



Committee: BUDGET AND PERFORMANCE PANEL

Date: TUESDAY, 9 SEPTEMBER 2008

Venue: LANCASTER TOWN HALL

Time: 4.30 P.M.

Councillors are reminded that as Members of Overview and Scrutiny they may not be subjected to the Party Whip, which is prohibited under the Lancaster City Council Constitution.

A G E N D A

1. Apologies for absence

2. Declaration of Interests

3. Minutes

Minutes of the Meetings held on 15th and 29th July 2008 (previously circulated).

4. Items of Urgent Business authorised by the Chairman

5. North Lancashire Teaching Primary Care Trust (NLTPCT) - Five Year Strategic Plan

Presentation by the North Lancashire Teaching PCT

6. 1st Quarterly Corporate Performance Monitoring Report (Pages 1 - 20)

Report of Cabinet Member with Portfolio Responsibility for Performance Management Efficiency

7. Treasury Management Training

Presentation by Richard Dunlop, Director, Butlers Treasury Advisers

8. Work Programme Report (Pages 21 - 23)

Report of Head of Democratic Services

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Roger Sherlock (Chairman), John Whitelegg (Vice-Chairman), Tina Clifford, Jean Dent, Keran Farrow, Sarah Fishwick, Mike Greenall, Stuart Langhorn and Ian McCulloch

(ii) Substitute Membership

Councillors Chris Coates, Roger Dennison, Rebekah Gerrard, Emily Heath, Janie Kirkman, Karen Leytham, Roger Plumb and Sylvia Rogerson

(iii) Queries regarding this Agenda

Please contact Jon Stark, Democratic Services - telephone (01524) 582132 or email jstark@lancaster.gov.uk.

(iv) Changes to Membership, substitutions or apologies

Please contact Members' Secretary, telephone 582170, or alternatively email memberservices@lancaster.gov.uk.

MARK CULLINAN,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER LA1 1PJ

Published on Monday, 1st September 2008

**2008/09 1st Quarter
CORPORATE PERFORMANCE REVIEW TEAM MEETING
10.00 am Friday 15 August 2008 – Roger Muckle's Office**

**In attendance: Councillor S Charles
 Roger Muckle
 Nadine Muschamp
 Richard Tulej**

The first round of Performance Review Team (PRT) meetings for 2008/09 took place between 28 July and 8 August.

Each meeting monitored progress against the action sheets drawn up for the previous round of meetings.

Attached are:

- PRT meeting/attendance timetable
- Updated Action from 2007/08 final quarter
- Escendency report showing red indicators
- Updated Finance Action 2007/08 final quarter
- Corporate Financial Monitoring Report

JEB/13 August 2008

(SERVICE BASED) PERFORMANCE REVIEW TEAMS for 2008/09		Timetable for 1st Quarter – 28 July to 8 August		
SERVICE	Meeting arranged	Cabinet Member(s)	Director (s)	Service Head
LEGAL AND HR	5 th August – 11.15 am	John Gilbert David Kerr	Mark Cullinan	Sarah Taylor
DEMOCRATIC	5 th August – 10.30 am	John Gilbert	Mark Cullinan	Gill Noall
FINANCE	30 th July – 1 pm	Roger Mace	Roger Muckle	Nadine Muschamp
CORPORATE STRATEGY	31 st July at 2 pm	Roger Mace	Roger Muckle	Richard Tulej
Roger Mace (Community Cohesion & LSP)		Jon Barry	Peter Loker	
Jon Barry (Climate Change)		Jane Fletcher		
Jane Fletcher (C&YP)		David Kerr		
David Kerr (Community Safety)		Eileen Blamire		
Eileen Blamire (Community Safety)		John Gilbert		
John Gilbert (Community Engagement)				
Susie Charles (Performance Management)				
INFORMATION AND CUSTOMER SERVICES	29 th July – 9 am	John Gilbert	Roger Muckle	Jane Alder
REVENUES	8 th August – 9.30 am	John Gilbert	Roger Muckle	Richard Mason
CITY COUNCIL (DIRECT) SERVICES	10.00 31 July	Jon Barry	Peter Loker	Mark Davies
COUNCIL HOUSING	10.00 07 August	John Gilbert David Kerr	Peter Loker	Steven Milce
HEALTH AND STRATEGIC HOUSING	10.00 29 July	David Kerr	Peter Loker	Suzanne Lodge
Eileen Blamire (Civil Contingencies)	13.30 31 August	Eileen Blamire		
John Gilbert (Homelessness)	31 July – 10 am	John Gilbert	Heather McManus	David Owen
CULTURAL		Susie Charles		
		Jane Fletcher		
		Shirley Burns		
PLANNING	6 August – 1 pm	Abbott Bryning	Heather McManus	Andrew Dobson
	5 August – 10 am	Eileen Blamire		
		Eve Archer		
		Susie Charles		
ECONOMIC DEVELOPMENT AND TOURISM	30 July – 2 pm	Abbott Bryning	Heather McManus	Peter Sandford
		Eve Archer		
		Shirley Burns		
		Susie Charles		
PROPERTY	7 August – 3.30 pm	Evelyn Archer	Heather McManus	Graham Cox
		Roger Mace		
NEIGHBOURHOOD MANAGEMENT	5 August – 2 .00 pm	Roger Mace	Peter Loker	John Deacon
		Evelyn Archer	Heather McManus	
		David Kerr		
Corporate PRT	15 th August 10 am	Susie Charles	Roger Muckle	Nadine Muschamp
Week beginning 11 Aug				Richard Tulej
PERFORMANCE MANAGEMENT GROUP	15 th August 2 pm – cancelled			
BUDGET AND PERFORMANCE PANEL	9 th September			
Deadline to Mod.Gov 5 pm 27 August				

