



Committee: BUDGET AND PERFORMANCE PANEL

Date: TUESDAY, 31ST MARCH 2009

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 Meeting held on 24th February 2009 (previously circulated)

4. Items of Urgent Business authorised by the Chairman

5. 3rd Quarter Corporate Monitoring Reports (Pages 1 - 24)

Report of Cabinet Member with Responsibility for Performance Management Efficiency

6. BVPI Comparison - Exeter Benchmarking Group (Pages 25 - 53)

Report of Corporate Performance Manager

7. Data Quality Audit 2007/08 (Pages 54 - 65)

Report of Corporate Performance Manager

8. Use of Resources Assessment 2008 (Pages 66 - 67)

Report of Corporate Director (Finance & Performance)

9. Work Programme Report (Pages 68 - 70)

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, Ian McCulloch and Keith Sowden

(ii) Substitute Membership

Councillors Chris Coates, Roger Dennison, Rebekah Gerrard, Emily Heath, Karen Leytham, Roger Plumb, Peter Robinson, Sylvia Rogerson and Paul Woodruff

(iii) Queries regarding this Agenda

Please contact Jane Glenton, Democratic Services – telephone (01524) 582068 or email JGlenton@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, 23rd March 2009

**2008/09 3rd Quarter
CORPORATE PERFORMANCE REVIEW TEAM MEETING
11.00 am Tuesday 3 March 2009 – Roger Muckle's Office**

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

The third round of Performance Review Team (PRT) meetings for 2008/09 took place between 26 January and 6 February 2009.

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

Attached are:

- PRT meeting/attendance timetable
- Updated (Escendency) Action from 2008/09 Q1 meeting
- Escendency report showing red indicators
- Updated Finance Action 2008/09 Q1 meeting
- Q2 Corporate Financial Monitoring Report
- Treasury Management Monitoring Report

JEB/27 February 2009

(SERVICE BASED) PERFORMANCE REVIEW TEAMS for 2008/09
 Timetable for 3rd Quarter – 26January to 06 February 2009

SERVICE	Meeting arranged	Cabinet Member(s)	Director (s)	Service Head	Paperwork Received (inc. updated action from previous meeting.	Action Note received	Additional Info.
LEGAL AND HR	11 am 6 February	John Gilbert David Kerr	Mark Cullinan	Sarah Taylor	✓ [N/A – ie no action to update]	✓	HR Manager and Legal Services Manager also attended
DEMOCRATIC	12 noon 6 February	John Gilbert	Mark Cullinan	Gill Noall	✓	✓	
FINANCE	9.30 am 6 February	Roger Mace	Roger Muckle	Nadine Muschamp	✓	✓	
CORPORATE STRATEGY	2 pm 2 February	Roger Mace Jon Barry Jane Fletcher David Kerr Eileen Blamire John Gilbert Susie Charles	Roger Muckle Peter Loker	Richard Tulej	✓ [N/A]	✓	Cllr Barry had separate meeting with Service Head. Cllrs Fletcher and Kerr sent apologies.
INFORMATION AND CUSTOMER SERVICES	10.30 27 January	John Gilbert	Roger Muckle	Jane Alder	✓	✓	
REVENUES	9.30 27 January	John Gilbert	Roger Muckle	Richard Mason	✓ [N/A]	✓	
CITY COUNCIL (DIRECT) SERVICES	10.00 27 January	Jon Barry	Peter Loker	Mark Davies	✓	✓	
COUNCIL HOUSING	10.00 29 January	David Kerr	Peter Loker	Steven Milce	✓	✓	
HEALTH AND STRATEGIC HOUSING	9.30 06 February	David Kerr John Gilbert	Peter Loker	Suzanne Lodge	✓	✓	
H&SH – CIVIL CONTINGENCIES	09.30 28 January	Eileen Blamire	Peter Loker	Suzanne Lodge Mark Bartlett	✓ [N/A]	✓	
CULTURAL	10.00 4 February	Susie Charles Jane Fletcher Shirley Burns	Heather McManus	David Owen	✓	✓	
PLANNING	10.00 3 February	Abbott Bryning Eileen Blamire Eve Archer Susie Charles	Heather McManus	Andrew Dobson	✓	✓	

SERVICE	Meeting arranged	Cabinet Member(s)	Director (s)	Service Head	Paperwork Received (inc. updated action from previous meeting.	Action Note received	Additional Info.
ECONOMIC DEVELOPMENT AND TOURISM	9.00 6 February	Abbott Bryning Eve Archer Shirley Burns Susie Charles	Heather McManus	Peter Sandford	✓	✓	
PROPERTY	12.00 5 February	Evelyn Archer Roger Mace	Heather McManus	Graham Cox	✓	✓	
NEIGHBOURHOOD MANAGEMENT	10.00 5 February	Roger Mace Evelyn Archer David Kerr	Peter Loker Heather McManus	John Deacon	✓		
Corporate PRT	11.00 3 March	Susie Charles	Roger Muckle	Richard Tulej Nadine Muschamp	✓		
PERFORMANCE MANAGEMENT GROUP	6 March	N/A	All	Nadine Muschamp Richard Tulej			
BUDGET AND PERFORMANCE PANEL Deadline to Mod.Gov 18 March	31 March	N/A					

ACTION NOTE - 2008/09 Quarter 2 CORPORATE PERFORMANCE REVIEW TEAM MEETING

SERVICE AREA: PERFORMANCE – ALL SERVICES






DATE: 26 NOVEMBER 2008

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









NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
	ESSENDENCY		UPDATED FOR Q3 MEETING:
1	Noted explanation for target variance. No further action.		
2	Noted explanation for minor target variance. No further action.		
3	Agreed action noted to address variance. No further action.		
4	Agreed actions noted to address variance. No further action.		
5	Action complete. No further action.		
6	Noted explanation for why target not met. No further action.		
7	Not clear if target on track. PRT action plan not available. Request update on latest position in meeting target.	HCultS	Programmes not due to start until January 09. Actual activity will be reported in Q4.
8	Explanation noted. Request why target set so high.	HCultS	As this is a new indicator for this year we set an aspirational target of 95% for this programme. We have been consistently performing at the mid 70% mark over the year which will help inform the ongoing swimming review process to ensure we are providing the right lessons at the right levels based on customer demand. We will review the target for 09/10 to 80%.
9	Explanation noted. Request clarity about problem of meeting target.	HCultS	Over-ridden by the decision to close the Dome.
10	Explanation noted. No further action required.		
11	Explanation noted. No further action required.		
12	Explanation noted. No further action required.		
13	Explanation noted. No further action required.		
14	Explanation noted. No further action required.		

RCM/JEB/Nov 08




Corporate PRT Report
Quarter 3 2008/2009

Ref No.	Performance Indicator	Measure-ment Interval	Type Of Measure-ment	Outturn 07/08	Target 08/09	Good Is	Q1	Q2	Q3	Year To Date	Status	Performance Commentary
1	BV183a Length of stay in B&B	Quarterly	Snapshot	0.74	1.00	Low	2.5	0	1.43	1.43	 Failing	Failure occurred due to an unforeseen emergency case needing to be placed in B&B.
2	BV212 08-09 Average Time to Relet LA Housing	Quarterly	Snapshot	32.19Days	32.00Days	Low	45.1	47.43	43	43.00Days	 Failing	Q3 The average time to relet LA housing:: This has shown some signs of improvement and it is now taking an average of 43 days at the end of Q3 compared to 47.43 days at the end of Q2 and 45.1 days and the end of Q1. It is unlikely that we will be able to achieve our target of 32 days in 2008/2009. Actions will be maintained to continue to reduce the average time taken to relet. At the last PRT meeting it was agreed to undertake some additional analysis to look at the "within quarter" performance. This is set out below:Q1 42.75 daysQ2 48.87 daysQ3 36.11 days For further details see Action Plan.
3	CH11 08-09 Rent Lost Through Vacancies	Quarterly	Snapshot	1.20%	1.00%	Low	1.5	1.1	1.6	1.60%	 Failing	Q3 CH11 The percentage of rent loss through vacancies has increased at the end of Q3 and is now at 1.6% against a target of 1%. As has been commented on in previous PRT reports the increase in rent loss through vacancies is partly attributable to the losses caused through fire damaged properties notably the flats at Aldingham Court. We are now in the process of reletting those flats following extensive work. The other major factor is the continuing need of having to undertake significantly more work on empty properties to bring them back to our relettable standard. On average to date this year it is taking us 10 days longer to turn round properties compared with last year.
4	Cult01 Parks; Alternative management arrangements report	Quarterly	Snapshot	Yes	Yes	High	Yes	No	No	No	 Target Not Achieved	Service Head's Comments - PRT Q3: Due to other service commitment which have been undertaken such as involvement in Williamson Park, the deadline of March 2009 will not be met.
5	Cult04 Develop new SLA Models to support delivery of Arts Strategy	Quarterly	Snapshot	Yes	Yes	High	Yes	Yes	No	No	 Target Not Achieved	Service Head's Comments - PRT Q3: Unable to complete this work due to Star Chamber and a number of reports required by members/management team which took precedence. This is likely to continue throughout quarter 4 postponing completion until 09/10




Corporate PRT Report
Quarter 3 2008/2009

Ref No.	Performance Indicator	Measure-ment Interval	Type Of Measure-ment	Outturn 07/08	Target 08/09	Good Is	Q1	Q2	Q3	Year To Date	Status	Performance Commentary
6	Cult24 Produce a Dance Strategy - on target?	Quarterly	Snapshot		Yes	High	Yes	Yes	No	No		Service Head's Comments - PRT Q3: Work is progressing well, although we are slightly behind.
7	Cult26 Targeted Individuals engaged in diversionary activities?	Quarterly	Cumulative	300.00		High	0	0	0	0		Service Head's Comments - PRT Q3: Programmes were not due to start until September 08, now delayed until January 09 . Actual activity will be reported in quarter 4
8	Cult29 Effective swimming development programme	Quarterly	Snapshot	95.00%		High	74	72	73	73.00%		Service Head's Comments - PRT Q3: As this is a new indicator for this year we set an aspirational target of 95% for this programme. We have been consistently performing at the mid 70% mark over the year which will help inform the ongoing swimming review process to ensure we are providing the right lessons at the right levels based on customer demand. We will review the target for 09 / 10 to 80%
9	Cult44 Dome feedback	Half-Yearly	Snapshot	95.00		High		0		0		Service Head's Comments - PRT Q3: Over-riden by the decision to close the Dome
10	DS02 08/09: % of Key Decisions included in Forward Plan	Quarterly	Snapshot	64.00%	79.00%	High	50	85	60	60.00%		The drop in performance was during December when several issues were highlighted through the Star Chamber process and the necessity for Cabinet to give prompt consideration to budget savings in 2008/9.
11	ICS05 Abandoned Calls	Monthly	Average	2.68	3.00	Low	2.81	6.63	11.7	7.05		Staff sickness and unfilled vacancies have affected services.
12	ICS07 Ombudsman Responses (days)	Quarterly	Average	16.00Days	16.00Days	Low	0	24	0	24		This reflects one case only - originally it was unclear whether the case has already been through our complaints procedures
13	ICS10 08/09 Progress Access to Services Programme	Quarterly	Snapshot	47.00%		High	20	27	28	28.00%		Programme is severely delayed due to loss of Customer Services Project Manager and staff sickness in the IT team.

Corporate PRT Report
Quarter 3 2008/2009

Ref No.	Performance Indicator	Measure-ment Interval	Type Of Measure-ment	Outturn 07/08	Target 08/09	Good Is	Q1	Q2	Q3	Year To Date	Status	Performance Commentary
14	NI158 08/09 % non decent homes	Half-Yearly	Snapshot	.00	1.00	Low	1	1			 Failing	Q3 NI 158 – percentage of decent council homes: As previously reported at the Q2 PRT the recent stock condition survey has highlighted that only 1% of the housing stock does not meet the new Decency Standard. The updated information from the stock condition survey will be used to inform our capital and planned maintenance programmes and any necessary adjustments will be made to bring all the stock back into decency.
15	NI188 Planning to adapt to climate change (Half yearly)	Half-Yearly	Snapshot		1.00	High	0	0			 Failing	Q3 Performance Commentary: Long term sickness absence has affected progress with this indicator. A graduate placement has been recruited to contribute to this work but it is unlikely we will be able to reach level one by the end of the year.
16	PROP01 Reduce overall energy use 08/09	Quarterly	Snapshot	9014278	8720000.00	Low	1950125	3211811	5928052	5928052	 Failing	Q3 Performance Commentary: Reduce overall energy use: This target is currently failing and will not be achieved by the end of the year. A budget of £20k has been allocated to energy efficiency schemes in 08/09, which will be used to install a voltage optimiser (Powerperfector) system within Lancaster Town Hall which will reduce energy consumption in this building during the months of February and March 2009. A further small reduction may be achieved with staff co-operation through housekeeping initiatives (such as turning off computers, lights and photocopiers) however this would only result in a small reduction in energy use and would require additional resources in the form of staff time to raise awareness/enforce. A further contributory factor in the failure of this target is the current weather conditions; we are experiencing a cold winter with extreme temperatures. Without further investment in technology/buildings it will not be possible to reduce energy consumption and this will also impact on CO2 emissions.

