

BABERGH DISTRICT COUNCIL

**FROM: Director of Corporate Services and
Director of Finance**

REPORT NUMBER: J72

**TO: OVERVIEW & SCRUTINY
(STEWARDSHIP) COMMITTEE**

DATE OF MEETING: 11 August 2009

FINANCE AND PERFORMANCE MANAGEMENT – QUARTERLY MONITORING REPORT

1. PURPOSE OF REPORT

- 1.1 This monitoring report provides an integrated picture of financial and performance management information for the first quarter of the 2009/10 reporting year.
- 1.2 The format follows that of the Strategic Plan for 2008/18 and shows the linkages to the council's corporate priorities.

2. RECOMMENDATIONS

- 2.1 That the key points relating to variations against the 2009/10 National Indicators (NIs), former Best Value Performance Indicators (BVPIs) and Local Performance Indicators (LPIs) be noted.
- 2.2 That no variance issues are identified for further analysis at this stage.

The Committee is able to resolve these matters.

KEY SUPPORTING INFORMATION

3. FINANCIAL IMPLICATIONS

- 3.1 On the General Fund, the first quarter's budget monitoring highlights a number of potential variations in income and expenditure compared to Budget. Key areas of expenditure are either on or below budget and good progress is being made on achieving the savings and efficiencies target of £1.3m for the year, although a number of challenges remain. Income, however, continues to be affected by the economic downturn with potential shortfalls indicated. This would increase the savings and efficiencies target by an estimated £180k, although this will require further careful monitoring and assessment.
- 3.2 On the Housing Revenue Account, Members will be aware of the lower rent income resulting from the Government's reduction in the 2009/10 rent increase from 6.7% to 3.1%. That lower income is largely met by a variation in Housing Subsidy - the net cost of £75,000 (as approved by Council) can be met by the higher level of reserves at the start of the year as a result of savings made in 2008/09.

4. RISK MANAGEMENT

- 4.1 This report links to Corporate Business Risk No.7 – Finance, Performance and Risk Management. Key risks are seen as:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
NI, BVPI and LPI performance does not improve compared to previous years and LAs nationally	To be determined	Marginal	Regular monitoring to identify key variations and poor performance.
Budgets are affected by the continuing impact of the economic downturn or other factors, impacting on the net financial position at the end of the year.	Low	Marginal	Regular monitoring at officer & Member level with actions agreed to remedy the situation.
Savings and Efficiencies target for the year not met	Low	Critical	An Action Plan is in place with regular monitoring by officers on progress.
Inaccurate data	Low	Marginal	An action plan has been developed to ensure appropriate arrangements are in place to secure data quality.

5. **KEY INFORMATION**

Overall Context

- 5.1 Performance indicator targets for 2009/10 were formally approved by Strategy Committee on 7 April 2009, following consideration of the recommendations made by the joint Overview and Scrutiny Committee working group. This group met in March 2009 to consider in detail all the indicator targets proposed by officers. Targets were developed in line with specified criteria. They were set to be achievable but stretching based on the available evidence, including current performance level, trend data, benchmarking (where relevant) and Babergh's quartile position among shire district councils nationally.
- 5.2 In order to reduce double-handling and improve the effectiveness of scrutiny, it has been agreed that:
- The Overview and Scrutiny (Stewardship) Committee will receive this quarterly report setting out the key financial and performance information, areas where performance has deteriorated based on the performance indicators and financial information, and details of what is being done to improve performance in these areas
 - Each Overview and Scrutiny Committee will receive for any area under their remit where performance has deteriorated, an update setting out whether performance has been improved, can be improved and how.

6. **Financial information**

- 6.1 Appendices A to C summarise the position in relation to monitoring key revenue budget risk areas and the capital programme.
- 6.2 Key information on the Quarter 1 position is set out below:

- General Fund (see Appendix A)

Key Income streams - Actual and potential variations are indicated on land charges and trade waste (increases compared to budget) and investment income, building control, recycling credits and other net income (reductions compared to budget). Overall, this could result in a net shortfall of an estimated £180k and further monitoring in quarter 2 will focus on these key areas.

Key expenditure areas - There are no areas of major concern in relation to the items listed in Appendix A. Salary costs are showing a reduction on last year's quarter 1 position although the projected overall saving on the salary bill of £350k is very much dependent on vacancy management opportunities during the rest of the year and the pay award. Savings achieved in Q1 are largely as a result of a freeze on vacancies other than in critical areas. This has been put in place to ensure that the £1.3m savings and efficiencies target for the year is met and this is being very closely managed and monitored. It is also envisaged that savings in other areas will arise such as borrowing costs and concessionary fares (although the latter is currently the subject of a countywide appeal by bus operators on reimbursement rates). In addition, an exercise has been undertaken in quarter 1 to review 2008/09 expenditure in key areas and budget carry forward requests. As a result, it is currently forecast that savings in 2009/10 of around £200,000 should be possible. Again, this will help towards the Council's overall savings and efficiencies target for the year.

Overall position – the potential reduction in income would increase the £1.3m savings and efficiency target to nearly £1.5m.

- Housing Revenue Account (see Appendix B)

In addition to the rent reduction issue highlighted earlier in the report, expenditure on tenancy changes was very high in quarter 1. Conversely, spending on painting and pre-paint repairs was low and there were savings in 2008/09 that could be repeated this year. The position will be examined further in quarter 2 and any issues reported to Members.

- Capital Programme (see Appendix C)

Expenditure on major General Fund projects in quarter 1 has been low although this was expected with budget profiling indicating that money on some of these projects would not be spent until the latter part of the year. In addition, expenditure on the Joint Refuse Depot and Hadleigh Community Facilities may not take place until 2010/11. This would result in significantly less than the £6.6m budget for the year being spent. The position on these major projects and other areas of the capital programme will be clearer in quarter 2 once the planned review of the capital programme has been undertaken.

On Council Housing, approaching £0.7m of the original budget of £3.4m has been spent, although there are total budget carry forwards of nearly £0.5m from last year. A concerted effort will be required to deliver the resulting £3.9m Budget and meet the 97% target for the year.

