

AGENDA

Strategic Monitoring Committee

Date: **Wednesday 2 December 2009**

Time: **2.00 pm**

Place: **The Council Chamber, Brockington, 35 Hafod Road,
Hereford**

Notes: Please note the **time, date** and **venue** of the meeting.

For any further information please contact:

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Agenda for the Meeting of the Strategic Monitoring Committee

Membership

| | |
|----------------------|-------------------------------|
| Chairman | Councillor PJ Edwards |
| Vice-Chairman | Councillor WLS Bowen |
| | Councillor PA Andrews |
| | Councillor ME Cooper |
| | Councillor AE Gray |
| | Councillor KG Grumbley |
| | Councillor TM James |
| | Councillor RI Matthews |
| | Councillor PM Morgan |
| | Councillor AT Oliver |
| | Councillor PJ Watts |

GUIDANCE ON DECLARING PERSONAL AND PREJUDICIAL INTERESTS AT MEETINGS

The Council's Members' Code of Conduct requires Councillors to declare against an Agenda item(s) the nature of an interest and whether the interest is personal or prejudicial. Councillors have to decide first whether or not they have a personal interest in the matter under discussion. They will then have to decide whether that personal interest is also prejudicial.

A personal interest is an interest that affects the Councillor more than most other people in the area. People in the area include those who live, work or have property in the area of the Council. Councillors will also have a personal interest if their partner, relative or a close friend, or an organisation that they or the member works for, is affected more than other people in the area. If they do have a personal interest, they must declare it but can stay and take part and vote in the meeting.

Whether an interest is prejudicial is a matter of judgement for each Councillor. What Councillors have to do is ask themselves whether a member of the public – if he or she knew all the facts – would think that the Councillor's interest was so important that their decision would be affected by it. If a Councillor has a prejudicial interest then they must declare what that interest is. A Councillor who has declared a prejudicial interest at a meeting may nevertheless be able to address that meeting, but only in circumstances where an ordinary member of the public would be also allowed to speak. In such circumstances, the Councillor concerned will have the same opportunity to address the meeting and on the same terms. However, a Councillor exercising their ability to speak in these circumstances must leave the meeting immediately after they have spoken.

AGENDA

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| 1. APOLOGIES FOR ABSENCE To receive apologies for absence. | |
| 2. DECLARATIONS OF INTEREST To receive any declarations of interest by Members in respect of items on the Agenda. | |
| 3. MINUTES To approve and sign the Minutes of the meeting held on 19 October 2009. | 1 - 10 |
| 4. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY To consider suggestions from members of the public on issues the Committee could scrutinise in the future. | |
| 5. ACCOMMODATION STRATEGY To receive a presentation on the key principles informing the new accommodation strategy. | |
| 6. INTEGRATED CORPORATE PERFORMANCE REPORT To consider performance for the period April-September 2009-10 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement 2009-10. | 11 - 62 |
| 7. BUDGET MONITORING REPORT 2009 To report September's budget monitoring information, provide an indication of estimated outturn for both revenue and capital and report on treasury management activities in the first six months of 2009/10. | 63 - 96 |
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PUBLIC INFORMATION

HEREFORDSHIRE COUNCIL'S SCRUTINY COMMITTEES

The Council has established Scrutiny Committees for Adult Social Care and Strategic Housing, Childrens' Services, Community Services, Environment, and Health. A Strategic Monitoring Committee scrutinises corporate matters and co-ordinates the work of these Committees.

The purpose of the Committees is to ensure the accountability and transparency of the Council's decision making process.

The principal roles of Scrutiny Committees are to

- Help in developing Council policy
- Probe, investigate, test the options and ask the difficult questions before and after decisions are taken
- Look in more detail at areas of concern which may have been raised by the Cabinet itself, by other Councillors or by members of the public
- "call in" decisions - this is a statutory power which gives Scrutiny Committees the right to place a decision on hold pending further scrutiny.
- Review performance of the Council
- Conduct Best Value reviews
- Undertake external scrutiny work engaging partners and the public

Formal meetings of the Committees are held in public and information on your rights to attend meetings and access to information are set out overleaf

PUBLIC INFORMATION

Public Involvement at Scrutiny Committee Meetings

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There are also two other ways in which you can directly contribute at Herefordshire Council's Scrutiny Committee meetings.

1. Identifying Areas for Scrutiny

At the meeting the Chairman will ask the members of the public present if they have any issues which they would like the Scrutiny Committee to investigate, however, there will be no discussion of the issue at the time when the matter is raised. Councillors will research the issue and consider whether it should form part of the Committee's work programme when compared with other competing priorities.

Please note that the Committees can only scrutinise items which fall within their specific remit (see below). If a matter is raised which falls within the remit of another Scrutiny Committee then it will be noted and passed on to the relevant Chairman for their consideration.

2. Questions from Members of the Public for Consideration at Scrutiny Committee Meetings and Participation at Meetings

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Generally, members of the public will also be able to contribute to the discussion at the meeting. This will be at the Chairman's discretion.

(Please note that the Scrutiny Committees are not able to discuss questions relating to personal or confidential issues.)

Remits of Herefordshire Council's Scrutiny Committees

Adult Social Care and Strategic Housing

*Statutory functions for adult social services including:
Learning Disabilities
Strategic Housing
Supporting People
Public Health*

Children's Services

Provision of services relating to the well-being of children including education, health and social care.

Community Services Scrutiny Committee

*Libraries
Cultural Services including heritage and tourism
Leisure Services
Parks and Countryside
Community Safety
Economic Development
Youth Services*

Health

*Planning, provision and operation of health services affecting the area
Health Improvement
Services provided by the NHS*

Environment

*Environmental Issues
Highways and Transportation*

Strategic Monitoring Committee

*Corporate Strategy and Finance
Resources
Corporate and Customer Services
Human Resources*

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- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
- Access to a public Register stating the names, addresses and wards of all Councillors with details of the membership of Cabinet and of all Committees and Sub-Committees.
- Have a reasonable number of copies of agenda and reports (relating to items to be considered in public) made available to the public attending meetings of the Council, Cabinet, Committees and Sub-Committees.
- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
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HEREFORDSHIRE COUNCIL

BROCKINGTON, 35 HAFOD ROAD, HEREFORD.

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HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Strategic Monitoring Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday 19 October 2009 at 9.30 am

Present: Councillor PJ Edwards (Chairman)
Councillor WLS Bowen (Vice Chairman)

Councillors: PA Andrews, ME Cooper, AE Gray, KG Grumbley, TM James, RI Matthews, PM Morgan and AT Oliver

In attendance: None

19. APOLOGIES FOR ABSENCE

Apologies were received from Councillor PJ Watts. Apologies were also received from Councillor JP French (Cabinet Member – Corporate and Customer Services and Human Resources.)

20. DECLARATIONS OF INTEREST

The following declarations of interest were made:

| Name | item | Interest |
|----------------------|--|--|
| Councillor ME Cooper | 5- Evaluation of the extra care facility known as the Rose Gardens, Ledbury Road, Hereford | Personal: Council's nominee to Elgar Housing Association |
| Councillor AE Gray | 5- Evaluation of the extra care facility known as the Rose Gardens, Ledbury Road, Hereford | Personal: Council's nominee to Herefordshire Housing Association |
| | 7 – Budget Monitoring Report | Personal – provider of care |

21. MINUTES

RESOLVED: That the Minutes of the meeting held on 21 September 2009 be confirmed as a correct record and signed by the Chairman

22. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY

There were no suggestions from members of the public.

23. EVALUATION OF THE EXTRA CARE FACILITY KNOWN AS THE ROSE GARDENS, LEDBURY ROAD, HEREFORD

(Councillors ME Cooper and AE Gray declared personal interests.)

The Committee considered the financing of the first extra care housing provision at Rose Gardens, Hereford following its completion and occupation during 2008/09.

The report had been requested by the Committee in March 2008 in considering the Draft Corporate Plan and the priority of achieving value for money. Concern was expressed about the scheme's value for money and a report requested reviewing this and whether there were any lessons to be learned for future schemes.

The Head of Strategic Housing presented the report. He explained that the report had been produced on the virtual finalisation of the 2008/09 accounts, which had been subject to delay for contractual reasons.

He outlined the strategic rationale for the project, commenting that an inspection by the former Commission for Social Care had described the service as a two star, good service. The first residents' satisfaction survey had supported the quality of services, facilities and care provision. He highlighted the following points:

- The Department of Health's (DoH) financial contribution to the scheme had been the highest grant award announced within the first round of funding programmes. The bid had been assessed under the financial regulations of the then Housing Corporation to ensure that it represented value for money.
- Subsidy in the form of DoH grant and other private/public subsidy had enabled the development of a high quality scheme with affordable rent levels.
- The extra care provision represented a significant saving to the Council compared with the costs of residential care. Residents were also eligible for benefits to which they were not entitled if they were in residential care.
- A number of residents had reduced their support needs since the Scheme had opened. At the moment it was hard to quantify the improved health and well-being costs to Adult Social Care and the Primary Care Trust. However, the Extra Care Charitable Trust had advised that the annual well-being check suggested a 4% improvement across the Scheme.
- A number of lessons had been learned as described in the report at paragraphs 40-43. The overall assessment was that the scheme was beneficial to the residents and provided significant financial benefits to the Council compared with the provision of residential care. However, further work needed to be done to evaluate the comparability of care levels in the extra care scheme to care levels in residential homes. The view was that further extra care provision should form part of future care provision, the question was to what extent this should be the case.

He commented that the Chairman of the Rose Gardens Residents Association, who was present, had raised some questions relating to management issues to which it had been mutually agreed a written answer would be given.

In discussion the following principal points were made:

- The principal concern was that there was a clear need for extra care provision within the County. However, the cost of the scheme at Rose Gardens, which was recognised as a good quality scheme, was prohibitive. The cost per unit was higher than the cost of an equivalently sized house. The state of the public finances was such that similar schemes would be unlikely to be affordable. It was suggested that the private sector could have completed the building at a substantially lower cost.

A more imaginative approach was therefore required, for example involving the Council identifying sites with input from the Planning Service, with development of the sites then being carried out by the private sector.

The Head of Strategic Housing commented that in seeking to compare the cost per unit with the cost of general housing it was important to recognise the extensive facilities provided at Rose Gardens in what was in effect a village. The quality of provision at Rose Gardens matched private sector provision for this type of scheme. However, private sector schemes of that quality were not accessible to many Herefordshire residents. The Rose Garden Scheme had provided access to extra care for people who would not otherwise have been able to afford it and in so doing freed up affordable housing units in the County.

He acknowledged that the Scheme had been one of the earliest to be developed and reflected the best model at the time. However, as the sector expanded across the Country it was possible that other models would emerge.

The Associate Director of Integrated Commissioning added that from a commissioning perspective consideration needed to be given to ensuring that provision could meet the needs of the growing numbers of elderly people with dementia and the increasing numbers of people with learning disabilities who would require such care.

- The report stated that in the initial allocation 12 of the apartments had been allocated to people who were living outside the County, but had a local connection. It was requested that clarification be provided on the criteria governing the allocation of units to out of County residents.
- A question was asked about the PCT's financial contribution to fund continuing health care in the community. The Associate Director of Integrated Commissioning commented that the eligibility criteria were tightly drawn. New Regulations had recently been published and the service was exploring these to see what level of nursing care could be provided. Extra Care provision was a good setting in which to provide such care if it could be financed.
- It was noted that one resident had rated the experience of living at Rose Gardens as poor and it was requested that further information be circulated to Members of the Committee if it were available.
- The Head of Strategic Housing agreed to provide a written answer to a question about the contribution of S106 monies to the Scheme.
- Asked to clarify what issues had been raised by the Residents Association, the Head of Strategic Housing commented that these related principally to car parking management. He added that whilst the Strategic Housing Service maintained an interest in the scheme, Elgar Housing Association was responsible for its management.

The Chairman of the Residents' Association was invited to comment on the discussion as a whole and focused on parking provision, clarifying that the nature of the problem was that whilst there were sufficient spaces for those residents with cars there were no designated spaces. Spaces were being used by the general public who had no connection with the property or reason for visiting it.

It was noted that there were 49 parking spaces and currently 30 residents had cars. Whilst acknowledging that there were limitations on the amount of parking that could reasonably be provided at developments of this kind it was proposed that officers

should give further thought to car parking need through the Local Development Framework process.

RESOLVED:

- That
- (a) **the success of the Rose Garden extra care scheme was welcomed but in view of the overall cost of the scheme and the uncertainty over the availability of public funding in future it be recommended that alternative models for future cost effective delivery of these much needed developments be investigated; and**
 - (b) **the appropriate level of parking provision for developments of this type be revisited through the Local Development Framework process.**

24. INTEGRATED CORPORATE PERFORMANCE REPORT

The Committee considered performance for the period April-June 2009-10 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement.

The report to Cabinet on 24 September 2009 was appended.

The Corporate Policy and Research Manager (CPRM) presented the report. He commented that this was the first time the Committee had received the performance report in its new format and would welcome any observations the Committee might have on that.

He highlighted the following points:

- That, on the basis of provisional figures to the end of September, progress against target NI 59 (initial assessments for children's' social care carried out within seven working days of referral) was now ahead of target.
- In relation to health and wellbeing target NI 131 (delayed transfers of care from hospitals) he drew attention to an addendum to the report which explained that the figure reported was lower than that which should have been reported. The correct figure suggested a deterioration in performance rather than an improvement. However, the method of calculation used to date by hospital staff, who were responsible for reporting the figure, was incorrect and over-stated the extent of delayed transfers in the County compared with other authorities. The method of calculating the target had now been corrected by agreement, the impact of which would be able to be judged in future reports.
- That whilst performance was behind target in relation to NI 130 (clients receiving self-directed support) and NI136 people supported to live independently a significant amount of work had been carried out, which was expected to lead to improved performance during the year. The position in respect of NI 130 was complicated by it comprising two different measures: individualised budgets and direct payments. In respect of individualised budgets the Council's performance was comparable with that nationally. As regards direct payments previous performance had not been so good and was now impacting negatively on the combined figures. The Associate Director of Integrated Commissioning said there were signs that the Government might be reviewing expectations in the light of the emerging financial implications.
- The latest figures showed a slight improvement in the number of households in temporary accommodation compared with the end of first quarter position.

In discussion the following principal points were made (page references are to pages in the agenda):

- It was suggested that the key to the appendices to the report should be moved from the back of the appendices to the front.
- That the Cabinet report should make it clearer that the priorities, targets and commitments in the report in many cases depended on contributions from the Council's partners.
- There had been an increase in the number of people killed and injured in road accidents during the first quarter. It was noted that the Environment Scrutiny Committee was due to receive a report on this matter at its next meeting. The Committee expected this to include information about the age groups involved, the times at which accidents occurred and the role and working hours of the relevant preventative team.
- Concern was expressed about the decline in performance against target NI 73 (achievement in English and Maths at Key Stage 2 level 4). The CPRM commented that the service was exploring the reasons and developing an improvement plan.
- Concern was expressed that Cabinet had not considered the performance report, which covered the period from 1 April to 30 June until its meeting on 24 September. Following the decision that the Committee would not see the performance reports until they had been considered by Cabinet, this delay in considering the report impacted on the Committee's ability to make a meaningful contribution to the discussion of performance. The CPRM commented that the Joint Management Team would in future receive monthly reports and that the quarterly reports for Cabinet would continue to be prepared so they were normally ready for Cabinet's consideration within six weeks of the quarter's end. The timing of their actual consideration was dependent on the schedule of Cabinet meetings.
- It was questioned why there was not a more detailed presentation of all (rather than just a selection of) individual Local Area Agreement (LAA) targets, over and above the summary in the covering report. It was suggested that those in respect of targets for mortality rates, smoking and childhood obesity were of particular importance. The CPRM said that a dedicated report on performance against targets in the LAA was produced but that there would be no difficulty in including level 3 information in the ICPR, if it were agreed that this was desirable. The Joint Management Team had sought to reduce the number of indicators reported on in the ICPR to about 60, the intention being to concentrate on those indicators that best described the Council's performance and were considered key to its performance improvement. It was noted that reports on performance on the three areas highlighted were being made to the Primary Care Trust Board. Members proposed that performance against LAA targets should be provided to the Committee.
- In relation to the LAA targets, the report stated that seven were behind target or had no action plan. The Associate Director of Integrated Commissioning reported that an overall action plan for the personalisation of social care was in place.
- The Associate Director of Integrated Commissioning and the CPRM commented on performance against targets NI 136 (people supported to live independently through social services) and NI 138 (satisfaction of people over 65 with both home and neighbourhood), both of which were marked as 'red' for the first quarter. In relation to target NI136 information from different providers was only combined towards the

end of the year, so that the earlier figures understated actual performance. Performance against target NI 138 was based on an annual survey.

- (p.55) The merit of having a local target for staff turnover was discussed. The CPRM commented that the rationale lay in the need in any organisation to strike an appropriate balance between the benefits of continuity in the workforce and the detrimental effects of stagnation.
- (p49 - NI 182- business satisfaction with regulatory services) The CPRM confirmed that a target had now been set and an action plan was in place.
- (p51 – commitment to combat the effects of the economic downturn and prepare for recovery.) The CPRM outlined a number of measures that had been taken.
- (p54 – local indicator on customer satisfaction). Members questioned how this indicator could show a satisfaction level to May 2009 of 82%, when the satisfaction rating for the Council overall recorded in the national Place Survey was 33%. The CPRM commented that the covering report did explain that performance against this local indicator was based on contacts made through Info in Herefordshire. It currently related to satisfaction with planning, transportation, highways, culture leisure, environmental health and trading standards. It was to be extended during the year to other areas of the Council. The Place Survey and other rigorous surveys had consistently shown a big difference between the public's satisfaction with the Council overall and their satisfaction with individual services. He added that all surveys under the authority of the Council's research team were carried out to the most rigorous standards. He agreed to provide clarification on the surveys used to inform this indicator.

RESOLVED:

- That**
- (a) the note of the points raised by the Committee on the Integrated Corporate Performance Report should be forwarded to the Executive;**
 - (b) it be requested that the format of the Integrated Corporate Performance Report should be amended as follows:**
 - (i) the key to the appendices to the report should be moved from the back of the report to the front.**
 - (ii) a full report on performance against targets in the LAA should be appended to the report.**
 - (c) Cabinet be urged to give the earliest possible consideration to the Integrated Corporate Performance Reports.**

25. BUDGET MONITORING REPORT 2009

(Councillor AE Gray declared a personal interest.)

The Committee considered the budget monitoring position to the end of July 2009 and an indication of the estimated outturn.

It was noted that Cabinet had received and noted the report on 24 September 2009.

Revenue Budget

The Head of Financial Services presented the report. She highlighted that the overall position on the revenue budget showed a projected overspend of £1.34 million representing 1% of the Council's net revenue budget.

She outlined the areas of projected overspend and underspend as detailed on page 65 of the agenda papers. She noted the potential effect of reserves if they were used to meet the overspend. She then commented on the financial position within each directorate as set out in the report highlighting the following points:

- The largest projected overspend was on the Integrated Commissioning budget (£2.6 million). She reported that a proposed recovery plan was being evaluated.

She drew attention to the 1.7% uplift in contracts that had been made in line with the Primary Care Trust (PCT). However, this had not been reflected in service budgets and would need to be revisited in preparing the 2010/11 budget. She also noted the potential financial implications of the reassessment of clients needing continuing healthcare, one case already having resulted in adult social care having to meet costs of £109,000 previously met by the PCT and the need to work with the PCT to ensure that PCT and Council funding was allocated appropriately.

- In relation to Children's Services which had a projected overspend of £755,000 she drew particular attention to the cost of foster placements.

She reported that a recovery plan had been prepared. However, it was possible that at this stage of the financial year it may not be possible to recoup the projected overspend which would have implications for the 2010/11 budget.

- She expressed some concerns over the budget of the Deputy Chief Executive's directorate now with a projected overspend of £230,000. She noted that the key area of overspend was on legal and democratic services with four specific issues identified on pages 72/73 of the report.

In discussion the following principal points were made:

- Concern was expressed about the statement in relation to the Children and Young People's Services Directorate that to achieve the level of savings required would require a reduction of 25-30 posts. The Director of Resources assured the Committee that other options were being explored in particular the scope for reducing highly costly out of county placements.
- Noting that by far the bulk of the overspend was attributable to additional expenditure on safeguarding and assessment, following the "Baby P" case in Haringey, a concern was expressed that this could indicate either that appropriate measures had not been in place beforehand or that there was now an overreaction.
- Clarification was sought on the reference to an overspend in the audit section of the Resources Directorate which stated that additional costs were being incurred on the Herefordshire Connects programme. The Director of Resources commented that the expenditure related to the secondment of an auditor to the project. The overspend would be met from within the Directorate. In response to a question about savings generated by the project he replied that the project was delivering improved systems.
- In response to a question about the pooling of Council and PCT budgets the Director commented that a number of arrangements were in place but that there was scope for more such arrangements.