Corporate PRT Report
Quarter 3 2008/2009

Ref No.	Performance Indicator	Measure-ment Interval	Type Of Measure-ment	Outturn 07/08	Target 08/09	Good Is	Q1	Q2	Q3	Year To Date	Status	Performance Commentary
17	PROP02 Reduce CO2 Emissions	Quarterly	Snapshot	0.10	Low	0.02	0.04	0.07	0.07		 Failing	Q3 Performance Commentary: Reduce CO2 Emissions: This target is also failing and again will not be achieved by the end of the year. A budget of £20k has been allocated to energy efficiency schemes in 08/09, which will be used to install a voltage optimiser (Powerperfector) system within Lancaster Town Hall which will reduce energy consumption in this building during the months of February and March 2009. A further small reduction may be achieved with staff co-operation through housekeeping initiatives (such as turning off computers, lights and photocopiers) however this would only result in a small reduction in energy use and would require additional resources in the form of staff time to raise awareness/enforce. A further contributory factor in the failure of this target is the current weather conditions; we are experiencing a cold winter with extreme temperatures. Without further investment in technology/buildings it will not be possible to reduce CO2 emissions.
18	SH13 08/09: Number of properties in which serious hazard eliminated	Quarterly	Cumulative	120.00	High	20	25	27	72		 Failing	Performance has been affected by capacity in the Housing standards team. The Housing Act 2004 introduced new statutory duties for which the team does not have the capacity to undertake adequately.
19	SH25 08/09 No. of properties accredited	Quarterly	Cumulative	30.00	High	2	1	5	8		 Failing	The council has little control over how may Landlords request accreditation but capacity issues in the team mean that no proactive work can be carried out

ACTION NOTE - 2008/09 Quarter 2 CORPORATE PERFORMANCE REVIEW TEAM MEETING

SERVICE AREA: FINANCIAL MONITORING – ALL SERVICES

DATE: 26 NOVEMBER 2008

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

Updated showing progress for Q3

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
	PROGRESS FROM THE LAST MEETING WAS NOTED AND THERE WAS NOTHING TO BRING FORWARD.		
1	Property Services more robust in PRT monitoring following issues in SLH. Major variance not reported in PRT.	HPropS	<p>Revised income budget has been amended. Whilst the variances were reported and commented on in the background papers at PRT1 and PRT 2, this information was not transposed onto the summary sheet.</p> <p>The take up of rooms and offices, and hence rental income has been less than expected after larger tenants vacated last year. Some of these tenants have taken up space in CityLab thereby ensuring budgets for that property have been maintained/improved.</p>
2	With reduced search activity, request options for service management efficiencies.	HL&HR	Options presented as part of Star Chamber budget exercise. No further action needed.
3	Request report back why postage costs have exceeded budget. Are the savings from the TNT contract being achieved?	HPropS	At the time of reporting, the budget was showing a deficit. It has since been identified that this is because there has been increased postage through the new TNT system with the Revenues Service using the system rather than dealing with their own postage. Arrangements have now been made to merge the budget figures and the outcome is showing postage to be on target and savings being achieved as anticipated.

NO	AGREED ACTION	RESPONSIBILITY	PROGRESS
4	Request report back on Salt Ayre income projection for Reflexions.	HCS	The report on income projections for Reflexions, was incorporated into the Salt Ayre Sport Centre/Community Swimming Pools Savings Options Cabinet report of the 17 February 2009, which ultimately recommended a total budget reduction in 2009/10 of £119,000 for Salt Ayre Sports Centre.
5	Request report back on Planning Service staffing levels due to downturn. Less applications, opportunities for reduced capacity.	HPlans	Options presented as part of Star Chamber budget exercise. No further action needed.

RCM/JEB/27 Nov 2008



Corporate Financial Monitoring December 2008 | Quarter 3

Report of the Head of Financial Services
 Corporate PRT meeting | 03 March 2009

HEADLINE INFORMATION

REVENUE	Current (Underspend) / + Overspend	Projected (Underspend) / + Overspend
General Fund	(£24,000)	(£7,000)
Housing Revenue Account	+£109,000	(£28,000)

CORPORATE FINANCIAL MONITORING

December 2008 | Quarter 3

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 December 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.

It should be noted that this quarter's monitoring is based on the Revised Budget as approved by Council 04 February 2009.

2. GENERAL FUND REVENUE MONITORING

2.1 General Fund Summary Position

The current overall general fund summary position shows that at the end of December there is a net underspend of £24K against the revised budget. This is expected to reduce to £7K by the end of the year, i.e. based on current forecasts, net spending is broadly in line with the budget.

VARIANCES	Current £000	Projected £000
Major Variances (see section 2.3)	+17	+63
Salaries (see section 2.4)	(41)	(70)
Total	(24)	(7)

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 2 this has been achieved.

	£000
Net Controllable Budget	23,934
2% Target	+/() 478
Provisional Controllable Net Overspend	(38)
Percentage of Net Controllable Budget	0.16%

2.2 Actions Arising from Previous Quarter

All actions from the previous quarter have been dealt with through the budget process, either by corrective action or presenting options to Star Chamber.

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 :		
Democratic Services	0	(15)
Legal & Human Resources	+1	+5
Information & Customer Services	(7)	(7)
Financial Services	(60)	(75)
CC(D)S	(11)	(10)
Property Services	+30	(6)
Econ Development & Tourism	(2)	(10)
Cultural Services	+33	+103
Health & Strategic Housing	+1	+6
Planning Services	+6	+40
Revenue Services	+40	+46
	+31	+77
VARIANCES NOT REPORTED :		
Planning Services	(14)	(14)
TOTAL NET OVERSPEND	+17	+63

There is one area where a variance has not been reported, and this relates to additional planning income (a licence application).

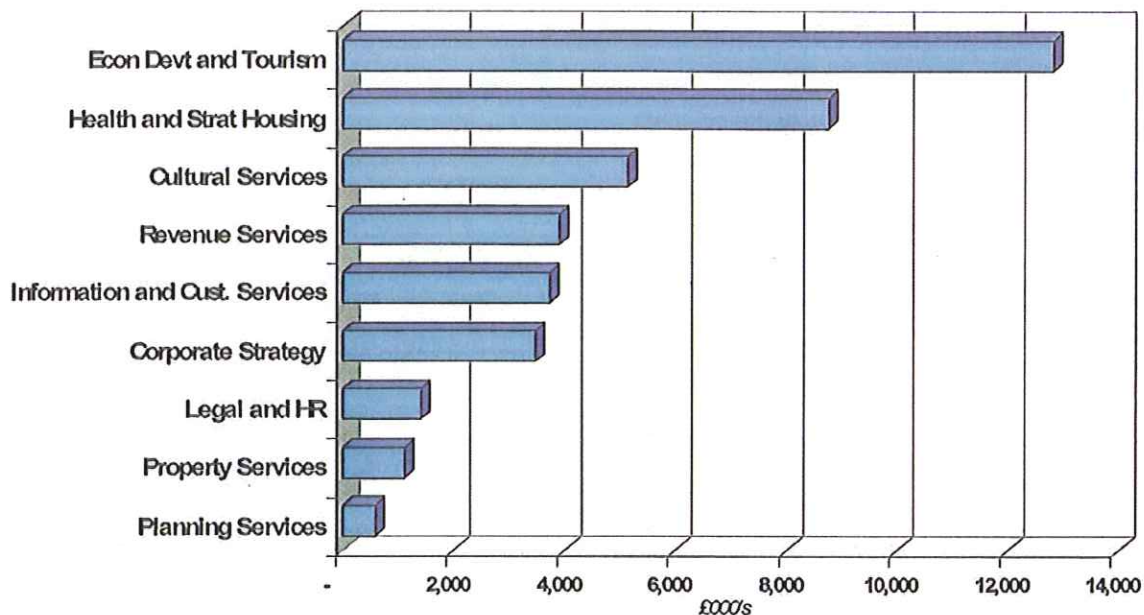
The variances listed in *Appendix A* show that there are a number of significant overspends relating to Salt Ayre Sports Centre and Heysham Pool energy costs, in addition to increased costs of Rent Allowances and delayed Planning Application fee income.

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 £41K have been achieved against the revised salary budget, which is anticipated to increase to a total saving of £70K by the year end.

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



3 GENERAL FUND CAPITAL PROGRAMME

3.1 Capital Expenditure & Financing

The capital programme has been revised as part of the current budget process and reported through to Cabinet accordingly. At present, there are no variances to report in respect of the approved revised programme.

At the end of December there was spend of £6.836M against the revised programme of £11.653M, leaving a balance of £4.817M still to spend by the end of the year.

4 HOUSING REVENUE ACCOUNT (HRA) MONITORING

4.1 HRA Revenue Position

At the end of December the position for the Housing Revenue Account shows an overspend of £109K against the revised budget, which is currently projected to change to an overall net underspend of £28K by the end of the year. The level of current overspend is predominately due to outstanding claims relating to insurance repairs as shown below.

	Variations to Date	Project to Yr End	Comments
	£000	£000	
Estates : electricity	(7)	0	Actuals to date based on estimated usage – to be reviewed and based on actuals.
Rechargeable Repairs	+28	0	Previous years debtors to be charged to Responsive Repairs.
R&M Mgt and Admin : salaries	(5)	(7)	Savings due to maternity leave
R&M : contracted services	+5	+15	Increase in demand on Void properties resulting in increased work required.
Responsive Maintenance : fees & charges	(14)	(16)	Additional contributions from owner/occupiers relating to septic tanks.
Council Hsg Mgt and Admin : electricity	(10)	(20)	Charges included in rental agreement therefore budget no longer required.
Council Hsg Mgt and Admin : Stock survey	(8)	0	Previous years debtor currently in dispute due to outstanding work awaiting completion.
Insurance Repairs	+120	--	Major incidents recoverable by claims
Total	+109	(28)	

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.

	2007/08	2008/09
	£	£
Estimate	7,744,200	8,307,375
Actual	7,778,722	8,307,243
Difference	(34,522)	132

4.3 Council Housing Capital Programme

This section analyses actual spend against the Council Housing Capital Programme to the period ended December 2008. Overall, there has been spend of £1.793M against the approved revised programme of £3.877M.

	Current Approved Programme £000	Spend to Date £000	Budget Remaining £000
Adaptations	250	167	83
Bathroom / Kitchen Refurbishment	705	475	230
External Refurbishment	915	446	469
Rewiring	281	0	281
Renewal of Heaters	251	0	251
Environmental / Crime Prevention	430	286	144
Re-roofing / Window Renewals	152	101	51
Energy Efficiency Works	478	315	163
Ryelands Development	1	1	0
Housing Office Alterations	3	2	1
Non Sheltered Housing Scheme	60	0	60
IT Replacement	60	0	60
TOTAL	3,586	1,793	1,793

5 REVENUE COLLECTION PERFORMANCE

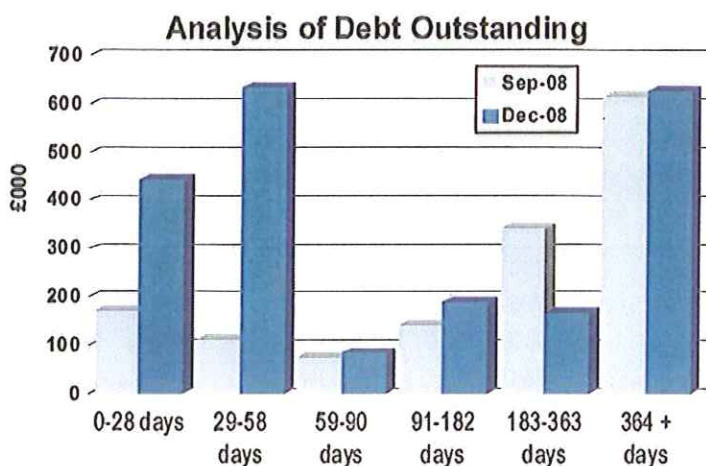
5.1 Council Tax & Business Rates

This section analyses the Council Tax and Business Rate collection statistics. Performance against the in-year collection targets is slightly down, being down 0.1% for Council Tax and down 1.56% for Business Rates. The latter has declined due to increases in the overall amounts collectable and the impact of new Empty Property Rate legislation, as well as the economic downturn.

