

London Borough of Barking and Dagenham

Notice of Meeting

THE EXECUTIVE

Tuesday, 27 November 2007 - 7:00 pm
Council Chamber, Civic Centre, Dagenham

Members: Councillor C J Fairbrass (Chair); Councillor L A Smith (Deputy Chair); Councillor J L Alexander, Councillor G J Bramley, Councillor H J Collins, Councillor S Kallar, Councillor R C Little, Councillor M A McCarthy, Councillor M E McKenzie and Councillor Mrs V Rush

16.11.07

R. A. Whiteman
Chief Executive

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AGENDA

- 1. Apologies for Absence**
- 2. Declaration of Members' Interests**

In accordance with the Council's Constitution, Members are asked to declare any personal or prejudicial interest they may have in any matter which is to be considered at this meeting.
- 3. Minutes - To confirm as correct the minutes of the meeting held on 6 November 2007 (previously circulated)**
- 4. Street Naming and Numbering Service: Revised Procedure and Introduction of Fees and Charges (Pages 1 - 5)**
- 5. Budget Monitoring Report 2007/08 (April - September 2007) (Pages 7 - 41)**
- 6. 'Achieving Excellence' 2007/08 - 2nd Quarter (July - September 2007) (Pages 43 - 91)**

A full colour version of this report can be viewed at <http://moderngov.barking-dagenham.gov.uk/ieListDocuments.asp?CId=180&MId=3228&Ver=4&J=3>

- 7. Any other public items which the Chair decides are urgent**

8. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

The public and press have a legal right to attend Council meetings such as the Executive, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 as amended).

9. **Framework Agreement for the Supply of Photocopiers and Multifunctional Devices (Pages 93 - 104)**

Concerns a contractual matter (paragraph 3)

10. **Tendering of Drug and Alcohol Support Services (to follow)**

Concerns a contractual matter (paragraph 3)

11. **Any other confidential or exempt items which the Chair decides are urgent**

THE EXECUTIVE

27 NOVEMBER 2007

REPORT OF THE CORPORATE DIRECTOR OF REGENERATION

Title: Street Naming and Numbering Service: Revised Procedure and Introduction of Fees and Charges	For Decision
<p>Summary This report reviews and sets out revised processes to improve the Street Naming and Numbering service.</p> <p>The service that the Council provides can be improved to support service delivery in the following ways:-</p> <ul style="list-style-type: none"> a) Introduce a charge to provide an enhanced service b) Publish the guidelines for approval of new property addresses c) Ensure proper consultation on name selection <p>By providing an enhanced service it would be legal to charge developers for a street and property naming approval service. If agreed, charging would start in April 2008. The generated income would be used to provide the enhanced service. Such a charge would be insignificant set against the cost of developing new property, so it should not be a disincentive to the regeneration of the Borough.</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Executive is recommended to agree:</p> <ul style="list-style-type: none"> (i) The introduction of an enhanced street name and numbering service with effect from 1 April 2008 as detailed in the report; (ii) That the new service be self-financing and that the charge be determined as part of the annual review of Council fees and charges for 2008/09; (iii) To delegate responsibility for the naming and numbering of buildings and roads for which the Council is responsible to the Corporate Director of Regeneration; and (iv) That decisions on the naming of buildings and roads be made in consultation with the Leader of the Council, the relevant Portfolio Holder and the Local Heritage Officer. 	
<p>Reasons To assist in achieving the Council Priority of “Delivering Outstanding Customer Service” and the Community Priority of “Raising General Pride in the Borough”.</p>	
<p>Implications</p> <p>Financial: The annual operating costs of the street naming and numbering service will increase as the National Land and Property Gazetteer (NLPG) changes were introduced on 1 October 2007. The costs in 2007/08 can be met from within existing resources.</p> <p>The implementation with effect from April 2008 of an estimated average unit charge to</p>	

recover the costs of providing an enhanced street naming and numbering service is £31.90. This will be reviewed and reported to Executive as part of the annual review of charges.

Other related costs, to resolve and disseminate property address information throughout the council are being considered by officers as an operational matter.

Legal:

The street naming and numbering powers are contained within the London Building Acts (Amendment) Act 1939 (Part II) which has been maintained throughout London local government re-organisations and is now devolved to all London Boroughs. This Act does not enable the Council to charge in connection with the exercise of its functions under that Act, but Section 2 Local Government Act 2000 and Section 93 Local Government Act 2003 allows for a charge to be applied for additional discretionary services with a person's agreement. Therefore a charge could be made for the provision of an enhanced street naming and numbering service over and above that required by the 1939 Act.

The Council Constitution currently delegates the power to name council property and roads to the Executive (Section C, Scheme of Delegation, page C11).

Risk Management:

The Council has already responded to best practice advice on maintaining a local land and property address gazetteer (LLPG) in the 1990's. Subsequently this was formalised in the Mapping Services Agreement (MSA) contract of 2005. If there is no response to the latest requirements of the MSA contract this could undermine performance assessment ratings. There are also penalty clauses in the MSA, which if invoked would be expensive as it would result in the Council meeting the costs for appointing agents to rectifying errors found in a LLPG.

By introducing the proposed new process for street naming and numbering, the Council will be in a better position to manage the service and so minimise the risk of this happening.

Social Inclusion and Diversity:

No specific implications.

Crime and Disorder:

No specific implications.

Options Appraisal

1. Doing nothing - Is neither efficient with corporate resources nor assists in providing a good customer service.
2. Maintaining the current service level - Incurs resource levels that are not available within current budgets,
3. Provide an enhanced service which would be funded from fee income, meets the community interests in accurate address information and would assist the celebration of local heritage

The recommended approach is Option 3 - to offer an enhanced service, introduced following the setting of a fee for the function.

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1 Background

1.1 The current regulations controlling the approval process for the naming of property originates from 1939. It is intended that this would eliminate duplication and confusing address labels and the creation of unique property addresses. A London Borough is:-

- entitled to approve property address marks suggested by property owners or occupiers, and impose, if necessary a more suitable label and within a calendar month during which consultations are allowed.
- required to keep a public register of approved (property) names, known as distinguishing marks in the act.

1.2 Three triggers have initiated the need to review the process:-

- The third stage of the National Land and Property Gazetteer (NLPG) project which during 2007 will incorporate the distribution of new street naming and numbering functions to public bodies and others agreeing to the Mapping Services Agreement (MSA)
- The increased numbers of new street naming and numbering cases expected as the result of regeneration objectives and extra information required by NLPG.
- The organisation of services indicates the current delegation of administrative arrangements needs to be reviewed.

2 Considerations

2.1 Street naming and numbering is administered by officers within the Spatial Regeneration Division. Current names are either suggested by the developer or are taken from an approved list. In finalising the names of streets or buildings, officers consult with the emergency services to make sure that the proposal will not be confused with existing developments or streets in the area.

2.2 There have been several significant and technological changes since the original 1939 Act :-

- The widespread use of postcodes, although these were introduced to mechanised postal deliveries, they have become widespread as a key to identity verification or location.
- The use of technology for navigation in vehicles (commonly known as “sat nav” products) which is undermining the application of local knowledge and interpreting paper maps.

2.3 It is essential that all council services are acquainted with changes to properties within the borough. As technology has overtaken the keeping of registers and paper filing systems changes identified by street naming and numbering operations should be published electronically. This should be made available to all property list

holders within the authority, instead of circulating update lists on paper, and to organisations beyond the Council that provide services to residents.

2.4 The most appropriate service to determine if a proposed name has any local significance or importance is the local heritage function of Adult and Community Services. A few developers already engaged with them on research about names for projects.

2.5 As the borough is central to the regeneration of the Thames Gateway, there will be a significant increase in the number of new properties being created. This is likely to increase the need for street naming and numbering operations from around 600 at present to 1500 instances per annum.

3 Proposals for Improvement

3.1 Refocusing the way that the Council delivers the street naming and numbering service will add value to the customer and so enable a charge to be levied. This added value service would involve:

- Being active in making developers aware of their obligations towards naming streets and new developments
- Supplying postcode details for the new address
- Adding location information
- Formally approving the name suggestion as soon as it is agreed
- Informing other public services of the new address.

3.2 If the developer opted out of the added value service, a basic response would be made to the property owner. In these circumstances an imposed address may be required in which case the property owner would be liable for any costs incurred over any change of address.

3.3 It is proposed to keep the street naming and numbering function within the Spatial Regeneration Division. However, the names for new properties and streets would be suggested by the local heritage function of the Adult and Community Services Department.

4 Resources

4.1 The estimated value of providing an enhanced street naming and numbering service is set out below:

Service Costs

Item	Annual Cost
Staffing	
10% of management time (at PO6 rate)	£5,200
75% of officer cost (at PO1 Rate)	£27,800
Accommodation	£2,600
Support Cost	£2,000
Total annual costs undertaking enhanced service	£37,600

- 4.2 To pay for the additional costs of providing the added value service, it is estimated that there would need to be a charge of £31.90 per new property. This is derived from dividing the total cost of the additional service (£37,600) by the estimated number of street/property naming application per year (1,180).

Estimated naming applications per annum (1,500 less 20% in case of a development shortfall)	1,180
Flat rate charge per unit	£31.90

- 4.3 As an example, a new development of 100 residential units would therefore be charged £3,190 for the enhanced street naming and numbering service. Given the overall costs of developing such a scheme, it is anticipated that developers will view such a charge as reasonable.
- 4.4 Charging rates used by other councils range from a £20 flat rate to a sliding scale equivalent to over £50 per unit. The unit charge will need to be reviewed as part of the annual review of charges process and will be linked to the budget process to reflect inflationary and other changes.
- 4.5 By setting a fee for an enhanced service for street naming and numbering the operating cost for this function would be achieved by additional income from April 2008. An agreement in principal at this time would allow advance notice to be given to developers of the change in the service. If Members agree to charging for an enhanced street naming and numbering service, the Executive will be asked to agree a fee scale as part of the annual review of charges.

Background Papers

- Advice from iDEA on operating a corporate property database – as published on the internet – see www.nlpg.org.uk/
- British Standard Instrument 7666 (2006) **Spatial datasets for geographical referencing. Specification for a land and property gazetteer** – copyright of BSI priced £315.25 per set.
- Association for Geographic Information (AGI) Resources, Standards for BS7666 (published on the internet), see www.agi.org.uk/
- Naming Conventions as Suggested by London Fire Brigade Dated October 2006

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THE EXECUTIVE

27 NOVEMBER 2007

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Budget Monitoring Report 2007/2008	For Decision
<p>Summary:</p> <p>The report updates the Executive on the Council's revenue and capital position from the beginning of April to the end of September 2007.</p> <p>The position for revenue expenditure indicates that outstanding budget pressures exist across all five service departments amounting to £2.8m which represents a decrease from the August position of £700k. These pressures need to be addressed as part of the Council's ongoing budget monitoring process, and Directors have instigated action plans to ensure these are fully addressed by the year end. The overall position will continue to be closely monitored and the position will be regularly reported to both the Resource Monitoring Panels and the Executive.</p> <p>For the Housing Revenue Account, whilst pressures exist around housing subsidy, income from rents and repairs and maintenance costs, it is now projected that a small overspend of £175k may arise for 2007/08, but that overall the revenue account will still make a contribution to its balances in the financial year.</p> <p>In regard to the Capital programme, the current working budget is £69.7m (after re-profiling) and current forecasts indicate spending of £68m. Directors have been and are continuing to review the delivery of individual capital schemes to ensure maximum spend is achieved by the year end, and to this end there a number of re-profiling and budget virement requests for individual schemes are contained within this report.</p> <p>Wards Affected: None.</p>	
<p>Recommendations</p> <p>The Executive is asked to:</p> <ol style="list-style-type: none"> 1. note the current position of the Council's revenue and capital budget as at 30 September 2007 (Appendix A and C and Sections 3 and 5 of the report); 2. note the position and projected out-turn for the Housing Revenue Account (Section 4 and Appendix B of the report); 3. ensure that Corporate Directors continue with their current action plans to address projected overspends on departmental budgets to ensure full delivery of a balanced budget for their department by the end of the financial year; 4. note the six month update of the Local Land Charges service as requested at the Executive meeting on 10 April 2007 (paragraph 3.6.6); 5. agree the re-profiling of individual capital schemes as identified in Appendix D; 	

6. note the prudential indicators for April to September 2007 (section 6 of the report and Appendix E); and
7. note the financial Health indicators (section 7 of the report and Appendix F).

Reason
 As a matter of good financial practise, the Executive should be regularly updated with the position on the Council's budget.

Implications:

Financial:
 The overall revenue budget is indicating budget pressures in several areas, however, Directors are working to implement the necessary action plans to alleviate these pressures. The working capital programme is now reported at £69.7 million which includes the re-profiling and budget virement requests contained within this report.

Legal:
 There are no legal implications regarding this report.

Risk Management:
 The risk to the Council is that budgets are overspent and that this reduces the Council's overall resource position. Where there is an indication that a budget may overspend by the year end the relevant Director will be required to review the Departmental budget position to achieve a balanced position by the year end. This may involve the need to produce a formal action plan to ensure delivery of this position for approval and monitoring by the Resource Monitoring Panel and the Executive.

Similarly, if there are underspends this may mean a lower level of service or capital investment not being fully delivered. Specific procedures and sanctions are in place through the Resource Monitoring Panels, Corporate Programme Management Office (CPMO), Corporate Management Team and the Executive.

Social Inclusion and Diversity:
 As this report does not concern a new or revised policy there are no specific adverse impacts insofar as this report is concerned.

Crime and Disorder:
 There are no specific implications insofar as this report is concerned.

Options Appraisal:
 There are no specific implications insofar as this report is concerned.

<p>Contact Officer Joe Chesterton Lee Russell</p>	<p>Title: Divisional Director - Corporate Finance Group Manager, Accounting & Budgeting</p>	<p>Contact Details: Tel:020 8227 2932 E-mail: joe.chesterton@lbbd.gov.uk Tel: 020 8227 2966 E-mail: lee.russell@lbbd.gov.uk</p>
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1. Introduction and Background

- 1.1 It is important that the Council regularly monitors its revenue and capital budgets to ensure good financial management. It is now practise within the Council for this monitoring to occur on a regular monthly basis, which helps members to be constantly updated on the Council's overall financial position and to enable the Executive to make relevant decisions as necessary on the direction of both the revenue and capital budgets.
- 1.2 The report is based upon the core information contained in the Oracle general ledger system supplemented by detailed examinations of budgets between the budget holders and the relevant Finance teams to take account of commitments and projected end of year positions. In addition, for capital monitoring there is the extensive work carried out by the Capital Programme Management Office (CPMO).
- 1.3 The monthly Resource Monitoring Panels, chaired by the lead member for finance, and attended by Directors and Heads of Service, monitors the detail of individual departments revenue and capital budgets alongside relevant performance data and this also enhances and forms the basis of this report.

2. Current Position

2.1 Overview for Revenue Budget

- 2.1.1 At the end of September 2007 there remain various pressures across all five Council departments which total £2.8m, however these pressures have reduced by £700k from the position reported in August. These pressures will need to be managed and addressed as part of the Council's ongoing budget monitoring process and all departments are currently implementing a range of action plans to reduce these cost pressures. The overall position will continue to be closely monitored to ensure the full reduction in these pressures, and the position will be regularly reported to both the Resource Monitoring panels and the Executive.

3. Service Position

3.1 General

- 3.1.1 Details of each Department's current financial position are provided in Section 3 of this report and are summarised in Appendix A.
- 3.1.2 At the Executive meeting on 12th June 2007, Members approved a small number of roll forwards from 2006/07 for the revenue budget amounting to £290k (2006/07 £1.65 million) to be added to the relevant Departmental budgets for 2007/08.
It is important to remind Members that Directors need to use these funds to deliver the relevant services associated with the agreed roll forwards and that the appropriate work is undertaken to ensure delivery of full spend by the year end. In addition, consideration by Directors on the use of these roll forwards will need to be made where Departments are currently indicating pressures in their budgets.

3.2 Adults and Community Services Department

- 3.2.1 The Adult and Community Services budget position, after six months of the financial year, continues to be challenging. The current projection continues to indicate an overspend of £500k, which remains unchanged from the August position, the majority of which relates to the Libraries and Community Safety services.
- 3.2.2 The outstanding pressures specifically relate to the decision not to site the one-stop-shop/library at the Heathway which together with other cost pressures on employees could result in a £200k shortfall in the Libraries budgets. The Libraries service is also under pressure to meet PFI and service charge costs at the Castle Green site causing further pressures in the region of £150k. Pressures also exist in the Community Strategy area particularly around the Parks Police and Security service.
- 3.2.3 The Department's Management Team remain committed to maintaining a sound financial base, dealing with current overspend areas, and bringing the departmental budget in on target for the current year. Value for money considerations are paramount within Adult and Community Services.

3.2.4 Adult Care Services

This area relates primarily to Older Persons Residential and Home Care services that are run by the Council. The budget is approximately £10m, and includes three residential homes for Older Persons, one residential home for Learning Disability clients, and two day centres for Learning Disability clients. Previous budget pressures relating to the delivery of the Older Persons Modernisation savings, in both residential and Home Care services, have now been dealt with.

3.2.5 Adult Commissioning Services

These services represent Social Work/Care Management budgets in the department, together with services commissioned from the Independent and Private Sector. Service areas include Older Persons, Physical Disability, Learning Disability and Mental Health. The department has set itself some challenging targets in this area around procurement and commissioning gains/savings. Whilst current expenditure at the end of September is slightly above the budget for this stage of the year, action plans are in place to reduce spend and bring the 2007/08 budget in on target by the year end.

Interface issues with the local Hospitals and the PCT regarding delayed transfers of care are always volatile, but work is ongoing to ensure these areas are actively managed. Work is also ongoing in respect of the new Commissioning Strategy, and efficiencies are expected from the full year effect of reviewing the Fair Access to Care Criteria (FACS).

The Executive will recall the pressures in 2006/07 regarding external care packages in this area, however, it is envisaged that the FACS review, robust monitoring and gate-keeping will mitigate these issues in 2007/8.

3.2.6 Community Safety and Preventive Services

This service area covers CCTV, Community Safety & Parks Police, Substance Misuse, and the Youth Offending Team of which the overall net budget is in the region of £2m. Pressures currently exist within the Parks Police and Security service. In addition substance misuse budgets are also under pressure, and the department has recently received notifications of reductions in Community Safety Grants, in particular Drugs Grants, and submissions have been made for additional sums to the PCT (LDP) process to offset these reductions.

3.2.7 Community Services and Libraries

This service area covers Heritage and Libraries, the Lifelong Learning Centre, Community Development & Halls, Equalities & Diversity and the Neighbourhood Management Service. The net budgets of these services are in the region of £7m. Pressures currently exist in relation to the decision not to site the one-stop-shop/library at the Heathway, which will result indirectly in budget shortfalls in the Library's service, which together with employee costs could result in a £200k shortfall in the Libraries budgets. In addition the Libraries service is also under pressure to meet PFI and service charge costs at the Castle Green site which is causing further pressures in the region of £150k. These issues are being addressed as part of the departmental action plan to deliver against the set budget.

3.2.8 Other Services, Central Budgets, Recharges, and Government Grants

The Adult and Community Services Department receive specific government grants, and incur recharges for departmental and divisional support. All specific grants will be used in support of the existing service areas as outlined above. Central budgets and recharges within the department are on target.

3.2.9 In order to reduce the pressures on its budget, the department is working to implement a range of action plans to address some of these pressures. In particular this includes working with partners to seek funding to contribute to these pressures. The overall departmental position will continue to be closely monitored by the Director and her Management Team to ensure the maximum reduction in these pressures, and the position will be regularly reported to both the Resource Monitoring panels and the Executive.

3.3 Children's Services Department

3.3.1 The Children's Service at the end of September is reporting a potential £1m budget overspend which, after the Executive approval of an in-year budget adjustment of £3.5m to assist with the pressure on Children's placements and for Children leaving care, remains unchanged from the position reported in August.

3.3.2 The main reason for these pressures include the non-delivery of some of the £1.4m approved savings for 2007/8, as well as financial pressures related to multi-occupation buildings and PFI funded projects. The Castle Green Centre and the Schools Meals service are subject to particular pressures where the cost of provisions due to healthy eating initiatives have risen significantly.

3.3.3 Safeguarding and Rights

The pressures reported in August on the Children's placements and for Children leaving care budgets for 2007/08 have been alleviated by the approval of in-year budget adjustment of £3.5m. As mentioned in the August Budget Monitoring report, an action plan has been drawn up for immediate implementation to address the position for the future, covering issues on fostering, prevention and commissioning. In addition the base budget position for children's placements for 2008/09 will need to be a key consideration as part of the 2008/09 budget process.

However there still remains an estimated £1m pressure in the service due to the numbers of Children in out-borough placements, and care leavers which are required to still be looked after as they are still in Education settings. An urgent action plan has been drawn up by the Divisional Director to address and mitigate the position, including preparing Invest to Save bids and formulating a strategy to reduce the overall cost pressures.

3.3.4 Schools Budgets

At this stage it is not envisaged there will be any significant financial pressures in regard to the individual schools budgets and this is supported in that no school reported any significant deficit for the 2006/7 financial year.

3.3.5 Quality and Schools Improvement

This service area includes the Westbury Centre and Special Education Needs (SEN) Budgets. These budgets (approx £14m net), although projecting to break even at present, are very demand led and can be potentially problematic. Particularly close monitoring and controls are in place around SEN budgets.

3.3.6 Shared Services and Engagement

The Shared Services and Engagement budget covers areas involving early years, children's centres and childcare and extended schools. Although the net budget is only £1.6m the gross budget is in the region of £8 million, having benefited from significant government grants. No significant budget pressures are occurring presently, although the increased cost of subsidising Nursery places will continue to be kept under review.

3.3.7 Pupil and Family Support

This service area covers Admissions and Attendance, Youth Services and other pupil and family support. The net budget is in the region of £3.5m. Currently pressures are occurring in the order of £300k regarding savings commitments made for 2007/8 in the admissions area and Youth Service which are not being delivered.

