

AGENDA

Overview and Scrutiny Committee

Date: **Monday 15 March 2010**

Time: **9.30 am**

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:

Tim Brown, Committee Manager (Scrutiny)

Tel: 01432 260239

Email: tbrown@herefordshire.gov.uk

If you would like help to understand this document, or would like it in another format or language, please call Tim Brown, Committee Manager (Scrutiny) on 01432 260239 or e-mail tbrown@herefordshire.gov.uk in advance of the meeting.

Agenda for the Meeting of the Overview and Scrutiny 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

	Pages
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 8 February 2010.	1 - 4
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. INFORMATION COMMUNICATION AND TECHNOLOGY SERVICES UPDATE To provide a further progress report on Information Communication and Technology (ICT) service issues requested following the scrutiny review of ICT and subsequent updates.	5 - 8
6. INTEGRATED CORPORATE PERFORMANCE REPORT To report performance for the period April-December 2009-10 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement 2009-10.	9 - 60
7. BUDGET MONITORING REPORT 2009/10 To report December's budget monitoring information and provide an indication of estimated outturn for both revenue and capital to 31 March 2010 and treasury management activities in the first nine months of 2009/10.	61 - 96
8. WORK PROGRAMME To consider the Committee's work programme.	97 - 100

HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Overview and Scrutiny Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday 8 February 2010 at 9.30 am

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

Councillors: PA Andrews, AE Gray, KG Grumbley, TM James, RI Matthews, AT Oliver and PJ Watts

In attendance: Councillor RJ Phillips (Leader of the Council).

9. APOLOGIES FOR ABSENCE

Apologies were received from Councillors ME Cooper and PM Morgan.

10. DECLARATIONS OF INTEREST

Councillor AE Gray declared a personal interest in agenda item 5: Sustainable Community Strategy (Refresh) as a provider of care.

11. MINUTES

It was reported that the last word of paragraph 2 of Minute no 6 on page 4 of the Minutes should read "January", not February and had been amended.

RESOLVED: That the Minutes of the meeting as amended be approved as a correct record and signed by the Chairman.

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

There were no suggestions from Members of the Public.

13. SUSTAINABLE COMMUNITY STRATEGY (REFRESH)

(Councillor AE Gray declared a personal interest.)

The Committee considered whether to make any comments to Cabinet on the refresh of Herefordshire's Sustainable Community Strategy covering the period 2010-2013.

The Head of Partnership Support presented the report. She drew attention to the six priority themes for the County; guiding principles for Partnership working developed during the refresh; and the intention that the Strategy should highlight the key issues and challenges facing the County.

The Leader of the Council commented on the importance of all partners working together to deliver the agreed priorities in the context of financial constraints. He considered that compared with many areas partners were co-operating well but there were some cultural issues to address. For example, where public bodies were answerable to Government

departments this could distort priorities. There was a need to ensure that their actions were aligned to the needs of the County.

In discussion the following principal points were made:

- That it was important that Partners were accountable for delivering the Strategy, reflecting the way in which Councillors were accountable to the electorate. The role of the scrutiny committees in holding partners to account was noted.

The Head of Partnership Support stated that she recognised the importance of accountability to the community and efforts were being made to enhance that accountability. She expressed an interest in examining how the Partnership could work with the scrutiny committees as part of this process.

- Members observed that the document required further editing and made a number of detailed comments, highlighting a number of typographical and grammatical changes identifying some areas where there appeared to be inconsistency and where the text needed to be updated, and requesting that the statistical evidence base be checked and terms used in the document more clearly explained.
- It was suggested that the section on Stronger Communities should be strengthened. It needed to highlight the need to address the problem faced by parts of the community where the population was ageing, there was no affordable housing, and no house building, meaning it was difficult for young people to live in those communities, which in turn was leading to a decline in local services. The Local Development Framework did not address this concern and the Strategy needed to link to that. Noting that affordable housing could sometimes be interpreted as meaning small houses, Members suggested that sensible mixed developments were needed. The importance of local people being given priority when allocating affordable housing was also stressed.
- Members emphasised the critical role housing played in health, education, safety and family life and the importance of the Strategy fully reflecting this point.
- The section on Children and Young People needed to reflect the pressures on the viability of schools and most importantly emphasise the need to continue to strive to maintain and improve educational standards.
- It was noted that the draft document appeared to provide for considerable design work and colour photographs. It was suggested consideration be given to producing a simplified document that would keep production costs down, perhaps, for example, confining use of colour to the front cover only.
- The community use of school facilities was discussed. It was suggested that the Children's Services Scrutiny Committee might want to consider this issue.

RESOLVED: That, noting that the document needed further editing and that the Committee had made a number of detailed comments in this regard, Cabinet be recommended to consider the following principal observations on the Sustainable Community Strategy Refresh:

- **The need for the Strategy to emphasise the importance of service delivery and of Partners being responsive to issues of local concern and accountable for their actions.**
- **The need for the Strategy to reflect the need to address the problem faced by parts of the community where the population was ageing, there was no**

affordable housing, and no house building, meaning it was difficult for young people to live in those communities

- **The need for the Strategy to reflect more strongly the critical importance of affordable housing for local people recognising the vital role housing played in health, education, safety and family life.**
- **The need for the Strategy to emphasise the importance of continuing to strive to maintain and improve educational standards.**
- **That a simplified document should be prepared to reduce production costs, confining use of colour, for example, to the front cover.**

14. WORK PROGRAMME

The Committee considered its work programme including a request from the Executive to review the impact of the severe winter weather as part of that programme.

The Leader commented on the benefits he thought could be derived from a review of the response to the severe weather by the various partners in the County.

It was agreed that the review be undertaken as a “one day” review by the Committee as a whole.

RESOLVED:

- That**
- (a) a review of the impact of the severe winter weather be included within the work programme; and**
 - (b) the work programme as amended be approved as a basis for further development.**

The meeting ended at 11.00 am

CHAIRMAN

MEETING:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	15 MARCH 2010
TITLE OF REPORT:	INFORMATION COMMUNICATION AND TECHNOLOGY SERVICES UPDATE
REPORT BY:	JOINT DIRECTOR OF ICT

CLASSIFICATION: Open

Purpose

To provide a further progress report on Information Communication and Technology (ICT) service issues requested following the scrutiny review of ICT and subsequent updates.

Recommendation(s)

THAT (a) the report be noted, subject to any comments the Committee wishes to make;

and

(b) the Committee considers the content and frequency of any further progress reports it wishes to receive.

Key Points Summary

- Progress has been made on two key council ICT projects: Data Centre Refurbishment and Community Network Upgrade
- Progress has been made in the areas highlighted in the previous report: encryption, schools website security and technical links between health and council networks
- Work is ongoing in the following areas: reduction in ICT systems, broadband infrastructure across the county and governance links between health and social care.

Alternative Options

1 None.

Reasons for Recommendations

2 The report is provided for information.

Further information on the subject of this report is available from
Zack Pandor, Joint Director of ICT on (01432) 347611

Introduction and Background

- 3 In September 2009, the Strategic Monitoring Committee (SMC) received the latest progress report on the scrutiny review of Information, Communication and Technology (ICT) Services, conducted in November 2008. SMC resolved that a further report be provided in six months with a focus on a number of key areas. This report provides an update on those key areas.

Key Considerations

- 4 The Data Centre Refurbishment at Thorn Office Centre has been completed. The two main elements of the work carried out are a new fire suppression systems to comply with the latest legal standards and best practice and new and more efficient air conditioning units. The total budget set aside for the work was £400k. The final invoice from the contractors has yet to be sent to the authority, however the cost is expected to be well within the budgeted amount.
- 5 The existing contract for the community network (the councils internal computer and telephony network between sites), held with Siemens, expires in March 2010. A new supplier (Update Infrastructure Services) will take over provision of network connections, with the management of the network being provided in-house. The new contract has been let for a minimum period of three years, and will result in cash savings of £720k over that time period.
- 6 The encryption project has to date encrypted 92% of the originally identified 781 devices. The remainder are being worked on over the next few weeks, with a planned completion date of 31 March 2010. In addition over 125 encrypted memory sticks have been distributed to departments. The enforcement of being able to use council only provided memory sticks is planned for completion June 2010, and further formal communications will be sent out accordingly.
- 7 Work has progressed on connecting the Council and NHS Herefordshire networks in a manner that satisfies nationally mandated security standards (separate for health and local authority). This connectivity will allow appropriate authority staff to access NHS applications and data, and vice versa. The council and PCT are concluding the agreement of a (revised) Information Sharing Protocol that will provide the legal framework in which individual departments and services will be able to access data. The agreement is out for consultation until 5 March and planned to be ratified by 31 March 2010. Following this, individual agreements and data flows between the organisations will need to be mapped on an as required basis.
- 8 A number of ICT systems have been decommissioned as a result of ICT initiatives. Translating this into cashable savings have resulted in £72k recurring savings. In addition a number of data sets (previously held in spreadsheets and standalone databases) have also been decommissioned.
- 9 The council's Economic Regeneration team have been taking a lead in discussions with BT and other stakeholders in highlighting relatively poor broadband infrastructure across the county and adopting solutions to overcome this. BT has provided some details of new technologies that extend the reach of broadband over longer distances. Further discussions have been held with the West Midlands regional bodies and the rural broadband consortium. A broadband strategy paper was taken to cabinet on 18 December and a Herefordshire broadband summit has been planned for Mid-March to discuss implementation.

- 10 A provision that staff be asked to reimburse to the Council a specified percentage of training costs if they decide to leave the Council within a specified time of receiving the training has been included in a draft policy on study support. However, the policy has yet to be approved.
- 11 The Committee also made a number of specific recommendations. The position on these is as follows:
- All service areas have been advised (via team talk and first press) of the need to keep content on the internet and intranet updated
 - Members have been reminded of the opportunity to take up individual ICT training
 - The outcome from the school websites security audit in Autumn 2009 was as follows: three issues were highlighted as a result of the audit: i) insufficient general access control to some sites, ii) ability to penetrate one site using non-sophisticated hacking techniques and iii) ability for some web content to be amended without needing to log-in. Once these vulnerabilities were identified, remedial action was taken and counter-measures have now been put in place to address the underlying weaknesses.

Community Impact

- 12 Continued investment in ICT ensures the authority is able to deliver effective and efficient services to its customers. Pursuing the broadband agenda with community, business and industry stakeholders has the potential for significant community benefit.

Financial Implications

- 13 ICT schemes referred to in this report have been budgeted for as part of the authority's financial plans.

Legal Implications

- 14 None.

Risk Management

- 15 The refurbishment of the data centre reduced the risk to the authority of data loss caused by inadequate computer facilities.
- 16 The award of the community network has reduced the risk to the authority of being unable to continue to deliver ICT services, applications and data to the authority and the citizens, businesses and other organisations served.
- 17 The ongoing laptop and device encryption programme has reduced the risk of data leakage from the organisation which can result from mislaid or stolen laptops (or memory sticks.) This also reduces the risk of reputational damage and increases confidence in the authority to manage its data security.
- 18 Universal access to health and social care data by all appropriate staff is not fully enabled, the risk therefore remains that clinical and other professional staff groups do not have straightforward electronic access to the complete patient/citizen record, and time is expended in searching for relevant information.

Consultees

19 None.

Appendices

20 None.

Background Papers

- None.



MEETING:	STRATEGIC MONITORING COMMITTEE
DATE:	15 MARCH 2010
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-December 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 18 February is appended. Cabinet noted performance and the measures being taken to address areas of under-performance.

Background Papers

- None identified.

MEETING:	CABINET
DATE:	18 FEBRUARY 2010
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-December 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 December 2009 and the measures being taken to address areas of under-performance.

Key Points Summary

- Continued improvement in performance, now ahead of target, for *'initial assessments for children's social care carried out within seven working days of referral'* (NI 59) and *'% of children becoming the subject of a Child Protection Plan for a second or subsequent time'* (NI 65).
- The Year 2 LAA target for reducing the number of *"people killed or seriously injured in road traffic accidents"* (NI 47) has been achieved.
- Improved results are reported for *'number of affordable homes delivered'* (NI 155) and *'households in temporary accommodation'* (NI 156), although targets may not be reached.
- Processing of planning applications (NI 157a-c) fell in the last quarter due to a backlog created by the new electronic Integrated Environment and Regeneration System (IERS). The backlog is now being reduced and performance in the final quarter should result in the targets being achieved.
- In respect of *'street cleanliness'* (NI 195 - litter, detritus and graffiti), although the results of the

second survey in the autumn show slight improvement, and the remedial action plan is reported as being delivered, the levels remain significantly higher than target.

- Latest figures in respect of sickness absence show a three month average of 2.75%, significantly better than target.
- The majority of LAA indicators are on track, and remedial action is being taken in respect of those that are not. In particular, action plans in respect of all *healthier communities and older people* indicators are now in place, and will have their full impact on performance in 2010-11, which is the final year of the current LAA.

Alternative Options

1. The Council's Performance Improvement Framework provides that Cabinet will formally review performance against the Council's Corporate Plan. 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 care carried out within seven working days of referral'* (NI 59) and *'% of children becoming the subject of a Child Protection Plan for a second or subsequent time'* (NI 65) show continued improvements in performance, ahead of target, and are therefore now judged **Green**. This has been achieved in the context of the financial recovery plan.
- *'16-18 year olds not in education, employment or training (NEET)'* (NI 117) is currently better than last year, but is behind target. The latest outturn reflects performance in November and December. The annual outturn will be available for the next report, and is based on three months data for November-January.

- The **Red** ratings under statutory focus are, as before, those relating to exam and SATS results from summer 2009.