- Concern was expressed that increased demand for learning disability services, where there was a projected overspend of £1.344 million had been foreseeable. The Director noted that there was no provision in place to transfer budget from Children's Services to adult services as people moved through the system and acknowledged consideration may need to be given to this point.
- A Member suggested the value of residential college placements out of County also needed to be reviewed.
- The overspend on legal and democratic services was discussed, noting that 3 whole time equivalent posts in legal and democratic services were not provided for within the budget.
- Members noted that interim staff costs were a further component of the overspend and that there were a number of interim posts on temporary contracts, which incurred a premium, across the authority. Concern was expressed about the costs of these posts, the implications for continuity of service provision and their value for money. The Director of Resources stated that the costs of these posts were met by individual directorates. The costs of some senior posts were relatively expensive but that reflected the market rate. It also had to be borne in mind that the interim posts supported or replaced existing posts. Members proposed that their concern should be registered.

Capital Budget

The Head of Financial Services outlined the position on the capital programme budget.

In discussion the following principal points were made:

- It was requested that a breakdown be provided on expenditure on consultants in connection with the Herefordshire Connects programme.
- The Director agreed to confirm to Members the capital receipt from the disposal of part of the Nieuport estate, once the figure was in the public domain.
- Asked about interest rates on borrowing the Director stated that short term rates were much lower. Longer term rates had not changed greatly. A decision would have to be taken shortly on whether to add to the level of prudential borrowing which was currently £115 million. He noted that the expectation would be that the capital programme would be constrained in future years.
- The Director acknowledged there was pressure on the budget that had been provided for the mortgage relief scheme.

RESOLVED:

- That**
- (a) the report be noted;**
 - (b) the forecast outturn for 2009/10 agreed with Directors based on service and financial performance outlined in this report be noted;**
 - (c) the continuing efforts of all Directors to ensure service targets are met within the approved budget be endorsed;**
 - (d) it be recommended that consideration be given to the need for arrangements to provide for the transfer of budget from children's services to adult services as people with learning disabilities moved**

from the responsibility of Children's Services to the responsibility of Adults Services.

- (e) the planned review of expensive out of county placements as part of the adult social care recovery plan should include a review of the value for money of residential college placements out of County; and
- (f) concern be registered about the costs of interim posts, the implications for continuity of service provision and their value for money.

26. WORK PROGRAMME

The Committee considered the work programmes of the scrutiny committees.

The report proposed how to take forward the development of an external focus to the work programmes building on the externally facilitated scrutiny event on the 8th September and further discussion at an informal meeting of members of the Strategic Monitoring Committee on 21st September. It also proposed that scrutiny committees re-examine the appropriateness of their current work programmes.

RESOLVED:

- That
- (a) the current Work Programmes serve as a basis for further development;
 - (b) the Adult Social Care and Strategic Housing Scrutiny Committee be requested to give priority to the scrutiny of housing related issues within its work programme, having regard to issues noted in appendix 1 to the report;
 - (c) the Children's Services Scrutiny Committee be requested to give priority to the scrutiny of safeguarding issues and youth issues (in conjunction with nominated Members of the Community Services Scrutiny Committee), having regard to issues noted in appendix 1 to the report.
 - (d) the Environment Scrutiny Committee be requested to give priority to the scrutiny of transport issues, having regard to issues noted in appendix 1 to the report; and
 - (e) the Strategic Monitoring Committee give priority to Communication issues, having regard to issues noted in appendix 1 to the report; and
 - (f) that all Scrutiny Committees be requested to re-examine their current work programmes to ensure that matters listed for future consideration remain appropriate subjects for scrutiny.



| | |
|-------------------------|--|
| MEETING: | STRATEGIC MONITORING COMMITTEE |
| DATE: | 2 DECEMBER 2009 |
| TITLE OF REPORT: | INTEGRATED CORPORATE PERFORMANCE REPORT |
| REPORT BY: | CORPORATE POLICY AND RESEARCH MANAGER |

CLASSIFICATION: Open

Wards Affected

County-wide.

Purpose

To report performance for the period April-September 2009-10 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement 2009-10.

Recommendation

- THAT (a) the report be noted;**
- (b) the Committee considers whether there are any issues that should be referred to individual scrutiny committees for further investigation; and**
- (c) the Committee considers whether it wishes to make any comments to Cabinet.**

Introduction and Background

1. The report to Cabinet on 26 November is appended. Any view expressed by Cabinet will be reported at the meeting.

Background Papers

- None identified.

Further information on the subject of this report is available from Steve Martin, Corporate Policy and Research Manager, on (01432) 261877

| | |
|-------------------------|--|
| MEETING: | CABINET |
| DATE: | 26 NOVEMBER 2009 |
| TITLE OF REPORT: | INTEGRATED CORPORATE PERFORMANCE REPORT |
| PORTFOLIO AREA: | CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES |

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To report performance for the period April-September 2009-10 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement 2009-10.

Key Decision

This is not a Key Decision.

Recommendations

THAT Cabinet considers performance to the end of September 2009 and the measures being taken to address areas of under-performance.

Key Points Summary

- The recession threatens the achievement of some targets, such as young people not in education, training or employment, but good progress continues to be made in implementing the *Fighting the Downturn* action plan, and the outlook for affordable housing and households in temporary accommodation, although still challenging, is better than it was in Quarter 1.
- *'Initial assessments for children's social care carried out within seven working days of referral' (NI59)* has improved significantly, and is now ahead of target.
- Street cleanliness targets are not on track, or improving on last year, but remedial action is in hand.
- Waste collection, recycling and composting are ahead of target, and improved performance is expected on land-fill.
- The majority of LAA indicators are on track, and remedial action is being taken in respect of others, particularly as regards healthier communities and older people, for which action plans are now in place or being developed.

Alternative Options

- 1 The Council's Performance Improvement Framework provides that Cabinet will formally review performance against the Council's Corporate Plan and associated Annual Operating Statement quarterly. There are therefore no alternative options.

Reasons for Recommendations

- 2 To ensure that progress against the Council's priorities, targets and commitments, as set out in the Corporate Plan 2008-11 and the Annual Operating Statement 2009-10, are understood. Further, to ensure that the reasons for important areas of actual or potential under-performance are understood and addressed.

Introduction and Background

- 3 The report is based on the most important indicators and the associated key actions set out in the Annual Operating Statement 2009-10. The indicators have been chosen for their ability to tell the story of performance in relation to the themes of the Herefordshire Community Strategy and the associated priorities of the Council:

children and young people (Council priority: *The best possible life for every child, safeguarding vulnerable children and improving educational attainment*)

healthier communities and older people (Council priority: *Reshaped health and social care*)

safer communities (Council priority: *Affordable housing to meet the needs of local people*)

stronger communities;

economic development and enterprise (Council priority: *The essential infrastructure for a successful economy, enabling sustainable prosperity for all*); and

environment.

In addition, indicators have been chosen to measure the most important aspects of performance in relation to the internal priority of

organisational improvement and greater efficiency.

- 4 For each of these themes, indicators have been grouped to show performance in relation to four points of focus:
 - citizens;
 - services;
 - partnership; and
 - statutory.
- 5 There are three levels of reporting. Appendix 1 explains how judgements have been made for each level of report.

Level 1 (Appendix 2) is a high-level summary of performance produced by aggregating the judgements for individual indicators from the lower levels. The following four indicators are considered to be of particular importance:

NI 59 – initial assessments of children for social care within 7 days
NI 117 – 16-18 year olds not in education, employment or training
NI 136 – people supported to live independently through social services
Local – Average staff sickness (Full Time Equivalent)

If any one of these is rated **Red** or **Amber** in the more detailed level 2 and 3 reports, the part of the Level 1 report they relate to will be marked with a * to signify there is an issue.

Level 2 (Appendix 3) provides the level of performance for each individual indicator.

Level 3 (Appendices 4 A (i) – G (ii)) provides the full detail for each of the indicators. It shows targets, actual performance and trends. It also includes progress against action plans to improve performance. Each indicator has been rated in two ways:

its likelihood of achieving target; and

whether or not it is improving compared with last year (that is, its direction of travel).

The primary basis for rating is up to date performance data. Only in the absence of this (and only then if there is a good reason) are judgements based on progress in delivering planned actions that are intended to lead to improved performance.

- 6 The financial context for this report is set out in the budget monitoring report elsewhere on your agenda. Financial issues and risks have been taken into account in the performance issues discussed below.

Key Considerations

- 7 Assessed for each of the themes, the highlights are:

Children and young people

- *'Initial assessments for children's social carried out within seven working days of referral' (NI59) is now judged **Blue** – on track to achieve target - (having been **Red** at Quarter 1) reflecting extensive and successful action to improve the process.*
- A major area of concern continues to be the increasing pressures across most aspects of safeguarding children. Since the Baby Peter case there has been a substantial national increase in child protection referrals, which is reflected in Herefordshire. The risks to achieving targets in these and other respects are being addressed in the context of the development of recovery plans to deliver services within budget provision (see *accompanying Budget Monitoring Report*).
- The 2009 examination results show a mixed picture. The majority are below what are mainly nationally determined targets, but three show better performance than last year. Actions in place to improve results next year include:
 - A wide-ranging programme to improve early years performance.
 - At Key Stage 2, a literacy package for years 4 and 6; and one-to-one tuition to support pupils who may not otherwise be able to attain the desired progress.
 - Enhanced analysis of looked after children's key stage results, with dedicated support, funding and monitoring for targeted individuals.

Health & Well-being

- Reducing delayed transfers of care from hospitals (NI131) has improved slightly since the first quarter, but remains behind target. However, agreed changes to the way performance is measured have yet to feed through into the figures and the reconfiguration of delayed discharge management at community hospitals is expected to lead to significant improvement in the next quarter.
- Still behind target in respect of *clients receiving Self-Directed Support (NI 130)* and *People supported to live independently (NI 136)*. Timeliness of social care assessments (NI132) and social care packages (NI 133) are also now behind target as a result of an increase in safeguarding work. This has been caused by the need to address the consequences of home closures, with the result that less resource has been available for routine social care activities.
- The risks to achieving targets in these and other respects are being addressed in the context of the development of a recovery plan to deliver services within budget provision, which include the draft World Class Commissioning submission, and the updating of the Older People's Strategy. A new Older People's Strategy, which has clear synergy with the work of the Health and Well-being Partnership, is on target to be approved by February 2010
- Budgetary pressures arising in relation to people with learning disabilities and older people are being alleviated, but not eliminated, by expected efficiency savings from Herefordshire Connects and an increase in the Social Care Reform Grant.

Safer Communities

- Following the significant increase in the number of people killed and seriously injured in road accidents (NI 47) reported for the first quarter, there's been a fall in the second. This has been to the extent that we are now on track to achieve this year's target.

Stronger Communities

- Although still judged **Red**, there has been a slight improvement in the number of affordable homes delivered this year (NI 155). A number of schemes are due to be completed during Quarter 3 which will lead to improved performance, and external funding is being maximised to ensure that further units are delivered during the year, although achievement of the target remains challenging.
- There has been a further increase in the number of households in temporary accommodation (NI 156). Additional staffing resources are being directed towards administering and processing enquiries in response to increased interest in the National Mortgage Rescue Scheme. A proposal is being prepared to focus loan support to 20 households who are currently being blocked from re-housing on account of former landlord rent arrears. This should free-up temporary accommodation and enable reductions in bed and breakfast use as households are moved into more suitable accommodation.
- Performance in processing planning applications (NI157) continues to be ahead of target, and better than last year for two of the three indicators.

Economic Development

- Generally good progress in implementing the *Fighting the Down-turn* action plan. Although 100% higher than the same period last year, job-seeker claimant figures have now stabilised, and with support from external funding new programmes have been started to

address unemployment. An updated action plan will be produced in November for consideration by the Herefordshire Partnership Board.

- *'Business satisfaction with regulatory services'* (NI 182) now has a target and action plan intended to address the under-performance reported thus far.

Environment

- Levels of residual waste collected (NI 191) continue to be ahead of target. In respect of recycling and composting (NI 192), performance is now ahead of target, having been slightly behind during Quarter 1. Municipal waste land-filled (NI 193) is still behind target, although the development of a revised Joint Municipal Waste Management Strategy and implementation of the new Waste Collection contract in November are expected to deliver improved performance later in the year.
- The results of the first of the three annual results of street cleanliness (NI195) show that levels of litter, detritus and graffiti are behind target and failing to improve on last year. Remedial action in hand includes working with Amey to repeat the Watchman Initiative, under which letters are sent to residents where access problems are being caused by parked cars; working with the Highways Agency to tackle cleanliness issues on all highways; formulating a long-term plan to tackle kerbside vegetation; implementing a 'See it – clear it' policy for graffiti; and looking into the availability of funding to reinstate the previously successful 'Graffiti Amnesty'.
- An action plan is being delivered to reduce CO₂ emissions in the county. JMT will consider in November further measures.

Organisational Improvement and Greater efficiency

- Although behind target and despite the substantial increase in numbers of claims and changes, there continues to be an improvement in the average time taken to process housing and council tax benefits (NI 181), from 18.68 days at the end of June to 15.47 days at the end of September (the target is 14 days).
- Of the indicators in this report where data is available and comparisons can be made with last year, 43% are improving. This compares with a target of 60%. In previous years, as more data becomes available, it has been usual for the rate of improvement to increase in the last two quarters.
- The Shared Services programme will begin to release recurrent savings this year, which are targeted to rise to in excess of £3.5 million in future years. These will help offset the predicted shortfall that a restricted local government settlement would bring. The current value for money training programme is intended to lead to significant further improvements across the Council.

8 The Local Area Agreement

At the end of the second quarter, of the 35 LAA indicators:

- 24 are judged to be on course to achieve target (20 at quarter one*);
- 3 are marginally behind target (6 at quarter one*); and

* Incorrect figures of 21 on course, 7 marginally behind, and 7 significantly behind were reported at Quarter One.

- 8 are significantly behind target or have no action plan (9 at quarter one*).

All seven indicators for *Health & Well-being* remain behind target but for the five that have an action plan significant improvements in performance are forecast during the final six months of the year. For the remaining two - 'mortality rate from all circulatory diseases at ages under 75' (NI 121), and 'stopping smoking' (NI 123) - work is underway to develop action plans in quarter three.

Community Impact

- 9 Delivering the Corporate Plan is central to achieving the positive impact the Council wishes to make in communities.

Financial Implications

- 10 None.

Legal Implications

- 11 None.

Risk Management

- 12 By highlighting progress against the Council's Corporate Plan and Annual operating Statement, including the major risks to achievement and how they are being mitigated, this report is an essential component of the Council's management of risks.

Consultees

- 13 None.

Appendices

| | |
|-----------------------------|---|
| Appendix 1 | Key to the reports |
| Appendix 2 | Level 1 Report |
| Appendix 3 | Level 2 Report |
| Appendices 4 A (i) – G (ii) | Level 3 Report and progress against commitments |
| Appendix 5 | Local Area Agreement (LAA) |




Background Papers

- 14 None.

KEY TO PERFORMANCE REPORTS




LEVEL 1

| PERFORMANCE AGAINST TARGETS AND ACTION PLANS | |
|--|---|
| 4 | Overall, performance is significantly better than target(s) |
| 3 | On track to achieve target(s) |
| 2 | Slightly behind target(s) |
| 1 | Significantly behind target(s) |

| DIRECTION OF TRAVEL | |
|---|---|
|  | Overall, performance is better than for the same period last year |
|  | Overall, performance is the same as for the same period last year |
|  | Overall, performance is behind that for the same period last year |

Areas that are shaded  signify that no information is required for this report

LEVELS 2 & 3

| PERFORMANCE AGAINST TARGETS AND ACTION PLANS | |
|--|--|
| 4 | Outturn is 10% or more above target |
| 3 | Outturn is above target by up to 10% or , where up to date performance data against target is not available for good reason, the action plan shows satisfactory progress |
| 2 | Outturn is below target, but within 5% or where up to date performance data against target is not available for good reason, the action plan shows inadequate progress |
| 1 | Outturn is 5% or more below target or no target has been set without good reason or there is no action plan |
| N.B. Where data is available this determines the judgement made for each indicator. Action plans are used to judge performance only where relevant data is unavailable. | |
| DIRECTION OF TRAVEL | |
|  | Performance is better than for the same period last year |
|  | Performance is the same as for the same period last year |
|  | Performance is behind that for the same period last year |

| | Citizen Focus | | Service Focus | | Partnership Focus & Organisational Health | | Statutory Focus | |
|--|-----------------------|---------------------|-----------------------|---------------------|---|---------------------|-----------------------|---------------------|
| | Perf. | Direction of Travel | Perf. | Direction of Travel | Perf. | Direction of Travel | Perf. | Direction of Travel |
| Children & Young People | 3 | ▲ | 3 (2 last quarter) | ◄► | 3 (2 last quarter) | ▲ | 1 (2 last quarter) | ▼ |
| Healthier Communities and Older People | 2 | | 1 (3 last quarter) | ▼ | 2 | ▲ | 4 | ▲ |
| Safer Communities | 3 (2 last quarter) | ▼ | 3 | ◄► | 3 | | | |
| Stronger Communities | 2 (1 last quarter) | | 3 | | 3 | | 3 (2 last quarter) | |
| Economic Development and Enterprise | 3 | | 1 | | 3 | | | |
| Environment | 2 (4 last quarter) | ▲ | 3 (2 last quarter) | ▲ | 3 | | 2 | ▲ |
| Organisational Improvement | 1 (2 last Quarter) | ▼ | 3 (2 last Quarter) | ▲ | 2 | ▼ | 2 (1 last quarter) | |

Within the judgement for Healthier Communities and Older People - citizen focus - the key indicator of 'people supported to live independently through social services (NI 136)' is currently judged **Red**.

Within the judgement for Organisational Improvement - statutory focus - the key indicator of 'average sickness (full-time equivalent) (3 month average)' is currently judged **Amber**.

