

BROMSGROVE DISTRICT COUNCIL

CABINET

4 AUGUST 2010

JUNE (QUARTER 1) INTEGRATED FINANCE AND PERFORMANCE REPORT

Relevant Portfolio Holder	Cllr Roger Hollingworth
Relevant Head of Service	Hugh Bennett, Director of Policy, Performance and Partnerships
Non-Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 To report to Cabinet on the Council's performance and financial position at 30 June 2010.

2. RECOMMENDATIONS

- 2.1 That Cabinet notes that 60% of PIs are stable or improving.
- 2.2 That Cabinet notes that that 45% of PI's that have a target are meeting their target as at the month end and 80% are projected to meet their target at the year end.
- 2.3 That Cabinet notes the performance figures for June 2010 as set out in Appendix 2.
- 2.4 That Cabinet notes the achievements and issues as set out in the 'Council Summary' in 4.1.1. below.
- 2.5 That Cabinet notes the current financial position on Revenue and Capital as detailed in the report.
- 2.6 That Cabinet note the release of previously approved earmarked reserves of £68k, as set out in Appendix 5.
- 2.7 That Cabinet approves the budget virements between £15k and £100k, listed in Appendix 6.
- 2.8 That Cabinet notes that complaints increased by 7% compared to the final quarter of last year and increased 13% compared to quarter 1 last year. In addition compliments decreased in quarter 1 (19) compared to the final quarter of last year (29) but they are nearly double the number in quarter 1 last year (10). Details are shown in Appendix 7.
- 2.9 That Cabinet notes the performance of the Council's Treasury Management function, as detailed in Appendix 8.

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3. BACKGROUND

- 3.1 This is the first integrated quarterly finance and performance report for 2010/11. It reflects the revised Shared Services department structure as well as the revised corporate performance indicator set.
- 3.2 The integration of finance and performance demonstrates that the Council is taking a wider view of the impact of financial resources when performance changes and the link between the two measures.

4. KEY ISSUES

- 4.1 An integrated performance and finance report for each department, plus a council summary, is shown on the following pages.

4.1.1 Overall Council Summary			Quarter 1 (Apr- Jun) 2010/11		
Performance Summary					
No. of PI's improving (I)	22	No. of PI's meeting YTD target	20	No. of PI's where est. outturn projected to meet target	35
No. of PI's Stable (S)	2	No. of PI's missing YTD target by < 10%	12	No. of PI's projected to miss target by < 10%	5
No. of PI's worsening (W)	16	No. of PI's missing YTD target by >10%	12	No. of PI's projected to miss target by >10%	4
Achievements					
<ul style="list-style-type: none">• Launch of the Worcestershire Regulatory Service, hosted by Bromsgrove and Redditch Councils on 1 June.• Formal commencement of Single Management Team to serve Redditch and Bromsgrove Councils (20th April)• Successful launch of WETT Internal Audit Service• Successful launch of WETT Property Service• Transfer of Dolphin Centre to Leisure Trust• Successful running of General election through shared service arrangements• Launch of shared service for CCTV / Lifeline• Launch of shared service for ICT• Good progress on new Doctors Surgery (Town Centre)• Launch of co-mingled refuse collection service					
Issues					
<ul style="list-style-type: none">• Implications of the governments' public sector cost reduction exercise.• Only 45% of performance indicators have met their year to-date target, compared to 60% at the same time last year.					

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Overall Council

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Environmental Services	4,439	281	294	13
Community Services	3,259	370	391	21
Planning & Environment Services	1,033	155	145	-10
Leisure & Cultural Services	1,888	367	388	21
Planning & Regeneration	1,438	160	133	-27
Customer Services	57	114	110	-4
Finance & Resources	1,505	672	663	-9
Legal, Equalities & Democratic Services	967	254	248	-6
Policy, Performance & Partnerships	40	51	45	-6
Business Transformation	0	530	549	19
Corporate Services	598	181	195	14
SERVICE TOTAL	15,224	3,135	3,161	26
Interest on Investments	-87	-22	-9	13
COUNCIL SUMMARY	15,137	3,113	3,152	39

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Financial Commentary

- Regulatory Services commenced on 1st June 2010, the financial monitoring report will be submitted to the Regulatory Services Management Board and Joint Committee.
- Officers are currently working with our advisors to maximise the return available on investments during 2010/11.
- Income levels within Land Charges have been adversely affected by the impact of Third Party service providers.