2007/08 Quarter 4 PERFORMANCE REVIEW TEAM MEETING

SERVICE AREA: CORPORATE ACTION

DATE: 21 MAY 2008

PRESENT: COUNCILLOR R MACE, NADINE MUSCHAMP, RICHARD TULEJ



Updated for 2008/09 Q1 Corporate PRT

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
1	Needs to monitor levels of Planning Appeals allowed / supported.	CD(R) and HOP.	Continue to be monitored and will be reported through PRTs. (R Tulej)
2	BV.84 Household Waste Mark Davies – What Indicators are now being used to monitor issues in relation to waste.	CD(CS) and HCC(D)S	All the information we have always reported to DEFRA on waste will continue to be reported via waste data flow and will continue to be fed into escendency / local PIs etc where appropriate. Eg it is envisioned that the corporate plan will still contain targets for % household waste reused/recycled/ composted, amount of waste collected etc From wastedataflow some of this information is then used in the national indicators (eg NI192). (M Davies)
3	Carnforth Market Towns Initiative – an evaluation of the Initiative in terms of outcomes achieved will be required upon completion.	CD(R) and HED &T	Initiative complete March 2008. Evaluation report has been prepared by North West Development Agency, copy will be circulated. (R Tulej)

4	Review of PM Framework to ensure that effective challenge is built into the process and Members receive appropriate training.	CD(F&P) HFS and HCS	Report going to Cabinet 2 September. (R Muckle)
5	Briefing Note required on Tendering procedure for disposal of land and assets and the Corporate Property Strategy to form the basis of a meeting with the Leader and relevant Portfolio holder to determine whether a review is required.	CD(R) CD(F&P) HPS and HFS	Briefing note can be prepared. Further clarification required as to purpose of the note. HCS to liaise with Leader. (G Cox/R Tulej)
6	Determine whether the failure to reach target re: property transactions completed is down to a lack of resources within legal services or a lack of instruction from Property Services.	CEX. CD(R) HPS HLS	Property transactions inevitably involve another party, who, for whatever reason, may not wish to proceed as quickly as the Council, or there may be some delay by that party's solicitors. We therefore realised that this target was not properly measuring the performance of Legal Services, in that meeting the target was not within the control of the Service. For this reason, the target is no longer used in 2008/09, and we have a new target based on the time taken by the Service to issue documentation following the receipt of full instructions. (S Taylor)
7	Consider reporting success of removing offensive graffiti within 24 hours.	CD(CS), HCC(D)S	When reported the removal of offensive graffiti is treated as a priority and removed within 24hrs. There are actually very few cases of offensive graffiti and graffiti in the District generally is at a low level. Head of Service does not consider this to be a particularly relevant indicator for the District. (M Davies)

Group Report: Single Reporting Group Corporate Failing Targets Report Current Targets

Performance Indicator	Start Date	End Date	Target 08/09	Current Performance	Q2	Q3	Method Of Assessment	Status	Last Validator's Comment	Last Oversight Comment	Additional Information
BV09 08/09 % of Council Tax Collected	01 Apr 2008	31 Mar 2009	97.10%	38.89%	29.75	--	Higher is better	Failing	Target 29.84%		
BV10 08/09 % of NNDR collected	01 Apr 2008	31 Mar 2009	99.20%	41.77%	29.78	--	Higher is better	Failing	Target 31.22% Internal A/cs paid late		
BV212 08-09 Average Time to Relet LA Housing	01 Apr 2008	31 Mar 2009	32.00Days	45.10Days	45.10	--	Lower is better	Failing	The average re-let time for Q1 is above the target. There has been a small number of long term voids, (which have recently been re-let) which have affected the overall average figure. Nevertheless this performance is a cause for concern and officers are currently analysing this performance in order to try and establish any issues which adversely affected re-let times.		
CH11 08-09 Rent Lost Through Vacancies	01 Apr 2008	31 Mar 2009	1.00%	1.50%	1.50	--	Lower is better	Failing	This indicator is closely linked to the average re-let times indicator BV212. In addition there have been a number of fire damaged properties that have been empty for some time. It is unlikely that we will be able to improve on this figure; because once the rental income has been lost it cannot be regained.		
CS24 08/09 Sustainable Community Strategy Published	01 Apr 2008	31 Mar 2009	Yes	No	No	--	Higher is better	Target Not Achieved	Agreement from partners will be achieved in October 08, publication is anticipated in November 08.		
CS26 08/09 Publish Council A to Z	01 Apr 2008	31 Mar 2009	Yes	No	No	--	Higher is better	Target Not Achieved	Corporate Plan target of July 2008 not met, new target date to be set taking into account other priorities within the service business plan. Related to customer services development of service standards.		
Cult09a 08-09 Adult disability	01 Apr	31 Mar	20.00	3.00	3.00	--	Higher is better	Failing	The Community Health Team is currently under review and may not be in existence from September 2008,		