For explanation, see the covering Cabinet report and the Level 3 Report (Appendix 4).

| | Citizen Focus | Perf. | DoT | Service Focus | Perf. | DoT | Partnership Focus & Organisational Health | Perf. | DoT | Statutory Focus | Perf. | DoT |
|--|--|-------|-----|---|-------|-----|---|-------|-----|--|-------|-----|
| Children & Young People | NI 110 – participation in positive activities (LAA) | 3 | | NI 59 – initial assessments for social care done within 7 days | 3 | ▲ | NI 117 – 16-18 year olds not in education, employment or training (LAA) | 3 | | NI 72 – achievement of 78+ points across Early Years Foundation Stage | 1 | ▲ |
| | PAF / CF 63 – participation of looked after children in their reviews | 2 | ▲ | NI 65 - % of children becoming the subject of a Child Protection Plan for a second or subsequent time | 3 | ▲ | Local – % of actions implemented arising from quality audits programme | 3 | | NI 73 – achievement in English & Maths at Key Stage 2 Level 4 | 1 | ▼ |
| | | | | | | | Local – permanent school exclusions, including looked after children | 4 | ▲ | NI 75 – 5 or more GCSEs at A*-C including English & Maths | 1 | ▼ |
| | | | | | | | | | | Reading | 4 | ▼ |
| | | | | | | | Local – number of Common Assessment Framework assessments completed across agencies | 2 | | Local – achievement at Key Stage 1: | 1 | ▲ |
| | | | | | | | | | | Maths | 1 | ▼ |
| | | | | | | | | | | Writing | 2 | ▼ |
| | | | | | | | | | | NI 99 | 1 | ▲ |
| | | | | | | | | | | NI 100 | 1 | ▼ |
| | | | | | | | | | | NI 101 | 3 | ▼ |
| Healthier Communities and Older people | NI 39 – alcohol harm related admission rates (LAA) | 2 | | NI 132 – timeliness of social care assessments | 1 | ▼ | NI 40 – drug users in effective treatment (LAA) | 2 | | Local – % of adult safeguarding referrals with a multi-agency plan within 7 days | 4 | ▲ |
| | NI 130 – social care clients receiving Self Directed Support (LAA) | 1 | | NI 133 – timeliness of social care packages | 1 | ▼ | NI 125 – achieving independence for older people through rehabilitation / intermediate care | 4 | ▲ | | | |
| | NI 136 – people supported to live independently through social services (LAA) | 1 | | | | | NI 131 – delayed transfers of care from hospitals | 1 | | | | |
| | NI 138 – satisfaction of people over 65 with both home and neighbourhood | 1 | | | | | NI 142 – number of vulnerable people who are supported to maintain independent living (LAA) | 1 | | | | |
| | NI 57 - Children and young people's participation in high-quality PE and sport (LAA) | 3 | | | | | | | | | | |

| | Citizen Focus | Perf. | DoT | Service Focus | Perf. | DoT | Partnership Focus & Organisational Health | Perf. | DoT | Statutory Focus | Perf. | DoT |
|-------------------------------------|--|-------|-----|---|-------|-----|--|-------|-----|---|-------|-----|
| Safer Communities | NI 21 – dealing with concerns about anti-social behaviour (LAA) | 3 | | NI 168 – condition of principal roads (LAA) | 3 | ▶ | NI 30 – priority & prolific offenders (LAA) | 3 | | | | |
| | NI 47 – people killed or seriously injured in road traffic accidents (LAA) | 3 | ▶ | NI 169 – condition of non-principal roads (LAA) | 3 | ▶ | | | | | | |
| | NI 3 – civic participation | 3 | | NI 9 – use of libraries (LAA) | 3 | | NI 4 – influencing decisions in the locality (LAA) | 3 | | NI 1 – % of people who believe people from different backgrounds get on well together (LAA) | 3 | |
| | NI 6 – participation in regular volunteering | 3 | | NI 11 – engagement in the arts (LAA) | 3 | | | | | NI 156 – households in temporary accommodation (LAA) | 1 | ▶ |
| | NI 155 – number of affordable homes delivered (LAA) | 1 | ▶ | | | | | | | a) Major | 4 | ▶ |
| Stronger Communities | | | | | | | | | | NI 157 – processing of planning applications | 4 | ▶ |
| | | | | | | | | | | b) Minor | 4 | ▶ |
| | | | | | | | | | | c) Other | 3 | ▶ |
| | | | | | | | | | | a) Local shop | 3 | |
| | | | | | | | | | | b) Advice provision | 3 | |
| Economic Development and Enterprise | | | | | | | | | | Local – access to services (LAA) | 3 | |
| | NI 171 – VAT registration rate (LAA) | 3 | | NI 182 – business satisfaction with regulatory services | 1 | | NI 152 – working age people on out of work benefits (LAA) | 3 | | c) Public transport facility | 3 | |
| | | | | | | | NI 163 – working age people qualified to Level 2 or higher (LAA) | 3 | | d) Cultural / recreational facility | 3 | |
| | | | | | | | NI 178 – bus services running on time (LAA) | 3 | | | | |
| | | | | | | | | | | | | |

| | Citizen Focus | Perf. | DoT | Service Focus | Perf. | DoT | Partnership Focus & Organisational Health | Perf. | DoT | Statutory Focus | Perf. | DoT | |
|--|--|----------------|-----|---|-------|-----|--|-------|-----|---|--|-----|---|
| Environment | NI 191 – residual household waste per household (LAA) | 3 | ▲ | NI 192 – % of household waste sent for reuse, recycling and composting | 3 | ▲ | NI 197 – improved biodiversity (LAA) | 3 | | NI 186 – CO ₂ emissions (LAA) | 3 | | |
| | NI 195 – improved street cleanliness and environmental cleanliness | a) Litter | 1 | ◀▶ | | | | | | | NI 193 - % of municipal waste landfilled | 1 | ▲ |
| | | b) Detritus | 1 | ▶ | | | | | | | | | |
| | | c) Graffiti | 1 | ▶ | | | | | | | | | |
| | | d) Fly-posting | 3 | ▶ | | | | | | | | | |
| NI 196 – improved street cleanliness and environmental cleanliness – fly tipping | 1 | ◀▶ | | | | | | | | | | | |
| Organisational Improvement | Local - customer satisfaction | 1 | ▶ | NI 14 – avoidable contact | 1 | | NI 179 – Value for Money | 2 | | Local – the % of Local Authority employees with a disability | 2 | | |
| | | | | NI 180 - the number of changes of circumstances which affect customers' Housing Benefit / Council Tax Benefit entitlement within the year | 4 | | Local – average sickness (full-time equivalent) (3 month average) | 2 | | Local - the % of Local Authority employees from ethnic minority communities | 2 | | |
| | | | | NI 181 – time taken to process Housing Benefit / Council Tax Benefit claims and change events | 2 | ▲ | Local - number of vacant posts as a proportion of the approved establishment | 2 | | | | | |
| | | | | Local - % of Council Tax collected (BVPI 9) | 3 | ▲ | Local - Use of Resources | 2 | | | | | |
| | | | | Local - % of non-domestic rates collected (BVPI 10) | 3 | ▲ | Local - % of key performance indicators improving on last year | 1 | ▶ | | | | |

| Indicator | Tolerance | | Performance | | Target | | Latest Performance | | Judgement | | Direction of Travel | | Analysis | |
|--|-----------|---------|-------------|--------|-----------|--------|--------------------|------|-----------|------|---------------------|------|--|--|
| | 2006-07 | 2007-08 | 2008-09 | June | September | June | September | June | September | June | September | June | September | September |
| Citizen | | | | | | | | | | | | | | |
| NI 110 – participation in positive activities (LAA) Bigger is better | | | 86.20% | 91.00% | | | | | | 3 | 3 | n/a | n/a | No Data - Collected as part of the Tellus Survey. The Tellus Survey is currently underway in schools and early results will be available in January 2010. All tasks are on target. Additional promotion of summer activities took place to raise the take up. |
| PAF / CF 63 – participation of looked after children in their reviews Bigger is better | 95% | 98% | 93% | 100% | 94.40% | 96.60% | | | 2 | 2 | ▲ | ▲ | 90.6% at the same period last year. Participation of Looked After Children in their reviews remains a top priority for the directorate and all efforts are made to ensure that children & young people feel able to participate. There is a wide programme of participation events held to increase the confidence of looked after children. All tasks are on target. Training has been undertaken by some looked after young people to enable them to chair their own reviews and thus increase participation. | |
| Service | | | | | | | | | | | | | | |
| NI 59 – initial assessments for social care done within 7 days Bigger is better | 58.7 | 57.4 | 37.4 | 65% | 56.90% | 67.90% | | | 1 | 3 | ▲ | ▲ | 50.6% at the same period last year. As anticipated, the Q2 Outturn has achieved, and slightly exceeded, the target set for the year. This has been the result of targeted improvement work with the team focusing on managing timeliness & quality. The target will now be reviewed in light of this outturn. All tasks are on target. | |
| NI 65 - % of children becoming the subject of a Child Protection Plan for a second or subsequent time Smaller is better | 15 | 14 | 15 | 13% | 12.60% | 12.70% | | | 3 | 3 | ▲ | ▲ | This is good performance in line with the target set for the year and an improvement on the 2008/2009 outturn. Managers continue to monitor the situation. All tasks are on target. | |
| Partnership | | | | | | | | | | | | | | |
| NI 117 – 16-18 year olds not in education, employment or training (NEET) (LAA) Smaller is better | 5.5 | 5.4 | 5.9 | 5% | | | | | 2 | 3 | n/a | n/a | Annual return of outturn data will be available in January 2010. The percentage of 16-18 NEETs continues to rise. The post-16 NEET programme has just started up again which should help. However, the biggest group in the overall NEET group is 18 year olds who have already been through post-16 provision. Connexions is liaising with Jobcentre Plus about fast-tracking these young people to New Deal provision. All tasks are on target although this remains an area for concern as a result of the continuing recession. | |

| Indicator | Tolerance | | Performance | | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|---|-----------|-------------------------------|-----------------------------|---------|---------|---|-------------------------------------|-----------|-----------|-----------|---------------------|-----------|--|
| | 2006-07 | 2007-08 | 2008-09 | 2007-08 | 2008-09 | | June | September | June | September | June | September | |
| Local - % of actions implemented arising from quality audits programme | | | | | | 50% (to September) 70% (to December) 80% (year-end) | 50% | | 3 | 3 | n/a | n/a | The programme of quality audits has commenced and the Quality Assurance Panel is in place and operating. Learning and actions are being implemented as a result of audit work. All tasks are on target. The audit programme is continuing to be implemented in line with the agreed programme. The Quality Assurance Panel next meets in December 2009. |
| Local - permanent school exclusions including looked after children | | | 18 | | | 14 | 0 | | 1 | 4 | ▲ | ▲ | There have been no permanent exclusions in the first month of the new academic year. All tasks are on target. |
| Local - number of Common Assessment Framework (CAF) assessments completed across agencies | | | | | | 300 | 55 (cumulative) 143 (cumulative) | | 3 | 2 | n/a | n/a | The number of CAF's is increasing. More people are being trained and more support is available through the CAF support team (Vanguard team). We anticipate further increases as the process embeds. All tasks are on target. |
| Statutory | | | | | | | | | | | | | |
| NI 72 - achievement of 78+ points across Early Years Foundation Stage (EYFS) | | 47.9% (2006-07 academic year) | 42% (2007-08 academic year) | | | 53% (2008-09 academic year) | 45.8% (2008-09 academic year) | | 1 | 1 | ▲ | ▲ | Although not achieving target, this return represents a significant improvement on the 2008 return which was 42%. The predominance of boys in the EYFS continues to impact on results with 37% of boys achieving the improvement target compared with 54.9% of girls. All tasks are on target. Work is focused on maintaining the improvement in performance evidenced in the 2009 results. |
| NI 73 - achievement in English & Maths at Key Stage 2 Level 4 | | | 72% (2007-08 academic year) | | | 78% (2008-09 academic year) | 70.8% (2008-09 academic year) | | 1 | 1 | ▼ | ▼ | This unvalidated return for 2009 has not achieved target and is 2% below the 2008 return. Results in Key Stage 2 have shown a continuing downward trend over the last three years and targeted work is underway in schools. All tasks are on target. The current round of target setting in schools is a particular focus to address performance in this area. Results will be validated in January 2010. All tasks are on target. |
| NI 75 - 5 or more GCSEs at A*-C including English & Maths | | 51.7% (2006-07 academic year) | 53% (2007-08 academic year) | | | 60% (2008-09 academic year) | 52.9% (2008-09 academic year) | | 2 | 1 | n/a | ▼ | |
| Local - achievement at Key Stage 1: | | | | | | | | | | | | | |
| Reading at Level 2B+ | | | 69.90% | | | 59% | 68.90% | | 4 | 4 | ▼ | ▼ | |
| Maths at level 2B+ | | | 70.80% | | | 79% | 71.80% | | 1 | 1 | ▲ | ▲ | Activity in the coming year to improve results include the use of "Teaching Talking" beyond the Foundations Stage to improve oracy, delivery and monitoring of training in phases 5 and 6 of Letters and Sounds to ensure early foundations are built on; and implementing the Year of Reading |
| Writing at level 2B+ | | | 53.90% | | | 54% | 52.90% | | 2 | 2 | ▼ | ▼ | |
| Local - looked after children attainment (2008-09 academic years): | | | | | | | | | | | | | |
| NI 99 - reaching level 4 in English at Key Stage 2 | | 77.8% | 25.0% | 14.3% | | 50% | 28.60% | | 2 | 1 | n/a | ▲ | Two children out of the total cohort of seven achieved Level 4 in English at Key Stage 2 which means that the target has not been achieved. However, with such small cohorts, care must be taken because one child not achieving the required level will have a disproportionate effect on the overall percentage. It should also be noted that the cohort had a large number of children with special educational needs. All tasks are on target. |
| NI 100 - reaching level 4 in maths at Key Stage 2 | | 66.7% | 50.0% | 14.3% | | 50% | 42.90% | | 2 | 1 | n/a | ▼ | Three children out of the total cohort of seven achieved Level 4 in Maths at Key Stage 2 which means that the target has not been achieved. However, with such small cohorts, care must be taken because one child not achieving the required level will have a disproportionate effect on the overall percentage. It should also be noted that the cohort had a large number of children with special educational needs. All tasks are on target. |

Level 3 Report
Children and Young People

Appendix 4 A (i)

| Indicator | Tolerance | | Performance | | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|-----------|---------|-------------|------|-----------|--------|--------------------|-----------|-----------|-----------|---------------------|-----------|--|
| | 2006-07 | 2007-08 | 2008-09 | June | September | | June | September | June | September | June | September | |
| NI 101 - achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 (including English and maths) | 23.1% | 15.0% | 28.6% | | 21.40% | 20% | | 2 | 3 | n/a | ▶ | September | September Three children out of the total cohort of 14 achieved 5 A*-C GCSEs including English and Maths. A further three children in the cohort achieved 5 A*-C without English and Maths. All tasks are on target. |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress |
|---|--|-----------------|--------------------------------|---------------------------------|---|
| Maintain and enhance educational standards at all Key Stages | Implement Primary Strategy | Mar-11 | ICT, Education and Achievement | Director of Children's Services | September Ongoing implementation of Primary and Secondary Strategies. School Improvement Partners are now working with schools to assist and challenge with target setting for individual pupils. Targeted support continues to be provided to those schools causing concern, with regular updates to the Cabinet Member and Directorate Leadership Team |
| | Implement Secondary Strategy | | | | |
| | Analyse and interpret individual school and pupil related performance data | | | | |
| | Identify and provide targeted support for schools with low or declining performance | | | | |
| Implement the Primary Capital Strategy, Building Schools for the Future (BSF) and the Academy | Implement vision and strategy for primary capital build, including bidding fund for Develop resources and strategy for change and begin to implement BSF | Mar-11 | ICT, Education and Achievement | Director of Children's Services | Herefordshire's Primary Strategy for change has been approved by the DCSF. The directorate is now working with Leominster Infants and Juniors on the new build and potential amalgamation of the two schools. Consultation with the public is now underway. Herefordshire Academy has received planning permission. The new build of the Minster is progressing to budget and timescale. BSF preparation will involve a presentation by Partnership for Schools to JMT and Cabinet, scheduled for November 2009 |
| | Complete major rebuilds | | | | |
| | Implement Children's Centres roll-out plan | | | | |
| Conclude Children's Centres and Extended Schools roll out plans | Implement Extended Schools roll-out plan | Mar-10 | Children's Services | Director of Children's Services | 10 of 12 children's centres have now been designated. Of the remaining two centres, the first, in North Hereford City, has been identified and is awaiting Cabinet Member approval. The second centre, in the north of the county, has still to be confirmed. Given the geographic sparsity of service users, it is unlikely to be a new build but services are likely to be delivered from several existing buildings. The current estimate of schools providing the full core offer of extended services is 89% (the Training Development Agency (TDA) target is 90% by September 2009). |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress |
|---|--|-----------------|--------------------------------|---------------------------------|--|
| Embed Children's Trust arrangements, including commissioning and contract monitoring arrangements | Establish working arrangements with the joint commissioning unit as part of the arrangements with the PCT | Dec-09 | Children's Services | Director of Children's Services | Now that appointments have been made to the integrated commissioning directorate, CYPD is working with it to develop specific ways of working, including the role of the Children's Trust. The CYP Plan is being managed through the regular work of the Children's Trust and CYPD |
| | Deliver and monitor implementation of Children and Young People's Delivery Plan | Mar-11 | | | |
| Continue to work with schools and communities to secure the best possible sustainable school education for the future | Development and implementation of strategy to continue providing the county's children with high educational standards | Mar-11 | ICT, Education and Achievement | Director of Children's Services | The Schools Task Force has developed a draft framework for developing future educational provision in Herefordshire. This has been consulted upon with head teachers and is now out for wider consultation, with will end in November 2009. |

| Indicator | Tolerance | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|---|-------------------------|-------------|---------|--|--------------------|-------------------|-----------|-----------|---------------------|-----------|--|
| | | 2007-08 | 2008-09 | | June | September | June | September | June | September | |
| Citizen NI 39 – alcohol harm related admission rates (LAA) | Smaller is better | 1,199 | | 1,237 | 326.4 (cumulative) | | 2 | 2 | ▶ | | Quarter 2 data not yet available. Expected November 2009. |
| NI 130 – social care clients receiving Self Directed Support (LAA) | Bigger is better | | | 21% | 6.32% | 6.12% | 1 | 1 | n/a | n/a | Our current performance is in line with other West Midlands authorities, our performance suffers from historical performance. A Project Manager has been appointed to drive forward the uptake of services associated with this indicator. |
| NI 136 – people supported to live independently through social services (LAA) | Bigger is better | | 3,635 | 3,090 (to September) 3,763 (year-end) | 2,102 | 2,643.54 | 1 | 1 | ▶ | ▶ | Data currently reported provides only a partial view. This will be rectified over the next 2 quarters as activity associated with external agencies becomes available. This NI has yet to include the Grant Funded Services data for this year which will be available in December. |
| NI 138 – satisfaction of people over 65 with both home and neighbourhood | Bigger is better | | 89 | | | | 1 | 1 | n/a | n/a | This is a new indicator measured by the place survey which is carried out bi-annually. The target will be set in the next quarter. England average for this indicator is 84. The Older People strategy has been updated and delivery on track. Development of new strategy has been delayed to ensure it has clear synergy with work of Health and Well-being partnership. Strategy is still on target to be developed by February 2010. |
| NI 57 - Children and young people's participation in high-quality PE and sport (LAA) | Bigger is better | | 95% | 95% | | | 3 | 3 | n/a | n/a | No Data – Annual data collection – Data available in March 2010. The figures from Sport Unlimited (3 hours - part of the target) are based on the activity in term 1 which is April to July. All tasks are on target. |
| Service | | | | | | | | | | | |
| NI 132 – timeliness of social care assessments | Bigger is better | | 86.80% | 91% | 98.90% | 74.80% | 3 | 1 | ▶ | ▶ | 90% at same period last year. Decline in performance is due to increase in safeguarding work. Frontline resources have been engaged in ensuring vulnerable clients are receiving appropriate protection to ensure that they are safe. The consequence of this has been less resource available for routine social care activities. |
| NI 133 – timeliness of social care packages | Bigger is better | | 88.20% | 92% | 100% | 56.11% | 3 | 1 | ▶ | ▶ | 84% at same period last year. Decline in performance is due to increase in safeguarding work. Frontline resources have been engaged in ensuring vulnerable clients are receiving appropriate protection to ensure that they are safe. The consequence of this has been less resource available for routine social care activities. |
| Partnership | | | | | | | | | | | |
| NI 40 – drug users in effective treatment (LAA) | Bigger is better | | | 541 | | 528 (to June) | 3 | 2 | n/a | n/a | Harm Reduction Strategy almost complete with Hidden Harm Conference to be held 01/12/09. Merca Net training commences 30/10/09. Review of drug treatment services underway and due for completion 31/12/09. |
| NI 125 – achieving independence for older people through rehabilitation / intermediate care | Bigger is better | | 71.8 | 75 | 68.7 | 89.01 (to August) | 1 | 4 | ▶ | ▶ | The figures presented in this report are the preliminary findings to August 2009 and require further validation. The figures are based on those patients, discharged from the acute hospital into the 3 intermediate care units – Hillside, Kington and Ledbury. |
| NI 131 – delayed transfers of care from hospitals | Smaller is better | | 41 | 27 | 12 amended to 36 | 34.8 | 4 | 1 | n/a | n/a | Reconfiguration of delayed discharge management in community hospitals is expected to give rise to a significant improvement in this indicator in the next quarter. |