Health & Well-being

- The reported number of '*delayed hospital discharges*' (NI 131) has improved, as was forecast, as a result of the introduction of the proper protocol for reporting, and is now only slightly behind target.
- '*People supported to live independently through social services*' (NI 136) remains behind target but continues to improve. The wider measure of '*number of vulnerable people who are supported to maintain independent living*' (NI 142) is slightly ahead of target.
- '*Timeliness of social care assessments*' (NI132) and '*timeliness of social care packages*' (NI 133) worsened during the last quarter, and are behind target. As reported previously, this is the result of the necessary refocusing of activity to ensure the effective safeguarding of people at risk as the result of the closure of some residential care homes. Training is being undertaken throughout February and March to ensure that data recording is accurate and that cases with significant delays are revisited. Performance is expected to improve for both indicators, although it is unclear whether the target for NI 133 will be achieved.
- These improvements are taking place in the context of the actions being taken under financial recovery plan.

Safer Communities

- Unaudited figures for reducing the number of '*people killed or seriously injured in road traffic accidents*' (NI 47) show that the LAA target for the 2009 calendar year has been achieved. Although worse than last year, there was a significant fall in numbers in the final six months of the year that enabled the target to be achieved. If the performance of the last two years can be maintained in 2010, the final LAA target should be achieved.

Stronger Communities

- The '*number of affordable homes delivered*' (NI 155) has improved in the last quarter, but it seems unlikely that improvements expected in the final quarter will be sufficient to enable the target for 2009-10 to be achieved. However, in recognition of the impact of the recession on house building, the Government has agreed that the cumulative three year LAA target should be lowered.
- '*Households in temporary accommodation*' (NI 156) has fallen to 97, from 105 at the end of November. Although significantly behind target, planned activity in the final quarter could lead to the annual target being achieved.
- Interim results from the Active Place 3 Survey show that performance for '*use of libraries*' (NI 9) and '*engagement in the arts*' (NI 11) is below previous levels and unlikely to achieve targets. In respect of libraries, visits to libraries have increased. However, the indicator is derived from a national telephone survey of adults only and measures their use of the library service, which includes visits to libraries as well as other services, such as those available on-line.

Economic Development

- Performance in '*processing planning applications*' (NI157) has fallen in the last quarter,

with processing of '*other*' applications (NI 157c) now behind target. Implementation of the new IERS System created an initial backlog which is now being rectified, to the extent that performance is expected to recover and attain the annual target.

- The VAT registration rate (NI 171) of 49.7 businesses per 10,000 population is significantly better than target. It should be noted, however, that there is a time-lag and the outturn is for 2008; future reported performance could be affected by the recession.
- The percentage of the '*working age population who are claiming out of work benefits*' (NI 152) has risen and is high compared with last year, such that performance is significantly behind the LAA target. Various projects are being introduced to assist those receiving benefits to return to work.

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.
- The revised Joint Municipal Waste Management Strategy and implementation of the new waste collection contract in November are expected to deliver improved performance in respect of '*municipal waste land-filled*' (NI 193). This is currently behind target and it is in the balance whether the improvement this year will be sufficient to achieve the target.
- As regards '*street cleanliness*' (NI 195 - litter, detritus and graffiti), although the results of the second survey in the autumn show slight improvement, and the remedial action plan is reported as being delivered, the levels remain significantly higher than target.

Organisational Improvement and Greater efficiency

- Performance against all four of the indicators for Housing and Council Tax Benefits are ahead of target.
- The '*sickness absence*' - three-month average to the end of November, was 2.7%, significantly better than the annual target of 5%.
- The target for '*avoidable contact*' (NI 14) will not be achieved this year. The Customer Strategy has been developed to improve performance over the coming year.
- Performance in the first six months for the '*customer satisfaction*' indicator is significantly behind target and worse than last year. The indicator currently only relates to some services within Environment and Culture and Planning and Transportation. The indicator is being redefined as part of the Joint Corporate Plan 2010-13 to include more services; again, improved performance is being addressed by the Customer Strategy.

8. The Local Area Agreement

Taking account of the changes described above, and that robust action plans are now being implemented for all LAA indicators, at the end of the third quarter, of the 35 LAA indicators:

- 22 are judged to be on course to achieve target (24 at quarter two);
- 7 are marginally behind target (3 at quarter two); and
- 6 are significantly behind target (8 at quarter two)

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

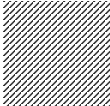
14. None.

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 this 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 this 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 and Young People	3	▲	4 (3 last quarter)	▲	3 *	▲	2 (1 last quarter)	▼
Healthier Communities and Older People	2 *	▼	2 (1 last quarter)		3 (2 last quarter)	▲		
Safer Communities	3	▼			2			
Stronger Communities	3		2 (3 last quarter)		3		3	
Economic Development and Enterprise	3	◀▶	1		2 (3 last quarter)		3	▼
Environment	2	▲	3	▲	3		2	▲
Organisational Improvement	1	▼	3	▲	2	▼	3 (2 last quarter)	

Within the judgement for Children and Young People - service focus - the key indicator of 'initial assessments for social care done within 7 days (NI 59)' is currently judged **Green**.

Within the judgement for Children and Young People - partnership focus - the key indicator of '16-18 year olds not in education, employment or training (NEET) (NI 117)' is judged **Red**.

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 **Amber**.

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

For explanation, see the covering Cabinet report.

	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	4	▲	NI 117 – 16-18 year olds not in education, employment or training (LAA)	1	▲	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	4	▲	Local – % of actions implemented arising from quality audits programme	3		NI 73 – achievement in English & Maths at Key Stage 2 Level 4		1	▼
	NI 57 - Children and young people's participation in high-quality PE and sport (LAA)	3					Local – permanent school exclusions, including looked after children	3	▲	NI 75 – 5 or more GCSEs at A*-C including English & Maths		1	▼
							Local – number of Common Assessment Framework assessments completed across agencies	3		Local – achievement at Key Stage 1:	Reading	4	▼
											Maths	1	▲
											Writing	2	▼
										Local – looked after children attainment:	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	2	▼	NI 125 – achieving independence for older people through rehabilitation / intermediate care	4	▲			
NI 130 – social care clients receiving Self Directed Support (LAA)		1		NI 133 – timeliness of social care packages	1	▼	NI 131 – delayed transfers of care from hospitals	2					
NI 136 – people supported to live independently through social services (LAA)		2	▼				NI 142 – number of vulnerable people who are supported to maintain independent living (LAA)	3					
NI 138 – satisfaction of people over 65 with both home and neighbourhood		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 30 – priority & prolific offenders (LAA)	2				
	NI 47 – people killed or seriously injured in road traffic accidents (LAA)	3	▼				NI 40 – drug users in effective treatment (LAA)	2				
Stronger Communities	NI 3 – civic participation	3		NI 9 – use of libraries (LAA)	1		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)	2					NI 156 – households in temporary accommodation (LAA)	1	▲
	NI 155 – number of affordable homes delivered (LAA)	2	▼							Local – access to services (LAA)	a) Local shop	3
											b) Advice provision	3
											c) Public transport facility	3
											d) Cultural / recreational facility	3
Economic Development and Enterprise	NI 171 – VAT registration rate (LAA)	4		NI 182 – business satisfaction with regulatory services	1		NI 152 – working age people on out of work benefits (LAA)	1		NI 157 – processing of planning applications	a) Major	4 ▲
	NI 168 – condition of principal roads (LAA)	3	▼				NI 163 – working age people qualified to Level 2 or higher (LAA)	3			b) Minor	3 ▼
	NI 169 – condition of non-principal roads (LAA)	3	▲				NI 178 – bus services running on time (LAA)	3			c) Other	1 ▼

	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		3	
					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)		4		Local - the % of Local Authority employees from ethnic minority communities		3	
					NI 181 – time taken to process Housing Benefit / Council Tax Benefit claims and change events		3	▲	Local - number of vacant posts as a proportion of the approved establishment		1					
					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			Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09			September	December	September	December	
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	98%	93%	100%	96.6% (September) Next update available January	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.
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	All tasks are on target.
Service										
NI 59 – initial assessments for social care done within 7 days	Bigger is better	57.4	37.4	65%	73.8% (December)	3	4	▲	▲	46.4% at the same period last year. Performance continues to improve in this area as a result of targeted improvement work with the team focusing on managing timeliness and quality. 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	14	15	13%	7.3% (December)	3	4	▲	▲	This is good performance in line with the target set for the year. 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	5.4	5.9	5%	5.8% (December)	3	1	n/a	▲	Additional NEET provision has been made available via the Children's Trust Economic Well-Being Group. This is as well as the current E2E (Entry to Employment) and 4U provision. The economic situation continues to affect the number of jobs and work-based learning places that are available so the NEET percentage is not as low as target, although lower than last year.
Local – % of actions implemented arising from quality audits programme	Bigger is better			70% (to December) 80% (year-end)	72% (December)	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. A themed audit of children in care will commence in January 2010.
Local – permanent school exclusions including looked after children	Smaller is better		18	14	6 (December)	4	3	▲	▲	There have been six permanent exclusions in total so far in the first term of the new academic year. All tasks are on target.

Indicator	Tolerance			Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09			September	December	September	December	
Local – number of Common Assessment Framework (CAF) assessments completed across agencies	Bigger is better			300	302 (December)	2	3	n/a	n/a	The number of CAFs 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)	Bigger is better	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 outturn represents a significant improvement on the 2008 outturn 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	Bigger is better		72% (2007-08 academic year)	78% (2008-09 academic year)	70.8% (2008-09 academic year)	1	1	▼	▼	This outturn for 2009 has not achieved target and is 2% below the 2008 outturn. 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.
NI 75 – 5 or more GCSEs at A*-C including English & Maths	Bigger is better	51.7% (2006-07 academic year)	53% (2007-08 academic year)	60% (2008-09 academic year)	52.9% (2008-09 academic year)	1	1	▼	▼	Results will be validated in January 2010. All tasks are on target.
Local – achievement at Key Stage 1:										
Reading at Level 2B+	Bigger is better		69.90%	59%	68.90%	4	4	▼	▼	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.
Maths at level 2B+	Bigger is better		70.80%	79%	71.80%	1	1	▲	▲	
Writing at level 2B+	Bigger is better		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	Bigger is better	14.3%	25.0%	50%	28.60%	1	1	▲	▲	Two children out of the total cohort of seven achieved Level 4 in English at Key Stage 2. Two other children in the cohort were disapplied. All tasks are on target.
NI 100 - reaching level 4 in maths at Key Stage 2	Bigger is better	14.3%	50.0%	50%	42.90%	1	1	▼	▼	Three children out of the total cohort of seven achieved Level 4 in Maths at Key Stage 2. Two other children in the cohort were disapplied. All tasks are on target.
NI 101 - achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 (including English and maths)	Bigger is better	15.0%	28.6%	20%	21.40%	3	3	▼	▼	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	Latest Commentary	Date Provided
Maintain and enhance educational standards at all Key Stages	Implement Primary Strategy	Mar-11	ICT, Education and Achievement	Director of Children's Services	Ongoing implementation of Primary and Secondary Strategies. School Improvement Partners have worked with schools during the autumn term to assist and challenge with target setting for individual pupils - targets will be submitted to the DCSF at the end of January 2010. Targeted support continues to be provided to those schools causing concern, with regular updates to the Cabinet Member and Directorate Leadership Team.	December
	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 primary schools	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.	November
	Develop resources and strategy for change and begin to implement BSF					
	Complete major rebuilds					
Conclude Children's Centres and Extended Schools roll out plans	Implement Children's Centres roll-out plan	Mar-10	Children's Services	Director of Children's Services	100% of Children's Centres have now been designated.	December
	Implement Extended Schools roll-out plan	Mar-10			90% of schools are now providing the full core offer of extended services in line with the Training Development Agency target.	December
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, C&YPD 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 C&YPD. Commissioning Framework under development through the DCSF Commissioning Support Programme, focusing in the first instance on teenage pregnancy.	December
	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 recommendations of the Schools Task Force which were the subject of widespread consultation were approved by Cabinet in November 2009. School clusters are now working to look at options for the future.	November

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09			September	December	September	December	
Citizen										
NI 39 – alcohol harm related admission rates (LAA)	Smaller is better	1,199		1,237	671.9 (to September)	2	2	▼	▼	Performance continues to be in excess of target. Projected outturn 1343.8
NI 130 – social care clients receiving Self Directed Support (LAA)	Bigger is better			21%	5.82% (December)	1	1	n/a	n/a	We have recognised we need to improve our current performance against this target, and now have a clear ‘Personalisation programme’ in place and Programme Manager, and are moving forward on several initiatives e.g. the council are currently upgrading the Resource Allocation System in line with other councils, to be completed Q4 2009/10. A project around external brokerage has been started supported by the Joint Improvement Partnership to increase the level of personal budgets - to report by Q4 2009/10 - the Department of Health have stated that the 30 per cent target (2011-12) is unlikely to be reached if we are not achieving more than 10 per cent by the end of 2009/10 - we believe we are on track to reach this - despite struggling to hit 10 per cent target by the end of the year.
NI 136 – people supported to live independently through social services (LAA)	Bigger is better		3,635	3,140 (December) 3,763 (year-end)	2,986 (December)	1	2	▼	▼	This is a Key indicator for the Council, but has not previously recorded, to date, all the activity going on, particularly with respect to the work commissioned from the 3rd sector for older people. We anticipate that Herefordshire performance will be comparable with other local authorities once the data is refined. We recognise this however as a priority target and we will be ensuring we have a clear understanding of our performance in this area, that we are capturing all relevant data and where necessary building on the improvement plans we have in place.
NI 138 – satisfaction of people over 65 with both home and neighbourhood	Bigger is better		89% (2008)	90% (Autumn 2010 survey)		1	3	n/a	n/a	England average for this indicator is 84. The Older People's Strategy has been updated and delivery is on track. Development of new strategy has been delayed to ensure it has clear synergy with work of the Health and Well-being partnership. Strategy is still on target to be developed by February 2010.
Service										
NI 132 – timeliness of social care assessments	Bigger is better		86.80%	91%	86% (to December)	3	2	▼	▼	We are building on the analysis following the last report which identified where assessments maybe being delayed, and some errors in how assessments have been recorded. This has now been shared with service managers - and additional training is being undertaken in February and March to ensure data recording is accurate; alongside file reviews, managers are also being asked to revisit those cases with significant delays and put action plans in place. This is happening in February and March.
NI 133 – timeliness of social care packages	Bigger is better		88.20%	92%	51% (December)	3	1	▼	▼	
Partnership										