access	2008	2009		better	Failing	which may effect the meeting of the planned targeted provision for 2008/09	 
DS02 08/09: % of Key Decisions included in Forward Plan	01 Apr 2008	31 Mar 2009	79.00%	50.00%	50.00%	Investigation into poor performance has revealed that publication dates of Forward Plan did not always provide optimum period of notice before Cabinet meeting and were either too early for officers to be aware of need for a decision or missed the deadline for a month's notice. This has now been rectified and publication dates aligned with the 2008/09 meetings timetable.	 
DS04 08/09: % of agreed meetings with action sheet	01 Apr 2008	31 Mar 2009	81.00%	.00%	.00%	Not measured due to change in system. Was impractical to run 2 systems at the same time so change has been made to new system - separate report on performance is available via the computer management system.	 
NI157a 08/09 Major planning applications determined within 13 weeks	01 Apr 2008	31 Mar 2009	65.00%	50.00%	50.00%	More time has been spent negotiating major applications so the quality of the decision rather than the speed of the decision has been met. It is anticipated that this figure will not improve in quarter 2 as the Centros and Urban Splash (promenade applications will run over the 13 week period.	   
NI180 08/09 Change of HB/CTB circumstances processed	01 Apr 2008	31 Mar 2009	1.1500.00	.00	.00	**Due to problems nationally with data transfer between ourselves and the DWP (who calculate & publish performance against N180), we are currently unable to provide this figure**	  
NM01 Create 200 new homes for shared ownership and outright sale	01 Apr 2008	30 Apr 2009	55.00	10.00	10.00	10 shared ownership homes produced by Adactus, 7 of which are in the West End. Likely to produce 29 shared ownership and 1 for outright sale in total in 08/09	 
NM02 INcrease the provision of affordable housing throughout the district	01 Apr 2008	31 Mar 2009	55.00	7.00	7.00	7 properties completed by Adactus in the West End: 42 properties expected to be completed (rent and shared ownership with Housing Corporation funding) in 08/09. This includes 8 in rural areas. Additional 24 units being provided through S106 agreements.	 
NM03 Establish						The bid to Housing Corporation to	



emergency accommodation for young people	01 Apr 2008	31 Mar 2009	25.00	.00	.00	--	--	Higher is better		Failing	develop accommodation at YMCA was successful, but now for 18 units and ECD in 2009/10.
RS02 08/09 Letter response times	01 Apr 2008	31 Mar 2009	95.00%	55.52%	55.52	--	--	Higher is better		Failing	These figures are the result of some new reports and some further checking will be required

ACTION NOTE - 2008/09 Quarter 1 CORPORATE PERFORMANCE REVIEW TEAM MEETING

SERVICE AREA: PERFORMANCE – ALL SERVICES

DATE: 15 AUGUST 2008

PRESENT: COUNCILLOR S CHARLES, ROGER MUCKLE, NADINE MUSCHAMP, RICHARD TULEJ

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
	BROUGHT FORWARD FROM 2007/08 Q4		
1	<p>Briefing note required on tendering procedure for disposal of land and assets and the Corporate Property Strategy to form the basis of a meeting with the Leader and relevant portfolio holder to determine whether a review is required.</p> <p>UPDATE Q1 Briefing note can be prepared. Further clarification required as to scope of the note. HCS to liaise with Leader. Outcome of proposed meeting requested.</p>	RT	
	NEW ACTIONS		
2	Carnforth Market Towns Initiative. Evaluation report prepared by North West Development Agency to be circulated to Leader and appropriate Cabinet member.	PS	
3	Economic Development and Tourism to provide action notes and updates for the last two quarters, and for every PRT meeting in future. Explanation why not produced and what was response of Cabinet member to not receiving this paperwork.	PS	

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
4	BV09 08/09 % of Council Tax Collected: Request clarity on figures and if failing, what actions in place to address. Need to align with figures in Corporate Financial Monitoring report to provide consistency.	JRM	
5	BV212 08-09 Average Time to Relet LA Housing. Request outcome from officers' review of failing target.	SM	
6	CH11 08/09 Rent Lost Through Vacancies. Request outcome from officers' review of failing target.	SM	
7	Cult 09a 08/09 Adult Disability. Request further update report from officer and Cabinet member on measures taken to address failing target.	DO	
8	NI157a 08/09 Major planning applications determined within 13 weeks. Failing target due to high profile applications needing detailed consideration. In knowledge that these major applications in pipeline why wasn't target set in line with these expectations?	AD	
9	NM01 Create 200 new homes for shared ownership and outright sale. Request update from officer/Cabinet member (Housing) on action being taken to address failing target.	SL	

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
10	<p>NM02 Increase the provision of affordable housing throughout the district.</p> <p>Request update from officer/Cabinet member (Housing) on action being taken to address failing target.</p>	SL	
11	<p>RS02 08/09 Letter response times.</p> <p>Request outcome of review being undertaken to address failing target.</p>	JRM	