7. **Performance Information**

7.1 Highlights from the basket of key performance indicators (KPIs) and analysis of performance exceptions are outlined below. There are no specific concerns about data quality this quarter. Full details on the KPI basket can be found in Appendix D and exceptions in Appendix E.

Direction of Travel analysis

7.2 Table 1 below shows the direction of travel for the KPIs at the end of the first quarter of the 2009/10 financial year, based on the position year to date versus the position for the equivalent period last year. There is a positive direction of travel for 12 of the 24 PIs (50%) where comparison is possible.

Table 1

	↑ Improving	↔ Unchanged	↓ Deteriorating	Contextual PI	No previous comparison	No data	Totals
NI	6	0	1	0	2	2	11
BVPI	3	2	2	0	0	0	7
LPI	3	1	6	1	0	5	16
Totals	12	3	9	1	2	7	34

Actual v Target analysis

7.3 Table 2 shows the Quarter 1 position for key performance indicators against the targets agreed by Strategy Committee on 7 April 2009. 19 of the 27 PIs (70%) where targets have been set are expected to meet or exceed the target by the end of the financial year.

Table 2

	↑ On or exceeding target	↓ Below target	Contextual	No data	Totals
NI	8	2	0	1	11
BVPI	4	3	0	0	7
LPI	7	3	1	5	16
Totals	19	8	1	6	34

7.4 Table 3 summarises the direction of travel for Babergh's basket of KPIs since 30 June 2008.

Table 3

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3

LPI12b % of capital expenditure achieved on the General Fund		NI 192 The % of total tonnage of waste arising which has been recycled + the % of total tonnage of waste arising which has been sent for composting
NI 154 Net additional homes provided		NI 191 Residual waste per household
LPI 104b Discretionary grant funding spent – revenue		NI 193 Municipal waste landfilled
LPI104a Discretionary grant funding spent - capital		LPI 18 Percentage of telephone calls answered where enquiry is resolved at point of contact
LPI 12a % of capital expenditure achieved on the Housing Revenue Account		LPI 44 Local authority housing – repairs and maintenance – proportion of urgent repairs to non-urgent repairs
BV 66a Proportion of local authority housing rent collected		NI 158 % non decent council homes
LPI 9 Number of homes adapted to meet the needs of older people or disabled people	LPI 15 Number of affordable rent agreements secured	NI 184 Food establishments in the area which are broadly compliant with food hygiene law
BV212 Average time to relet local authority housing	BV 64 Private dwellings returned to occupation	BV 10 The % of Non Domestic Rates collected in the year
LPI 41a The cumulative total number of completed affordable units of accommodation between 2009 and 2014	BV 63 Energy efficiency of local housing stock	BV 9 % of Council Tax collected within the year
Deteriorating	Unchanged	BV 2a The level of the Equality Standard for Local Government to which the authority conforms
		LPI 119 % of planning decisions determined as delegated items
		NI 157 Processing of planning applications as measured against targets of "Large scale Major", "Small scale Major", "Minor" and "all county matter" applications
		Improving

A greener cleaner Babergh

- 7.5 The combined recycling rate for waste and compost is 41.5% (NI 192), which is just below the annual target of 42%. This represents a slight improvement (0.7%) on the Q1 2008/09 figure. The average amount of residual waste generated per Babergh household between April and June 2009 was 128kg (NI 191). This is less than the amount produced during the first quarter of 2008/09 and there are no concerns about meeting the 2009/10 target by the end of the financial year.
- 7.6 61% of the municipal waste that was generated this quarter was sent to land fill (NI 193). This is better than the equivalent figure for last year, but 0.5% off the 2009/10 target of 60.5%. However there are no concerns about meeting this target by 31 March 2010.

- 7.7 BV218b (% of abandoned vehicles removed within 24 hours) has been reported as an exception this quarter. The Q1 figure is 50%, which is below the target of 80%. However very small numbers are involved. 4 vehicles were removed in total, of which 2 were removed more than 24 hours after the notice elapsed. The matter has already been discussed with the contractor and no further action is proposed.

Quality homes people can afford

- 7.8 The average time to re-let council properties (BV212) is 24 days. This is the same as the target but slightly worse than in quarter 1 last year when the average void period was 18 days. The recent lengthening of the void period is due to the introduction of the Choice Based Lettings Scheme. This is not of concern at this stage and is due to a 'settling in period' following the introduction of the new policy and procedures.
- 7.9 The proportion of urgent to non urgent repairs to council properties is 10% (LPI 44), with performance better than the target of 15%.
- 7.10 The processing rates of major, minor and other planning applications (NI 157) are all above target. Performance is also better than last year. However the total number of planning applications received has fallen by 30% since the equivalent period 12 months ago (Q1 2008/09 = 406 and Q1 2009/10 = 284). This has resulted in a reduction in planning application income.
- 7.11 The percentage of planning decisions determined as delegated items (LPI119) is currently 91% (26 out of a total of 258 decisions were not delegated), which is above the target of 90%.
- 7.12 The proportion of planning appeals allowed against the authority's decision to refuse a planning application has been reported as an exception this quarter (BV204). The quarter 1 figure is 57%, which is much higher than the target of 25%. The numbers involved are low however - the percentage difference represents only 6 planning appeals.
- 7.13 The current Standard Assessment Procedure (SAP) rating of council properties (BV63) is 64 and it is expected to reach 65 by the end of the year. This improved performance is due to the replacement of E7 storage heating with air-source heat pumps (ASHPs). The new pumps will result in significantly lower CO2 emissions, but unfortunately they will not improve the SAP rating as much as originally anticipated. As a result the end of year target of 67 is unlikely to be met.
- 7.14 No private sector affordable rent agreements have been secured so far this year (LPI 15). Whilst there is increased interest from landlords to join the Private Sector Leasing Scheme, no rental agreements have been offered to applicants through the Choice Based Lettings Scheme. This is because of a reluctance to share the costs of any voids associated with properties taken on by the managing Housing Association.
- 7.15 One private dwelling has been returned to occupation so far this year through the use of grant aid (BV64). It is possible that more properties have been brought back in to use as a result of the Empty Homes Survey and advice given by the Council, but as it is not possible to produce a full audit trail for these they cannot be included in the performance indicator total. Funding has been secured from EERA for a joint project with Ipswich, Mid Suffolk and Suffolk Coastal to renovate long term empty properties. The majority of funding is for next year (2010/11), but £30K is available for use this year which will help to improve performance.