3.3.8 Policy and Trust Commissioning, and Other Services

These budget areas relate to the central and support services for the Department, as well as pooled grants, and total just over £20m. Currently there are pressures on accommodation/buildings based budgets – including some multi-occupation sites, together with pressures to deliver savings commitments around commissioning.

3.3.9 In order to reduce the remaining pressures on its budget, the department is working to identify and implement a range of action plans to address some of these pressures. The overall departmental position will therefore continue to be closely monitored to ensure the maximum reduction in these pressures, and the position will be regularly reported to both the Resource Monitoring panels and the Executive.

3.4 **Customer Services Department**

3.4.1 The department is experiencing pressures at the end of September which, if not actioned, would amount to an overspend of approximately £387k. This forecasted variance represents a reduction of £483k from the position reported at the end of August, with the main reason being the an increase in the recovery of overpaid housing benefit as well as tight controls of budgets across the department.

Specific general management actions to contain these pressures include holding vacant posts, tight controls on agency recruitment and supplies and services spend, reduction in levels of overtime, a review of improvement work in the Fleet service and a review of recovery of outstanding.

3.4.2 **Environmental and Enforcement Services**

An overall projected pressure of £562k is identified within the Environmental and Enforcement Service. The main pressures include: potential recurring overspends on employee costs in the Refuse, Cleansing and Highways services, loss of income within the Refuse service as a result of delays in the implementation of charging for bulky waste, loss of income within the Vehicle fleet as a result of reductions in usage, reduction in income at Frizlands Depot as a result of reductions in the usage of the depot facilities (particularly from Shanks Waste PLC) and increased maintenance costs and off road time of vehicles owned by the Council due to the age of the fleet.

Some of these pressures are being off-set by staff vacancies, and specific action plans include reviewing and reducing overtime and agency costs and delivering business improvement work within the vehicle fleet.

The service has joined the APSE (Association of Public Sector Excellence) benchmarking club for refuse and street cleansing and is currently looking at visiting beacon Councils with similar demographics to Barking and Dagenham to replicate best practice. The VFM objectives for the coming year are to drive out efficiencies within the service, reinvest in service priorities and maximise income and grants. To assist with this process, the service is to undertake a detailed benchmarking exercise of the whole service against a similar council.

3.4.3 **Housing Services**

Pressures of £222k exist within this service mainly in relation to the recovery of outstanding debt for Housing Benefits/Temporary accommodation. A review of the recovery of outstanding debt has now been completed which has resulted in the validation of the recovery of a number of outstanding debts in temporary accommodation. The service has identified/visited best practice authorities and has used this learning to inform new methods of working.

The Value for Money objectives for the coming year will be to build on maximising income and analysing the costs of services through benchmarking.

3.4.4 Barking & Dagenham Direct

The division is currently projecting an underspend of £305k.

The main reason for the increase in the underspend is as a result of additional recovery of £380k of overpaid housing benefit within the Revenues & Benefits service which has arisen through the implementation of the Academy system. To improve the Revenues & Benefits service throughout 2007/08, the service has reduced the number of agency staff employed and has developed a new entrants programme to encourage local people to work for the council. In addition, to this sickness levels have reduced year on year as a result of better management. In terms of ensuring the service achieves VFM, the service has been working with all Revenues and Benefits benchmarking clubs for a number of years and actively participates in the London and National Benefits, Rents, Council Tax, Cashiers, Business Rates and General Income Benchmarking groups. The VFM objectives for the coming year are to deliver the Medium Term Financial strategy that relates to the service and to ensure that VFM is achieved by managing out the need for agency staff.

In terms of the Emergency Out of Hours service, the Registration Service, the Contact Centre and One stop shops, the overall position for these service is a projected overspend of £75k. Current pressures within this service relate to potential recurring overspends on employee costs and a reduction in income levels in the Emergency Out of Hours service. These pressures are however being off-set by increased income levels in the Registration service and a number of vacant posts within the Contact Centre. The service has used information from their benchmarking club to inform how they compare with similar authorities and build relationships with other authorities in order to share best practice. A significant objective for 2007/08 includes significant savings through better ways of working and the implementation of new technology to reduce the number of customer service officers required.

The net underspend in the Barking & Dagenham Direct service will be used to support and off-set overspends elsewhere in the department.

3.4.5 Customer Strategy

The overall position for Customer Strategy is a projected underspend of £92k.

- 3.4.6 Regular monitoring meetings are occurring within the department, and within the management team, to deal with the outstanding pressure areas.

3.5 **Regeneration Department**

3.5.1 The department, at the end of September, is experiencing pressures in 2007/08 amounting to approximately £380k, which reflects a reduction of £259k from the previous month projection.

In particular, pressures continue to exist around recurring overspends arising from 2006/07, such as additional employee costs and shortfall in income as well as potential risks in delivering the approved savings options for 2007/08. Management actions including holding posts vacant and tight controls on agency recruitment and supplies and services spend remain in place to contain the recurring items.

3.5.2 **Housing Strategy**

At this stage current vacancies will produce an estimated underspend of £10k.

3.5.3 **Spatial Regeneration**

At this stage it is not envisaged there are any significant financial issues.

3.5.4 **Skills, Learning and Enterprise**

An overall projected pressure of £213k is identified within the Skills, Learning and Enterprise Service which include an income shortfall as a result of change in policy by the Learning Skills Council (£60k), a further funding shortfall from the LSC (£70k) and a planned budget saving option to increase income by £25k in B&D Training Services which at this stage appears unachievable. In addition both the Project Trident service and the Lifelong learning team are also experiencing pressures within their employee budgets. Further work is being undertaken to examine these issues. Improved VFM will be achieved within the service by the merger of the Adult College and Barking and Dagenham Training Services as a single business unit. This will achieve efficiencies and savings in terms of contract administration with the Learning & Skills Council, and with general administrative and finance functions.

3.5.5 **Leisure, Arts and Olympics**

An overall projected pressure of £123k is identified within the Leisure, Arts and Olympics Skills Service, the majority of which relates to an overspend a budget shortfall in the employee budget arising as a result of recurring salary expenditure.

An exercise is currently underway to review both the grounds maintenance and leisure centre functions with a view to improving value for money and containing costs within budget.

3.5.6 **Asset Strategy and Capital Delivery**

Pressures amounting to £143k currently exist within the Asset Strategy and Capital Delivery division which have reduced by £35k from its August position. The reason for this reduction relate to additional income from parking based on income to date and anticipated additional income arising from investment in mobile CCTV and new powers to charge for moving traffic offences.

In terms of the outstanding pressures these mainly relate to risks in delivering a number of saving options (including reduced building cleaning, staff changes and loss of income from charges not yet implemented), commercial property income not meeting budget, public conveniences, highway sponsorship income and premises costs on public buildings. There is a further potential for street lighting energy costs to exceed budget. These pressures are, however, being partly mitigated by additional income in building cleaning and car parking, reduced spend on land drainage and a number of staff vacancies.

3.5.7 Directorate & Support

Vacancies, and management action not to recruit to vacancies, will produce an estimated underspend of £87k.

3.6 Resources Department

3.6.1 The Department has identified pressures for 2007/08 amounting to £490k, the main reasons relating to:

- The savings relating to the Payroll Review may not be achieved due to the additional work required within Payroll to move employees from weekly to monthly payroll - £63k;
- Staffing costs in Human Resources exceeding current budget - £40k;
- Reduction in land charges income due to changes in legislation - £140k;
- Shortfall in the income budget for the recovery of court costs due to decreasing levels of debt - £40k;
- Review of Legal services £80k.

3.6.2 These pressures have been discussed at the Departmental Management Team meetings and an action plan has now been implemented which will bring the Department's projection down to a break-even position.

Management actions include holding posts vacant and tight controls on both the use of agency recruitment and supplies and services spend.

3.6.3 Assistant Chief Executive – Democracy and Partnerships

The main pressure that currently exists within this service relates to the costs of the Software licences for the Geographic Information System (GIS).

3.6.4 Assistant Chief Executive – Performance and Delivery

In line with other salary budgets within the department, the cash budget for salaries in the Performance & Delivery division allows for a vacancy factor. However, currently all posts within the Performance & Delivery Division are expected to be filled within the year, and if this position arises then this will result in an inability to achieve the necessary vacancy factor and therefore, the Division will project to overspend. In addition there is also a pressure around the division's Supplies and Services budget in relation to demands to attend various conferences for up to date training on revised legislation and best practices for which there is currently insufficient budget.

3.6.5 Strategic Finance and Audit

There are currently no immediate issues within the Strategic Finance & Audit budget.

3.6.6 Legal Services

As a result of the new Local Land Charges (LLC) regulations introduced on the 1st April 2007, the service is currently projecting a budget shortfall in 2007/08 of £140k. This shortfall has arisen due to the requirement that LLC income should not in future exceed the cost of providing the service.

When the Executive agreed the revised LLC fees for 2007/08 on the 10th April 2007, they also requested an update after 6 months of operation. Detailed below is the performance information for the period April 2007 to September 2007:

- The original income target for the LLC service for 2007/08 was £515K;
- New statutory regulations were introduced from April 2007 which required LLC fees to be set on the basis that income does not exceed the cost of providing the service. The operational cost of the service was calculated at £400K and fee levels were agreed in April to recover these costs. These changes to fee levels resulted in a projected budget shortfall of £115k in 2007/08;
- The new fees were not introduced until June 2007 to allow for a period of notice to customers;
- The LLC income between April-September 2007 was £212K (£28K less than predicted);
- This leaves more to recover in the second half of the year than is likely in the traditionally slower season;
- Current estimates are that full costs will not be recoverable – potentially by £30K. Overall this will result in a 2007/08 budget shortfall of £140k and this has been regularly reported to the Executive as part of the Budget Monitoring process;
- The reason for the additional shortfall of income has been due to market factors such as the current housing market and economic situation as well as changes like the introduction of Home Information Packs involving Personal Searches by agents;
- The total estimated deficit of £140K for 2007/08 will need to be met from the Resources departments overall budgets. A pressure proposal for an adjustment in the income budget has been submitted as part of the 2008/09 budget process;
- Detailed in the table below are the 2007/08 fee comparisons with neighbouring boroughs:

Council	Estimated No. of Searches Annually	Full Search Fee	Paper Search Only	Additional Property Enquiries
Barking & Dagenham	6,500	£118	39	79
Newham	8,000	£150	6	145
Redbridge	8,000	£200	25	175
Havering	7,500	£175	6	169

The comparison of fees with neighbouring boroughs highlights the following

- LBBD are the only Borough who has set their fees on an actual cost/non-profit basis ;
 - Fees vary considerably;
 - All boroughs are experiencing higher levels of personal searches and reduced income;
 - Other authorities may have better predicted the market and therefore kept charges higher on the basis that the situation could slow down further;
 - As the regulations provide a period of three years to 'break even', if other authorities do make significant surpluses in 2007/08 it is likely that they will need to significantly alter their LLC fees in future years. This will cause major variations in fee levels to residents, however because of the immediate implementation at Barking & Dagenham this situation should not occur.
- A number of actions are currently being undertaken to ensure that when the 2008/09 LLC fees are set these recover both the in-year costs as well as any potential deficit from previous years. These include:
 - Review of the estimated demand for number of searches in 2008/09 and future years;
 - Review of the cost of the service;
 - Review marketing strategy for the use of the Council's service.

3.6.7 Human Resources

The division is experiencing pressures in relation to the savings proposal to reduce Payroll staffing and staffing costs in general exceeding the current budget.

3.6.8 ICT & e-Government

There are currently no immediate issues within these budgets.

3.6.9 Corporate Finance

The division continues to have some vacancies, some of which are being occupied by temporary staff. Following the division's restructure in late 2006, a number of posts have recently been filled. The division is currently reviewing and re-assessing its staff structure (including its vacant posts) in light of both operational experience over the last 6 months and a number of minor changes taking place within the Council wide structure. The division will be undertaking a major review of its accounting structure during 2007/08 which when completed will create significant benefits in terms of financial and management information for all staff in the organisation. There are currently no immediate issues within these budgets.

3.6.10 Corporate Management and General Finance

There are currently no immediate issues within these budgets and it is projected that these will breakeven by the end of the financial year.

3.6.11 Interest on Balances

The current position on interest from investments is that these are performing to the budget target. A significant proportion of the Council's investments continue to be managed by two external investment managers, and the Council's Treasury Management Strategy has set stretching targets for these managers in 2007/08 which are being closely monitored by the Corporate Finance Division. An element of these investments will require the use of investment instruments such as gilts to be used which require tactical trades to be undertaken.

Inevitably there are risks and rewards with the use of such investment instruments, and whilst the Council needs to continue to review the manager's performance it also needs to be aware that these potential risks/rewards do exist.

The position of interest on balances is also affected during the year by both performance and actual spend on the Capital Programme and the delivery of the Council's disposals programme. Any positive position arising in these areas may allow Council balances to increase, whilst at the same time any weakening may lead to reductions.

4. Housing Revenue Account (HRA)

- 4.1 The HRA is currently projecting a small overspend (a reduction in contribution to balances) of £175k for 2007/08 which has fallen from the August position of £191k. The increase in the negative subsidy payable to the Government has and will continue to increase the pressures on this account. In addition Right to Buy sales will reduce stock levels which will result in income falling, and the challenge will be to ensure that costs fall in line with the reducing stock.

There will continue to be other significant pressures on the HRA including repairs and maintenance spend, premises costs, rising energy prices and reducing Supporting People Grant. In part this may be off-set by improved performance in rent collection and better management of voids. Overall at this stage it is anticipated that the revenue account will make a contribution to balances in 2007/08.

Specific issues relating to the HRA include:

- Overall income is forecast to overachieve by £1.6m. This is due to 2007/08 being a 53 week year thereby allowing the HRA to achieve an additional one week's rental income. In addition void levels are reducing which will generate additional income. Right to Buy sales are forecast to be 204 for 2007/08 which, whilst slightly higher than forecast, will not significantly alter income to the HRA;
- Supervision and Management budgets are currently forecast to overspend by £364k due to increased wages and other costs and other pressures on salary and running costs;
- The Repairs and Maintenance budget is forecast to overspend by £1.34m mainly due to increased demand. The actual spend on repairs and maintenance is constantly under review and actions are being implemented to bring the spend in line with the budget allocation.

A summary of the latest position for the HRA for 2007/08 is shown in Appendix B.

5. Capital Programme

- 5.1 As at the end of September, the working budget on the capital programme was £76.4m against an original budget of £75.1m.
- 5.2 It is vitally important that projects and budgets are subject to robust scrutiny to ensure that timetables and milestones can be adhered to, and that budgets are realistic. As a result, Directors and sponsors, with support from corporate finance and CPMO, have reviewed current spending plans to ensure that they remain accurate. As a result of the adjustments detailed in Appendix D, the current projection for the overall capital programme is that the working budget will be amended to £69.7m against the current budget of £76.4m.
- 5.3 The end of September marks the half way point in the financial year. At this point in time, £14.7m of the capital programme has been spent, against a budget (before re-profiling) of £76.4m. This is equivalent to 19% of the annual budgeted spend. It is therefore vitally important that efforts are made to ensure that spending plans are advanced throughout the rest of the year. Progress on capital projects continues to be monitored through the monthly Resource Monitoring Panels.
- 5.4 The completion of capital projects on time and on budget not only supports the Council's drive to excellence through its Use of Resources score, but will also ensure that the benefits arising from our capital projects are realised for the community as a whole.

6. Prudential Indicators

- 6.1 The Assembly at its meeting on 28th February 2007 agreed the Council's Prudential indicators for 2007/08. These indicators were introduced as part of the new prudential borrowing regime in local authorities. The indicators are required to be set and regularly monitored by the Council to ensure capital investment plans of the authority are prudent, affordable and sustainable. The monitoring of these indicators take place on a quarterly basis, and the position at the end of the first quarter of the financial year i.e. April to September 2007, is presented at Appendix E.
- 6.2 The Prudential indicators as laid out in this report show the impact of capital investment decisions at the end of the third quarter of the financial year compared to those figures agreed at the beginning of 2007/08. These figures demonstrate that, while changes to the capital programme have had financial implications on the Council, they have been made having taken into account the key principles of the CIPFA Prudential Code of prudence, affordability and sustainability.

7. Financial Health Indicators

- 7.1 The Audit Commission's Comprehensive Performance Assessment (CPA) introduced the requirement for the Council to undergo an assessment into its Use of Resources (UoR). The Council has a clear ambition to deliver excellent value for money services and to constantly improve and hence aspires to achieving Level 4 in its UoR assessment.

- 7.2 One of key themes within the UoR assessment is the need to evaluate the Council's position regarding its financial standing. A key line of Enquiry in achieving level 4 requires Members to monitor key financial health indicators and set challenging targets, for example, for income collection, level of variance form budget, prudential framework indicators, capital programme management etc. Whilst the council has a good track record of achieving these targets, it is appropriate that performance against these targets is presented to Executive on a regular basis.

Attached at Appendix F is a list of the Council's significant financial health indicators for the period ending 30th September 2007.

8. Consultees

- 8.1 The members and officers consulted on this report are:

Councillor Bramley, Lead Member
Corporate Management Team
Group Managers – Corporate Finance
Capital Programme Management Office

Background Papers Used in the Preparation of the Report:

- Oracle reports
- CPMO reports

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REVENUE BUDGET 2007/2008

APPENDIX A

SUMMARY OF POSITION - SEPTEMBER 2007

<u>Department</u>	<u>Original Budget 2007/08</u>	<u>Working Budget 2007/08</u>	<u>Budget to date</u>	<u>Actual to date</u>	<u>Current projected position</u>	<u>Current projected variance</u>	<u>Action in place/ to be taken</u>	<u>Projected Outturn 2007/08</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Adults & Community Services	58,647	58,701	33,221	33,482	59,201	500	500	0
Children's Services	172,184	182,978	97,686	99,809	183,978	1,000	1,000	0
Customer Services	15,593	15,761	18,783	18,817	16,148	387	387	0
Regeneration	22,800	23,527	11,954	13,220	23,907	380	380	0
Resources	922	1,141	611	892	1,631	490	490	0
Total for Department's	270,146	282,108	162,255	166,220	284,865	2,757	2,757	0
<u>Other Services</u>								
Corporate Management	4,930	4,740	2,240	2,121	4,740	0	0	0
General Finance	(19,470)	(31,163)	(16,841)	(16,731)	(31,163)	0	0	0
Contingency	1,200	1,121	500	79	1,121	0	0	0
Levies & precepts	6,581	6,581	3,290	3,262	6,581	0	0	0
Total for Other Services	(6,759)	(18,721)	(10,811)	(11,269)	(18,721)	0	0	0
Total Council Budget	263,387	263,387	151,444	154,951	266,144	2,757	2,757	0

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HOUSING REVENUE ACCOUNT - BUDGET MONITORING SUMMARY**APPENDIX B****Month September 2007**

	Original Budget £'000	Revised Budget £'000	Budget Sep-07 £'000	Actual Sep-07 £'000	Forecast £'000	Variance £'000
<u>Housing Revenue Account</u>						
NET RENT OF DWELLINGS	(69,047)	(69,047)	(28,770)	(29,075)	(70,879)	(1,832)
OTHER RENTS	(2,438)	(2,438)	(1,016)	(437)	(2,363)	75
OTHER CHARGES	(5,170)	(5,170)	(2,154)	(2,643)	(4,963)	207
TOTAL INCOME	(76,655)	(76,655)	(31,940)	(32,155)	(78,205)	(1,550)
REPAIRS AND MAINTENANCE	21,878	21,722	9,051	10,476	23,058	1,336
SUPERVISION & MANAGEMENT	24,023	24,044	10,018	8,018	24,408	364
RENT, RATES AND OTHER CHARGES	994	379	158	0	379	0
NEGATIVE HRA SUBSIDY PAYABLE	14,125	14,125	5,886	5,650	14,125	0
NEGATIVE HRA SUBSIDY TRANSFERABLE TO GENERAL FUND UNDER TRANSITIONAL ARRANGEMENTS	3,449	3,449	0	0	3,449	0
DEPRECIATION & IMPAIRMENT OF FIXED ASSETS	23,197	23,197	9,665	9,665	23,197	0
HRA SHARE OF CDC COSTS	750	750	312	312	775	25
TOTAL EXPENDITURE	88,416	87,666	35,090	34,121	89,391	1,725
INTEREST EARNED	(1,354)	(1,354)	(564)	(564)	(1,354)	0
NET COST OF SERVICE	10,407	9,657	2,586	1,402	9,832	175
DEPRECIATION ADJUSTMENT	(10,098)	(10,098)	(4,208)	(4,208)	(10,098)	0
MOVEMENT IN WORKING BALANCE	309	(441)	(1,622)	(2,806)	(266)	175
WORKING BALANCE B/F	(2,776)	(1,665) (1)			(1,665)	0
WORKING BALANCE C/F	(2,467)	(2,106) (2)			(1,931)	175

Notes:

(1) Revised Budget b/fwd balance reflects the closing working balance as per 2006/07 outturn

(2) Revised Budget c/fwd balance reflects estimated balances at year end

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CAPITAL PROGRAMME 2007/2008**SUMMARY OF EXPENDITURE - SEPTEMBER 2007**

	<u>Original Budget (1)</u>	<u>Working Budget</u>	<u>Re-profiling Adjustments (as set out in Appendix D)</u>	<u>Revised Budget (after adjustments)</u>	<u>Actual to date</u>	<u>Percentage Spend to Date</u>	<u>Projected Outturn</u>	<u>Projected Outturn Variation against Revised Budget</u>	<u>Projected Outturn Variation against Original Budget</u>
<u>Department</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>%</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Adult & Community Services	2,019	1,109	1,000	2,109	243	22%	1,770	(339)	(249)
Children's Services	9,718	8,579	(100)	8,479	3,403	40%	9,399	920	(319)
Customer Services	42,505	37,760	(4,490)	33,270	7,193	19%	33,211	(59)	(9,294)
Regeneration Resources	19,407	26,617	(2,939)	23,678	3,431	13%	21,788	(1,890)	2,381
	1,467	2,206	(200)	2,006	394	18%	1,719	(287)	252
Total for Department Schemes	75,116	76,271	(6,729)	69,542	14,664	19%	67,887	(1,655)	(7,229)
<u>Accountable Body Schemes</u>									
Regeneration	-	111		111	-	0%	111	0	111
Total for Accountable Body Schemes	-	111	0	111	-	0%	111	0	111
Total for all Schemes	75,116	76,382	(6,729)	69,653	14,664	19%	67,998	(1,655)	(7,118)

Note

(1) Excludes provisional schemes approved at Executive 20th February subject to achieving 'four green lights' from CPMO appraisal

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APPENDIX D

CAPITAL PROGRAMME 2007-08 ONWARDS

REPROFILING OF SCHEMES

Below are the schemes which have been submitted for consideration for re-profiling. These project budgets have been reviewed and the re-profiles calculated to reflect the current spend position for each project.