RCM/JEB/15 August 2008

ACTION NOTE - 2008/09 Quarter 1 CORPORATE PERFORMANCE REVIEW TEAM MEETING

SERVICE AREA: FINANCIAL MONITORING – ALL SERVICES

DATE: 15 AUGUST 2008

PRESENT: COUNCILLOR S CHARLES, ROGER MUCKLE, NADINE MUSCHAMP, RICHARD TULEJ

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
1	Review of printing / copying equipment being undertaken. Request information when available.	JA	
2	Report back on bank charges position.	NM	
3	CC(D)S report back on if water charges can be reduced in line with budget.	MD	
4	Schedule of requirement for Display Energy Certificates and Performance Energy Certificates.	GC	
5	Impact from variance analysis to be included in next review of medium term financial strategy (MTFS).	NM	

RCM/JEB/15 August 2008

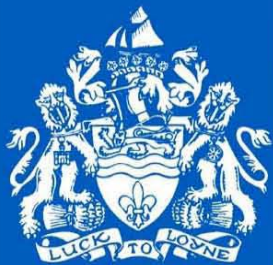
2007/08 4th Quarter PERFORMANCE REVIEW TEAM MEETING

SERVICE AREA: CORPORATE FINANCIAL MONITORING

DATE: 21 MAY 2008

PRESENT: COUNCILLOR R MACE, N MUSCHAMP, R TULEJ

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
1	<p>B/f from 2007/08 3rd quarter:</p> <p>To review Festivals and Events spend and income for 2007/08.</p>	<p>NM/DO</p>	<p>No action as at 4th quarter – awaiting completion of outturn.</p> <p><i>Update for Qtr 1 2008/09 : Details of individual festivals and events outturn being reported to Budget & Performance Panel on 16 September for initial consideration, with the Panel then reporting on to Cabinet on any issues arising (for the outturn generally).</i></p> <p><i>In addition for current and future years, a report was presented to Overview and Scrutiny on 09 July and then referred onto Cabinet on 31 July.</i></p> <p><i>The financial recommendations resulting were that all future monitoring of Festivals and Events should be referred to the Budget and Performance Panel, and that all future Festivals and Events should be delivered within the approved budgets (which should be the case in any event, under Financial Regulations).</i></p> <p><i>In addition, a report will be presented to Cabinet on why Cabinet was told, just prior to the 2008 budget that an extra £10K was required for the 2008 maritime festival, when Cabinet had previously been told that the festival was fully funded.</i></p>



Corporate Financial Monitoring

June 2008 | Quarter 1

Report of the Head of Financial Services
 Corporate PRT meeting | 15 August 2008

HEADLINE INFORMATION

REVENUE OUTTURN	Current (Underspend) / + Overspend	Projected (Underspend) / + Overspend
General Fund	(£212,000)	(£80,000)
Housing Revenue Account	+£18,000	(£101,000)

CORPORATE FINANCIAL MONITORING

June 2008 | Quarter 1

1. INTRODUCTION

This monitoring report of expenditure and income for 2008/09 sets out an indicative corporate picture of the Council's financial performance relating to the period ending June 2008.

The report summarises the variances reported through Services quarterly PRT meetings, and also identifies any omissions, updates and/or actions required. In addition there are specific sections for salary monitoring, capital expenditure and financing, Housing Revenue Account, revenue collection performance and Insurance and Risk Management.

2. GENERAL FUND REVENUE MONITORING

2.1 General Fund Summary Position

The current overall general fund summary position shows that at the end of June there is a net underspending of **£212,000** against the original budget. This is projected to reduce to £80,000 by the end of the year.

VARIANCES	Current £000	Projected £000
Major Variances (see section 2.1)	(97)	+308
Salaries (see section 2.3)	(115)	(388)
Total	(212)	(80)

One of the key financial indicators is to keep any under or overspends within 2% of the overall net controllable revenue budget, and the following table shows that at the end of quarter 1 this has been achieved.

	£000
Net Controllable Budget	23,934
2% Target	+/() 478
Provisional Controllable Net Underspend	(157)
Percentage of Net Controllable Budget	0.66%

2.2 Actions Arising from Previous Quarter

There were no new actions arising from the 2007/08 Qtr 4 Corporate Monitoring Report, however the action from Qtr 3 was still outstanding. This related to a review of Festivals and Events by the Head of Cultural Services and Head of Financial Services. This is to be picked up initially by Budget & Performance Panel.

2.3 Major Budget Variances

Appendix A details the major true variances that have been included within individual Services' PRT reports. The variances reported are either +/- £5K in value and cover premises, transport, supplies and services and general income.

SUMMARY BY SERVICE	Current £000	Projected £000
REPORTED VARIANCES :		
Legal & Human Resource	(2)	+10
Information & Customer Services	(10)	--
Financial Services	(88)	(83)
CC(D)S	+11	+146
Property Services	+3	+25
Econ Development & Tourism	--	+9
Cultural Services	+11	--
Planning Services	(22)	(27)
	(97)	+80
VARIANCES NOT REPORTED :		
Property Services	--	+228
TOTAL NET UNDERSPEND	(97)	+308