- 7.16 LPI 6, the number of private sector homes improved to meet the decent homes standard, is not a key indicator but has been reported as an exception this quarter. So far this year 2 homes have been improved against the annual target of 30. Due to restrictions on budgets, resources are limited to actively promote the availability of grants and loans to improve non-decent homes. This lack of promotion together with peoples' reluctance to take out a loan if the total cost of the works is greater than the £5000 grant has led to very poor take up.
- 7.17 40 new homes (net) have been built in the Babergh area since 1 April 2009 (NI 154). This is below target and significantly less than last year's total of 110 as at 30th June 2008. This reflects the down turn in the housing market.
- 7.18 A new five-year target of 500 has been set for the Affordable Housing Programme for the period 2009-14. A total of 332 units were in the affordable housing development pipeline as at 30 June 2009. There have been 2 completions since 1 April 2009, 86 units are currently in development and 224 units have planning permission. Of these 122 are from RSL schemes and 210 from planning obligations. The number of completions has fallen significantly since last year – the Q1 2008 figure was 52. This is to be expected in the current economic climate.
- 7.19 There have been 19 homelessness presentations requiring emergency intervention so far this year (LPI 42) – 4 more than at the same time last year. In addition, the Homelessness Team has prevented 21 households from becoming homeless through early intervention (BV213). The equivalent figure for last year was 23.

Vibrant places and Strong Communities

- 7.20 96.08% of the local authority's housing rent has been collected this year (BV66a). This is slightly less than at the same time last year, when 96.81% had been collected. Reminders are being sent out as required.
- 7.21 So far, 29.3% of non domestic rates have been collected (BV10). This is similar to the amount collected at the same time last year and it is anticipated that the end of year target will be met. Although the collection rate is on target, it should be noted that more reminders are being issued (29% more than last year – 655 cases) and more payment arrangements are being agreed to allow the spread of payments in to February and March 2010.
- 7.22 31.57% of Council Tax has been collected so far this year. This is an improvement on last years' figure (31%) and 0.28% above the profiled target for the end of June 2009. However, more reminders are being issued – there has been an increase of 16% (6231 cases) compared to last year. There has also been an increase in the number of accounts receiving Council Tax Benefit (188 accounts).
- 7.23 LPI 18, the percentage of telephone calls answered where the enquiry is resolved at the point of contact, has been split by service area to allow for more detailed scrutiny. The overall rate is currently 91%, which is above target and a significant improvement on last year. The response rates for calls relating to housing (96%) and general enquiries (98%) are well above target. Money Matters also has a high response rate of 94%, which is just below the target of 95%. Planning calls currently stand at 76% which is an improvement on last year, but below target. Resolution at the first point of contact can be difficult for a Planning Customer Support Officer without access to a planning officer at all times and because planning advice is sometimes subjective.

In addition the Customer Service Team take a high level of messages when planning officers are out of the office / in protected time and are thus attempting to answer a high proportion of queries which were initially directed to planning officers.

- 7.24 NI181, the combined figure for time taken to process new benefits claims and changes of circumstances, is above target at 8.3 days as are the separate indicators for new claims (BV78a - 17.5 days) and change of circumstances (BV78b - 5.8 days).
- 7.25 The number of changes of circumstances which affect Housing Benefit and Council Tax Benefit entitlement is currently 95.54 per 1000 caseload (NI180). This is a measure of how well we ensure that our customers receive the correct amount of benefit. Good performance is represented by a high number. The Q1 figure only includes the figures for April and May 2009 and is well in excess of the target of 18. This is because changes arising from the new year charges are reflected in the Q1 figure - 8000 changes were made for this reason in April. These were not reflected in the annual target as prior warning was not given by the DWP. Performance is expected to level out as we progress through the year, providing a more realistic figure.
- 7.26 6 homes have been adapted to meet the needs of older or disabled people (LPI 9) since the start of the year and we expect to meet the end of year target of 42. There are currently 25 outstanding approvals which will reach completion before 31 March 2010 and more in the pipeline.
- 7.27 The amount of discretionary grant funding spent is on target (LPI104a Capital and LPI104b Revenue). The figures are slightly lower than this time last year, but this is not of concern, as those receiving grants tend to claim them after the end of the first quarter.

A Safer and Healthier Babergh

- 7.28 89% of food establishments in the area are broadly compliant with food hygiene law (NI184). The term 'broadly compliant' is an output measure which the Food Standards Agency has developed to monitor the effectiveness of the regulatory service relating to food law. Current performance is just below the target of 90%. This is a very good outcome in recession conditions, as previous experience shows that hygiene standards can fall when businesses come under financial pressure.
- 7.29 Two new local crime indicators have been added to the key performance indicator basket – LPI115 (number of incidents of criminal damage in hotspot areas) and LPI116 (number of serious public order offences including violence). Figures for these will be reported next quarter when research data becomes available from the Community Safety Partnership.

A Strong and Sustainable Babergh Economy

- 7.30 Two new local economic development indicators have been added to the key performance indicator basket – LPI117 (number of companies referred to the Suffolk Redundancy Network) and LPI118 (number of companies that take up the advice offered by the Suffolk Redundancy Network). The data for these will be available in September and will be reported in Quarter 2.

How we will deliver (enabling measures) - Indicators listed here are overarching and do not sit under one priority.