Level 3 Report
Healthier Communities and Older People

Appendix 4 B (i)

| Indicator | Tolerance | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|------------------|-------------|---------|--------|--------------------|-----------|-----------|-----------|---------------------|-----------|--|
| | | 2007-08 | 2008-09 | | June | September | June | September | June | September | |
| NI 142 – number of vulnerable people who are supported to maintain independent living (LAA) | Bigger is better | | 90.5 | 97.41% | | | 1 | 1 | n/a | n/a | <p>Awaiting data from Communities and Local Government. The previous regime for this indicator nationally is coming to an end and a new set up is being developed and implemented. Now entering into a period of change and development of new projects. A business plan is currently being developed to make recommendations on the supporting people programme. Four pilots are currently being delivered that will cease between March-July 2010. A supporting people commissioning plan is also being undertaken to guide the future commissioning of supporting people services; these include learning disability - move on and transitional worker, older people and vulnerable disabled adult pilot, and a wrap around floating support service for offenders and people who are at risk of offending.</p> |
| Statutory Local – % of adult safeguarding referrals with a multi-agency plan within 7 days | Bigger is better | | 26% | >26% | 32% | 49% | 4 | 4 | ▲ | ▲ | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress |
|---|--|--------------------|-----------------------------------|--------------------------------------|---|
| Implementation of the joint health and social care commissioning plans to secure modern, more effective services for people with mental health problems, learning | Joint Commissioning Strategy | Dec-09 | Older People & Social Care Adults | Director of Integrated Commissioning | September Commissioning strategies for mental health, Older people, Dementia and Intermediate care nearing completion, World Class Commissioning work is on track. This year strong emphasis on ensuring health and social care priorities are linked |
| | Agree with providers how to re-model services to promote independence and personalised care | Mar-10 | | | |
| Ensure information, advice and advocacy is available to all | Ensure all promotional materials are available in easy-read formats | Jun-09 | Older People & Social Care Adults | Director of Integrated Commissioning | Contract extended to cover period up to April 1st 2010, tendering exercise for service from April 1st is underway. |
| | Extend advocacy services to all users and carers | Sep-09 | | | |
| Ensure self-directed care and personalised services are offered to the majority of service users | Raise awareness of the self-directed care option and sustain support | Apr-09 | Older People & Social Care Adults | Director of Integrated Commissioning | Event held in May in Hereford City centre, Outcomes yet to be analysed. |
| | Establish programme board for the "Putting People First" programme | From April 2009 | | | |
| Increase range and availability of support to carers | Implement the seven stream of the "Putting People First" programme | Continuing to 2011 | Older People & Social Care Adults | Director of Integrated Commissioning | Programme Manager appointed and Board established. All workstreams have begun. |
| | Re-commission support services for carers | Jun-09 | | | |
| All services enable people to be treated with dignity and respect | Extend individual budgets to carers | Mar-10 | Older People & Social Care Adults | Director of Integrated Commissioning | Completed. |
| | To ensure appropriate training is delivered to all social care and health staff and is included within safeguarding training | Apr-09 | | | |
| Integrate health and social care across front-line services / Extend integration of health | Ensure minimum standards in relation to dignity and respect included within contracts - Covered within QAF standards, with plans to include within future contracting arrangements | Apr-09 | Older People & Social Care Adults | Director of Integrated Commissioning | Review completed in April, new training programme to be launched on November. Providers have been contacted outlining the minimum standards to be expected. |
| | Roll-out integrated health and social care model to all localities | Sep-09 | | | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress |
|---|---|-----------------|-----------------------------------|--------------------------------------|---|
| and social care across front-line services | Roll-out of integrated intermediate care service | Apr-09 | | | Work on track – work begun in April and is moving forward. September |
| Develop and implement Older People's Strategy | Consultation document issued | Aug-09 | Older People & Social Care Adults | Director of Integrated Commissioning | Previous strategy has been updated and delivery on track. Development of new strategy has been delayed to ensure it has clear synergy with the work of the Health and Well-being partnership. Strategy is still on target to be approved by Feb-2010. |
| | Strategy approved | Feb-10 | | | |

| Indicator | Tolerance | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis | |
|---|-------------------|----------------------|----------------------|--|--------------------|------|-----------|------|---------------------|------|----------|---|
| | | 2007-08 | 2008-09 | | 2009-10 | June | September | June | September | June | | September |
| Citizen | | | | | | | | | | | | |
| NI 21 – dealing with concerns about anti-social behaviour (proxy – incidents of: anti-social behaviour – including speeding - criminal damage, alcohol-related disorder, alcohol-related violent crime) (LAA) | Bigger is better | | 25.40% | 30.4% (2010-11) | | | | 3 | 3 | n/a | n/a | Data available from the Herefordshire QoL survey. Next due Autumn 2010, therefore no data for 2009/10. Good progress being made against the action plan. The Reassurance Group no longer meets. Await decision on whether it is fit for purpose. |
| NI 47 – people killed or seriously injured in road traffic accidents (calendar year) (LAA) | Smaller is better | 133 (3 year average) | 115 (3 year average) | 87 (to September) 116 (year-end) (3 year average of 114) | 53 to May | 86 | 1 | 3 | | ▶ | | There is a time delay in obtaining this data of approximately 3-4 weeks. All tasks in Transportation have either been completed or are underway. Good performance against tasks identified in Safer Herefordshire Action Plans. HRSG continue to meet bi-monthly. |
| Service | | | | | | | | | | | | |
| NI 168 – condition of principal roads (proxy: delivery against highway maintenance plan) (LAA) | Smaller is better | 6% | 4% | 5% | | 5% | 3 | 3 | n/a | ▶ | | Unaudited data. Current tasks have commenced on time and a revised action plan to achieve the LAA target has been agreed with Ainey Wye Valley. |
| NI 169 – condition of non-principal roads (proxy: delivery against highway maintenance plan) (LAA) | Smaller is better | 11% | 11% | 9% | | 9% | 3 | 3 | n/a | ▶ | | Unaudited data. Current tasks have commenced on time and a revised action plan to achieve the LAA target has been agreed with Ainey Wye Valley. |
| Partnership | | | | | | | | | | | | |
| NI 30 – priority & prolific offenders (PPOs) (LAA) | ?? | | | 21% (79) | | | 3 | 3 | n/a | | n/a | Quarter 1 data not yet available. Expected November 2009. There are currently 20 multi-agency PPOs identified in Herefordshire, six of which are serving custodial sentence, 14 are in the community. |
| Statutory | | | | | | | | | | | | |
| No indicators | | | | | | | | | | | | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress | |
|--|--|--|---|-----------------------------------|--|-----------|
| | | | | | | September |
| Continue to work with our partners through the implementation of <i>Herefordshire Community Safety and Drugs Partnership (HCSDP)</i> strategy 2008-11 to reduce the impact of crime, drugs and anti-social behaviour on the people who live work and visit Herefordshire | Action plans with targets to be produced annually | Plan for 2009 by June 2009. | Environment and Strategic Housing | Director of Environment & Culture | The 2009-10 action plan has been agreed and is being implemented | |
| | | Strategy to be fully implemented by 2011 | | | | |
| The number of adults killed or seriously injured in road accidents to be reduced | Delivery of programme of road safety schemes, education, training and publicity in accordance with the Local Transport Plan (LTP) strategy | Mar-11 | Highways & Transportation | Director of Regeneration | The Planning and Transportation's Road Safety and Accident Investigation and Prevention teams lead on a wide range of education, training and publicity and engineering measures to address road traffic accidents. More detailed commentary on this activity is set out in the Local Transport Plan Road Safety Strategy and is reported on in an annual progress report. We have exceeded our target of 135 for 2008/09 for KSIs and our target of 13 for Child KSIs and are therefore on track. Delivery Plan progress: List of high priority sites produced and from this we have now carried out the majority of the investigations and the implementation of works (as covered by the other two supporting actions) and as such all actions are on target / have been met. | |
| | Work in partnership with Highways Agency to ensure they contribute to meeting Herefordshire casualty reduction targets by action on trunk roads Working with the Safer Roads Partnership to review speed camera sites and ensure focused speed enforcement campaign in the County | | | | | |
| Complete and publish draft <i>Hidden harm</i> strategy. | Draft Hidden Harm Strategy to be completed | Sep-09 | Economic Development & Community Services | Director of Regeneration | The Strategy is due to be completed in October. | |
| | Launch of strategy | Nov-09 | | | | |

Level 3 Report
Stronger Communities

| Indicator | Tolerance | Performance | | Target 2009-10 | Latest Performance | | Judgement | | Direction of Travel | | Analysis | |
|---|------------------|-------------|---------|--|--------------------|-----------|-----------|-----------|---------------------|-----------|---|--|
| | | 2007-08 | 2008-09 | | June | September | June | September | June | September | | |
| Citizen | | | | | | | | | | | | |
| NI 3 – civic participation | Bigger is better | | 16% | 17.5% (2010-11) | | | 1 | 3 | n/a | | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 17.5%. Work is progressing in line with the action plan. | |
| NI 6 – participation in regular volunteering (LAA) | Bigger is better | | 29% | 32.5% (2010-11) | | | 2 | 3 | n/a | | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 32.5%. Work is progressing in line with the action plan. | |
| NI 155 – number of affordable homes delivered (LAA) | Bigger is better | 141 | 208 | 110 (to September) 220 (year-end) | 44 (cumulative) | 96 | 1 | 1 | ▶ | ▶ | 96 at the same period last year. Overall indicator is just below target, although there are schemes due to complete during the 3rd Quarter. There are some concerns that the target will not be met, but funding is being maximised to ensure as many units as possible are delivered during 09/10. | |
| Service | | | | | | | | | | | | |
| NI 9 – use of libraries (LAA) | Bigger is better | | 47.90% | 51% (2010-11) | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 51%. Work is progressing in line with the action plan. | |
| NI 11 – engagement in the arts (LAA) | Bigger is better | | 46.40% | 49.5% (2010-11) | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 49.5%. Work is progressing in line with the action plan. | |

Level 3 Report
Stronger Communities

| Indicator | Tolerance | | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|---|-----------|---------|-----------------|------|-----------|--------------------|-----------|-----------|-----------|---------------------|-----------|--|
| | 2007-08 | 2008-09 | 2009-10 | June | September | June | September | June | September | June | September | September |
| Partnership | | | | | | | | | | | | |
| NI 4 – influencing decisions in the locality (LAA) | | 28.80% | 32.3% (2010-11) | | | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 32.3%. Work is progressing in line with the action plan. |
| Statutory | | | | | | | | | | | | |
| NI 1 - % of people who believe people from different backgrounds get on well together (LAA) | | 75.90% | 79.4% (2010-11) | | | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 79.4%. Work is progressing in line with the action plan. |
| NI 156 – households in temporary accommodation (LAA) | 109 | 98 | 82 | 116 | 118 | | | 1 | 1 | ▶ | ▶ | 111 at the same period last year. Increased interest in the National Mortgage Rescue Scheme means that additional staffing resources are to be directed towards administering and processing enquiries. A proposal is being prepared to focus loan support on 20 households who are currently being blocked from re-housing on account of former landlord rent arrears. This should free-up temporary accommodation and enable reductions in B&B use as households are moved into more suitable accommodation. |
| NI 157 – processing of planning applications: Major applications within 13 weeks Minor applications within 8 weeks Other applications within 8 weeks | | | | | | | | | | | | Estimated figure using old software (this figure is not totally accurate as misses the last few days of September). The Integrated Environment and Regeneration System (IERS) is now in place however there are teething problems with the system, which have prevented the end of Quarter figures from being produced from this system. It is unclear at this point when these problems will be resolved. |
| a) Major applications within 13 weeks | | 73% | 60% | 75% | 92% | | | 4 | 4 | ▶ | ▶ | 60% at the same period last year. |
| b) Minor applications within 8 weeks | | 73% | 65% | 80% | 72% | | | 4 | 4 | ▶ | ▶ | 71% at the same period last year. |
| c) Other applications within 8 weeks | | 87% | 80% | 79% | 82% | | | 2 | 3 | ▶ | ▶ | 86% at the same period last year. |
| Local – % of people who find access to services difficult: Local shop Advice provision Public transport facility Cultural / recreational facility | | | | | | | | | | | | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011. Work is progressing in line with the action plan. |
| a) Local shop | | 12% | 11% (2010-11) | | | | | 2 | 3 | n/a | n/a | |
| b) Advice provision | | 18% | 16% (2010-11) | | | | | 2 | 3 | n/a | n/a | |
| c) Public transport facility | | 21% | 21% (2010-11) | | | | | 2 | 3 | n/a | n/a | |
| d) Cultural / recreational facility | | 21% | 19% (2010-11) | | | | | 2 | 3 | n/a | n/a | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress | |
|---|--|--------------------|---|-----------------------------------|--|-----------|
| | | | | | | September |
| Ledbury Centre to incorporate a range of services and functions in one facility | Access funding for the scheme | 2009 | Economic Development & Community Services | Director of Environment & Culture | Action plan proceeding on target. | |
| | Undertake and complete work | 2010 | | | | |
| Relocate the library in Hereford to a new multi-use customer and cultural centre on the Edgar Street Grid | Establish best site for the Centre | 2009-12 | Economic Development & Community Services | Director of Environment & Culture | Linked to the ESG development. | |
| | Relocate to new site | | | | | |
| Development of phases 3, 4 & 5 of Aylestone Park | Continue development of Aylestone Park – including playing areas, pitches and bowling green. Timing dependent on approval of planning applications | Throughout 2009-11 | Economic Development & Community Services | Director of Environment & Culture | No progress. Funding reliant on section 104 monies. | |
| | Implement outcomes of review of street cleanliness | Apr-09 | Environment & Strategic Housing | Director of Environment & Culture | Although performance for the first tranche of inspections has fallen a revised action plan has been agreed with Amey to achieve the year's target. | |
| Improve performance on processing major planning applications within 13 weeks | Review progress and performance regularly, ensuring that planning applications are processed in a timely manner. | Monthly | Environment and Strategic Housing | Director of Regeneration | Targets being achieved. Two of the three indicators are performing better than for the same period last year. | |
| | Attract a country / sport team to use Hereford as a pre-game training camp | 2010-2012 | Economic Development & Community Services | Director of Regeneration | A partner working group, led by Cllr. Blackshaw, has developed a programme of activities that is being delivered to target. | |
| Promote opportunities for the county, its residents, organisations and businesses to benefit from London 2012 | | | | | | |
| Support Herefordshire's involvement in London 2012 Olympic and Paralympics Games | Support 2010 Blind Football World Championships | Sep-09 | Economic Development & Community Services | Director of Regeneration | Work in progress through School Sports Partnerships. | |
| | Work with schools and clubs to identify talent leading up to the 2012 Olympic Games in London | | | | | |
| Establish a talent identification programme in preparation for the 2012 Olympic and Paralympics Games | | | | | | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | Progress |
|--|---|-----------------|---------------------------------|--------------------------|---|
| Ensure continuing build of affordable houses | <p>Ensure affordable homes are included within plans and proposals</p> <p>Work with developers to secure affordable homes</p> | To 2011 | Environment & Strategic Housing | Director of Regeneration | <p>September</p> <p>Every effort is being made to meet the target despite the economic downturn. At this stage we are not likely to be seeking a further re-negotiation of LAA NI 155 which has a target 09/10 of 220 and 10/11 of 275. We have received confirmation that the targets and outturns are cumulative and over achievement against target in 08/09 can count towards the final LAA outturn for the 3 years.</p> |

Level 3 Report
Economic Development and Enterprise

| Indicator | Tolerance | Performance | | Target 2009-10 | Latest Performance | | Judgement | | Direction of Travel | | Analysis September |
|--|-------------------|-----------------|---------|-------------------|--------------------|-----------|-----------|-----------|---------------------|-----------|---|
| | | 2007-08 | 2008-09 | | June | September | June | September | June | September | |
| Citizen | | | | | | | | | | | |
| NI 171 – VAT registration rate (LAA) | Bigger is better | | 59.2 | 41.8 (2009) | | | 3 | 3 | n/a | n/a | All activity is on target and taking place as planned. |
| Service | | | | | | | | | | | |
| NI 182 – business satisfaction with regulatory services | Bigger is better | | | 72% | 60% | 67% | 1 | 1 | n/a | n/a | The action plan is being delivered as planned. This is intended to address the under performance so far this year. |
| Partnership | | | | | | | | | | | |
| NI 152 – working age people on out of work benefits (LAA) | Smaller is better | 8.90% | 8.90% | 8.4% (2010-11) | | | 3 | 3 | n/a | n/a | Data not available at present. This is dependent on the Department for work and Pensions providing the information, for which there is no agreed timescale. All actions are progressing as planned and are on target. |
| NI 163 – working age people qualified to Level 2 or higher (LAA) | Bigger is better | 69.8% (2007) | | 74.8% (2009) | | | 3 | 3 | n/a | n/a | Data not available as is to be sent from Learning Skills Council and they have yet to cleanse the data prior to release to the local authority. There is no agreed timescale as to when the data will be available. All planned activity is taking place and on target. |
| NI 178 – bus services running on time (LAA) | Bigger is better | 67% | 80% | 80% | | | 3 | 3 | n/a | n/a | Annual Data, data next due March 2010. All planned activity has either been achieved or is on target to date. |
| Statutory | | | | | | | | | | | |
| No indicators | | | | | | | | | | | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these | Completion date | Cabinet lead | Strategic lead | Progress |
|--|---|-------------------|--|--------------------------|---|
| Increase the number of bus journeys made compared to 2005-06 | Secure planning permission for first permanent park and ride site and deliver it | Dec-09 | Highways and Transportation | Director of Regeneration | Transportation Team is seeking to optimise the subsidised services to benefit most users, up to a point at which they may become commercially viable. The team is undertaking a comprehensive programme of publicity to ensure that users and potential users have high quality information on the available services. |
| | Secure continued operation by extension or re-tendering of bus service contracts to provide high quality services, with low floor buses, to attract and retain passengers | March 2010 & 2011 | | | |
| | Provide comprehensive public transport information | March 2010 & 2011 | | | |
| Construction of Model Farm employment units commenced and first units completed | Infrastructure servicing completed for first phase | Dec-09 | Economic Development & Community Services | Director of Regeneration | The detailed design work has been commissioned and Arup predict that this will be completed in time to submit a planning application by Christmas. The work will give an idea of cost, and the Project Board meeting in November will be dedicated to discussing financing options. Spaceworks, the preferred supplier for the live work element, has been encouraged to submit a package under the Government's Kick Start programme. The outcome of proceeding to the next stage will be known in December. This will mean the bringing forward of the live work element if successful. |
| Construction of Retail Quarter commenced; on and off-site infrastructure commenced | Flood mitigation construction commenced | Apr-09 | Highways & Transportation; Economic Development & Community Services | Director of Regeneration | The Flood Alleviation Scheme initial procurement stages have commenced and work is underway to progress the Link Road Scheme in accordance with the ESG programme, subject to planning permission and funding. A workshop has been held to consider the design solutions required for the down-grading of the Inner Ring Road. |
| | Delivery of vacant possession to developer | Jan-10 | | | |
| | Link Road construction commenced | Mar-10 | | | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these | Completion date | Cabinet lead | Strategic lead | Progress |
|---|---|-----------------|---|--------------------------|---|
| Completion of new cattle market | Commencement on site | Mar-10 | | | September |
| | Flood Mitigation constructed | Apr-10 | | | |
| | Link Road constructed | Apr-11 | | | |
| | Retail Quarter open | 2012 | | | |
| Completion of new livestock market | Completion of new livestock market | Dec-10 | Resources | Director of Regeneration | Lease agreed with Stanhope and planning permission has been granted. Flood alleviation work has been commissioned and contracts have been issued. |
| | Closure of old livestock market and transfer of market to new site | Dec-10 | | | |
| Units on Rotherwas Futures phase 2 completed and site infrastructure in place | First units complete, with phase 2 to be complete by target date. | Apr-10 | Economic Development & Community Services | Director of Regeneration | Anticipate Environment Agency sign off of flood management plan for estate in October, which will make Phase 1 Plots available and allow Phase 2 Infrastructure work to start. Planning permission for Phase 2 will hopefully be secured in October 2009. |
| Implement the inward investment strategy | Strategy Launch | Oct-09 | Economic Development & Community Services | Director of Regeneration | [any progress?] |
| | Marketing Campaign | Dec-09 | | | |
| | Implementation of new initiatives | Mar-10 | | | |
| An action plan to combat the effects of the downturn and prepare for recovery | Create interactive web advice service for businesses promoted through local media and business agencies | May-09 | Economic Development & Community Services | Director of Regeneration | The claimant figures have stabilised, though still approximately 100% increase compared with the same time last year. Most affected are young people. New programmes have started to address unemployment, with support from external ABG funding. Revised action plan to be produced in November and presented to Herefordshire Partnership Board. |
| | Instigate a 20 day payment limit for invoices, and work towards a continuous reduction | Jun-09 | | | |
| | Establish funding programme to support business growth and training voucher scheme | Jul-09 | | | |
| | Instigate a scheme to address "retail blight" to address empty shops within Hereford and the market towns | Jul-09 | | | |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these | Completion date | Cabinet lead | Strategic lead | Progress |
|--|---|-----------------|---|--------------------------|--|
| Extend the refurbishment of Hereford City Centre | Complete the extended refurbishment work in city centre | Jul-09 | Economic Development & Community Services | Director of Regeneration | <p>September</p> <p>Widemarsh Street enhancement project is progressing well and on track for commencement on site in January 2010. Consultation has taken place with stakeholders and Cabinet Members regarding the design, which is currently out to tender.</p> <p>The public consultation has been finalised with support for redevelopment of the butter market. The cost for redevelopment range from £6m to £14m depending on the scale of improvement to the building. No funding is currently identified. However, some EU funds allocated to urban / city projects is currently underspending by 70% so there is potential that this funding stream will become available to second tier cities like Hereford. This should be confirmed by the end of the calendar year (50% match funding required).</p> |

| Indicator | Tolerance | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|-------------------|-------------|----------|---|------------------------------|--------------------|-----------|------|---------------------|------|---|
| | | 2007-08 | 2008-09 | | 2009-10 | June | September | June | September | June | |
| Citizen | | | | | | | | | | | |
| NI 191 – residual household waste per household (LAA) | Smaller is better | 852kg | 690.01kg | 720kg (LAA: 759kg) (year-end) 300kg (to August) | 114.33kg to May (cumulative) | 292.14kg to August | 4 | 3 | ▲ | ▲ | 312.59kg at same period last year. The action plan to deliver this target is being delivered according to programme. |
| NI 195 – improved street cleanliness and environmental cleanliness: | | | | | | | | | | | The data is from the first of three surveys. This data is being analysed to inform future activity. A detailed action plan to improve performance has been developed with Arney Wye Valley and is being implemented. |
| a) Litter | Smaller is better | | 5% | 5% | | 10% | 2 | 1 | ◆ | ◆ | 10% at the same period last year. |
| b) Debris | Smaller is better | | 13% | 9% | | 15% | 2 | 1 | ◆ | ◆ | 1% at the same period last year. |
| c) Graffiti | Smaller is better | | 1% | 1% | | 4% | 2 | 1 | ◆ | ◆ | 2% at the same period last year. |
| d) Fly-posting | Smaller is better | | 1% | 1% | | 1% | 2 | 3 | ◆ | ◆ | 0% at the same period last year. |
| NI 196 – improved street cleanliness and environmental cleanliness – fly tipping | Smaller is better | | | Grade 1 | | Grade 2 | 1 | 1 | ◆ | ◆ | There has been no improvement in performance for the year to date. The action plan is intended to ensure that the year end target is achieved. |
| Service | | | | | | | | | | | |
| NI 192 – % of household waste sent for reuse, recycling and composting | Bigger is better | | 33.24% | 35% | 34.75% to May | 35.96% | 2 | 3 | ▲ | ▲ | 32.68% at same period last year. The action plan to deliver this target is being delivered to programme. |
| Partnership | | | | | | | | | | | |
| NI 197 – improved biodiversity (LAA) | Bigger is better | 29% | | 38.30% | | | 3 | 3 | n/a | n/a | Annual Data, data next due March 2010. All planned activity on target. |
| Statutory | | | | | | | | | | | |
| NI 186 – CO ₂ emissions (LAA) | Smaller is better | | | 13.1% (2010) | | | 2 | 3 | n/a | n/a | The action plan to deliver this target is being delivered to programme. |
| NI 193 - % of municipal waste landfilled | Smaller is better | | 64.61% | 55.44% | 61.59% to May | 61.08% | 1 | 1 | ▲ | ▲ | 64.37% at same period last year. Although the action plan to deliver this target is on programme and waste is being reduced, the Council is currently able to trade LATS allowances with Worcestershire. The two authorities are effectively sharing LATS targets and because of the savings in logistics, it is cheaper for Herefordshire to landfill its waste, whilst Worcestershire is sending waste to facilities in Coventry and Wolverhampton. |