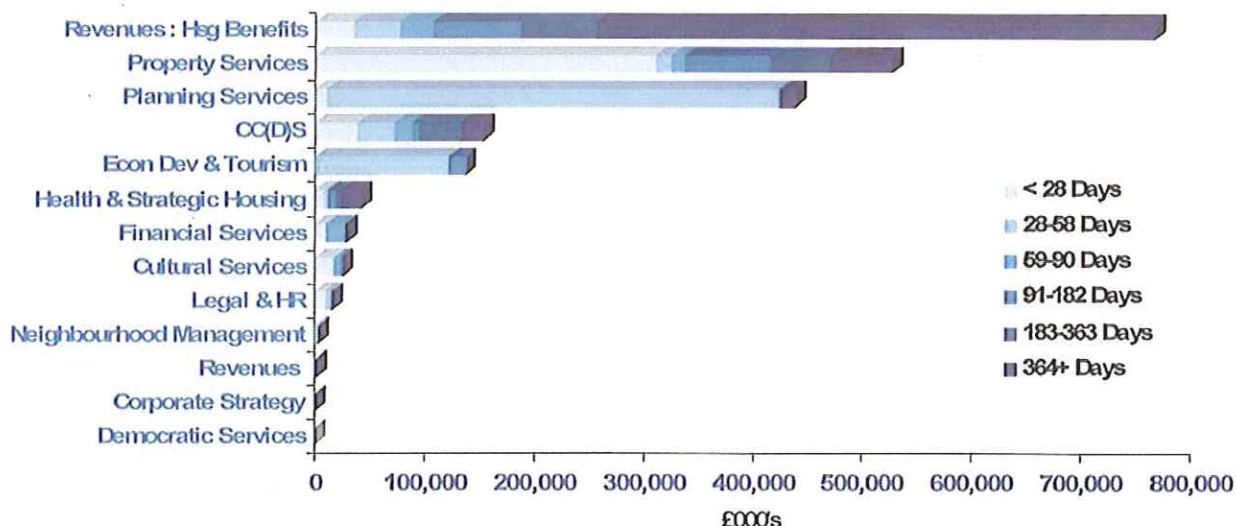
Percentage Collected	2007/08	2008/09	2008/09	2008/09	Status
	%	%	Target	Actual	
			%	%	
	All Years		In Year		
Council Tax	80.26	80.52	97.10	85.48	On Target
Business Rates	89.11	87.93	99.20	88.37	On Target

5.2 Sundry Debts

This section sets out the latest position on the level of outstanding sundry debts (excluding Council Housing). At the end of December the total debt outstanding was £2.1M, which is over £0.4M more than the same period last year. The analysis shows that the overall level of debt has increased by £600K from the previous quarter. This is mainly due to quarterly rents being raised by Property Services (175 invoices with a value of £310K) and three invoices raised by Planning with a value of £408K, the main one relating to the Cycle England scheme. This is currently being pursued.



	Sept 08	Dec 08
	£000	£000
0-28 days	173	442
29-58 days	112	633
59-90 days	76	84
91-182 days	142	190
183-363 days	342	167
364+ days	613	626
	1,458	2,142
Previous Year	2,047	1,765



6 INSURANCE & RISK MANAGEMENT

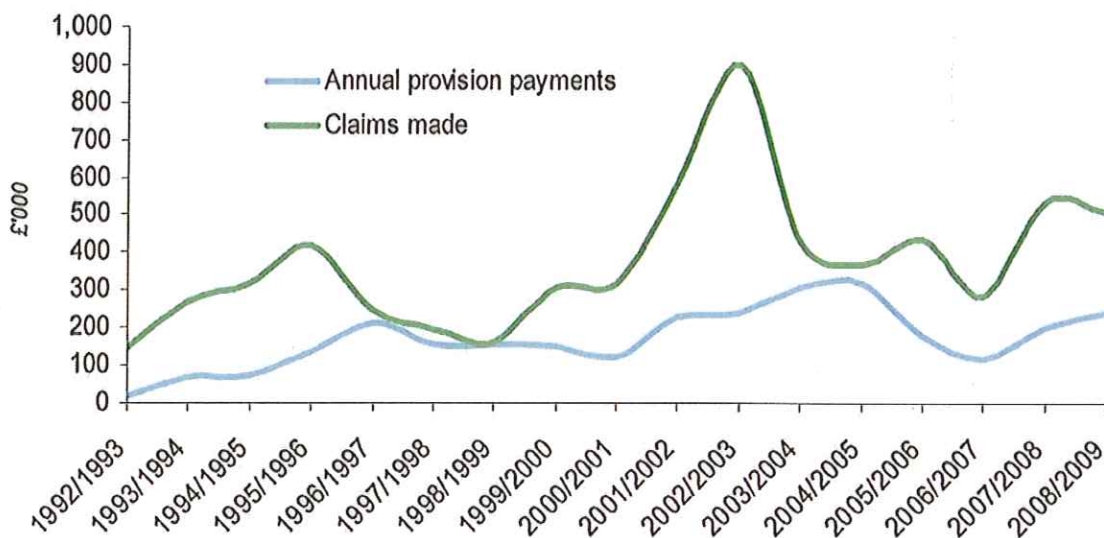
6.1 Insurance Monitoring

The current balance on the insurance provision is £277K, after making payments of £240K in settlement of claims made, and receiving £70K as credits from the insurers in respect of claims above the excess.

At present, our insurers estimate that the value of claims outstanding is £546K, which relate to a total of 248 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 £306K, which is £29K above the current provision.

It is highly unlikely that all these outstanding claims will fall due for payment in the same financial year. For 2008/09 it is anticipated that claims paid will amount to approximately £340K, which means a further £100K in payments, which is well within the current provision. 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.

Analysis of claims made, paid and outstanding by year.



6.2 Other Risk Management

The Council's existing risk management procedures are currently undergoing a substantial review.

The Council's first Risk Management Policy and Strategy were adopted on 16 December 2003. Since that date, the Strategy has been reviewed and updated three times; namely, July 2005, June 2007 and May 2008. These amendments to the Strategy were fairly minor, involving changes to phraseology and reporting procedures etc. However, although these minor amendments were introduced, the procedures relating to the management of risk itself have remained largely unaltered for 5 years. There is now a need to review the effectiveness of these procedures and introduce improvements, calling on lessons learnt in the last 5 years.

The review will consider if any improvements can be made to the way that risk is managed in several key areas, namely; strategic planning, business planning & performance management, project management, decision making, partnerships and business continuity. The main objectives in looking at each of these key areas will be;

- to provide assurance as to the effectiveness of Services' current risk management arrangements, particularly focussing on risks associated with business objectives (i.e. via the Corporate Plan and Service Business Plans).
- to assist with the development and streamlining of current risk management arrangements, particularly focussing on integration with the Performance Management Framework (PMF).
- where possible, to help the Council improve on its Use of Resources assessment.

Full details of the review, together with the revised Risk Management Strategy, will be reported back to the next meeting of Audit Committee and approval to implement any changes/improvements will be sought.

SUMMARY OF MAJOR VARIANCES (Qtr 3 2008/09)

(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)				
Democratic Services	Electoral Registration	Underspend resulting from efficiencies in implementation of Electoral Administration Act.	+0	(15,000)
Legal & HR	Search Fees	Reduction in income due to decline in housing market. Whilst it is impossible to predict, it has been assumed that this will continue in future months. The position is being closely monitored.	+4,800	+15,000
	Licensing Act 2003 Premises Fees	More income than anticipated from new and variation applications. The annual fees are all payable in November and have now been received.	(3,700)	(10,000)
Information & Customer Services	Printing / copying equipment	Savings due to moving away from desk top printers to Multi Functional Devices.	(8,900)	(6,900)
Financial Services	Investment Interest	Re-assessment of budget following further reduction in Bank of England rate.	+17,000	+42,000
	Debt Repayment : Minimum Revenue Provision	Re-assessment of minimum statutory requirement.	+0	(117,600)
CC(D)S	Transport Costs : Fuel	Savings due to reduction in oil prices.	(12,000)	(24,000)
	Recycling Income	The market for recyclables collapsed (as widely reported in the media) in the autumn.	+8,000	+19,000
	Trade Refuse - Waste Disposal Costs	Tonnage down therefore costs reduced.	(20,000)	(20,000)
	Trade Refuse Income	Latest predictions suggest a fall in trade refuse income.	+15,000	+15,000
Property Services	Storey Institute - hire of premises	Windfall income for room hire.	+0	(18,000)
	Off Street Car Parks : Fees	Whilst current income levels are broadly in line, it is anticipated that the budget will be exceeded by the year end.	+0	(20,000)
	Repair and Maintenance	Additional costs due to buildings deteriorating faster resulting in more emergency repairs - officers looking at whether certain costs should be capitalised.	+30,400	+30,400
Economic Development & Tourism	Business Development Grants	Underspend on Business Development schemes.	(1,700)	(10,000)
Cultural Services	The Dome	Three events all with estimated secondary income of £20k have been cancelled.	+12,900	+20,000
	Heysham Pool - Energy Costs	Additional energy costs resulting from energy supplier undercharging error.	(6,300)	+28,800
	Heysham Pool - Private Hire	Loss of private hirers.	(1,600)	+10,000
	Heysham Pool - Junior Lessons	Additional course hire fees.	(4,200)	(6,000)
	Salt Ayre Sports Centre : Electricity	Increase in consumption and significant increase in charge rate - officer currently investigating.	+15,700	+30,000
	Salt Ayre Sports Centre : Gas	Small increase in consumption due to cold weather. N.Power now charging transportation costs - additional £6k at end of December.	+16,200	+20,000
Health & Strategic Housing	Management & Admin : Income	Additional admin fee income due to increased DFG allocation.	(9,000)	(10,000)
	Pest Control - Insect Control Charges	Demand for treatments fallen due to adverse weather conditions affecting insect populations.	+2,200	+8,000
	Pest Control - Rodent Control Charges	Demand for treatments has fallen.	+7,700	+10,000
Planning Services	Building Regulation Fees	Downturn in economic activity and application numbers. Revised estimate should however be met.	+5,600	+0
	Development Control : Fees	Continued downturn in economic activity resulting in reduced applications. Several major applications with large fees, at pre-app discussion stage but submissions likely 2009/10.	+0	+50,000
	Capital Salaries Income	Anticipated additional capital salary income at year end.	+0	(10,000)
Revenue Services	Benefits - Rent Allowances	Increase in spend due to more claimants in last 2-3 months together with introduction of Local Housing Allowance has produced an overall reduction in income, partially offset by increases in overpayment recoveries.	+40,000	+46,000
VARIANCES NOT REPORTED THROUGH PRT PROCESS				
Planning Services	Sea & River Defences : Income	Additional income received in respect of Wind Farm Cable Licence.	(13,700)	(13,700)
TOTAL VARIANCES			+94,400	+63,000

PERFORMANCE REVIEW TEAM

2008/09 Treasury Management Progress Report to 31 December 2008

Report of Head of Financial Services

1. Introduction

It is a requirement of the CIPFA Code of Practice on Treasury Management that regular monitoring reports are presented to Members on treasury activities. These reports will normally be presented soon after the end of June, September, December and March.

Cabinet approved the Treasury Strategy for 2008/09 on 19 February 2008 and the Investment Strategy was approved by Council at its meeting on 27 February 2008. This report outlines activities undertaken in pursuance of those strategies during the financial year.

Please note that colour copies of the graphs contained in this report are available on request.

2. Progress to 31 December 2008

2.1 Long Term Debt Portfolio

The amount that the Council can borrow from the Public Works Loan Board (PWLB) in 2008/09 is dependent upon the Prudential Indicators set by the authority.

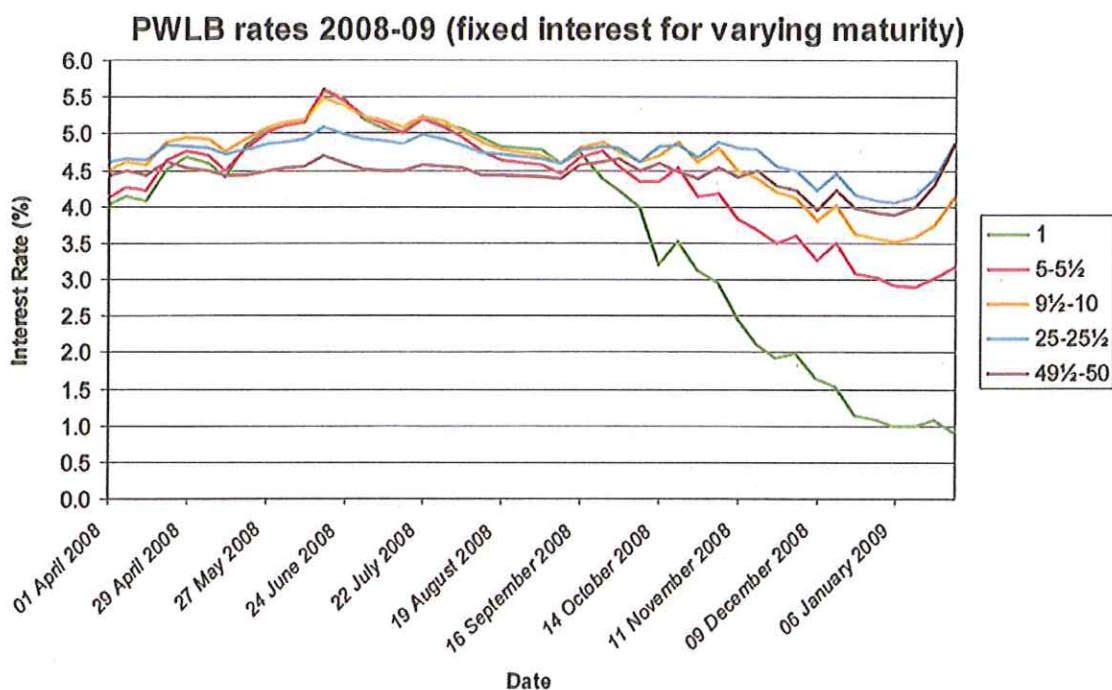
The forecast position on external borrowing remains static despite the fact that by the end of 2008/09 there will be a cumulative increase in the underlying need to borrow of £3.370M (2006/07 £1.608M, 2007/08 £1.762M, 2008/09 £0.214M, 2009/10 -£0.214M) for which no actual additional borrowing has been taken up. This is because the twin issues of the amounts set aside for the future repayment of debt, and a cashflow position which is forecast to remain strong, mean that there is no immediate need to take out new loans.