- 7.31 The Council has self-assessed at the 'Developing' level of the new Equality Framework for Local Government and is making good progress towards the 'Achieving' level (equivalent to Level 3 of the now defunct Equality Standard).
- 7.32 19% of Housing Revenue Account capital expenditure has been achieved (LPI12a). The equivalent figure for last year was 23%. A concerted effort will be required to deliver the resulting £3.9m Budget and meet the 97% target for the year.
- 7.33 4% of capital expenditure has been achieved on the General Fund (LPI12b), which is 3% lower than at the same time last year and below target. The position is explained earlier in the report with further details provided in Appendix C.
- 7.34 The Government's 3% cashable 'efficiencies' target equates to around £0.4m per annum. Therefore, in 2009/10 (year 2 of the 3-year cumulative target) we would be expected to achieve a minimum of £0.8m in Value for Money gains (NI 179). The target of £1m is the current estimated level that is expected to be achieved. This estimate will be updated in Q2.
- 7.35 As indicated earlier in the report, the General Fund savings and efficiencies target for 2009/10 is currently £1.3m. So far, it is estimated that around £1m of this has been identified and achieved. That leaves £0.3m to be found from staffing and other budgets, although this would increase to nearly £0.5m as a result of the potential income shortfalls that are being reported. A new LPI for this has been added to the key basket of indicators.

8. **Next Steps**

- 8.1 The available performance and financial information is showing good signs in most areas with 70% of performance indicators predicted to meet the end of year target. The following areas have been highlighted as areas of concern, but no additional action is proposed at this stage.

BV218b - % of abandoned vehicles removed within 24 hours. Current performance is below target at 50% (the shortfall represents 2 vehicles). As the contractor has already been contacted about the problem, no further action is proposed.

BV204 – % planning appeals allowed against the authority's decision to refuse a planning application. Current performance is 57%, which is worse than the target of 25%. However, as such low numbers are involved (8 out of 14) no further action is proposed at this stage.

BV63 – Energy efficiency of council housing stock. This PI is not expected to reach the end of year target of 67 – the predicted figure is now 65. E7 storage heaters in council properties are currently being replaced with air-source heat pumps. Unfortunately this new technology has not had the anticipated impact on the SAP rating, although it has reduced CO2 emissions significantly. No further practical action can be taken at this stage.

LPI15 – Private Sector Affordable Rent Agreements. No private sector rent agreements have been secured through the Choice Based Lettings (CBL) scheme so far this year in spite of increased interest from private landlords. Officers from the relevant divisions are working together with the Housing Associations to alter the agreements and reduce the council's risk in relation to potential voids. This should improve performance later in the year, so at this stage no further action is proposed.

NI154 – Net additional homes provided. 40 new homes have been built since the start of the year. This is fewer than last year and below target, but in line with the current housing market. No further practical action can be taken at the moment.

LPI41 – Number of affordable homes. 2 affordable units were completed this quarter. This is a lower number than last year when there were 52 completions in the first quarter. As with NI154, performance is due to the current housing market and so no further practical action can be taken at the moment.

BV64 – Number of private dwellings returned to occupation. Only one property has been returned to occupation this quarter. Joint funding has been secured with Ipswich, Mid Suffolk and Suffolk Coastal to help fund renovation work to long term empty properties and it is thought that this will help to improve performance later in the year. No further action is proposed at this stage.

LPI6 – Number of private sector homes improved to meet the decent homes standard. Only 2 homes have been improved as a result of grant funding so far this year. The reason for the low take up is that people are reluctant to take out a loan if the cost of the work is over £5000. There is also a reluctance to market the grant and loan schemes due to budget restrictions. No further action is proposed at this stage.

BV66a – Proportion of local authority housing rent collected. 96.08% has been collected so far this year, which is below target and slightly less than the amount collected at the same time last year (96.81%). Reminders are being sent out as required and at this stage no further action is proposed.

- 8.2 It is proposed that no variance issues are identified for further analysis at this stage.
- 8.3 All the other concerns have either already been reported further, or it is felt that the variation is not significant enough to require further action other than already specified within this report.

9 APPENDICES

Appendix A – Quarter 4 key General Fund revenue budget areas
Appendix B – Quarter 4 key HRA budget areas
Appendix C – Quarter 4 capital summary
Appendix D – Quarter 4 basket of Key Performance Indicators (KPIs)
Appendix E – Quarter 4 performance exceptions

10 BACKGROUND PAPERS REFERRED TO

None.

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Key Budget Areas

Appendix A

General Fund	Actual Q1 2008-09	2009-10 Budget (excl. cfwds)	Actual Q1 2009-10	Projected Outturn	Projected Outturn Variance	Comments
Key income Streams	£'000	£'000	£'000	£'000	£'000	
Investment Income	-97	-225	-5	-125	100	Investment income estimated based on current loans, predicted loans and prevailing interest rates. Position could improve if there are any subsequent increases to base rate.
Land Charges income	-53	-140	-46	-180	-40	Actual income is 28% higher than budget, if this was reflected across the whole year the income would be almost £180k.
Council Tax summons costs income	-31	-84	-27	-90	-6	To date the number of summonses issued match 2008/09. Taking this into account and the current economic climate, potential income could be around £90k i.e. similar to last year.
Industrial / Starter Units rent income	-17	-42	-15	-35	7	One unit not occupied at present time.
Planning Fees	-107	-308	-66	-264	44	Projection is a simple pro rata calculation for the whole year based on Q1 income. Outturn would improve if significant large scale applications are received
Building Control Fees	-218	-435	-181	-400	35	Prudent/cautious estimate, although current fee levels are good
SCC contribution(Twin Bin scheme - Green waste - Recycling Strategy)	2	-537	-117	-485	52	Q1 sums not yet received but will be £117k. Slightly lower activity, possibly due to recession.
Trade Waste Fees	-365	-371	-408	-408	-37	Income reflects invoiced amounts. Projected outturn will, therefore, be higher than the budget.
Green Waste Fees	0	-192	-60	-192	0	Q1 invoices not yet raised but will be £60k. Budget expected to be achieved for full year.
Licensing Income	-24	-154	-25	-154	0	No concerns.