CHILDREN'S SERVICES

Schools Asbestos - Project No 2582

The re-profiled capital spend reflects the current progress being made in the removal from school buildings of any asbestos. The works can only be undertaken in school holidays. It was originally predicted that the spend would be less than the budget allocated of £450,000 so £100,000 was re-profiled into next year (08/09) but the success of the summer break programme means that more asbestos can be removed using the current contracts – thus saving time and re-tendering costs and is the reason for this request for the re-profiling of £100,000 from 2008/09 to this year (2007/08).

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	350	100	450
Proposed Profile	450	0	450

CUSTOMER SERVICES

Housing Futures – Decent Homes - Project No 104

The re-profiled capital spend reflects the later than anticipated approval of the Framework Contractors. These have now been appointed and the first round of tenders returned. Work will commence at the end of 2007. The longer term programme is dependant on the outcome of the Executive Report now scheduled for spring 2008, which will set out the way forward. In the interim a review of the 2007/08/09 programme is underway, with a report going to Executive in December 2007.

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	27,155	35,547	62,702
Proposed Profile	22,665	40,037	62,702

REGENERATION

Wind Turbines Project - Project No 2589

The planning application process has led to a delay of approximately six weeks.

In addition, detailed Noise and Flicker studies have been undertaken to determine the impact on the neighbourhood of the scheme. These studies will take a month to complete then the planning application can continue.

These issues will require a re-profiling which will mean that approximately £30,000 will be spent this financial year, and the rest in the first quarter of the 2008/09 financial year.

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	200	0	200
Proposed Profile	30	170	200

Barking Child and Family Health Centre - Project No 2343

The project was delayed due to the PCT finalising their intended service provision from the building. The original programme envisaged a start on site in October 2006, with Practical Completion in May 2008. Due to the delay, works actually started on site in May 2007, with an anticipated completion in December 2008. No claims are to be submitted from the PCT until after practical completion (December 2008) Therefore it is requested that £2,045,000 is re-profiled into 2008/09.

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	2,044	3,180	5,224
Proposed Profile	0	5,224	5,224

Lintons Demolition - Project No 2580

Unavoidable delays have been caused by the failure of Transco to remove their apparatus. Demolition of the buildings cannot take place until the equipment is removed. This has resulted in potential slippage of the project by up to 2 months. It is therefore requested that £400,000 is rolled forward into 2008/09.

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	2,500	0	2,500
Proposed Profile	2,100	400	2,500

Barking Park Artwork – Project No 2546

A maximum of £10,000 will be spent this financial year – some on fees and some on the school's participation outcomes. It is therefore requested to re-profile £80,000 into 2008/09 because the realisation of the artwork is dependent on the Heritage Lottery Fund programme which will not be applied until 2008/09 to 2009/10.

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	90	0	90
Proposed Profile	10	80	90

Barking Town Centre Public Realm – Project No 2239

The new Health Care centre and Axe Street housing projects will not be completed until March and July 07 respectively and therefore works to the Public Realm will not be able to commence until such time as these are complete. Therefore it is requested that £245k is re profiled into 2008/09.

	2007/08	2008/09	Total
	£'000	£'000	£'000
Current Profile	445	0	445
Proposed Profile	200	245	445

RESOURCES

Desktop Replacement Programme - 2551

Due to supply shortages it has not been possible to progress as quickly as envisaged, so £200,000 needs to be re-profiled into 2008/09 and 2009/10.

	2007/08	2008/09	2009/10	Total
	£'000	£'000	£'000	£'000
Current Profile	500	475	25	1,000
Proposed Profile	300	650	50	1,000

ADULT & COMMUNITY SERVICES

Refurbishment of Lakerise

The project for the refurbishment of Lakerise has been given 4 green lights as part of the CPMO appraisal process, following agreement of funding this project from the sale of Brocklebank Lodge and Mayesbrook Homes. This increases the budget of this project from £200k to £1.2m as follows:

	2007/08	Total
	£'000	£'000
Current Profile	200	200
Proposed Profile	1,200	1,200

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The Prudential Code for Capital Investment in Local Authorities

Prudential Indicators Second Quarter 2007/08

1. Introduction

- 1.1. The Prudential Code for Capital Investment commenced on the 1st April 2004. This system replaced the previously complex system of central Government control over council borrowing, although the Government has retained reserve powers of control which it may use in exceptional circumstances. The Code offers significantly greater freedom to authorities to make their own capital investment plans, whereas the previous system restricted authorities to credit approvals controlled by central government.
- 1.2. Within the regime, authorities must have regard to the *Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code for Capital Finance in Local Authorities*. The principles behind this code are that capital investment plans made by the Council are prudent, affordable and sustainable. The code identifies a range of indicators which must be considered by the Council when it makes its decisions about future capital programme and sets its budget.

2. The Prudential Indicators

- 2.1. The Prudential Code sets out the information that each Council must consider when making its decisions about future borrowing and investment. This takes the form of a series of "Prudential Indicators".
- 2.2. The Code is a formal statement of good practice that has been developed to apply to all authorities regardless of their local circumstances. For example, while Barking and Dagenham is in a debt free position, the indicators in respect of borrowing are not currently relevant. However, spending on the capital programme results in reduced interest on investments, which creates a gap in the revenue budget, and represents a sum that could otherwise have been spent reducing Council Tax levels, or being spent on other priorities.
- 2.3. From the 1st April 2005 onwards. The Council's "prudential indicators" have been reported as an appendix to the budget monitoring report to the Executive on a quarterly basis as an appendix to the budget monitoring report. This will ensure that members and senior officers are kept up to date with the financial implications of capital investment decisions on a regular basis.

3. Capital Expenditure

- 3.1 The first prudential indicator sets out **capital expenditure** both for the General Fund, and Housing Revenue Account Expenditure. These figures are shown in table 1:

Table 1: Capital Expenditure (Prudential Indicator)

	2007/08	2008/09	2009/10
	£'000	£'000	£'000
HRA	33,231	37,847	30,811
General Fund	43,151	23,602	3,988
Total	76,382	61,449	34,799

- 3.2 Table 1 shows the current 3 year programme (2007/08 to 2009/10), and incorporates the changes that have been made since the original budget was agreed in February 2007.
- 3.3 The original budget for 2007/08 was £75,116. Since this was set in February last year, roll-forwards and re-profiling from 2006/07 to 2007/08 of £6,132m has been agreed, £15,700m of new schemes have been added to the programme, and £16,857m of schemes have been re-profiled from 2007/08 to 2008/09.
- 3.4 Major changes to the Capital Programme are listed below:
- Lintons Development £2.5m;
 - Remote Concierge £1m;
 - TfL Funding For Highways and Traffic £5.1m;
 - Barking Town Square £1.6m;
 - LEGI £1.2m.

Since the beginning of the year, significant re-profiling of budgets has taken place to more accurately reflect spending patterns. Significant schemes re-profiling include the following:

-
- Housing Futures £8.4m;
- Implementation of the Accommodation Strategy £1.9m;
- Barking and Family Health Centre £2.8m;
- Valance Museum £0.9m.

4. Financing Costs

- 4.1 The prudential code also requires Councils to have regard to the financing costs associated with its capital programme.
- 4.2 For an authority that has debt, the prudential indicator for its financing costs is calculated based on the interest and repayment of principle on borrowing. Conversely, for an authority without debt, it is the interest and investment income from its investments. This income contributes to the financing of the Council's revenue budget. However, when capital receipts are used to finance the capital programme, the amount

of interest earned will be reduced. The use of capital receipts to finance the capital programme, rather than to raise interest receipts, is therefore a cost to the Council.

4.3 Since the authority does not borrow there is no Minimum Revenue Provision (“repayment of principle”) in the General Fund financing costs. For the HRA there is, however, a charge for depreciation based on the Major Repairs Allowance. This is included in the financing costs of the authority although in practice it is matched by an equivalent amount in HRA Subsidy.

4.4 Table 2 shows the following:

- Estimated figures as at 30th September 2007 for the Council’s net revenue streams for both the General Fund and the Housing Revenue Account;
- Financing costs for these two funds; and
- The ratio of net revenue streams to financing costs, based on capital expenditure shown in Table 1.

Table 2: Financing Costs (Prudential Indicator)

	2007/08	2008/09	2009/10
	£'000	£'000	£'000
Net Revenue Stream			
HRA (Rent Income)	78,009	78,009	78,009
General Fund (net budget Requirement)	134,607	140,150	145,700
Financing Costs			
HRA (MRA)	13,904	13,904	13,904
General Fund	3,259	898	(488)
Ratio			
HRA	17.82%	17.82%	17.82%
General Fund	2.42%	0.64%	(0.33%)

4.5 The net revenue streams for the HRA and the General Fund have not changed since the original budgets were set.

4.6 Financing costs in the General Fund are positive in 2007/08 and 2008/09 as they relate to the interest earned on balances, but they become negative in 2009/10 as the Council has to borrow to finance capital expenditure.

4.7 Financing costs in the HRA relate principally to the Major Repairs Allowance, which is a government subsidy from the Department for Communities and Local Government (DCLG). This figure is fixed throughout the year.

4.8 Financing costs can also be shown with reference to their impact on Council Tax and Housing Rents. This shows the additional Council Tax burden for Band D from financing new capital schemes added to the programme. This is set out in Table 3.

Table 3: The Impact of Capital Programme on the Council Tax and Housing Rents (Prudential Indicator)

	2007/08	2008/09	2009/10
	£	£	£
For Band D Council Tax	0.35	0.10	(0.05)
For average Housing Rents	0	0	0

- 4.9 The table shows that the impact of changes in the budgeted capital expenditure as at 30th September on Council Tax at Band D for the years 2007/08, 2008/09, 2009/10.
- 4.10 As a consequence of the absence of debt and the Government's policy on rent restructuring the capital programme has a minimal impact on future rents. There are no borrowing costs and the revenue contribution to capital expenditure is set according to the rent levels that are established by the rent restructuring regulations.

5. Capital Financing Requirement

- 5.1 The Prudential Code requires the Council to measure its underlying need to borrow for capital investment by calculating its **Capital Financing Requirement**.
- 5.2 The capital financing requirement identifies the level of capital assets on an authority's balance sheet, and compares this to the capital reserves to see how much of these assets have been "funded". The difference is the level of debt that the authority has to repay in the future, or the "capital financing requirement".

Table 4: Capital Financing Requirement (Prudential Indicator)

	2007/08	2008/09	2009/10
	£'000	£'000	£'000
Housing Revenue Account (HRA)	21,355	21,355	21,355
General Fund	(29,683)	(40,418)	(47,588)
Capital Financing Requirement	8,328	19,063	26,233

- 5.3 As all capital expenditure is planned either to be funded from capital receipts, or through external funding, no borrowing is currently factored into the programme. As such, the Council's CFR, or underlying need to borrow, is negative throughout the period from 2007/08 to 2009/10, and remains constant throughout that period.

6. External Debt

- 6.1 Table 5 sets out the prudential indicators in borrowing limits. The Council is required to set two limits, an operational limit which should be kept to on a day to day basis (but could be exceeded for short term, "cashflow" purposes), and an authorised limit, which is the outer limit for borrowing in exceptional purposes. In the medium term local authorities only have the power to borrow for capital purposes.
- 6.2 The operational limit has been set at £10m for 2007/08, in line with the Council capital programme requirements that could see borrowing of £10m in the year. The authorised

limit has been set at £150m which allows significant flexibility should the Council want to borrow for significant housing or regeneration projects (as a statutory limit, it is sensible for this limit to be set well above the expected level of borrowing).

- 6.3 The Council has not exceeded the authorised limit up to 30th September 2007. No investment decisions have been made that suggest that this limit will be breached in future.

Table 5: Authorised Borrowing Limits (Prudential Indicator)

	2007/08 £m	2008/09 £m	2009/10 £m
Operational Limit on Borrowing	10	20	30
Margin for Unforeseen Cash Flow Movements	140	130	120
Authorised Limit	150	150	150

7. Treasury Management Indicators of Prudence

- 7.1 The authority has an integrated treasury management strategy and has adopted the *CIPFA Code of Practice for Treasury Management in the Public Sector*. The *Prudential Code for Capital Finance in Local Authorities* supplements this by requiring council's to set and monitor specific indicators to demonstrate the prudence of its treasury management policies. The position against these indicators for 2007/08 is set out below:

a) Interest Rate Exposure

Indicator set:

The Council will not be exposed to any interest rate risk since all its borrowing will be at known overdraft rates (if this occurred) and fixed rates.

30th September 2007:

The Council was not exposed to any interest rate risk up to 30th September 2007.

b) Maturity Structure of Borrowing

Indicator set:

All the Council's borrowing will be for a period of less than one year.

30th September 2007 position:

The Council has not entered into any borrowing as at 30th September 2007.

(c) Total Principle Sums Invested

The overriding objective of the investment strategy is to ensure that funds are available on a daily basis to meet the Council's liabilities. The risk inherent in the maturity structure of the Council's investments is that it may be forced to realise an investment before it reaches final maturity and thus at a time when its value may be dependent on market conditions that cannot be known in advance.

30th September 2007:

The maturity structure of the Council's investments to the 30th September 2007 was such that it did not have to release any of its investments before they reached their maturity date.

8. Summary Assessment

- 8.1 The Prudential Indicators as laid out in this report show the impact of capital investment decisions in the second quarter of 2007/8.
- 8.2 These figures demonstrate that, while changes to the capital programme have had financial implications on the Council, they have been made having taken into account the key principles of the CIPFA Prudential Code of **prudence, affordability and sustainability**.

Key Financial Health Indicators to 30th September 2007Revenue

<u>Financial Monitoring</u>	<u>2007/08 Variance Projection</u>	<u>Current Budget</u>	<u>Projected Outturn</u>	<u>Quarter 2 Variance Projection</u>	<u>Variance to 2007/08 Projection</u>	<u>Next Quarter Variance Target</u>	<u>Year end Variance Target</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Service Departments	0.0	282.1	284.9	2.8	2.8	1.0	0
Other Services	0.0	(18.7)	(18.7)	0	0.0	0.0	0
Total	0.0	263.4	266.2	2.8	2.8	1.0	0

Narrative:

All five main service departments of the council are reporting budgetary pressures. The Executive have told Corporate Directors continue with their current action plans to address projected overspends on departmental budgets to ensure full delivery of a balanced budget for their department by the end of the financial year. The current adverse position at the end of Quarter 2 is not considered unreversible and consequently the Council is expected to be on budget by the year end. Full details of the September position is included within the main text of this report.

<u>Income Collection</u>	<u>Target Collection Rate</u>	<u>Cash Equivalent</u>	<u>Actual Collection Rate</u>	<u>Cash Equivalent</u>	<u>Variance to Target Rate</u>	<u>Cash Equivalent</u>	<u>Next Quarter Target</u>
Council Tax	55.50%	£27.25m	52.22%	£22.64m	3.28%	£1.61m	82.50%
NNDR	59.70%	£28.24m	57.23%	£27.07m	2.47%	£1.17m	86.20%
Ctax Arrears							
• prior years	21.00%	£1.33m	15.25%	£0.97m	5.75%	£0.36m	25.50%
Rent Collection	97.60%	£36.71m	96.67%	£36.36m	0.93%	£0.37m	97.60%

Narrative:

The figures shown for Actual Council Tax and NNDR collected at September 2007 is based on the official QRC calculation used by all Local Authorities in England & Wales. It can be seen that both of the actual amounts collected are slightly behind the target collection rates for both taxes. At this stage the variances are not significant and barring any major problems we expect that as the year goes on, actual performance will begin to converge towards the targets in each area.

Key Financial Health Indicators to 30th September 2007

Investments

	<u>Average</u> <u>Investment</u> <u>Balances</u> <u>£m</u>	<u>Benchmark</u> <u>Return</u>	<u>Actual</u> <u>Return for</u> <u>Q2</u>	<u>Variance for</u> <u>Q2</u>	<u>Year to Date</u> <u>Actual</u> <u>Return</u>	<u>Year to Date</u> <u>Variance</u>	<u>Projected</u> <u>Year End</u> <u>Variation</u> <u>£'000</u>
Council in House team	85.0	5.50%	5.66%	0.16%	5.49%	-0.01%	0
External Fund Manager (1)	21.1	5.50%	6.22%	0.72%	4.98%	-0.52%	0
External Fund Manager (2)	39.4	5.50%	6.09%	0.59%	5.44%	-0.06%	0

Narrative:

Quarter 2 was a favourable quarter for all fund managers helped with interest rates remaining stable and no further rises in interest rates forecasted in the short term. The Sub-prime mortgage effect in America, including the problems experienced by Northern Rock in the UK, contributed to the Bank of England's decision to keep UK interest rates on hold. During Q2 actions were undertaken by the Council to address the poor investment returns by Fund Managers in Q1 which included the transfer of £25m of funds from external fund manager (1). As a result of the £25m taken back from external fund manager (1), and spending levels of the Capital programme being lower than estimated for quarters 1 and 2, it is expected that the In House team will exceed its budgeted income by the end of the year. The overall projection is that the Council will meet its overall treasury management benchmark target of 5.5% as well as achieving its budgeted income levels.

Capital

<u>Capital Programme</u>	<u>Original</u> <u>Budget</u> <u>£m</u>	<u>Working</u> <u>Budget</u> <u>£m</u>	<u>Actual</u> <u>Spend @</u> <u>Q2</u> <u>£m</u>	<u>Projected</u> <u>Spend</u> <u>£m</u>	<u>Variance to Working Budget</u> <u>%</u> <u>£m</u>	
Capital Spend	75,116	76,382	14,664	67,998	-11.0%	(£8,384)

Narrative:

As at the end of September the projected spend compared to the Working budget shows an variation of £8.4m, However, Corporate Directors have reviewed the delivery of individual capital schemes within the September monthly Budget Monitoring report to the Executive, and as a result the Working Budget from October will reflect a revised estimated spend of £69.7m by the year end. Schemes continue to be monitored through both the Capital Programme Management Office (CPMO) and at monthly Resource Monitoring Panels, and expected year end spend is predicted to be broadly in line with the revised working budget of £69.7m.

Key Financial Health Indicators to 30th September 2007

Capital

<u>Prudential Indicators</u>	<u>Original Indicators @ 1/4/07</u>			<u>Revised Indicators @ 30/9/07</u>		
	<u>2007/08</u>	<u>2008/09</u>	<u>2009/10</u>	<u>2007/08</u>	<u>2008/09</u>	<u>2009/10</u>
<u>Indicators</u>						
<u>Capital</u>						
Capital Expenditure	£104.09m	£101.26m	£61.697m	£76.38m	£61.45m	£34.80m
Financing Costs						
- Ratio of HRA Financing costs to Net Revenue Stream	17.82%	17.82%	17.82%	17.82%	17.82%	17.82%
- Ratio of General Fund Financing costs to Net Revenue Stream	2.08%	0.69%	(0.32)%	2.42%	0.64%	(0.33)%
Impact on Band 'D' Council Tax	£18.48	£20.10	£12.47	£0.35	£0.10	£-0.05
Impact on Average Housing Rent	£0	£0	£0	£0	£0	£0
Capital Financing Requirement	£8,328	£19,063	£26,233	£8,328	£19,063	£26,233
<u>Treasury Management</u>						
Operational Limit on Borrowing	£10m	£20m	£30m	£10m	£20m	£30m
Authorised Limit	£150m	£150m	£150m	£150m	£150m	£150m
<u>Narrative:</u>	<p>The Capital Expenditure indicator shows an overall reduction in the capital programme from when it was originally set in February 2007 to the current position as at the end of Quarter 2. The main reason for this reduction is that not all the provisional schemes agreed in February have yet been subjected to a formal CPMO appraisal. Schemes are not formally added to the programme until they have received appraisal approval. The budget for 2007/08 <u>does</u> include schemes that have been rolled-over from 2006/07 to 2007/08. The impact on Band 'D' Council Tax demonstrates that not all schemes have yet to be formally added to the programme which has led to a reduction in the financing cost in 2007/08 through to 2009/10. The Council has not entered into any borrowing over the period to 30th September 2007. Overall, the prudential indicators confirm that the capital programme is being funded in a way that is prudent, affordable and sustainable.</p>					

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THE EXECUTIVE

27 NOVEMBER 2007

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Achieving Excellence 2007/08 - Quarter 2	For Decision
<p>Summary: This report summarises the performance of the Council in key areas.</p> <p>The overview section identifies:</p> <ul style="list-style-type: none"> • the key areas of progress and areas for future focus; • progress against previous actions agreed by Members. <p>The appendices contain the following supporting information:</p> <ul style="list-style-type: none"> • Appendix A: Performance - key performance indicators and complaints data; • Appendix B: Projects - progress on the Council's key projects; • Appendix C: Pounds - budget monitoring and the efficiency programme; • Appendix D: People - key indicators for human resources. <p>Appendix E sets out the recommendations for action identified by the Executive/CMT at its meeting on 13 November.</p> <p>Wards Affected: None</p>	
<p>Recommendation(s)</p> <p>The Executive is recommended to:</p> <p>(i) Consider the report and note the progress against Quarter 1 actions; and</p> <p>(ii) Agree the Quarter 2 actions as set out in Appendix E to the report.</p>	
<p>Reason(s) To assist in achieving the Council Priority of "Improving Performance Across the Board".</p>	
<p>Implications</p> <p>Financial: The position for revenue expenditure indicates that currently budget pressures are showing across all service departments. These pressures are being actively addressed by Heads of Service through the application of various action plans. The latest full position is identified in Appendix C, Table 1. The Capital Programme shows anticipated spend by the year end of £71.4m against a working budget of £73.5m.</p> <p>Legal: No specific implications.</p> <p>Risk Management: No specific implications.</p>	

Social Inclusion and Diversity:

No specific implications.