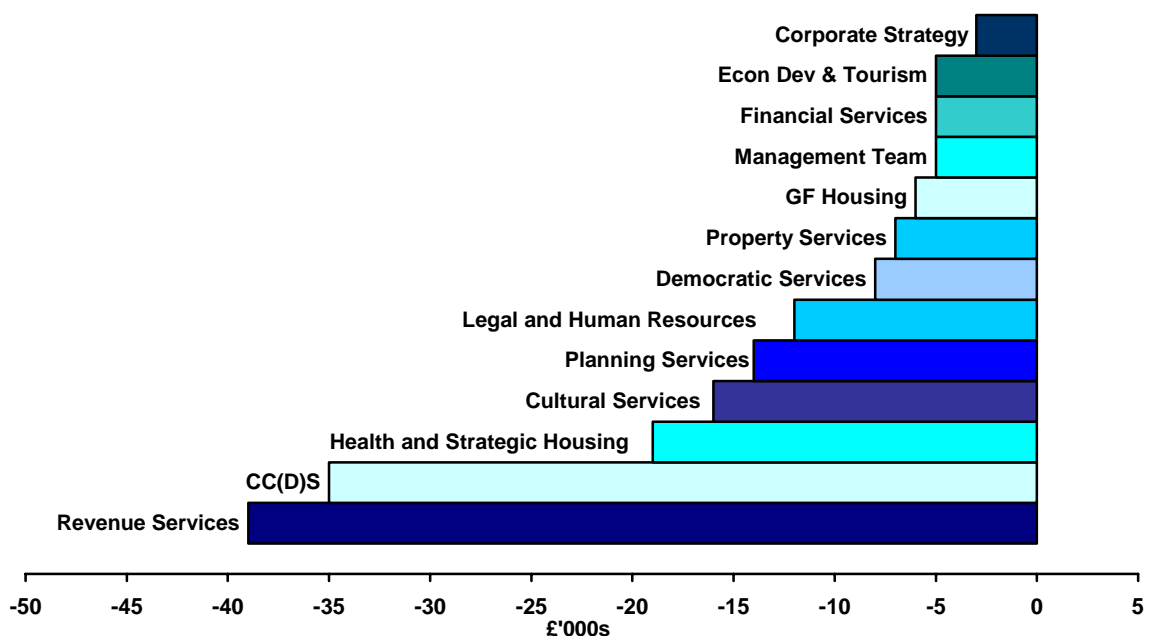
There are two potential areas where variances have not been reported, where further action / reporting is needed.

2.4 General Fund Salary Monitoring

Salary monitoring has been reported separately as there are a number of small variances that fall below the threshold for major items, however their aggregate effect is fairly significant.

To date savings of £174K have been achieved against the profiled turnover target of £59K resulting in current savings of £115K. The majority of savings have been generated within Revenues (£39K) and CC(D)S (£35K). There are a number of fairly senior vacant posts which are in the process of being filled, which may mean that this level of saving will not be sustained throughout the year, but this will depend on other vacancies arising, and also on what annual pay increase is eventually agreed (2.5% has been budgeted, which is broadly in line with the current offer). An initial estimate is that the overall saving for the year could be in the region of £388K after meeting the turnover target of £236K. This would require an on-going quarterly savings of £150K, and the pay award to be as budgeted.

The following graph shows the savings on a Service by Service basis.



3 GENERAL FUND CAPITAL PROGRAMME

3.1 Capital Expenditure & Financing

Capital Expenditure (General Fund)

The original Capital Programme for 2008/09 was approved by Council on 27 February at £31.133M. The following changes have been approved to 30 June, giving an amended approved programme of £31.646M. Since then, however, other changes have been approved (e.g. slippage):

Winter Gardens, Morecambe	£300K	Cabinet 03 June
Luneside East Regeneration	£200K	Cabinet 03 June
Cycling England (re Additional Grant)	£13K	Officer Delegation

At present, the total spend for the year is £1.641M leaving a balance of £30.005M against the approved programme to 30 June.

Capital Receipts (General Fund)

Estimated receipts required to fund the 2008/09 programme are £2.704M. At present, this position has not been updated for slippage. Only £54K has actually been received to 30 June; the financing of the capital programme will be reviewed and reported to Cabinet in October.

4 HOUSING REVENUE ACCOUNT (HRA) MONITORING

4.1 HRA Revenue Position

At the end of June the position for the Housing Revenue Account shows an overspend of £18K against the original budget, which is currently projected to become an underspend of £101K by the end of the year.

	Variances to Date	Project to Yr End	Comments
	£000	£000	
Ripley Court : Gas	-3	+8	Problems with supplier invoicing.
RMS : Central Transport	-4	-15	Estimated saving.
RMS : Employees	-36	-120	5 vacancies to be held unfilled for year.
RMS : Contracted Services	+26	+26	Unallocated contract costs – to be reviewed during estimate process.
Insurance Repairs	+35	--	Major incidents recoverable by claims
Total	+18	-101	

4.2 Council House Rent Collection

This section analyses the Council Housing rent income due, and shows that the income collected for the year is in line with the estimate. However, the figures provide are only up to period 02 as there is currently a delay in posting the rent income due to a software problem – this is being addressed by Council Housing and Information Services.

	2007/08	2008/09
	£	£
Estimate	2,661,900	1,156,200
Actual	2,699,906	1,156,610
Difference	(38,006)	(400)

4.3 Council Housing Capital Programme

This section analyses actual spend and commitments against the Council Housing Capital Programme to the period ended June 2008. Overall, there has been spend of £149K against the approved programme of £3.280M. At this stage the programme has not been updated for slippage which was subject to approval by Cabinet on 31 July 08.