Key Budget Areas

Appendix A

General Fund	Actual Q1 2008-09	2009-10 Budget (excl. cfwds)	Actual Q1 2009-10	Projected Outturn	Projected Outturn Variance	Comments
Other Income	-3	-104	-12	-52	25	Policy is to manage car parks effectively to increase turnover of spaces to help the vitality of our market towns, not to generate revenue from penalty charges. Expect lower income from Penalty charges based on income to date. Babergh employee is conducting wardening but further use of external contractors not expected, which will reduce costs (reflected in £25k).
Total Income	-913	-2,592	-962	-2,385	180	0
Key Expenditure Areas						
Salaries	2,378	9,352	2,171	9,000	-352	Savings of £90k in Q1- that level needs to continue throughout the year in order to meet the Savings and Efficiencies Target. The projection of £352k savings for the year will depend on actual vacancies and other factors such as the pay award.
ICT (Business Unit) Supplies & Services costs	232	363	258	363	0	Expenditure is always higher in first quarter due to paying annual licence fees - expected outcome as budget.
Corporate Training	28	35	15	35	0	No concerns at this point in time
Recruitment Costs	13	65	3	50	-15	No concerns at this point in time
Specialist Legal Expenses	4	40	-3	40	0	No concerns at this point in time
Training Costs within other Business Units/Services (Excluding Corp Training)	38	125	37	125	0	No concerns at this point in time
Borrowing costs	0	83	0	60	-23	No borrowing so far this year but likely later in the year depending on spending levels and capital receipts.
Concessionary Fares - payment to SCC	175	800	188	750	-50	Saving of £50k predicted but could be affected by appeal of Bus Operators.
Discretionary Rate Relief	83	100	94	100	0	No concerns at this point in time

Key Budget Areas

Appendix A

General Fund	Actual Q1 2008-09	2009-10 Budget (excl. cfwds)	Actual Q1 2009-10	Projected Outturn	Projected Outturn Variance	Comments
Community Safety / CDRP - expenditure	10	148	22	148	0	No concerns at this point in time
Economic Development (excluding Rents)	-1	19	-12	19	0	No concerns at this point in time
Sports & Leisure Promotion	5	25	10	25	0	No concerns at this point in time
Central Grants Pot (Revenue)	131	435	29	405	-30	No concerns at this point in time
Kingfisher Leisure Pool Repairs & Maintenance	8	23	3	23	0	No concerns at this point in time
Hadleigh Pool Repairs & Maintenance	1	15	8	15	0	No concerns at this point in time. £55k carry forward to be transferred to capital.
Waste Contract	327	1,734	347	1,734	0	Reconciliation of contract costs being undertaken - outcome will be known in quarter 2.
Open spaces contract	177	706	113	726	20	Likely overspend to be offset with underspend on street cleansing contract
Street cleansing contract	118	519	83	499	-20	See above
Energy Costs	51	355	43	373	18	Potential overspend, billing issues to be resolved
Total Expenditure	3,778	14,942	3,409	14,490	-452	

Key Budget Areas

Appendix B

HRA	2009-10 Budget £000	2008-09 Cfws £000	2009-10 Budget Inc cfwd £000	Actual Q1 2009-10 £000	Actual Q1 2008-09 £000	Projected Outturn £000	Projected Outturn Variance £000	Comments
Income - rents and charges (less voids)	-13,172		-13,172	-3,313	-2,759	-12,680	492	Housing rental income will be lower due to the reduction in the rent increase although most of this is offset by changes to Housing Subsidy.
Tenancy changes (void properties)	358		358	170	51	358	0	Review being undertaken by Head of Service.
Repair Request from tenants	860		860	170	157	860	0	No concerns.
Painting and Pre-paint repairs	337		337	59	61	337	0	Potential savings - currently being assessed.
Babergh Response (new contract)	269		269	68	65	269	0	No concerns.
Total	-11,348	0	-11,348	-2,846	-2,425	-10,856	492	
Subsidy Adjustment							-417	
Net variation							75	

Key Budget Areas

	HoS	Lead Manager	2009-10 Original Budget	Q 1	HoS Comments	Loan non - supported	Loan Supported	LAB&I	External Contribs	PD Grant	DFG Subsidy	SCP Grant	MRA	Total External Funding	Revenue	Capital Receipts	Earmarked Reserves	Cost to Babergh	Total Funding
Contract & Asset Management	RJ	RJ	4,494	17	It is anticipated that some £2.3m of the expenditure will slip to 2010/11. This mainly relates to the joint refuse depot (£1,595k), Calais Street storage facility (£90k), and Hadleigh Community Facilities (£570k). Of the remaining budget, £1,572k relates to the replacement of the refuse fleet. This expenditure is expected to be incurred in the second and third quarters of 2009/10.	2765	0	360	100	0	0	0	0	3225	0	1179	90	1269	4494
ICT	AH	RL	370	20	Over half of this budget relates to the LAMP project for which large stage payments are made. The first of these payments of approximately £100k is to be paid in July. It has been agreed that any underspend on other schemes will be used to finance the LAMP project.	0	0	0	0	0	0	0	0	0	0	370	0	0	0
Community Development	RJ/CF	RJ/CF	588	21	The budgeted allocation of community grants for the year has been made. It is anticipated that most will be paid in the current financial year.	212	0	0	185	0	0	0	0	397	0	191	0	191	588
Natural & Built Environment	MF		442	0	The budget includes £263k for schemes to redevelop Sudbury Town Centre and the British Sugar site at Sproughton. It is expected that the expenditure will take place in the final quarter of the year.	0	0	0	442	0	0	0	0	442	0	0	0	0	442
PSR & Affordable Housing	MF/CF	JK/ IT	710	217	A saving of £80,000 of the affordable housing budget is expected this year. This will be achieved by using S106 contributions received from developers to fund some expenditure. It is anticipated that expenditure on disabled facilities grants may be slower this year due to administrative changes in the processing of claims and a slower take up of the grants available due to the economic downturn. This could result in a saving of £100,000 on the PSR grants budget for the year.	139		0		0	222	220		581	0	129	0	129	710
General Fund Programme	RJ	RJ	6,604	275		3,116	0	360	727	0	222	220	0	4,203	0	1,869	90	1,589	6,234
Council Housing Programme	RJ	RJ	3,400	657	It is expected that all but £40k of the budgeted expenditure will take place in 2009/10.		550		50				2,280	2,880	520			520	3,400

