

London Borough of Barking and Dagenham

Notice of Meeting

THE EXECUTIVE

Tuesday, 22 January 2008 - 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

11 January 2008

R. A. Whiteman
Chief Executive

Contact Officer: Pat Brown
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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 on 18 December 2007 (previously circulated)**
4. **Annual Performance Assessment of Social Care Services for Adults (Pages 1 - 13)**

A copy of the Annual Review Meeting brochure dated August 2007 has been circulated separately to Executive Members and is available in Members' Rooms and on the Council's website www.barking-dagenham.gov.uk
5. **Budget Monitoring Report 2007/08 (Pages 15 - 31)**
6. **Revised Budget 2007/08 and Base Budget 2008/09 (Pages 33 - 45)**
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. **Urgent Action: Extension of Contract Arrangements for the Delivery of Decent Homes (Pages 47 - 52)**

Concerns a contractual matter (paragraph 3).

10. **Term Contract: Remedial Works for the Control of Legionella Bacteria in Water Systems in Schools and Public Building (Pages 53 - 59)**

Concerns a contractual matter (paragraph 3).

11. **Local Enterprise Growth Initiative (LEGI) Business Centres: Appointment of Preferred Developer / Operator (Pages 61 - 68)**

Concerns a contractual matter (paragraph 3).

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

THE EXECUTIVE

22 JANUARY 2008

REPORT OF THE CORPORATE DIRECTOR OF ADULT AND COMMUNITY SERVICES

Title: Annual Performance Assessment of Social Care Services for Adults		For Information
<p>Summary: This report informs Members of the results of the annual performance assessment of the Council's Adult Social Care Services by the Commission for Social Care Inspection (CSCI).</p> <p>CSCI has awarded Barking and Dagenham three stars, the highest rating possible. The significance of this success is emphasised by the fact that Barking and Dagenham are one of only five London Boroughs to improve their rating this year.</p> <p>Wards Affected: All</p>		
<p>Recommendation(s) The Executive is asked to note the report:</p>		
<p>Reason(s) The Commission require that their judgement is reported to members and subsequently made available to the public.</p>		
<p>Contact Officer: Anne Bristow</p>	<p>Title: Corporate Director of Adult and Community Services</p>	<p>Contact Details: Tel: 020 8227 2300 Fax: 020 8227 2241 E-mail: anne.bristow@lbbd.gov.uk</p>

1. Introduction and Background

- 1.1 The Commission for Social Care Inspection (CSCI) has statutory responsibility to regulate, inspect and review all social care services in England. Every year they give each council a star rating that shows how well it is performing and its ability to improve in the future.
- 1.2 CSCI reaches its conclusions by considering the results of their own inspections together with information and evidence provided by the Council. The process culminates in an Annual Review Meeting. In 2007 the Annual review meeting took place on 17 August 2007. A copy of the report officers provided for the Annual Review Meeting has been circulated separately for Members' information.

2. Current Position

- 2.1 In 2006 CSCI awarded the Council two stars in respect of the year 2005/06.

2.2 CSCI published its conclusions for the year 2006/07 on 29th November and has awarded Barking and Dagenham three stars, the highest rating possible. The significance of this success is emphasised by the fact that Barking and Dagenham are one of only five London Boroughs to improve their rating this year.

3. Report Detail

3.1 A copy of the formal letter of notification is attached as Appendix 1.

3.2 The inspectors' conclusions are grouped according to the 7 outcomes which were set out in the White Paper, 'Our Health, Our Care, Our Say' together with a combined judgement about the Council's capacity to improve.

3.3 Set out below are the main judgements CSCI have delivered:

Areas for judgement	Grade awarded
Delivering Outcomes	Good
Improved health and emotional well-being	Excellent
Improved quality of life	Good
Making a positive contribution	Excellent
Increased choice and control	Excellent
Freedom from discrimination or harassment	Good
Economic well-being	Good
Maintaining personal dignity and respect	Good
Capacity to Improve (Combined judgement)	Excellent
Leadership	
Commissioning and use of resources	
Star Rating	Three stars

4. Implications

4.1 In addition to confirming the high standard of service that the vulnerable people of the borough receive, the award of 3 star status to the Council's adult social care services has clear benefits:

- CSCI will adopt a 'lighter touch' inspection regime. For example, routine business meetings with CSCI will now be twice per year instead of quarterly.
- The Council's ability to attract resources for innovative or pilot projects will be enhanced.
- Recruitment and retention of staff will be helped by our ability to advertise the Council as a 'three star' service.

4.2 It should be noted that, whilst commenting that the Council's capacity for improvement is excellent, inspectors did identify some areas for improvement.

These included addressing the need to ensure prompt and appropriate discharges from hospital and the need to increase the provision of assistive technology (or 'telecare') to support people in their own homes.

- 4.3 In order to ensure that the Council retains its newly acquired Three Star status, action plans are in place to address the areas for improvement and officers are monitoring performance closely.

Background Papers Used in the Preparation of the Report:

- CSCI Summary report of 2006-07 Annual Performance Assessment of Social Care Services for Adults: 21 October 2007.
- Information provided in support for the Annual Review

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Making Social Care
Better for People

CSCI

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APPENDIX 1

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Ms A Bristow
Corporate Director of Adult &
Community Services
London Borough of Barking and
Dagenham
Civic Centre
Dagenham RM10 7BW

21st October 2007

Dear Ms Bristow,

Summary Report of 2006-07 Annual Performance Assessment of Social Care Services for Adults Services for Barking and Dagenham

Introduction

This report summarises the findings of the 2007 annual performance assessment (APA) process for your council. Thank you for the information you provided to support this process, and for the time made available by yourself and your colleagues to discuss relevant issues.