Environment Commitments

Appendix 4 F (ii)

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these | Completion date | Cabinet lead | Strategic lead | Progress |
|--|---|-----------------|---------------------------------|-----------------------------------|---|
| Reduce the amount of municipal waste land filled | Implement new waste collection contract | Nov-09 | Environment & Strategic Housing | Director of Environment & Culture | Residual waste landfilled continues to fall. |
| | Implement the new Joint Municipal Waste Management Strategy | Mar-11 | | | |
| Reduce the amount of residual waste per household and increase the proportion of waste recycled or composted | Implement new waste collection contract | Nov-09 | Environment & Strategic Housing | Director of Environment & Culture | The amount of residual waste continues to fall and recycling and composting proportions are increasing. |
| | Implement the new Joint Municipal Waste Management Strategy | Mar-11 | | | |
| Reduce Council's CO ₂ emissions | Report to go to JMT | Sep-09 | Environment & Strategic Housing | Director of Environment & Culture | The report due to be considered by JMT in September is now scheduled to be considered in November. |

Level 3 Report
Organisational Improvement

| Indicator | Tolerance | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|---|-------------------|-------------|------------|--|--------------------|---------------|-----------|-----------|---------------------|-----------|--|
| | | 2007-08 | 2008-09 | | June | September | June | September | June | September | |
| Citizen | | | | | | | | | | | |
| Local - customer satisfaction | Bigger is better | | 78% | 83% | 82% to May | 75% to August | 2 | 1 | ▲ | ▼ | |
| Service | | | | | | | | | | | |
| NI 14 – avoidable contact | Smaller is better | | 27.18% | 24% | | 33% | 1 | 1 | n/a | n/a | Data is now collected continually for all contacts that occur through the Customer Service teams using SAP CRM and reporting has been developed. Performance remains at around 33%, in line with the national trend. Another round of training and awareness is planned for September to secure service improvements. Work is being undertaken with the service areas which have the highest avoidable percentages, and the next round of Business Improvement Projects will focus on these areas. As the customer strategy is implemented, NI 14 data collection will become broader. Plans need to be made to ensure complete data capture across the authority by 2011. The current deterioration in performance is largely due to the roll-out of the recycling bins and associated information. Many queries are from people who don't fully understand the information leaflets, or who have had problems with the way the recycling bins have been distributed. Additional resources have been provided until the additional capacity is no longer required. |
| NI 180 - the number of changes of circumstances which affect customers' Housing Benefit / Council Tax Benefit entitlement within the year | Bigger is better | | | 725 (to September) | 401 | 840 | 4 | 4 | n/a | n/a | |
| NI 181 – time taken to process Housing Benefit / Council Tax Benefit claims and change events | Smaller is better | | 14.36 days | 14 days | 18.68 days | 15.47 days | 2 | 2 | ▲ | ▲ | 16.68 days at the same time last year. |
| Local - % of Council Tax collected (BVPI 9) | Bigger is better | | 98.62% | 49.25% (to August) 98.8% (year-end) | 30.80% | 49.48% | 2 | 3 | ▲ | ▲ | 49.36% at the same time last year. |
| Local - % of non-domestic rates collected (BVPI 10) | Bigger is better | | 98.63% | 52.6% (to September) 98.7% (year-end) | 30.33% | 52.62% | 2 | 3 | ▲ | ▲ | 52.6% at the same time last year. |
| Partnership | | | | | | | | | | | |
| NI 179 – Value for Money | Bigger is better | | £5.134m | £5m | | | 2 | 2 | n/a | n/a | |
| Local – average sickness (full-time equivalent) | Smaller is better | | | 5% | 5% | | 3 | 2 | n/a | n/a | The indicators available for September indicate 5.4%. However, further validation work is being undertaken with the reports, which are from a non-integrated, old HR system which is due for urgent replacement. The reports have been pulling in some sickness from earlier periods which is making the figures appear higher than they should be. Sickness rates have already dropped considerably since 2008-09 and are due to fall further once the figures for September are validated. |

Level 3 Report
Organisational Improvement

Appendix 4 G (i)

| Indicator | Tolerance | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|-------------------|-------------|---------|--------|--------------------|-----------|-----------|-----------|---------------------|-----------|---|
| | | 2007-08 | 2008-09 | | June | September | June | September | June | September | |
| Local - number of vacant posts as a proportion of the approved establishment | Smaller is better | | | 4.50% | | | 1 | 2 | n/a | n/a | The vacant posts being monitored are 'live' vacancies rather than all vacancies. The new, more robust, indicator is due to show all vacancies as a % of establishment, but further work is required through Resources on validating the establishment for all directorates before this can be reported. |
| Local - Use of Resources | Bigger is better | | 3 | 3 | | | 2 | 2 | n/a | n/a | |
| Local - % of key performance indicators improving on last year | Bigger is better | | 57% | 60% | 58% | 47% | 2 | 1 | ▶ | ▶ | 18 of 38 indicators are currently showing improvement. |
| Statutory | | | | | | | | | | | |
| Local - the % of Local Authority employees with a disability | Bigger is better | | | 4% | | | 1 | 2 | n/a | n/a | Indicator now defined and target set. Activity includes running focus groups to inform further options for recruiting and retaining staff from diverse backgrounds; encouraging completion of ethnicity and disability data on the HR system; and recruitment continuing with a focus on harder to reach groups. Last year's Employee Opinion Survey statistics (based on a 50% response) show 6% of employees with a disability which is a positive picture. |
| Local - the % of Local Authority employees from ethnic minority communities | Bigger is better | | | 3% | | | 1 | 2 | n/a | n/a | Indicator now defined and target set. Activity includes running focus groups to inform further options for recruiting and retaining staff from diverse backgrounds; encouraging completion of ethnicity and disability data on the HR system; and recruitment continuing with a focus on harder to reach groups. Last year's Employee Opinion Survey statistics (based on a 50% response) show 4% of the Council's employees are from a minority ethnic community, comparable with our local population profile and therefore positive. |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | September All complaints/request for support/ advice, result in further action. To date (Oct 09) we have dealt with 41 incidents of which 18 were internal (Council related). |
|---|--|----------------------------|---|---|---|
| Deal positively with all complaints alleging discriminatory treatment | All complaints of a discriminatory nature to result in further action | Throughout 2009-11 | Corporate Customer Services & HR | Deputy Chief Executive | |
| Rationalisation of Council and PCT estates Ensure the Council is fully prepared to meet the challenges in the Local Government & Public Involvement in Health Act 2007 | Implement Accommodation Strategy Improved PACT and other consultation mechanisms in place Implement changes identified by review of constitution | Mar-11 Mar-09 Mar-11 | Resources Corporate Customer Services & HR | Director of Resources Deputy Chief Executive | |
| Reach the 'excellence' rating of the equality standard for local government | Continue to roll out EIA process Ensure up-to-date equality schemes in place: - Disability scheme - Gender scheme Complete roll-out of impact assessment plans across all directorates | Oct-09 Apr-10 Mar-11 | Corporate Customer Services & HR | Deputy Chief Executive | The Equality Standard for local government has been superseded by the Equality Frame Work and we have been assessed as "Achieving" in February 2009. We now have 2 years to progress to the next level which is "Excellent" by 2011. It has been agreed by Cabinet, JMT and the PCT board (OCT 2009) to pursue joint equality policies. A new Single Equality Policy will be in place by April 2010. The new DES will be published by the end of November 2009, this is a joint scheme across Council, NHS Herefordshire and Hereford Hospitals Trust. Work to review this scheme will start in January 2010. Most of the Council directorates are continuing with a programme of impact needs assessments which has become embedded within the service planning process, however, there is concern that within PCT service areas there is little or no evidence of impact assessments taking place and there is no organised/managed or monitored programme of assessments in place. |
| Continue to achieve improvements in data quality | Continue to implement data quality action plan – score 3 or equivalent in 2009-10 | Mar-10 | Corporate Customer Services & HR | Deputy Chief Executive | Improved progress in September which is being reported to JMT and Cabinet with more tasks being completed. Still behind schedule overall. |

| Our key commitments for 2009-11 | What are the key actions we will take to achieve these commitments? | Completion date | Cabinet lead | Strategic lead | |
|---------------------------------------|---|-----------------|----------------------------------|------------------------|---|
| Improve the effectiveness of services | Shared Services Review | Aug-09 | Corporate Customer Services & HR | Deputy Chief Executive | <p style="text-align: center;">September</p> <p>The business case was completed August 2009 and the recommendations approved by JMT and HHT Board. These recommendations included a soft market sounding exercise that is due to be completed October 2009 and a procurement quick wins review. The outcome of the Soft Market Test will be taken to Cabinet, PCT and HHT Board during November and December 2009 and will include recommended options for approval. A supporting communications plan includes member / non-executive director briefings, staff briefings and Trade Union briefings.</p> |
| Improve customer service | Customer Services Strategy | To be confirmed | Corporate Customer Services & HR | Deputy Chief Executive | <p>The Customer Service Strategy was signed off by JMT in October 2009. The strategy covers the period 2009-2011. Progress against the action plan is currently on schedule. For example, the first major milestone is the creation of a Corporate Customer Insight Unit. This has a deadline of January 2010 - and is expected to be completed on schedule. The target date for this indicator needs to be changed in subsequent reports to reflect the period that the strategy covers.</p> |

Local Area Agreement

Appendix 5

| | Performance | | Target | | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|--------------------------|--------------------------------------|-----------------|-----------|--------------------|-----------|-----------|-----------|---------------------|-----------|---|
| | 2008-09 | 2009-10 | June | September | June | September | June | September | June | September | |
| STRONGER COMMUNITIES | | | | | | | | | | | |
| NI 1 - % of people who believe people from different backgrounds get on well together | 75.90% | 79.4% (2010-11) | | | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 79.4%. Work is progressing in line with the action plan. |
| NI 4 - % of people who feel they can influence decisions in their locality | 28.80% | 32.3% (2010-11) | | | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 32.3%. Work is progressing in line with the action plan. |
| NI 6 - Participation of regular volunteering | 29% | 32.5% (2010-11) | | | | | 2 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 32.5%. Work is progressing in line with the action plan. |
| NI 9 - Use of Libraries | 47.90% | 51% (2010-11) | | | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 51%. Work is progressing in line with the action plan. |
| Local Indicator NI 11 - Engagement in the Arts | 46.40% | 49.5% (2010-11) | | | | | 3 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011, the target for which is 49.5%. Work is progressing in line with the action plan. |
| NI 155 - Number of affordable homes delivered (gross) | 208 | 110 (to September) 220 (year-end) | 44 (cumulative) | 96 | | | 1 | 1 | ▽ | ▽ | 98 at the same period last year. Overall indicator is just below target, although there are schemes due to complete during the 3rd Quarter. There are some concerns that the target will not be met, but funding is being maximised to ensure as many units as possible are delivered during 09/10. |
| NI 156 - Number of households in temporary accommodation | 98 | 82 | 116 | 118 | | | 1 | 1 | ▽ | ▽ | 111 at the same period last year. Increased interest in the National Mortgage Rescue Scheme means that additional staffing resources are to be directed towards administering and processing enquiries. A proposal is being prepared to focus loan support on 20 households who are currently being blocked from re-housing on account of former landlord rent arrears. This should free-up temporary accommodation and enable reductions in B&B use as households are moved into more suitable accommodation. |
| Local Indicator Respondents who find it difficult to access the following services Reduction of 1% of respondents to the survey who find it difficult to access a local shop (including those which provide post office and bank or cashpoint services) by March 2011; Baseline – 12%, reported in March 2009 Reduction of 1% in 2010 and a further 1% in 2011 of respondents to the survey who find it difficult to access Solicitor, Citizens Advice Bureau or other advice services; Baseline – 18% reported in March 2009. Maintain levels of those who find it difficult to access public transport facility e.g. bus stop, train station; Baseline – 21% reported in March 2009. Reduction in 1% in 2010 and a further 1% in 2011 of respondents to the survey who find it difficult to access cultural / recreational facility e.g. theatre, cinema; Baseline 21% reported in March 2009 | 12% 18% 21% 21% | 11% 17% 21% 20% | | | | | 2 | 3 | n/a | n/a | Information is obtained from the Place Survey which is carried out every two years. The next survey will be carried out in autumn 2010 and data available in 2011. Work is progressing in line with the action plan. |
| Local Indicator Ensure Herefordshire has a Major Incident Recovery Plan for the Local Authority that is fit for major events Publication of the plan - 2008 Exercising and ratification - 2009 Review the plan - 2010 Aim for and encourage all Herefordshire's Partners have a business/service continuity plan, including for those services that have been outsourced, by 2011 Aim for all Herefordshire Council contracts to include a statement that ensures Business Continuity plans are in place, particularly those supporting or have an input to critical services, for all new contracts and be lined up for those up for renewal. | | see indicator on left | | | | | | 3 | n/a | n/a | Recovery The updated Emergency Response and Recovery guidance has been published, and the Recovery Plan is being reviewed against this. The Recovery Co-ordinating Group (RCG) was convened in June, following the significant fire at SkyMark in Leominster, and assessed the impacts of the fire and considered the support to be given. Business Continuity The Joint Emergency Planning Unit (JEPU) has made progress in updating the Business Continuity Plans (BCPs), focusing on staffing and resource issues since the outbreak of the current Swine Flu pandemic to ensure that critical services could continue to function. A pool of non-critical staff has been identified to augment services suffering from a shortfall. The Crisis Management Team has met on three occasions to manage major IT outages, with other incidents being managed at a service level. The JEPU offers support and guidance in writing BCPs to businesses and voluntary organisations. As part of the upgrade of BCPs, services will identify external providers of critical services or resources and ensure that BCPs are in place. |
| SAFER COMMUNITIES | | | | | | | | | | | |

Local Area Agreement

Appendix 5

| | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|----------------------|--|--|--------------------|---------------|-----------|-----------|---------------------|-----------|--|
| | 2008-09 | 2009-10 | 2009-10 | June | September | June | September | June | September | |
| NI 19 - Rate of proven re-offending by young people | 126 | 117 | 117 | 1.16 | | 3 | 3 | n/a | | Data available from the Herefordshire QoL survey. Next due Autumn 2010, therefore no data for 2009/10. Good progress being made against the action plan. The Reassurance Group no longer meets. Await decision on whether it is fit for purpose. |
| NI 21 - Dealing with local concerns about anti-social behaviour and crime issues by the local council and police | 25.40% | 30.4% (2010-11) | 30.4% (2010-11) | | | 3 | 3 | n/a | | |
| NI 30 - Re-offending of prolific and priority offenders | | 21% (79) | 21% (79) | | | 3 | 3 | n/a | | Quarter 1 data not yet available. Expected November 2009. There are currently 20 multi-agency PPOs identified in Herefordshire, six of which are serving custodial sentence. 14 are in the community. |
| NI 40 - Drug users in effective treatment | | 541 | 541 | | 528 (to June) | 3 | 2 | n/a | | Harm Reduction Strategy almost complete with Hidden Harm Conference to be held 01/12/09. Mercia Net training commences 30/10/09. Review of drug treatment services underway and due for completion 31/12/09. |
| NI 47 - People killed or seriously injured | 115 (3 year average) | 87 (to September) 116 (year-end) (3 year average of 114) | 87 (to September) 116 (year-end) (3 year average of 114) | 53 to May | 86 | 1 | 3 | ▽ | | There is a time delay in obtaining this data of approximately 3-4 weeks. All tasks in Transportation have either been completed or are underway. Good performance against tasks identified in Safer Herefordshire Action Plans. HRSG continue to meet bi-monthly. |
| HEALTH AND WELL-BEING | | | | | | | | | | |
| <i>Local Indicator</i> | | | | | | | | | | |
| NI 39 - Alcohol/harm related hospital admission rates | 1,249 | 1,237 | 1,237 | 326.4 (cumulative) | | 2 | 2 | ▽ | | Quarter 2 data not yet available. Expected November 2009. Work is progressing in line with the action plan. |
| NI 121 - Mortality rate from all circulatory diseases at ages under 75 | 63.8 | 57 | 57 | | | 1 | 1 | n/a | | No action plan. |
| NI 123 - Stopping smoking | 355 | 814.8 | 814.8 | 214 (to August) | | 1 | 1 | n/a | | Latest performance behind target. No action plan. |
| NI 130 - Social Care clients receiving Self Directed Support (Direct Payments and Individual Budgets) | | 21% | 21% | 6.32% | 6.12% | 1 | 1 | n/a | | Our current performance is in line with other West Midlands authorities, our performance suffers from historical performance. A Project Manager has been appointed to drive forward the uptake of services associated with this indicator. |
| NI 135 - Carers receiving needs assessment or review and a specific carer's service, car advice and information | 13.30% | 20.40% | 20.40% | | 14.12% | 1 | 1 | n/a | | Action place now developed and being delivered, the majority of which are not expected to have an impact until the second part of the year. |
| NI 136 - People supported to live independently through social services (all ages) | 3,635 | 3,090 (to September) 3,763 (year-end) | 3,090 (to September) 3,763 (year-end) | 2,102 | 2,643.54 | 1 | 1 | ▽ | | Data currently reported provides only a partial view. This will be rectified over the next 2 quarters as activity associated with external agencies becomes available. This NI has yet to include the Grant Funded Services data for this year which will be available in December. |
| NI 142 - Number of vulnerable people who are supported to maintain independent living | 90.5 | 97.41% | 97.41% | | | 1 | 1 | n/a | | The previous regime for this indicator nationally is coming to an end and a new set up is being developed and implemented. Now entering into a period of change and development of new projects. A business plan is currently being developed to make recommendations on the supporting people programme. Four pilots are currently being delivered that will cease between March-July 2010. A supporting people commissioning plan is also being undertaken to guide the future commissioning of supporting people services; these include learning disability - move on and transitional worker, older people and vulnerable disabled adult pilot, and a wrap around floating support service for offenders and people who are at risk of offending. |
| CHILDREN AND YOUNG PEOPLE | | | | | | | | | | |
| NI 51 - Effectiveness of child and adolescent mental health (CAMHS) services | 15 | 16 | 16 | | | 3 | 3 | n/a | | Data not available until end-of-year. Work is progressing in line with the action plan. |
| NI 56 - Obesity among primary school age children in Year 6 | 16.20% | 15.70% | 15.70% | | | 2 | 2 | n/a | | Data not available until January. Work is progressing in line with the action plan, which included the scheduled weigh-in. |
| NI 57 - Children and young people's participation in high-quality PE and sport | 95% | 95% | 95% | | | 3 | 3 | n/a | | No Data - Annual data collection - Data available in March 2010. The figures from Sport Unlimited (3 hours - part of the target) are based on the activity in term 1 which is April to July. All tasks are on target. |
| <i>Local Indicator</i> NI 110 - Young People's participation in positive activities | 86.20% | 91.00% | 91.00% | | | 3 | 3 | n/a | | No Data - Collected as part of the TellUs Survey. The TellUs Survey is currently underway in schools and early results will be available in January 2010. All tasks are on target. Additional promotion of summer activities took place to raise the take up. |

| | Performance | | Target | Latest Performance | | Judgement | | Direction of Travel | | Analysis |
|--|-----------------|---|--------|--------------------|-----------|-----------|-----------|---------------------|-----------|---|
| | 2008-09 | 2009-10 | | June | September | June | September | June | September | |
| NI 117 - 16-18 years old who are not in education, training or employment (NEET) | 5.90% | 5% | | | | 2 | 3 | n/a | n/a | Annual return of outturn data will be available in January 2010. The percentage of 16-18 NEET's continues to rise. The post-16 NEET programme has just started up again which should help. However, the biggest group in the overall NEET group is 18 year olds who have already been through post-16 provision. Connexions is liaising with Jobcentre Plus about fast-tracking these young people to New Deal provision. All tasks are on target although this remains an area for concern as a result of the continuing recession. |
| ECONOMIC DEVELOPMENT | | | | | | | | | | |
| NI 152 - Working age people on out of work benefits | 8.80% | 8.4% (2010-11) | | | | 3 | 3 | n/a | n/a | Data not available at present. This is dependent on the Department for work and Pensions providing the information, for which there is no agreed timescale. All actions are progressing as planned and are on target. |
| NI 163 - Working age population qualified to at least level 2 or higher | | 74.8% (2009) | | | | 3 | 3 | n/a | n/a | Data not available as to be sent from Learning Skills Council and they have yet to cleanse the data prior to release to the local authority. There is no agreed timescale as to when the data will be available. All planned activity is taking place and on target. |
| NI 171 - New business registration rate | 59.2 | 41.8 (2009) | | | | 3 | 3 | n/a | n/a | All activity is on target and taking place as planned. |
| NI 176 - Bus services running on time | 80% | 80% | | | | 3 | 3 | n/a | n/a | Annual Data, data next due March 2010. All planned activity has either been achieved or is on target to date. |
| ENVIRONMENT | | | | | | | | | | |
| NI 168 - Principal roads where maintenance should be considered | 4% | 5% | | | | 3 | 3 | n/a | ▽ | Unaudited data. Current tasks have commenced on time and a revised action plan to achieve the LAA target has been agreed with Amey Wye Valley. |
| NI 169 - Non-principal roads where maintenance should be considered | 11% | 9% | | | | 3 | 3 | n/a | △ | Unaudited data. Current tasks have commenced on time and a revised action plan to achieve the LAA target has been agreed with Amey Wye Valley. |
| NI 186 - CO2 reduction in the LA area | 9.4 tons (2005) | 13.1% (2010) 720kg (LAA: 759kg) (year-end) 300kg (to August) | | | | 2 | 3 | n/a | n/a | The action plan to deliver this target is being delivered to programme. 312.59kg at same period last year. The action plan to deliver this target is being delivered according to programme. |
| NI 191 - Residual household waste per household | 690.01kg | 114.33kg to May (cumulative) 292.14kg to August | | | | 4 | 3 | △ | △ | |
| NI 197 - Improved local biodiversity - active management of local sites | 36% (33 sites) | 35.30% | | | | 3 | 3 | n/a | n/a | Annual Data, data next due March 2010. All planned activity on target. |

| | |
|-------------------------|---------------------------------------|
| MEETING: | STRATEGIC MONITORING COMMITTEE |
| DATE: | 2 DECEMBER 2009 |
| TITLE OF REPORT: | BUDGET MONITORING 2009 |
| PORTFOLIO AREA: | RESOURCES |

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To report September's budget monitoring information and provide an indication of estimated outturn for both revenue and capital. To report on treasury management activities in the first six months of 2009/10.