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09			September	December	September	December	
NI 125 – achieving independence for older people through rehabilitation / intermediate care	Bigger is better		71.8	75	91.28% (to September)	4	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	27.2 (December)	1	2	n/a	n/a	Reconfiguration of delayed discharge management in community hospitals has led to a significant improvement in this indicator, since quarter one when performance was 36.
NI 142 – number of vulnerable people who are supported to maintain independent living (LAA)	Bigger is better		90.5	97.41%	97.7% (to September)	1	3	n/a	n/a	September score has now been verified by DCLG. The next tranche of data will be available in February. 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.
Statutory										

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
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	Mental Health work almost completed. Draft Older People Strategy ready for consultation. Dementia update report complete, future action identified.	November
	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	Completed	September
	Extend advocacy services to all users and carers	Sep-09			Completed	September
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.	September
	Establish programme board for the "Putting People First" programme	From April 2009			The personalisation agenda is moving forward with projects in Telecare, Personal Health Budgets, E catalogue and external brokerage. This includes identification of an appropriate RAS system and framework integration. These are all currently on target hence a green risk rating.	November
	Implement the seven stream of the "Putting People First" programme	Continuing to 2011			All workstreams have begun	September
Increase range and availability of support to carers	Re-commission support services for carers	Jun-09	Older People & Social Care Adults	Director of Integrated Commissioning	Completed	June
	Extend individual budgets to carers	Mar-10			Completed	September

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
All services enable people to be treated with dignity and respect	To ensure appropriate training is delivered to all social care and health staff and is included within safeguarding training	Apr-09	Older People & Social Care Adults	Director of Integrated Commissioning	This has now begun	November
	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			Completed	April
Integrate health and social care across front-line services / Extend integration of health and social care across front-line	Roll-out integrated health and social care model to all localities	Sep-09	Older People & Social Care Adults	Director of Integrated Commissioning	Transition board will now be taking this work forward.	November
	Roll-out of integrated intermediate care service	Apr-09			Completed	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.	October
	Strategy approved	Feb-10				

Indicator	Tolerance	Performance		Target	Latest	Judgement		Direction of Travel		Commentary
		2007-08	2008-09	2009-10	Performance	September	December	September	December	
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	Progress against action plan maintained
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)	116 (3 year average of 114)	105 (final)	3	3	▼	▼	Although higher than in 2008, performance in 2009 has resulted in a 3-year average of 110.33, better than the LAA target for the year. All tasks in Transportation have either been completed or are progressing as planned towards achievement of the final LAA target, which is for a 6.5% improvement on the current 3-year average.
Service										
No indicators										
Partnership										
NI 30 – priority & prolific offenders (PPOs) (LAA)	??			21% (79)	12 PPOs currently in custody (to November)	3	3	n/a	n/a	Detailed analysis available for next report.
NI 40 – drug users in effective treatment (LAA)	Bigger is better			541	528 (to June)	2	2	n/a	n/a	Harm Reduction Strategy complete with Hidden Harm Conference held in december. Mercia Net training commenced. Review of drug treatment services also completed in December.
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	Latest Commentary	Date Provided
Continue to work with our partners through the implementation of <i>Herefordshire Community Safety and Drugs Partnership (HCSDP)</i>	Action plans with targets to be produced annually	Plan for 2009 by June 2009. Strategy to be fully implemented by 2011	Environment and Strategic Housing	Director of Environment & Culture	Action plan being delivered	November
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 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	Mar-11	Highways & Transportation	Director of Regeneration	The Planning and Transportation's Road Safety and Accident Investigation and Prevention teams continue to lead on a wide range of education, training and publicity and engineering measures to address road traffic accidents. Delivery Plan progress: - List of high priority sites produced and from this the majority of the investigations and the implementation of works (as covered by the other two supporting actions) have been carried out and as such all actions are on target / have been met, with no foreseen problems.	November
Complete and publish draft <i>Hidden harm</i> strategy.	Draft Hidden Harm Strategy to be completed	Sep-09	Economic Development & Community	Director of Regeneration	Strategy completed	November
	Launch of strategy	Nov-09			Launch from 1st December	November

Indicator	Tolerance	Performance		Target	Latest	Judgement		Direction of Travel		Commentary
		2007-08	2008-09	2009-10	Performance	September	December	September	December	
Citizen										
NI 3 – civic participation	Bigger is better		16%	17.5% (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 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)		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 32.5%. Work is progressing in line with the action plan.
NI 155 – number of affordable homes delivered (LAA)	Bigger is better	141	208	165 (to December) 220 (year-end)	164 (December)	1	2	▼	▼	Although outturn has improved markedly since quarter 2 and planned activity is taking place, the target is still unlikely to be achieved due to the lack of funding available from the HCA (and the increased demand in requests), developers' reluctance to build on sites and the refusal of planning applications delaying start on site.
Service										
NI 9 – use of libraries (LAA)	Bigger is better		47.90%	51% (2010-11)	42.8% (to November)	3	1	n/a	n/a	Although work is progressing in line with the action plan, interim results from the Active People 3 Survey have recently been released and show that performance has fallen from previous levels and is not on track to achieve the LAA targets. Over the period visits to libraries have increased. However, this indicator is derived from a national telephone survey of adults only and measures their use of the library service, which includes visits to libraries as well as other services, such as those available on-line.
NI 11 – engagement in the arts (LAA)	Bigger is better		46.40%	49.5% (2010-11)	46.3% (to November)	3	2	n/a	n/a	A meeting with the IDeA LAA Improvement Strategy and Culture and Sport Strategic Dialogues in January will look at the delivery plans, and consider how improvements can be made.
Partnership										
NI 4 – influencing decisions in the locality (LAA)	Bigger is better		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)	Bigger is better		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)	Smaller is better	109	98	82	97 (December)	1	1	▼	▲	The position in respect of NI 156 has significantly improved since the end of Quarter 2 and if current activity continues then it is envisaged that the target will be met. However, despite the improvement, performance to the end of December was still more than 5% behind target.

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09	2009-10		September	December	September	December	
Local – % of people who find access to services difficult: Local shop Advice provision Public transport facility Cultural / recreational facility	Smaller is better									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)		3	3	n/a	n/a	
b) Advice provision			18%	16% (2010-11)		3	3	n/a	n/a	
c) Public transport facility			21%	21% (2010-11)		3	3	n/a	n/a	
d) Cultural / recreational facility			21%	19% (2010-11)		3	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	Latest Commentary	Date Provided
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.	November
	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.	November
	Raise funding for the scheme					
	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 106 monies.	November
Improve street cleanliness	Implement outcomes of review of street cleanliness	Apr-09	Environment & Strategic Housing	Director of Environment & Culture	Action plan being delivered to programme	November
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	Problems with the new IERS System are being worked through with Civica and measures are in place to mitigate the backlog in Planning Applications that this is causing. All other actions are taking place as planned, with a decision on the proposed changes being worked through the Constitutional Review Group to be reported to Council for acceptance later this year	November
Support Herefordshire's involvement in London 2012 Olympic and Paralympics Games	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.	October
	Promote opportunities for the county, its residents, organisations and businesses to benefit from London 2012					
	Support 2010 Blind Football World Championships					

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
Establish a talent identification programme in preparation for the 2012 Olympic and Paralympics Games	Work with schools and clubs to identify talent leading up to the 2012 Olympic Games in London	Sep-09	Economic Development & Community Services	Director of Regeneration	Work in progress through School Sports Partnerships.	October
Ensure continuing build of affordable houses	Ensure affordable homes are included within plans and proposals	To 2011	Environment & Strategic Housing	Director of Regeneration	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 275 for 10/11. 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.	November
	Work with developers to secure affordable homes					

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09	2009-10		September	December	September	December	
Citizen										
NI 171 – VAT registration rate per 10,000 resident population aged 16+ (LAA)	Bigger is better		59.2	41.8 (2009)	49.7	3	4	n/a	▼	All activity is taking place as planned- Summary of activity: Creation of business start up grants and business growth grants. - Business Booster Grant now operational, approved 9 grants. - Training Voucher all available funding has been committed. Retail Support in Rural areas and Market Towns - Skillsmart providing retail analysis of Market Towns (AWM Funded), is an ongoing programme of events. Conversion of existing businesses to VAT and PAYE registration. - Holding VAT registration roadshows with HMRC, have held four this calendar year and a future four between January and March, targeted at those businesses not VAT registered who could make the change. - Funding secured for roadshows, first round of these has been held, a small scale review of these will occur before the next round of four roadshows. These will publicise benefits of VAT and PAYE registration.
NI 168 – condition of principal roads (proxy: delivery against highway maintenance plan) (LAA)	Smaller is better	6%	4%	5%	5% (final)	3	3	▼	▼	Action plan being delivered to programme to impact on next year's target.
NI 169 – condition of non-principal roads (proxy: delivery against highway maintenance plan) (LAA)	Smaller is better	11%	11%	9%	9% (final)	3	3	▲	▲	Action plan being delivered to programme to impact on next year's target.
Service										
NI 182 – business satisfaction with regulatory services	Bigger is better			72%	56% (to September)	1	1	n/a	n/a	Performance for the second quarter has fallen, and the reason's behind this are being investigated. It is possible that this year's target may not be reached.
Partnership										
NI 152 – working age people on out of work benefits (LAA)	Smaller is better	8.90%	8.80%	8.6% (2009-10) 8.4% (2010-11)	10.2% (to September)	3	1	n/a	▼	Progress against actions: ESF funded project 'Engage' focused at getting long term unemployed from priority wards into employment - now operational. Future Jobs Fund money now secured and recruitment of the Employment Placement Officer is underway. The project will run from Oct 09 until March 2010. This project is also aimed at getting worklessness young individuals back into work. Successfully secured ABG funding to encourage individuals to access support and advice. Connections to Opportunities funding is now secured. This will enable a further project aimed at lone parents and those on incapacity benefits- to be progressed. £50K Connecting Communities funding has also been secured which will enable further tailored provision in the Newton Farm and Golden Post areas of South Wye. Follow-n Future Jobs Funding could be applied for if the initial project is successful. This would run to 2011 and permit more beneficiaries.

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09	2009-10		September	December	September	December	
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	All action plan 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										
NI 157 – processing of planning applications: Major applications within 13 weeks Minor applications within 8 weeks Other applications within 8 weeks	Bigger is better									Performance for the last quarter of the year has fallen to 68%, 54% and 61% respectively, attributable to the introduction of Civica. A variety of measures have been introduced to ensure that this does not continue into the 4th Quarter. All other activity is progressing as planned to date. Performance for the 9 months to December last year was 69%, 72% and 86% respectively. These problems are due to the implementation of the new IERS System and there is currently a 3/4 week backlog of applications. Measures however are in place to combat this and system problems are being worked through with Civica.
a) Major applications within 13 weeks			73%	60%	71% (December)	4	4	▲	▲	
b) Minor applications within 8 weeks			73%	65%	67% (December)	4	3	▲	▼	
c) Other applications within 8 weeks			87%	80%	74% (December)	3	1	▼	▼	

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
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.	November
	Secure continued operation 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 Live/Work developers funding application to Homes and Communities Agency has been rejected. Other methods of securing funding are currently being explored. This element of the scheme is currently on hold, but this does not affect the wider Model Farm proposals. The tender for infrastructure design and planning was awarded to Arup in September, contract now under way.	November
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. Compensation packages for businesses are being considered on an individual basis.	November
	Delivery of vacant possession to developer	Jan-10				
	Link Road construction commenced	Mar-10				
	Commencement on site	Mar-10				
	Flood Mitigation constructed	Apr-10				
	Link Road constructed	Apr-11				
	Retail Quarter open	2012				
Completion of new cattle 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.	November
	Closure of old livestock market and transfer of market to new site	Dec-10				

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
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	Planning permission for Phase 2 secured in October 2009.	December
Implement the inward investment strategy	Strategy Launch	Oct-09	Economic Development & Community Services	Director of Regeneration	An outline Strategy has been produced and circulated around the Economic Development Partnership Group.	December
	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 are 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.	November
	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 commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
Extend the refurbishment of Hereford City Centre	Complete the extended refurbishment work in city centre	Jul-09	Economic Development & Community Services	Director of Regeneration	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. 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).	November

Indicator	Tolerance	Performance		Target	Latest	Judgement		Direction of Travel		Commentary
		2007-08	2008-09	2009-10	Performance	September	December	September	December	
Citizen										
NI 191 – residual household waste per household (LAA)	Smaller is better	852kg	690.01kg	480kg (November) 720kg (LAA: 759kg) (year-end)	451.93kg (November)	3	3	▲	▲	470.63kg at same period last year. The new recycling service started on 2nd November 2009. With the introduction of a countywide kerbside service (previously only 75% had a service) giving residents a wider range of materials they could recycle (glass bottles and jars, cardboard and cartons for the first time) and larger capacity (a 240 litre or 120 litre bin or 4 recycling sacks per fortnight rather than a small blue box or a single recycling sack) the plan was to increase the amount of recyclate collected. In the first 4 weeks of November 2009, 1223 tonnes of recyclate was collected compared to 414 tonnes Focsa collected in November 2008. Consequently, the recycling tonnage collected by Focsa has nearly trebled when compared to the service of last year. The level of collected residual waste has dropped as a result of this and hence less household waste has been sent to landfill. A true picture of how the service is running will be available in the New Year. The action plan to deliver this target is being delivered according to programme.
NI 195 – improved street cleanliness and environmental cleanliness:	Smaller is better									Action plan being delivered to programme.
a) Litter			5%	5%	7% (December)	1	1	◀▶	◀▶	
b) Detritus			13%	9%	11% (December)	1	1	▼	▼	
c) Graffiti			1%	1%	3% (December)	1	1	▼	▼	
d) Fly-posting			1%	1%	1% (December)	3	3	▼	▼	
NI 196 – improved street cleanliness and environmental cleanliness – fly tipping	Smaller is better		Grade 2	Grade 1	Grade 2 (to November)	1	1	◀▶	◀▶	
Service										
NI 192 – % of household waste sent for reuse, recycling and composting	Bigger is better		33.24%	35%	35.88% (November)	3	3	▲	▲	34.25% 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. The majority of activity is either complete or in progress. Contingencies have been planned should this not be sufficient to meet the target.
Statutory										
NI 186 – CO ₂ emissions (LAA)	Smaller is better			13.1% (2010)		3	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%	61.54% (November)	1	1	▲	▲	63.42% at same period last year. It is unlikely that the target will be achieved.