Crime and Disorder:

No specific implications.

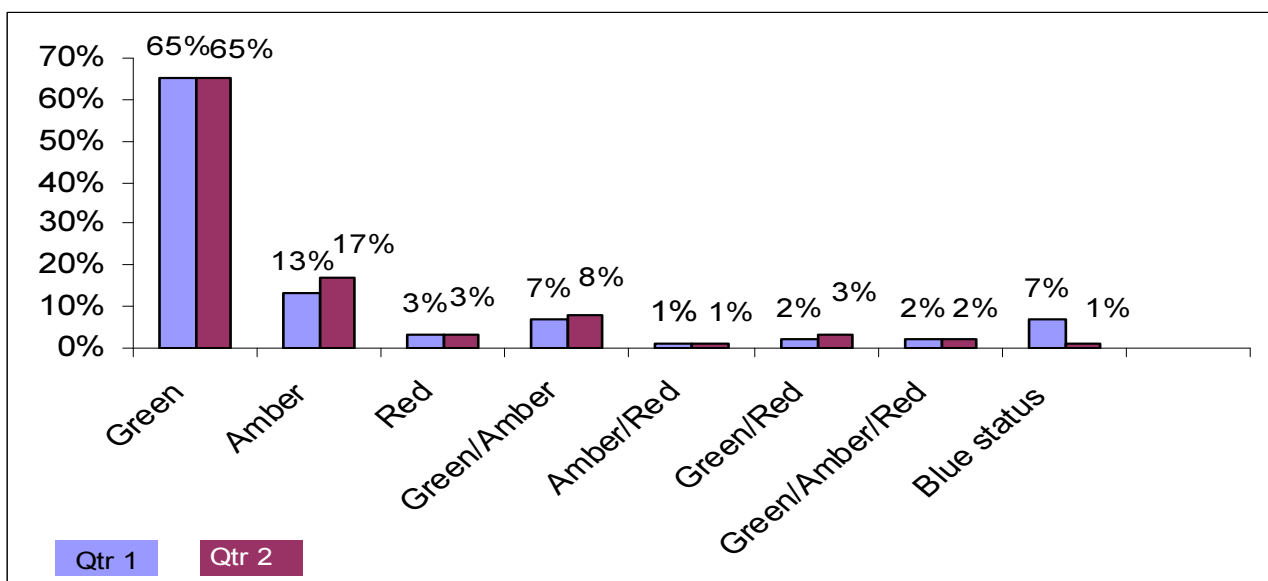
Options Appraisal:

Not applicable.

Contact Officer: Nick Kingham	Title: Assistant Chief Executive (Performance and Delivery)	Contact Details: Tel: 020 8227 2385 E-mail: nick.kingham@lbbd.gov.uk
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1. Overview of Service Plan Performance for Quarter 2**Delivery of the Council's 27 service plans, and 354 strategic objectives**

At the end of quarter 1, BSC monitoring information revealed that 65% of objectives (out of 358) had been completed or were on track, whilst 16% were in amber or red status. Quarter 2 sees a reduction in objectives by 4 to 354. The chart below sets out quarter 2's performance, outlining the status of the 354 objectives currently being delivered by the 27 service areas.



Once again 65% of objectives have been completed or are on track (green) at this stage, whilst 17% are amber status, a 4% increase on the previous quarter, indicating a positive direction of travel.

JAR and CPA improvement plan outcomes, coupled with action to raise the housing block and culture block scores to 3 remain the key areas of focus for performance improvement, to ensure the council is on track to achieve 4 Star/Excellent status. These areas were the subject of the Chief Executive's Balanced Scorecard – delivery and outcome challenge sessions held in September. Key route maps for achieving excellence are currently being developed and implemented as a result.

Key outcomes in relation to service planning include:-

- On track for CPA Benefits score of 4;
- 66% of value for money service objectives are in green;
- one additional children's centre now operational (total 11);
- members engaged in children's centre developments;
- on target for reduction in temporary accommodation;
- 2007 examination results show one of the biggest improvements in the country. The results at level 4 improved by 3%, 77% (English) and 76% (mathematics) and are the best ever results achieved. In mathematics the gap with the national average has closed to 1% and in English to 3%;
- target for 5A*-C at GCSE for 2006/07 was achieved (58%);
- 21 primary, secondary and special schools were inspected. 3 judged outstanding, 14 good and 3 satisfactory for personal development and well-being. 17/21 or 81%, were judged to be good or better during the past year. This shows a 6% improvement on the previous reporting period;
- Anti-bullying hotline set-up;
- Drug and alcohol advisory service established;
- fifth biggest decrease in teenage pregnancy rates in London;
- 58% of schools achieved healthy eating status;
- architects appointed for Barking Business Centre;
- Town Square and Riverside planning applications on track;
- transport infrastructure progress on track;
- exceeded target of 10% (16%) for proportion of homes with wheel chair accessibility;
- £33m Public Private Investment secured;
- NEETs target on track to be met;
- exceeded target for 16-17yr progressing to FE & training by 6% to 77%;
- Equality Standard level 3 achieved;
- target for the top 5% of earners who:
 - are women is now being achieved at 46.07%;
 - are from BME communities is close to being met at 9.55%;
- Valence House improvements on track – expected to be completed earlier
- 36% Reduction in Burglary;
- 46/50 dementia places created;
- 113/170 direct payments made;
- 62/100 in receipt of individual budgets (care services);
- Mental Health Inspection plan signed off by CSCI;
- Review of Community Priorities on track;
- ICT strategy agreed and being implemented;
- Middle Managers Development IL2 launched (400 managers);
- Olympic Trust Launched in July;
- Sports Development retained Charter Mark status;
- Cemetery services retained ICCM mark;
- Parks Operations retained ISO9001.

Key issues in relation to service plan delivery include:

A number of red status areas relate to crucial front facing services in customer services and adult skills and learning, which have an impact on public perception and satisfaction rates, these include:-

- Lower quartile performance on cleanest streets;
- Phase 5 of contact centre integration delayed;
- Service standards consultation delayed;
- Decent homes standard in red (dependent on framework agreements);
- Housing Modernisation showing red/amber status (Gateway review completed);
- Key LAA economic well-being targets in red;
- JAR improvements show Amber status;
- Route maps for Housing and Culture scores of 3 to be produced and tested for effectiveness.

2. Overview of Key Performance Indicators

Quarter 2 sees a revised set of KPIs being used, as actioned during the last Achieving Excellence reporting cycle. The new suite is more representative of the organisation's diverse range of services, and consequently allows the culture of achieving excellence to be spread across the breadth of the organisation.

Because of the changes, meaningful comparisons with quarter one are difficult. So as reference point, comparing quarter two to the 2006-7 year end:-

- 28.57% of KPIs are at least 5% off target;
- 33.33% of KPIs are not at the level they were for the last financial year.

There are six key indicators performing significantly (+10%) above their target:-

- **BV109** - % of a) major planning applications determined in 13 weeks, b) minor planning applications determined in 8 weeks, c) other planning applications determined in 8 weeks;
- **BV204** – proportion of planning appeals allowed;
- **BV106** – percentage of new homes built on previously developed land;
- Killed and seriously injured road casualties;
- Slightly injured road casualties;
- **BV49** – % of children in care who have had 3+ placements during the year.

Similarly there were six indicators that performed significantly (+10%) below target:-

- **BV82** – total percentage of household waste recycled or composted;
- **BV199** – cleanliness of a) public places and b) public places (graffiti);
- **PAF D40** – Clients receiving a review;
- **PAF D41** – number of delayed transfers of care per 100,000 population aged 65+;
- Amount of efficiency gains achieved;
- **BV156** - % authority buildings open to the public in which all public areas are suitable for and accessible to disabled people.

Information regarding the new performance framework for CAA is now becoming available and in quarter three, work will progress on the process of assimilating and operationalising the new suite of 200 indicators.

A process of prioritising areas for review is also currently being worked on, drawing on a range of criteria including performance, value for money, public perception, equalities issues etc to identify which service areas can be reviewed to most valuably contribute to the Achieving Excellence process.

3. Complaints Received 1 July to 30 September 2007

Overview

Complaints numbers have risen slightly by 7% compared to the previous quarter however there has been a decrease in the number of LGO complaints received this quarter. Response performance has increased at stages 1 & 2 in Children's Services, Customer Service and Resources Departments, but further improvement is required.

The Corporate Complaints Team is working with the PPP departmental teams to drive up performance when dealing with complaints. The Corporate Complaints Manager has attended the Neighbourhood Management team meeting to discuss cross team working. Work is in place to progress this.

The Local Government Ombudsman, Tony Redmond will present the annual letter to the Assembly on 5 December 2007.

Delivered improvement:

- A new procedure has been introduced when members of the public report the death of a resident. This should eliminate mail being issued to the deceased, adding to the grieving process of the relatives
- Less than 0.5% of corporate complaints received by the Council in this quarter escalated to the LGO with no reports issued of Maladministration.
- The dog patrol charge has been reduced in Gascoigne Ward
- Four more Customer Services Officers have been trained to deal with Pupil Services.
- Following a number of complaints more suitable seating for older and disabled people has been ordered for the Barking Learning Centre. The seating plan has also been reviewed
- Receipts are now being issued for all documents regarding Student Loan applications
- The Parking Services Manager has implemented an in depth process for the Parking Administration Team to follow when dealing with complaints.
- Following a complaint that incorrect advice had been given Housing Advice staff have been trained in 12 areas including Private Sector Housing
- Wider dissemination of Respond Touchpoint and more Respond Centrepoint users resulting in more validated information being available for reporting

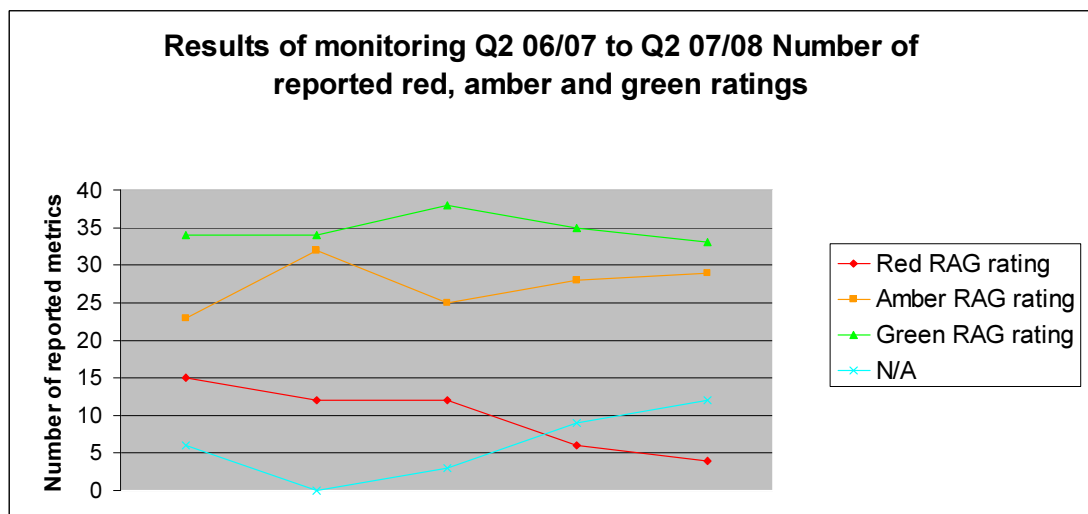
Required improvement:

- Response rates at all stages and for all departments
- Better Stage 1 complaints handling particularly within departments
- Increased response rates at Stage 3
- Zero complaints escalating because of non response by the department
- A further reduction in complaints about employee behaviour
- More staff trained on dealing with complaints

4. Overview of Programmes and Projects Performance

Of the 26 priority programmes and projects monitored by Members over the last year, three are showing a red risk status at quarter 2, sixteen are showing an amber risk status, three are showing a green status and four have completed. The current overall

status of priority programmes and projects is generally positive, with only four of the possible 78 reporting variables being reported as red while 33 are reported as being green. This is shown in the chart below and indicates that the overall direction of travel for projects and programmes remains positive.



* N/A indicates a project that has completed

The programmes and projects reporting red for **risk** are;

- Desktop Management Programme;
- Housing Futures Retained Stock;
- Sickness Absence and Ill Health.

The programmes and projects reporting red for **finance** are;

- Housing Futures Retained Stock.

The programmes and projects reporting red for **progress** are;

- Housing Futures Retained Stock.

The table below provides an at a glance direction of travel statement for each priority programme and project. The data covers the period between Q2 2006/7 and end of Q2 2007/08. This quarter has seen a decrease in the number of projects reporting red risk issues from 3 to 2, an increase from 15 to 16 in those showing amber risks and a decrease in projects with a green risk status from 4 to 3.

Ratings for Finance, Progress and Risk

Priority projects monitored across 5 departments	RAG rating 06-7 Q2	RAG rating 06-7 Q3	RAG rating 06-7 Q4	RAG rating Q1 07/08	RAG rating Q2 07/08
Barking and Dagenham Local Enterprise Growth Initiative (LEGI)	RRA	AAA	AAA	AAA	GGA
Barking Learning Centre	GGA	GGA	GAA	AGG	N/A
Bartlett House and Oldmead House	GRA	GRA	GGA	GGA	GGA
Children & Young Peoples Plan	N/A	GGG	GGG	N/A	N/A
Citrix/infrastructure Upgrade	GGA	AAA	GGA	GGA	GAA
Community Engagement Programme	GGA	GGA	AGA	GGA	GGA
Corporate Accommodation Strategy	GGG	GGG	GGG	GGG	GGG
Corporate risk Register	GGA	GGA	GGG	GGA	GGA
Customer First - Phase 3 - B&D Direct	RRA	RAA	ARR	AAA	AAA
Customer First - Phase 5 Dagenham One Stop Shop	RGR	RGA	ARR	AAA	AAA

Customer First Phase 4 – Barking One Stop Shop	RGR	AAA	ARR	GAA	GAA
Dagenham Heathway	GRA	GAR	GGA	GAR	GAA
Dagenham Park School	GGA	GAR	GGG	GGA	GGA
Desktop Management Programme	GGR	AGR	RGR	AGR	GAR
Eastbury Manor House Redevelopment	GAA	GAA	GAA	GAA	GAA

Ratings for Finance, Progress and Risk

Priority projects monitored across 5 departments	RAG rating 06-7 Q2	RAG rating 06-7 Q3	RAG rating 06-7 Q4	RAG rating Q1 07/08	RAG rating Q2 07/08
Gascoigne Primary	AAA	GAR	GGA	GGA	GGA
Housing Futures retained stock	RAR	RAR	RRR	RRR	RRR
Investors in People	GGR	GGA	GGA	GGA	GGA
LAA Delivery	GGA	GGR	GGA	N/A	N/A
Major Transport Infrastructure – East London Transit and DLR Extension	GAA	GAA	GAA	GGG	GGG
Sickness absence & ill health	GAR	GAR	GAA	GAR	GGR
Single Status	N/A	AGR	GGR	GGA	GGA
St Georges Complex	GAG	GAG	GAG	GAG	GAG
Valance House Redevelopment	GGA	GGA	GGA	GGA	AAA
Warren Secondary	GAA	GAA	GGA	GGA	GGA
Waste Minimisation	GGG	GGG	N/A	N/A	N/A

* N/A indicates a project that has completed

5. Overview for Pounds

Revenue - The projected outturn position in relation to the revenue budget as at the end of September indicates an overspend of around £2.75 million. Departmental Management Teams are actively working on action plans to address this position by the year end.

Capital Programme - The projection is that around £71.4m of the working budget will be spent by the year end. The Capital Programme is being further reviewed for new schemes, changes to budget profiles, etc. and this will show in the next report.

Efficiency - The council had a three year efficiency target of £13.4 million to achieve by 2007/08. This has been exceeded by around £800k and has been delivered a year earlier, which is a fantastic achievement for the Council.

However, it is currently unlikely that we will achieve the efficiency target that we set ourselves at the beginning of 2007/08. This is as a result of the decision to delay the implementation of older persons' modernisation programme, which will delay the efficiencies that will accrue from this.

The Government recently announced plans for efficiency targets of 3% per annum from 2008/09 onwards in the Comprehensive Spending Review in early October. This is a challenging target, and the Council has already begun to develop a "Modern Ways of Working" Programme which will aim to deliver these efficiency gains over the next 3 financial years.

Value for Money - Plans have been agreed to sustain the judgement awarded for 2006/07 and continue embedding VFM across the council. There is a need to ensure sustainability of this crucial outcome, once external support ends.

6. Overview for People

There has been an improvement on 3 of the 6 indicators, 2 of which are being met and another is within 0.10% of the target as follows:

Performance Indicator	2007/8 Target	Quarter 1	Quarter 2
Top 5% of earners who are women	46.00%	45.60%	46.07%
Top 5% earners from minority ethnic communities	11.00%	9.89%	9.55%
Top 5% earners declaring they meet disability definition.	3.00%	2.67%	2.01%
Sickness Absence (days)	9.50	11.21	10.83
Number of staff declaring they meet Disability definition as a % of total workforce	4.00%	4.05%	3.98%
Minority ethnic community staff as a % of total workforce	15.51%	15.11%	16.32%

Sickness absence is reported as 10.83 days, which is an improvement on the previous quarter but above the target of 9.5 days per person. As reported previously, action is being taken to embed performance and sickness management processes, as well as to target those areas with the highest levels of absence including:

- “Improving Attendance” workshops for managers and supervisors;
- Increased monitoring by senior management;
- Redrafting the Managing Absence Sickness Absence Policy and Procedure;
- Promotion of the staff “well being” programmes and initiatives;
- Investigating with Remploy additional support with “case management”;
- Specific “project” work to look at absence related to stress/back issues.

There is a risk that the management action alone may not reduce sickness levels and that this will continue to increase. It is not possible to assess the impact of the measures being taken but resources are being prioritised on embedding “sickness management” and targeted those areas with the highest levels of absence.

The half yearly Appraisal Reviews were due to be completed between May and September and the target for completion is 100%. A reminder was sent to managers on 8 October and the resulting information is still being inputted. The final figures are due to be reported next quarter.

Work is progressing with internal and external partners to develop measures to attract local people to work for the Council, and help those from under represented groups into employment and training. Progress is being made on developing the Valuing People Strategy for employing people with learning difficulties.

Action is being taken to ensure that the employment and organisational development strategy is working to deliver the Council’s cost-cutting priorities and links into other corporate strategies/plans and employment initiatives across the Borough, as well as towards developing the leadership capacity of middle managers.

7. Progress against actions agreed by Executive for 2007-8 quarter 1

The following table provides a progress update for actions agreed in quarter one:-

Area	Recommended Action	Response
<p>a) New CPA Guidance and Key Performance Indicators</p>	<p>When the guidance is published, construct model and populate to examine effect on CPA score; Review our suite of KPIs in line with new guidance.</p>	<p>New CPA service block models have been constructed and communicated, we retain our score of “Good” for 2007; The suite of Key Performance indicators has also been updated to reflect changes to CPA model and to also include a wider range of our services – now includes greater representation for both Children’s Services and Adult and Community Services (reflected in Appendix A).</p>
<p>b) Sickness</p>	<p>For Quarter 2 Achieving Excellence, those Departments whose sickness is above the 9.5 day target to update on the measures being taken to achieve the target.</p>	<p><u>Adult Services.</u> Line managers are continuing to ensure that staff are returning from sickness and entering the information via Oracle Self Service, they are also monitoring sickness when staff meet trigger points and following through the Councils absence procedure at stages 1-3. There are currently 24 open cases at stage 1, 15 cases at stage 2 and 3 cases at stage 3. One member of staff has had their’ service terminated under stage 3 in the last 3 months. All ACS sickness related data is looked at in detail by the director at monthly call-over sessions. Long Term sickness cases have been reduced to 0 in 3 divisions. The department is currently reviewing the main reasons for sickness and identifying trends by division, identifying underlying issues. The actions are now delivering a downward trend in monthly sickness. <u>Customer Services.</u> All Heads of Service review their sickness statistics on a monthly basis with their Group Managers at their DMTs. Sickness is a standing item on the Directors’ Performance Board with Heads of Service. In addition where there are specific areas of concern e.g. Environment & Enforcement: the Head of Service and Group Managers have attended a challenge session with the Director and the PPP team in August 2007 and a further meeting is scheduled in November 2007. Action is being effective: for example half the sickness in E & E is attributable to staff who have now left the organisation. Over time, this will increasingly work through into the published figures. <u>Regeneration.</u> The department has seen a slight decline in the average levels of sickness within the department. All Heads of Service are ensuring that absence management procedures are being applied throughout the department. The Corporate Director has developed Heads of Service performance dashboards which among other things will include reports on attendance performance. Work is also under way to identify</p>

Area	Recommended Action	Response
c) JAR Action Plan	The JAR Action Plan needs to be implemented and delivery monitored, with actions targeted to score a minimum of 3 when next inspected. Update to be provided for next Achieving Excellence report.	any 'trends' within divisions and to apply appropriate action. Final version of the JAR action plan submitted to Ofsted and GOL on the 5 th October. The JAR action plan has been aligned with the priorities and actions identified in the CYPP implementation plan. Progress with delivery will be monitored by Children's Services DMT and the Children's Trust on a regular basis.
d) Half yearly appraisal reviews	Arrangements for collecting the numbers of half yearly appraisal reviews undertaken to be made. Report figure in Q3 Achieving Excellence.	An e-bulletin item went out on 8 th October 2007 stating that the Appraisal Review period has now ended, reminding managers that they should have undertaken Appraisal Reviews between May and September and sent details of the dates that the reviews took place to the appraisal returns email address. Any emails received will be input as soon as possible. However statistics on the number of half yearly reviews completed so far requires a change in process to differentiate between annual appraisals and appraisal reviews that took place between May and September. Work is has been completed with the Systems Development Team to amend the report and the data will be provided for quarter 3 as data is input.
e) Culture	Use the Performance Board for Culture to challenge and support the improvement of Culture services so that the service block score can improve. Develop and monitor a "route map of improvement" that will enable the organisation to achieve a score of 3 if all milestones are met (using	The Culture Improvement Action Plan (Route Map) is in place and being actioned. Individual detailed action plans have been created to move the PIs in the lower quartile out into the middle or upper quartiles. Key actions It was agreed in June 2007 that an inspection of the Culture Block would not be pursued as the low weighting for an inspection score makes it pointless. Resource is being focussed on the lower quartile PIs: <ul style="list-style-type: none"> • 5 to 16 year olds taking part in 2 hours good quality PE a week (2006/07 results are showing a rise from 58% to 81% participation rate) • Community within 20 minutes of a quality accredited sports facilities (QUEST accreditation of leisure centres by March 2008) • % of the community taking part in regular exercise 3 times 30 mins. a week (launch of the 5 year

Area	Recommended Action	Response
	new CPA guidance).	<p>physical activity and sports activity project in October 2007)</p> <p>An action plan has been developed to address the indicator C11 (Public library service standard on stock), with the projected effect that this will rise to Upper quartile by March 2008.</p> <p>There is also good progress in relation to the Public library service standard on access (C2) - with library visits increasing since the opening of the BLC, which will lead the indicator to middle quartile performance based on current data.</p>
f) Housing	<p>Action must be planned and taken to ensure that BV66a maintains at least middle threshold performance, to be monitored and reported at the Housing Performance Board.</p> <p>When new CPA guidance is available, must clarify what we need to do to maintain the service block score of 3 and action accordingly.</p>	<p>An action plan is in place and is being monitored by the Head of Service to support improvement. In addition the Head of Service and the Group Manager have attended a VFM meeting with the Director and the PPP team in September and a further one is scheduled for November.</p> <p>Scenarios have been developed to identify what is needed to achieve a block score of 3. The Head of Service is aware of the areas that need to improve and has action plans in place to improve performance against specific BVPis. In addition, the DMT received a report after quarter 2 of all CPA indicators for the service and their current status against quartiles/ thresholds.</p> <p>At the end of quarter 2 we are on target to achieve a score of 3.</p>
g) DCLG 2010 Target Temporary Accommodation	Review and update of action plan to ACE (PD) and lead member for performance.	A revised action plan has been implemented. We have moved to mid quartile on BVPI203, and total TA numbers have dropped from a peak of 830 to 790 (this is middle threshold performance). We are now on target with the new plan. DCLG are visiting on 5 th November to evaluate our actions and progress.