Capital Budget summary Quarter 1 (Apr-Jun) 2010/11 – Overall Council

Department	Revised Budget 2010/11 £'000	Actual spend April – Jun £'000	Variance To date April – Jun £'000
Street Scene & Waste Management	308	100	-208
Planning & Environment Services	1,890	629	-1261
Culture & Community Services	1,015	593	-422
Legal Equalities and Democratic Services	86	0	-86
E-Government & Customer Services	93	70	-23
Budget for Support Services Recharges	136	0	-136
TOTAL	3,528	1,392	-2,136

Financial Commentary

- The Capital Programme is to be profiled for the next quarter report to provide the year to date variance rather than the balance remaining for the year. This will include revising the Capital Programme to reflect the revised shared service department structure.

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- The variance on the Planning and Environment service area is because no capital expenditure has been charged on the Houndsfield Lane Caravan Site project, this expenditure will be made during the forthcoming year.

4.1.2 Environmental Services	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

No. of PI's improving (I)	2	No. of PI's meeting YTD target	1	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%	3	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%	1

Achievements

- Commencement of comingled recycling bin collections to approximately 38,000 residential properties.
- Rollout of paper and cardboard recycling collection to 21 of the 38 district schools through working with local recycling company.
- Trial project with New Starts commenced to divert reusable furniture from bulky household waste service.
- Successfully processed all trade waste and cesspool customer contracts on time.
- Continuation in processing garden waste service applications.
- 95% of refuse and recycling crews underwent and assed NVQ level 1 in Refuse Collection. Those staff missed through sickness or annual leave will be scheduled in to complete this qualification on their return.
- Initiation of ATS tyre contract for depot vehicles (waste and cleansing) providing weekly tyre checks and maintenance work to ensure good tyre management mitigating against damage and excess tyre replacement.

Issues

- Long-term and short-term sickness is still an on going issue amongst refuse & recycling crews.
- There is a need to improve communication amongst staff and departments as currently information necessary to effective working is often not shared very well.
- Planned shared services issues are having an effect on staff morale as there is uncertainty for the future of services and individuals.

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Environmental Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Waste Management	-24	-6	14	20
Depot / Transport	-72	125	60	-65
Car Parks / Civil Enforcement Parking	-931	-185	-14	171
Cemeteries / Crematorium	72	5	21	16
Streets & Grounds	2,488	361	285	-76
Transport & Waste	2,906	-19	-72	-53
TOTAL	4,439	281	294	13

Financial Commentary

- The Transport and Waste summary includes the income relating to garden waste. The income will be offset by costs associated with the delivery of the service during 2010/11.
- Car Park income is significantly down for the first quarter. Officers are currently working through the projections for the full financial year with the aim to mitigate any shortfall and to address pressures on income within the budget process.

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Capital Budget summary Quarter 1 (Apr-Jun) 2010/11 Environmental Services

Department	Revised Budget 2010/11 £'000	Actual spend April – Jun £'000	Variance To date April – Jun £'000
Depot Services	30	5	-25
Vehicle & Equipment replacement programme	170	95	-75
Other schemes	108	0	-108
TOTAL	308	100	-208
Financial Commentary <ul style="list-style-type: none">• Capital expenditure on target, no underspends anticipated at year end.			

4.1.3 Community Services	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

No. of PI's improving (I)	10	No. of PI's meeting YTD target	9	No. of PI's where est. outturn projected to meet target	10
No. of PI's Stable (S)	0	No. of PI's missing YTD target by < 10%	2	No. of PI's projected to miss target by < 10%	4
No. of PI's worsening (W)	8	No. of PI's missing YTD target by >10%	7	No. of PI's projected to miss target by >10%	3

Achievements

Community Safety

- Planned and delivered the 'High 5' event in Sanders Park
- Operation Harness delivered in partnership with Police, aiming to tackle issues of alcohol consumption in parks & open spaces. Over 100 cans & bottles seized.
- World cup domestic abuse & alcohol campaign successfully delivered.
- Cannabis farms event presentation to Local Landlords forum.