Our key commitments for 2009-11	What are the key actions we will take to achieve	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
Reduce the amount of municipal waste land filled	Implement new waste collection contract	Nov-09	Environment & Strategic Housing	Director of Environment & Culture	<p>The new recycling service started on 2nd November 2009. With the introduction of a countywide kerbside service (previously only 75% had a service) giving residents a wider range of materials they could recycle (glass bottles and jars, cardboard and cartons for the first time) and larger capacity (a 240 litre or 120 litre bin or 4 recycling sacks per fortnight rather than a small blue box or a single recycling sack) the plan was to increase the amount of recyclate collected.</p> <p>In the first 4 weeks of November 2009, 1223 tonnes of recyclate was collected compared to 414 tonnes Focsa collected in November 2008. Consequently, the recycling tonnage collected by Focsa has nearly trebled when compared to the service of last year. The level of collected residual waste has dropped as a result of this and hence less household waste has been sent to landfill. Whilst these figures are very encouraging it should be noted that this is the start of the new service and residents had been storing some recyclate prior to the start of the service. However, this is clearly a step change in recycling performance.</p>	November
	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		
	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	Following consideration by Environment Scrutiny, a paper is being prepared for consideration by JMT in January.	November

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09			September	December	September	December	
Citizen										
Local - customer satisfaction	Bigger is better		78%	83%	59.6% (September)	1	1	▼	▼	The latest performance covers the first 6 months of the year.
Service										
NI 14 – avoidable contact	Smaller is better		27.18%	24%	37.48% (December)	1	1	n/a	▼	The target will not be achieved. The Customer Strategy will address issues with performance but will not begin to impact until the new financial year.
NI 180 - the number of changes of circumstances which affect customers' Housing Benefit / Council Tax Benefit entitlement within the year	Bigger is better			1,090 (December) 1,682 (year-end)	1,261 (December)	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	12.98 days (December)	2	3	▲	▲	16.69 days at the same time last year.
Local - % of Council Tax collected (BVPI 9)	Bigger is better	98.62%	98.54%	86.7% (to December) 98.8% (year-end)	87.01% (December)	3	3	▲	▲	49.36% at the same time last year.
Local - % of non-domestic rates collected (BVPI 10)	Bigger is better	98.63%	98.57%	88.1% (December) 98.7% (year-end)	88.5% (December)	3	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	Action plan being implemented; VfM Strategy being developed for end of 2010.
Local – average sickness (full-time equivalent)	Smaller is better			5%	2.7% (rolling 3-month average to November)	2	4	n/a	n/a	
Local - number of vacant posts as a proportion of the approved establishment	Smaller is better			4.50%		2	1	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. Until the establishment is confirmed no progress can be made.
Local - Use of Resources	Bigger is better		3	3		2	2	n/a	n/a	Outturn relevant to this financial year will not be available until Autumn 2010. The Use of Resources action plan is being amended to reflect the outcome of the 2009 assessment.
Local - % of key performance indicators improving on last year	Bigger is better		57%	60%	45%	1	1	▼	▼	18 of 40 indicators are currently showing improvement.

Indicator	Tolerance	Performance		Target	Latest Performance	Judgement		Direction of Travel		Commentary
		2007-08	2008-09			September	December	September	December	
Statutory										
Local – the % of Local Authority employees with a disability	Bigger is better			4%		2	3	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. The outturn for this indicator will be provided from the Employee Opinion Survey, the results of which are due in February.
Local - the % of Local Authority employees from ethnic minority communities	Bigger is better			3%		2	3	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. The outturn for this indicator will be provided from the Employee Opinion Survey, the results of which are due in February.

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
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	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).	October
Rationalisation of Council and PCT estates	Implement Accommodation Strategy	Mar-11	Resources	Director of Resources	The Joint Strategy was approved by Cabinet and the PCT Board in December 2009. In the same month, the purchase of the Plough Lane site was completed. Work has commenced to deliver the new joint corporate HQ, which will make it possible to reduce the number of offices in Hereford from 11 to one.	December
Ensure the Council is fully prepared to meet the challenges in the Local Government & Public Involvement in Health Act 2007	Improved PACT and other consultation mechanisms in place	Mar-09	Corporate Customer Services & HR	Deputy Chief Executive	A community engagement strategy has been developed.	December
	Implement changes identified by review of constitution	Mar-11				
Reach the 'excellence' rating of the equality standard for local government	Continue to roll out EIA process		Corporate Customer Services & HR	Deputy Chief Executive	The Equality Standard for local government has been superseded by the Equality Framework and we have been assessed as "Achieving" in February 2009. We have until 2011 to progress to the next level which is "Excellent".	October
	Ensure up-to-date equality schemes in place:				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.	October
	- Disability scheme	Oct-09			Work to review this scheme will start in January 2010.	October
	- Gender scheme	Apr-10				
	Complete roll-out of impact assessment plans across all directorates	Mar-11			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.	October
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 was reported to JMT and Cabinet, with more tasks being completed. Still behind schedule overall.	October

Our key commitments for 2009-11	What are the key actions we will take to achieve these commitments?	Completion date	Cabinet lead	Strategic lead	Latest Commentary	Date Provided
Improve the effectiveness of services	Shared Services Review	Aug-09	Corporate Customer Services & HR	Deputy Chief Executive	The business case was completed August 2009 and the recommendations approved by JMT and HHT Board. These recommendation 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.	October
Improve customer service	Customer Strategy	To be confirmed	Corporate Customer Services & HR	Deputy Chief Executive	The Customer 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 in January 2010.	October

	Performance	Target	Latest	Judgement		Direction of Travel		Commentary
	2008-09	2009-10	Performance	September	December	September	December	
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)		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 32.5%. Work is progressing in line with the action plan.
NI 9 - Use of Libraries	47.90%	51% (2010-11)	42.8% (November)	3	1	n/a	n/a	Although work is progressing in line with the action plan, interim results from the Active People 3 Survey have recently been released and show that performance has fallen from previous levels and is not on track to achieve the LAA targets. Over the period visits to libraries have increased. However, this indicator is derived from a national telephone survey of adults only and measures their use of the library service, which includes visits to libraries as well as other services, such as those available on-line.
Local Indicator NI 11 - Engagement in the Arts	46.40%	49.5% (2010-11)	46.3% (November)	3	2	n/a	n/a	A meeting with the IDeA LAA Improvement Strategy and Culture and Sport Strategic Dialogues in January will look at the delivery plans, and consider how improvements can be made.
NI 155 - Number of affordable homes delivered (gross)	208	165 (December) 220 (year-end)	164 (December)	1	2	▼	▼	Although outturn has improved markedly since quarter 2 and planned activity is taking place, the target is still unlikely to be achieved due to the lack of funding available from the HCA (and the increased demand in requests), developers reluctance to build out sites and the refusal of planning applications delaying start on site.
NI 156 - Number of households in temporary accommodation	98	82	97 (December)	1	1	▼	▲	The position in respect of NI 156 has significantly improved since the end of Quarter 2 and if current activity continues then it is envisaged that the target will be met. However, despite the improvement, performance to the end of December was still more than 5% behind target.
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%		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. Work is progressing in line with the action plan.

	Performance	Target	Latest	Judgement		Direction of Travel		Commentary
	2008-09	2009-10	Performance	September	December	September	December	
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	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								
NI 19 - Rate of proven re-offending by young people	126	117		3	3	n/a	n/a	All tasks are on target. Data for this indicator is available annually and will not be reported until June.
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)		3	3	n/a	n/a	Progress against action plan maintained
NI 30 - Re-offending of prolific and priority offenders		21% (79)	12 PPOs currently in custody (to November)	3	3	n/a	n/a	Detailed analysis available for next report.
NI 40 - Drug users in effective treatment		541	528 (to June)	3	2	n/a	n/a	Harm Reduction Strategy complete with Hidden Harm Conference held in december. Mercia Net training commenced. Review of drug treatment services also completed in December.
NI 47 - People killed or seriously injured	115 (3 year average)	116 (year-end) (3 year average of 114)	105 (final)	3	3	▼	▼	Although higher than in 2008, performance in 2009 has resulted in a 3-year average of 110.33, better than the LAA target for the year. All tasks in Transportation have either been completed or are progressing as planned, towards achievement of the final LAA target, which is for a 6.5% improvement on the current 3-year average.
HEALTH AND WELL-BEING								
Local Indicator NI 39 - Alcohol harm related hospital admission rates	1,249	1,237	671.9 (to September)	2	2	▼	▼	Performance continues to be in excess of target. Projected outturn 1343.8
NI 121 - Mortality rate from all circulatory diseases at ages under 75	63.8	57	Data not available until the end of 2010	1	2	n/a	n/a	An action plan has been developed and is being implemented. Outturn for 2009 is not available until late 2010. Performance in the previous years was 61.53 (2006), 58.14 (2007) and 65.59 (2008). In order to achieve the final LAA target, performance in 2010 needs to be 56. Projected performance for this indicator is that outturn will be around 50 by the end of the year.

	Performance	Target	Latest	Judgement		Direction of Travel		Commentary
	2008-09	2009-10	Performance	September	December	September	December	
NI 123 - Stopping smoking	355	814.8	231 (to September)	1	1	▼	▼	An action plan has been developed and is being implemented. Performance Should improve in the final quarter and be closer to target, with further activity planned for 2010 which should lead to achievement of the final LAA target.
NI 130 - Social Care clients receiving Self Directed Support (Direct Payments and Individual Budgets)		21%	5.82% (December)	1	1	n/a	n/a	We have recognised we need to improve our current performance against this target, and now have a clear 'Personalisation programme' in place and Programme Manager, and are moving forward on several initiatives e.g. the council are currently upgrading the Resource Allocation System in line with other councils, to be completed Q4 2009/10. A project around external brokerage has been started supported by the Joint Improvement Partnership to increase the level of personal budgets - to report by Q4 2009/10 - the Department of Health have stated that the 30 per cent target (2011-12) is unlikely to be reached if we are not achieving more than 10 per cent by the end of 2009/10 - we believe we are on track to reach this - despite struggling to hit 10 per cent target by the end of the year.
NI 135 - Carers receiving needs assessment or review and a specific carer's service, or advice and information	13.30%	20.40%	12.5% (November)	1	2	n/a	n/a	Audit indicated a failure in the IT system connected with NI 135; they noted that the system was failing to recognise joint assessments being made. This has now been rectified and therefore the next quarters results should see improved performance in relation to this indicator.
NI 136 - People supported to live independently through social services (all ages)	3,635	3,140 (to December) 3,763 (year-end)	2,986 (to December)	1	2	▼	▼	This is a Key indicator for the Council, but has not previously recorded, to date, all the activity going on, particularly with respect to the work commissioned from the 3rd sector for older people. We anticipate that Herefordshire performance will be comparable with other local authorities once the data is refined. We recognise this however as a priority target and we will be ensuring we have a clear understanding of our performance in this area, that we are capturing all relevant data and where necessary building on the improvement plans we have in place.
NI 142 - Number of vulnerable people who are supported to maintain independent living	90.5	97.41%	97.7% (to September)	1	3	▲	▲	September score has now been verified by DCLG. The next tranche of data will be available in February. 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.
CHILDREN AND YOUNG PEOPLE								
NI 51 - Effectiveness of child and adolescent mental health (CAMHS) services	15	16	Data available annually - February 2010	3	3	n/a	n/a	The CAMHS mapping exercise will be undertaken in February 2010 from which the outturn for this indicator will be derived
NI 56 - Obesity among primary school age children in Year 6	16.20%	15.70%	12.85%	2	4	n/a	n/a	
NI 57 - Children and young people's participation in high-quality PE and sport	95%	95%	Data available annually	3	3	n/a	n/a	All tasks are on target.
Local Indicator NI 110 - Young People's participation in positive activities	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.