Attached is a revised copy of the performance assessment notebook, which provides a record of the process of consideration by CSCI, leading to an overall performance, rating. You will have had a previous opportunity to comment on the factual accuracy of the evidence notebook following the Annual Review Meeting.

The judgements outlined in this report support the performance rating notified in the performance rating letter. *The judgements are*

- *Delivering outcomes (formerly Serving People Well) using the LSIF rating scale*

And

- *Capacity for Improvement (a combined judgement from the Leadership and the commissioning & use of resources evidence domains)*

The judgement on Delivering Outcomes will contribute to the Audit Commission's CPA rating for the council.

The council is expected to take this report to a meeting of the council within two months of the publication of the ratings (i.e. by 31st January 2008) and to make available to the public, preferably with an easy read format available.

Adult Social Care Performance Judgements for 2006/07

Areas for judgement	Grade awarded
Delivering Outcomes	Good
Improved health and emotional well-being	Excellent
Improved quality of life	Good
Making a positive contribution	Excellent
Increased choice and control	Excellent
Freedom from discrimination or harassment	Good
Economic well-being	Good
Maintaining personal dignity and respect	Good
Capacity to Improve (Combined judgement)	Excellent
Leadership	
Commissioning and use of resources	
Star Rating	Three stars

The report sets out the high level messages about areas of good performance, areas of improvement over the last year, areas which are priorities for improvement and where appropriate identifies any follow up action CSCI will take.

Key Strengths and Areas for Improvement by People using Services

Key strengths	Key areas for improvement
All people using services	
<ul style="list-style-type: none"> • Increasing take up of Direct Payments • Success of Individual budgets pilot • Active promotion of health and well being, including a range of leisure activities and exercise classes on prescription • Increased numbers of people living independently in the community. • Effective joint work with health partners • Improved services for black and minority ethnic communities • Substantial improvement in community safety. • Effective work on domestic violence • Range of training and employment initiatives. • Effective and ambitious leadership. • Well developed and trained workforce. • Very effective commissioning. 	<ul style="list-style-type: none"> • Continue to reduce delayed Transfers of care.
Older people	
<ul style="list-style-type: none"> • Variety of health promotion initiatives, including leisure and exercise classes and award winning "Garden shed " project. • Reduced dependence on residential care and expansion of home care support. • Improved care management services. • Very effective Older People's Forum. • Improved end of life care services. • New falls clinic to prevent and reduce falls. 	<ul style="list-style-type: none"> • Increase Telecare care and extra care sheltered housing
People with learning disabilities	
<ul style="list-style-type: none"> • Effective Partnership board, co—chaired by users. • Effective transition arrangements in place 	None identified

<ul style="list-style-type: none"> • Development of person centred planning • Specialist service for people with challenging behaviour 	
People with mental health problems	
<ul style="list-style-type: none"> • Service Inspection fully implemented and services improved • Innovative range of services to promote well being, such as self help books on prescription • Improvements to drug and alcohol services, both residential treatment and community services, including reduction in burglaries • Very effective user engagement. 	None identified
People with physical and sensory disabilities	
<ul style="list-style-type: none"> • Improved delivery of equipment • Better services for people with hearing and sight loss. • Improved range of advocacy services • Effective partnership with voluntary to support HIV and their carers. 	<ul style="list-style-type: none"> • Reduce waiting times for major adaptations
Carers	
<ul style="list-style-type: none"> • Increased range of services for carers, including access to Direct Payments and Emergency Respite • Development of advocacy services • Substantial consultation with users • Improved access for black and minority ethnic carers 	None identified

Key Strengths and Areas for Improvement by Outcome

Improved health and emotional well-being

The Council's performance was excellent on this outcome.

A wide range of service users and their carers are helped to understand how to stay healthy and maintain emotional well being. There is evidence that people are acting on this advice and using the support to make a difference in their lifestyles. Mental health services have substantially improved, with all the recommendations of last year's inspection now fully implemented and the Mental Health Trust more effectively reconfigured. There are highly effective partnerships with health, which impact positively on those using services. Overall, delayed transfers of care reduced, despite a temporary increase, when prompt remedial action was taken.

Key strengths

- Community Initiatives to improve health and well being including prescriptions for exercise classes and self-help books.
- Implementation of recommendations from Mental Health Service Inspection
- Substantially improved performance on drug and alcohol services leading to improved community safety.

Key areas for improvement

- Continue to reduce delayed transfers of Care

Improved quality of life

The Council's performance was good on this outcome.

There was continued growth in the successful promotion of independence with very effective use of intensive care. There was an increased range of services for carers. Substantial plans were developed to increase the use of Telecare equipment and extra care sheltered housing. A review of long waits for major adaptations identified increased resources, which have resulted in actions to substantially reduce the waiting times and substantial further improvement is anticipated.

Key strengths

- Very effective use of intensive care
- Continue improvement in performance in promoting independence, with more people being helped to live at home.
- Prompt delivery of items of equipment and minor adaptations.
- Increased range of services for carers, including breaks and respite care

Key areas for improvement

- Reduce waiting times for Major Adaptations
- Provide more Telecare care equipment and extra care sheltered housing.

Making a positive contribution

The Council's performance was excellent on this outcome.

People using services are very well supported to develop their confidence and abilities to actively participate in the community and the development of better services. A growing number of people using services, and their carers, were actively involved and engaged in developing and designing services of the future to better meet needs. Active feedback from people using services is sought and obtained. This is used to make qualitative changes.

Key strengths

- People encouraged to participate and their contributions valued.
- Service User groups have an effective voice in planning and delivering services.
- Most people were very satisfied with the services they received and were particularly keen that developments continued and services expanded to meet growing demands.

Key areas for improvement

None identified

Increased choice and control

The Council's performance was excellent on this outcome.