Key Decision

This is not a Key Decision.

Recommendation

THAT the report be noted, subject to any comment the Committee wishes to make.

Key Points Summary

- The overall position on the revenue budget shows a projected overspend of £566k. This total is 0.4% of the council's £137.718m net revenue budget (excluding Dedicated Schools Grant).
- The overall position on the capital programme is a forecast expenditure of £80.7m after allowing for additional funding and slippage brought forward.
- To note that 47 debts totalling £127k are being written off.

Alternative Options

- 1 There are no alternative options.

Reasons for Recommendations

- 2 To ensure Strategic Monitoring Committee is informed of the forecast outturn for 2009/10.
- 3 To ensure that Strategic Monitoring Committee is kept informed of treasury management activities in accordance with CIPFA recommended best practice.

Further information on the subject of this report is available from
Anne Phillips, Head of Financial Services on 01432 383173

Introduction and Background

- 4 The Council's revenue and capital position is reported to Strategic Monitoring Committee regularly throughout the year. The information provides an indication of the Council's performance against budgets.
- 5 CIPFA issued an interim Treasury Management guidance document in March 2009, highlighting Best Practice recommendations for Local Authorities to follow. The document suggests that members should be informed of Treasury Management activities at least twice a year.

Key Considerations

- 6 Details of the forecast of revenue and capital outturn for 2009/10 based on service and financial performance information as at 30 September are attached in summary and then further detail is given by directorate.
- 7 Appendix A includes the detailed revenue budget report. The key areas of concern are Integrated Commissioning Directorate, with a projected £2.1m overspend and the Children and Young People's Directorate, with a £945k projected overspend.
- 8 Both directorates have produced recovery plans and Strategic Monitoring Committee should note the actions detailed in Appendix A and ensure they are effectively monitored over the coming months.
- 9 The council's overall financial performance has a direct bearing on the level of general fund balance at year end as any overspend on the revenue account must be funded. The report at Appendix A indicates that general balances could reduce to £4.8m and use all of the social care contingency reserve based on current projections.
- 10 The capital programme budget monitoring is at Appendix B.
- 11 It is anticipated that at the end of the year there will be a budget deficit on interest earned in the region of £22,000 offset by a budget surplus (or underspend) on borrowing in the region of £480,000. Because of the low return on invested funds, and the limited number of good quality counterparties, it is currently council policy to postpone further borrowing as long as possible and reduce the level of its investments. However, this policy will be kept under review and may change, particularly if PWLB rates show the beginning of an upward trend.
- 12 The Council's Financial Procedure Rules, require that the number and amounts written off for individual debts exceeding £1,000 is reported to Cabinet twice a year for information purposes. This information for the period 01/04/09 to 30/09/09 is detailed below:

| Income Type | April – September 2009 | | 2008/9 (Full year) | |
|----------------------|------------------------|------------|--------------------|-------------|
| | No. of cases | Amount | No. of cases | Amount |
| Council Tax | 17 | £29,607.58 | 9 | £14,661.12 |
| Business Rates | 13 | £62,193.50 | 33 | £158,687.53 |
| Benefit Overpayments | 10 | £23,182.96 | 8 | £18,069.87 |
| Debtors | 7 | £12,377.26 | 49 | £123,496.52 |

Community Impact

13 Not applicable.

Financial Implications

14 These are contained in the report.

Legal Implications

15 None.

Risk Management

16 Effective financial reports and their follow up are an essential element in the management of risks and the delivery of the Council's and Herefordshire Partnership's priorities.

Consultees

17 None.

Appendices

18 Appendix A – 2009/10 Revenue Budget Monitoring
Appendix B – Capital
Appendix C – Treasury Management Report

Background Papers

- None identified.

2009/10 REVENUE BUDGET MONITORING

Summary

- The following table summarises the 2009/10 projected outturn as at the end of September 2009.

| Area | 2009/10 Budget £000 | Projected net over or under (-) spend £000 |
|-----------------------------|------------------------|--|
| Integrated Commissioning | 38,486 | 2,142 |
| Children & Young People | 23,999 | 945 |
| Deputy Chief Executive | 15,220 | 0 |
| Environment and Culture | 28,028 | -422 |
| Regeneration | 9,994 | -75 |
| Central Services | 2,455 | 0 |
| Resources | 7,901 | 0 |
| Directorate Position | 126,115 | 2,590 |
| Borrowing | 13,346 | -480 |
| Investments | -249 | 22 |
| LABGI | 0 | -87 |
| Pay Award Savings | 0 | -553 |
| Social Care Contingency | 0 | -926 |
| WMS Profit Share | -546 | 0 |
| Transfer from Reserves | -948 | 0 |
| Total Budget | <u>137,718</u> | <u>566</u> |

- The overall revenue budget position for 2009/10 shows a projected £566k overspend. This is approximately 0.4% of the council's £137.7 million revenue budget (excluding Dedicated Schools Grant funding).
- The projected overspend in the Directorates is mitigated by use of the Social Care Contingency Reserve on current projections. This reserve is likely to be fully utilised in 2009-10 leaving no balance to fund potential issues in future years.
- There is an anticipated underspend of £480k on the council's borrowing, which is due to slippage on the 2008/09 capital programme and management of external borrowing, resulting in a reduced minimum revenue provision (MRP) for debt repayment and less external interest payable in the year.

5. The agreed 1% pay award was less than the 2% budgeted and resulted in a saving of £553k, which has been removed from staff budgets across the directorates.
6. Savings of £700k arising from Hereford Connects are included in service budgets. Specific savings targets within directorates have been identified and the appropriate level of budget will be transferred from directorates to match the savings delivered by the programme.

Revenue Reserves Position as at 30th September 2009

General Reserves

7. As at 1 April 2008 the balance on the general reserve was £6.4 million. The council's Medium Term Financial Management Strategy (MTFMS) sets out the council's approach to managing general fund balances and specific reserves and ensuring a balanced budget. A key message is a move away from a higher level of general fund balances to specific reserves to deal with identified key corporate financial risks.
8. The projected balance on the general reserve for the end of 2009/10 financial year is as follows:

| | £m |
|---------------------------------|-----------|
| Balance brought forward | 6.390 |
| Meeting the projected overspend | (0.566) |
| Budgeted transfer | (1.000) |
| Projected year end balance | 4.824 |

Earmarked Reserves

9. At 1st April 2009 the council held £16.064 million of earmarked reserves. This includes ring-fenced school balances reserves of £5.476m. The following table summarises the earmarked reserves held:

Earmarked Reserves

£'000

Further information on the subject of this report is available from
Anne Phillips Head of Financial Services (01432) 383173

| | |
|---|----------------------|
| Commuted sums | 78 |
| Schools balance in hand | 5,476 |
| Industrial Estates – maintenance | 333 |
| Support Services & Equipment renewals | 80 |
| Schools Balance of Risk | 85 |
| Winter maintenance | 500 |
| Planning | 24 |
| College Hill Community Centre | 180 |
| Waste Disposal | 2,774 |
| LSC | 32 |
| Wye Valley ANOB (AONB) | 104 |
| Invest to Save/Initiatives fund | 1,079 |
| Contingent liabilities | 300 |
| Social care contingency | 926 |
| Modernisation plans | 454 |
| Edgar Street Grid | 150 |
| Whitecross School PFI | 202 |
| LPSA 2 reward grant | 1,482 |
| Carbon Reserve | 30 |
| Schools Redundancies | 294 |
| Service Delivery Review | 112 |
| Schools Rates Reserve | 869 |
| Economic Development | 346 |
| Herefordshire Safeguarding Children Board | 21 |
| Accommodation | 133 |
| Total | <u>16,064</u> |

10. A summary of the key variations between projected outturn and budget for each directorate is provided in the following paragraphs.

INTEGRATED COMMISSIONING DIRECTORATE

Directorate Summary as at 30th September 2009

| | Total Budget for 2009/10 £000 | Net over or (-) underspending £000 |
|-------------------|--|---|
| Adult Social Care | 38,291 | 2,252 |
| Supporting People | 32 | 0 |
| Modernisation | 163 | -110 |
| Total | 38,486 | 2,142 |

11. Adult Social Care expenditure is principally focused on four main client groups, Older People, Learning Disabilities, Mental Health and Physical Disabilities. Costs relate to care packages that range from basic in-home assistance to complex needs addressed through specialised residential care and nursing packages. Packages can be commissioned through a number of ways such as block contract provision with major suppliers or direct payments to clients to allow them to purchase their own care.
12. The net budget for Adult Social Care is £38.5m, however gross expenditure is significantly higher at £59m. Expenditure is offset by income of £21m received from charges made to clients and grant funding.
13. As at 31st September the total number of clients being supported by adult social care was 4,036. Some clients receive more than one care package and the total number of packages to end of September was 6,200.
14. The forecast net overspend of £2,142k is based on existing commitments projected forward in combination with a realistic forecast of the recovery measures that have been identified and implemented to date.
15. The forecast for Learning Disabilities has deteriorated by £280k since July due to increases in residential costs and agency staff. Actions to reduce costs include utilisation of contract voids and this is expected to mitigate cost increases by up to £200k.
16. There have been significant increases that are above the set budget levels within Physical Disabilities including five individual budget packages provided at a cost of £120k.
17. There has been an improvement in the Mental Health position due to a reduction of seventeen residential packages since April, although the number of nursing packages has increased by seven. The position for Older People has also improved, this is principally due to the allocation of additional Area Based Grant over the level previously anticipated.
18. The forecast underspend on modernisation has reduced. Budget capacity that was assumed to be offsetting the in-year overspend has now been committed to a

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temporary emergency safeguarding team needed to address a number of home closures. There is an expectation that this additional resource will be needed on a permanent basis.

19. Continuing Healthcare (CHC) represents a significant budget risk that could lead to increased costs. The forecast includes new commitments of £150k due to recent re-assessment of clients no longer meeting CHC criteria. There is potential for further re-assessments to be undertaken this year and depending on the outcome additional costs may need to be picked up by the council. The full year effect of these CHC re-assessments could be over £1 million. This will be factored into the financial planning process for future years.

Recovery Plan

20. Recovery measures already identified and deemed to be realistically achievable have now been factored into the latest out-turn forecast. Responsibility for specific recovery measures has been allocated to the relevant managers and progress is regularly monitored. Some of the measures will take more time to implement and therefore will not have a significant impact on the current year position. The plan includes the following;
 - a. A review of costly Learning Disability packages where opportunities exist to transfer clients into supported living- this is unlikely to realise significant savings in 2009-10 but will have an impact in the following year.
 - b. Review all expensive out of county placements - unlikely to realise significant savings in 2009-10 but will have an impact in the following year.
 - c. Review the level of voids in existing contracts to ensure maximum value is being achieved – progress has been made and further savings are expected to be realised by the end of 2009. Immediate action has been taken to address this within the panel process.
 - d. Consider the flexibility within supporting people grant and carried forward underspend where opportunities exist to fund social care costs –a report on this issue is being prepared for Adult Social Care Scrutiny Committee in December.
 - e. Consider the flexibility within capital grants to enable revenue costs to be capitalised where appropriate.
 - f. Review individual budgets where costs exceed previous client packages.
 - g. Review procedures for agreeing client top-up payments to reduce the current level of cost.
 - h. A 10% reduction in operating costs for the remainder of the year – this is being implemented.
 - i. Review transport arrangements including route rescheduling and external transport – this is currently being piloted within Adult Services and savings will start to be made in December.

CHILDREN AND YOUNG PEOPLE'S SERVICES DIRECTORATE (CYPD)

Directorate Summary as at 30th September 2009

| | Total Budget 2009/10 £000 | Net over or (-) under spend £000 |
|--|--|---|
| Inclusion & Improvement | 4,949 | -9 |
| Safeguarding and Assessment | 11,898 | 857 |
| Planning, Performance & Development | 6,537 | -42 |
| Community Operations | 103 | 17 |
| Central Directorate - budget savings to be agreed | 512 | 122 |
| Total | 23,999 | 945 |

21. The projected outturn overspend of £945k is based upon reviews undertaken with service managers and incorporates actual expenditure for periods 1-6, forecast to year end.
22. As previously reported the major area of concern continues to be the increasing pressures across most aspects of Safeguarding children. Since the Baby Peter case there has been a substantial national increase in child protection referrals and this has led in turn to increased applications through the courts. On 20th October 2009 Cafcass (the organisation representing children in family courts) reported that *"the three months to September saw an increase in care applications to England's courts of 688 cases, a 47% rise. The figure for June was the highest ever recorded for a single month"*.
23. Across Herefordshire in the 12 months to September 2009 there has been an increase of 29% in the numbers of children in agency fostering placements (an increase from 17 to 22) or 220% over 15 months (from 10 children to 22). Costs for agency placements have increased by 30% since last year and are £409k over budget for 2009/10 (which was set at £145k below the 2008/09 actual expenditure levels). In addition costs are £22k over budget for residential placements.
24. **Recovery Plan Actions on Looked After Children** – the Assistant Director for Safeguarding (ADS) has implemented a complete review of all high value cases to ensure that placements are effectively monitored and managed. To date the Head of Service (in conjunction with the contracts officer) has reviewed 15 cases to identify RAG ratings / exit strategies and options for changes whilst still ensuring the best outcomes for the children. In addition a formal panel is being constituted to ensure robust monitoring of all cases on an ongoing basis. A new joint agency 'Edge of Care' panel will also be developed in the next three months.

25. The increased levels of referrals for children taken into care has led to a corresponding increase in court referrals, as flagged by Cafcass above. This combined with legislative changes has resulted in a doubling of court costs from 2008/09 (£111k) to 2009/10 (£210k). It is now evident the budget set by the directorate did not reflect realistic expenditure levels based upon last year costs and is currently projecting an over-spend of £180k versus the £30k budget.
26. **Recovery Plan Actions re. Court Costs** – The ADS has requested the legal team to provide full details of all costs incurred to date and also mandated that any court requests for assessment are authorised in advance by the Service Manager to reduce duplication of assessments and minimise costs. The impacts of these changes will be closely monitored and reported back in future Cabinet reports.
27. Recent court rulings (Homeless 16/17 year olds re: R(G) v Southwark LB) have resulted in a requirement for Children’s services to provide accommodation for homeless 16/17 year olds who are below the minimum age to be covered by adult housing provisions. The estimated cost of this will be £95k for 12 16/17 year olds in Herefordshire to the end of the financial year.
28. **Recovery Plan Actions re. Homeless 16/17 year olds** – to investigate whether these costs can be funded from the Supporting People grant.
29. A further budget pressure within Safeguarding is the additional contract cost of £40k for emergency duty cover following the withdrawal by adult social care from the Worcester contract.
30. **Recovery Plan Action EDT contract**– the contract is fixed until March 2010, but the ADS is currently reviewing options to either bring in house or share a service with Social Care.
31. Transport costs for contact visits are also expected to overspend this year as the impact of overspends within the area which provides the service, are being passed on proportionately.
32. **Recovery Plan Action Transport costs** – ADS is currently reviewing options to bring the contracts in house within the schools transport team from 1/4/10.
33. There are ongoing pressures on staffing costs within the Safeguarding team, which relate largely due to the additional costs for an interim Assistant Director pending permanent recruitment. This has now been resolved however Herefordshire Children’s Services continue to suffer from the national shortage of social workers and have a heavy reliance on locums / interims whilst trying to recruit permanent staff. Current vacancies are however broadly absorbing the additional costs for the interim social workers.
34. **Recovery Action Plan – staffing issues** – the pressure relating to the Assistant Director role is resolved and management are actively recruiting to enable a reduced reliance on interim staff. There are currently 8 interims within 10.4 vacancies (of which 5 offers have been made with further interviews scheduled), a further 2 posts will fall vacant shortly as staff work notice periods. The ADS is planning to reduce the numbers of locum social workers as soon as practical. However, it should be flagged that the appointments are newly qualified social workers and therefore a high level of supervision / management and mentoring will be required.
35. There are a number of budget pressures elsewhere within CYPD, being managed internally including funding for ICT/licence costs and anticipated changes in pay

grading for Educational Psychologists and potential income pressures (e.g. INSET training).

36. As reported in the last Cabinet report the CYPD Directorate Leadership Team has now held the away day with the support of the Resources Directorate to consider options for achieving the necessary savings. They are undertaking a radical review of all of services provided, categorising them as statutory / essential / desirable and assessing the best options for providing these services in the future.
37. This initial work has been shared by the Director with colleagues at JMT and was favourably received. Further meetings have already been held and more are planned in the near future to refine and develop the initial models to provide full costings and identify potential savings, but this work will not have an immediate impact on the current year over-spend.
38. **Recovery Plan Actions** – further actions being considered by the Director to make savings include holding all vacancies for 6 weeks and stopping out of county training without approval. In addition all grants will be scrutinised to ensure that maximum use is made of them to allocate costs (where-ever appropriate within the terms and conditions of the individual grants).

Other Pressures not included in projected outturn

39. The projected outturn reports local authority pressures only. Children's Services work is also funded by a wide range of grants and other funds. There are additional pressures in these areas which are also being addressed. They include the Music Service (£259k) deficit, offset by other savings to give a net Dedicated Schools Grant (DSG) pressure of £177k, and there is an unbudgeted pressure to support the Virtual Learning Environment (VLE) project until the SLA with schools starts in January 2010 – the cost of this is circa £40k. The ADS is flagging potential pressures that may emerge from the outcomes of the Social Work Task force, amongst areas under consideration is social worker case load. It is possible that legislative changes may be introduced (in the light of Baby P) to reduce case loads to circa 15 per social worker. They are currently above this level within CYPD. If this should happen it is estimated by CYPD that up to 10-12 additional social workers at a cost of £370-480k may be needed.