There was no change to the level of external debt outstanding at the end of Quarter 3 (£44.8M). This is comfortably within both the Operational Boundary (£49.1M) and the Authorised Limit (£56.3M) for external borrowing (see *Appendix A* for definitions of the above). This would have remained the case even if the full balance of approved additional borrowing shown above had to been taken up.

As at the end of quarter 3 no debt rescheduling had occurred. The Head of Financial Services, in conjunction with the Council's treasury management consultants, will continue to monitor prevailing rates to identify any potential opportunities during the final quarter of the year.

As can be seen on the graph below, the rates for shorter term borrowing have seen a sharp decline whilst the 50 year rates had come down from 4.5% to 4% at the end of December but are increasing toward 5% going into quarter 4. Looking forward, this potentially reduces the cost of paying debts off early. This is an attractive option given the multiple factors of low

investment yields, volatility in the credit rating of counterparties and the ability to obtain good value, short term borrowing.



2.2 Short Term (Temporary) Borrowing

Although the Council's cash flow position has remained strong, short term factors such as the exact timing of major cash receipts and the main payments to Central Government etc., can always create a requirement for temporary borrowing. No such requirement has yet arisen during 2008/09, although as can be seen from the PWLB data, should the need arise, the price of short term borrowing is currently very low.

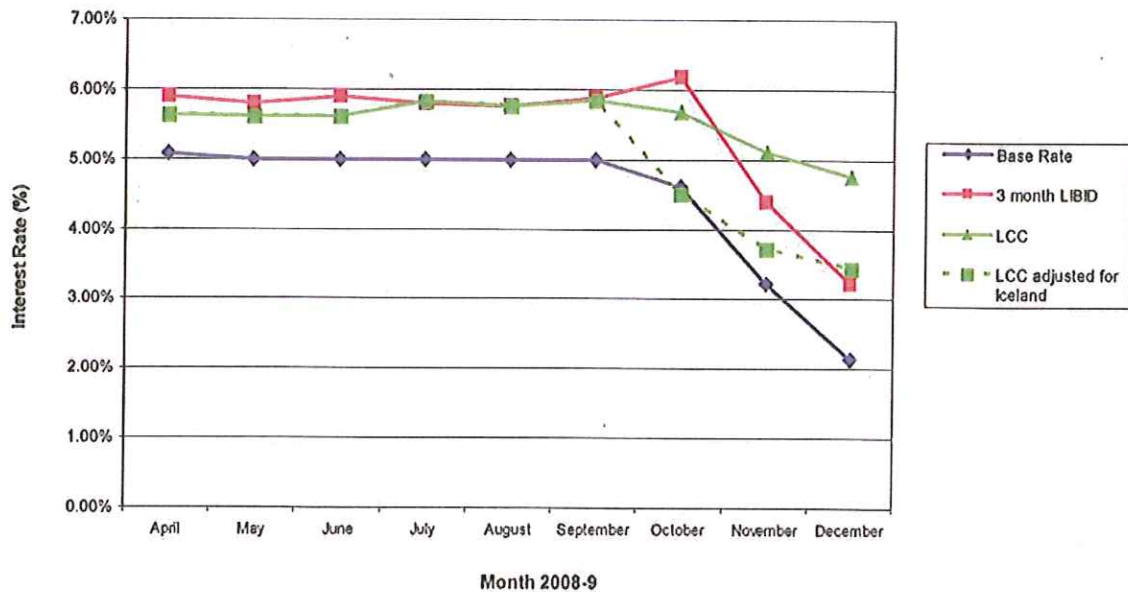
2.3 Investing Activities

All investments have been placed in accordance with the approved Investment Strategy. A full list of the investments placed during the year is enclosed at **Appendix B**. Given the current economic situation, no further fixed term investments have been made since the Quarter 2 update.

It should be noted, however, that the £6M limit on short term investments was exceeded on one call account on 23 December. £900k was requested back from the Abbey National to prevent a breach of its £6M limit, but unfortunately this was repaid into the wrong account. This was then returned to the Council's Abbey account the next day, leading to a breach of the £6M counterparty limit. Whilst this is predominantly an administration error by the bank, a review of controls has been conducted and a new reconciliation process on the call accounts is to be implemented.

Setting performance targets for investment interest is difficult as short term money market rates fluctuate daily. Previously, the rates achieved on new investments have been compared with the Base Rate and with the 3 month LIBID (a benchmark adopted by some Council's as it reflects the balance between short term cashflow-dictated deposits and longer term 'core' deposits). These comparisons are shown below:

Analysis of Interest Rates vs Investment return



In summary, the Council has been successful in achieving a return on its investments just over 1.1% higher than Base Rate and a 0.1% above the 3 month LIBID. The average rates over the first three quarters were as follows:

Base Rate	4.45%
3 Month LIBID	5.43%
Lancaster CC Investments	5.54%

Lancaster CC investments adjusted 5.11%

Quarter 3 has seen a sharp drop in interest rates following moves by the Bank of England to help stimulate the economy. As the Authority still holds a number of fixed term investments that were deposited prior to the drop in interest rates, the Council's portfolio is out-performing both the base rate and the LIBID rate. This, however, does not reflect the fact that as of 08 October 2008 the Council effectively has £6M of investments (in Icelandic banks) with a 0% return. When this is adjusted for, the average rate over the first 3 quarters is 5.11%, which still compares favourably with the base rate and is only 0.3% below LIBID.

Looking at these 9 months in isolation, the relationship between the levels of 3 month LIBID and Base Rate appears stable. However, this disguises the fact that the gap between the two is actually unusually wide. This has been the case for several months now and is another reflection of the ongoing uncertainties in the financial markets.

From a budgetary point of view, it was assumed that base rates would have fallen to at least 5.25%, and perhaps to 5%, by the beginning of April, with a further fall to 4.50% by the end of the calendar year. Recent events have significantly changed this view with the base rate at the end of December being 2%. Going forward into January, this was cut further to 1.5%. This will have a serious impact on investment returns going forward, once the current fixed rate deposits have matured. This reduced income has been reflected in the 2009/10 budget process. Furthermore, as any call account returns are directly linked to the base rate, the Council will see a drop in the returns on those accounts, the full impact of which will only be fully seen in quarter 4.

There is little further information in relation to Icelandic investments since the Medium Term Financial Strategy update. The future of the £6M currently invested plus interest due up to the date the banks went into administration, is subject to settlement with all creditors through the relevant administration processes here in the UK and in Iceland. Summary updates have

continued to be provided through to Council, however, linked to the development of the 2009/10 budget.

2.4 Prudential Indicators

The Prudential Code for Capital Investment introduced a number of Prudential Indicators, some of which replace the borrowing/variable interest limits previously set each year by councils. Reference has already been made to certain indicators and other relevant monitoring information is also set out at *Appendix A*.

2.5 Summary of Budget Position at 31 December 2008

The investment interest budget for 2008-09 was originally as follows:

Total investment interest £1,113k

Split out:

HRA £254k

General fund £859k

This was amended to a gross budget of £1,003K following the Icelandic banks going into administration. The simple profiled budget is £752K vs actual to date of £812K (see appendix B) but it is anticipated that this position will deteriorate going into quarter 4 given the sharp reduction in base rates, and will result in a budget shortfall of £42K for the year.

2.6 Approved Investment Counterparties

The criteria for inclusion in the Council's list of approved investment counterparties underpin the Investment Strategy. The criteria seek to minimise the risk involved in placing investments, by setting time and volume limits to an institution through an analysis of its credit ratings. The list was updated as part of the 2008/09 Treasury Management Strategy (and will be updated for 2009/10, at Council on 04 March).

No forward deals were being entered into as a result of the increasing crisis affecting the banking sector. This limit is still in place.

The full list of current approved investment counterparties is available on request.

3. Treasury Management Consultancy Service

Officers have continued to consult with Butlers, the authority's Treasury Management consultants, during 2008/09.

4. Conclusion

There has been no activity in respect of long-term borrowings. No rescheduling opportunities have arisen and the continuing strength of the cash flow position has meant that no new borrowings have been required. The recent upturn in long term PWLB rates means that there may be some opportunity to reschedule debt in quarter 4.

There have been no new fixed term investments made in Quarter 3. Although the Council's portfolio is performing well in %age terms against prevailing interest rates, the original investment interest budget has been reduced following on from Iceland, and the reduction in rates etc. is predicted to cause further budgetary pressure going into Quarter 4.

PRUDENTIAL INDICATORS - LANCASTER CITY COUNCIL
Quarter 3 Update on Treasury Management activities, Performance Review Team,
31 December 2008

2008/09
£'000

AFFORDABILITY

PI 1: Estimates of ratio of financing costs to net revenue stream	Non - HRA	13.4%
	HRA	0.4%
	Overall	12.1%
PI 3: Original estimate of impact of Capital Investment decisions on the Council Tax This includes the impact of all elements of funding, including any increase in the need to borrow, required to finance new schemes added to the Capital Programme		£0.28
		0.16%
PI 4: Estimates of impact of Capital Investment on Housing Rents		Nil

PRUDENCE

PI 6: Original estimates of capital expenditure	Non - HRA	31,133
	HRA	3,280
	Total	34,413
PI 8: Original estimates of Capital Financing Requirement	Non - HRA	30,842
	HRA	15,303
	Total	46,145
PI 10: Authorised Limit Authorised Limit for Borrowing Authorised Limit for Other Long Term Liabilities Authorised Limit for External Debt		50,290
		310
		56,600
PI 11: External Debt: Operational Boundary		49,100

TREASURY MANAGEMENT

PI 13: Treasury Management: adoption of CIPFA code of Practice	The Council adopted the CIPFA code of Practice for Treasury Management at its meeting on the 13th March 2002.	
PI 14: Fixed Interest Rate Exposure The Authority will limit its exposure to fixed interest rate costs to the amounts payable on the following proportion of its outstanding debt. At 31 March 2008 the Council was exposed to fixed interest rate costs on 100% of its outstanding debt		100%
PI 15: Variable Rate Interest Rate Exposure The Authority will limit its exposure to variable interest rate costs to the amounts payable on the following proportion of its outstanding debt. At 31 March 2008 the Council was exposed to variable interest rate costs on 0% of its outstanding debt		0%
PI 16: Maturity Structure of Borrowing	Upper and Lower Limits	
		0% to 35%
	Under 12 months	0% to 5%
	12 months and within 24 months	0% to 10%
	24 months and within 5 years	0% to 20%
	5 years and within 10 years	60% to 100%
	10 years and above	
Maturity Profile of Current Outstanding Debt at 31 March 2008	Under 12 months	0%
	12 months and within 24 months	0%
	24 months and within 5 years	0%
	5 years and within 10 years	0%
	10 years and above	100%
PI 17: Investments for periods longer than 364 days	Maximum principal sum to be invested	6,000
	The above limit does not include sums for forward deals placed up to six months in advance for periods of 364 days or less. At 31 June 2008, the total amount of investments placed by the Council during the year, for periods of greater than 364 days, was £3m (see Appendix B)	

AUTHORISED LIMIT - The maximum amount of external debt, including both borrowing and other long-term liabilities, into which the Council may enter in the specified period.

OPERATIONAL BOUNDARY - The working boundary of total external debt, including both borrowing and other long-term liabilities, which will provide the day-to-day focus for Treasury Management activities. Unlike the Authorised Limit, it is not an absolute limit. It provides a mechanism to highlight whether or not external debt is being managed within the expected levels. The Operational Boundary can be exceeded if developing circumstances require, but if this happens then it will be the trigger for either corrective action or a revision of the relevant indicators.