CCTV & Lifeline

- Successful implementation of shared service

Housing Strategy

- Successful transfer of North Worcestershire Care & repair agency to Festival Housing

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<ul style="list-style-type: none">• 'Step up into private renting' scheme has secured additional funding from Supporting People for a full time support officer.• New 'empty space' scheme offering advice and assistance to High Street property owners to convert unused space into residential accommodation. One successful scheme delivered in the quarter
Issues

Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Community Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Housing Strategy	2,169	164	156	-8
Community Safety	626	112	135	23
Travel Concessions	464	94	100	6
TOTAL	3,259	370	391	21

Financial Commentary

- Housing Strategy- The current under spend is due to a number of schemes making minor savings on expenditure during the period. There have also been delays in the receipt of invoices from suppliers. Work is being done to address this issue, so that invoices are paid quicker to accurately reflect the true spend to date.
- Community Safety – The over spend in this area is mainly in relation to transferring budgets between authorities for the shared service and time differences in invoicing between Redditch and Bromsgrove. This issue should be resolved by quarter 2 to reflect a more accurate picture.

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Planning & Environment Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Environmental Health	1,059	166	156	-10
Licensing	-39	-13	-13	0
Land Drainage	13	2	2	0
TOTAL	1,033	155	145	-10
Financial Commentary				
<ul style="list-style-type: none">• Environmental Health underspend is due to Admin Officer post vacancy.				

Capital Budget summary Quarter 1 (Apr-Jun) 2010/11 Planning & Environment Services

Department	Revised Budget 2010/11 £'000	Actual spend April – Jun £'000	Variance To date April – Jun £'000
Town Centre	170	1	-169
Strategic Housing	1,720	628	-1092
TOTAL	1,890	629	-1261
Financial Commentary			
<ul style="list-style-type: none">• Capital expenditure commitments are increasing with a large amount of Disabled Facilities Grants and Discretionary Grants being processed already. Traditionally the first quarter reflects lower expenditure due to invoices anticipated not yet received by suppliers.• A large proportion of the current underspend is due to the Houndsfield Lane Caravan Site allocation of funds which have not yet been requested.• The £700k budget in relation to Affordable Housing across the district has not yet been fully spent as a review of planning requirements and timescales for allocation of funds is currently underway.			

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4.1.4 Leisure and Cultural Services	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

No. of PI's improving (I)	4	No. of PI's meeting YTD target	3	No. of PI's where est. outturn projected to meet target	7
No. of PI's Stable (S)	0	No. of PI's missing YTD target by < 10%	4	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

- Roundhill Allotment site expansion completed – 27 new plots sold
- Transfer of Dolphin Centre to Leisure Trust
- Arts and Community Events Programme Commenced (Bandstand Programme – Race for Life – Carnival and High Five – Leukaemia Bikeathon – Rubery Festival – St Georges Day)
- Disability Sports project a finalist in the BBC Midlands Power of Sports Award
- Winner of the Bromsgrove and County Club of the Year Award
- Club of the Year at the NPower Disability Sports Awards West Midlands
- Gymnastics Development Club won the National Educational Award at the recent British Gymnastics – England Award 2010
- Disability Club Boccia Boars was identified by Cerebral Palsy Sport as the exit route for the Playground to Podium Project – the pathway to steer talented young people to the Paraolympics for Herefordshire and Worcestershire – the club was the first in the County to complete in the league this year and used BP case study.

Issues

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Leisure and Cultural Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Parks & Open Spaces	501	73	67	-6
Allotments	59	3	2	-1
Promotions	337	41	64	23
Sports & Recreation Development	221	32	31	-1
Sports Centres	716	204	209	5
Leisure Services	54	14	15	1
TOTAL	1,888	367	388	21
Financial Commentary <ul style="list-style-type: none">Promotions – due to economic downturn sponsorship has decreased. Officers are reviewing the situation and will endeavor to mitigate the shortfall during 2010/11. It is anticipated that there will be a deficit at the end of year.				