Dedicated Schools Grant

40. DCSF have confirmed DSG at £84.5 million for 2009/10 although this may still be adjusted for the recoument for Hereford Academy. School budgets are determined by formula funding from the DSG and sixth forms from an additional £2.75m grant from the Learning & Skills Council (£2.75m). £78.8m has been delegated directly to schools and any under or overspend will be carried forward as part of school balances. Schools are required to set a balanced budget and for those schools in budget difficulties a deficit recovery plan must be agreed by the council. At the end of 2008/09 six schools were in deficit and the total deficit was £262k. All these schools are working to an agreed recovery plan.
41. Dedicated Schools Grant also funds some central services largely for individual pupils and it is expected that there will be some variances at year end for Banded Funding (£120k over) SEN Support Services(£54k under), Trade union facilities agreement (£30k over), Primary catering costs (£20k over) offset by increased grant of £33k. In any case DSG grant regulations require that any under or over spend is carried forward and allocated in the next financial year.

Schools Financial Issues

42. In 2008/09 rates rebates of £1,054k were received for charitable rates relief for voluntary aided schools going back to 2000. The rebates (£186k) relating to 2008/09 were carried forward as part of the DSG under spend and the remaining £869k for the period 2000-2008 has been carried forward as a reserve.
43. On the recommendation of the Department for Children Schools and Families (DCSF) legal advice has been sought on the possible uses of the rates rebates. The advice is that the rates rebates relating to the period 2000-2009 should be added to the overall schools budget in order that it can be available for the benefit of all the Council's schools. Specifically, it is advised that "there is a one-off increase in the per pupil allocation in the year that the allocation is made".
44. In view of the legal advice Schools Forum on 29th September agreed to distribute all the £1,054k rates rebates money to schools on a formula basis to be devised by School Forum Budget Working Party. This formula will ensure a fair distribution over a set period of time to ensure that the additional funding is not immediately clawed back from schools through the balance claw-back scheme. The Schools Forum Budget Working Party meets on 13th November to consider some proposed distribution models.
45. There are further funds available for redistribution to schools from DSG carry forward (£1,280k) and it is proposed that these should be used for investment purposes in one-off projects. These projects should ensure on-going improvements, developments and efficiencies including ICT developments, resources for schools and contributions towards any Building Schools for the Future initiative that may benefit Herefordshire. Detailed business cases are to be considered by Schools Forum on 7th December 2009.

DEPUTY CHIEF EXECUTIVE DIRECTORATE

Directorate Summary as at 30th September 2009

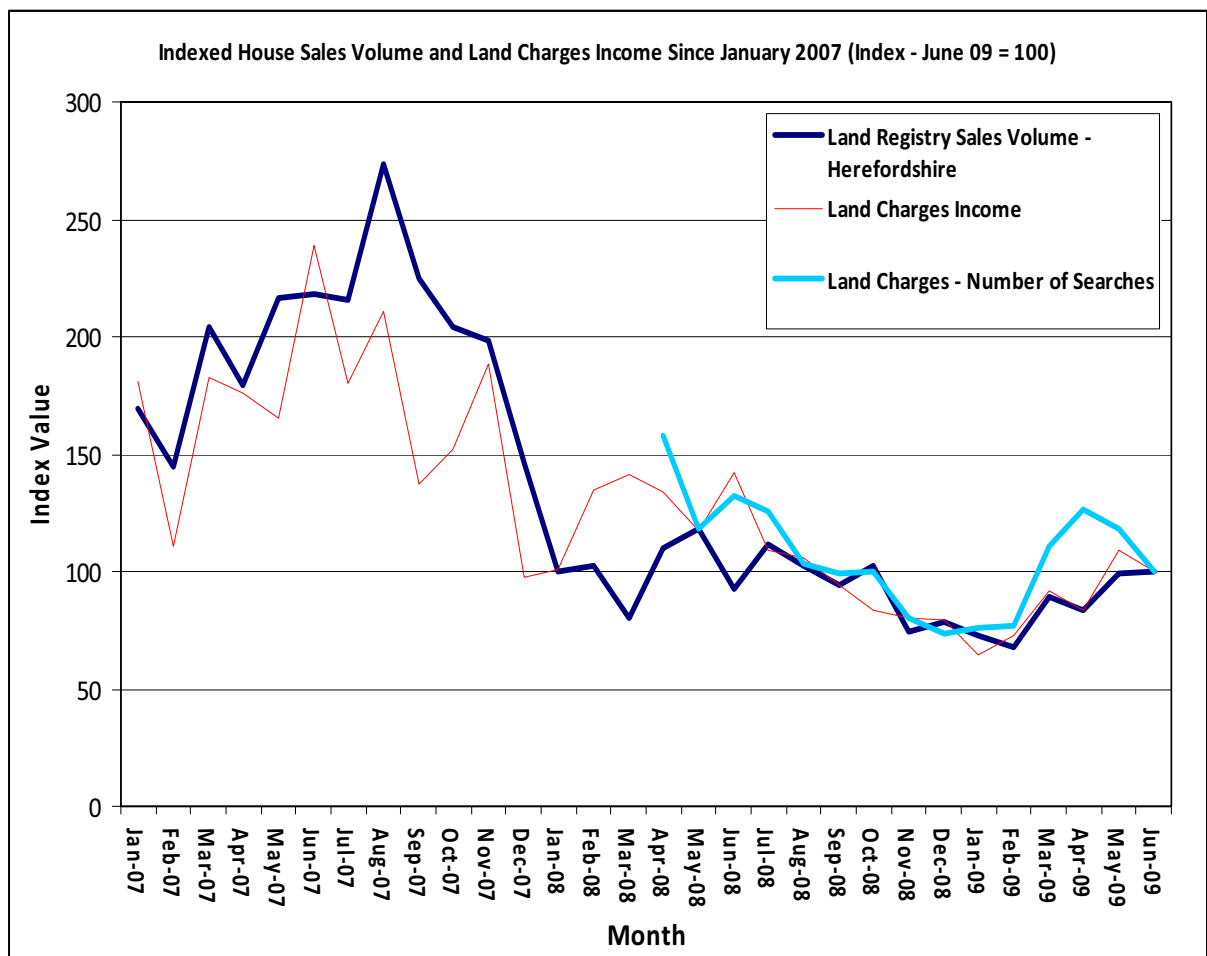
| | Total Budget 2009/10 £000 | Net projected over or (-) under spend £000 |
|-----------------------------|--|---|
| Herefordshire Connects | 1,463 | 0 |
| Herefordshire Partnership | 199 | 0 |
| Communications | 393 | -28 |
| Director and Administration | 271 | 0 |
| Legal and Democratic | 3,020 | 344 |
| INFO | 1,725 | -86 |
| Policy & Performance | 740 | 0 |
| Information Services | 367 | 0 |
| Corporate ICT Projects | 880 | 0 |
| ICT Services | 3,574 | -230 |
| Corporate Programmes | 55 | 0 |
| Community Network Costs | 1,030 | 0 |
| Human Resources | 1,503 | 0 |
| Total | 15,220 | 0 |

46. As part of the initial budget process the Deputy Chief Executive asked Heads of Service to identify budget capacity that could be held back to cover emerging budget pressures. This budget capacity was ring-fenced within service areas and is shown within the directorate summary as underspends within ICT, INFO, and Communications.
47. The key area of forecast overspend is Legal and Democratic Services where there are several significant budget pressures. These include:
- a. Unbudgeted staff costs (3 FTE) within the Member's Services establishment required to meet increased demands for committee support. This will cause £110k overspend.
 - b. A reduction in income from the PCT of £43k in relation to legal support.
 - c. A judicial review of a previously held inquest has been ordered, which is likely to result in a £60k additional costs.
 - d. A shortfall in income for land charges of £80k. This is due to external economic conditions affecting the housing market and competition from the private sector. An analysis of the market conditions is provided below.
48. Local Land Charge searches are used to determine whether there are any land

Further information on the subject of this report is available from
Anne Phillips Head of Financial Services (01432) 383173

charges (a restriction or liability placed on ownership of a property or piece of land) placed on the deeds of a property. Most searches will normally take place upon the prospective purchase of a property. Therefore, because of this the income generated by the Land Charges team is closely related to the sales volume in the wider housing market.

49. This relationship is confirmed in the graph below, the graph also shows that compared to the market peak in August 2007, house sales volume has fallen 63%. This has created a budget pressure on the land charges income, as the widely reported pick up in House sales was from a very low base, and therefore the Land Charges income is likely to miss its income target by £80k.
50. In addition, the private sector compete to deliver searches which the Land Charges team offer and this has provided an additional threat to the council income.



51. At this point Human Resources is projected to come in within budget.

Recovery Plan

52. The new Interim Assistant Chief Executive – Legal and Democratic is working with colleagues corporately to address a range of issues to ensure that Legal and Democratic Services are fit for purpose, including finding ways to address the budget issues and producing a robust recovery plan. It is expected that a preliminary review of Legal Services and a recovery plan will be completed by the end of November, and the review of Democratic Services by January.

ENVIRONMENT & CULTURE DIRECTORATE

Directorate Summary as at 30th September 2009

| | Total Budget 2009/10 | Net over or (-) under spend |
|--|---------------------------------|--|
| | £000 | £000 |
| Highways | 6,335 | -90 |
| Environmental Health and Trading Standards | 694 | 0 |
| Waste Management | 12,494 | -732 |
| Culture & Leisure | 7,515 | 25 |
| Directorate Management & Support | 349 | 0 |
| Emergency Planning | 153 | 0 |
| Community Safety | 117 | 0 |
| Managing Agent Contract (MAC) Client Team | 110 | 0 |
| MAC Services | 261 | 375 |
| Total | 28,028 | -422 |

53. The overall outturn position for Environment & Culture is a net underspend of £422k.
54. The MTFMS allocated additional funding of £500k per annum for the Waste Management PFI contract budget, pending the finalisation of the renegotiated contract. This was on condition that in the interim period any budget underspend be transferred to a specific reserve to offset future increased costs. As Waste Disposal is currently expected to underspend in 2009/10, the transfer to the Waste Reserve of £500k has been completed.
55. From 1st September 2009, as a result of the service delivery review, Highways, Public Rights of Way and Parks and other ancillary services form part of a managing agent contract with Amey Wye Valley. Through this contract Amey Wye Valley will deliver £1M annual savings and improved performance. This will be monitored by a new Service Delivery Client Team.

Highways

56. A saving of £90k through staff vacancy management is expected to be achieved due to the recruitment freeze pending the service delivery review.

Environmental Health & Trading Standards

57. Overall Environmental Health and Trading Standards' outturn is expected to match budget. The Gross budget for the service is approximately £5.5m however income from charging offsets most of the costs, leaving a net budget of £694k.
58. Markets and Fairs are predicted to overspend by around £55k. This is largely due to a shortfall in income on the Hereford Butter Market. The market lost a major trader last year and has been unable to recover from that loss. Only 60 out of a possible 67 stalls are currently occupied at this site compared with 65 stalls occupied in August 2008. There is better news at Hereford open market. Although capacity has been reduced from 48 stalls to 25, rent per stall has been increased from £277 to £698 and occupancy has risen from 12 to 23 stalls.
59. Cemeteries and the crematorium continue to outperform income budget. The combined underspend on cemeteries and crematorium is estimated at £40k. Activity levels are similar to the same period last year with 647 cremations (6 months to September 2008 was 632) and 119 burials in both years.
60. Car Parking is predicted to overspend by £20k. Although there is a shortfall in income compared with budget this has been in part mitigated by staff vacancies. Some 957,500 tickets were loaded into pay and display machines in the 6 months to September 2008 whereas in 2009 the equivalent figure was 819,000. Penalty tickets issued are also down with 9,522 issued up to September 2008 and 8,159 for the similar period this year.

Waste Management

61. Latest estimates of waste disposal costs from Worcestershire County Council of waste disposal contract costs project an underspend of £1.232k on Herefordshire's Waste Disposal budget for 2009/10. This is an increase in underspend of £582k. This is mainly due to the reduction in revised annual tonnages in the joint contract. Herefordshire disposal tonnages have fallen by 4.5% in the first 5 months of the year compared with the same period in 2008/09, and this is mainly due to increased recycling.
62. A transfer of £500k to the Waste Reserve has been made in 2009/10 and this is reflected in the latest outturn position.
63. There is a risk that if waste growth/reduction between Herefordshire and Worcestershire vary by more than 1% to the detriment of Herefordshire then an increase of £300k would be incurred by Herefordshire. This will continue to be closely monitored through the year.
64. On 1st November 2009, the Waste Collection contract will be renewed with FOCSA Services, following a formal tendering process. The new contract will result in an improved service for more people at a slightly reduced cost. The new contract will extend recycling service to all residents in the County for the first time. (Currently only 75% of residents have a recycling collection from their home). The range of recyclables to be collected has also been extended. This will enable us to achieve our target of 40% by the end of 2010. Recycling outturn for last year was 33.92% and our current standing is 35.96%.
65. The new contract will also be uplifted by RPI rather than using various Government Indices which will give greater clarity over annual increases.

Culture & Leisure

66. Culture & Leisure expenditure is expected to overspend by £25k in 2009/10.
67. A one-off virement from the Waste Disposal budget to the Arts budget of £43k has been made to cover the festival, event and workshop costs of the Take pArt project.
68. There are savings of £40k on Parks and Countryside and £20k on Public Rights of Way due to the recruitment freeze pending the service delivery review.
69. Further savings are expected on employee costs for Sports Development. This relates to the Exercise Referral Development Officer post.
70. The Libraries budget is expected to overspend by £125k. This mainly relates to employee costs and the building running costs of the Broad Street Library. Library visitors have fallen by 3% in the six month period to September compared with the previous year.
71. The Libraries Service is currently implementing a PC booking system which will improve efficiency by leaving staff free to serve customers, stop queues and enable a seamless self service. Possibility of charging for this and other areas within libraries are being reviewed to address the budget shortfall.

Directorate Management & Support

72. The Directorate has undertaken a piece of work for "Reputation Research" which will put pressure on the budget of £35k. The outcome of this work will contribute to corporate reputational work and how we deliver services. The budget pressure will be addressed through staff vacancy management in the Environment Support and Sustainability teams.

Managing Agent Contract Services

73. Savings achievable following the Service Delivery Review are based on the transfer date of 1st September 2009 and will be received pro rata against the guaranteed £1m. Whilst the annual saving target of £900k is not expected to be achieved in 2009/10 due to delays in contract negotiations, staff savings of £120k are expected to be achieved through vacancy management prior the staff transfer and are included in outturn estimates within the Highways, Culture and Leisure services.

REGENERATION DIRECTORATE

Directorate Summary as at 30th September 2009

| | Total Budget for 2009/10 £000 | Net over or (-) underspend £000 |
|---------------------------|--|--|
| Tourism | 485 | 70 |
| Planning & Transportation | 5,508 | -100 |
| Econ. & Com. Regeneration | 1,606 | 0 |
| Strategic Housing | 1,933 | 0 |
| Management & Admin | 462 | -45 |
| Total | 9,994 | -75 |

74. The overall outturn position for Regeneration is an underspend of £75k.

Tourism

75. Following the transfer of the service from the Environment and Culture Directorate there has been a restructure of the staff which resulted in one off reorganisation costs of £11k. Further pressures on the staffing budget remain and a review of alternative delivery models is being undertaken to identify further efficiencies to enable the service to be delivered within budget.

76. Tourism is expected to overspend by £70k this year but will be mitigated by under spends elsewhere within the Directorate.

Planning and Transportation

77. The overall expected position spend for Planning and Transportation is an under spend of £100k.

78. The number of valid planning applications for the period April to September 2009 is 1,516. For the same period in 2008 the figure was 1,309, which represents an increase of 16%. Despite this improvement, Planning is still forecast to overspend by £300k, (compared to £256k in 2008-09, which included a £194k planning delivery grant which will not be received in the current year), however there are signs that the position could improve.

79. In recent months Development Control has been able to meet the budgeted level of income due to a number of major applications being received. In overall terms a shortfall of £125k against the target of £1.13m is still expected, however if the level of major applications is sustained over the coming months the position will be reviewed.

80. Building Control is also generating income below the budgeted target of £681k but there is less evidence of improvement, consequently a shortfall of £60k is projected.

81. The new Civica system has recently been implemented however the need for existing document scanning continues and this is forecast to be a budget pressure of £70k for this year. A further overspend of £45k is currently forecast for document storage and retrieval costs at the Modern Records Unit.
82. A number of one-off income adjustments relating to contractual arrangements for Transportation have been identified as part of the annual audit of accounts. These total approximately £250k and have been allocated to offset the Directorate overspend position.
83. There has been a downturn in the numbers of concessionary fare passengers in the first half of the year. In the period April to September 2008 the number of concessionary passengers was 720,780 compared to 668,434 in the first 6 months of this financial year, representing a 7.3% reduction. Should this trend continue a saving of £100k in concessionary fares is forecast.

Economic and Community Development

84. An amount of £100k has been allocated from the Area Based Grant (ABG) to address the economic downturn. Within Economic Development this funding is being used to support a number of initiatives, detailed below.
85. The Business Booster Grant offers grants to small to medium sized businesses, to date there have been 95 enquiries and 21 applications received. The Training Voucher Scheme has received 72 enquiries and 14 vouchers have been issued to date. Indications are that demand for grants and vouchers will exceed the available funding. A Business Portal is also being developed to enable local companies to be aware of public service contracts.
86. The Economic Development Team administers a Rural Enterprise Grant scheme for the whole of the region on behalf of Advantage West Midlands (AWM). £5m is available to support the development and growth of rural businesses. To date 750 enquiries have been received and 12 grants totalling £320k have been awarded to Herefordshire businesses. AWM also provide funding to the council to cover costs incurred in administering of the scheme.
87. Community Regeneration continues to support local voluntary organisations and has also given extra support to the Citizen's Advice Bureau (CAB) to meet the demands of unemployment and debt enquiries. The service administers grants for community buildings and shop fronts and works closely with local parish councils. A new grant for the Leader Vital programme has recently been awarded.

Strategic Housing

88. The current forecast is for Strategic Housing to balance the budget at year end.
89. Although demand for temporary accommodation in bed and breakfast has been lower to date than the same period last year there is a risk that the expansion of other temporary provision and ongoing prevention-based interventions will be sufficient to contain this demand for the whole year. Homelessness overall is currently expected to balance its budget with any overspending on temporary accommodation being offset by corresponding underspending in prevention and the holding of staff vacancies.
90. Bed and breakfast occupancy at the end of September was 3 families with children, 4 singles and 1 other. The equivalent week in 2008 was 4 families with children, and 8

singles. The most expensive group to house is families and at one point in 2008/09 there were 22 families in B&B whereas the highest level so far this year has been 6.

Management & Admin

91. Directorate Management shows an estimated underspend on salaries of £45k. This is based on the current staffing structure and reflects a freeze on recruitment to vacant posts within this area.

CORPORATE BUDGETS

Summary as at 30th September 2009

| | Total Budget 2009/10 £'000 | Net over or (-) underspend £000 |
|------------------|---|--|
| Central Services | 2,455 | 0 |

92. This area is expected to remain within the annual budget and there are no anticipated problems.

RESOURCES DIRECTORATE

| | Total Budget 2009/10 £'000 | Net over or (-) underspend £000 |
|--------------------------------------|---|--|
| Asset Management & Property Services | 3,456 | -20 |
| Financial Services | 1,949 | 125 |
| Audit Services | 425 | 20 |
| Benefits and Exchequer Services | 1,690 | -125 |
| Central | 181 | 0 |
| Total | 7,901 | 0 |

Asset Management & Property Services

93. Spend is currently slightly under budget, there are no expected problems. Any savings delivered from the accommodation review will be used for prudential borrowing and have no impact on revenue budgets. This is likely to develop over the coming years. £20k savings have been identified by not recruiting to a vacant post.
94. The relief for Business Rates for properties with RV under £15k has eased the pressure on empty units at industrial estates. If this exemption is not granted next year then the Business Rate cost will be higher than previous years due to the increase in vacant units.

Audit

95. Additional costs for a Connects audit and one off agency costs for special consultancy work will create an over spend on Audit budgets.

Benefit and Exchequer

96. Benefits subsidy has been reviewed and there is an anticipated surplus of £105k and a further £20k identified as one off savings. The subsidy surplus has arisen because the level of Local Authority error is below the DWP threshold. The Audit Commission have to agree that the subsidy claim complies with the DWP requirements before the additional subsidy is confirmed
97. Further analysis of the subsidy forecast is being undertaken to establish whether higher surpluses may be delivered.
98. The service is undertaking and funding two system projects this year. These are the Academy Linux upgrade which aims to provide a more robust infrastructure and increase capacity for Revenues and Benefits, and Academy pay.net to replace spectrum cash receipting software which will become obsolete and does not support the new PCI security standards for payment card processing.

Financial Services

99. The cost of interim staff working within Procurement contributes to the overspend. Recruitment of the Procurement Manager post will see the post filled by the new financial year. Financial services is rolling out a programme of automatic reporting which will focus staff time on supporting directorates to reduce their overspends.

Central

100. This area is expected to remain within the annual budget and there are no anticipated problems.

Recovery Plan

101. Savings have already been identified and reduced the previously reported. It is expected the service will deliver a balanced budget.