Dependency on residential services has reduced, with a range of support initiatives to help people maintain their independence. The successful uptake of Direct Payments and Individual Budgets substantially improved the range and flexibility of care. People are well informed about the range of service and choices they have.

Key strengths

- Assessments delivered promptly.
- Direct Payments
- Individual Budgets, which are currently being piloted.

Key areas for improvement

None identified

Freedom from discrimination or harassment

Performance in relation to this outcome was good.

The Disability Equality scheme was published. The Council are rated Level 3 of the Local Government Equality Standard and continue to make progress.

Key strengths

- Initial assessments are available to everyone regardless of income or eligibility.
- Disability Equality Scheme published.

Key areas for improvement

None identified

Economic well being

Performance in relation to this outcome is good.

There is a growth in employment and training opportunities for people disadvantaged in the labour market. There is evidence of some productive partnerships between the business sector and employment training bodies and a range of volunteering opportunities are developing. Support is available to assist carers with work opportunities. There is a range of partnerships to help people maximise income and avoid financial difficulties.

Key strengths

- Effective protocol to cover continuing care.
- Support available to assist carers with work opportunities.
- Range of partnerships to help people maximise income and avoid financial difficulties.

Key areas for improvement

- Continue to develop effective employment and training initiatives

Maintaining personal dignity and respect

Performance in relation to this outcome is good.

Most people are safeguarded against abuse whilst using services, including self-funders. The level of referrals has increased and additional resources provided more training. A range of high quality preventative services is developing and the increase in alerts led the council to improve resources. The Adult Protection Committee was upgraded. Plans are in place to improve training in the independent sector.

Key strengths

- Growing level of training and awareness of safeguarding issues
- Resources increased to match these needs.
- Adult Protection Committee upgraded.

Key areas for improvement

- Continue developing Safeguarding services.

Capacity to improve

The council's capacity to improve services further is excellent.

The council has demonstrated very effective leadership, clear ambition, strong political support and effective use of resources. It has well developed performance management systems and a talented and well supported workforce, delivering significant improvements. Developments have taken place alongside real and substantial commitment to engaging service users and carers to shape services and demands to improve outcomes.

Key strengths

Leadership

- Effective and ambitious leadership
- Strong political support
- Well developed strategic plans
- Effective workforce planning, supported by range of training and developmental initiatives
- Very effective performance management systems
- Secure and effective financial management

Commissioning and use of resources

- Detailed needs analyses, used to inform commissioning and strategy
- Expenditure reflects priorities and used to provide new innovative services
- Robust financial management systems, effective cost and quality
- Very effective commissioning processes to improve effectiveness
- Good understanding of the social care market.
- Well developed modernisation agenda
- Joint commissioning shaping services

Key areas for improvement

Leadership

None identified

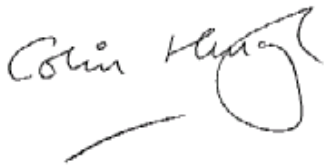
Commissioning and use of resources

None identified

Follow up action in 2007-08

Monitoring of actions for improvement will continue in routine business meeting during the year. There are a minimum of two of these between Dec 2007 and Nov 2008.

Yours sincerely

A handwritten signature in black ink, appearing to read "Colin Hogg". The signature is written in a cursive style with a large loop at the end.

**Regional Director
Commission for Social Care Inspection**

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THE EXECUTIVE

22 JANUARY 2008

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Budget Monitoring Report November 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 November 2007.</p> <p>The position for revenue expenditure at the end of November 2007 highlights various pressures across Council departments totalling £1.5m. These pressures have, however, reduced by a further £150k from the position reported in October as a result of the implementation of a range of departmental action plans. These remaining pressures need to continue 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 an underspend of £444k will arise for 2007/08 which will be added to its balances for the financial year.</p> <p>In regard to the Capital programme, the current working budget is £70.5m and current forecasts indicate spending of £69.5m. Directors have been, and are continuing to review the delivery of individual capital schemes to ensure maximum spend is achieved by the year end.</p> <p>Wards Affected: This is a regular budget monitoring report of the Council's resource position and applies to all wards.</p>	
<p>Recommendation(s)</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 November 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. 	
<p>Reason (s)</p> <p>As a matter of good financial practise, the Executive should be regularly updated with the position on the Council's budget.</p>	

Implications:**Financial:**

The overall revenue budget is indicating budget pressures in several areas, however, Directors are working to implement the necessary action plans to fully alleviate these pressures. The working capital programme is now reported at £70.5 million with anticipated spend of £69.5m.

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.

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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 November 2007 there remain various pressures across various Council departments which total £1.5m. These pressures have, however, reduced by a further £150k from the position reported in October as a result of the implementation of a range of departmental action plans. These remaining 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 eight months of the financial year, remains as reported in October i.e. a current overspend projection of £300k.
- 3.2.2 The outstanding pressures continue to relate to the decision not to site the one-stop-shop/library at the Heathway which together with other cost pressures on employees and PFI & service charge costs at the Castle Green site could result in a £450k shortfall in the Libraries budgets. Pressures also exist in the Community Strategy area particularly around the Parks Police and the external 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 primarily been dealt with, however some ongoing pressure areas still exist.

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 November is still 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 external 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 and PFI & service charge costs at the Castle Green site could result in a £450k shortfall in the Libraries budgets. 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. A modest underspend is currently forecasted in this area which will be used to support the overall departmental position.

3.2.9 The department is continuing to work to implement a range of action plans to further 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 full 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 November is continuing to report a potential £750k budget overspend which is unchanged from the position reported in October.

3.3.2 The main reason for the outstanding pressures include the non-delivery of some of the £1.4m approved savings for 2007/8, as well as financial pressures related to care leavers, multi-occupation buildings and PFI funded projects.

