a considerable time and as a consequence the budgets in relation to the postal voting and publications was not an accurate reflection of the actual costs. It is fair to say that it is unlikely that this would have been predicted accurately in any event given the considerable changes throughout the elections period in relation to the postal voting process and the elections act generally.
- It is projected there will be an under spend for the year due mainly to savings in Facilities Management budgets for insurance and business rates.

Capital Budget Summary April-Sept 2008

Service	Revised Budget £'000	Actual spend YTD £'000	Projected outturn £'000	Projected variance £'000
Facilities Management	120	14	120	0
TOTAL	120	14	120	0

Financial Commentary

- The budget includes funding for a number of alterations at the Council House. The Asset Management Group is currently considering the use of the council house and the appropriate alterations will be made following this review.

Human Resources & Organisational Development	Quarter 2 (Sept 30th) 2008/09
---	---

Performance Summary

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

Achievements

- Supported consultation process in respect of major restructure of Planning and Environment, with minimal compulsory redundancies.
- Supported negotiations in respect of planned TUPE transfer of Leisure Centres to Wychavon Leisure Trust.
- Supported consultation process in respect of service restructure of Leisure Services following the decision of Wychavon Leisure Trust to withdraw from negotiations in respect of a TUPE transfer.
- Facilitated re-evaluation of jobs arising from service restructures
- Commenced workforce planning project
- Prepared for 3rd annual Management Conference
- Prepared for and released Staff Survey
- Conducted preliminary review of redundancy selection criteria
- Produced Service Key Deliverables for 2009/10

Issues

- Sickness absence - performance falling behind target. Being managed through Corporate Performance Clinic.
- Delayed implementation of Single Status – management intervention to achieve certainty for implementation. Report to Cabinet on 22nd October asking Cabinet to consider Options for to facilitate implementation.

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
Human Resources & Organisational Development	94	291	216	-75	114	20
TOTAL	94	291	216	-75	114	20

Financial Commentary

- 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 in 08/09.
- The projected out-turn for the financial year is 19k over-spent this is due to vacancy management as the department is fully staffed also to keep a member of staff in payroll to assist Redditch in the payroll transfer.

4.5 Sundry Debtors

4.3.1 Sundry Debt is raised by the Council to ensure effective recovery of debts owing. The outstanding balance at 30/09/08 was £273k which includes:-

- £35k of car parking fines
- £18k lifeline debts
- £63k rents/ hire charges
- £10k building regulations
- £39k trade waste and cesspool emptying
- £39k Developer contributions
- £18k Housing schemes
- £15k Licensing
- And £22k in respect of services provided by the Council to other organisations (e.g. contracts with BDHT for legal work).

Of the outstanding balance only £86k has been outstanding for a period of 90 days or more, these debts are currently with the legal department for consideration and further recovery.

5.0 TREASURY MANAGEMENT

5.1 Investment Interest

5.1.1 For the period to 30 September 2008 the Council received net investment income amounting to £618k against predicted year to date receipts of £245k. 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 (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 market conditions earlier in the year.

Due to the rescheduling of the Capital Programme for 2008/09 it is anticipated that additional funds will be available for deposit during the remainder of the financial year. The estimated position at year end is an additional £486k to that included within the budget. Due to advice received the Council is maintaining its stance of depositing in ultra low risk investments and as a result the returns predicted for the remainder of the year will be significantly lower than previously achieved.

5.1.2 Details on the fund manager's performance are detailed below.

5.2 HSBC

5.2.1 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.

5.2.2 Portfolio Performance

At 1 April 2008 the Council's investment was valued at £11.091 million. In the period to September the investment income was £277k. Management fees applied to the portfolio for the period totalled £16k. The market value of the funds invested with HSBC was £11.470 million as at 30 September 2008 including unrealised capital gains of £118k.

6.0 EFFICIENCY SAVINGS

As part of the budget round for 2008/09 a number of efficiency savings were approved. These challenging targets were allocated across all services as detailed in appendix 5. To date there are no significant variances to report against these targets with the exception of targets relating to the payroll service. This is due to delays in implementing the transfer of the service combined with additional costs incurred in relation to job evaluation.

7.0 REVENUE BALANCES AND EARMARKED RESERVES

7.1 Revenue Balances

The revenue balances brought forward at 1 April 2008 were £2.023 million. The original budget requirement for use of balances in 2008/09 was £0.355 million. This has been increased by £0.474 million due mainly to the approved carry forward of budgets arising from specific under spends in 2007/08. Taking into account the current projected underspend of £0.219 million it is anticipated that revenue balances will equate to £1.413 million at 31 March 2009.

7.2 Earmarked Reserves

The Council maintains a number of reserves which have been set up voluntarily to earmark resources for future spending plans. The balance on these reserves is shown below.

Earmarked Reserve	Balance 1 April 2008 £000	Receipts 2008/09 £000	Currently Required 2008/09 £000	Projected Balance 31 March 2009 £000
Building Control Partnership	6	0	1	5
Planning Delivery Grant	397	368	-417	348
Replacement Reserve	536	0	0	536
Litigation Reserve	140	0	0	140
Leisure Reserve	43	0	-20	23
Total	1,122	368	-438	1,052

8. FINANCIAL IMPLICATIONS

Covered in the report

9. LEGAL IMPLICATIONS

None

10. COUNCIL OBJECTIVES

11. RISK MANAGEMENT

Covered in the report.

12. CUSTOMER IMPLICATIONS

13. EQUALITIES AND DIVERSITY IMPLICATIONS

14. OTHER IMPLICATIONS

Please include the following table and spell out any particular implications in the relevant box. If there are no implications under a particular heading, please state 'None':-

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

15. OTHERS CONSULTED ON THE REPORT

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

Portfolio Holder	No
Chief Executive	Yes – at CMT
Corporate Director (Services)	Yes – at CMT
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 September 2008
Appendix 2	Detail Performance report for September 2008
Appendix 3	Detailed figures to support the performance report
Appendix 4	Efficiency Savings 2008/09

CONTACT OFFICERS

Hugh Bennett, Assistant Chief Executive
Jayne Pickering, Head of Financial services
John Outhwaite, Senior Policy & Performance Officer