Appendix A: Performance – key performance indicators and complaints data

A1.0 Performance

A1.1 This report contains the council's 2007-8 quarter 2 key performance indicators (KPIs), showing:-

- our direction of travel;
- if we are on target;
- benchmarking against our CIPFA neighbours; and
- where current performance puts us in CPA 2008 estimated thresholds.

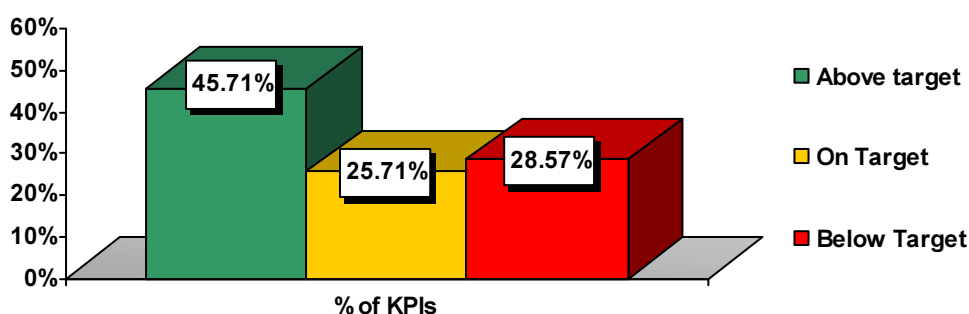
KPIs are the council's most important indicators, determining how our services are perceived to be improving. They are the focus of our efforts to achieve excellence and support the commitment to improve made to the community. KPIs therefore consist of the following types of measure:

- Portfolio Holder PIs;
- The most critical PIs reflecting the diversity of the Council's services.

A1.2 Key Performance Indicators 2007-8 quarter 2

This section of the report is designed to highlight current KPI issues, enabling focus of our resources for improvement. Identifying where performance is below expectations allows underlying causes to be identified and corrective action to be taken. Identifying where performance is above expectations allows attention to be drawn to what we are doing well, enabling appreciation to be shown to those involved in the improvement and to inform the community of higher standards.

During 2007-8 quarter 2, overall performance against our KPI targets was:



The table below shows how the KPI variances are calculated and reported:

Well Above Target	Above Target	On Target	Below Target	Well below Target
Result above target by 10% or more	Result above target by 5% - 10%	+ or - 5% of target	Result below target by 5%- 10%	Result below target by 10% or more

During 2007-8 quarter 2 performance has improved for **43.59%** of indicators (**17 PIs**), remained static for **23.08%** (**9 PIs**) and has fallen for **33.33%** (**13 PIs**).

Table 1 summarises the KPIs for 2007-8 quarter 2, including (where available) how our performance compares against:

- the current **estimated** CPA 2008 threshold (**Upper**, **Middle** or **Lower**) and which CPA service block the indicator relates to;
- the direction of travel since 2006-7 year end:-
 - ↑ improving; ↔ static; ↓ falling.
- an indication of how well we are meeting the target:-
 - 😊 5%+ better than target or 100% achieved;
 - 😐 +/- 5% from target set;
 - ☹️ 5%+ worse than target.

Table 1

Description of Performance Indicator	QUARTER 2 PERFORMANCE						Notes
	2006/7 Actual (CPA2007)	2007/8 Target	2007/8 Q2 Actual (CPA2008)	Estimated CPA2008 Threshold	Direction of Travel (since 2006/7)	On Target?	
Environment							
BV109a: 60% of major planning applications determined in 13 weeks	87.50%	60.00%	85.71%	UPPER	↓	😊	For CPA threshold calculation, these PIs are considered as 1 indicator.
BV109b: 65% of minor planning applications determined in 8 weeks	85.92%	65.00%	92.10%		↑	😊	
BV109c: 80% of other planning applications determined in 8 weeks	96.62%	80.00%	96.37%		↓	😊	
BV204: Proportion of Planning Appeals allowed	40.54%	33.00%	20.00%	UPPER	↑	😊	
BV205: Quality of planning service checklist	77.78%	77.78%	78.00%	IN BETWEEN	↑	😐	
BV200b: Plan making milestones (Have milestones in LDS been met?)	Yes	Yes	Yes	IN BETWEEN	↔	😊	
BV165: Percentage of pedestrian crossings with facilities for disabled people	100.00%	100.00%	100.00%	UPPER	↔	😊	
Intervention by the Secretary of State under Traffic Management Act powers	No interventions	No interventions	No interventions	IN BETWEEN	↔	😊	
BV91b: Kerbside recycling – two or more recyclables (Percentage of households served by kerbside collection of at least two recyclables)	100.00%	100.00%	100.00%	UPPER	↔	😊	
BV82a+b: Recycling and composting performance (Total percentage of household waste recycled or composted)	20.97%	25.90%	22.19%	IN BETWEEN	↑	☹️	15.28% BV82a 6.91% BV82b
BV106: New homes on previously developed land (Percentage of new homes built on previously developed land)	100.00%	85.00%	100.00%	IN BETWEEN	↔	😊	

Description of Performance Indicator	QUARTER 2 PERFORMANCE						
	2006/7 Actual (CPA2007)	2007/8 Target	2007/8 Q2 Actual (CPA2008)	Estimated CPA2008 Threshold	Direction of Travel (since 2006/7)	On Target?	Notes
Environment							
BV84: Tonnage of waste per head of population	524.18	519.00	284.31	LOWER	↓	☹️	2006/7 Q2 = 279.34 Full year projection 2007/8 = <u>533.5</u>
BV199a: Cleanliness of public places (Proportion of land assessed as having combined deposits of litter and detritus that fall below an acceptable level)	37.74%	20.00%	29.00%	LOWER	↑	☹️	
BV111: Satisfaction of applicants with planning service	76% (+/-3.61%)	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV90a: Satisfaction with waste collection	82.00% (+/-2%) 80% - 84%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV90b: Satisfaction with recycling	83.72% (+/-3%) 80.72% - 86.72%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10 (Adjusted for deprivation for CPA - raw data 69%)
BV90c: Satisfaction with waste disposal (civic amenity sites)	81.00% (+/-3%) 78% - 84%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV89: Satisfaction with the cleanliness of public space	82.35% (+/-2%) 80.35% - 84.35%	n/a	n/a	UPPER	n/a	n/a	3 yearly survey next due in 2009/10
Killed and seriously injured (KSI) road casualties	52.00	100.40	67.00	UPPER	↓	😊	2007/8 figure based on 2006 calendar year figure - is therefore 15 months in arrears.
Slightly injured road casualties	630.00	651.67	556.00	UPPER	↑	😊	2007/8 figure based on 2006 calendar year figure - is therefore 15 months in arrears.
Managing council homes							
HIP E5: Urgent repairs in time	93.00%	97.00%	95.98%	IN BETWEEN	↑	☹️	
HIP E6: Average time for non-urgent repairs	8.32 days	11	10.72	UPPER	↑	☹️	
BV66a: Rent collection and arrears	96.95%	97.60%	96.67%	IN BETWEEN	↓	☹️	
BV212: Average re-let times	35.31	39.00	37.01	IN BETWEEN	↓	😊	
HIP E1: Average weekly management cost	£18.01	n/a	£18.00	LOWER	↑	n/a	Adjusted for deprivation
BV74a: Overall satisfaction with housing service	86.29%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV75a: Satisfaction with opportunities to participate	69.78%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV184a: The proportion of non-decent LA homes	44.80%	39.00%	38.94%	IN BETWEEN	↑	☹️	As at 1st April 2007
Housing the community							
BV183a: Average time in temporary accommodation – time spent in B&B	0.00	n/a	0.00	UPPER	↔️	n/a	
BV183b: Average time in temporary accommodation – time spent in hostels	0.00	0.00	0.00	UPPER	↔️	😊	
BV64: Proportion of private sector vacant properties returned to occupation or demolished as a result of local authority action	40.53%	n/a	2.54%	IN BETWEEN	↓	n/a	

Description of Performance Indicator	QUARTER 2 PERFORMANCE						Notes
	2006/7 Actual (CPA2007)	2007/8 Target	2007/8 Q2 Actual (CPA2008)	Estimated CPA2008 Threshold	Direction of Travel (since 2006/7)	On Target?	
Culture							
BV178: Footpaths and other rights of way easy to use by members of the public (percentage of the total length of rights of way in the local authority area that are easy to use by the general public)	100.00%	100.00%	100.00%	UPPER	↔	😊	
BV119a: Resident satisfaction sport/leisure facilities	56% (+/-3% =) 53% - 59%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV119b: Resident satisfaction libraries	67% (+/-3% =) 64% - 71%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV119c: Resident satisfaction museums / galleries	29% (+/-3% =) 26% - 32%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV119d: Resident satisfaction theatres / concert halls	34% (+/-3% =) 31% - 37%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
BV119e: Resident satisfaction parks / open spaces	66% (+/-3% =) 63% - 69%	n/a	n/a	IN BETWEEN	n/a	n/a	3 yearly survey next due in 2009/10
Adults & Community Services							
PAF D37: Availability of single rooms	96.00%	98.00%	96.20%	n/a	↑	😐	New for Quarter 2 KPIs
PAF D40: Clients receiving a review	83.00%	88.00%	71.73%	n/a	↓	😞	New for Quarter 2 KPIs
PAF D41: The number of delayed transfers of care per 100,000 population aged 65 and over	50.00	39.78	53.51	n/a	↓	😞	New for Quarter 2 KPIs
Childrens Services							
First time registrations as a percentage of total registrations on the CP register	88.98%	90.00%	86.87%	n/a	↓	😐	New for Quarter 2 KPIs Q2 figure is upto July 2007
BV49 - % of children in care who have had 3 or more placements during the year	15.90%	14.00%	5.39%	UPPER	↑	😊	New for Quarter 2 KPIs Figure is cumulative, therefore year end projection is 10.78%
BV162 - % of child protection cases which should have been reviewed within the year that were reviewed	100.00%	100.00%	100.00%	UPPER	↔	😊	New for Quarter 2 KPIs
BV163 – the number of children in care adopted during the year as a % of the total number of children in care looked after for 6 months or more	9.70%	9.00%	4.17%	UPPER	↓	😞	New for Quarter 2 KPIs Figure is accumulative, and the current year end projection is 11.00%
Portfolio Holder PI's							
The amount of efficiency gains achieved	£ 4,612,000	£5,949,000.00	£2,100,000.00	n/a	↓	😞	
BV156 - The percentage of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people	85.71%	100.00%	87%	n/a	↑	😞	
Reduce crime overall (from a basket of 10 crime indicators)	12991.00	10509.00	5744	n/a	↑	😞	Targets: Q1: 2627 Q2: 5254 Q3: 7881 Q4: 10509 Q2 2006-7 actual - 6601
BV 199a - cleanliness of public places	37.74%	20.00%	29.00%	LOWER	↑	😞	
BV 199b - cleanliness of public places (graffiti)	27.00%	10.00%	28.00%	n/a	↓	😞	
BV38 - % of 15 yearolds achieving 5 or more GCSEs at grades A*-C	55.80%	55.00%	57.50%	IN BETWEEN	↑	😐	

A1.3 Comments on performance

Comments have been provided for indicators that significantly exceed target (10%+ above) and those that are significantly below target (10%+ below). This is to highlight where we are doing well and should draw attention to our successes, and where we need to focus in order to ensure we stay on route to excellence.

A1.3.1 Indicators that well exceed their target

BV109 - The percentage of:					
a) major planning applications determined in 13 weeks;					
b) minor planning applications determined in 8 weeks;					
c) other planning applications determined in 8 weeks.					
2006/7 Actual	a) 87.50% b) 85.92% c) 96.62%	2007/8 Target	a) 60% b) 65% c) 80%	2007/8 Q2 Actual	a) 85.71% b) 92.10% c) 96.37%
Benchmarking Q2 v CIPFA 2005/6 data	a) 5th of 16 b) 3rd of 16 c) 2nd of 16	% target achieved	a) 143% b) 142% c) 120%	CPA threshold	UPPER

- BV109 had a major improvement drive in 2002/3. Detailed analysis of blockages and process improvement was undertaken and weekly monitoring identified cases at an individual level where performance could be improved;
- Our weekly monitoring report enables closer management control and analysis of all applications. It has enabled continued improvement and performance levels significantly above the nationally set targets;
- Consequently all three elements of BV109 remain comfortably in the upper threshold for CPA, and among the top 5 performers in our CIPFA benchmarking group.

BV204 – Proportion of planning appeals allowed.					
2006/7 Actual	40.54%	2007/8 Target	33.00%	2007/8 Q2 Actual	20.00%
Benchmarking Q2 v CIPFA 2005/6 data	1st of 16	% target achieved	119%	CPA threshold	UPPER

- This indicator has improved significantly at the quarter 2 stage – the result of action going back over a year set out below;
- A report was put before the DCB last October in respect of this BVPI explaining that the poor performance was a direct result of members overturning recommendations made by planning officers and then subsequently failing on appeal. Members now give more consideration to such actions and take advice from Officers on reasons for refusal should they wish to exercise this option.
- We have also undertaken Member awareness building sessions on this matter to enable members to make more informed decisions.

<i>BV106 – percentage of new homes built on previously developed land.</i>					
2006/7 Actual	100.00%	2007/8 Target	85.00%	2007/8 Q2 Actual	100.00%
Benchmarking Q2 v CIPFA 2005/6 data	1st of 16	% target achieved	117%	CPA threshold	UPPER

- This performance is good due to the fact that we are an Urban Borough and that most of our land with the exception of Stat Allotments & Green Belt is brownfield land which by definition is 'previously developed'.

<i>Killed and seriously injured (KSI) road casualties.</i>					
2006/7 Actual	52.00	2007/8 Target	100.40	2007/8 Q2 Actual	67.00
Benchmarking Q2 v CIPFA 2005/6 data	3rd of 16	% target achieved	150%	CPA threshold	UPPER

<i>Slightly injured road casualties.</i>					
2006/7 Actual	630.00	2007/8 Target	651.67	2007/8 Q2 Actual	556.00
Benchmarking Q2 v CIPFA 2005/6 data	4th of 16	% target achieved	117%	CPA threshold	UPPER

- Our most important road safety targets remain well ahead of target;
- There has been a long-term, targeted campaign of engineering improvements and working in partnership with schools to improve road safety through education and producing and delivering School Travel Plans;
- In partnership with seven other London Borough we have launched websites (www.dangerousgames.co.uk and www.mopedsafety.com) and produced promotional materials directed at motor-cyclists, who are a high risk group among road casualties;
- To address what appears to be an increasing problem of drive throughs and aggressive driving behaviour at school crossing patrol sites across London the borough along with others in London promoted the Stop means Stop campaign through the local media;
- In 2007 in partnership with 6 other London boroughs the Right Gear Campaign was promoted through a number of mediums (including poster and radio) aimed at raising awareness of scooter and commuter riders to the need for protective clothing. One of the campaigns images featured a naked rider which helped to illustrate the vulnerability to injury of powered 2 wheeler riders who are still a high risk group;
- Drink Driving continues to be addressed through publicity and joint initiatives with the police. Options for raising awareness of Drug Driving are being explored;
- With the introduction of National standards in Cycle training we are increasing the numbers trained year on year.

BV49 – percentage of children in care who have had 3+ placements during the year.					
2006/7 Actual	15.90%	2007/8 Target	14.00%	2007/8 Q2 Actual	5.39% (10.78% projection)
Benchmarking Q2 v CIPFA 2005/6 data	4th of 16	% target achieved	130%	CPA threshold	UPPER

- As at the end of quarter 2, 18 children in care have had 3 or more placement moves. This is a marked improvement from this point last year when 38 children had moved. Predicted end of year performance is under 12% for this indicator, an improvement on our target.
- Better matching of places for children in care by the Placement Team and not placing children with foster carers above approved numbers has increased performance in this indicator, as well as experiences of placements for children.
- Closer monitoring of children in care who have had 2 placement moves has also reduced the risk of indicator escalating.

A1.3.2 Indicators significantly below their target

BV82a + b – Total percentage of household waste recycled or composted.					
2006/7 Actual	20.97%	2007/8 Target	25.90%	2007/8 Q2 Actual	22.19%
Benchmarking Q2 v CIPFA 2005/6 data	a) 13 th of 16 b) 10 th of 16	% target achieved	85.7%	CPA threshold	IN BETWEEN

- The lower than expected recycling/composting performance reflects the dependence of the "back end" processes from the refining section of the Bio MRFs, which consists of recycling a glass fraction, and composting a "fine" fraction;
- Therefore, the main reason for failing to meet the 25.90% local target is due to the loss of this "back end" recycling/composting which has significant impact (approx 6%) on overall performance, because markets for these materials have yet to be found by Shanks;
- There has been overall (RRC & Kerbside) a decrease of approximately 11% in green waste arising this year, compared to last year. Green waste arisings are generally dictated by weather conditions and the amount of garden waste materials reflected the poor conditions;
- To achieve a year end percentage of 25.90% by 31 March 2008, recycling and composting performance would have to rise to approximately 30% per month from October 2007. This is not realistically achievable, especially in the winter months when the combined recycling and composting tonnages are generally low;
- Even with the success of the "back end" recycling and composting (i.e. if markets/outlets are secured by Shanks), a year end percentage of 25.90% by 31 March 2007, would not be achieved;
- There are plans to introduce kerbside glass collection in the 4th Quarter, but this will not yield significant tonnages to help meet the local target;
- It should be noted that apart from the reliance on the "back end" recycling and composting performance, no other contingencies were envisaged for this year by Shanks.

BV199a and b – cleanliness of a) public places b) public places (graffiti)					
2006/7 Actual	a) 37.74% b) 27.00%	2007/8 Target	a) 20.00% b) 10.00%	2007/8 Q2 Actual	a) 29.00% b) 28.00%
Benchmarking Q2 v CIPFA 2005/6 data	a) 9th of 16 b) 13th of 16	% target achieved	a) 68.70% b) 35.80%	CPA threshold	a) LOWER b) N/A

- The restructure of street cleaning was completed and re-launched in January 2007, moving towards the neighbourhood management model;
- Performance has improved during the first inspection of the year (there are 3 per year) for the general cleanliness of public places indicator suggesting some initial successes for the new structure and working practices (performance improved from 38% to 29%). However the target of 20% still requires further significant progress to be made;
- The second tranche of inspections have been carried out in-house for the first time (previously carried out by ENCAMS), and are currently being ratified by Defra. Initial indications suggest a second tranche figure of 19% for BV199a;
- Performance has fallen for the graffiti indicator during the first inspection of three during the year (from 27% to 28%). The target of 10% requires significant progress to be made and the existing processes to be challenged. A review of the graffiti team lead to the re-launch of the service in April 2007 – the effectiveness of the changes made will need to be monitored closely with the 10% target in mind, and the first tranche drop in performance may be due to transitional processes;
- A major issue with the graffiti indicator is that it relies heavily on graffiti being reported – we are satisfied with our response to reported cases within the agreed timescales – identifying how we get all cases reported is the current challenge;
- In terms of how our performance compares with other “like” authorities, in 2005/6 we rank 11th out of 16 for cleanliness of public places and 13th out of 16 for graffiti within our CIPFA benchmarking group. If we maintained our 1st tranche performance throughout 2007, we would move up to 9th for cleanliness of public spaces, but graffiti would fall to 16th out of 16.
- In terms of CPA thresholds, both cleanliness indicators are lower threshold performers;
- The best performer from our CIPFA benchmarking group for both cleanliness of public places and graffiti is Sutton, scoring 6% and 4% respectively.