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				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q1 Actual 2008/09	Target 2009/10	Q1 Actual 2009/10	Actual v Target	Direction of Travel cf Q1 08/09	
A greener and cleaner Babergh														
1	Natural and Built Environment	NI 192 (formerly BV82ai + BV82bi)	The % of total tonnage of waste arising which has been recycled The % of total tonnage of waste arising which has been sent for composting	39.2% [30.60% Recycled; 8.62% Composted]	82ai = TQ 82bi = 3Q	82ai = TQ 82bi = 3Q	82ai = 26.9% 82bi = 19.8%	40%	40.78% (27.58% recycled, 13.05% composted)	42%	41.45% (26.97% recycled, 14.48% composted)	↑	↑	Expected to meet the target by the end of the year and showing a positive direction of travel. Whilst the Q1 figure is slightly below the 09/10 target, there are no concerns about meeting this target by the end of the financial year. The overall recycling rate has improved since 2008/09. Composting rates are also higher, but the recycling rate has fallen slightly.
2	Natural and Built Environment	NI191	Residual household waste per household					240kg	133kg	525kg	128kg	↑	↑	On target and showing a positive direction of travel. Provisional data. Reflects an approximate 4% reduction in the total waste collected since Q1 2008/09. This is a potential consequence of the recession. N.B. The number of households in Babergh = 38342
3	Natural and Built Environment	NI193	Municipal waste land filled					60%	63.12%	60.5%	61.4%	↑	↑	Expected to meet the target by the end of the year and showing a positive direction of travel. Whilst the Q1 figure is slightly above the 09/10 target, there are no concerns about meeting this target by the end of the financial year. Performance has improved since 2008/09.
4	Natural and Built Environment	NI 195 (formerly 199a/b/c)	Proportion that falls below acceptable level: a) Litter b) Detritus c) Graffiti d) Fly posting	15% litter and detritus 2% graffiti 0% fly posting	No comparison data No comparison data	BQ 3Q TQ	6.0% 0.0% 0.0%	5% 29% 5% 4%	No data No data No data No data	5% 29% 4% 3%	No data No data No data No data	N/A	N/A	This indicator is collected over 3 four month periods rather than quarters. The first 2009/10 inspections are scheduled for July / August and the results will be included in the Quarter 2 report.
Quality homes local people can afford														
5	Community Development	LPI 41	The cumulative total number of affordable units of accommodation in the affordable housing programme between 2009 and 2014: (a) completed units (b) total number of units in the affordable housing delivery pipeline	(a) = 303 (b) = 737				700 in the affordable housing delivery pipeline by 31st March 2009	(a) = 366 - five year cumulative figure - includes 52 completions during this quarter (b) = 741 between 2004 and 2009	(a) 70 (b) 500 in the affordable housing delivery pipeline by 31st March 2014	(a) 2 (b) 332 between 2009 and 2014	↓	↓	The five-year target relates to LPI41b. This includes the total number of completed units, units in development and units with planning permission during the period 1 April 2009 to 31 March 2014. The figures for the first quarter of the five-year period are: LPI41a - 2 units have been completed since 1 April 2009 - both of these are from RSL schemes. LPI41b - 332 units in the affordable housing delivery pipeline as at 30 June 2009, of which 122 are from RSL schemes and 210 are from planning obligations. The figures are lower than in previous years, but this is to be expected because of the economic downturn.
6	Community Development	LPI 42	The number of formal homelessness presentations	79				130 Contextual estimate	15	140 Contextual estimate	19	Contextual	Contextual	The estimated number of formal homeless presentations for the whole year is 76. This contextual indicator is currently showing lower homelessness levels than expected. However there has been a slight increase since Q1 2008/09. In addition, the Homelessness Team has prevented 21 households from becoming homeless through early intervention (BV213). The equivalent figure for last year was 23.
7	Community Development	BV 212	Average time to relet local authority housing	38 days	No comparison data	3Q	24 days	25 days	18 days	24 days	24 days	↑	↓	On target but showing a negative direction of travel. The slightly longer void period compared to this time last year is due to the introduction of the Choice Based Lettings Scheme. This is not of concern as there will be a 'settling in period' as the changes to the policy and procedures take effect.
8	Contract and Asset Management	NI 158	% non decent council homes	11%				4%	9%	0%	4%	↑	↑	Expected to meet the target by the end of the year and showing a positive direction of travel. 130 non decent out of a stock of 3513. Expect to reach 0% by the end of the financial year.
9	Contract and Asset Management	BV 63	Energy efficiency of local housing stock	64	No comparison data	BQ	72.8	66	64	67	64	↓	↔	Unlikely to meet the end of year target. The end of year figure is expected to be 65, which is below the target of 67. When the target was set it was thought that the introduction of new technology air source heat pumps (to replace E7 storage heating) and the reduction in CO2 that they provided would reflect on our present SAP rating. It is now apparent that, although we are providing vastly better CO2 reductions, the BRE software that now calculates the new introduction of ASHPs does not significantly reduce the rating enough to vary Babergh's average SAP to 67.
10	Contract and Asset Management	LPI 44 (formerly BV211a)	Local authority housing - repairs and maintenance - proportion of urgent repairs to non-urgent repairs	16%				15%	15%	15%	10%	↑	↑	On target and showing a positive direction of travel.