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Capital Budget summary Quarter 1 (Apr-Jun) 2010/11 Leisure and Cultural Services

Department	Revised Budget 2010/11 £'000	Actual spend April – Jun £'000	Variance To date April – Jun £'000
Sports Facilities	593	443	-150
CCTV Shared Service Contribution	150	150	0
Parks & Cemeteries	218	0	-218
PCN5 Lifeline	54	0	-54
TOTAL	1,015	593	-422
Financial Commentary <ul style="list-style-type: none">Expenditure is in line with expectations and therefore no major problems have arisen in the first quarter of 10/11, and it is anticipated that all projects will be completed during 2010/11.			

4.1.5 Planning and Regeneration	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

No. of PI's improving (I)	1	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)	1	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)	1	No. of PI's missing YTD target by >10%	1	No. of PI's projected to miss target by >10%	0

Achievements

- Building Control has secured a further Partner Client as part of a National Partnership working programme. This results in BDC having 5 formal working partners comprising local Architects, Engineers and Contractors, the joint highest figure across H&W.
- Building Control has secured the Perryfields Social Housing contract against strong levels of competition from the private sector.
- Held a special meeting of the Planning Committee (28TH June) in order to consider a major retail application for Sainsbury's.
- Introduced a regime for charging for Pre Application and Permitted Development

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advice in line with County Colleagues and in conjunction with RBC.

- Working towards Action Plan to respond to Peer Review Report.
- Economic Development – Business Start-Up Showcase on 8th June. Record number of award-winners including two more “£ Million Turnover Awards”. Over 300 new businesses now sponsored since inception. Event attended by Savid Javid MP
- Launched the frontage improvement grant scheme for the high street
- Public consultation on possible Hewell Grange conservation area
- Secured funding from the CABE/DEFRA rural master planning fund for urban design training

Issues

- The LPI for major applications has risen this year from 80% to 85%. Current performance suggests that this target may be challenging.
- Change in government and revocation of Regional Spatial Strategies has led to huge uncertainty about the status of current and future planning policy.
- Planning applications being received on Area of Development Restraint (ADR) sites ahead of adopted policy on ADR delivery.

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Planning and Regeneration

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Building Control	3	-23	-36	-13
Development Control	821	40	13	-27
Strategic Planning	447	99	93	-6
Economic & Tourism development	186	43	45	2
Emergency Planning	35	7	2	-5
Land Charges	-72	-24	-4	20
Town Centre	18	18	20	2
TOTAL	1,438	160	133	-27

Financial Commentary

- The income for development control and building control is on target so far for new financial year. However land charges has a shortfall mainly due to the provision of the service by private companies.

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4.1.6 Regulatory Services			Quarter 1 (Apr – Jun) 2010/11		
Performance Summary					
No. of PI's improving (I)	n/a	No. of PI's meeting YTD target	n/a	No. of PI's where est. outturn projected to meet target	n/a
No. of PI's Stable (S)	n/a	No. of PI's missing YTD target by < 10%	n/a	No. of PI's projected to miss target by < 10%	n/a
No. of PI's worsening (W)	n/a	No. of PI's missing YTD target by >10%	n/a	No. of PI's projected to miss target by >10%	n/a
Achievements					
<ul style="list-style-type: none">The county-wide Worcestershire regulatory service was launched on 1st June. Financial and performance reporting for the service will now be via the Regulatory Services Management Board and Joint Committee.					
Issues					

4.1.7 Customer Services			Quarter 1 (Apr – Jun) 2010/11		
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	5
No. of PI's Stable (S)	1	No. of PI's missing YTD target by < 10%	1	No. of PI's projected to miss target by < 10%	0
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%	0
Achievements					
<ul style="list-style-type: none">4 CSA's successfully completed the NVQ Level 3 in Customer Service.Successfully recruited to the new apprentice post based within the CSC which is a new development and hopefully will assist the team here to improve customer service but also support future capacity building within the organisationIntroduced the Benefit Surgery in the CSC (A service developed with colleagues in Benefits where by an assessor is based in the CSC on a two weekly basis) to improve service to customers.					
Issues					

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Customer Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Customer Service Centre	57	114	110	-4
TOTAL	57	114	110	-4
Financial Commentary				
The underspend within the Customer Services Department is due to the employment of an Apprentice Customer Service Advisor in a Customer Service Advisor post.				