PAF D40 - Clients receiving a review.					
2006/7 Actual	83.00%	2007/8 Target	88.00%	2007/8 Q2 Actual	71.73%
Benchmarking Q2 v CIPFA 2005/6 data	n/a	% target achieved	81.5%	CPA threshold	n/a

- Currently performing at 75.9% (●●●●) from 73.65%. (●●) last month.
- This area is currently underperforming due to recording.
- The performance team have been working with relevant team managers to improve this: work continues.
- Business Objects reports have been sent to all teams requesting clean up work is completed.

PAF D41 – The number of delayed transfers of care per 100,000 population aged 65+					
2006/7 Actual	50	2007/8 Target	39.78	2007/8 Q2 Actual	53.51
Benchmarking Q2 v CIPFA 2005/6 data	n/a	% target achieved	74.34%	CPA threshold	n/a

- Social care delays remain at low levels, although overall performance across partners this year has increased slightly;
- Despite this performance is still firmly in the 3 “blobs” threshold;
- It is unlikely we will hit target but performance banding will not drop;
- Discharge policy has been revisited and procedures for recording are now more robust;
- 12 rehab beds have been opened at Brocklebank Lodge and further funding has been secured from PCT to purchase external placements.

The amount of efficiency gains achieved.					
2006/7 Actual	£4,612,000	2007/8 Target	£5,949,000	2007/8 Q2 Actual	£2,100,000
Benchmarking Q2 v CIPFA 2005/6 data	n/a	% target achieved	35.30% (85.73% estimate for year)	CPA threshold	n/a

- Our target for the year for efficiency gains is £5.949m.
- As at the end of quarter 2, we have delivered £2.1m of efficiency gains, representing predominantly the part year effect of budget savings agreed in February 2007. We are estimating that we will deliver £5.1m of efficiency gains by the year end.
- This represents a shortfall of £0.85m against our original target. The reason for the deficit is due to the fact that savings in respect of residential care modernisation (£350k shortfall), and homecare modernisation (£800k shortfall). This is in part offset by higher than expected gains on the insurance contract.
- Despite falling below our target for 2007/08, we have already exceeded our 3 year target set by the DCLG of £13.4m at the end of the last financial year – meeting our target a year early.

BV156 - percentage of the authority buildings open to the public in which all public areas are suitable for and accessible to disabled people					
2006/7 Actual	85.71%	2007/8 Target	100%	Q1 Actual	87.00%
Benchmarking Q2 v CIPFA 2005/6 data	2nd of 16	% target achieved	87.00%	CPA threshold	UPPER

- The programme to make all of the authorities buildings appropriately accessible has entered it's final year;
- Quarter 2 shows a small amount of progress over the end of year position for 2006-7: this is because audits have been completed, assessing the levels of work required to bring the remaining facilities up to standard. The work required has

started to be procured and will be delivered throughout the remainder of 2007-8, to ensure this PI finishes the year on target.

- Our levels of performance remain upper threshold in CPA terms, and our current performance places us 2nd compared to our CIPFA benchmarking group.

A1.4 Conclusions

Quarter two performance for our KPIs shows a positive overall trend. Because we have a new suite of key performance indicators that are more inclusive of the whole range of the organisations services, as actioned in quarter one's Achieving Excellence report, it is difficult to make meaningful comparisons of how we are performing compared to quarter one. So as reference point, comparing quarter two to the 2006-7 year end:-

- 28.57% of KPIs are at least 5% off target;
- 33.33% of KPIs are not at the level they were for the last financial year.

At the mid-point of the year, there is clearly still time to address these concerns and to rectify performance where it is not at the expected level. The restart of the Chief Executive's Performance Board process following the summer recess will operationalise the detailed work that will address these issues. There remain some challenges around the service blocks and ensuring that improvement is delivered consistently across them: quarter one's report actioned route maps to excellence in Culture, Housing and Children's Services that are addressing these challenges.

Information regarding the new performance framework for CAA is now becoming available and in quarter three, work will progress on the process of assimilating and operationalising the new suite of 200 indicators.

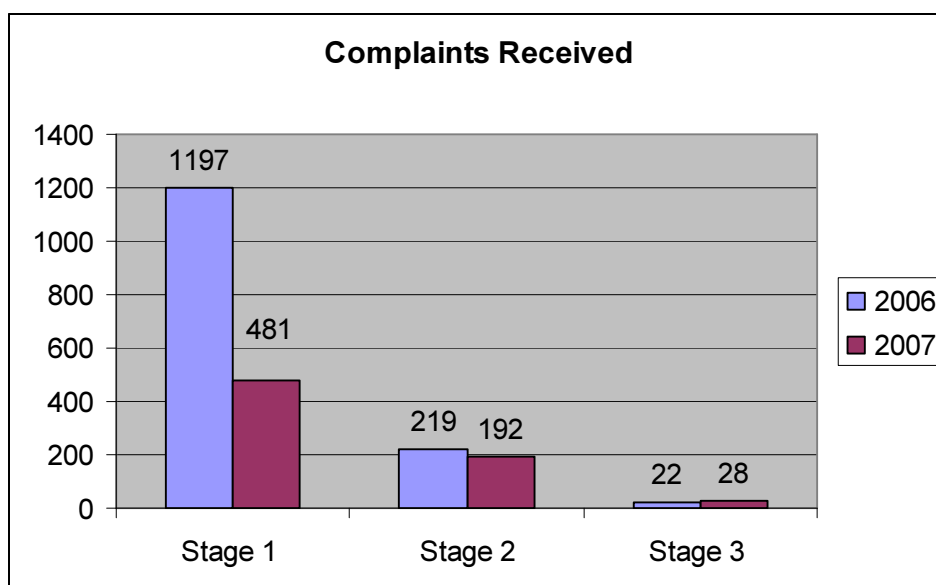
A process of prioritising areas for review is also currently being worked on, drawing on a range of criteria including performance, value for money, public perception, equalities issues etc to identify which service areas can be reviewed to most valuably contribute to the Achieving Excellence process.

Complaints

Complaints received from 1st July 2007 – 30th September 2007

This report covers complaints made to the Council under the Corporate Complaints Procedure and the Social Services Statutory Complaints Procedure. It breaks down complaints into stages, department, outcome, nature of complaint, timescales and by Ward.

Breakdown of Corporate Complaints by Stages – from 1st July 2007 – 30th September 2007



There were 701 corporate complaints received at all stages in this period. This is a marginal increase of 51 complaints compared to the previous quarter and a 49% decrease compared to the same period last year.

Breakdown of Corporate Complaints by Department – from 1st July 2007 – 30th September 2007

Department	Petition - over 100 households	Petition - under 100 households	Stage 1	Stage 2	Stage 3	Total
Adult & Community Services	0	0	12	2	1	15
Children's Services	0	0	4	1	0	5
Customer Services	0	1	413	165	24	603
Regeneration	1	0	46	21	2	70
Resources	0	0	6	1	1	8
Total	1	1	481	190	28	701

Numbers and distribution are similar to last quarter. 69% of complaints were received at Stage 1. This is a 6% increase on the previous quarter.

There have been 72 Stage 3 recommendations made to service areas to improve service provision in this period. 38 have been agreed and 1 not agreed. 33 recommendations remain open awaiting confirmation of implementation.

Breakdown of nature of corporate complaints from 1st July 2007 – 30th September 2007

Complaint Nature	Adult & Community Services	Children's Services	Customer Services	Regeneration	Resources	Total
Data Protection	0	0	1	0	0	1
Discrimination+	0	0	1	1	0	2
Employee behaviour+	2	1	63	12	1	79
Service access+	1	0	3	3	0	7
Service cost	0	0	6	1	0	7
Service delayed+	1	0	21	2	0	24
Service inappropriate	4	1	39	12	0	56
Service not provided+	2	0	169	13	1	185
Service policy	0	0	7	0	0	7
Service quality or mistake+	6	3	307	31	6	353
Service taken away	0	0	1	0	0	1
Total	16	5	618	75	8	722

*This total varies from the previous two tables as this figure relates to the nature of complaints. Customers may raise more than one issue within a single complaint hence the difference in totals.

The table above shows that complaints about services not being provided and service mistakes have increased by 18% and 16% respectively on the previous quarter.

As at the last quarter, complaints about staff behaviour (conduct/attitude/rudeness) have appeared as one of the top three types of complaint made to the Council. This is however a 5% decrease on last quarter. 42 (53%) of the 79 complaints have so far been determined as agreed/partly agreed. This has been highlighted in the CMT, HOS and service area reports.

Breakdown of Corporate Complaints by Outcomes from 1st July 2007 – 30th September 2007

Department	Agreed	Not Agreed	Part Agreed	W/drawn, discontinued or o/s CCP	No response – escalated to next stage	Open	Total
Adult & Community	6	2	3	-	-	4	15
Children's Services	1	1	0	3	-	-	5
Customer Services	314	104	98	31	7	49	603
Regeneration	28	16	12	3	-	11	70
Resources	2	4	2	-	-	-	8
Total	351	127	115	37	7	64	701

66% of complaints were found to be agreed or part agreed on investigation. This is a 3% increase on the last quarter.

The number of complaints escalating to the next stage because of non response has remained the same at 1% of complaints made this quarter.

Breakdown of numbers of complaints answered within published timescales (working days)

Department	Stage 1 (5 days)	Stage 2 (20 days)	Stage 3 (20 days)
Adult & Community Services	8 (88.9%)	1 (50%)	-
Children's Services	3 (75%)	1 (100%)	-
Customer Services	199	86 (40%)	3 (12%)

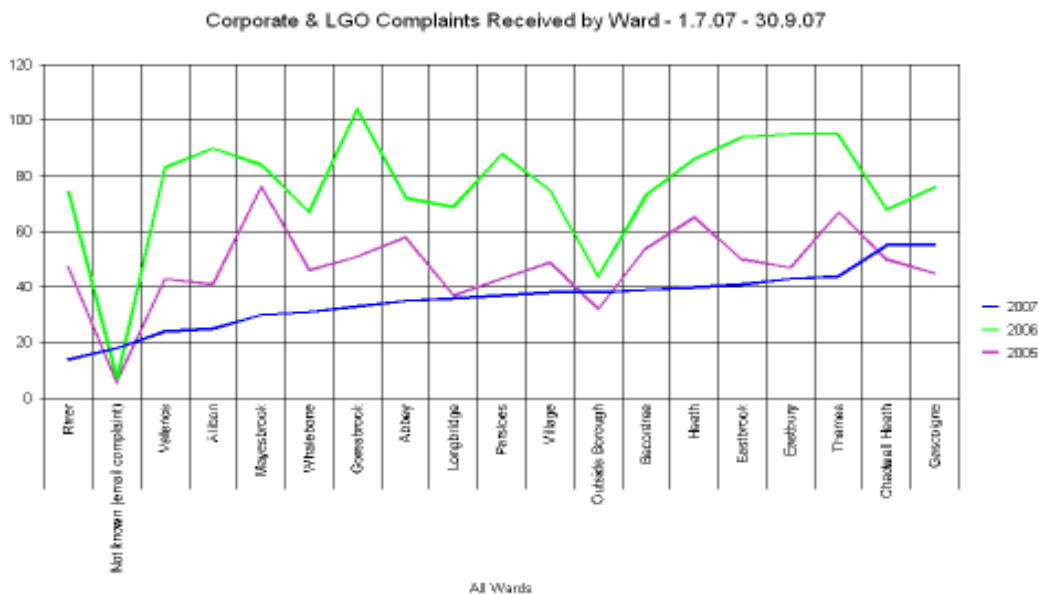
	(55.6%)		
Regeneration	14 (29.2%)	10 (45.5%)	-
Resources	4 (66.7%)	1 (50%)	1 (100%)

Performance against timescale at both stages has improved this quarter in Resources Children’s & Customer Services. Adult & Community Services has dropped performance at Stage 1, but improved at Stage 2. Performance in Regeneration has dropped at Stages 1 & 2.

Across the board Stage 1 performance has improved slightly as 53.6% of all Stage 1 complaints were answered within the 5 working day target an increase of 1.7% on the previous quarter. However, this is a 30.2% decrease on performance compared to the same quarter in 2006/07.

Stage 2 performance is low at an average of 41.1% across the board, but this is a slight increase on the previous quarter. Stage 3 performance needs further improvement and work is underway to address the issue.

Breakdown of Corporate Complaints by Ward



The graph above illustrates where complaints are being received by Ward. Further detail on the nature of complaints can be obtained by contacting the Corporate Complaints Team.

Stage 1 Complaints received under the Social Care Statutory Complaints Procedure from 1st July 2007 – 30th September 2007

Department	Agreed	Part Agreed	Not agreed	Withdrawn Outside Procedure	Resolved	Open	Total
Children's Services	3	13	13	1	2	2	34

19 complaints were answered inside of the published timescales, 4 were extended in agreement with the customer. Trends were:

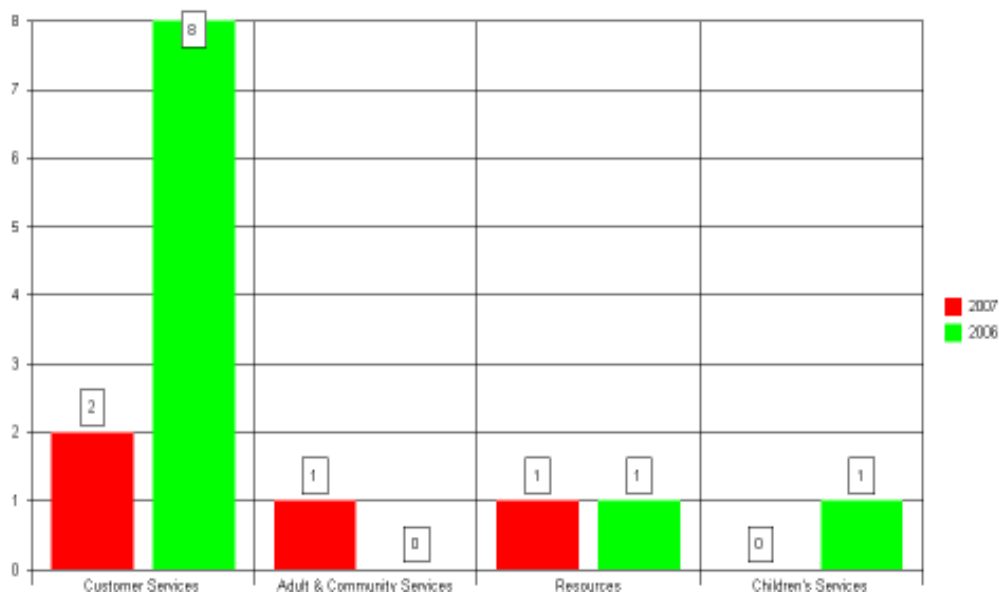
- Communication styles and lack of timely action. This has been raised at senior management level where both trends and headlines have been highlighted. This is hoped to improve with increased training. The use of the complaints process is healthy in the service area, this includes young people who are 'looked after' also raising their views through the process.

Department	Agreed	Part Agreed	Not agreed	Withdrawn Outside procedure	Resolved	Open	Total
Adult & Community Services	3	7	4	0	5	2	21

11 of the closed complaints were answered within the agreed timescale, 3 with extended timescales. Trends were:

- Complaints that were agreed relate to communication on various levels and styles. Limited or poor communication is without doubt the 'drill down' to many of the complaints. Across both Departments, on site workshops with individual teams are currently being facilitated by the Children, Adult & Community Services Complaints Manager.

LGO complaints from 1st July 2007 – 30th September 2007



The chart above shows that there have only been 4 LGO complaints this quarter compared to 10 in the same quarter in 2005/06 and 5 in the previous quarter. This continues the trend of decreasing numbers of complaints made about LBBDD to the LGO.

Compliments from 1st July 2007 – 30th September 2007

Service	Total
<u>Adult & Community Services</u>	
• Community Services & Libraries	4
• Total for Social Care	20
<u>Council wide</u>	2
<u>Customer Services</u>	
• CHP 1,3 & 6+	5
• Call Centre	11
• Customer First Programme	5
• One Stop Shop & Registrar	2
<u>Environmental & Enforcement Services</u>	
• Crime & Anti Social Behaviour Unit+	1
• Environmental Health Team	1
• Street Scene+	9
• Waste Management & Transport+	7
<u>Housing Services</u>	
• Housing Advice+	2
• Housing Business Services+	1
• Landlord Services+	1
• Thames Accord+	15
Revenues & Benefits - Income & Collection+	2
<u>Regeneration</u>	
• Highways & Civil Engineering+	1
• Parks & Cemeteries+	2
• Transport Strategy	1
<u>Resources</u>	
• Chief Executive's office	1
• Communications & Marketing	1
• Democratic Services+	1
• Corporate Complaint Team	5
<u>Total</u>	100

Appendix B: Projects – progress on the Council’s key projects

B1.0 Programme & Project Detail

The council has a significant amount of investment that can be maximised by effective and prioritised programme and project management. Work is on-going to maximise this and improve the delivery, support and capacity.

Of the current designed set of priority projects monitored by CMT & the Executive, progress is summarised below.

B2.0 Progress on Priority Projects

- **Valance House Redevelopment** – RIBD D work is under way in line with submission of stage 2 bid in Nov 07. Project status this quarter for finance, progress and risk are all Amber. It is anticipated that Risk will remain amber until the detailed design stage is completed, at which point it will be possible to confirm that the Council’s requirements can be met within the available budget.
- **Eastbury Manor House Redevelopment** – Design issues have now been resolved but resolution of lease issues remains outstanding. Design team instructed to start work beginning of September. Project status remains the same as previous quarter with both progress and risk retaining amber ratings.
- **Housing Futures (formally Decent Homes retained stock)** –The delivery of Decent Homes by 2010 to the retained stock element of Housing Futures through a planned capital investment programme represents one of the Council’s most significant investments over the 2006-2010 period. Current risk status remains high at this stage due to mismatch between the confirmed level of available financial resources and the need to secure the programme. Options on the long-term resolution of this problem are the subject of a review of the investment options based upon the shortfall in funding involving a detailed Business Plan investment model review being considered by the Housing Futures Steering Group to inform a report to the Executive early Autumn, which will include the detailed 2007/08 delivery programme matched to the confirmed resources. Despite the use of the contingency plan, the delay to the appointment of framework contractors has had a resultant effect on the timely delivery of the 2007/2008 programme. Framework contractors now appointed-individual contract under procurement and works due to commence late 2007.
- **Corporate Accommodation Strategy** – OJEU notice has been prepared and Design Team selected. Communications Plan has been developed with Internal Comms as part of MWOW Programme. The project is now entering Phase 2 – Detailed Design and Stakeholder Consultation phase. The status of this project remains the same as the previous quarter with 3 green ratings. Overall risks are expected to remain low.
- **Corporate Risk Register** – To produce and maintain a relevant Corporate Risk Register leading to better informed decision making and improved service delivery. Project progress remains on track to deliver the Corporate Register for 2007/08. CMT have reaffirmed the ‘decision control’ role of the Consultation Board. A partnership workshop has identified SMART actions and developed ownership for their delivery. An e-consultation solution has been assessed and was considered by CMT in Sept. The risk status of this project remains amber.

- **Investors In People – To maintain Corporate IIP recognition on reassessment in 2008.** The Project outcome is to retain IIP status on re-assessment in October 2008. The Project continues to make progress and to delivery against priorities identified in the action plan. Departmental groups continue to monitor management processes.
- **Local Enterprise Growth Initiative** – The outcomes of this project are to create an enterprise culture in order to establish an integrated business support service and to increase business workspace by 60,000 square feet. Project is progressing well in with project reviews and development underway. Remedial action taking place for underperforming project aspects as agreed at the August Board Review Sub Group. There is ongoing management of Barking and Dagenham Enterprise with 4 project appraisal panel dates set for October. The Council stores at Frizlands are to close in early November with site clearance scheduled to commence in January 08.
- **Major Transport Infrastructure** – To secure major investment by external partners (TfL) to provide new transport infrastructure to support development of the major regeneration areas. Work in hand with DLR to progress scheme to secure powers and procure. With the East London Transit the issue remains the delay in progress in agreeing the route through Barking Town Centre. The status of this project remains the same as the previous quarter. A revised scheme phasing strategy will lead to a deferral of the Town Centre section until the market can be relocated in association with North Street area redevelopment. The remainder of the route would be implemented as originally planned.
- **Customer First Phase 4 Barking One Stop Shop** – The building opened successfully on 18th June, although there remain a number of refinements and improvements that are required. Financial status has moved up to Green now that the full cost of refinements is known (in the region of £727k). Both progress and risk remain Amber as considerable progress has been made in both areas. Over the next quarter the project team will finalise the Project closure report and project sign off.

Barking One Stop Shop User Statistics

Month	Customers Seen	Casual Callers	Total Customers through the Barking OSS
Jun-07	1566	2504	4070
Jul-07	4327	3168	7495
Aug-07	6252	2593	8845
Sep-07	9052	2029	11081
Total	21197	10294	31491

- **Customer First Phase 5 Dagenham One Stop Shop** –The outcome will be an excellent interim customer service provision from a One Stop Shop located in the Dagenham area. This project has been suspended since 22 January 07. A Gateway Review has been commissioned to allow LBBB to reposition the project against the business case and define key milestones. Stour Road has been agreed by Executive as the new interim site however feasibility work needs to be carried out.
- **B&D Direct Phase 3** –A gateway review has been undertaken, which should allow the programme to re-focus on business priorities. Project finance, progress and risk remain Amber to reflect the delivery of all services at the BLC from June 07. At

present there remains insufficient capacity to deliver phase 3 within the agreed timescale.

