

COMBINED SERVICE AND FINANCIAL PERFORMANCE REPORT
QUARTER 3 2010/11

Responsible Cabinet Member – Councillor John Williams, Leader and all Cabinet

Responsible Directors – Ada Burns, Chief Executive and all Directors

SUMMARY REPORT

Purpose of Report

1. To report the Council’s service and financial performance at third quarter 2010/11.

Summary

2. This report provides a combined quarterly overview of the position on service and financial performance and to show progress against the Sustainable Community Strategy (SCS) One Darlington : Perfectly Placed, and the Council’s corporate plan.
3. Many of the indicators are outcome-based and only reported on an annual basis. The Place Survey has been discontinued and so this data will no longer be available. Some of this data is likely to be collected through the Council’s own Community Survey although this is not being run in 2010. For some indicators there is a time lag which can be many months and in some cases more than a year. It should also be noted that there may be a mismatch between the quarter that the data is reported in and the quarter to which the performance refers.
4. The following table provides an overview of service performance progress against target for the SCS and corporate plan where data is available. The pie charts, using the latest data available for all indicators, show the number of indicators and then the percentage of the total. It should be noted that in some instances data relates to year end 2009/10 or earlier.

Plan	Status	Chart									
One Darlington : Perfectly Placed – Sustainable Community Strategy	●	<p align="center">Number of indicators by alert symbol for the SCS</p> <table border="1"> <tr> <td>Below target</td> <td>3</td> <td>19%</td> </tr> <tr> <td>Above target</td> <td>4</td> <td>25%</td> </tr> <tr> <td>On target</td> <td>9</td> <td>56%</td> </tr> </table>	Below target	3	19%	Above target	4	25%	On target	9	56%
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<p>Corporate Plan (overall)</p> <ul style="list-style-type: none"> Corporate Plan – Delivery of Community Priorities; Corporate Plan – Delivery of Organisational Improvements 	<p>● ● ●</p>	<table border="1"> <caption>Number of PIs by alert symbol for the Corporate Plan</caption> <thead> <tr> <th>Alert Symbol</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>On target</td> <td>25</td> <td>62%</td> </tr> <tr> <td>Below target</td> <td>6</td> <td>15%</td> </tr> <tr> <td>Above target</td> <td>8</td> <td>20%</td> </tr> <tr> <td>Data unavailable</td> <td>1</td> <td>3%</td> </tr> </tbody> </table>	Alert Symbol	Count	Percentage	On target	25	62%	Below target	6	15%	Above target	8	20%	Data unavailable	1	3%
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<p>Medium Term Financial Plan 2010-2014</p>	<p>★</p>																

Conclusions

- Overall service performance is generally on target.
- Compared with the Medium Term Financial Plan (MTFP) for 2010 to 2014, approved by Council in February 2010 and amended by Cabinet in July 2010, the latest projected financial performance is an improvement of £2.872million in revenue balances at the end of March 2011, compared with the planned position at the start of 2010-11. This is £592,000 better than forecast in the 2011 to 2015 MTFP.

Recommendations

- It is recommended that Cabinet note:
 - the areas where targets have not been met and ensure action planning is taken to address these key areas of under performance;
 - the on target performance against the Sustainable Community Strategy and Corporate Plan;
 - the provisional financial outturn for 2010/11 compared with the 2010-14 MTFP.

Reason

- The recommendations are supported to maintain appropriate management arrangements for the Council's finances to make effective use of the Council's resources and to continue to effectively manage services and improve value for money.

Paul Wildsmith
Director of Resources

Chris Sivers
Assistant Director Development and Commissioning

Background Papers

Financial reports
 Performance management reports

Elizabeth Davison – Financial performance sections, Ext: 2601
 David Goodchild – Service performance sections, Ext: 2015

S17 Crime and Disorder	Indicators reported here include those concerned with reducing crime and disorder and are showing generally on-target performance
Health and Well Being	Indicators reported here include those concerned with improving health and wellbeing and are showing generally on target performance
Carbon Impact	There is no specific impact on carbon emissions
Diversity	There is no specific diversity impact other than that measured by the indicators.
Wards Affected	All wards are affected equally, although specific indicators measure the impact on 'One Darlington'.
Groups Affected	All groups are affected equally, although specific indicators measure the impact on 'One Darlington'.
Budget and Policy Framework	This report does not recommend a change to the Council's budget or policy framework.
Key Decision	This is not classed as a key decision.
Efficiency	The corporate plan and service plans are integral to delivering services efficiently (and effectively) although this report does not identify specific efficiency savings.
Urgent Decision	For the purpose of the 'call-in' procedure this does not represent an urgent matter.
One Darlington: Perfectly Placed	Data is reported here to assess progress against meeting the objectives in the SCS.