APPENDIX B

INVESTMENT INTEREST EARNED TO 31 December 2008

Name	Start	End	Rate %	Days up to 31/12/08	Principal £	Interest £
Fixed term Investments						
Deposited 2007/08						
Northern Rock (1 Yr Fwd Deal)	01-Apr-08	18-Apr-08	4.98	17	2,000,000	4,639
Landsbanki Islands	01-Apr-08	08-Oct-08	6.25	190	1,000,000	32,534
EBS B.S.	01-Apr-08	03-Apr-08	5.90	2	2,000,000	647
Glitnir	01-Apr-08	08-Oct-08	5.76	190	3,000,000	89,873
Deposited 2008/09						
Bradford & Bingley	04-Apr-08	04-Jul-08	6.05	91	2,000,000	30,167
EBS B.S.	04-Apr-08	06-Oct-08	6.02	185	3,000,000	91,537
Kaupthing, Singer & Friedlander	16-May-08	08-Oct-08	6.00	145	2,000,000	47,671
Anglo Irish Bank Corporation	17-Jun-08	17-Jun-09	6.56	197	3,000,000	106,218
Irish Permanent Plc	02-Jul-08	02-Apr-09	6.31	182	3,000,000	94,391
Scarborough BS	02-Sep-08	02-Mar-09	5.98	120	2,000,000	39,321
Kent Reliance	02-Sep-08	02-Mar-09	6.02	120	2,000,000	39,584
Sub total						576,581
Call accounts						
Abbey National						171,783
Allied Irish						63,611
Subt total						235,394
TOTAL						811,975

For investments highlighted, the counterparties have since been downgraded and removed from the counterparty list as noted in the quarter 2 report.

Re Bradford & Bingley, the investment has now matured & monies returned to the Council.

Icelandic banks have been accounted for up to 8/10/08, the point at which they went into administration.

As at 25 November, no monies are held in the Allied Irish Call Account.

Budget & Performance Panel

BVPI Comparison Exeter Benchmarking Group

31st March 2009

Report of Corporate Performance Manager

PURPOSE OF REPORT

To provide Members with a comparison of the Council's performance against statutory Performance Indicators in relation to a number of similar local authorities.

This report is public

1. RECOMMENDATIONS

That Members should note this report and may also wish to keep this information to hand for future reference when considering council's performance.

2. BACKGROUND

Within the terms of the Local Government Act 1999 the Council has a duty to seek to continuously improve its services to the local community and to manage its performance to support that improvement.

Informed comparison is a key element of performance management. Authorities are required to set targets against all national and local indicators that allow for comparison nationally, performance indicators are a good starting point for comparison work, it is always useful to see what other similar authorities manage to achieve with similar resources.

Lancaster City Council is a member of the Exeter Benchmarking Group, (sometimes called the Historic Towns Group). This is an established network of District authorities who have a similar profile based on, size, demographic and budget. Each year a detailed comparison report of authority performance based on statutory BVPI's is produced. This report is used to help other authorities seek out best practice in similar organisations.

Members may find this comparison interesting, however as it is based on the most recently available **audited** performance information for the financial year 2007/08 it is a year out of date.

The comparison document is attached at **Appendix A**.

3. THE FUTURE

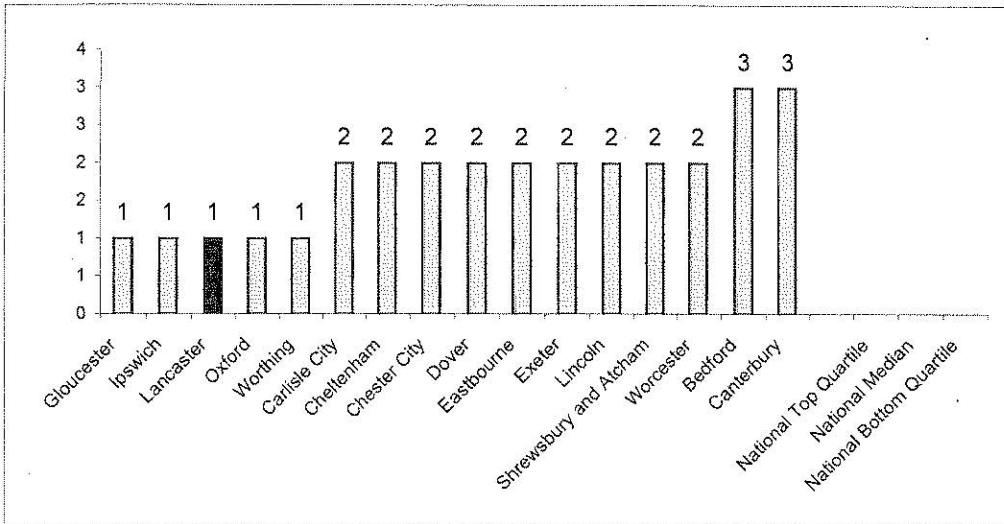
Members should not that this is the last time they will be presented with this now familiar comparison report. All BVPI's were deleted with effect from 1st April 2008. They were replaced with a set of National Indicators which focus upon the quality of life experienced by residents, rather than measuring the quality of service offered by councils. A relatively small number of these new indicators are required from district councils, the remainder will be collected the Lancashire Partnership (the County LSP) on a county-wide footprint.

The Audit Commission does not intend to produce national comparative quartiles for the new National Indicators.

FINANCIAL IMPLICATIONS	
None	
SECTION 151 OFFICER'S COMMENTS	
The Section 151 Officer has been consulted and has no further comments.	
LEGAL IMPLICATIONS	
The Council has a duty to continuously improve within the terms of the Local Government Act 1999 (the duty of Best Value). Legal Services have been consulted and have no further comments.	
MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS	Contact Officer: Liz Stokes
None	Telephone: 582150
	E-mail:
	Lstokes@lancaster.gov.uk

1. Corporate Health

1.1 Equality Standard for Local Government (BVPI 2a)



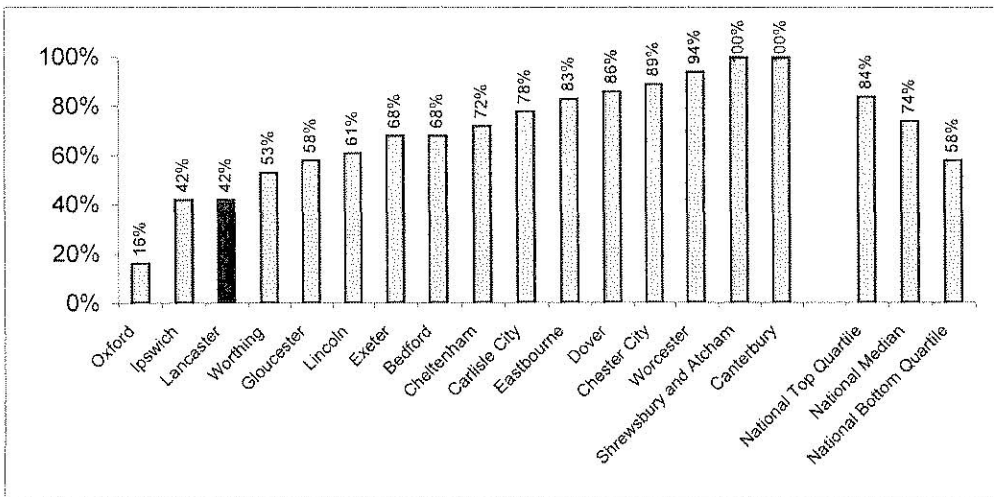
National Top Quartile= N/a

National Median= N/a

National Bottom Quartile= N/a

N/a

1.2 The duty to promote race equality (BVPI 2b)



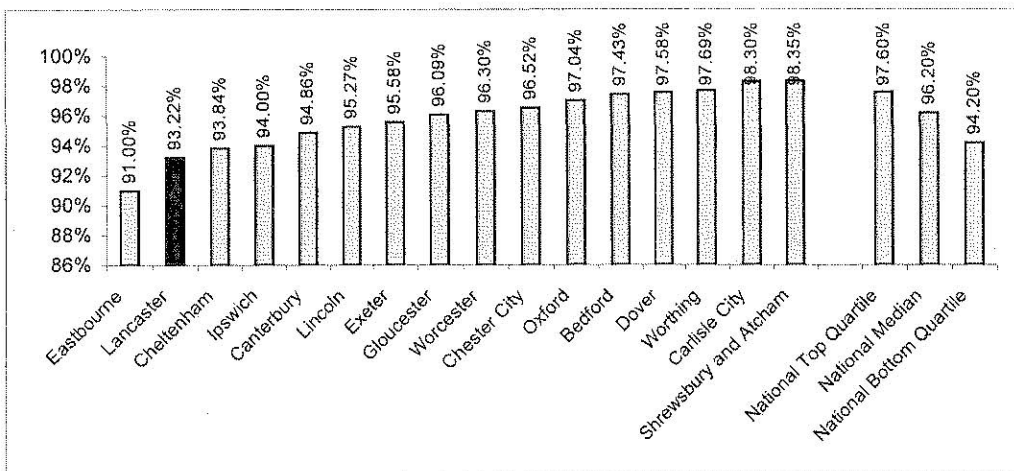
National Top Quartile= 84%

National Median= 74%

National Bottom Quartile= 58%



1.3 The percentage of undisputed invoices paid on time (BVPI 8)



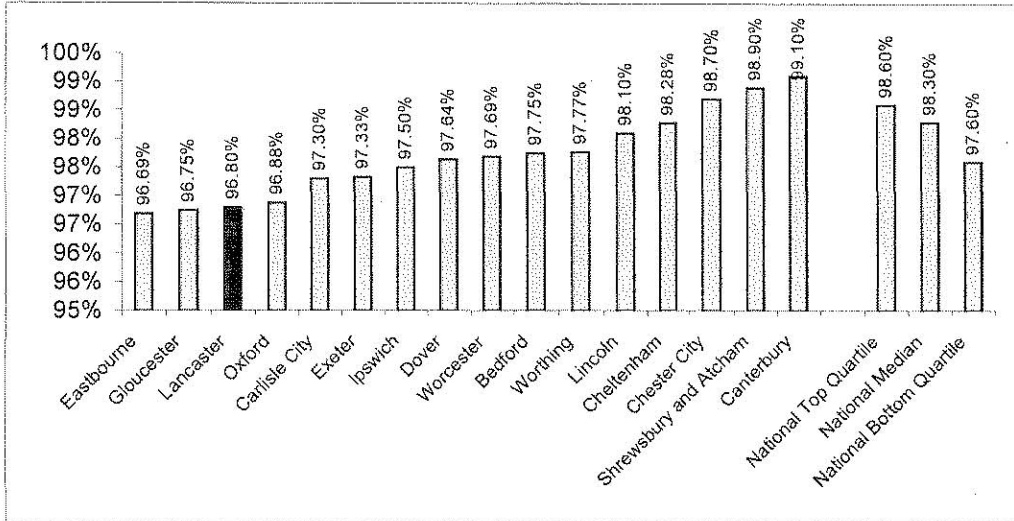
National Top Quartile= 97.6%

National Median= 96.20%

National Bottom Quartile= 94.20%



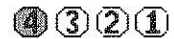
1.4 Percentage of council tax collected (BVPI 9)