	Performance	Target	Latest Performance	Judgement		Direction of Travel		Commentary
	2008-09	2009-10		September	December	September	December	
NI 117 - 16-18 years old who are not in education, training or employment (NEET)	5.90%	5%	5.8% (December)	3	1	n/a	▲	Additional NEET provision has been made available via the Children's Trust Economic Well-Being Group. This is as well as the current E2E and 4U provision. The economic situation continues to affect the number of jobs and work-based learning places that are available so the NEET percentage is not as low as target, although lower than last year.
ECONOMIC DEVELOPMENT								
NI 152 - Working age people on out of work benefits	8.80%	8.4% (2010-11)	10.2% (to September)	3	1	n/a	▼	Progress against actions: ESF funded project 'Engage' focused at getting long term unemployed from priority wards into employment - now operational. Future Jobs Fund money now secured and recruitment of the Employment Placement Officer is underway. The project will run from Oct 09 until March 2010. This project is also aimed at getting worklessness young individuals back into work. Successfully secured ABG funding to encourage individuals to access support and advice. Connections to Opportunities funding is now secured. This will enable a further project aimed at lone parents and those on incapacity benefits- to be progressed. £50K Connecting Communities funding has also been secured which will enable further tailored provision in the Newton Farm and Golden Post areas of South Wye. Follow-n Future Jobs Funding could be applied for if the initial project is successful. This would run to 2011 and permit more beneficiaries.
NI 163 - Working age population qualified to at least level 2 or higher		74.8% (2009)		3	3	n/a	n/a	All action plan activity is taking place and on target.
NI 168 - Principal roads where maintenance should be considered	4%	5%	5%	3	3	▼	▼	Action plan being delivered to programme to impact on next year's target.
NI 169 - Non-principal roads where maintenance should be considered	11%	9%	9%	3	3	▲	▲	Action plan being delivered to programme to impact on next year's target.
NI 171 - New business registration rate	59.2	41.8 (2009)	49.7	3	4	n/a	▼	All activity is taking place as planned- Summary of activity: Creation of business start up grants and business growth grants. - Business Booster Grant now operational, approved 9 grants. - Training Voucher all available funding has been committed. Retail Support in Rural areas and Market Towns - Skillsmart providing retail analysis of Market Towns (AWM Funded), is an ongoing programme of events. Conversion of existing businesses to VAT and PAYE registration. - Holding VAT registration roadshows with HMRC, have held four this calendar year and a future four between January and March, targeted at those businesses not VAT registered who could make the change. - Funding secured for roadshows, first round of these has been held, a small scale review of these will occur before the next round of four roadshows. These will publicise benefits of VAT and PAYE registration.
NI 178 - Bus services running on time	80%	80%	Annual data due March 2010	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 186 - CO2 reduction in the LA area	9.4 tons (2005)	13.1% (2010)		3	3	n/a	n/a	The action plan to achieve this target is being delivered to programme.

	Performance	Target	Latest Performance	Judgement		Direction of Travel		Commentary
	2008-09	2009-10		September	December	September	December	
NI 191 - Residual household waste per household	690.01kg	720kg (LAA: 759kg) (year-end) 300kg (to August)	451.93kg (November)	3	3	▲	▲	<p>470.63kg at same period last year.</p> <p>The new recycling service started on 2nd November 2009. With the introduction of a countywide kerbside service (previously only 75% had a service) giving residents a wider range of materials they could recycle (glass bottles and jars, cardboard and cartons for the first time) and larger capacity (a 240 litre or 120 litre bin or 4 recycling sacks per fortnight rather than a small blue box or a single recycling sack) the plan was to increase the amount of recyclate collected.</p> <p>In the first 4 weeks of November 2009, 1223 tonnes of recyclate was collected compared to 414 tonnes Focsa collected in November 2008. Consequently, the recycling tonnage collected by Focsa has nearly trebled when compared to the service of last year. The level of collected residual waste has dropped as a result of this and hence less household waste has been sent to landfill.</p> <p>A true picture of how the service is running will be available in the New Year.</p> <p>The action plan to deliver this target is being delivered according to programme.</p>
NI 197 - Improved local biodiversity - active management of local sites	36% (33 sites)	38.30%		3	3	n/a	n/a	<p>Annual Data, data next due March 2010.</p> <p>The majority of activity is either complete or in progress.</p> <p>Contingencies have been planned should this not be sufficient to meet the target.</p>

MEETING:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	15 MARCH 2010
TITLE OF REPORT:	BUDGET MONITORING REPORT 2009/10
PORTFOLIO AREA:	Resources

CLASSIFICATION: Open

Wards Affected

County-wide.

Purpose

To report December's budget monitoring information and provide an indication of estimated outturn for both revenue and capital to 31 March 2010. The report also focuses on treasury management activities in the first nine months of 2009/10.

Key Decision

This is not a Key Decision.

Recommendation(s)

THAT Overview and Scrutiny Committee note the report and its approach to delivering a balanced outturn position at year end.

Key Points Summary

- The overall revenue budget position for 2009/10 shows a projected £0.847m overspend. This is approximately 0.6% of the council's £137.7 million revenue budget (excluding Dedicated Schools Grant funding).
- The forecast capital outturn has risen by £2.4m to £83.1m.

Alternative Options

- 1 There are no alternative options.

Reasons for Recommendations

- 2 To ensure the Overview and Scrutiny Committee is informed of the forecast outturn for 2009/10, and the actions necessary to ensure a balanced outturn position is delivered,

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

including use of virements to fund the revenue deficits and reprofiling of capital funding where schemes have slipped into 2010-11.

- 3 To ensure that the Overview and Scrutiny Committee is kept informed of treasury management activities in accordance with CIPFAs recommended best practice.

Introduction and Background

- 4 The Council's revenue and capital position is reported to the Overview and Scrutiny Committee quarterly throughout the year. The information provides an indication of the Council's performance against budgets.
- 5 CIPFA best practice recommends Members are informed of Treasury Management activities on a regular basis. Overview and Scrutiny Committee will receive an update every quarter.

Key Considerations

- 6 Appendix A includes the detailed revenue budget report. The key areas of concern are Integrated Commissioning Directorate, with a projected £2.7m overspend and the Children and Young People's Directorate, with a £0.6m projected overspend.
- 7 Both directorates have produced recovery plans and the Overview and Scrutiny Committee should note the actions detailed in Appendix A. The delivery of the recovery plan is essential to mitigate the effect of the overspends rolling into 2010-11.
- 8 The council's overall financial performance has a direct bearing on the level of reserve balance at year end as any overspend on the revenue account must be funded. The report at Appendix A indicates that the use of both the Winter Maintenance and Social Care reserves will be necessary, to deliver a balanced outturn.
- 9 The capital programme budget monitoring is provided at Appendix B. The forecast outturn has risen by £2.4m to £83.1m. Where possible use of time limited grants will be maximised before other more flexible resources.
- 10 Appendix C includes the Treasury Management Report. It is anticipated that at the end of the year there will be a small budget deficit on interest, offset by a budget surplus on borrowing in the region of £0.5m. 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.

Community Impact

- 11 Not applicable.

Financial Implications

- 12 These are contained in the report.

Legal Implications

- 13 None.

Risk Management

- 14 Effective financial reports, used to facilitate robust budget monitoring are an essential element in the management of risks and the delivery of the Council's and Herefordshire Partnership's priorities.

Consultees

- 15 None.

Appendices

- Appendix A – Revenue Budget Monitoring
- Appendix B – Capital
- Appendix C – Treasury Management

Background Papers

- 16 None identified.

2009/10 REVENUE BUDGET MONITORING

Summary

- The following table summarises the 2009/10 projected outturn based on the financial position at the end of December 2009.

Area	2009/10 Budget £000	Projected net over or under (-) spend £000
Integrated Commissioning	39,470	2,737
Children & Young People	25,743	660
Deputy Chief Executive	15,576	0
Environment and Culture	28,539	45
Regeneration	10,351	-70
Central Services	2,624	0
Resources	7,951	0
Directorate Position	130,254	3,372
Borrowing	13,094	-480
Revenue contribution to capital	58	0
Investments	-249	21
Area Based Grant	-4330	0
LABGI	0	-87
Pay Award Savings	553	-553
Social Care Contingency	0	-926
Use of Winter Maintenance reserve		- 500
WMS Profit Share	-546	0
Transfer from Reserves	-1116	0
Total Budget	<u>137,718</u>	<u>847</u>

- The overall revenue budget position for 2009/10 shows a projected £0.847m overspend. This is approximately 0.6% 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.
 - A virement has been made to transfer the £0.5m winter maintenance reserve into revenue to fund the costs incurred during January's severe weather conditions.
 - 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.
4. 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 31st December 2009

General Reserves

5. 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.
6. 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	-0.847
Budgeted transfer	-1.000
Projected year end balance	4.543

Earmarked Reserves

7. 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 as at 01/04/09.

Earmarked Reserves	£'000
Commutated 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
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
Social Care Contingency	926
Total	<u>16,064</u>

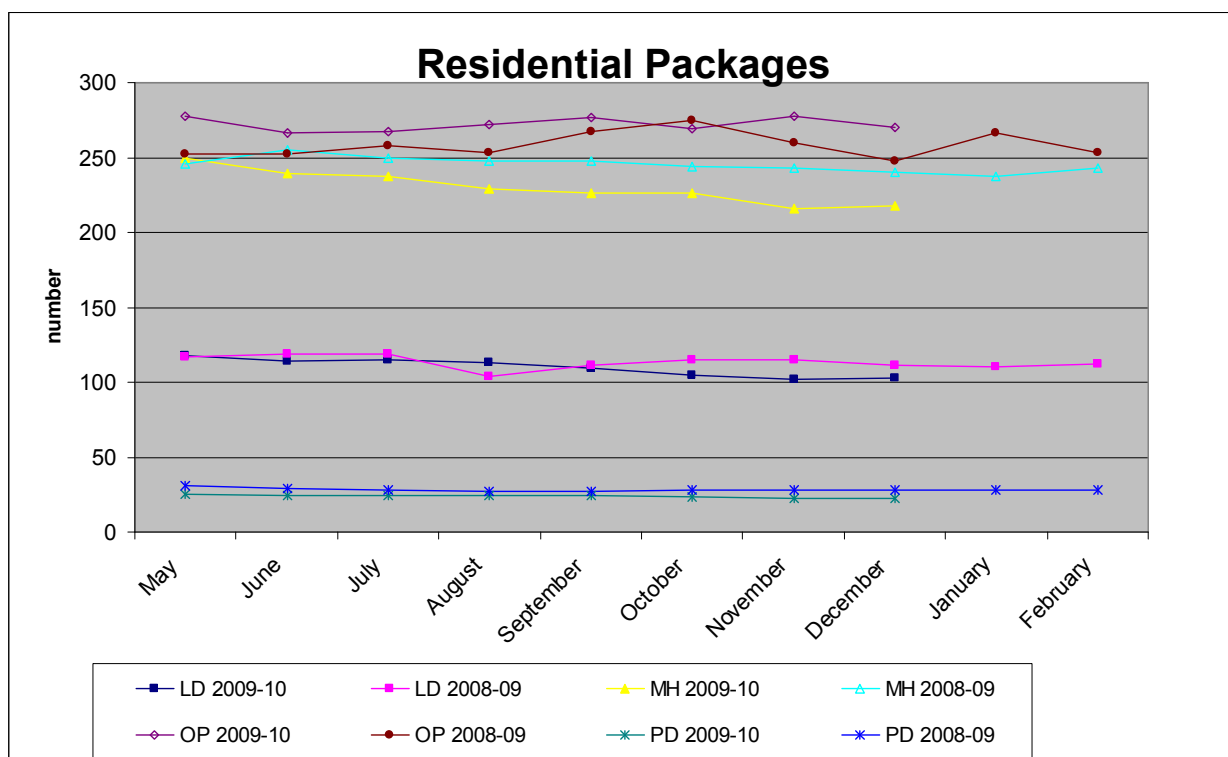
8. A summary of the key variations between projected outturn and budget for each directorate is provided in the following paragraphs.

INTEGRATED COMMISSIONING DIRECTORATE

Directorate Summary as at 31st December 2009

	Total Budget for 2009/10	Net over or (-) underspending
	£000	£000
Learning Disabilities	11,133	1,823
Mental Health	7,010	124
Older People	14,931	723
Physical Disabilities /Sensory Impairment	3,806	367
Section 75 Arrangements	895	45
Adults	-227	-42
Commissioning Directorate	1,536	-57
Other Services	386	-246
Total	39,470	2,737

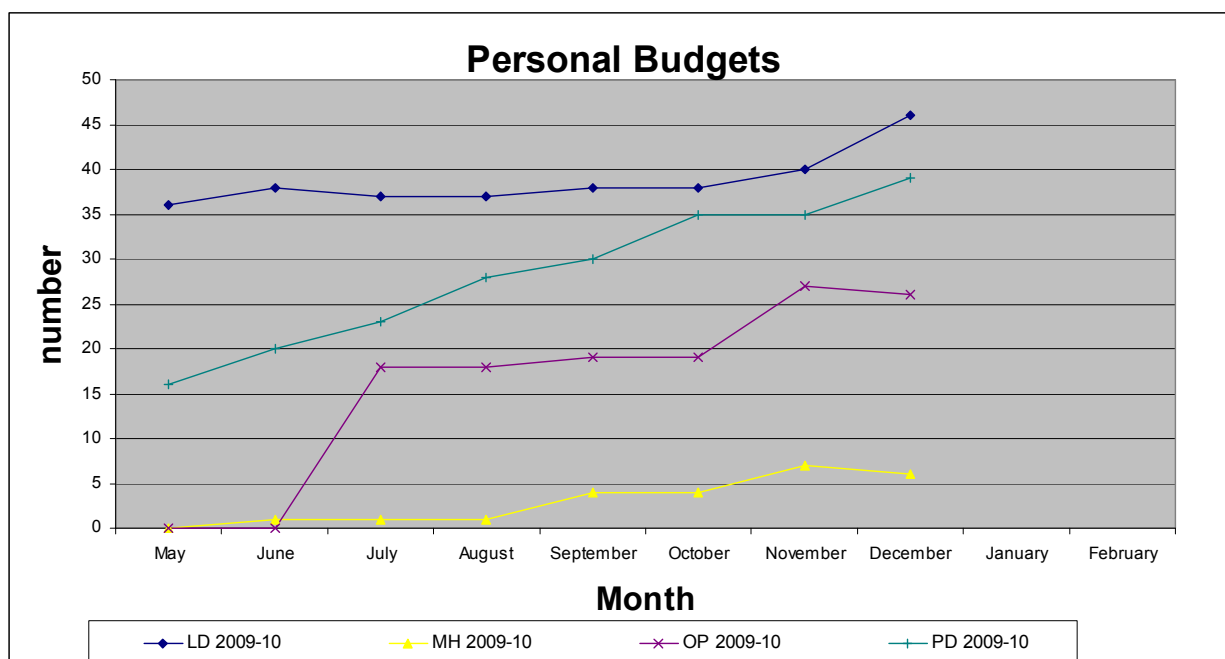
9. Adult Social Care expenditure is principally focused on four main client groups, Older People, Learning Disabilities, Mental Health and Physical Disabilities. Costs predominately relate to care packages that range from basic in-home assistance to complex needs addressed through specialised residential 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.
10. Net Projection. **The forecast net overspend of £2,737k** is based on existing commitments projected forward in combination with a realistic forecast of the delivery of the recovery measures £1.183m.
11. Residential care is the most expensive category of care and the graph below illustrates the trend in residential numbers for the current year for each client group. The numbers are generally falling due to the move to Personal Budgets apart from Older People which is higher than 2008/09.