3.3.3 Safeguarding and Rights

The pressures reported earlier in the financial year on the Children's placements, and for Children leaving care budgets, have been alleviated by the approval of in-year budget adjustment of £3.5m. An action plan has been drawn up for immediate implementation to address the position for the future which covers 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 £1.5m 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.

In addition it should also be noted that since the November monitoring position was prepared it has been necessary for a further 10 children's placements to be made. These additional placements are likely to lead to increased cost pressures which will be fully reported in the December monitoring report.

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 £250k regarding saving 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 £24m. Currently there are pressures on accommodation/buildings based budgets – including some multi-occupation sites, together with pressures to deliver savings commitments around commissioning. Where possible, revenue grants are being utilised to assist with the department's current budget pressures.

3.3.9 In order to reduce the remaining pressures on its budget, the department is continuing to work 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 full 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 November which, if not actioned, would amount to an overspend of approximately £267k. This forecasted variance however, represents a further reduction of £33k from the position reported at the end of October, with the main reason for the reduction due to holding vacant posts.

Specific general management actions undertaken 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 the recovery of outstanding debt.

3.4.2 Environmental and Enforcement Services

An overall projected pressure of £475k 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 2007/08 have included driving out efficiencies within the service, reinvesting in service priorities and maximising income and grants. To assist with this process, the service is undertaking a detailed benchmarking exercise of the whole service against a similar council.

3.4.3 Housing Services

Pressures of £278k exist within this service mainly in relation to the recovery of outstanding debt. A review of temporary accommodation has resulted in the validation of the recovery of a number of outstanding debts in this area, and further work on outstanding debt in relation to Private Sector leased properties is ongoing which may further reduce the overspend projection.

The Value for Money objectives for 2007/08 have included building on maximising income and analysing the costs of services through benchmarking. The service has also identified/visited best practice authorities and has used this learning to inform new methods of working.

3.4.4 Barking & Dagenham Direct

The division is currently projecting an underspend of £405k.

The main reason for the underspend is as a result of the 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, 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 2007/08 have included delivering the Medium Term Financial strategy that relates to the service and ensuring 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 the One stop shops, the overall position for these service is a projected underspend of £25k. The main reason for this underspend is due to increased income levels in the Registration service and a number of vacant posts within the Contact Centre.

The overall 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 £81k. 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.

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

3.5 Regeneration Department

3.5.1 The department, at the end of November, is experiencing pressures in 2007/08 amounting to approximately £198k, which reflects a further reduction of £104k 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, and are continuing to reduce the overspend position.

3.5.2 Housing Strategy

At this stage it is forecasted that current vacancies will produce an underspend of £18k.

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 £243k is identified within the Skills, Learning and Enterprise Service. This position has arisen due to an income shortfall of £60k as a result of a change in policy by the Learning Skills Council, a further funding shortfall from the LSC (£70k) and a planned budget saving option to increase income by £25k in the B&D Training Services not being achievable. In addition the Project Trident service, the Lifelong learning team and Building East are all experiencing pressures within their budgets, and 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 £153k is identified within the Leisure, Arts and Olympics Skills Service. The majority of these pressures relate to the leisure centres (employee costs, security costs and supplies and services) and the nursery services (employee costs and income). Some of these pressures are being offset by both staffing vacancies across the division and additional income within the parks service.

The interim reviews of both the grounds maintenance and leisure centre functions have identified opportunities to improve value for money and to contain costs within budget, and an action plan is currently being prepared.

3.5.6 Asset Strategy and Capital Delivery

The division is now reporting an underspend of £76k which compares to a projected £32k overspend position reported in October. The reason for this reduction relates to additional income from building cleaning and parking, in particular the 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 and highway sponsorship income. These pressures are being mitigated by additional income in 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 £106k.

3.6 Resources Department

3.6.1 The Department continues to forecast a balanced budget for 2007/08 following the approval and implementation of a detailed action plan by the department's management team. Details of actions taken include holding vacant posts and tight controls on both the use of agency recruitment and supplies and services spend.

3.6.2 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), which will now be funded from underspends elsewhere within the department.

3.6.3 Performance and Delivery

In line with other salary budgets within the department, the cash budget for salaries in the Performance & Delivery allows for a vacancy factor. However, if all posts are filled within the year, then this will result in an inability to achieve the necessary vacancy factor and therefore a projected overspend will arise. In addition there is also a pressure around the Supplies and Services budget in relation to demands to attend various conferences for up

to date training on revised legislation and best practices. In line with the Departmental action plan, expenditure in this service will now be limited so an overspend does not arise.

3.6.4 Strategic Finance and Audit

There are currently no immediate issues within the Strategic Finance & Audit budget, and as a result of the departmental action plan it is now projected that the service will underspend by the end of the financial year and this will contribute to the overall departmental position.

3.6.5 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. In addition the service is also incurring additional costs as a result of the current review being undertaken of the service. As part of the departmental action plan these additional costs will now be funded from underspends elsewhere within the department.

3.6.6 Human Resources

The division is experiencing a particular pressure in relation to the saving proposal to reduce Payroll staffing. As part of the departmental action plan it is now projected that this service will break-even.

3.6.7 ICT & e-Government

There are currently no immediate issues within these budgets, and as a result of the departmental action plan it is now projected that the service will underspend by the end of the financial year and this will contribute to the overall departmental position.

3.6.8 Corporate Finance

The division continues to have some vacancies, some of which are being occupied by temporary staff. The division has now finished reviewing its staff structure (including its vacant posts) in light of both operational experience over the last 6 months and a number of minor changes that have taken place within the Council wide structure. The division will also be undertaking a major review of its accounting structure during 2008, 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, and as a result of the departmental action plan it is projected that the service will underspend by the end of the financial year, and this will contribute to the overall departmental position.

3.6.9 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.