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4.1.8 Finance and Resources	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

No. of PI's improving (I)	2	No. of PI's meeting YTD target	2	No. of PI's where est. outturn projected to meet target	6
No. of PI's Stable (S)	0	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)	2	No. of PI's missing YTD target by >10%	3	No. of PI's projected to miss target by >10%	0

Achievements

- Facilities Management transferred to Worcestershire County Council under WETT Programme
- Internal Audit transferred to Worcester City under WETT Programme.
- Human Resources and Accountancy supported the hosting of Regulatory Services by BDC from 1st June.
- Successfully recruited to 2 vacant posts in Benefits 1 in Corporate Fraud and 1 in Revenues.
- Improved microphone system installed in Council Chamber.
- Driving at Work Policy approved.
- Statement of Accounts completed and approved within statutory deadline.
- Draft of revised Financial Regulations prepared.
- The corporate fraud policies were reviewed

Issues

- Formal agreements for Internal Audit and Facilities Management not signed prior to transfer.
- Shortage of internal audit resource and potential impact of Annual Audit Plan.
- Benefits Service performance – backlogs of correspondence and no resource to pursue overpaid benefit cases. Should improve next quarter with new officers in post

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Finance and Resources

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Central Overheads	145	36	34	-2
Accounts and Financial Management	57	170	174	4
Human Resources and Welfare	16	88	107	19
Grants and Donations	91	43	42	-1
Property, Assets and Facilities Management	-21	270	232	-38
Revenues and Benefits	1,217	65	74	9
TOTAL	1,505	672	663	-9
Financial Commentary				
<ul style="list-style-type: none">• The underspend within the Property, Assets and Facilities Management Function is due to the receipt of rental income following the delayed completion of the sale of two industrial units.• The overspend in Human Resources and Welfare relates to the management restructure and the severance costs that require funding from reserves.				

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4.1.9 Legal, Equalities and Democratic Services	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

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

Achievements

- Successful General Election arrangements.
- New Petition Scheme adopted to meet legislative requirements.
- Shared Services Agreement completed.
- Gender Equality Policy agreed.
- Regulatory Services Agreement completed and successful first meeting of the new Worcestershire Shared Service Joint Committee held.
- Shared departmental management team implemented.
- Participated in National Volunteer Week.
- Community Involvement in Democracy Task Group and Improving Residents' Satisfaction Task Group reports completed.
- Two well-attended meetings of the Equality & Diversity Forum held and consulted on the disabled access award scheme.

Issues

- Inquire Board meetings and Labour Group not taking up seats on Boards and certain Committees.

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Legal, Equalities and Democratic Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Democratic & Member support	758	120	114	-6
Elections & Electoral Services	185	21	27	6
Legal Advice & Services	24	113	107	-6
TOTAL	967	254	248	-6
Financial Commentary <ul style="list-style-type: none">There are no other major variances that have arisen in the first quarter of 2010/11 within the service.				

Capital Budget summary Quarter 1 (Apr-Jun) 2010/11 Legal, Equalities and Democratic Services

Department	Revised Budget 2010/11 £'000	Actual spend April – Jun £'000	Variance To date April – Jun £'000
Alterations to Council Buildings in compliance with DDA	36	0	-36
Remedial Work to Council Buildings following Stock Conditions Survey	50	0	-50
TOTAL	86	0	-86
Financial Commentary <ul style="list-style-type: none">Remedial Works at the Council House have been put on hold pending a review on the space required by employees and services of the Council.			