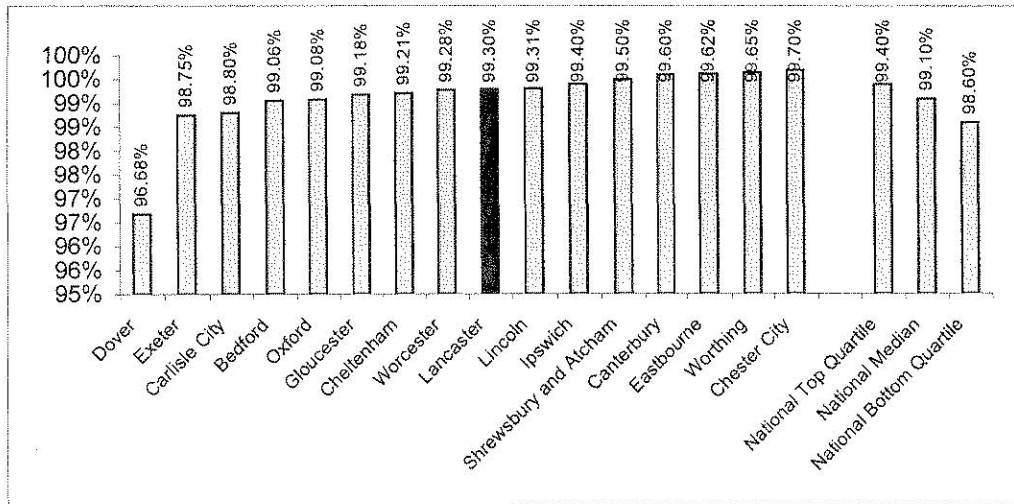
National Top Quartile= 98.60%

National Median= 98.30%

National Bottom Quartile= 97.6%



1.5 The percentage of non-domestic rates collected (BVPI 10)



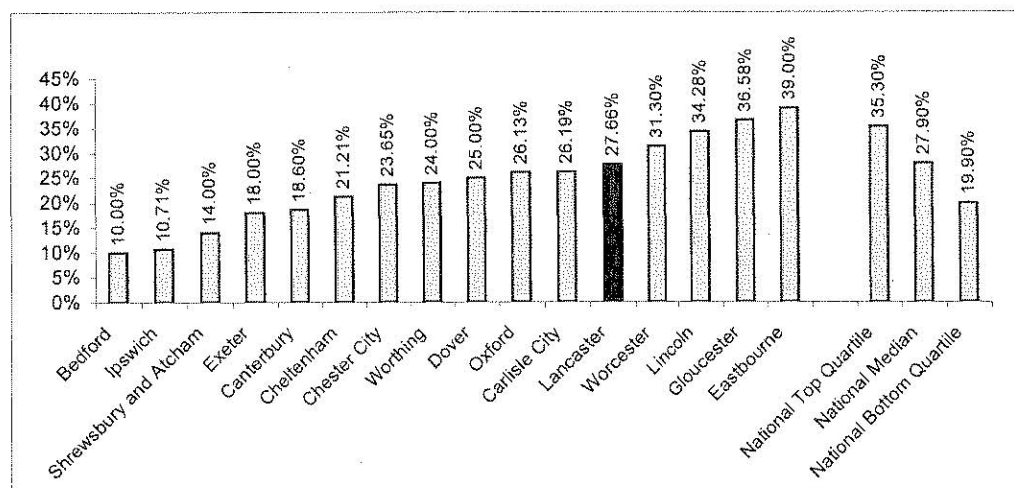
National Top Quartile= 99.4%

National Median= 99.1%

National Bottom Quartile= 98.6%



1.6 The percentage of top 5% of earners that are women (BVPI 11a)



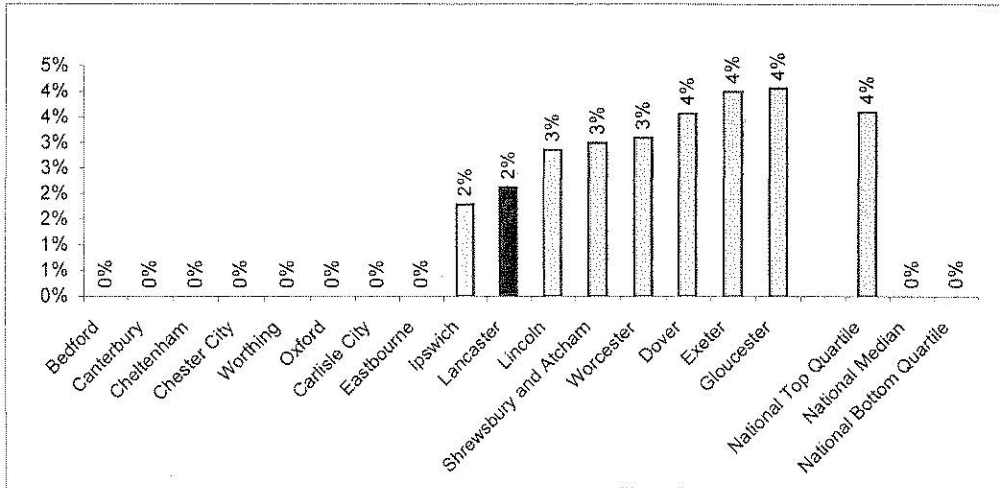
National Top Quartile= 35.3%

National Median= 27.9%

National Bottom Quartile= 19.9%



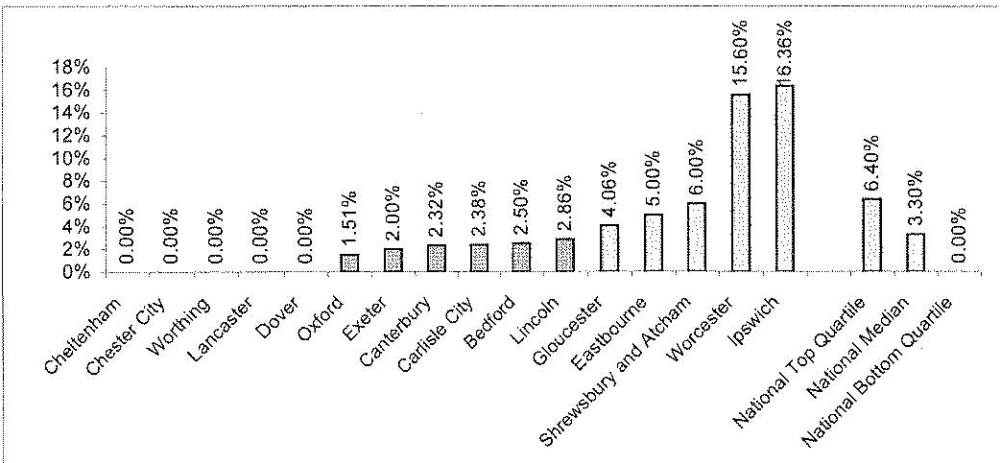
1.7 The percentage of top 5% of earners from minority ethnic communities (BVPI 11b)



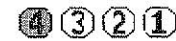
National Top Quartile= 3.6%
 National Median= 0.00%
 National Bottom Quartile= 0.00%



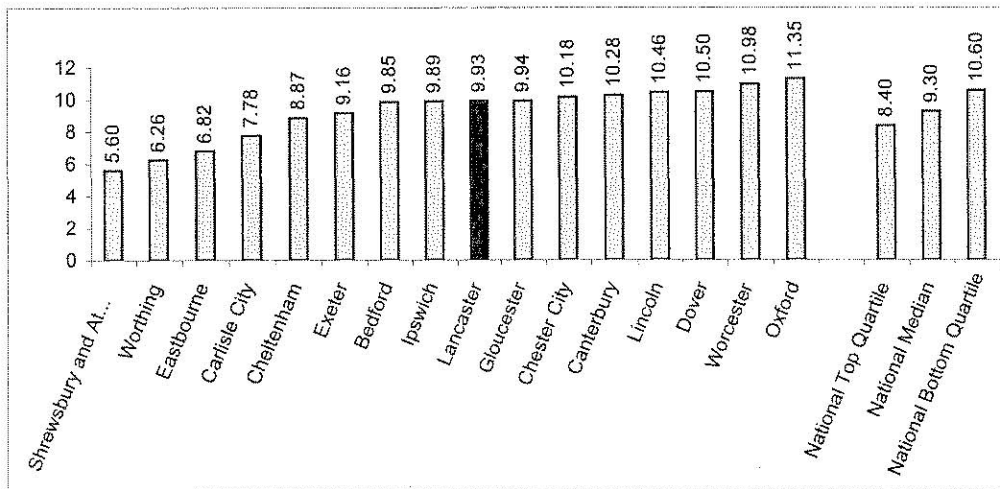
1.8 The percentage of top 5% of staff who have a disability (BVPI 11c)



National Top Quartile= 6.25%
 National Median= 3.13%
 National Bottom Quartile= 0.00%



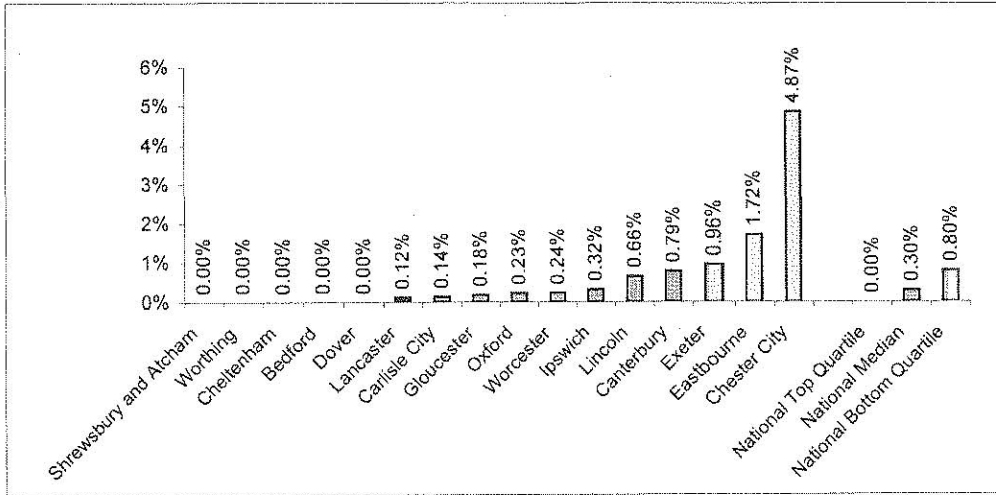
1.9 The number of working days lost due to sickness absence (BVPI 12)