3.6.10 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 an underspend (i.e. a contribution to balances) of £444k for 2007/08 which is a further improvement on the October position which forecasted a £416k underspend. The main reasons for this improvement are as a result of a further increase in the refund of insurance payments.

In general terms, the increase in the negative subsidy payable to the Government has, and will continue to increase the pressures on the HRA. 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 are also 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.

- 4.2 Specific issues relating to the HRA include:

- Overall income is forecast to overachieve by £1.65m. This is due to a combination of 2007/08 being a 53 week year, thereby allowing the HRA to achieve an additional one week's rental income, and a refund of insurance payments. In addition void levels are reducing which will generate additional income. Right to Buy sales are forecast to be 193 for 2007/08 which, whilst slightly lower than the original forecast, will not significantly alter income to the HRA;
- Supervision and Management budgets are currently forecast to overspend by £161k 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;
- Interest receipts are projected to exceed the original forecast by £315k due to improvements in interest rates during 2007/08.

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 November, the working budget on the capital programme was £70.5m against an original budget of £75.1m. Since the original budget was set, the programme has been updated for approved roll-overs from 2006/07 and a number of new schemes for 2007/08. In addition a number of schemes have also been re-profiled as part of both the June and September budget monitoring reports.
- 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, are continuing to review current spending plans to ensure that they remain accurate.
- 5.3 As at the end of November £24.1m of the capital programme has been spent, against a working budget of £70.5m. This is equivalent to 34% of the annual budgeted spend. It is therefore vitally important that efforts are made to ensure that spending plans are advanced throughout the remainder 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. Consultees

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

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

Background Papers Used in the Preparation of the Report:

- Oracle reports
- CPMO reports

REVENUE BUDGET 2007/2008

APPENDIX A

SUMMARY OF POSITION - NOVEMBER 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	58,555	44,210	44,463	58,855	300	300	0
Children's Services	172,184	183,761	122,506	133,683	184,511	750	750	0
Customer Services	15,593	15,907	21,992	22,675	16,174	267	267	0
Regeneration	22,800	23,051	15,116	15,080	23,249	198	198	0
Resources	922	1,141	859	808	1,141	0	0	0
Total for Department's	270,146	282,415	204,683	216,709	283,930	1,515	1,515	0
<u>Other Services</u>								
Corporate Management	4,930	4,740	2,240	2,121	4,740	0	0	0
General Finance	(19,470)	(31,470)	(15,265)	(15,595)	(31,470)	0	0	0
Contingency	1,200	1,121	500	79	1,121	0	0	0
Levies & precepts	6,581	6,581	3,262	3,262	6,581	0	0	0
Total for Other Services	(6,759)	(19,028)	(9,263)	(10,133)	(19,028)	0	0	0
Total Council Budget	263,387	263,387	195,420	206,576	264,902	1,515	1,515	0

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HOUSING REVENUE ACCOUNT - BUDGET MONITORING SUMMARY

APPENDIX B

Month November 2007

<u>Housing Revenue Account</u>	<u>Original Budget</u> <u>£'000</u>	<u>Revised Budget</u> <u>£'000</u>	<u>Budget Nov-07</u> <u>£'000</u>	<u>Actual Nov-07</u> <u>£'000</u>	<u>Forecast</u> <u>£'000</u>	<u>Variance</u> <u>£'000</u>
NET RENT OF DWELLINGS	(69,047)	(69,047)	(46,032)	(46,425)	(70,393)	(1,346)
OTHER RENTS	(2,438)	(2,438)	(1,625)	(1,625)	(2,438)	0
OTHER CHARGES	(5,170)	(5,170)	(3,447)	(3,447)	(5,170)	0
CONTRIBUTIONS TOWARDS EXPEDITURE	0	(825)	0	0	(1,125)	(300)
TOTAL INCOME	(76,655)	(77,480)	(51,104)	(51,497)	(79,126)	(1,646)
REPAIRS AND MAINTENANCE	21,878	21,722	14,481	13,855	23,063	1,341
SUPERVISION & MANAGEMENT	24,023	24,843	16,562	15,961	25,004	161
RENT, RATES AND OTHER CHARGES	994	379	0	0	385	6
NEGATIVE HRA SUBSIDY PAYABLE	14,125	14,125	9,417	9,888	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	15,465	15,465	23,197	0
HRA SHARE OF CDC COSTS	750	776	517	517	776	0
TOTAL EXPENDITURE	88,416	88,491	56,442	55,686	89,999	1,508
INTEREST EARNED	(1,354)	(1,354)	(903)	(1,113)	(1,669)	(315)
NET COST OF SERVICE	10,407	9,657	4,435	3,076	9,204	(453)
DEPRECIATION ADJUSTMENT	(10,098)	(10,098)	(6,732)	(6,732)	(10,089)	9
MOVEMENT IN WORKING BALANCE	309	(441)	(2,297)	(3,656)	(885)	(444)
WORKING BALANCE B/F	(2,776)	(1,665)	(1,665)	(1,665)	(1,665)	0
WORKING BALANCE C/F	(2,467)	(2,106)	(2,106)	(2,106)	(2,550)	(444)

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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APPENDIX C

CAPITAL PROGRAMME 2007/2008

SUMMARY OF EXPENDITURE - NOVEMBER 2007

<u>Department</u>	<u>Original Budget (1)</u>	<u>Working Budget</u>	<u>Actual to date</u>	<u>Percentage Spend to Date</u>	<u>Projected Outturn</u>	<u>Projected Outturn Variation against Working Budget</u>	<u>Projected Outturn Variation against Original Budget</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	2,166	452	21%	1,825	(341)	(194)
Children's Services	9,718	9,179	5,333	58%	10,831	1,652	1,113
Customer Services	42,505	33,270	10,310	31%	32,478	(792)	(10,027)
Regeneration	19,407	23,798	7,388	31%	22,306	(1,492)	2,899
Resources	1,467	2,006	548	27%	1,924	(82)	457
Total for Department Schemes	75,116	70,419	24,031	34%	69,364	(1,055)	(5,752)
Accountable Body Schemes							
Regeneration	-	111	97	87%	111	0	111
Total for Accountable Body Schemes	-	111	97	87%	111	0	111
Total for all Schemes	75,116	70,530	24,128	34%	69,475	(1,055)	(5,641)