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4.1.10 Policy, Performance and Partnerships	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

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

Achievements

- First session of Budget Jury held in June
- Launch of joint Bromsgrove & Redditch intranet - ORB
- ORB chosen as intranet for WETT regulatory Services and being considered by other shared services
- Largest ever Together Bromsgrove published, with significant consultation content
- Bromsgrove DC have signed up to the 10:10 campaign – to reduce our own carbon emissions by 10% in 2010/11
- A number of HoS have included positive climate change actions in their Business Plans
- Reported NI188 (Planning to adapt to climate change) as having achieved 2009/10 target (Level 1)
- Reported NI186 (Per capita CO₂ emissions in the local area) as having achieved 2009/10 target (actual results are delayed by 2 years)

Issues

- Reported NI185 (CO₂ emissions from Local Authority operations) not on target in 2009/10– working on identifying causes of increased emissions in Q2

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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Policy, Performance and Partnerships

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Printing	0	23	19	-4
Corporate Admin / Central Post	0	31	32	1
Policy & Performance	0	73	70	-3
TRUNK	40	-76	-76	0
TOTAL	40	51	45	-6

Financial Commentary

- At this time of the year expenditure is in line with expectations and therefore no major variances have arisen in the first quarter of 10/11.
- The TRUNK centre invoices Bromsgrove Council quarterly for our contribution towards running the centre.

4.1.11 Business Transformation	Quarter 1 (Apr – Jun) 2010/11
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Performance Summary

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

Achievements

- Investors in People spot check showed that standards have been maintained. This puts BDC in a very positive position for the full assessment in April 2011
- Achieved a 42% response rate from the Employee Survey with largely positive results – actions to be incorporated within the Organisational Development Strategy action plan
- Mandatory refresher training for members of political boards and committees all achieved by the deadline
- Workforce Plan and Organisational Development Strategy documents progressing well

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- Disclosure Log published on BDC website for responses to information. This will make information requested freely available and reduce the number of requests
- Business Development Team has now taken responsibility for tracking requests for information from RBC.
- Physical records audit completed at RBC Town Hall and major satellite offices.
- LEAN - embedding skills and knowledge with people. The majority of processes covered (some in an NVQ environment) which identified financial and time savings
- Data Cleansing RBC - Waste Management completed,
- Created new layers of Agricultural Land classes on LocalView
- Commissioned by Streetscene to provide comprehensive GIS dealing with Street Cleaning, Grounds Maintenance and Waste collection
- Commissioned to create a comprehensive Town Centre dataset
- Upgraded Redditch and Bromsgrove Email and Web Filtering devices providing a common platform
- IT Shared Service Team now working as a single team able to resolve issues for either site from first point of contact.
- Joint procurement procedures and standardisation project complete, equipment now being purchased through OGC framework.

Issues

- Sickness levels are currently above the expected levels for the department. Additional monitoring and better use of the sickness policy is now being implemented to address this issue.

Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Business Transformation

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
IT Services	0	530	549	19
TOTAL	0	530	549	19

Financial Commentary

The overspend within the department is mainly due to the departmental restructure during the shared services and the severance costs that require funding from reserves.

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Capital Budget summary Quarter 1 (Apr-Jun) 2010/11 Business Transformation

Department	Revised Budget 2010/11 £'000	Actual spend April – Jun £'000	Variance To date April – Jun £'000
Internet/Intranet Development	3	0	-3
Corporate budget for IT Upgrades	0	3	3
Government Connect Scheme	1	-2	-3
Spatial Project Phase 1	1	0	-1
Spatial Project Phase 2	5	0	-5
Councillors Remote Access	4	0	-4
Increase Bandwidth for Internet Link	10	0	-10
ICT Shared Service - Phase 1	69	69	0
TOTAL	93	70	-23

Financial Commentary

The spend for many of the schemes has been delayed whilst a review of the projects is being undertaken.

The Shared ICT Service project is well underway, the total spend on the project for the April-June quarter is £190,164, this is also being contributed to by Redditch Borough Council. It is expected that the project will be delivered on time and within budget for 2010/11.

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4.1.12 Corporate Services	Quarter 1 (Apr – Jun) 2010/11
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Revenue Budget summary Quarter 1 (Apr-Jun) 2010/11 – Corporate Services

Service Head	Revised Budget 2010/11 £'000	Profiled Budget April - Jun £'000	Actual spend April - Jun £'000	Variance to date April - Jun £'000
Corporate Services	598	181	195	14
TOTAL	598	181	195	14
Financial Commentary				
<ul style="list-style-type: none">Corporate savings are under review as to the present shortfall in this area. The savings from shared services will be identified during the next quarter.				