National Top Quartile= 8.4
 National Median= 9.3
 National Bottom Quartile= 10.6



1.10 Percentage of employees retiring early, excluding ill-health retirements (BVPI 14)



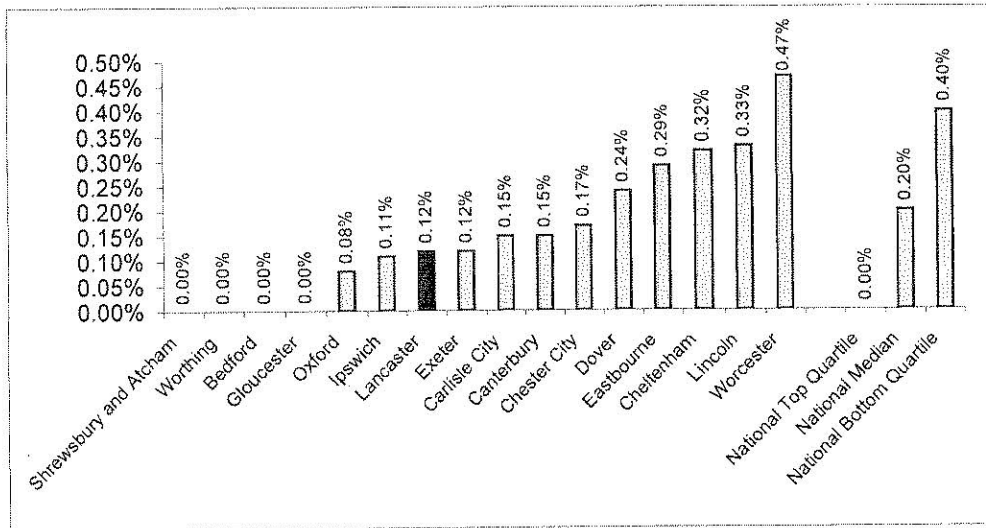
National Top Quartile= 0.00%

National Median= 0.3%

National Bottom Quartile= 0.8%



1.11 Percentage of employees retiring on the grounds of ill health (BVPI 15)



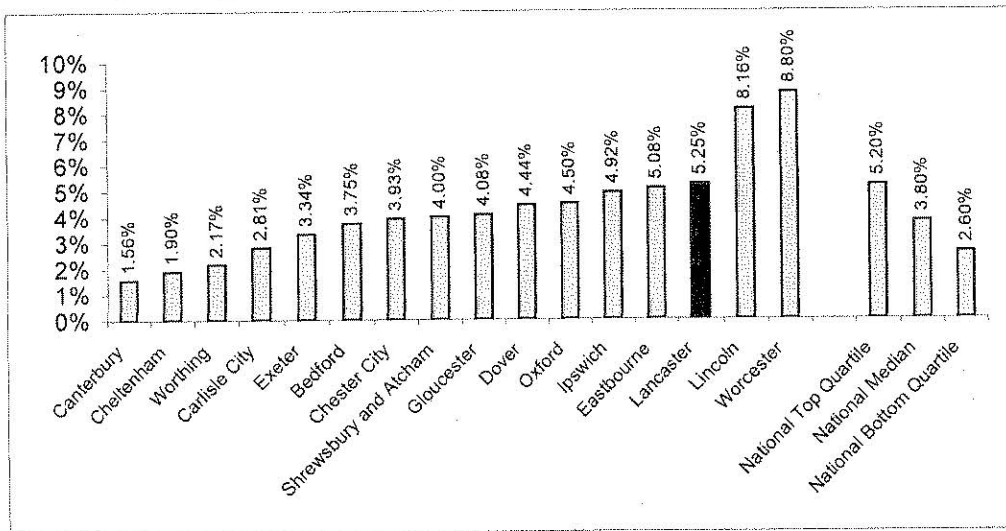
National Top Quartile= 0.00%

National Median= 0.2%

National Bottom Quartile= 0.4%



1.12 The percentage of local authority employees with a disability (BVPI 16a)



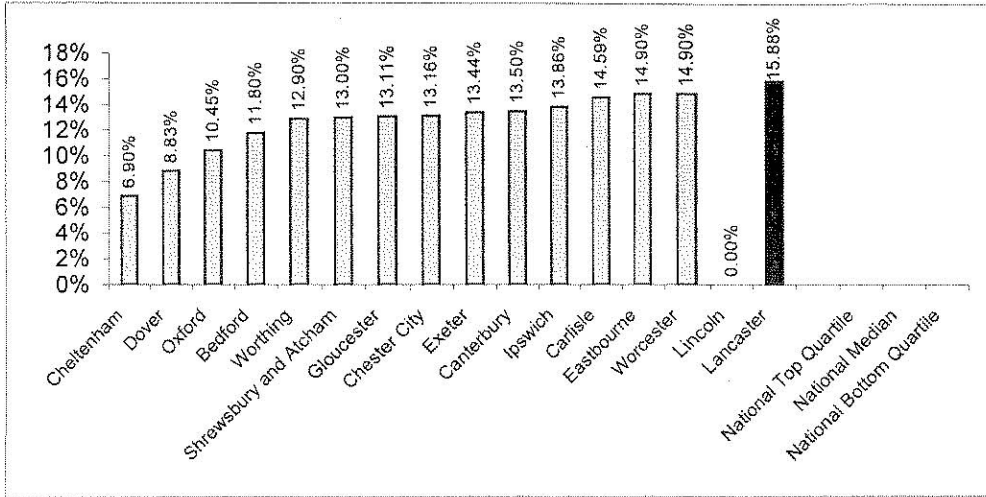
National Top Quartile= 5.2%

National Median= 3.60%

National Bottom Quartile= 2.39%

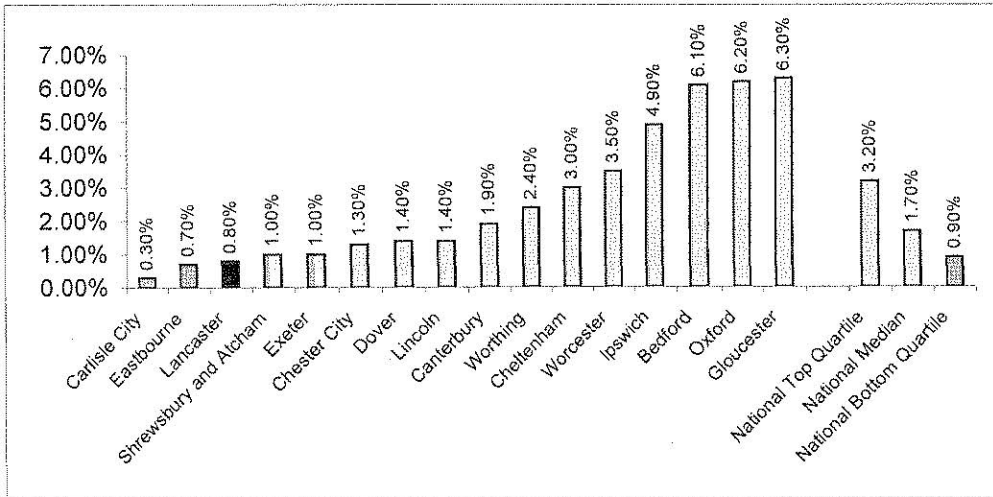


1.13 Percentage of economically active population with a disability (BVPI 16b)

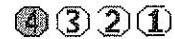


National Top Quartile= n/a
 National Median= n/a
 National Bottom Quartile= n/a
 n/a

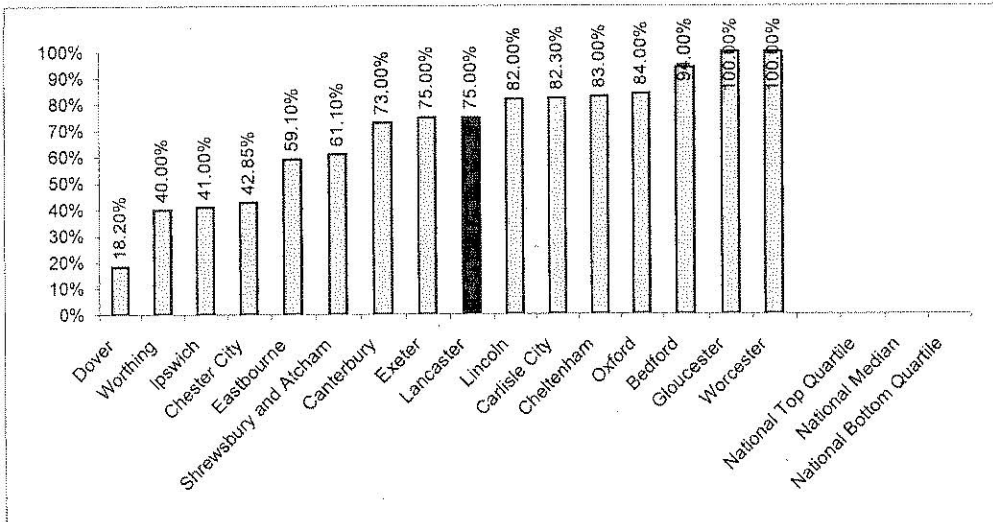
1.14 Proportion of local authority employees from minority ethnic communities (BVPI 17a)



National Top Quartile= 3.2%
 National Median= 1.7%
 National Bottom Quartile= 0.9%



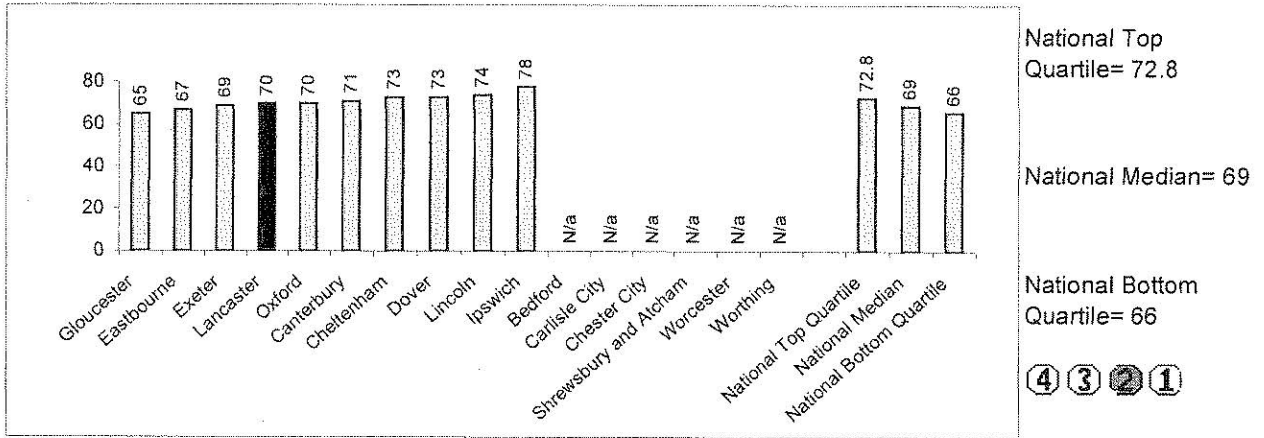
1.15 Percentage of authority buildings which are accessible to people with a disability (BVPI 156)



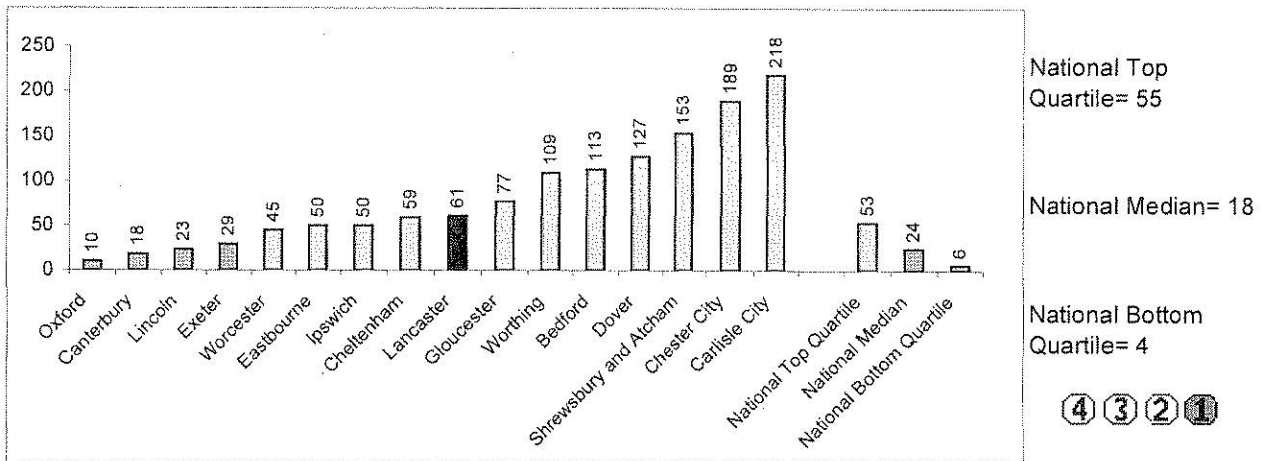
National Top Quartile= N/a
 National Median= N/a
 National Bottom Quartile= N/a
 N/a

2. Housing

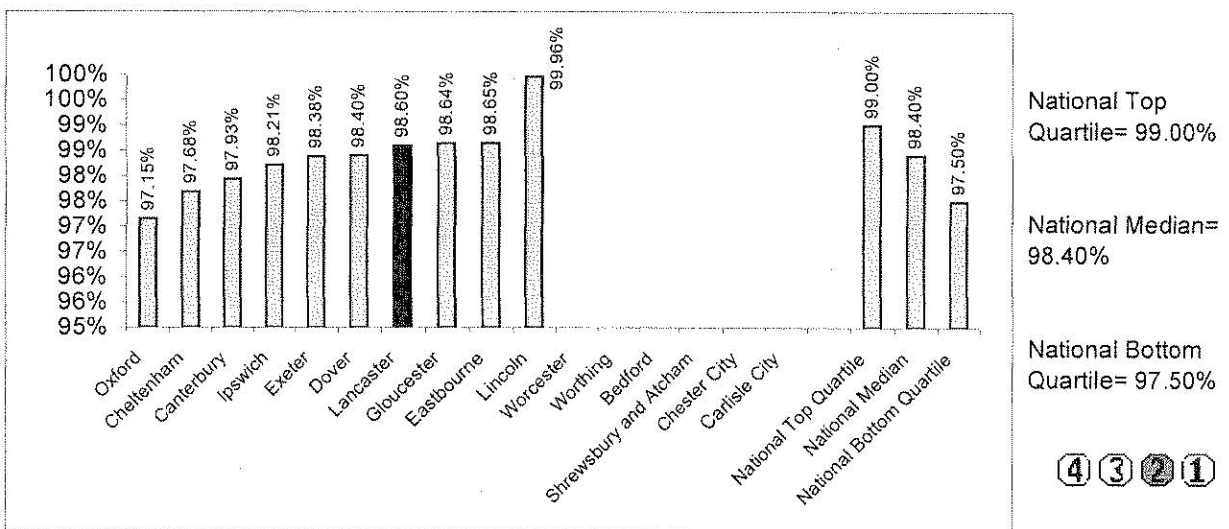
2.1 Energy Efficiency- the average Standard Assessment Procedure (SAP) rating of local authority owned dwellings (BVPI 63)



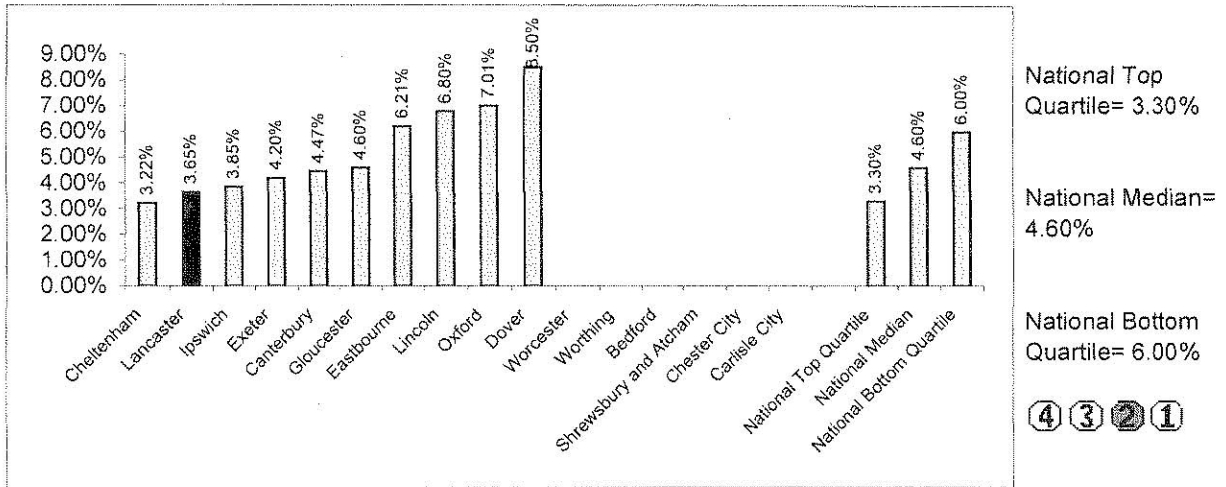
2.2 The number of private sector vacant dwellings that are returned into occupation (BVPI 64)