MAIN REPORT

Information and Analysis

9. The content of this report covers the following:
- (a) Background information;
 - (b) Performance information and analysis:
 - (i) One Darlington : Perfectly Placed, the Sustainable Community Strategy (SCS);
 - (ii) Corporate Plan – performance information.
 - (c) Financial information;
 - (d) Overview of services' position on budgets and performance indicators;
 - (e) Overview of complaints.

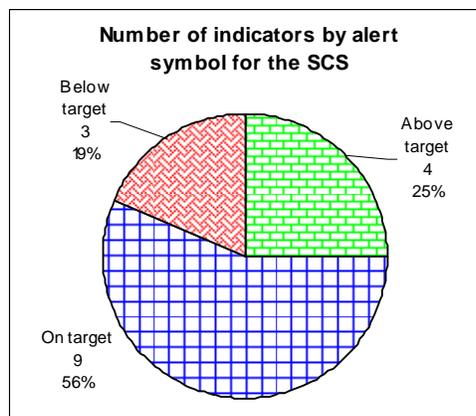
Background Information

10. This report covers the period April to December 2010. High-level summary financial information is included in this report. This report provides both a financial and service performance assessment against service plan areas.
11. This report aims to give a high level view of performance, and report by exception any areas of contra performance. All service performance information is available for viewing via *PerformancePlus*, with more detailed information available from the Council's Corporate Policy Unit.

Performance Information and Analysis

(i)	One Darlington : Perfectly Placed – Sustainable Community Strategy	●
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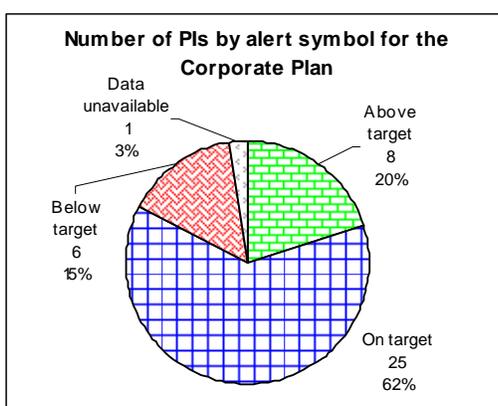
12. The SCS itself incorporates 15 performance indicators (three for each of the five delivery themes) and one of these indicators has two parts (hence 16 in the pie chart below). These indicators focus on long-term outcomes that are unlikely to shift significantly within the short-term but over the 13 year lifespan of the SCS they will provide a high level overview of progress in delivering the vision.



13. The overall status of the SCS is currently showing on target performance, although this is based on six indicators, including one which one has two parts. Within this NI102ii Achievement gap between pupils eligible for free school meals and their peers at Key Stage 2 is performing below target.

(ii)	Corporate Plan 2010-14	●
	- Corporate Plan - Part A: Delivery of Community Priorities	●
	- Corporate Plan – Part B: Delivery of Organisational Improvements	●

14. The SCS does not cover everything that is important to the effective running of the council, and so additionally both actions and performance in the Council’s Corporate Plan are also presented. The Corporate Plan contains a prioritised basket of indicators and actions which are reported against SCS themes and also corporate objectives.
15. The corporate plan was written with national indicators as a significant component partly, reflecting Government priorities and reporting requirements. This has impacted on the measurement of the corporate plan and the number of indicators that can be used is reduced. The financial pressure on the Council has also resulted in a reduction in survey work.
16. The Corporate Plan is on target overall at the end of the third quarter. A total of 40 (one has two parts) performance indicators are now attached to the improvement proposals set out in the plan to measure progress against delivery. Of these 40, including both national and local indicators, quarter 3 data is available for thirteen with three of these showing below target performance. As for previous charts that below shows the latest position for the indicators.



17. Improvement proposals are set out in the plan in two sections or parts – part A contains proposals for delivering outcomes that will contribute to the vision for Darlington; part B sets out proposals for the council’s organisational development. Of the indicators measuring progress against SCS themes, twelve have quarter 2 data available and show performance to be on target overall. For 2010/11 three indicators now measure’s progress against the council’s corporate objectives, one has data available and performance for this is on target.

18. The 'Part A: Delivery of Community Priorities' basket includes three indicators that are currently performing below target. These are in the table below together with reasons.