4.2 Sundry Debtors

Sundry Debt is raised by the Council to ensure effective recovery of debts owing. The outstanding balance at 30/06/10 was £996k (balance to 31/03/10 was £561k) which includes:-

Type of Debt	Amount £'000
Car Parking Fines	66
Lifeline debts	26
Rents/Hire Charges	40
Building Regulations	14
Trade Waste and Cesspool emptying	60
Developer Contributions	114
Housing Schemes	29
Enhanced Recycling	55
Licensing	7
Services Provided to other organisations e.g. BDHT	76
Sponsorship	10
Contributions from Other Organisations	463
Cemeteries	2

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The age of the debt is represented as follows:

Age of Debt	Balance as at 31/03/10 £'000	Balance as at 30/06/10 £'000
Under 30 days (not yet due)	362	772
Up to 1 month	10	66
1 – 2 months	33	6
3 – 6 months	21	7
Over 6 months	135	145

The increase in debt due for payment in under 30 days is because of amounts to be paid from other Council's for the provision of shared services.

Debt recovery is originally carried out by the Exchequer Section with 2 reminders being sent to debtors. Debts over 90 days are currently under review and recovered by the legal team.

5.0 TREASURY MANAGEMENT

The Council's Treasury Management Strategy has been developed in accordance with the Prudential Code for Capital Finance prudential indicators and is used to manage risks arising from financial instruments. Additionally treasury management practices are followed on a day to day basis.

5.1 Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Credit risk is minimised by use of a specified list of investment counterparty criteria and by limiting the amount invested with each institution. The Council receives credit rating details from its Treasury Management advisers on a daily basis and any counterparty falling below the criteria is removed from the list.

The Council has not had and does not expect any default losses by any of its counterparties in relation to investments.

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Due to market conditions the Council has reduced its credit risk for all new investments by only investing in the highest rated instruments and has shortened the allowable length of investments in order to reduce risk.

The credit criteria in respect of financial assets managed in-house by the Council are as follows:

Financial Asset Category	Criteria (Fitch ratings)	Maximum Investment
Deposits with banks	Short Term: F1+/F1 Support: 1,2,3 Long Term: minimum 'AA-' /A	£3million/£2million
Deposits with building societies	Short Term: F1+/F1 Support: 1,2,3 Long Term: minimum 'AA-' /A	£3million/£2million
Deposits with Debt Management Account – Deposit Facility (DMADF)		£no upper limit *

* Investments with the DMADF are guaranteed by HM Treasury. Following advice from the Council's treasury advisors, from a credit perspective no upper limit was imposed on investments with the DMADF.

Fitch Ratings is an international credit rating agency (one of three nationally recognised rating agencies alongside Moody's and Standard & Poor's). Fitch Rating's long-term credit ratings are set up along a scale from 'AAA' to 'D' where 'AAA' designates the best quality companies, reliable and stable through to 'D' where the company has defaulted on obligations and Fitch believes that it will generally default on all or most of its obligations. Fitch's short term ratings indicate the potential level of default within a 12 month period. F1+ is the best quality grade, indicating exceptionally strong capacity of obligor to meet its financial commitment

At 30 June 2010 short term investments comprise:

	31 March 10 £	30 June 10 £
Deposits with Banks/Building Societies	8,360	9,550
Total	8,360	9,550

5.2 Income from investments

An investment income target of £87k has been set for 2010/11 using a projected return rate of 0.75% – 1.50 %. During the past financial year

bank base rates have dropped to 0.5% and current indications are projecting minimal upward movement for the short term.

In the period to 30 June 2010 the Council received income from investments of £9k. In order to maximise available returns within our risk criteria the Council placed £1million in a one year deposit attracting 1.85%. Accrued interest on this deposit is included in the figures referred to above.

Details of the Council's performance for the Treasury Management function during the first quarter of 2010/11 are included at Appendix 8.