Ref	Division	PI	Performance Indicator Description	2007/08				2008/09		Current Year - 2009/10				Comments								
				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q1 Actual 2008/09	Target 2009/10	Q1 Actual 2009/10	Actual v Target	Direction of Travel of Q1 08/09									
11	Natural and Built Environment	NI 157 (Based on 109a to c but not directly comparable)	Processing of planning applications as measured against targets of:	109a = 71%	3Q	3Q	81.6%	Major = 60% Stretched Major (combined) = 67%	75%	Large scale major = 100%	Large scale major = 100%	↑	↑	<p>On target and showing a positive direction of travel. The 2009/10 Q1 percentages equate to the following number of applications: Large scale major = 2 out of 2 (these are proposed developments in excess of 99 properties) Small scale major = 2 out of 2 (these are proposed developments of 9 to 99 properties) Minor = 57 out of 70 Other 191 out of 210 Total applications = 284</p> <p>The equivalent figures for Q1 2008/09 are: Large scale major = 3 out of 3 (these are proposed developments in excess of 99 properties) Small scale major = 18 out of 23 (these are proposed developments of 9 to 99 properties) Minor = 48 out of 79 Other 247 out of 301 Total applications = 406 NB. The total number of applications has gone down since last year.</p>								
			Large scale major applications																			
			Small scale major applications																			
			Minor applications																			
			109b = 57%	BQ	BQ	84.0%	Minor = 65% Stretched Minor = 72%	70%	Minor = 81.16%													
			Other applications	109c = 75.59%	BQ	BQ	92.1%	Other = 80% Stretched Other = 87%	84%	Other = 90.95%												
12	Natural and Built Environment	NI 154	Net additional homes provided	N/A				285 additional homes p/a	110	Local = 200 LAA2 = 285	40 (net)	↓	↓	Below target and showing a negative direction of travel. There is a much lower completion rate than in the previous year. This reflects the market downturn								
13	Natural and Built Environment	New LPI based on BV 64	Private dwellings returned to occupation	0	No comparison data	BQ	53.3%	12	1	12	1	↓	↔	<p>Below target at this stage. Joint funding has been secured from EERA for a joint project with Ipswich, MSDC and Suffolk Coastal to help fund renovation work to long term empty properties. The majority of funding is for next year, but £30K is available this year.</p> <p>Please note that more properties may well have been brought back in to use as a result of the Empty Homes Survey and advice given by the Council, but as we do not have a full audit trail for these they cannot be included in the performance indicator total.</p>								
14	Natural and Built Environment	LPI 15	Number of affordable rent agreements secured	5				30	0	10	0	↓	↔	Below target. There is increased interest from landlords to join the Private Sector Leasing Scheme. Unfortunately, the reluctance of our Community Development Division to share the costs of any voids associated with any properties taken on by the managing Housing Association has resulted in no rental agreements being entered into. Therefore no properties have been offered to applicants on the Choice Based Letting Scheme under the Private Sector Leasing Scheme								
15	Natural and Built Environment	LPI 119	% of planning decisions determined as delegated items	91%				90%	88.91%	90%	91%	↑	↑	On target and showing a positive direction of travel. 258 out of 284 planning applications have been delegated since 1 April 2009.								
Vibrant places and strong communities																						
16	Natural and Built Environment	LPI 9	Number of homes adapted to meet the needs of older people or disabled people	30				30	9	42	6	↑	↓	Expected to reach the end of year target but showing a negative direction of travel. There are currently 25 outstanding approvals which should progress to completion in the current financial year in addition to approvals which are in the pipeline. Whilst this quarter's figures appear below target, the annual target should be met.								
17	Customer Services	LPI 18	Percentage of telephone calls answered where enquiry is resolved at point of contact:-	80.98%				81%	88.77%	90%	98.20%	↑	↑	<p>On target and showing a positive direction of travel. This has been a busy quarter for Pest Control enquiries.</p>								
			(a) General enquiries																			
			(b) Housing enquiries												91.05%	91%	73.80%	80%	96.30%	↑	↑	On target and showing a positive direction of travel. Handling of business to business calls mentioned in Q4-2008/09 report has been resolved.
			(c) Planning enquiries												76.48%	75%	67.64%	90%	75.60%	↓	↑	Below target, but showing a positive direction of travel. Resolution at the first point of contact can be difficult for a Planning Customer Support Officer without access to a planning officer at all times and because planning advice is subjective. At 76% it is an improvement on last year, but below target and is also understated. Front office staff have been recording calls which are outside their remit as unresolved. That is incorrect. Where complete information is captured for a call back at a specific time or a written response it should be recorded as a resolved contact. That principle has been reaffirmed to staff to eliminate the misunderstanding.
			(d) Money Matters												90.88%	91%	65.68%	95%	94.40%	↑	↑	On target and showing a positive direction of travel.
			(e) Overall	81%	80%	81%	86%	91.10%	↑	↑	On target and showing a positive direction of travel.											
18	Customer Services	LPI 80	Customer satisfaction - telephone service	98%				98%	98%	90%	N/A	N/A	N/A	The format of the Customer Satisfaction Survey is being redesigned. It is anticipated that the new format will be used during quarter 2. Chairman of O & S(S) is being consulted on the content.								