- **Sickness Absence** – The Project outcomes will be reduced sickness & absenteeism levels and increased management and leadership competence. Sickness levels are still high and whilst there has been a reduction in some departments, it was not enough to reach the target for 2006/07 and the target has been reduced further for 2007/08. The Improving Attendance workshops for managers have received positive feedback and other initiatives are also being considered that will support them to manage sickness; a “project” has been set up to look at absence relating to back injuries and stress, and HR are in discussion with Remploy as to the services they can provide including support with case management and return to work programmes. Resources will be focussed on embedding “sickness management” and targeting those areas with the highest levels of sickness absence. Project status remains the same as the previous quarter, with a red risk status due to the impact on BV12.
- **Community Engagement** – The outcome of this project will be the delivery of a programme of activities designed to effectively engage the community of B&D, putting the Community Engagement Strategy into practice. Engagement & Consultation Strategy adopted by Exec and PSB. Delivery plans being developed & implemented. NM Strategy and intensive areas agreed, roll out now starting (as separate project). Revised commissioning and appraisals to be considered as part of separate projects. Overall risks are moderate. However, the impact of insufficient resources/priority being given to various work streams would have a significant impact on ability to deliver an effective community engagement programme. Furthermore, there is no clear ownership of the programme from a senior Council officer.

B3.0 Progress against Capital Projects

- **Bartletts House & Oldmead House (Customer Services)** – This is an investment project that will improve these tower blocks to decent homes plus standard. Tender analysis suggests that all core works and all works listed as aspirational can be completed within the available budget of £5.45 million.
- **Dagenham Heathway Public Realm Improvements (Regeneration)** – This £2.1 million investment will deliver a range of physical improvements to the environment. Internal and external consultation in line with priorities of Members being undertaken.
- **Gascoigne Primary School remodelling (Children’s Services)** – This £1.36 million investment will deliver internal adaptations, playground extension and new dining hall for the school. Funding re-profiled from £813k to £300k 2006/07 & £513k 07/08. Project commenced on site on the 4th June. Risk status remains Amber.
- **Dagenham Park School Sports & Dance Facilities (Children’s Services)** – This £4.25 million scheme will provide a four court sports hall for dual use by the school and community. Project on target with no significant issues to report.
- **Warren Secondary School Science Block (Children’s Services)** – This £1.8 million scheme will deliver a science block. Contractors have now commenced work on site and a budget increase has been agreed to reflect actual anticipated expenditure. Risk status is remains Amber and project is on target.
- **St George’s Complex VSO New Build (Adult & Community Services)** – This £1.1 million scheme will either construct or renovate a building to form a flagship

HQ for the VCS in the Borough. Project is currently waiting on strategic decisions and the budget allocation has been re-profiled accordingly. Finance, progress and risk ratings remain the same as previous quarter.

- **Desktop Management (Resources)** –Alternative procurement methodology has produced major cost reductions but funds will not be adequate to complete full roll-out. Submission for further funding for 2008 onwards made to complete full project; equipment sourcing established via e-auction.
- **Citrix Upgrade (Resources)** –. This £0.8 million scheme will ensure the council has a robust and reliable ICT infrastructure. Projects at various stages of progress. Server consolidation and migration of servers in progress. Internet backup line now installed at the Town Hall, firewall to be installed. Email encryption installed and under test.
- **Single Status - (Resources)**. The target date for all employees covered by the National Agreement on Pay and Conditions of Service for Local Government Employees 1997 (Green Book) to be on common terms and conditions of employment, is 1 January 2008. Staff have been issued the new terms and conditions of employment to come into effect on 1 January 2008, and offers of compensation made where there have been “historic” unfair pay differentials. Approximately 1,400 potential equal pay claims have been settled via compromise agreement. 95% of former manual (blue collar) workers and 33% of white collar staff have accepted the new terms and conditions with final “signing sessions” planned for 31 October. Project had a red risk status having previously been monitored at Resources DMT but this should be reviewed in line with the revised deadline for implementation.

B4.0 Quarter 3

Going forward, the Council is moving to a structured Programme Management approach that will deliver significant benefits for the people of the borough. CMT will lead a number of programme boards with a portfolio of projects beneath them.

The Programmes will cover;

- *Modernising Ways of Working*
- *Excellent Customer Services*
- *Living and working in the Borough*
- *A strong community*
- *Enjoying and achieving*

A number of the priority projects will form part of the programme project portfolios. From quarter 3 the Achieving Excellence monitoring will move from reporting individual projects to reporting the performance of programme delivery.

Appendix C: Pounds – budget monitoring and efficiency

C1.0 **Pounds** - This chapter provides detail on the council's budget monitoring position for both revenue and capital and provides a progress report on our procurement practises and our efficiency programme.

Revenue Budget Monitoring – overview of quarter 2 2007/08

The position for revenue expenditure indicates that currently budget pressures are showing across all service departments. These pressures are being actively addressed by Heads of Service through the application of various action plans. The latest full position is identified in **Table 1**.

ADULT AND COMMUNITY SERVICES DEPARTMENT

The Adult and Community Services budget position after the first half of the financial year continues to be challenging. It is clear that there are some issues facing the Department and a worse case scenario would indicate a potential £0.5m budget overspend.

The pre-dominant area of financial pressure is within the Adult Care Service, with revised timescales in the delivery of the Older Persons Modernisation savings in residential and Home Care. This has been partly addressed by an approved adjustment to the budget of £1m by the Executive. The Library and Community Safety and Prevention Services are both experiencing pressures on non-delivery of approved savings options and pressures in the Parks Police and Security service. These amount in total to £800k but are offset by £300k of underspend in other areas of the Department's budget.

The Department's Management Team remain committed to maintaining a sound financial base, dealing with current overspend areas, and bringing the departmental budget in on target for the current year. Value for money considerations are paramount within Adult and Community Services.

In order to reduce the pressures on its budget, the department has identified and implemented a range of action plans to address these pressures by year end. The overall departmental position will continue to be closely monitored to ensure the full reduction in these pressures, and the position will be regularly reported to both the Resource Monitoring panels and the Executive.

CHILDREN'S SERVICES DEPARTMENT

The Children's Service, at the end of September is experiencing some significant pressures for 2007/08 which currently indicates a potential £1m budget overspend.

The main area of concern relates to the Safeguarding and Rights service, which although having had the benefit of a £1.2m budget enhancement for 2007/08 and a further budget supplement agreed by the Executive for £3.5m is currently projecting a £1m overspend on the £10m budget. The Executive will recall that placement numbers have increased significantly over the past two years (63 placed in April 2005 to 130 placed in September 2007) and it now appears that this position looks set to continue throughout 2007/08. As a consequence of these on-going costs the budget increase for 2007/08 is unlikely to be sufficient to cover the full-year effects of the additional numbers of looked after children and children in out-borough placements.

The department is also facing issues in the delivery of some of the £1.4m approved savings for 2007/8, as well as financial pressures related to multi-occupation buildings and PFI funded projects. The Castle Green Centre and the Schools Meals service are subject to particular pressures where the cost of provisions due to healthy eating initiatives have risen significantly.

In order to reduce the pressures on its budget, the department has identified and implementing a range of action plans to address these pressures. However, it is already clear that because of the type and demand of pressures that the department currently faces, it is likely to be difficult for it to be able to absorb all of these pressures within its existing financial resources. The overall departmental position will therefore continue to be closely monitored to ensure the maximum reduction in these pressures, and the position will be regularly reported to both the Resource Monitoring panels and the Executive.

CUSTOMER SERVICES DEPARTMENT

The department is experiencing pressures in 2007/08 amounting to approximately £397k. The main reasons for this projection relate to:

- recurring overspends arising from 2006/07, such as additional employee costs and shortfall in income;
- recovery of outstanding debt in Housing Benefits;
- potential risks in delivering the approved savings options for 2007/08.

Management actions including holding vacant posts, tight controls on agency recruitment and supplies and services spend, reduction in levels of overtime and a review of recovery of outstanding debt are being undertaken to contain these pressures.

REGENERATION DEPARTMENT

The department is experiencing pressures in 2007/08 amounting to approximately £380k, particularly around recurring overspends arising from 2006/07, such as additional employee costs and shortfall in income; as well as potential risks in delivering the approved savings options for 2007/08.

Management actions including holding posts vacant and tight controls on agency recruitment and supplies and services spend remain in place to contain the recurring items.

RESOURCES DEPARTMENT

The Department has identified pressures for 2007/08 amounting to £490k, which if not actioned would result in a projected overspend. The main reasons for the current projection are due to the:-

- The savings relating to the Payroll Review may not be achieved due to the additional work required within Payroll to move employees from weekly to monthly payroll - £63k;
- Staffing costs in Human Resources exceeding current budget - £40k;
- Reduction in land charges income due to changes in legislation - £140k;
- shortfall in the income budget for the recovery of court costs due to decreasing levels of debt - £29k;
- Legal Services review - £80k.

These pressures have been discussed at the Departmental Management Team meetings and an action plan has been produced in order to bring the Department's projection down to a break-even position by the year end.

REVENUE BUDGET 2007/2008

TABLE 1

SUMMARY OF POSITION - SEPTEMBER 2007

<u>Department</u>	<u>Original Budget 2007/08</u> <u>£'000</u>	<u>Working Budget 2007/08</u> <u>£'000</u>	<u>Current projected position</u> <u>£'000</u>	<u>Current projected variance</u> <u>£'000</u>	<u>Action in place/ to be taken</u> <u>£'000</u>	<u>Projected Outturn 2007/08</u> <u>£'000</u>
Adults & Community Services	58,647	58,701	59,201	500	500	0
Children's Services	172,184	182,918	183,978	1,000	1,000	0
Customer Services	15,593	15,761	16,148	387	387	0
Regeneration	22,800	23,527	23,907	380	380	0
Resources	922	1,141	1,631	490	490	0
Total for Department's	270,146	282,108	284,865	2,757	2,757	0
<u>Other Services</u>						
Corporate Management	4,930	4,740	4,740	0	0	0
General Finance	(19,470)	(31,163)	(31,163)	0	0	0
Contingency	1,200	1,121	1,121	0	0	0
Levies & precepts	6,581	6,581	6,581	0	0	0
Total for Other Services	(6,759)	(18,721)	(18,721)	0	0	0
Total Council Budget	263,387	263,387	266,144	2,757	2,757	0

Housing Revenue Account (HRA)

There is currently no major variance for the HRA for 2007/08. The increase in the negative subsidy payable to the Government has and will continue to increase the pressures on this account. In addition Right to Buy sales will reduce stock levels which will result in income falling, and the challenge will be to ensure that costs fall in line with the reducing stock. There will continue to be other significant pressures on the HRA including repairs and maintenance spend, premises costs, rising energy prices and reducing Supporting People Grant. In part this may be off-set by improved performance in rent collection and better management of voids. Overall at this stage it is anticipated that the revenue account will make a small contribution to balances in 2007/08.

Specific issues relating to the HRA include:

- Overall income is forecast to overachieve by £1.8m. This is due to 2007/08 being a 53 week year thereby allowing the HRA to achieve an additional one week's rental income. In addition void levels and write off's are reducing which will generate additional income;
- Supervision and Management budgets are currently forecast to overspend by £403k. due to increased wages and other costs resulting from a 53 week financial year and other pressures on salary and running costs;
- The Repairs and Maintenance budget is forecast to overspend by £1.3m mainly due to the increased demand on the repair service and extra costs of vandalism and uninsured perils not included in the target contract price.

To the end of September 89 properties have been sold and it is currently forecast that 180 will be sold during 2007/08. The forecast sales in 2007/08 are expected to generate £16.4m of capital receipts, of which £4.1m (25%) can be retained. A summary of the latest position for the HRA is shown in **Table 2**.

Capital programme

The Capital Programme is managed by the Capital Programme Management Office (CPMO) team, in the Department of Resources, with financial input from the Corporate Finance service. A summary of the latest position for the 2007/08 programme is shown in **Table 3**.

As at the end of September, £14.8 million (£1.3 million at the end of June) of this year's programme had been spent out of an overall working budget for the year of around £73.5 million.

HOUSING REVENUE ACCOUNT - BUDGET MONITORING SUMMARY

Table 2

<u>Month June 2007</u>	<u>Original Budget</u> £'000	<u>Revised Budget</u> £'000	<u>Forecast</u> £'000	<u>Variance</u> £'000
<u>Housing Revenue Account</u>				
NET RENT OF DWELLINGS	(69,047)	(69,047)	(70,879)	(1,832)
OTHER RENTS	(2,438)	(2,438)	(2,363)	75
OTHER CHARGES	(5,170)	(5,170)	(4,963)	207
TOTAL INCOME	(76,655)	(76,655)	(78,205)	(1,550)
REPAIRS AND MAINTENANCE	21,878	21,722	23,058	1,336
SUPERVISION & MANAGEMENT	24,023	24,044	24,408	364
RENT, RATES AND OTHER CHARGES	994	379	379	0
NEGATIVE HRA SUBSIDY PAYABLE	14,125	14,125	14,125	0
NEGATIVE HRA SUBSIDY TRANSFERABLE TO GENERAL FUND UNDER TRANSITIONAL ARRANGEMENTS	3,449	3,449	3,449	0
DEPRECIATION & IMPAIRMENT OF FIXED ASSETS	23,197	23,197	23,197	0
HRA SHARE OF CDC COSTS	750	750	775	25
TOTAL EXPENDITURE	88,416	87,666	89,391	1,725
INTEREST EARNED	(1,354)	(1,354)	(1,354)	0
NET COST OF SERVICE	10,407	9,657	9,832	175
DEPRECIATION ADJUSTMENT	(10,098)	(10,098)	(10,098)	0
MOVEMENT IN WORKING BALANCE	309	(441)	(266)	175
WORKING BALANCE B/F	(2,776)	(1,665)	(1,665)	0
WORKING BALANCE C/F	(2,467)	(2,106)	(1,931)	175

Notes:

(1) Revised Budget b/fwd balance reflects the closing working balance as per 2006/07 outturn

(2) Revised Budget c/fwd balance reflects estimated balances at year end

SUMMARY OF EXPENDITURE - JUNE 2007

<u>Department</u>	<u>Original Budget (1)</u> £'000	<u>Working Budget</u> £'000	<u>Actual to date</u> £'000	<u>Projected Outturn</u> £'000	<u>Projected Outturn Variation against Working Budget</u> £'000
Adult & Community Services	2,019	909	243	770	(139)
Children's Services	9,718	7,629	3,403	9,399	1,770
Customer Services	42,505	37,835	7,193	37,701	(134)
Regeneration	19,407	25,250	3,431	21,788	(3,462)
Resources	1,467	1,807	394	1,719	(88)
Total for Department Schemes	75,116	73,430	14,664	71,377	(2,053)
<u>Accountable Body Schemes</u>					
Regeneration	-	111	97	111	0
Total for Accountable Body Schemes	-	111	97	111	0
Total for all Schemes	75,116	73,541	14,761	71,488	(2,053)

Note

(1) Excludes provisional schemes approved at Executive 20th February subject to achieving 'four green lights' from CPMO appraisal

C1.1 Procurement

The Corporate Procurement team is looking at ways in which the council can achieve both financial savings and improve efficiency in the council's procure to pay processes, with a focus on meeting the requirements of the Gershon Efficiency Programme and the National Strategy for Procurement. In addition, they will ensure that our procurement initiatives fit with the broader strategic objectives of the council. The main priorities for procurement are set out below:-

Developing Procurement Skills

Effective procurement skills will enable the organisation to develop more efficient and best practice procurement which will assist in the successful delivery of major procurement projects, the management of strategic partnerships and the realisation of savings that can be channelled into priority services or into council tax reductions.

As part of a London Centre of Excellence initiative, a procurement skills needs analysis was undertaken amongst procurement practitioners and those managers for whom procurement forms a significant part of their day to day role. As a consequence, a framework of procurement training to satisfy the training needs identified has been developed and will be promoted across the council. Half day internal Procurement Overview sessions have been developed and are held once a month, five sessions having been completed to date. A follow-up questionnaire links these sessions to a programme of training available through the LCE framework. LCE training modules are included in the training pack and are available on the intranet.

Contracts

The council will look to increase the number of corporate contracts as a consequence of standardising and aggregating demands for the supply of regularly used goods and services. This will enable the council to explore opportunities to use various procurement options including partnering, use of voluntary and community sector, collaboration and consortia. The work programme includes energy procurement (spend £5.5M), consultancy services (spend £6M), various facilities management goods and services (spend £0.5M).

Sustainability

Corporate Procurement are working to establish mechanisms through which local enterprise and employment can be fostered and encouraged to exploit trading opportunities provided by the council and through its procurement activities. For example, the contract for the provision of agency staff services referred to above has recently become operational. Provision has been made within this contract to ensure that smaller local staff agencies and other agencies such as Jobcentre Plus are included in the temporary staff recruitment process to ensure that employment opportunities for local people are exploited.

A full spend profile analysis has been undertaken, one objective of which is to identify the extent to which the Council trades with local businesses and to highlight particular areas of risk and opportunities for local firms when embarking on major procurement initiatives.

The council will also be introducing a number of electronic procurement solutions over the next three years (see below). It has been recognised that as a consequence many local, and especially small, businesses may have difficulty trading in this way and in light of this, Corporate Procurement officers continue to participate in local SME workshops to alert and encourage them to consider the benefits of electronic trading methods. Feedback from these workshops has been positive.

Corporate Procurement continues to support activity within the review of the Mainstream Grants Programme, with its core proposal being to move the majority of the Council's mainstream grants budget to three year service agreements where funding is linked to the delivery of agreed outputs and outcomes.

In a move towards a consistent approach to the letting and monitoring of contracts to the Voluntary and Community Sector (VCS) we have designed a Commissioning and Procurement Guide with the objective to secure the excellence that can be achieved by the VCS. The guidance document will be primarily available to Council commissioning managers to promote the use of the VCS in service delivery, and to aid their commissioning work.

Equalities

In line with the Council's Equalities and Diversity Framework we will work towards raising service providers' performance in race equality and in employment and equal opportunities in general by securing contracts that deliver equalities in public procurement for the residents of the council. The Corporate Procurement Team regularly review the procurement guide to equalities in tandem with any new legislation advised by the Group Manager Equalities and Diversity. New guidance has been circulated that cover the requirements of Contracting for services in light of the Human Rights Act 1998

Electronic Procurement

The council is looking at the introduction of e-procurement solutions with a view towards improving efficiency in the purchasing process through reduced internal transaction times for regularly purchased goods and services, reducing error rates, focussing spend with contracted suppliers, speeding up invoice payment times and the identification of opportunities for collaboration and aggregation reducing purchasing price.

Following the decision to close the Stores Corporate Procurement are establishing an electronic ordering facility for goods previously ordered via the Stores and payment using Purchase Card is the Council's preferred payment mechanism. The roll out of purchase cards is now much more aggressive and applications are being processed from all divisions across all Departments. A decision is pending from the Schools Forum on adoption of purchase cards in schools.

The Corporate Procurement team have been working with stakeholders from across the Council on implementing an electronic sourcing tool which will enable procurement projects to be advertised, tender documents issued, evaluated and contracts awarded on line. This system will save significant amounts of time both for Council staff regularly involved in tendering exercises and for suppliers completing tender documents. The pilot phase exposed several flaws in the technology and

accessability to the system and as a result the pilots have been suspended subject to the resolve of the following fundamental issues:

1. Access to the system denied to some but not all suppliers.
2. Emails not being generated, therefore suppliers not receiving information such as passwords or invitations to tender.
3. Best bid function not working even though tender settings are correct for this function
4. Web server down time.

Stage one of the introduction of Oracle I-Procurement has begun with the implementation of the IDeA electronic marketplace solution which will enable on-line electronic ordering and invoicing which will bring about further efficiencies in the order to pay process.

Key Procurement Projects

Some of the key projects across the council currently in progress that have/will change the way we work smarter, are:-

- Implementation of electronic sourcing tool;
- introduction of Oracle I-Procurement and electronic marketplace;
- Construction framework agreements to be operational in July 2007;
- Transformation of transport service with performance partners;
- Purchasing cards.

C1.2 Efficiency

Targets for efficiency gains were set across the public sector for the period 2005/06 to 2007/08. The Council's efficiency target for this period is £13.4m.

The Council submitted its "backward look" efficiency statement for 2006/07 on the 5th July. This shows the final efficiency gains achieved for the period. The total gains of £4.7m exceeded the target we set for the year of £4.5m. It also means that we have now exceeded our target of £13.4m to 2007/08 a year early, which is a fantastic achievement.

This table shows how we have achieved our overall three year target to 2007/08:

	£,000
Backward look for 2004/05 (outturn)	4,502
Backward look for 2005/06 (outturn)	4,986
Mid Year update for 2006/07 (outturn)	4,700
Total	14,188
Target to 2007/08 (revised, originally £12,300)	13,400
Over-achievement/(shortfall)	788

The Council has set itself an efficiency target of £5.9m for the period 2007/08. Current projections after 6 months suggest that actual efficiency gains in the period will only total £5.1m. The reason for this is that the planned efficiency gains from the older person's modernisation programme will accrue later than originally planned, as a result of a decision to re-profile this work.

The Comprehensive Spending Review was announced in early October 2007. Part of this announcement indicated the future for the efficiency agenda over the next 3 years. The key headlines were as follows:

- At least 3 per cent value for money savings per year over the CSR period are expected across central and local government, all net of implementation costs;
- Cash releasing savings totalling over £30 billion of annual savings by 2011 across the public sector; and
- A £150m transformation fund is being made available to support efficiency delivery.

This will be a challenging agenda, and the Council is already taking steps to ensure that these targets can be met. The “Modern Ways of Working” programme is now underway that will drive out significant efficiency gains over the next few years through better use of Information Technology, accommodation, better procurement practices and improvements to business processes across the organisation.

Appendix D: People – key indicators for our human resources

D1.0 This chapter contains the results for the Human Resources (HR) key performance indicators for the second quarter of 2007/08 and additional indicators that are useful benchmarks for the HR function across London Boroughs. The HR Management Team tracks the performance of the indicators on a monthly basis and reporting of these and additional HR management information is done quarterly.