6.0 EFFICIENCY SAVINGS

As part of the budget round for 2010/11 a number of efficiency savings were approved. These challenging targets were allocated across all services as detailed in Appendix 4.

To date the efficiency savings total £140.5k for 2010/11.

7.0 REVENUE BALANCES AND EARMARKED RESERVES

7.1 Revenue Balances

The revenue balances brought forward at 1 April 2010 were £1.266m (subject to audit). It is anticipated that a further £134k will be transferred to balances during 2010/11. During the period £2.5k has been utilised to fund the proposed dissolution of Lickey End Parish Council.

7.2 Earmarked Reserves

The Council maintains a number of reserves which have been set up to earmark resources for future spending plans. The funding to be utilised from these reserves equates to £68k. Details are shown in Appendix 5.

8.0 CAPITAL RECEIPTS

8.1 The Capital Programme was approved by Members in January 2010, the effect of the level of Capital Spend to 2012/13 on capital receipts is estimated below:

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Capital Programme	2010/11 £'000	2011/12 £'000	2012/13 £'000
Balance b/fwd	5,133	3,041	1,914
Actual funding to date (April – June)	-216		
Estimated use for the remainder of the year	-2,476	-1,227	-226
Received in year	600	100	100
Balance c/fwd	3,041	1,914	1,788

8.2 The figures in the above table include general capital receipts for the funding of projects throughout the District. In addition, an estimate of capital receipts has been made of £100k per annum in relation to any sales of assets, with an additional £500k in financial year 2010/11 as the anticipated capital receipt from the sale and change of usage of Industrial Units at Aston Fields.

8.3 As part of the Use of Resources assessment the Council must demonstrate that it has a robust Capital Programme that is delivered on time and within budget.

9. FINANCIAL IMPLICATIONS

9.1 Covered in the report.

10. LEGAL IMPLICATIONS

10.1 None

11. POLICY IMPLICATIONS

11.1 None

12. COUNCIL OBJECTIVES

12.1 Performance reporting & management links to the Improvement objective

13. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

13.1 Risk considerations covered in the report. There are no Health & Safety considerations

14. CUSTOMER IMPLICATIONS

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14.1 Performance Improvement is a Council Objective

15. EQUALITIES AND DIVERSITY IMPLICATIONS

15.1 None.

16. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

16.1 None

17. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

17.1 None

18. HUMAN RESOURCES IMPLICATIONS

18.1 None

19. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

19.1 Sound performance management and data quality are key to achieving improved scores in the Use of resources judgement. This performance report supports that aim.

20. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

20.1 None

21. HEALTH INEQUALITIES IMPLICATIONS

21.1 Not applicable

22. LESSONS LEARNT

22.1 Not applicable

23. COMMUNITY AND STAKEHOLDER ENGAGEMENT

23.1 None

24. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No
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Chief Executive	No
Executive Director (S151 Officer)	Yes
Executive Director – Leisure, Cultural, Environmental and Community Services	No
Executive Director – Planning & Regeneration, Regulatory and Housing Services	No
Director of Policy, Performance and Partnerships	Yes
Head of Service	Yes
Head of Resources	Yes
Head of Legal, Equalities & Democratic Services	No
Corporate Procurement Team	No

25. WARDS AFFECTED

All

26. APPENDICES

- Appendix 1 Performance Summary for April – June 2010
- Appendix 2 Detail Performance report for April – June 2010
- Appendix 3 Detailed figures to support the performance report
- Appendix 4 Efficiency Savings 2010/11
- Appendix 5 Current Position (April – June) on Earmarked Reserves
- Appendix 6 Virements for approval by Cabinet
- Appendix 7 Customer Feedback
- Appendix 8 Treasury Report for April – June 2010

27. BACKGROUND PAPERS

None

28. KEY

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- PI - Performance Indicator
- NI - National Indicator (a PI defined by government and used by all Councils)
- LPI - Local Performance Indicator – (a PI defined by Bromsgrove, District Council to measure performance on local priorities)
- CAA - Corporate Area Assessment – the methodology used by the Audit Commission to judge the performance of Councils and partners

AUTHORS OF REPORT

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