Note

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

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THE EXECUTIVE

22 JANUARY 2008

REPORT OF THE CORPORATE DIRECTOR OF RESOURCES

Title: Revised Budget 2007/08 and Base Budget 2008/09	For Decision
<p>Summary:</p> <p>This report sets out the position of the Council's revised revenue budget for 2007/08 and a base budget position for 2008/09.</p> <p>The report reflects:</p> <ul style="list-style-type: none"> a) A revised budget for 2007/08 which takes into account the current changes approved by Members during the year; b) A proposed base budget for 2008/09 which is the starting point for decisions on setting the 2008/09 budget; c) Issues relating to the projected outturn for 2007/08. <p>Wards Affected: This is an annual report which determines the Council's base budget position and applies to all wards.</p>	
<p>Recommendation(s)</p> <p>The Executive is asked to:</p> <ul style="list-style-type: none"> 1. Note the current revised budget for 2007/08 (Section 2 of the report and Appendix A (i)); 2. Agree the base budget for 2008/09 (Section 3 of the report and Appendix A (i)); 3. Note the position on the current projected outturn for 2007/08 (Section 4 of the report). 	
<p>Reason(s)</p> <p>The Council's budget position for 2007/08 needs to be amended to reflect decisions made during the financial year. The base budget for 2008/09 also needs to be approved as the initial position for deciding the overall 2008/09 budget.</p>	
<p>Implications:</p> <p>Financial:</p> <p>The overall position is that this report identifies a new base budget for the Council of £274.23 million and is the starting position in determining the final Council budget for 2008/09 and the consequent level of Council Tax for that year.</p>	

Legal:

There are no legal implications regarding this report.

Risk Management:

The risk to the Council is that by not determining a fully reconciled base budget for 2008/09 would lead to an unstable base position in determining the Council Tax and the level of budgets for each department in the Council. By undertaking the full reconciliation and agreeing the base budget provides a robust base position to allow a properly determined Council Tax for 2008/09.

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.

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1. Introduction and Background

- 1.1 Each year the Council's budget needs to be updated to reflect agreed changes in the base arising from various factors e.g. inflation, Executive decisions, etc. They also need to reflect the latest views of Directors in the allocation of the overall budget to and within specific services under their control.
- 1.2 The process for updating these budgets commences in about September each year and in arriving at these final budgets relevant Departments have been consulted throughout the process.

2. Revised Budget for 2007/08

- 2.1 The revised budget of the Council and matters relating to it are set out at Appendix A. These show a total revised budget for the Council of £263.387 million.
- 2.2 Appendix A (i) to the report sets out the original budgets for 2007/08. Throughout the financial year these budgets are continually adjusted to reflect the ongoing business operations of the Council and any approved decisions that may have been made. The type of adjustments that may be made will include allocations from contingencies, reserves and grant funding during the year, certain changes to central department recharges between Services and small budget transfers between services which Corporate Directors have the authority to undertake. The budget arising from these changes will be the revised budget for 2007/08 for the Authority and this is used to monitor financial performance throughout the financial year.

3. Base Budget for 2008/09

- 3.1 The base budget is the starting point for each year's budget and for 2008/09 the base budget is estimated at £274.23 million. This new base budget is based upon the 2007/08 budget but is adjusted for a number of factors including:
- Estimated impact of Inflation;
 - Previously approved Executive and Policy Decisions;
 - Fundamental Changes in allocation of grant;
 - Removal of non-recurring budgets from 2007/08;
 - Services transferred between departments;
 - Changes in Central Support allocations;
 - Changes in Capital Charges.
- 3.2 The primary increase in the 2008/09 base budget is due to the impact of inflationary pressures, the previous approval of Executive and Policy decisions and fundamental changes in the allocation of grant that have arisen throughout 2007/08.
- 3.3 The Council's budget strategy for 2008/09 assessed the implication of inflationary pressures on the Council's budget by having regard to a basket of inflation indices. As a result the overall inflation uplifts for 2008/09 averaged 2.4%.
- 3.4 A number of fundamental changes have taken place in 2008/09 regarding the allocation of Government grant to fund specific services. Consequently some services which were previously funded by specific grant are from 2008/09 to be funded from the Government's annual formula grant. Whilst there is no net financial impact to the Council because of these changes, the 2008/09 base budget has been adjusted to take account of these changes so as to reflect the appropriate financial and accounting practices.
- 3.5 The base budget for 2008/09 for each Department and Service within the Council is also shown at Appendix A (i) along with a reconciliation of these budgets between the base budget for 2007/08 and the new base budget for 2008/09 at Appendix (ii).

4. Projected Outturn 2007/08

- 4.1. Monitoring reports have been provided to the Executive throughout the year on a monthly basis highlighting budgetary control issues and year end forecasts. The last report to Executive on 18th December 2007 indicated that budget pressures currently exist across all four main service departments. This was based upon the position at the end of October 2007.
- 4.2. The latest position, as at the end of November, is being reported in detail in a report elsewhere on this agenda. Overall, that report highlights that at the end of November 2007, the Council is still experiencing budget pressures across all four main service departments. The position at the end of November is that the following projected overspends are being highlighted: Adult & Community Services £300k, Children's Services £750k, Customer Services £267k, Regeneration £198k.