12. The table below show the total packages across all Social Care by month in comparison to last FY.

	Dec 08	Jan 09	Feb 09	April b/f 09	May 09	June 09	July 09	Aug 09	Sept 09	Oct 09	Nov 09	Dec 09
Residential	627	641	636	637	671	643	643	638	636	623	618	613
Direct Payment	138	137	124	124	102	95	90	88	85	85	83	80
Supported Accommodation	80	80	81	81	77	78	78	77	80	77	76	74
Adult Placement	16	15	12	12	12	12	16	16	16	16	15	15
Personal Budget	0	1	16	17	52	59	79	84	91	96	109	117
Total 2009-10	861	874	869	871	914	887	906	903	908	897	901	899

13. 2009/10 is the first full year of Personal Budgets. Clients have been encouraged to take Personal Budgets resulting in some reduction in the number of Residential Care packages and Direct Payments. 19 clients have transferred from Residential Care and 13 from Direct Payments. But there have also been 46 new clients entering the system. The average cost of a Personal Budget package is approximately £320 per week giving a yearly spend of £765k for new clients where no provision exists.
14. The graph below shows the number of Personal Budgets during 2009/10.



15. Learning Disabilities **total predicted over spend for the year is £1,823k. This a net over spend of £1,846k less recovery plan action of £23k**
16. The full year over spend relates to increased costs in residential and nursing care with more expensive and complex packages allocated, resulting in a projected over spend for the year of £899k of which personal budgets are projected to over spend by £723k. There have been 3 new clients with residential care packages, 16 new personal budgets approved and 4 new clients in supported accommodation.
17. The number of domiciliary care packages has increased with a £467k predicted over spend. Invoices from Mencap were unexpectedly received in December totalling £150k, these related to prior year domiciliary care and are a one-off backdated payment. This is being investigated at to ensure that the procedures are correctly applied in the future.
18. Over spends are offset by under spends relating to staff vacancies totalling £98k. There has been a one off receipt of income. £66k received from charges to property.
19. **Mental Health. Total predicted over spend £124k. This is a net over spend of £465k less recovery action planned of £341k.**
20. Residential and Nursing is predicted to be £300k overspend. Home Care packages approved by panel are predicted to be £202k above budget. The number of Personal Budgets has increased by 6 and the predicted over spend for the year is £42k.
21. Income received for residential packages is expected to be £56k higher than budget due to increased client contributions from charges to property.
22. **Older People. Total predicted over spend £723k. This is a net over spend of £1,194k, less recovery action of £486k.**
23. The new Emergency Safeguarding Team is an emerging cost pressure and with a

predicted over spend of £79k for part year staff costs.

24. The number of nursing and residential care packages has increased since the start of the year from 260 to 278, giving a £307k predicted over spend. The numbers of personal budgets approved have risen by 26. No budget provision was included in this area, thus there is a £246k over spend.
25. Domiciliary care is predicted to over spend by £752k for the year. This is due to the number of hours and packages rising in the year. In December there was a one-off cost of £110k relating to unexpected invoices for the Homecare block contract. This is now included in the £438k over spend on the block contract.
26. There are some areas of budget underspend forecast at £366k.
27. **Physical Disabilities Forecasting an over spend of £367k. This is a net over spend of £492k less planned recovery action of £125k.** This is mostly due to – personal budgets £542k and domiciliary care increases of £217k, offset by the reduction in residential and nursing costs of £129k.
28. The number of personal budgets has risen from 2 at the start of the year to 39 in December. 24 of these are new clients and 13 have been transferred from direct payments. Residential and nursing packages have reduced from 28 to 19 year to date.
29. There have been additional pressures within the Section 75 arrangements for the Community Equipment Store due to the high demand. Many items are staying out for longer and some items are no longer fit for purpose. If the demand for equipment continues at the current level the projected year end position will be an overspend of £152k. £59k will be met by the capital programme, leaving a £92k overspend to be shared 50:50 with the PCT.
30. The Supporting People Grant is being considered for minor adaptations, which is estimated to be £67k if approved.
31. **The Commissioning team. Predicted under spend is £54k**, which is largely due to staff vacancies.
32. **Modernisation. The projected under spend of £153k.** Modernisation projects such as electronic monitoring, external brokerage will enhance the customer experience and help to deliver services in a more efficient and effective way. The projects will start to show an impact on costs in 2010/11. Projects are fully funded by the Social Care Transformation Grant.

Recovery Plan

33. Recovery measures already identified and deemed to be realistically achievable have now been factored into the latest out-turn forecast totalling (£1,183k). 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) Supported Living. A review of costly Learning Disability packages where opportunities exist to transfer clients into supported living. This financial year 1 client has moved from residential care but there was minimal saving. 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 - Service Managers are currently working on agreeing backdated care payments for two Physical Disabilities clients where there is a dispute regarding county of residence. This would potentially generate a one-off income of £125k with future annual cost savings of £62k.
- c) Review the level of voids in existing contracts to ensure maximum value is being achieved. The number of residential voids is currently 12% of the total number of places. The number of voids has dropped at the end of December to 15 with a saving since the end of July of £72k. Based on an average of 14% voids for the year, the annual value of unused residential voids is £70k.

Day care voids have reduced from 54% in July to 43% at the end of December. Based on an average of 47% voids for the year, the annual value of unused day care voids is £679k. There is now a more robust panel procedure for reviewing voids.

- d) Consider the flexibility within Supporting People Grant. Social Care are providing a list of eligible housing related support services for Commissioning Body approval in February. The current year removal of ring-fenced grant conditions offers a one-off opportunity to maximise flexible use of the financial capacity before supporting people becomes part of the Area Based Grant in 2010/11. £0.5m has been factored into the forecast.
- e) The Mental Health and Social Care Capital Grants work is on-going with managers to transfer all eligible spend to grants. This will equate to £495k of the recovery plan.
- f) Residential standard rate The new standard rate for residential care is still in progress and due to become effective on 1st April 2010. Contract unit are currently working with providers to establish a new standard rate. Rates from other Local Authorities will be used as a benchmark.
- g) There is also a drive to gain ILF (Independent Living Fund) for all clients under 65 who are eligible within Learning Disabilities. One person has been approved with funding of £4k. A further three clients are currently being looked at with a potential saving of £9.5k. Other income opportunities are also being actively pursued in order to offset current expenditure i.e. Housing Benefit. This is unlikely to realise savings this year
- 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 31st December 2009

	Total Budget for 2009/10 £000	Net over or (-) Underspend £'000
Inclusion & Improvement	4,722	133
Safeguarding and Assessment	11,828	740
Planning, Performance & Development (PP&D)	6,756	-376
Community Operations	102	14
Central Directorate	489	149
ABG	1,846	0
Total	25,743	660

35. The projected outturn overspend of £660k is based upon reviews undertaken with service managers including actual spend to December and known commitments for the final quarter.
36. The budget now reflects budget virements made internally to consolidate the Blackfriars Business Support function within PP&D to improve operational efficiency.
37. As shown in the table above the principle area of concern continues to be within the Safeguarding area with three primary causes, which are covered in more detail below.
38. The most significant pressure continues to be the increasing numbers of children being placed in residential care. Across Herefordshire in the 12 months to December numbers of children have increased from (10 + 1 in secure accommodation) to 15 an increase of 36% or 50% if the secure placement is excluded. Agency fostering placements show an increase of 25% over the same period (from 20 to 25). Overall overspend is estimated to be £465k.
39. **Recovery Plan** – 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. The review has now been completed and identified 5 red RAG rated cases, of which it may be possible to move 4 and bring to an in house placement which would reduce the costs. However this must be done in a controlled manner to ensure the welfare of the children is maintained effectively. In addition a weekly panel review process has been implemented to review the top 20 cases with a monthly challenge meeting attended by the Assistant Director and Assistant Accountant.
40. The increased levels of referrals for children to be taken into care has led to a corresponding increase in court referrals, as flagged previously. This combined with

legislative changes has resulted in a doubling of court costs from 2008/09 (£111k) to 2009/10 (£200k). 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 £170k.

41. **Recovery Plan Actions re. Court Costs** – The ADS has requested the legal team 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 assessment and minimise costs. The impacts of these changes will be closely monitored and reported back in future Cabinet reports.
42. 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.
43. **Recovery Plan Actions re. Homeless 16/17 year olds** –Request for funding from Supporting People funding.
44. A further budget pressure within Safeguarding is the additional contract cost of £40k for Emergency Duty cover (EDT) following the withdrawal by Adult Social Care from the Worcester contract.
45. **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.
46. The Safeguarding service has run a successful recruitment campaign. However the new members of staff are either newly qualified or coming from overseas. There is a requirement in some cases to retain the locum social workers for longer than initially planned in order to provide the necessary supervision to the new team members.
47. **Recovery Action Plan – staffing issues** –the Safeguarding team is currently undergoing a review and restructure to ensure that the limited resources available are targeted most effectively, this will include the move to enhancing skills sets via the use of more Advanced Practitioners (the restructure will not increase the overall establishment numbers).
48. It has emerged that the shortfall in training income will be higher than previously reported.
49. **Recovery Plan Actions** – training delivery is now being over seen by the Workforce Strategy manager and improved processes are being implemented. In addition work is beginning to develop a costing model for charging training courses to ensure the recovery of the full cost of delivery. This work will fit with the council wide work on charging.
50. The over spend with the central cost area includes the following - £40k for the Schools Review, £40k for the VLE project up to December when the new SLA takes effect (funded by Standards Fund in prior years).
51. **Recovery Plan Actions** – As a result of the recruitment freeze and travel embargo the following savings have been made to date:
52. **Payroll** – Periods 1-7 Cost versus budget averaged a £26k per month saving this

has increased to a saving of £42k per month.

53. Further action will be taken until the year end to ensure that charges to grants are maximised (where applicable and appropriate) to reduce the pressures on the core budgets.

Other Pressures not included in projected outturn

54. 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 principally the Music Service deficit (estimated at £200k); work is underway to restructure and remodel the service to enable the service to operate at a net zero cost to the LA.

Dedicated Schools Grant (DSG)

55. DCSF have confirmed the final DSG allocation at £84.526 million for 2009/10. School budgets are determined by formula funding from the DSG and sixth forms from an additional £2.75m grant from the Learning & Skills Council £78.8m has been delegated directly to schools and any under or overspend by schools 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. More schools are expected to set deficit budgets in 10/11.
56. Year end forecasts for schools (based on expenditure up to 31st December 2009) indicate that aggregate school balances will be approximately the same as last year. However, more schools could be in deficit, possibly as many as 10 with a cumulative deficit of £400k compared to 6 schools with a cumulative deficit of £262k at 31st March 2009.
57. 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 (£140k over) SEN Support Services(£60k under), Travellers Children £20k 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

58. In 2008/09 rates rebates of £1,054k were received for charitable rates relief for voluntary aided schools going back to 2000. Legal advice is that the rates rebates must be distributed to schools on a per pupil basis. Schools Forum have agreed to distribute the £1,054k rates rebates to schools on a formula basis to be devised by School Forum Budget Working Party. The distribution formula will be finalised by Schools Forum on 23rd February.
59. There are further funds available for redistribution to schools from DSG carry forward (£1,280k) and Schools Forum in December agreed to distribute the under spend to schools at £58.50 per pupil. Schools have the choice of receiving their allocation in full in 2009/10 or split equally over the three years 2009/10-2011/12 to help with future years budget planning.

DEPUTY CHIEF EXECUTIVE DIRECTORATE

Directorate Summary as at 31st December 2009

	Total Budget 2009/10 £000	Net projected over or (-) under spend £000
Herefordshire Connects	1,661	0
Herefordshire Partnership	221	0
Communications	390	-28
Director and Administration	268	0
Legal and Democratic	2773	436
INFO	1,713	-86
Policy & Performance	745	0
Information Services	363	0
Corporate ICT Projects	880	0
ICT Services	3,819	-277
Corporate Programmes	61	0
Community Network Costs	1,030	0
Human Resources	1,652	-45
Total	15,576	0

60. 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, HR and Communications.
61. 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 anticipated income from the PCT of £43k in relation to legal support. This follows a review of the recharges between the organisations.
 - 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 £100k. This is due to external economic conditions affecting the housing market and competition from the private sector.

Recovery Plan

62. 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.