Workforce Monitoring

As reported last quarter, a data verification exercise will be carried out to obtain up to date information on the existing workforce, for impact assessment purposes and target setting etc. The trade union and staff representatives are being consulted on the arrangements as it is intended to ask for information not previously requested e.g. on faith, sexuality, caring responsibilities and family status etc. HR are also working with the Disabled Staff Group to carry out a survey of disabled staff and “disabilities”, as there is an issue with under-reporting; Staff Survey results indicated that 13% of staff considered themselves to have a disability against 3.98% for the second quarter.

Recruitment and Retention Initiatives

HR are making progress with partners, (departments, educational establishments, community groups and JobCentre Plus), on developing measures to attract local people to work for the Council, and/or into employment and training. This will help to regenerate the Borough and provide better value for money i.e. with recruitment to shortage areas and reducing the reliance on agency staff.

As reported previously, the partnership with JobCentre Plus to handle the responses for all posts up to SO2 has already achieved considerable savings on advertising in the local press. Work is now progressing with Jobcentre Plus on “work trialling” which will give disabled people etc the opportunity to try out posts and be interviewed by managers, ready for when vacancies become available.

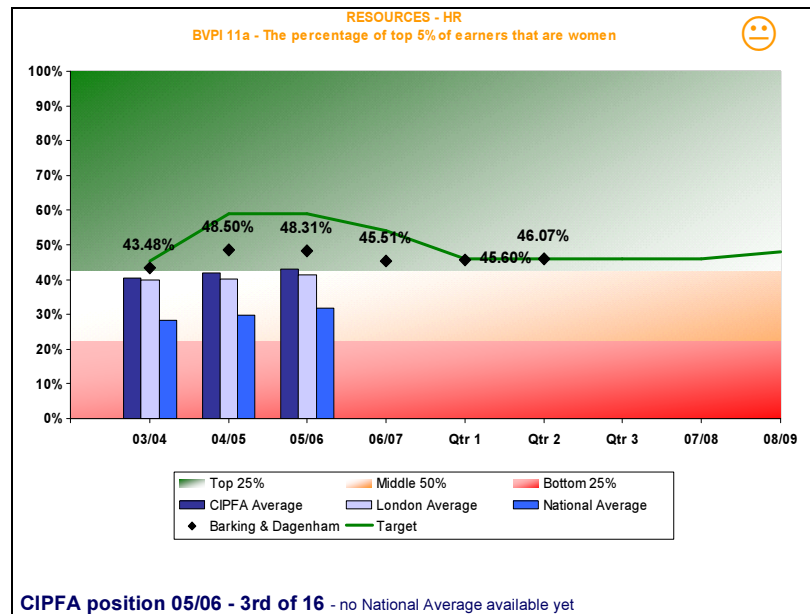
Work is progressing with partners on developing the Valuing People Strategy for the employment of people with learning difficulties, including identifying areas of work that can be “job carved” e.g. scanning etc. Work experience and placement arrangements are being reviewed with a view to having a Council wide scheme with opportunities at various levels and to building capacity for placements into work force planning.

Progress has been made on introducing Work-life Balance as part of “Modern Ways of Working”. The Salary Sacrifice Child Care Voucher Scheme was launched in April and the new Flexi-time Scheme will be introduced on 1 January 2008. Work has started on identifying other work-life balance initiatives to pilot next year e.g. career breaks, flexibility around carrying forward annual leave and flexible retirement.

HR Learning and Development have successfully developed and launched the Inspiring Leaders, Improving Lives (IL2) development programme for middle managers. Learning and Development are reviewing induction, mentoring and shadowing arrangements, and looking different ways of delivering training to make this more accessible, especially to staff working non-standard hours.

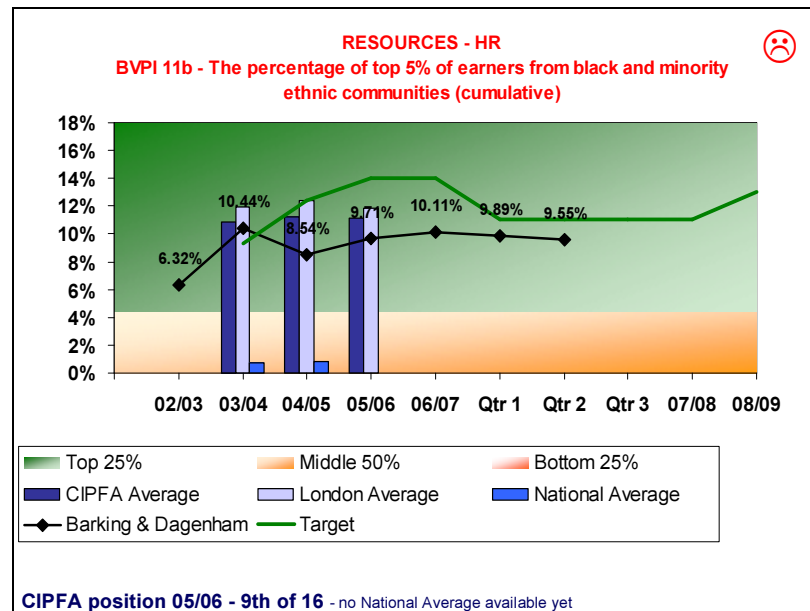
Key HR Performance Indicators

Top 5% of earners who are women.



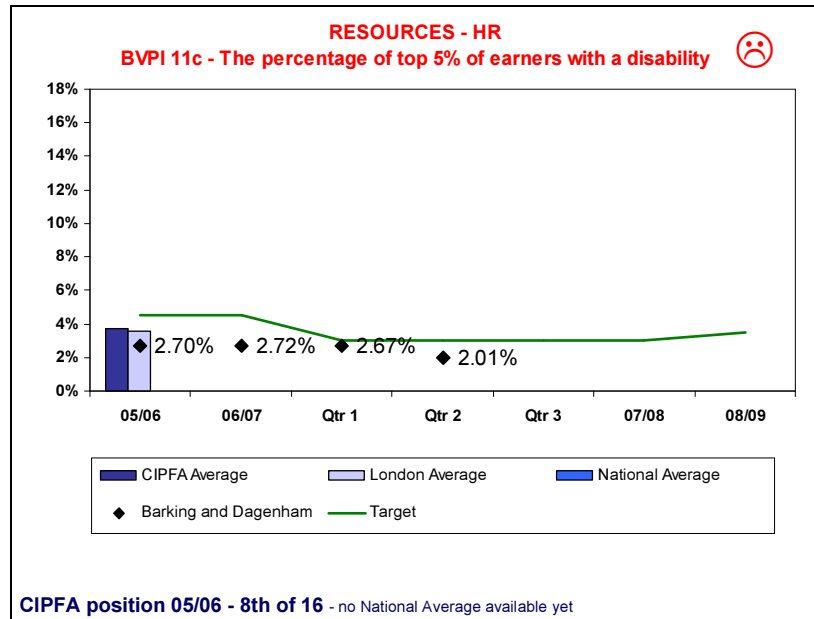
The figures for the second quarter shows the number of women in the top 5% of earners has increased from 45.60% to 46.07%. This has achieved the 2007/8 target of 46%.

Top 5% of earners from black and minority ethnic communities



The number of staff from minority ethnic communities in the top 5% of earners has reduced from 18 to 17, which reduces the overall percentage from 9.89% to 9.55%. This is below the 2007/8 target of 11%.

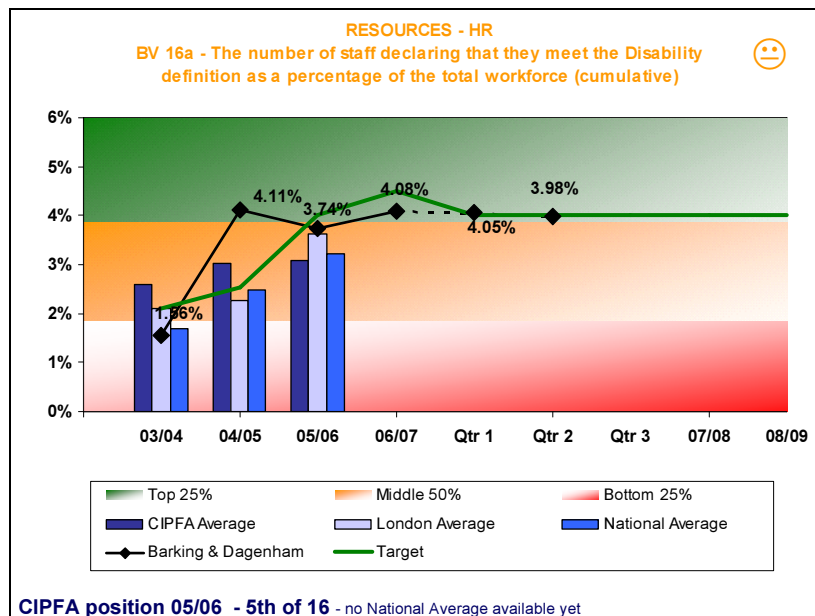
Top 5% of earners declaring they meet the disability definition.



The number of self assessed disabled staff in the top 5% of earners has reduced from 4 to 3, which reduces the overall percentage 2.72% to 2.01%. This is below the 2007/8 target of 3%.

This data is taken from the monitoring form people complete when applying for posts, and the Staff Survey results indicate the actual figure is much higher e.g. 6% of JNC officers that responded, consider themselves to have a physical, learning, sensory or mental health impairment or disability.

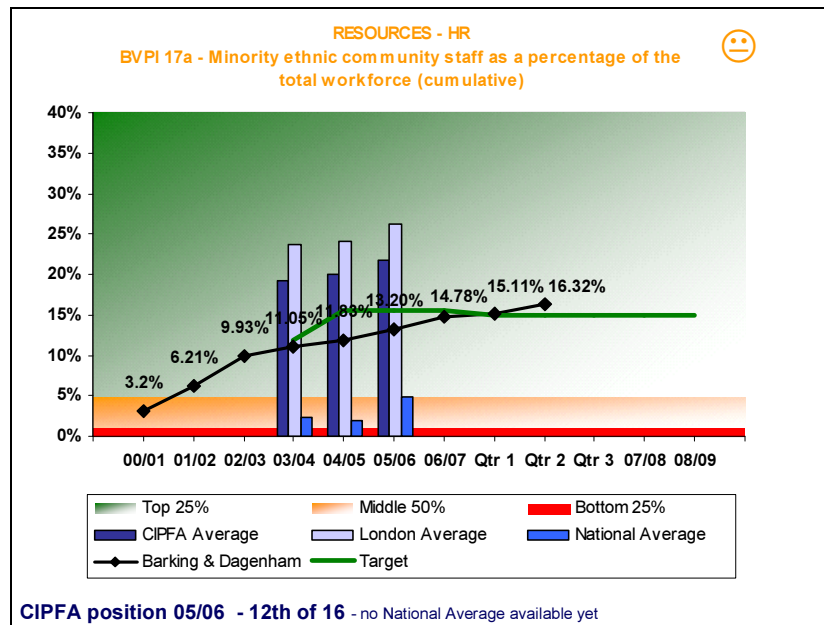
The number of staff declaring that they meet the disability definition as a percentage of the total workforce (cumulative)



There has been a minor reduction from first quarter due to variation in numbers to 3.98%. This is 0.07% below the 2007/8 target of 4%.

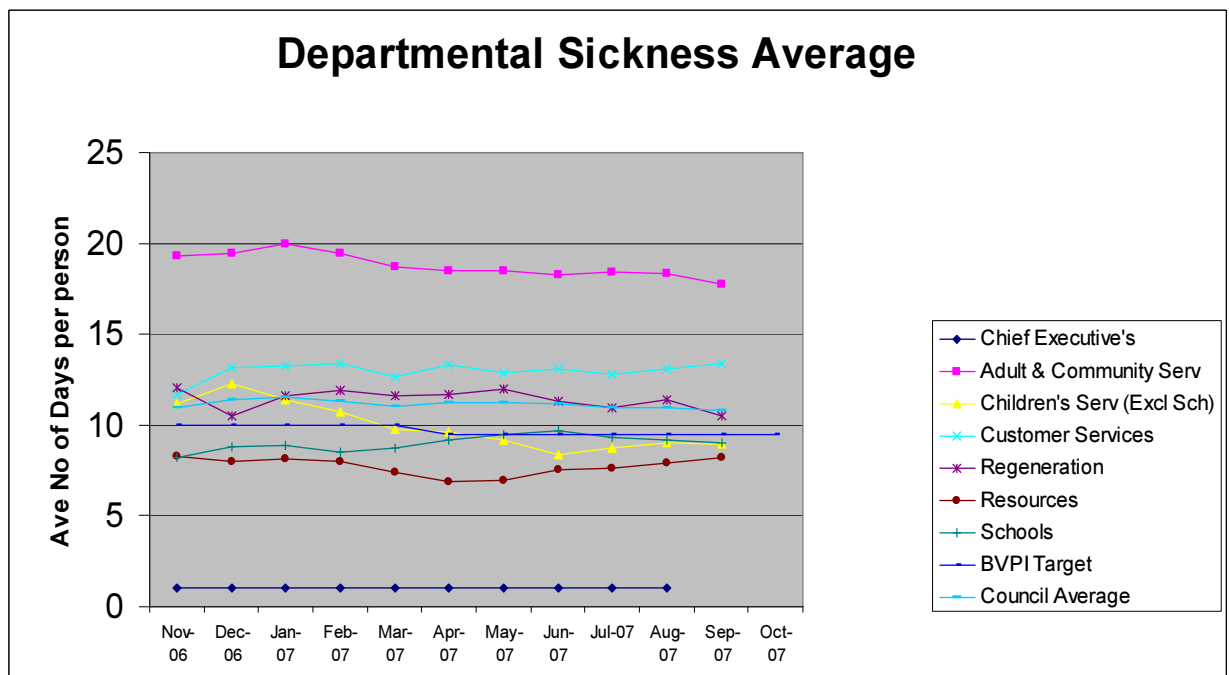
This data is taken from the monitoring form people complete when applying for posts, and the Staff Survey results indicate the actual figure is much higher e.g. 13% of staff that responded consider themselves to have a disability. Various actions are being investigated with the Disabled Staff Group to attract and retain disabled people,

Minority ethnic community staff as a percentage of the total workforce



There has been a further increase from 15.11% to 16.32% during the second quarter supporting a continuing rising trend. The figure is above the 2007/8 target of 15.5%.

Sickness Absence



	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07
Chief Executive's	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Adult & Community	19.97	19.48	18.73	18.52	18.52	18.24	18.41	18.31	17.73
Children's Services (excluding schools)	11.42	10.74	9.77	9.65	9.19	8.36	8.71	9.00	8.94
Customer Services	13.22	13.36	12.67	13.33	12.88	13.11	12.78	13.1	13.36
Regeneration	11.64	11.91	11.6	11.70	11.97	11.35	10.98	11.4	10.50
Resources	8.17	7.98	7.37	6.86	6.94	7.53	7.63	7.93	8.24
Schools	8.85	8.50	8.73	9.19	9.49	9.72	9.32	9.16	9.02
BVPI Target	10.00	10.00	10.00	9.50	9.50	9.50	9.50	9.50	9.50
Council Average	11.57	11.34	10.99	11.22	11.26	11.17	10.98	10.98	10.83

The Oracle report has been re-written to ensure that sickness absence is reported accurately in accordance with the Audit Commission definitions.

The data shows an average of 10.83 days were lost during the last rolling year from October 2006 to September 2007. The second quarter figure shows an average of 5.44 days per person which is a reduction of 0.68 days compared to second quarter of 2006/7.

The Managing Absence Sickness Absence Policy and Procedure has been revised and is out to consultation. Sickness monitoring will be amended so disability related absence is recorded separately to non-disability related absences, in line with best practice.

Senior managers are monitoring absence to ensure early intervention and action is taken to progress cases, through the management processes and/or Occupational Health, with an increase in the number of cases going through to Stage 3 Hearings. Return to work interviews can now be recorded on the HR Self Service.

All managers and supervisors are attending "Improving Attendance" workshops and will receive regular guidance on managing staff. HR have met with Remploy to discuss their vocational services and what additional support they can provide with managing long-term sickness and return to work arrangements.

Occupational Health are actively promoting health, wellbeing and sickness programmes, including health screening, "weight wise" and physiotherapy. Other developments due shortly include morning walk-in clinics, workplace wellness sessions, body MOT's, hearing and vision checks and health promotions linked to PCT initiatives.

Appraisal.

The half yearly Appraisal Reviews were due to be completed between May and September with a target of 100% completion. The information is still being collated and the results will reported back in the third quarter.

The IIP Steering Group has already taken action to help achieve the appraisal targets and to ensure that there is a significant improvement on the number completed at the end of the reporting periods in future, including:

- using DMTs to review the number of appraisals scheduled/completed/recorded;

- monthly spreadsheets to show the number of appraisals recorded on Oracle;
- regular features in the staff e-newsletter.

The IIP Steering Group will continue to monitor progress towards achieving the targets as well as explore methods of capturing data on the quality of appraisals through e-surveys and collection boxes for the feedback questionnaires.

A new module has been developed on Oracle that will enable managers to record appraisal ratings via Oracle HR Self Service, which should enable more accurate and timely information to be provided in future.

STAFF NUMBERS

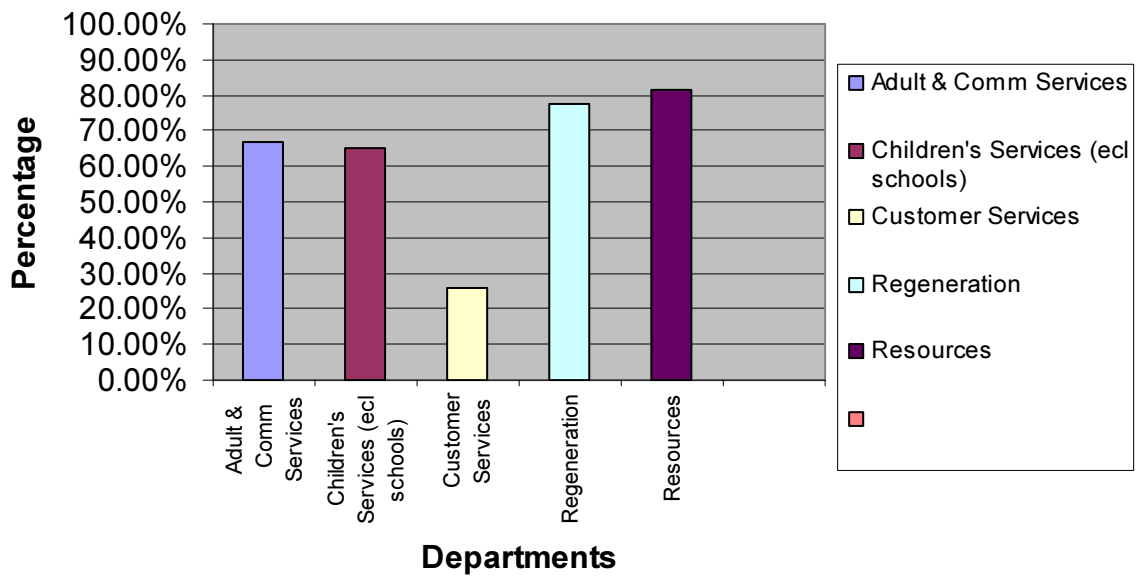
As at end of September 2007, the Council employed 7,953 staff, a decrease of 58 from the last quarter.

Total Employees*		Total at Start of Quarter	Total at End of Quarter
Chief Exec		3	3
Adult & Community Services		944	947
Children's Services	Departmental Staff	1,075	1,098
	Schools Staff	3,508	3,376
	Total	4,583	4,474
Customer Services		921	923
Regeneration**		1,099	809
Resources **		459	781
TGLP		8	12
TOTAL:		8,007	7,949
* Excluding casual claims staff			
** Building Cleaning moved from Regeneration to Resources on 1 September.			

Recruitment Information

The Corporate Performance Indicator is that interviews should be completed and the offer of employment made within 25 days of the closing date of the advert. The information below is a summary of performance against the Indicator. Performance against the target is affected by delays in managers returning paperwork to the HR Recruitment Team and delaying interview deadlines.

Offers made within 25 days of closing date



Achieving Excellence 2007/08 - Quarter 2 Recommendations for Action

Title	Issue	CPA Impact	Action	Who
a) PAF D40: clients receiving a review	Although there are signs of improvement, this indicator remains significantly below the target set.	Potential risk on Use of Resources if people do not get the level of service appropriate due to lack of review.	Prepare report for Adult Performance Board (next 8 th January 2008) outlining actions to close gap to target. Prepare a separate report on quality assurance issues around record-keeping on Case Reviews. Sign off with portfolio holder.	Corporate Director of Adult & Community Services
b) BV66a: rent collection and arrears	The direction of travel of this indicator is downwards, which means lost income for the council.	Risk to the housing service block.	Prepare SMB report to scrutinise the performance of this PI.	Corporate Director of Customer Services
c) BV212: average re-let times	The direction of travel of this indicator is downwards, which means lost income for the council.	Risk to the housing service block.	Prepare report for Customer Services Performance Board (next 18 th February) outlining actions to reverse direction of travel. Sign off with portfolio holder.	Corporate Director of Customer Services
d) BV199b: cleanliness of public places (Graffiti)	A major issue with the graffiti indicator is that it relies heavily on graffiti being reported – we are satisfied with our response to reported cases within the agreed timescales – identifying how we get all cases reported is the current challenge.	Possible impact through user satisfaction for environment/council overall.	Work with the portfolio holder to propose new ways to ensure that all graffiti is reported, so that we are able to deal with this issue in the borough more effectively. This should include graffiti in high-rise stairwells and the engagement of front-line staff in reporting.	Corporate Director of Customer Services
e) Complaints: staff attitude	High levels of complaints relating to employee behaviour in Customer Services.	Possible impact through user satisfaction and inspection ratings.	Present a paper to the Organisational Development Performance Board (next 13 th February) analysing this issue and proposing improvements.	Corporate Director of Resources
f) Sickness management	Project shows a red rating for risk.	Possible impact on corporate health e.g. capacity to deliver.	Ensure previous actions reported at SMBs are complete and implementation/ learning have taken place. SMB report on findings and debate whether the actions taken are the right ones.	Corporate Director of Resources

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