Departments are continuing to identify and implement the necessary action plans to address these remaining overspends and a more detailed update on their progress is included in the November Budget Monitoring report.

5. Consultees

5.1 The members and officers consulted on this report are:

Councillor Bramley
Corporate Management Team
Group Managers - Finance

Background Papers Used in the Preparation of the Report:

- Oracle reports
- Working papers in Corporate Finance Services
- Budget Monitoring reports to the Executive

SUMMARY

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Departmental Services			
Adult & Community Services	58,647	58,555	62,476
Children's Services	43,404	54,981	45,596
Customer Services	15,593	15,907	15,501
Regeneration	22,800	23,051	23,556
Resources	(13,618)	(25,589)	(9,926)
Dedicated Schools Grant	128,780	128,780	129,088
Total Spending on Services	<u>255,606</u>	<u>255,685</u>	<u>266,291</u>
Other Operating Income and Expenditure			
Contingency	1,200	1,121	1,200
Levies and Precepts :			
East London Waste Authority	6,182	6,182	6,330
Lee Valley Regional Park Authority	154	154	158
London Pension Fund Authority	151	151	155
Environmental Agency	94	94	96
Sub Total	<u>7,781</u>	<u>7,702</u>	<u>7,939</u>
Base Budget	<u>263,387</u>	<u>263,387</u>	<u>274,230</u>

ADULT & COMMUNITY SERVICES DEPARTMENT

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Departmental Services			
<u>Adult Care Services</u>			
Older Persons - Care Services	6,128	6,128	5,697
Passenger Transport Service	(186)	(148)	(128)
<u>Adult Commissioning Services</u>			
Older Persons - Comissioned Services	26,763	26,624	29,509
Physical & Sensory Disabilities	4,753	4,349	4,398
Learning Disabilities	8,712	8,712	9,184
Mental Health Services	2,423	2,423	2,539
<u>Community Safety & Preventative Services</u>			
CCTV, Community Safety & Parks Police	337	417	497
Substance Misuse	719	719	764
Youth Offending Team	1,139	1,159	1,199
<u>Community Services, Heritage & Libraries</u>			
Community & Development	2,284	2,668	3,371
Community Halls	586	625	681
Equalities & Diversity	78	28	29
Heritage & Archives	729	768	824
Library Services	3,530	3,431	3,282
<u>Other Services</u>	652	652	630
Total Departmental Spending on Services	58,647	58,555	62,476

Note:

All budgets reflect the net position after recharges have been made to front-line services.

CHILDREN'S SERVICES DEPARTMENT
(including Dedicated Schools Grant)

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Departmental Services			
<u>Schools</u>			
Schools Budget	116,908	124,588	117,217
Standards Fund Grant	609	609	872
<u>Quality & School Improvement Services</u>			
School Improvement	3,059	2,909	3,155
Education Inclusion (Special Needs Support)	9,415	9,756	9,397
Accommodation & Teacher Training	576	576	576
Community Services	727	715	740
Admissions, Access & Attendance	961	1,023	963
<u>Shared Services & Engagement</u>			
Early Years, Children's Centres & Nurseries	1,231	1,393	2,772
Home Portage	399	391	399
<u>Safeguarding & Rights Services</u>			
Residential Care Providers	9,747	11,772	10,205
Other Care Providers	14,720	16,162	16,856
Education Psychology & Acorns	1,285	1,285	1,278
<u>Children's Policy & Trust Commissioning</u>			
Catering Services	172	172	757
Policy Trust & Commissioning	775	1,317	1,407
Youth & Development Support	1,087	1,081	1,150
<u>Other Services</u>			
Capital Charges - Children's Services Buildings	5,867	5,867	5,449
Pensions	751	760	769
Management and Central	3,895	3,385	722
Support Costs	0	0	0
	<u>172,184</u>	<u>183,761</u>	<u>174,684</u>

Note:

All budgets reflect the net position after recharges have been made to front-line services.

CUSTOMER SERVICES DEPARTMENT

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Departmental Services			
<u>Environment & Enforcement Services</u>			
Refuse Collection	3,931	3,931	4,383
Cleansing	3,197	3,197	3,076
Vehicle Fleet	(292)	(292)	(334)
ELWA Support	1	1	0
Frizlands Depot	(5)	(5)	(0)
Grounds Maintenance	(71)	(71)	0
Environment & Enforcement Division Support	(83)	(83)	0
Highways Maintenance	(29)	101	193
Environmental Health & Trading Standards	1,330	1,190	1,468
Enforcement	2,062	2,178	1,837
<u>Barking & Dagenham Direct Services</u>			
Emergency Out of Hours & Social Alarms	0	(0)	(0)
Registrars	65	65	78
Contact Centre	(630)	(779)	0
One Stop Shops	400	546	0
Revenues & Benefits	4,385	4,552	4,000
<u>Strategic Customer Services</u>			
Strategic Customer Care	0	0	0
Customer First Programme Team	0	149	0
<u>Housing Services</u>			
Housing Services - General Fund	1,183	1,053	667
Private Sector Housing	149	172	132
Housing Revenue Account (HRA)	0	0	0
Total Departmental Spending on Services	<u>15,593</u>	<u>15,907</u>	<u>15,501</u>

Note:

All budgets reflect the net position after recharges have been made to front-line services.