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				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q1 Actual 2008/09	Target 2009/10	Q1 Actual 2009/10	Actual v Target	Direction of Travel of Q1 08/09	Comments
19	Customer Services	BV66a	Proportion of local authority housing rent collected	99.11%	N/A	TQ	99.0%	99.25%	96.81%	99.00%	96.08%	↓	↓	On target with a neutral direction of travel. Slightly below 2008/09 collection at a similar point. Current projections however indicate that the target of 99% will be achieved.
20	Customer Services	BV9	The % of Council Tax collected in the year	98.82%	TQ	TQ	98.0%	99.1%	31%	98.9%	31.57%	↑	↑	On target and showing a positive direction of travel. 0.28% above target and 0.38% up on the Q1 figure for 2008/09. Although the collection rate is above target, we are issuing more reminders to collect the money. Compared to Q1 08/09 the number of reminders has increased by 16% to 6231. We have also seen an increase in the number of accounts that receive Council Tax Benefit (188 accounts).
21	Customer Services	BV 10	The % of Non Domestic Rates collected in the year	99.05%	2Q	3Q	99.40%	99.2%	29.0%	98.9%	29.3%	↑	↑	On target and showing a positive direction of travel. 0.16% above target and 0.26% up on the Q1 figure for 2008/09. Although the collection rate is above target, we are issuing more reminders - compared to Q1 08/09 we have issued 29% more (655). Other factors influencing the figure include the change in empty rate legislation from 1.4.09 (those with an rateable value under £15,000 have no liability in 2009/10.) and a reduction in the gross charge since April. This reduction is due to rateable value amendments. We are also seeing an increase in payment arrangements, so far £166K has been spread into Feb/March 2010.
22	Customer Services	NI180	Changes in Housing Benefit / Council Tax Benefit entitlements within the year (per 1000 caseload)					No target set. New PI in 2008/09	No data	18	95.54	↑	N/A	On target. This only includes the figures for April and May, as the June return is not included on the DWP website. The actual figure reported is well in excess of our target. When the target of 18 was set it was not anticipated that the indicator would include predictable or planned changes. E.g the annual change in Council Tax Benefit to reflect new levels of Council Tax. It was initially felt that the indicator was constructed to measure proactive work by authorities to generate prompt notification of changes in circumstances, either by making claimants aware of their responsibilities or undertaking reviews. A revised target will be set in quarter 2 once more data is available. The changes in housing rents in July 2009 will also artificially increase reported performance.
23	Customer Services	NI181	Time taken to process Housing Benefit / Council Tax Benefit new claims and change events					15 days (notional target during first year)	N/A	11 days	8.3 days	↑	N/A	On target. We are on course to reach the target for the current financial year. Current caseload : a) Rent Rebates = 2234 b) Rent Allowances = 1952 c) Council Tax Benefit (Owner Occupiers) = 2002 Total Caseload = 6188
24	Community Development	LPI104a	Discretionary grant funding spent - capital					No target set. New PI in 2008/09	£34,755	£108,000	£6,465	↑	↓	Expected to reach the end of year target. A slow start is to be expected as grants tend to be claimed after the end of the first quarter.
25	Community Development	LPI104b	Discretionary grant funding spent - revenue					No target set. New PI in 2008/09	£112,843	£405,648	£40,593	↑	↓	Expected to reach the end of year target. A slow start is to be expected as grants tend to be claimed after the end of the first quarter.
A safer and healthier Babergh														
26	Natural and Built Environment	NI184	Food establishments in the area which are broadly compliant with food hygiene law					No target set. New PI in 2008/09	88.13% (757 out of 859 establishments)	90%	88.57% (798 out of 901 establishments scored 10 & under)	↓	↑	Just below target and showing a positive direction of travel. This is a very good outcome in recession conditions. Previous experience shows that hygiene standards can take a hit when businesses come under financial pressure in poor economic climates
27	Community Development	LPI115	Number of incidents of criminal damage in hotspot areas							Reduction by 10%	No data	N/A	N/A	New key performance indicator. Waiting for research data from the Community Safety Partnership. The earliest date that the figures will be available is September 2009.
28	Community Development	LPI116	Number of serious public order offences (including violence)							Reduction by 15%	No data	N/A	N/A	New key performance indicator. Waiting for research data from the Community Safety Partnership. The earliest date that the figures will be available is September 2009.
A strong and sustainable Babergh economy														
29	Community Development	LPI117	Number of companies referred to the Suffolk Redundancy Network							Contextual	No data	N/A	N/A	New key performance indicator. PI data will be available in September 2009 and will be reported in the quarter 2 report to O&S(S).
30	Community Development	LPI118	Number of companies that take up the advice offered by the Suffolk Redundancy Network							Contextual	No data	N/A	N/A	New key performance indicator. PI data will be available in September 2009 and will be reported in the quarter 2 report to O&S(S).
How we will deliver (enabling measures)														
31	Contract and Asset Management	LPI 12a	% of capital expenditure achieved on the Housing Revenue Account	81%				97%	23%	97%	19%	↑	↓	Expected to reach the end of year target, but showing a negative direction of travel. Whilst the percentage expenditure at this time last year was higher, current performance is not a cause for concern at this stage.
32	Finance	LPI 12b	% capital expenditure achieved on the General Fund	71%				89%	7%	89%	4%	↓	↓	Lower percentage achieved than last year. Q2 will provide a better indicator for year end performance once the planned review of the capital programme has taken place.

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33	Corporate Services	BV 2a	The level of the Equality Standard for Local Government to which the authority conforms	Level 1				Level 2	Level 1	Level 2 / developing	Level 2 / developing	↑	↑	Target met and showing a positive direction of travel. Work continues with the new Equality Framework for Local Government, consolidating Babergh's position under the 'developing' level and progressing towards the 'achieving' level.
34	Finance	NI 179	Value for Money – total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year	N/A				£400,000	No data	£1m	£1m (estimate)	↑	N/A	On target. The Government's 3% cashable 'efficiencies' (VfM) target equates to around £0.4m per annum. Therefore, in 2009/10 (year 2 of the 3-year cumulative target) we would be expected to achieve a minimum of £0.8m in VfM gains. The target of £1m is the current estimated level that is expected to be achieved for the year. This estimate will be updated in Q2.
35	Finance	LPI 30b	General Fund savings, efficiencies and additional income achieved 2009/10	N/A				N/A	N/A - new LPI	£1.3m	£1m (estimate)	↔	N/A	On target. The remaining £0.3m should be achievable but will require the delivery of further savings on staffing budgets and from procurement .

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1	Natural & Built Environment	BV 204	Planning Appeals allowed against the authority's decision to refuse a planning application	21%	TQ	TQ	25.9%	25%	45%	25%	57%	↓	↓	Below target and showing a negative direction of travel. 8 out of 14 appeals allowed, 1 of these is a split decision
2	Natural & Built Environment	LPI 6	No. of homes (private sector) improved to meet the decent homes standard	27				40	4	30	2	↓	↓	Below target and showing a negative direction of travel. There is a reluctance to actively promote the availability of grants and loans to improve non-decent homes due to restrictions on budgets . This lack of promotion together with peoples' reluctance to take out a loan if the cost of the works is over the £5000 grant has led to a very poor uptake of this facility, hence the low numbers.
3	Natural & Built Environment	BV218b	% of abandoned vehicles removed within 24 hours	80%				80%	86%	80%	50%	↓	↓	Below target and showing a negative direction of travel. 4 vehicles were removed in total, of which 2 were removed more than 24 hours after the notice elapsed. The Contractor has been appraised of this issue and has pledged to improve communication.