**2009/10 SEPTEMBER CAPITAL PROGRAMME BUDGET
MONITORING**

OVERALL SUMMARY POSITION

1. The capital programme forecast outturn for 2009/10 as at 30th September totals £80,686k, which is a decrease of £3,757k from the July 2009/10 capital programme forecast. The main reason for this decrease follows the re-profiling of expenditure forecasts on libraries in Ross and Ledbury to reflect that not all capital funding awarded will be spent in 2009/10. The Ross library forecast spend for 2009/10 has slipped by £1,000k due to a three month delay in the anticipated build start. Ledbury library expenditure forecast has slipped by £2,400k, the scheme design is currently under review.
2. A summary of the overall capital programme expenditure forecast and funding thereof for 2009/10 is provided in the table D1 below.

TABLE D1

FUNDING OF REVISED 2009/10 CAPITAL PROGRAMME

| Capital Programme Area | 2009/10 Revised Forecast 30/09/09 | SCE(R) | Prudential Borrowing | Grant | Revenue Contribution | Capital Receipts Reserves |
|----------------------------------|--|---------------|-----------------------------|---------------|-----------------------------|----------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Children's Services | 35,324 | 2,372 | 525 | 32,427 | - | - |
| Resources | 6,332 | - | 3,282 | 152 | - | 2,898 |
| Deputy Chief Executive | 6,092 | - | 5,923 | 100 | - | 69 |
| Adult Social Care | 725 | - | 65 | 429 | - | 231 |
| Regeneration | 14,030 | - | 2,885 | 3,996 | 20 | 7,129 |
| Environment & Culture | 18,183 | 11,195 | 3,893 | 3,068 | - | 27 |
| Total Revised Forecast | 80,686 | 13,567 | 16,573 | 40,172 | 20 | 10,354 |
| <i>July Forecast</i> | <i>84,443</i> | <i>13,567</i> | <i>23,458</i> | <i>39,291</i> | <i>1</i> | <i>8,126</i> |
| <i>Change from July Forecast</i> | <i>(3,757)</i> | <i>-</i> | <i>(6,885)</i> | <i>881</i> | <i>19</i> | <i>2,228</i> |
| <i>Original Forecast</i> | <i>67,438</i> | <i>13,567</i> | <i>16,449</i> | <i>34,154</i> | <i>-</i> | <i>3,268</i> |

Further information on the subject of this report is available from
Anne Phillips Head of Financial Services on 01432 383173

3. Appendix 1 provides a breakdown of total capital scheme costs, funding, spend to date and potential issues for capital schemes with a revised forecast spend for 2009/10 exceeding £500k. Capital programmes for directorates are reported quarterly to the relevant scrutiny committee.
4. Actual total spend to date appears low at £21,116k to the end of September. This is mainly due to the following items;
 - £9,066k expenditure forecast on the new Hereford Academy, for which the contract of main works is yet to commence.
 - Under profile spend to date against the £5,140k corporate accommodation capital expenditure forecast. However, property is to be purchased in the near future.
 - Delays on spend on the Herefordshire Connects £5,372k budget due to the Shared Service review.
 - Low spend to date on road and footway maintenance where the bulk of expenditure is always incurred in the second half of the financial year.

Prudential Borrowing Position as at 30th September 2009

5. A summary of the Prudential Borrowing position for 2009/10 is set out below.

| | | |
|--|----------|----------|
| | £'000 | £'000 |
| 2009/10 Original Prudential Borrowing Allocations | | £14,258 |
| Add: Slippage from 2008/09 Allocated in year | £10,144 | |
| | £347 | |
| | | £10,491 |
| Less: Slippage into future years Returned to corporate funding pot | (£6,882) | |
| | (£1,294) | |
| | | (£8,176) |
| Forecast use of Prudential Borrowing in 2009/10 | | £16,573 |

Capital Receipts Reserves Position as at 30th September 2009

6. The capital receipts reserve totalled £17,556k as at 1st April 2009. Very few capital receipts are expected during this financial year. £10,354k of this funding source is expected to be spent in 2009/10 with the remaining balance to be used to fund future year's capital programme including the provision of a new livestock market.

Appendix 1

Schemes with a forecast spend exceeding £500k in 2009-10

| Scheme Detail By Directorate | Whole Scheme Cost £'000 | Funded by | 2009-10 Expenditure forecast £'000 | Actual spend to 30-09-09 £'000 | Most relevant Corporate Theme | Comments |
|--|-------------------------|---|------------------------------------|--------------------------------|---|---|
| Children's Services | | | | | | |
| New Hereford Academy | 24,130 | DCSF Grant | 9,066 | 258 | Children and Young People | Main contract of works to commence shortly, completion due Autumn 2011 |
| Minster Replacement School | 20,642 | DCSF Grant | 7,201 | 5,388 | Children and Young People | Work progressing, no issues, completion due summer 2010 |
| Devolved Capital Programme | n/a | DCSF Grant | 4,914 | 1,987 | Children and Young People | Devolved allocation of capital funding to schools, including ICT |
| Primary Grant | 8,378 | DCSF Grant | 3,000 | 43 | Children and Young People | Capital funding for all through primary school in Leominster, consultation process underway |
| Children's Centres | n/a | Grant | 1,543 | 369 | Children and Young People | Various children's centre schemes progressing including Hollybush and Peterchurch |
| Targeted Capital Fund | 8,000 | DCSF Grant | 2,000 | - | Children and Young People | Capital funding allocated towards 14 to 19 year olds and Special Education Needs |
| Condition property works | n/a | SCE® | 1,543 | 514 | Children and Young People | Annual programme of works at various sites committed on a highest need first basis |
| Quality & Access for early years provision | n/a | Grant | 1,324 | 456 | Children and Young People | Grant funding devolved to nurseries via the Quality and Access project board evaluation |
| Riverside Amalgamation | 8,505 | Grant & receipts | 1,236 | 1,476 | Children and Young People | New contractor appointed to complete scheme for the autumn term |
| Wave 2 Playbuilder | 1,120 | DCSF Grant | 526 | 39 | Children and Young People | Funding towards 22 play area provision (11 per annum) for 8-13 year olds |
| Resources | | | | | | |
| Corporate Accommodation | 17,112 | Prudential borrowing & capital receipts | 5,140 | 363 | Organisational improvement & greater efficiency | Key corporate accommodation property to be purchased shortly |
| Smallholdings | 1,500 | Capital receipts | 500 | 12 | Economic development & enterprise | Property improvement works to commence in November |
| Deputy Chief Executive | | | | | | |
| Herefordshire Connects | 6,780 | Prudential borrowing, grant & receipts | 5,372 | 1,032 | Organisational improvement & greater efficiency | Slippage expected due to the Shared Service review currently underway |

| Environment & Culture | | | | | | |
|---|-------|---------------------------------|---------------|---------------|-----------------------------------|---|
| Road & Footway Maintenance | n/a | LTP allocation | 7,857 | 2,845 | Sustainable communities | Programme of annual Amey works including works required at Symonds Yat |
| Bridgeworks | n/a | LTP allocation | 1,500 | 319 | Sustainable communities | Annual programme of works to avoid closures |
| City Centre Enhancements | 2,751 | Prudential borrowing | 1,149 | 68 | Sustainable communities | Improvements to be made along Widemarsh St in line with Edgar Street Grid development |
| Sustrans | 1,401 | Prudential borrowing | 777 | 86 | Economic development & enterprise | Walking and cycling route over River Wye in design stage, preferred route to be confirmed |
| Waste Performance & Efficiency | 869 | Grant | 754 | - | Economic development & enterprise | Bulk of expenditure to be on purchase of wheelie bins in October |
| Regeneration | | | | | | |
| Rotherwas Futures Estate Development Work | 5,266 | Grant & capital receipts | 2,731 | 584 | Economic development & enterprise | Refurbishment of site and internal road works planned this year |
| Cattle Market | 9,800 | Capital receipts | 2,910 | 74 | Economic development & enterprise | Additional funding and approval to proceed received, start on site to follow |
| Affordable Housing Grants | n/a | Capital receipts | 1,979 | 374 | Safer & stronger communities | Annual allocation of grants to various schemes |
| Rural enterprise grant | 5,000 | Grant | 1,667 | 152 | Economic development & enterprise | Successful award of grant funding |
| Mandatory Disabled Facilities Grant | n/a | Grant & capital receipts | 1,301 | 228 | Health & well-being | This budget is under huge demand, a backlog of approximately £1m recorded |
| Mortgage Rescue | 900 | Prudential borrowing & receipts | 900 | 316 | Safer & stronger communities | Over £750k committed to individual schemes helping families remain in their properties |
| Private Sector Housing | n/a | Grant & receipts | 787 | 195 | Health & well-being | Annual programme of funding to various private sector landlords |
| Empty Property | 600 | Prudential borrowing & receipts | 600 | - | Health & well-being | Approximately £250k committed to bringing individual properties back into use |
| Total | | | 68,277 | 17,178 | | |
| Schemes with a forecast spend in 2009/10 of less than £500,000 | | | 12,409 | 3,938 | | |
| Total | | | 80,686 | 21,116 | | |

CIPFA issued an interim Treasury Management guidance document in March 2009, highlighting Best Practice recommendations for Local Authorities to follow. The document suggests that members should be informed of Treasury Management activities at least twice a year. Therefore, this report ensures the Council is embracing Best Practice in accordance with CIPFA's recommendations.

1. The Economy

1.1. Recent economic statistics show:

- The Bank Base Rate remaining unchanged at 0.50%;
- Inflation falling from 1.6% in August to 1.1% in September; its lowest level for five years;
- GDP continuing to contract; and
- Unemployment continuing to rise.

1.2 Despite the statistics above, some sectors of the economy have fared better. Since March 2009 equity prices on the London stock exchange have rallied strongly. House prices have also risen steadily in 2009.

1.3 With the Bank Base Rate at its lowest level since the Bank of England was founded three hundred years ago, the Monetary Policy Committee (MPC) announced in March 2009 that it would resort to injecting money directly into the economy in order to boost demand and meet the CPI inflation target of 2%. The programme, known as quantitative easing, currently stands at £200 billion.

1.4 However, despite the injection of these billions, so far the policy has had only limited success in boosting the supply of credit and the money supply. Most analysts are predicting that economic recovery will be slow with unemployment remaining high, and interest rates low, for a long time to come.

2. The Council's Investments

2.1 Because of the instability in the financial markets, at the beginning of the year the Council's funds were invested either in the UK government's Debt Management Office or in money market funds. Both these investments carry the highest possible long term credit rating (AAA using Fitch's long-term credit ratings). Other financial institutions were excluded on the basis that one or more of the credit rating agencies had placed each and every UK bank and building society on "negative watch" or "negative outlook". Historically it has always been council policy to exclude such institutions from our lending list until the ratings are reviewed and stabilised, at which point we would look to see if they still met our lending criteria. Whilst the Debt Management Office is very secure the rate of interest offered is very low at 0.25%.

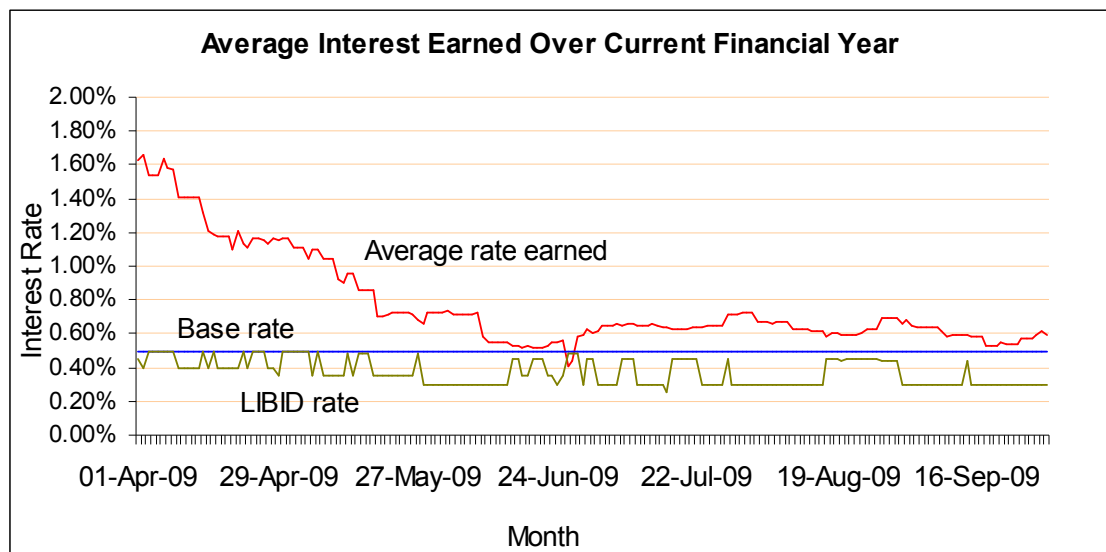
2.2 The problem with the continuing uncertainty in the financial markets is that the "negative outlook" or "negative watch" tag assigned to most of the bank and building societies is not being lifted. Three-quarters of the banks remain on negative outlook due to continued concern about the level of future bad debts that institutions may incur and their ability to absorb these losses.

- 2.3** However, conditions in the financial markets have improved during the last six months. Many of the banks have declared good profits and the fear of bad debts spiralling out of control has abated.
- 2.4** Therefore on the advice of Sector, the council's treasury advisers, in the last six months the council has cautiously extended its lending list.
- 2.5** In June 2009 it was considered that the financial markets had stabilised sufficiently for the list of eligible counterparties to be extended to include the nationalised and part nationalised banks (Lloyds Banking Group and the Royal Bank of Scotland Group), as recommended by Sector. Sector advised that, due to the high level of support by the government, resulting in the government owning a large stake in the banks, the banks effectively take on the credit worthiness of the government itself and should be reinstated on our lending list. Therefore in June 2009 we invested in instant access accounts with both National Westminster Bank and the Bank of Scotland (investing £5 million in each). More recently, the £5 million in the instant access account with the Bank of Scotland has been transferred to a three month term deposit to increase the interest rate earned from 0.85% to 1.10%.
- 2.6** As at 30 September 2009 the investments held by the council were as follows:

| Investment | Rate of interest | Amount invested | |
|-----------------------------|------------------|-----------------|--------------|
| | | £m | £m |
| Instant access accounts: | | | |
| Bank of Scotland | 0.85% | 5.00 | |
| National Westminster | 1.10% | 5.07 | 10.07 |
| Money Market Funds: | | | |
| Standard Life | 0.43% | 5.00 | |
| Insight | 0.59% | 5.00 | |
| Blackrock | 0.67% | 5.00 | 15.00 |
| Debt Management Office: | | | |
| Various short term deposits | 0.25% | 8.86 | 8.86 |
| Total | 0.60% | | 33.93 |

- 2.7** In October 2009 the council's lending list was extended again to include HSBC, Barclays and Abbey National.
- 2.8** All three banks participated in the government's recapitalisation scheme which was introduced last autumn. The scheme involved the participants making a commitment to bolster their balance sheets by increasing their reserves, drawing on government support if necessary. In addition, these three banks have all reported good profits during 2009.
- 2.9** In October we recommenced using our Abbey National instant access account (interest rate 0.80%) and we are in the process of opening an instant access account with Barclays (interest rate 0.65%).

- 2.10** It has been found that the rate paid on instant access accounts is often very competitive when compared to term deposits of between three and six months and so the council is not being penalised for requesting instant access to funds.
- 2.11** When setting the budget for 2009/2010 an interest rate of 0.75% was used to estimate interest receivable.
- 2.12** In the six-month period to 30 September 2009 the rate of interest earned has averaged 0.75% but the daily average rate of interest earned has varied from 1.60% at the beginning of the year to a low of 0.40% in June 2009. At the beginning of the year the average rate was increased by term deposits, made in earlier periods when the interest rate was higher, but by mid-June these had all matured. In addition, the average rate earned decreases for high investment balances due to the council's limited lending list and the use of the Debt Management Office. The chart below shows the average rate of interest earned on investments in the first half of 2009/2010.



- 2.13** The interest rate achieved compares favourably with the generally accepted benchmark of the average 7-Day London Inter-Bank Bid (LIBID) rate which averaged 0.45% for the six month period.
- 2.14** It is anticipated that the rate of interest earned on the council's investments will average around 0.75% for the remainder of the year but the balances invested may be less than budgeted due to balances being used to finance capital expenditure in preference to external borrowing. Therefore at the end of the year there may well be a budget deficit for interest earned but that this will be more than offset by savings made from reduced borrowing costs.

3. The Council's Borrowing

3.1 To date the council has not taken out any new borrowing in 2009/2010.

3.2 As at 30 September 2009 the council's long term borrowing totalled £115.28m with maturities as follows:

| <u>Principal repayable:</u> | <u>£</u> | <u>%</u> |
|---|--------------------|----------------|
| Within the next 10.5 years to 31 March 2020 | 20,039,379 | 17.38% |
| Between 1 April 2020 and 31 March 2030 | 22,244,137 | 19.30% |
| Between 1 April 2030 and 31 March 2040 | 30,000,000 | 26.02% |
| Between 1 April 2040 and 31 March 2050 | 18,000,000 | 15.61% |
| Between 1 April 2050 and 31 March 2060 | <u>25,000,000</u> | <u>21.69%</u> |
| Principal outstanding as at 30 September 2009 | <u>115,283,516</u> | <u>100.00%</u> |

3.3 All the above borrowing is from the Public Works Loan Board except for two bank loans totalling £12 million, which were taken out in 2004.

3.4 The Treasury Management Strategy outlined various options regarding council borrowing for 2009/2010, however, at the present time the favoured approach is to use internal borrowing as far as possible.

3.5 There are three main reasons for this:

- Financial markets have recovered to a certain degree but the risk of investing is still higher than in the past resulting in a much more limited lending list;
- The rate of interest the council can earn on its investments is at an all time low with a large differential between the rate we can earn on our investments and the rate payable on our loans; and
- In the year to date the rates payable on PWLB loans have not increased significantly.

3.6 The introduction on 1 November 2007 of different PWLB rates for new borrowing, as opposed to early repayment of debt, has meant that PWLB to PWLB debt restructuring is now much less attractive than before. In addition, the relatively low PWLB rates this year make the repayment of debt very expensive for all but our lowest rate loans. Debt rescheduling has been discussed with our treasury advisors but, because of the high cost of repayment coupled with the risk of having to replace loans in the future when rates may well be higher, so far this year this option has not been pursued but will be kept under review.

3.7 Depending upon the timing of payments, particularly with reference to the council's capital programme, further PWLB borrowing of between £5 million and £10 million may be needed before the end of the financial year, even after running down investment balances. Also if PWLB rates were to start an upward trend the policy of using internal borrowing would be reviewed.

3.8 The council may consider taking out short term loans to cover temporary fluctuations in cashflow.

4. Projected Outturn

4.1 The projected outturn is an underspend against budget of £458,000.

4.2 Of this amount approximately £22,000 relates to projected interest received being less than budget and £480,000 relates to an underspend on borrowing.

4.3 The underspend on borrowing is due to slippage on the 2008/2009 capital programme and external borrowing, resulting in a reduced minimum revenue provision (MRP) for debt repayment and less external interest payable in the year.



| | |
|-------------------------|---------------------------------------|
| MEETING: | STRATEGIC MONITORING COMMITTEE |
| DATE: | 2 DECEMBER 2009 |
| TITLE OF REPORT: | WORK PROGRAMME |
| REPORT BY: | COMMITTEE MANAGER (SCRUTINY) |

CLASSIFICATION: Open

Wards Affected

County-wide.

Purpose

To consider the Committee's work programme.

Recommendation

THAT the current work programme serves as a basis for further development, subject to any comment the Committee wishes to make.

Introduction and Background

1. A report on the work programmes of all Scrutiny Committees' will be made to this Committee quarterly. A copy of this Committee's own work programme will be made to each of its scheduled meetings. A copy of the Committee's current work is appended.
2. The Committee's programme may be modified by the Chairman following consultation with the Vice-Chairman and the Directors in response to changing circumstances.
3. Should any urgent, prominent or high profile issue arise, the Chairman may consider calling an additional meeting to consider that issue.
4. Should Members become aware of any issues they consider may be added to the scrutiny programme they should contact the Chairman or Democratic Services to log the issue so that it may be taken into consideration when planning future agendas or when revising the work programme.

Background Papers

- None identified.

Strategic Monitoring Committee – work programme 2009/10

| | |
|--|---|
| | 18 January 2010 |
| | Medium Term Financial Strategy |
| | 8 February 2010 |
| | |
| | 15 March 2010 |
| | Scrutiny Review of ICT Services – Progress report |
| | 26 April 2010 |
| Other issues | |
| <ul style="list-style-type: none"> • Herefordshire Public Services – possible consideration of effectiveness of working arrangements • Monitoring of operation of new Customer Insight Unit – June 2010 • Herefordshire Partnership • Scrutiny of External Communication | |

Further additions to the work programme will be made as required