ENVIRONMENT & CULTURE DIRECTORATE

Directorate Summary as at 31st December 2009

	Total Budget 2009/10 £000	Net over or (-) under spend £000
Highways	6,822	1,010
Environmental Health and Trading Standards	661	0
Waste Management	12,491	-1440
Culture & Leisure	7,493	0
Directorate Management & Support	343	40
Emergency Planning	152	60
Community Safety	206	0
Service Delivery Client Team	110	0
Managing Agent Contract (MAC) Services	261	375
Total	28,539	45

63. The overall outturn position for Environment & Culture is a net overspend of £45k.
64. 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

65. Following the severe winter weather in early January, there is an expected pressure on the Winter Maintenance budget of £1m. A virement has been made to transfer the £0.5m winter maintenance reserve into revenue to fund the costs incurred during January's severe weather conditions.
66. Over 10,000 tonnes of grit have been used on Herefordshire's roads this winter so far, mostly during the first two weeks of January. The table below shows the full year salt usage and outturn for the last four years.

Year	Tonnes Used	Outturn
08/09	10,031	£1.6m
07/08	3,676	£0.96m
06/07	2,974	£1.03m
05/06	7,101	£0.95m

67. The full damage to the county's road network is emerging. The council and its highways partner, Amey Herefordshire, are repairing hazardous potholes to keep roads safe. The Council has written to the Department of Transport to request the government enact emergency funding to address these issues.
68. The Council have also registered their intent to claim under the Bellwin Scheme for all immediate revenue emergency costs incurred in relation to the severe weather and whilst awaiting agreement from the CLG, work is underway to identify these costs across the Council. Funding will only be received for costs above the annual threshold of £444k.
69. CLG have been contacted to seek a capitalisation direction. If approved the cost of revenue repairs are capitalised and funded via prudential borrowing for 2010/11.

Environmental Health & Trading Standards

70. Overall Environmental Health and Trading Standards' outturn is expected to match budget.
71. Markets and Fairs are predicted to overspend by around £90k. 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 58 out of a possible 67 stalls are currently occupied at this site compared with 65 stalls occupied in December 2009. The predicted shortfall for Butter Market has been recently been revised upwards following a large claim for waste collection charges including collections from last financial year. Occupancy at the Hereford open market was 21 stalls compared with only 12 for the same period last year.
72. Cemeteries and the crematorium continue to outperform income budget. The combined underspend on cemeteries and crematorium is estimated at £50k. Activity levels have dropped from 1017 cremations in the nine months to the end of December 2008 to 964 in the same period this year. There has also been a slight fall in burials have also from 174 to 170.
73. Car Parking is predicted to overspend by £40k. Although there is a shortfall in income compared with budget this has been in part mitigated by staff vacancies. Some 1,418,000 tickets were loaded into pay and display machines in the 9 months to December 2008 whereas in 2009 the equivalent figure was 1,327,000. Penalty tickets issued are also down with 14,107 issued to December 2008 and 12,366 for the same period this year.

Waste Management

74. Latest estimates of waste disposal costs from Worcestershire County Council of waste disposal contract costs project an underspend of £1.41m on Herefordshire's Waste Disposal budget for 2009/10. This is an increase in underspend of £218k and is due to further reductions in the revised annual tonnages in the joint contract. Herefordshire disposal tonnages have fallen by 3.5% in the first 8 months of the year compared with the same period in 2008/09, and this is mainly due to increased recycling.
75. 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.
76. On 1st November 2009, the Waste Collection contract was renewed with FOCSA services, following a formal tendering process. The new contract has resulted in an improved service for more people at a slightly reduced cost. The new contract has extended recycling service to all residents in the County for the first time. This will enable us to achieve our target of 40% by the end of 2010. FOCSA collected three times the amount of kerbside recycling in November and December 2009 when compared to the same period in 2008 when we had the purple and clear sack system. Recycling outturn for last year was 33.92% and our current standing is 35.88%.
77. 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

78. Culture & Leisure expenditure is now expected to match budget in 2009/10.
79. There are savings of £50k on Parks and Countryside and £20k on Public Rights of Way mainly due to the recruitment freeze pending the service delivery review. Further savings are expected on employee costs for Sports Development. This relates to the Exercise Referral Development Officer post.
80. The Libraries budget is expected to overspend by £110k. This mainly relates to employee costs and the building running costs of the Broad Street Library. Library visitors have fallen by 4% in the eight month period to November compared with the previous year.
81. 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.

Emergency Planning

82. The Emergency Planning budget is expected to overspend by £60k. A backlog of plans both emergency and business continuity are outstanding, these include pipeline plans, review of rest centre plans and humanitarian assistance centre logistics planning. In order to ensure the council and PCT remain in compliance with the Civil Contingencies Act 2004, staffing levels have been increased.

Directorate Management & Support

83. The Directorate has undertaken a piece of work for “Reputation Research” which will put pressure on the budget of £55k. The outcome of this work will contribute to corporate reputational work and how we deliver services. The budget pressure will be mitigated by staff vacancy management in the Environment Support and Sustainability teams.

Managing Agent Contract Services

84. 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 31st December 2009

	Total Budget for 2009/10 £000	Net over or (-) underspend £000
Tourism	511	30
Planning & Transportation	5,864	-4
Econ. & Com. Regeneration	1,602	30
Strategic Housing	1,916	-61
Management & Admin	458	-65
Total	10,351	-70

85. The overall outturn position for Regeneration is an under spend of £70k.

Tourism

86. 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. Staffing pressures remain and Tourism is expected to overspend by £30k this year but will be mitigated by under spends elsewhere within the Directorate. The salary budget shortfall is being addressed for 2010 with further adjustments to staffing levels.

Planning and Transportation

87. The overall expected position for Planning and Transportation is an under spend of £4k.
88. The number of valid planning applications for the period April to December 2009 is 2,071. For the same period in 2008 the figure was 1,831, which represents an increase of 13% in the number of applications. Despite this improvement, Planning is still forecast to overspend by £267k.
89. In the past few months Development Control has not met the budgeted level of income required, even though a number of major applications were received in the period to 30th September 2009. It is not anticipated that there will be the usual surge of applications in March this year. In overall terms a shortfall of £100k against the budgeted target of £1.13m is still expected.
90. Building Control has managed to achieve its income targets for the past two months but overall income year to date is still below the required budgeted target. The

annual target is £681k and a shortfall of £40k is currently projected.

91. The new Civica system has 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. Additional printing charges of £10k have also been identified.
92. There has been a downturn in the numbers of concessionary fare passengers in the first nine months of the year. In the period April to December 2008 the number of concessionary passengers was 1,068,000 compared to 1,001,000 in the first 6 months of this financial year, representing a 6.3% reduction. Should this trend continue a saving of £70k in concessionary fares is forecasted.
93. There were 22 bus service contracts that expired in September 2009 with an annual cost of £940k. Of these 3 were not renewed, 2 contracts combined, 12 saw a reduction in costs and 5 saw an increase. 5 further contracts are up for renewal at the end of Feb 2010 and it is expected that 2 will be discontinued and that the others will be renewed at no further cost or saving. The forecast net saving for the year on rural routes is expected to be approximately £140k
94. Vacancy savings of £40k are expected due to the vacant post of the Transportation Planning Team Leader.

Economic and Community Development

95. Planning fees in respect of Model Farm Enterprise park in Ross-on-Wye are likely to be incurred before the end of March 2010 and it is anticipated that Economic Development will overspend by £30k as a result of this. This overspend will be managed by offsetting against savings made elsewhere within the Regeneration directorate. The Enterprise Park will attract investment from high-value, knowledge-based companies to create quality employment for local people, putting Ross-On-Wye on the map through its innovative design. The design of the layout and infrastructure on the site has already begun and various surveys – including archaeological, ecological and topographical – have been carried out.
96. Community Regeneration has recently been awarded a Leader Vital grant to the value of £2.55 million. The project has to date received 12 expressions of interest, and 5 full applications (value £460k). The Leader Programme in Herefordshire focuses on social and community issues as detailed below:
 - Enable local communities to develop and implement actions to improve the quality of life of those living and working in rural Herefordshire.
 - Enable local communities to develop and access the services they need in their area.
 - Support and improve local democratic structures to meet the needs of local communities
 - Training local people to meet identified skill gaps and encourage enterprise
 - Enhance and maintain the distinctiveness of the countryside.

Strategic Housing

97. Strategic Housing is now expected to underspend for the year by £61k.
98. Homelessness is expected to under spend by £121k. This is due to the lower than expected activity on prevention schemes and also takes account of two recent

initiatives: £30k contribution towards a Credit Union Project to provide debt advice and loans to homeless clients currently barred from an allocation of social housing due to rent arrears and £15k grant to local church organisation to run cold weather shelter during periods of extreme cold.

99. 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 not 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.
100. Bed and breakfast occupancy at the end of December 2009 was 1 family with children, and 15 singles. The equivalent week in 2008 was 4 families with children, and 11 singles. December 2009 has seen the highest occupancy in this financial year and is due to the recent period of severe weather. In 2008/09 the highest occupancy level was 22 families.
101. There are pressures on the Private Sector Housing budgets. Private Sector Housing has completed 1,100 jobs in the period September to December 2009, an increase of 98 jobs completed in the same period in 2008. There has been a significant increase in the number of Energy Efficiency jobs undertaken by the team. 255 jobs were completed September to December 2009 compared with 90 in the same period in 2008. The number of completed Integrated Community Equipment Store (ICES) jobs, which relates to carrying out adaptations for clients, totalled 204 in 3 months of October – December 2009 compared with 272 in the same period in 2008, a reduction of 68. The number of jobs undertaken is dependant on the number of referrals received from Occupational Therapists.

Management & Admin

102. Directorate Management shows an estimated underspend on salaries of £65k. This is based on the current staffing structure and reflects a freeze on recruitment to vacant posts within this area and the secondment of a staff member to the Strategic Housing area.

CORPORATE BUDGETS

Summary as at 31st December 2009

	Total Budget 2009/10 £'000	Net over or (-) underspend £000
Central Services	2,624	0

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

RESOURCES DIRECTORATE

Summary as at 31st December 2009

	Total Budget 2009/10 £'000	Net over or (-) underspend £000
Asset Management & Property Services	3,758	-20
Financial Services	1,931	125
Audit Services	421	20
Benefits and Exchequer Services	1,616	-125
Central	225	0
Total	7,951	0

Asset Management & Property Services

104. 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.
105. 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

106. 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

107. 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
108. Further analysis of the subsidy forecast is being undertaken to establish whether higher surpluses may be delivered.
109. 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

110. The cost of interim staff working within Procurement contributes to the overspend. The Procurement Manager post has now been filled and will be in place in May.

Central

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

Recovery Plan

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

2009/10 DECEMBER CAPITAL PROGRAMME BUDGET MONITORING

OVERALL SUMMARY POSITION

1. The capital programme forecast outturn for 2009/10 as at 31 December totals £83,095k, which is an increase of £2,409k from the September 2009/10 capital programme forecast. The main reason for this increase follows the re-profiling of expenditure forecast on the Minster School project.
2. A summary of the overall capital programme expenditure forecast and funding thereof for 2009/10 is provided in table D1.
3. Table D2 provides a breakdown of total capital scheme costs exceeding £500k, 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 £44,284k to the end of December. This is mainly due to the following items;
 - £9,066k expenditure forecast on the new Hereford Academy, for which the contract of main works has only just been let.
 - Delays on spend on Herefordshire Connects £3,279k budget due to the Shared Service review, likely to commence in the new financial year.
 - Low spend to date on road and footway maintenance where the bulk of expenditure is always incurred in the later part of the financial year.

Prudential Borrowing Position as at 31st December 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	
	£806	
		£10,950
Less: Slippage into future years	(£9,820)	
Returned to corporate funding pot	(£1,294)	
		(£11,114)
Forecast use of Prudential Borrowing in 2009/10		£14,094

Capital Receipts Reserves Position as at 31st December 2009

6. The capital receipts reserve totalled £17,556k as at 1st April 2009. Very few capital receipts are expected during this financial year. £10,327k of this funding source will 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.

TABLE D1

FUNDING OF REVISED 2009/10 CAPITAL PROGRAMME

Capital Programme Area	2009/10 Revised Forecast 31/12/09	SCE(R)	Prudential Borrowing	Grant	Revenue Contribution	Capital Receipts Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	40,646	2,372	525	37,739	-	-
Resources	6,791	-	3,741	152	-	2,898
Deputy Chief Executive	3,999	-	3,831	100	-	69
Adult Social Care	730	-	65	434	-	231
Regeneration	14,030	-	2,885	3,996	20	7,129
Environment & Culture	16,899	11,195	3,047	2,651	-	0
Total Revised Forecast	83,095	13,567	14,094	45,072	20	10,327
<i>Sept Forecast</i>	<i>80,686</i>	<i>13,567</i>	<i>16,578</i>	<i>40,172</i>	<i>1</i>	<i>10,354</i>
<i>Change from Sept Forecast</i>	<i>2,409</i>	<i>-</i>	<i>(2,484)</i>	<i>4,900</i>	<i>19</i>	<i>27</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>

TABLE D2

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 31-12-09 £'000	Most relevant Corporate Theme	Comments
Children's Services						
New Hereford Academy	24,130	DCSF Grant	9,066	2,870	Children and Young People	Main contract of works to commence shortly, completion due Autumn 2011
Minster Replacement School	20,642	DCSF Grant	12,201	8,787	Children and Young People	Work progressing, no issues, completion due summer 2010
Devolved Capital Programme	n/a	DCSF Grant	4,914	3,787	Children and Young People	Devolved allocation of capital funding to schools, including ICT
Primary Grant	8,378	DCSF Grant	3,000	85	Children and Young People	Capital funding for all through primary school in Leominster, consultation process underway
Children's Centres	n/a	Grant	1,178	784	Children and Young People	Various children's centre schemes progressing including Hollybush and Peterchurch
Targeted Capital Fund	8,000	DCSF Grant	600	51	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	908	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	714	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	2,706	Children and Young People	New contractor appointed to complete scheme for the autumn term
Wave 2 Playbuilder	1,120	DCSF Grant	526	82	Children and Young People	Funding towards 22 play area provision (11 per annum) for 8-13 year olds

Scheme Detail By Directorate	Whole Scheme Cost £'000	Funded by	2009-10 Expenditure forecast £'000	Actual spend to 31-12-09 £'000	Most relevant Corporate Theme	Comments
Resources						
Corporate Accommodation	17,112	Prudential borrowing & capital receipts	5,140	4,193	Organisational improvement & greater efficiency	Key corporate accommodation property purchased.
Smallholdings	1,500	Capital receipts	500	74	Economic development enterprise &	Property improvement works commenced November
Deputy Chief Executive						
Herefordshire Connects	6,780	Prudential borrowing, grant & receipts	3,279	2,056	Organisational improvement & greater efficiency	Slippage due to the Shared Service review, spending expected in 2010-11.
Environment & Culture						
Road & Footway Maintenance	n/a	LTP allocation	7,692	4,915	Sustainable communities	Programme of annual Amey works including works required at Symonds Yat
Bridgeworks	n/a	LTP allocation	1,500	506	Sustainable communities	Annual programme of works to avoid closures
City Centre Enhancements	2,751	Prudential borrowing	495	3,601	Sustainable communities	Improvements to be made along Widemarsh St in line with Edgar Street Grid development
Sustrans	1,401	Prudential borrowing & Grant	180	120	Economic development enterprise &	Walking and cycling route over River Wye in design stage, preferred route to be confirmed
Waste Performance & Efficiency	869	Grant	754	755	Economic development & enterprise	Bulk of expenditure on purchase of wheelie bins.