It should be noted that spend has occurred in two areas for which there is no budget – Ryelands Development (£1K) and Housing Office Alterations (£2K). Officers are currently investigating and will provide an update for Qtr 2.

	Approved Programme £000	Spend to Date £000	Budget Remaining £000
Adaptations	250	6	244
Bathroom / Kitchen Refurbishment	710	88	622
External Refurbishment	795	0	795
Rewiring	317	0	317
Renewal of Heaters	309	0	309
Environmental / Crime Prevention	350	27	323
Re-roofing / Window Renewals	149	0	149
Energy Efficiency Works	400	25	375
Ryelands Development	0	1	-1
Housing Office Alterations	0	2	-2
TOTAL	3,280	149	3,131

5 REVENUE COLLECTION PERFORMANCE

5.1 Council Tax & Business Rates

This section analyses the Council Tax and Business Rate collection statistics. In year collection is up 0.21% for Council Tax, when compared to last year, but down 2.31% for NNDR. Collection rates have been subject to a number of factors including the credit crunch and empty property rate changes from 01 April 08.

Percentage Collected	2007/08 %	2008/09 %	2007/08 %	2008/09 %	Performance on Previous Year
	All Years *		In Year **		
Council Tax	27.38	27.40	14.09	14.30	↑ 0.21%
Business Rates	29.56	28.68	25.10	22.79	↓ 2.31%

* Calculated by taking the total cash collected, less refunds, as a percentage of total net collectable (including previous years arrears brought forward)

** Calculated by taking the net amounts paid in year as a percentage of the total collectable just for the year.

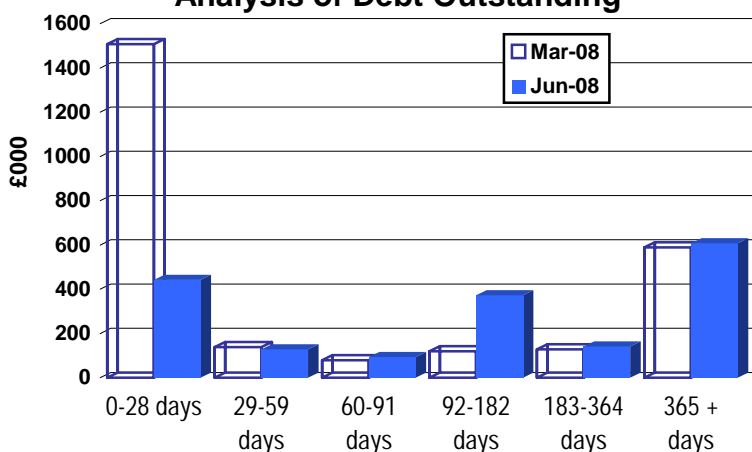
5.2 Sundry Debts

This section sets out the latest position on the level of outstanding sundry debts. At the end of June the total debt outstanding was £1.8M, which is 12% more than the same period last year.

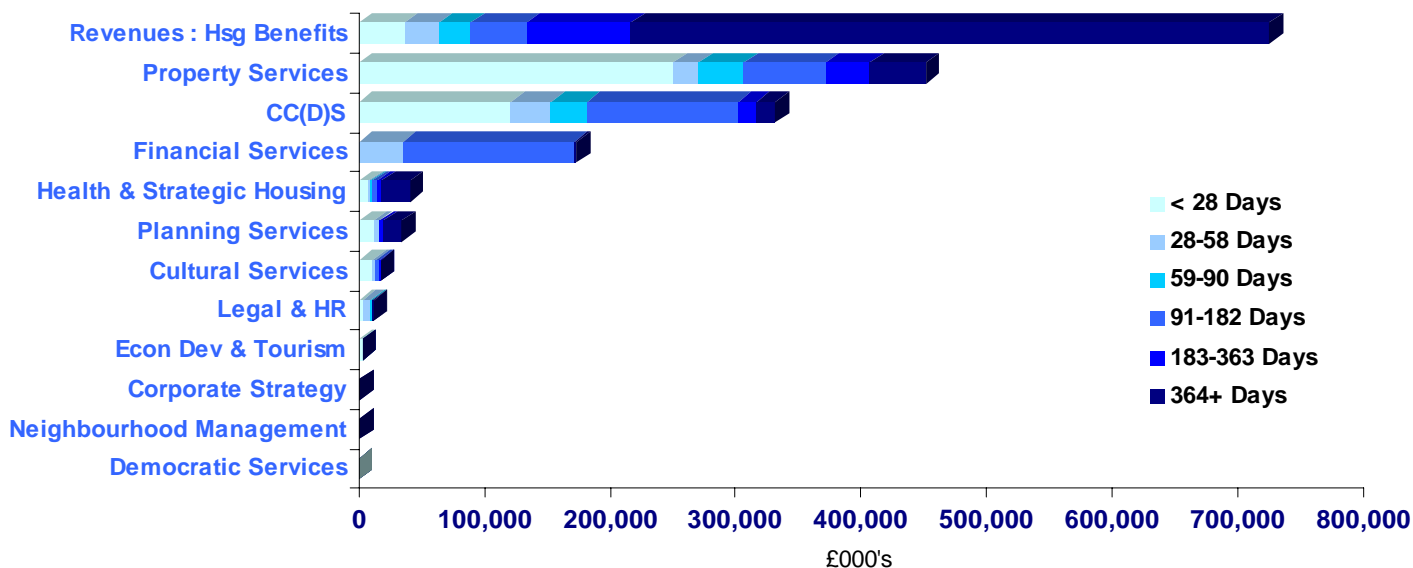
The analysis shows that the overall level of debt has reduced by £776K from the previous quarter. This is normal for this time of year as a large number of annual invoices are issued in March, prior to the start of the new financial year.