REGENERATION DEPARTMENT

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Departmental Services			
<u>Asset Strategy & Capital Development Services</u>			
Land Management	290	290	249
Dagenham Heathway Properties	(123)	(123)	(130)
Roycraft House	2	2	(3)
Vicarage Field	(59)	(59)	(63)
Industrial Properties	(547)	(547)	(561)
Other Properties	(381)	(381)	(392)
HRA Properties	0	0	6
Property Services	(10)	(10)	(95)
Public Buildings	(32)	(32)	(237)
Building Cleaning	(85)	(85)	(48)
Building Cleaning Management	0	0	0
Public Conveniences	110	110	84
Land Drainage	342	342	387
Traffic Management	444	444	452
On & Off Street Parking	(278)	(278)	(408)
Road Safety	580	580	627
Highways & Civil Engineering	(109)	(109)	(100)
Highways Maintenance	8,587	8,587	8,883
Building Design & Maintenance	1	1	(14)
Head of Asset Strategy, Capital Delivery & Support	(83)	(83)	(2)
Contract Management & Procurement	0	0	(1)
Management of Assets	0	0	88
<u>Spatial Regeneration Services</u>			
Thames Gateway	0	0	0
Strategic Planning	2,027	2,028	(56)
Management and Administration	48	57	224
Development Control	100	73	490
Area Regeneration	416	483	1,152
Building Control	0	44	231
Sustainable Development	235	256	898
Energy Group	0	0	0
Transportation and Traffic	(25)	(107)	106
<u>Skills Learning & Enterprise Services</u>			
Skills, Learning & Enterprise Management	197	49	274
Lifelong Learning Management	(50)	(117)	(90)
LSC/ NRF/ European Social Fund	0	0	0
EDE Support	444	444	527
Barking Market	(7)	(7)	26

REGENERATION DEPARTMENT

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Neighbourhood Renewal Fund (NRF)	0	0	0
Building East Programme	0	0	0
Manufacturing Sustainable Communities	0	0	0
Local Enterprise Growth Initiative (LEGI)	0	0	0
London Riverside Projects	0	0	0
Project Trident	30	30	33
Barking & Dagenham Training	145	145	198
Adult College	417	635	392
Education Business Partnership	0	0	0
Excellence Challenge	0	0	0
Flexible 14-19 Partnership	0	216	0
Adult Basic Skills Initiative	270	270	308
<u>Leisure, Arts & Olympics Services</u>			
Parks & Open Spaces	3,526	3,526	2,866
Parks Development	833	833	1,317
Cemeteries	456	456	481
Parks and Cemeteries Support	0	0	0
Allotments	49	49	66
Security	162	162	165
Olympic Unit	216	216	299
Sport Centres	3,267	3,267	3,270
Events	274	274	313
Leisure Arts & Olympics Divisional Support	(30)	(30)	0
Sports Development	311	311	282
Parks Operations	(18)	(18)	(19)
Arboriculture	(47)	(47)	(5)
Central Park Nursery	(22)	(22)	(17)
Arts	232	232	277
The Broadway Theatre	715	715	707
<u>Housing Strategy Services</u>			
Housing Strategy - General Fund	170	170	150
Housing Strategy - HRA	0		
<u>Directorate, Policy & Strategy Services</u>			
	(190)	(190)	(31)
Total Departmental Spending on Services	<u>22,800</u>	<u>23,051</u>	<u>23,556</u>

Note:

All budgets reflect the net position after recharges have been made to front-line services.

RESOURCES DEPARTMENT

	Original Budget 2007/08 £'000	Revised Budget 2007/08 £'000	Base Budget 2008/09 £'000
Departmental Services			
Chief Executive	42	42	35
Director of Resources	57	57	45
Performance & Delivery	629	629	685
Democracy & Partnerships	565	784	802
Legal Services	23	23	199
Human Resources	(36)	(36)	216
Corporate Finance	(103)	(103)	(164)
Strategic Finance & Audit	(74)	(74)	(49)
ICT & E-Government	(181)	(181)	(137)
Corporate Management	4,930	4,740	4,986
General Finance	(19,470)	(31,470)	(16,544)
Total Departmental Spending on Services	<u>(13,618)</u>	<u>(25,589)</u>	<u>(9,926)</u>

Note:

All budgets reflect the net position after recharges have been made to front-line services.

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RECONCILIATION OF ORIGINAL BUDGET 2007/08 TO BASE BUDGET 2008/09

<u>Department</u>	<u>Budget 2007/2008</u> <u>£'000</u>	<u>Inflation</u> <u>£'000</u>	<u>Impact of</u> <u>Previous</u> <u>Policy &</u> <u>Executive</u> <u>Decisions</u> <u>£'000</u>	<u>Fundamental</u> <u>Changes</u> <u>£'000</u>	<u>Movement</u> <u>in</u> <u>Reserves</u> <u>£'000</u>	<u>Capital</u> <u>Charges</u> <u>£'000</u>	<u>Services</u> <u>Transferred</u> <u>between</u> <u>Departments</u> <u>£'000</u>	<u>Other</u> <u>Changes</u> <u>(inc Central</u> <u>Support &</u> <u>Recharges)</u> <u>£'000</u>	<u>Base</u> <u>Budget</u> <u>2008/2009</u> <u>£'000</u>
Adult & Community Services	58,647	1,278	1,065	2,744 *	(350)	(96)	(94)	(718)	62,476
Children's Services	43,404	826	0	1,202 *	(150)	(553)	(179)	1,046	45,596
Customer Services	15,593	268	0	179 *	0	(222)	488	(805)	15,501
Regeneration	22,800	422	18	0	(630)	(34)	(94)	1,074	23,556
Resources	(13,618)	294	0	0	2,852	905	(121)	(238)	(9,926)
Contingency	1,200	0	0	0	0	0	0	0	1,200
	128,026	3,088	1,083	4,125	1,722	0	0	359	138,403
Levies	6,581	158	0		0	0	0	0	6,739
	134,607	3,246	1,083	4,125	1,722	0	0	359	145,142
Dedicated Schools Grant	128,780	0	0	308	0	0	0	0	129,088
	263,387	3,246	1,083	4,433	1,722	0	0	359	274,230

(*) These Fundamental Changes relate to services previously funded by specific grant that are from 2008/09 to be funded from the Government's annual formula grant

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