Scheme Detail By Directorate	Whole Scheme Cost £'000	Funded by	2009-10 Expenditure forecast £'000	Actual spend to 31-12-09 £'000	Most relevant Corporate Theme	Comments
Regeneration						
Rotherwas Futures Estate Development Work	5,266	Grant & capital receipts	2,731	853	Economic development & enterprise	Refurbishment of site and internal road works planned this year
Cattle Market	9,800	Capital receipts	2,910	95	Economic development & enterprise	Additional funding and approval to proceed received, start on site to follow
Affordable Housing Grants	n/a	Capital receipts	1,979	588	Safer & stronger communities	Annual allocation of grants to various schemes
Rural enterprise grant	5,000	Grant	1,667	431	Economic development & enterprise	Successful award of grant funding
Mandatory Disabled Facilities Grant	n/a	Grant & capital receipts	1,301	441	Health & well-being	This budget is under huge demand, a backlog of approximately £1m recorded
Mortgage Rescue	900	Prudential borrowing & receipts	900	494	Safer & stronger communities	Over £750k committed to individual schemes helping families remain in their properties
Private Sector Housing	n/a	Grant & receipts	787	355	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			67,976	40,251		
Schemes with a forecast spend in 2009/10 of less than £500,000			15,119	4,033		
Total			83,095	44,284		

This quarterly report ensures the Council is embracing best practice in accordance with CIPFA's recommendations, by informing members of the Treasury Management performance to December 2009.

1. The Economy

1.1. Recent economic statistics show:

- The Bank Base Rate remaining unchanged at 0.50%;
- CPI inflation rising each month from 1.1% in September (its lowest level for five years) to 2.9% in December.
- GDP increasing for the first time in eighteen months, although only rising by a weaker than expected 0.1%;
- House prices continuing to increase (the average cost of a home went up for the eighth month in a row in December rising 0.4% to £162,103); and
- Unemployment reaching £2.49 million in the quarter from August to October 2009 (the highest figure since 1995 although the smallest quarterly increase since May 2008) then the quarter to November 2009 showing a small decrease of 7,000.

1.2 Although there are some tentative "green shoots" the general economic backdrop remains weak.

2. The Council's investments

2.1 As at 31 December 2009 the council held the following investments:

Investment	Rate of interest	Amount invested	
		£m	£m
Instant access accounts:			
National Westminster	1.10%	5.00	
Abbey (now Santander)	0.80%	5.00	
Barclays	0.65%	5.00	15.00
Money Market Funds:			
Blackrock	0.55%	2.19	
Insight	0.48%	1.44	
Standard Life	0.41%	2.48	6.11
Fixed term deposit for three months to 22 January :			
Bank of Scotland	1.10%	5.00	5.00
Total	0.81%		26.11

2.2 Apart from the term deposit with the Bank of Scotland, the council has instant access to all its invested funds. At the beginning of 2009/10 instant access was sought as a response to the turbulence and uncertainty in the financial markets. However, there has been no need to review this policy as the instant access rates received are consistent with those granted for term deposits of at least three months.

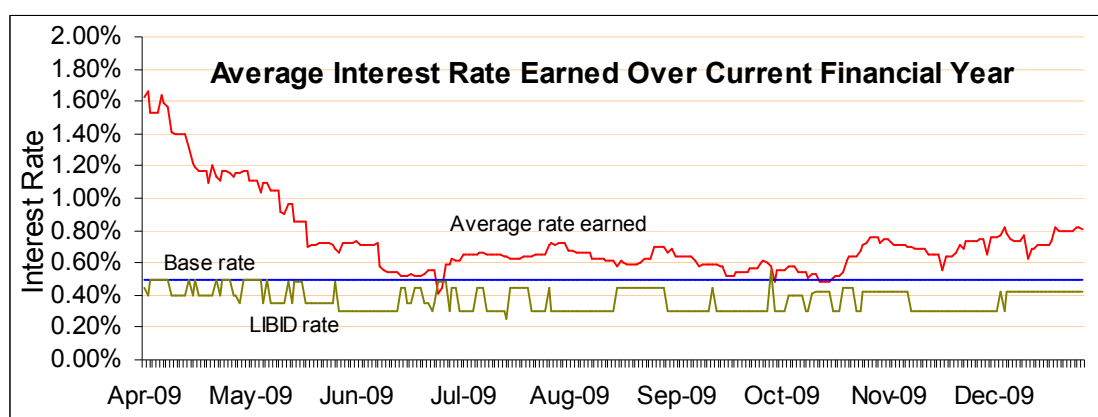
2.3 The current investment policy is to restrict the council's list of eligible counterparties to the following institutions:

- Banks and building societies with access to the UK government's Credit Guarantee Scheme;
- AAA-rated Stable Net Asset Value Money Market Funds;
- Other Local Authorities; and
- The Debt Management Office.

2.4 There has been no change in the bank base rate during the quarter and it is expected to remain at 0.50% until Autumn 2010. The council's treasury adviser has provided the following forecast of the bank base rate:

Bank Rate	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12
Upside risk			+0.25	+0.25	+0.50	+0.50	+0.50	+0.50	+0.50
Central case	0.50	0.50	0.50	1.00	1.50	2.25	3.00	4.00	4.00
Downside risk				-0.50	-0.50	-0.50	-0.25	-0.25	-0.25

2.5 The average daily interest rate earned on the council's investments is shown in the graph below.

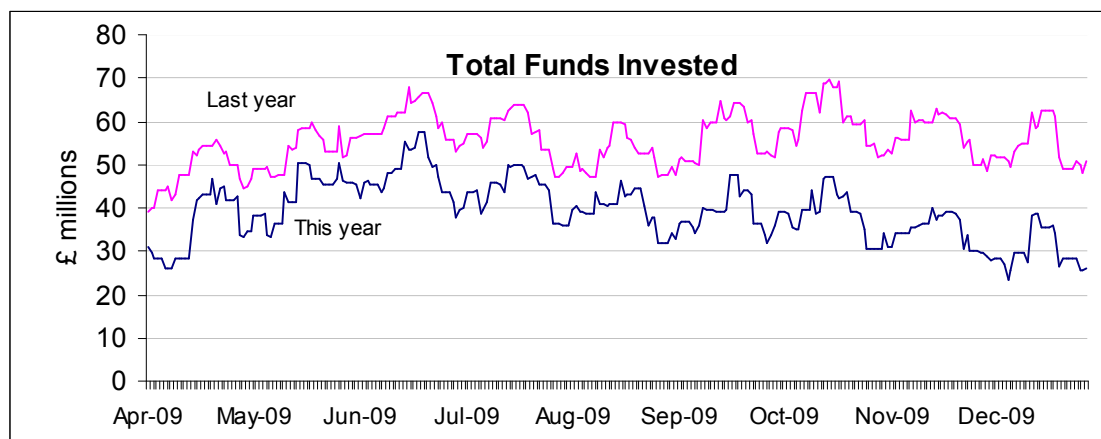


2.6 In the nine month period to 31 December 2009 the daily rate of interest earned has averaged 0.72% but this rate has varied from 1.60% at the beginning of the year to a low of 0.40% in June 2009. At the beginning of the year the average rate was increased by term deposits, made in earlier periods when the interest rate was higher, but by mid-June these had all matured.

2.7 The interest rate achieved compares favourably with the generally accepted benchmark of the 7-Day London Inter-Bank Bid (LIBID) rate which averaged 0.40% for the nine month period.

2.8 Because of the limited number of eligible counterparties, and the relatively wide spread in interest rates offered (from 0.25% by the Debt Management Office to 1.10% by National Westminster Bank) the average daily interest rate obtained tends to fall as the total invested increases (as less attractive counterparties offering less attractive rates need to be used).

- 2.9 The graph below shows the total invested in the year to date and it can be seen that from November 2009 the total amount invested has tended to fall resulting in an improvement in the average daily rate of interest, as shown by the graph above.



- 2.10 The graph also shows the reduced level of investments, when compared to the previous year. This is due to the council using its investments to finance capital expenditure in preference to taking out further (external) borrowing.

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 31 December 2009 the council's long term borrowing totalled £115.22m with maturities as follows:

<u>Principal repayable:</u>	<u>£</u>	<u>%</u>
Within the next 10.5 years to 31 March 2020	19,976,795	17.34%
Between 1 April 2020 and 31 March 2030	22,244,137	19.30%
Between 1 April 2030 and 31 March 2040	30,000,000	26.04%
Between 1 April 2040 and 31 March 2050	18,000,000	15.62%
Between 1 April 2050 and 31 March 2060	25,000,000	21.70%
Principal outstanding as at 31 December 2009	<u>115,220,932</u>	<u>100.00%</u>

- 3.3 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, because of the large differential between investment rates and borrowing rates, the favoured approach has been to use internal borrowing as far as possible.
- 3.5 It is anticipated that before the end of March 2010 the council will be unable to postpone borrowing any longer and will need to borrow an additional £10 million from the PWLB to

ensure funding of future capital schemes. Because of the low bank base rate, it is likely that the council will borrow short-term to take advantage of lower rates for shorter maturity periods.

- 3.6 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 is kept under regular review.

4. Projected Outturn

- 4.1 The projected outturn is an underspend against budget of £459k. Of this amount approximately £21k relates to projected interest received being less than budget and £480k relates to an underspend on borrowing.
- 4.2 The underspend on borrowing is due to slippage on the capital programme and the associated external borrowing, resulting in a reduced minimum revenue provision (MRP) for debt repayment and less external interest payable in the year.

5. The Council's Treasury Advisers

- 5.1 The council's three year contract with Sector ended in 2009. The council invited Sector and two other treasury adviser's to tender for a new three year contract. The contract was awarded to Arlingclose Ltd who have an excellent track record for providing good information and sound, independent advice. The services offered by Arlingclose include the following:
- Advice on credit worthiness policy;
 - Advice and guidance on long-term borrowing as well as debt restructuring opportunities;
 - Regular meetings to discuss strategy;
 - Staff training events; and
 - Assistance with CIPFA reporting requirements etc.

MEETING:	OVERVIEW AND SCRUTINY COMMITTEE
DATE:	15 MARCH 2010
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 be approved as a basis for further development, subject to any comment the Committee wishes to make.

Introduction and Background

1. This Committee is responsible for overseeing, co-ordinating and approving the work programmes of the scrutiny committees and approving its own annual work programme. It is also required to periodically review its and the scrutiny committees work programmes to ensure that overview and scrutiny is effective, that there is an efficient use of scrutiny resources and that potential duplication of effort by scrutiny members is minimised.
2. 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 this Committee's work programme is appended.
3. The Committee's programme may be modified by the Chairman following consultation with the Vice-Chairman and the Directors in response to changing circumstances.
4. Should any urgent, prominent or high profile issue arise, the Chairman may consider calling an additional meeting to consider that issue.
5. 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.

Progress in response to recommendations made and issues raised by the Committee

6. There are no issues currently outstanding.

Background Papers

- None identified.

Overview and Scrutiny Committee – work programme 2009/10

	26 April 2010
	Presentation by Leader of the Council,
	2 July 2010
	<ul style="list-style-type: none"> • Presentations by Cabinet Member (Corporate and Customer Services and Human Resources) and Cabinet Member (Resources) • Report on Scrutiny Review of External Communication • Report on Scrutiny Review of Impact of Winter Weather and Response to it. • Monitoring of operation of new Customer Insight Unit
	27 September 2010
	<ul style="list-style-type: none"> • Integrated Corporate Performance Report • Cabinet response to Scrutiny Review of External Communication • Cabinet Response to Scrutiny Review of Impact of Winter Weather and Response to it
	18 October 2010
	29 November 2010
	<ul style="list-style-type: none"> • Integrated Corporate Performance Report • Budget Monitoring Report
	14 January 2011
	<ul style="list-style-type: none"> • Medium Term Financial Strategy
	21 February 2011
	<ul style="list-style-type: none"> • Integrated Corporate Performance Report • Budget Monitoring Report
	25 March 2011
Other issues <ul style="list-style-type: none"> • Herefordshire Public Services – possible consideration of effectiveness of working arrangements • Herefordshire Partnership 	

Further additions to the work programme will be made as required