The long term debt (over 1 year old) has increased by £19K or 1%.

Analysis of Debt Outstanding



	March 08	June 08
	£000	£000
0-28 days	1,507	442
29-59 days	139	129
60-91 days	80	94
92-182 days	120	373
183-364 days	129	142
365+ days	589	608
	2,564	1,788
Previous Year	2,531	1,591



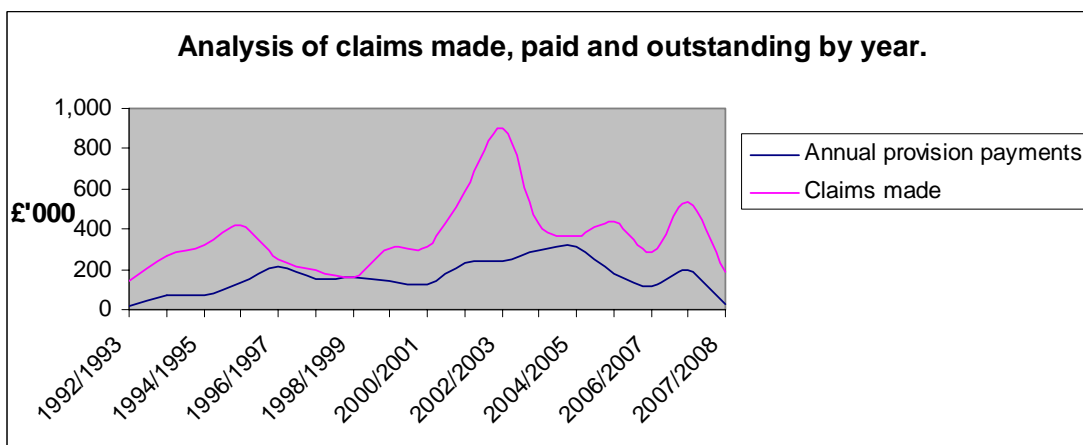
6 INSURANCE & RISK MANAGEMENT

6.1 Insurance Monitoring

The current balance on the insurance provision is £320K, after making payments of £38K in settlement of claims made, and receiving £11K as credits from the insurers in respect of claims above the excess. In addition, there is an insurance reserve of £100K set aside to cover any years where the Council experiences higher than expected insurance claims. Therefore, in total there is £420K available to cover expected liabilities.

At present, our insurers estimate that the value of claims outstanding is £452K, which relate to a total of 214 claims made over a 13 year period. This estimate assumes that all these claims will be settled at the maximum reserve limit; however, recent statistics show that, on average, only 56% of the total reserve will be paid. The estimated cost of claims outstanding could therefore reasonably be valued at around £253K, which is within the available funding as mentioned above.

It is highly unlikely that all these outstanding claims will fall due for payment in the same financial year. The uncertain nature of insurance claims payments, however, means that accurate predictions are difficult and, as such, the balance will continue to be closely monitored.



6.2 Other Risk Management

There have been no significant changes to the Corporate or Service Risk Registers in the last quarter. However, the following resolution arose from Audit Committee on 25 June 08 :

“That the City Council undertake a risk assessment regarding whether decisions made by Members on both Cabinet and the Planning and Highways Regulatory Committee could leave the Council open to challenge and that the risk assessment be presented back to Audit Committee for consideration.”

The Risk and Insurance Manager has been working closely with Democratic Services and Legal Services and a report will be present back to Members in due course.

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SUMMARY OF MAJOR VARIANCES (Qtr 1 2008/09)

APPENDIX A

(Not included elsewhere in the report)