Indicator	Target	Actual
NI102i – Achievement gap between pupils eligible for free school meals and their peers at Key Stage 2	20.5	26.3
Reasons – 14 (out of 28) schools did not sit KS2 SATS in summer 2010 and this has had an impact on the figure reported for this indicator.		
NI 117 – 16 to 18 year olds who are Not in Education, Employment or Training (NEET)	5.7	6.6
Reasons – Figure of 6.6% relates to 31/12/10, and has been collected purely for monitoring purposes. The target is based on the average figure for the three months November 2010 to January 2011 inclusive, and will be reported at yearend.		
NI130 – Direct Payments/Individual Budgets	22.50	14.67
Reasons – The number of requests for personal budgets presented to the Validation Forum has been increasing steadily in the last two months, although during the Christmas period this declined as fewer care assessments were carried out due to staff holidays, etc. Staff are also now required to offer self directed support at the 6 week review stage for those individuals who were referred in crisis situations. This should assist with reaching the target as previously these individuals had not been offered the self directed model. Ongoing support to the staff teams to offer personal budgets to all people who use social care support continues. The mental health teams have received training and will now 'roll out' personal budgets for those with mental health problems which will also help towards achieving the target.		

Financial information

19. This report compares the latest projected outturn with the budget for the year, which was approved by Council in February 2010 and amended by Cabinet in July 2010 following the Government's emergency budget.
20. The projected financial outturn for 2010/11 compared with the approved 2010-14 MTFP is an improvement of £2.872M, as detailed below:-

Projected General Fund Reserves at 31 March 2011	
	£000
Planned closing balance 31/03/2011	11,239
Increase in opening balance from 2009/10 results	655
Projected corporate underspends / (overspends):	
Joint Bodies & Levies	33
Financing Costs	563
Area Based Grants	102
Mid-year Savings	1,213
In-year grant reduction	(919)
LAA Reward Grant	100
Insurance Fund	1,000
Insurance Claim	109
Freedom Marches	(11)
DSG adjustment	51
Pay Award	275
Equal Pay Legal Costs	(380)
Departmental Year-End underspends / (overspends)	
Children's Services	(1,781)
Community Services	1,944
Chief Executive's	287
Corporate Services	(369)
Total	14,111
Overall improvement	2,872

21. A projected improvement of £2.280 million compared with the 2010-14 Medium Term Financial Plan (MTFP) was reported to Cabinet in February and included in the revised MTFP for 2011 to 2015, agreed by Council on 3 March 2011.
22. Financial projections are reported to Resources Scrutiny Committee monthly and to Cabinet quarterly. The latest projection of revenue balances at 31st March 2011, tabulated above, is an improvement of £2.872M compared with the planned position in the 2010 to 14 MTFP, at the start of 2010-11. The latest projection is, therefore, a further improvement of £592,000 compared with the previously forecast starting point for the 2011 to 2015 MTFP.
23. The financial results for 2010-11 will be reported to Cabinet in July.

Overview of service position on budgets and performance indicators

24. The table below shows the position regarding delivery of service plans of which there are 15 in 2010/11. As well as performance against target for service performance the trend compared to the same quarter in 2009/10 is also shown. For financial information the analysis is a projection as to whether the budget is likely to be achieved by the end of the year, within a tolerance dependent on the size of the budget. For services progress is assessed at the second quarter.

<u>Department/Service Plan</u>	Finance	Service
(▲ below target , ● on target, ★ above target)		
Chief Executive's		
Planning, Performance & Partnerships	★	●
Regeneration	●	●
Children's Services		
Children and Families	▲	●
Early Intervention & Prevention	●	●
Planning and Resources	●	★
School Improvement & Development	●	●
Community Services		
Adult Social Care	★	●
Cultural Services	●	●
Environmental Services	●	●
Highways & Engineering Services	●	★
Housing Benefits	★	★
Housing Services	●	★
Supporting People	●	●
Corporate Services		
Public Protection	●	●
Xentrall	●	●
Support Services	●	▲

Finance indicators: ▲ below target - forecast expenditure is greater than budget (or forecast income is less than budget)

★ above target – forecast expenditure is less than budget (or forecast income is greater than budget)

25. The Support Services service plan is reporting under target performance due to a number of complaints and procurement indicators not meeting targets. The number of days lost to accidents is also above target. Efforts are underway to address underperformance, although in some cases there are small numbers involved, which can make year-on-year performance rather volatile.