Service	Service Area	Reason for Variance & Action being taken	Variance to Date	Projected Variance to Year End
			£	£
			+ = Adverse () = Favourable	
VARIANCES REPORTED THROUGH PRT PROCESS (SERVICE HEAD COMMENTS)				
Legal & HR	Search Fees	Downturn in property market and increased popularity of personal searches and LLC1s as opposed to full searches. Difficult to predict full year impact but initial view is a downturn of £20K.	+10,800	+20,000
	Amusement Machines	Higher number of new adult gaming centre licence applications have been received than was anticipated.	(12,500)	(10,000)
Information & Customer Services	Printing / copying equipment	Printing structure changed - further investigation needed and full corporate review to be carried out	(10,000)	?
Financial Services	Area Based Grant (unallocated)	Call-in (& subsequent reversal) of decision to appoint Community Cohesion Officer. Projection assumes that monies will be allocated in Nov 08 & spent before year end (Cabinet minute 19 refers)	(26,000)	+0
	Pension Costs	Expected that inflationary increases may be covered through reducing pensioner numbers.	+0	(9,000)
	Audit Fees	Projection allows for estimated grant certification costs, & NFI.	+0	(9,000)
	Investment Interest	Higher investment returns, linked to recent economic instabilities. Full year represents guestimate only - will be influenced by HRA share too.	(65,000)	(65,000)
	Bank Charges	Further work to be done in reviewing contract position.	+9,000	?
	Management & Admin	Variance relates to debt collection expenses - timing of costs dependent upon recovery action, so difficult to profile accurately.	(6,000)	+0
CC(D)S	Transport Costs : Fuel	Authority wide variance due to impact of higher than budgeted inflation	+0	+126,000
	Transport Costs : Other	Underspend on repair and maintenance. Not anticipated to be a variance at year end.	(9,000)	+0
	White Lund Depot : NNDR	RV of depot increased due to open areas now being included in valuation.	+8,500	+8,500
	White Lund Depot : Water	High levels of solids in waste water resulting in unexpected high charges	+11,600	+11,600
Property Services	Off-street car parks : fee income	Additional pay and display ticket income, but position could change later in year.	(21,700)	+0
	Off-street car parks : Permits	Reduced public permit sales.	+28,300	+25,000
	Residents on-street permits	Increased permits and visitor card sales.	(10,700)	(5,000)
	Charter Market : income	Substantial increase in trader attendance, resulting in higher income.	(6,000)	(20,000)
	Lancaster Market : rental income	Substantial drop in number of tenants.	+12,600	+25,000
Economic Development & Tourism	Morecambe TIC : Rent	Due to rent review there has been an increase in cost for the Platform, backdated to December 2007.	+0	+8,500
Cultural Services	Community Pools : Energy	Energy charges are subject to County Council negotiations with energy providers to determine appropriate tariffs. Awaiting County to supply accurate bills for recent months.	+10,900	+0
Planning Services	Luneside East Estate Management	Budget relates to monitoring of works by developer as per building agreement following transfer of site. Transfer currently delayed.	(9,000)	(27,000)
	Critical Ordinary Watercourses	Budget and expenditure subject to new funding arrangements with the Environment Agency - not yet finalised.	(12,600)	+0
VARIANCES <u>NOT</u> REPORTED THROUGH PRT PROCESS				
Property Services	Lancaster Market : Rent Payable	Landlord's proposed increase currently subject to arbitration	+0	+228,000
	Various	Energy Display / Performance Certificates - potential costs re legal requirements?	+0	?
TOTAL VARIANCES			(96,800)	+307,600

BUDGET AND PERFORMANCE PANEL

Work Programme Report

9th September 2008

Report of Head of Democratic Services

PURPOSE OF REPORT

To update Members with regard to the Work Programme.

This report is public

RECOMMENDATIONS

- (1) **That Members note that an additional meeting of the Budget and Performance Panel has been scheduled to take place on 16th September 2008.**

1.0 Introduction

This report provides Members with recommendations for additions to its Work Programme for consideration and advises of upcoming items to be dealt with by the work of the Panel.

1.1 Additional Meeting of the Panel

The Panel is requested to note that an additional meeting has now been set for Tuesday, 16th September 2008. This meeting has been established for appropriate Officer representation from a number of Services, to present and answer questions, detail the reasons and circumstances that have resulted in the various over and underspends highlighted in the Outturn Report 2007/08, and explain why in some circumstances they had not been reported into the quarterly Performance Review Team meetings.

BACKGROUND PAPERS	Contact Officer: Jon Stark
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Current Work Programme	Telephone: 01524 582132
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ISSUE	JULY 15TH	JULY 29TH	SEPT 9TH	SEPT 16TH	OCT 21ST	NOV 25TH	JAN 27TH	FEB 24TH	MARCH 31ST	APRIL 28TH
STAR CHAMBER										
B&P FRAMEWORK										
PERFORMANCE MANAGEMENT MONITORING			1 st Quarterly Corporate Performance Monitoring report							
PARTNERSHIP MONITORING										
EXETER BENCHMARKING										
BEST VALUE AND PERFORMANCE PLAN (ANNUAL REPORT)										
VALUE FOR MONEY/EFFICIENCY STRATEGY										
HOUSING SLA's										
DISCUSSIONS WITH SERVICE HEADS (ONGOING)	Head of Env Health			Matters arising from outturn report 2007/08						
SCRUTINY OF FUNDING TO EXTERNAL BODIES	Head of Cultural Services				Demographic Data from Dukes Theatre					

ISSUE	JULY 15TH	JULY 29TH	SEPT 9TH	SEPT 16TH	OCT 21ST	NOV 25TH	JAN 27TH	FEB 24TH	MARCH 31ST	APRIL 28TH
MONITORING OF NON-HOUSING SLA's										
PROGRESS AND SUCCESS OF CUSTOMER SERVICE CENTRES										
LOCAL ENVIRONMENT QUALITY PILOT STUDY RESULTS										
FINANCIAL TRAINING EVENT WITH BUTLERS										
FESTIVALS AND EVENTS										
REVENUE AND CAPITAL OUTTURN 2007/08										
FINAL BACKWARD LOOKING STATEMENT 2007/08										
NORTH LANCASHIRE TEACHING PCT PRESENTATION										

Please Note:

Performance Management - Following consideration of performance management information the Panel may be minded to timetable meetings with Service Heads and Cabinet Members as a need is identified.