26. Significant variances between budget and projected outturn are:

Chief Executive's

- (a) Planning, Performance & Partnerships – an underspend of £286,000 from staff vacancy savings, savings on supplies and services budgets, additional income and partner contributions and a reduction in safer communities projects.

Children's Services

- (b) Children & Families – an overspend of £2,119,000 due to significant increased external child placement costs including secure accommodation, legal costs, payments to foster carers and agency costs for social workers. Details of the position together with actions to mitigate the position have already been presented to Cabinet on 2 November 2010.

Community Services

- (c) Housing Benefits – an underspend of £193,000 due to receipt of a one-off additional grant of £120,000 to assist with increased benefit claims that has not needed to be used, receipt of one-off income of £30,000 and staff vacancy savings. Those savings are partially off-set by a pressure of £50,000 on the subsidy the Council pays following changes in exempt accommodation rules.
- (d) Adults Social Care – an underspend of £1.557M. This is an increase of £658,000 from that previously projected. There are several reasons for the underspend previously reported, which have been explained in the regular budget management reports to Cabinet and Resources Scrutiny Committee. The improvement is due to the following.
 - (e) A reduction in the demand for waking night's assistance and spot purchase beds, which along with a better reuse of Occupational Therapy equipment has produced a £170,000 saving in the Physical Disabilities budget.
 - (f) The move towards prevention and reablement has also been assisted by £340,000 of partner funding from the PCT which has complemented the Council's work towards preventative interventions. Agreement on how this money should be allocated was reached at the end of February in conjunction with the PCT and is focused on reablement and intermediate care which will produce longer term efficiencies in the Social Care budget.
- (g) In addition to these departmentally managed budgets, variances on corporately managed resources are shown in paragraph 20. These have previously been reported to Cabinet in more detail in February 2011. The transfer of £1M from the Insurance reserve to general reserves was agreed in the revision of the MTFP. Substantial reductions have been made in financing costs and pay costs. In July 2010 Cabinet agreed reductions in budgets that exceeded the amount of reductions in grants, contributing to the improvement in balances to be carried forward to 2011-12.

Overview of complaints

27. The following table shows the number of complaints for April to December 2010 proceeding through the 2 stages of the corporate complaints system broken down by department.

Department	Compliments	Comments	Complaints	Stage 1	Stage 2
Chief Executive's	10	52	32	32	8
Children's Services	12	6	11	11	1
Community Services	172	80	178	177	14
Corporate Services	52	8	34	34	7
Darlington BC	246	146	255	254	30

28. Between 1 April and 31 December 2010 Darlington Borough Council received 255 complaints, 254 of which were initially dealt with at stage one of the procedure, and one which was initially dealt with at stage two. Twenty-nine of the 255 stage one complaints were escalated to stage two following a stage one investigation. The Council also received 246 compliments and 146 comments.
29. The Council's complaints management system has now been configured to ensure that all complaints received can be recorded and monitored. This enables the production of accurate complaints information that allows the Council to demonstrate how it uses complaints information to learn as an organisation. Previously it was unable to do this effectively resulting in critical comments from inspectors.
30. Some examples of organisational learning resulting from complaints are provided below:

Assistant Chief Executive – Regeneration Division

- (a) It was agreed the Democratic Services should provide more detailed minutes where information omitted from a planning officer's report is raised verbally at Planning Committee.
- (b) As a result of a complaint regarding lack of enforcement action on a developer, it was agreed between Development and Highways to review the process in relation to Section 38/278 and update the standard advice and conditions.

Community Services

- (c) Building Services reviewed the Legionella works inspection process as a result of a complaint received.
- (d) The School Transport Policy was reviewed to make it clear the Council measure routes using GIS. It was also recommended that the service develop an appeals process in accordance with the Council's School Transport Policy.
- (e) As a result of a complaint about the manner in which a Highways and Engineering consultation was carried out regarding the introduction of traffic calming measures the consultation process is being reviewed.

- (f) As a result of several complaints disputing the amount paid to Council tenants following the Internal Planned Maintenance (IPM) Works, Housing services revised the Decorating Policy.

Corporate Services

- (g) Customer Services have cross-skilled staff to enable them to work in both face-to-face and telephone environments and have introduced flexible working to ensure more staff are available at peak times so that they can respond effectively to fluctuations in call demand.
- (h) A recommendation was made around officers in Local Taxation fully engaging with the complaints unit in order to reduce the amount of officer time spent investigating complaints and to ensure the findings of any investigation are made in light of all the available information.

Consultation

- 31. Officers within the Council and partners have been consulted over the contents of this report and are supportive of the approach taken to reporting performance.