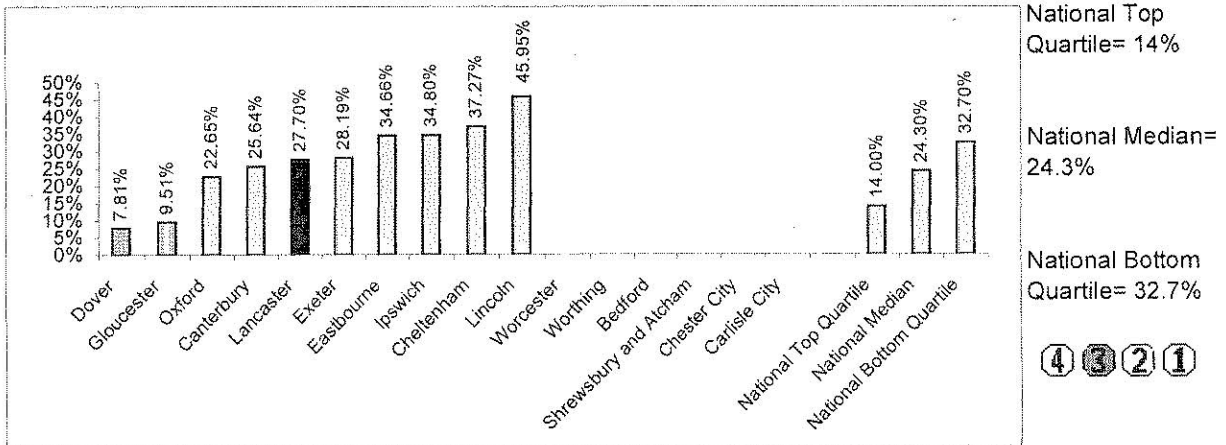
2.3 Rent collected as a proportion of rents owed on Housing Revenue Account Dwellings (BVPI 66a)



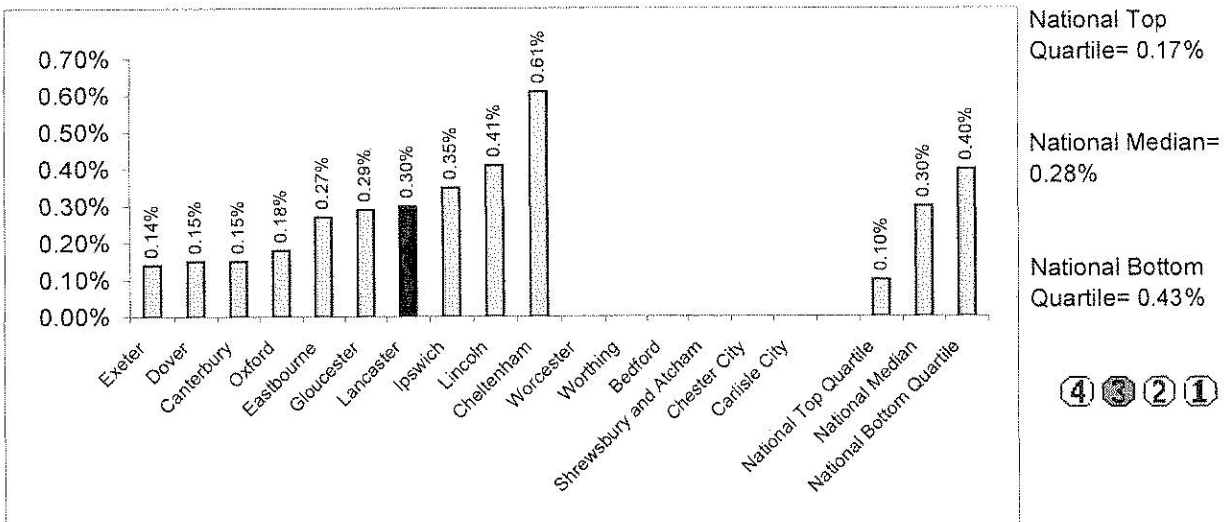
2.4 The percentage of local authority tenants with more than seven weeks of (gross) rent arrears (BVPI 66b)



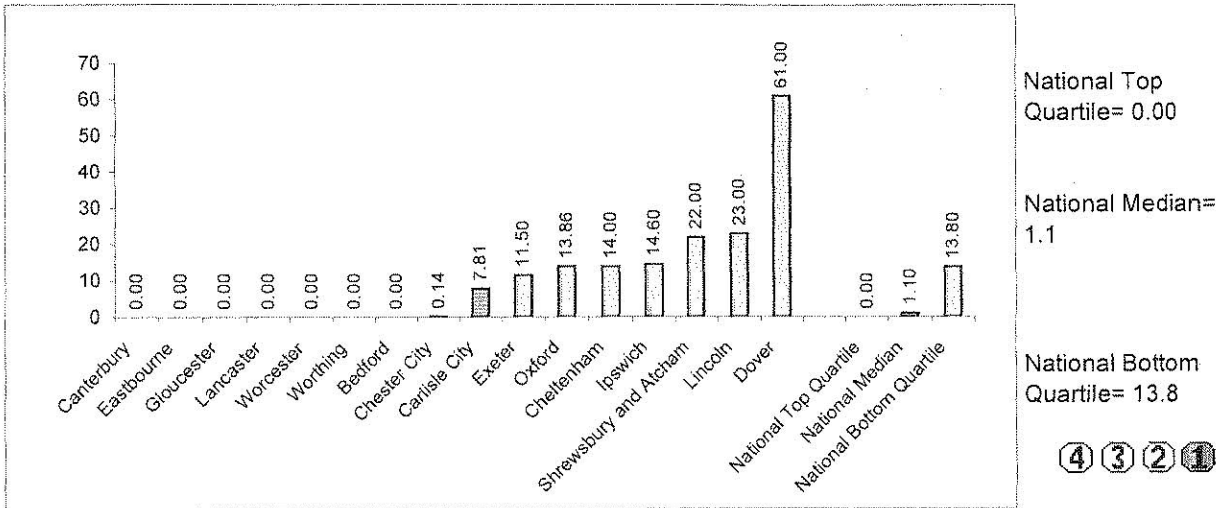
2.5 Percentage of local authority tenants in arrears who have had Notices Seeking Possession served (BVPI 66c)



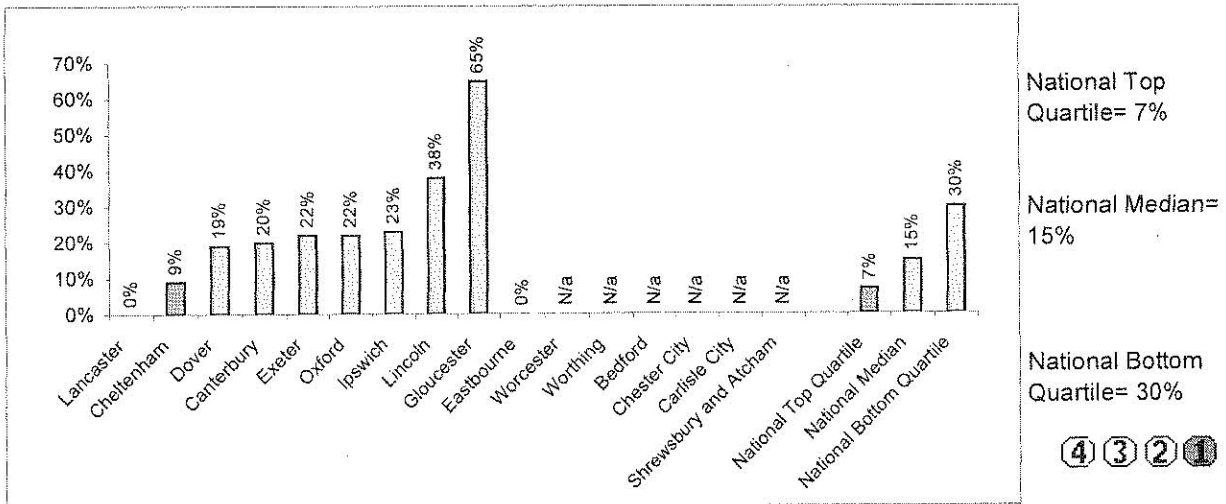
2.6 Percentage of local authority tenants evicted as a result of rent arrears (BVPI 66d)



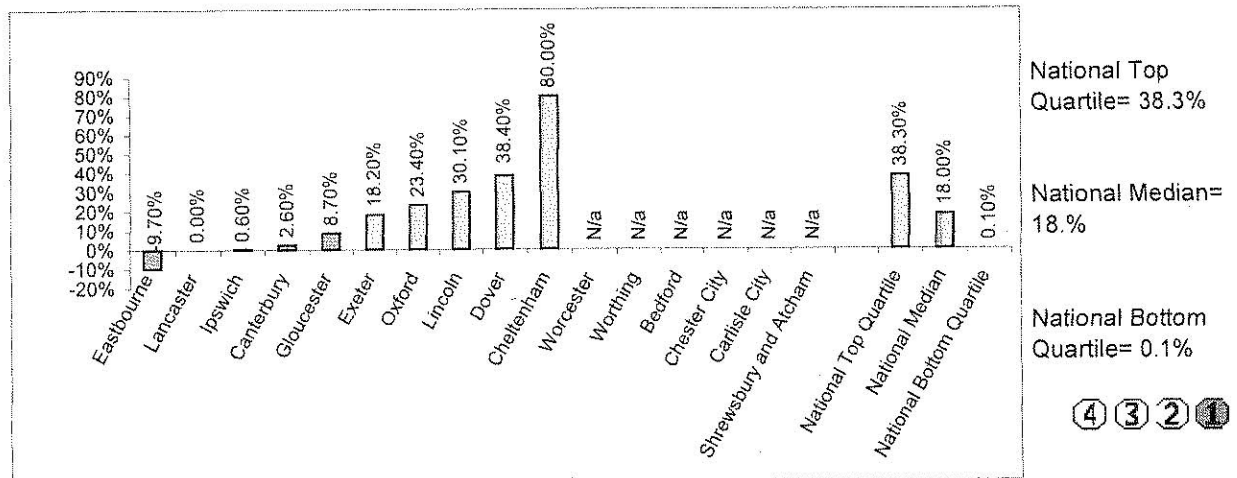
2.7 Average length of stay in hostel accommodation (weeks) (BVPI 183b)



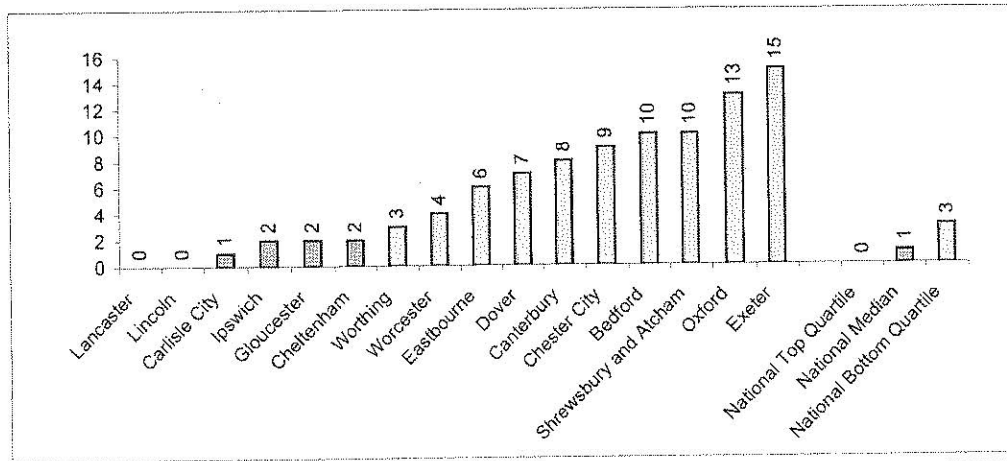
2.8 Proportion of local authority homes which were non-decent at the start of the financial year (BVPI 184a)



2.9 Percentage change in the proportion of non decent homes (BVPI 184b)



2.10 Number of people sleeping rough on a single night (BVPI 202)



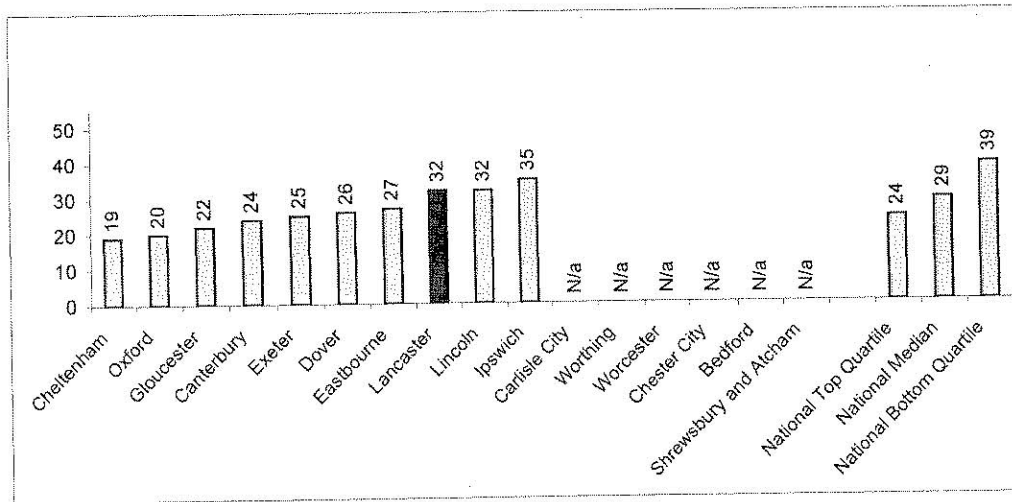
National Top Quartile= 0

National Median= 1

National Bottom Quartile= 3



2.11 Average time taken to re-let local authority housing in days (BVPI 212)



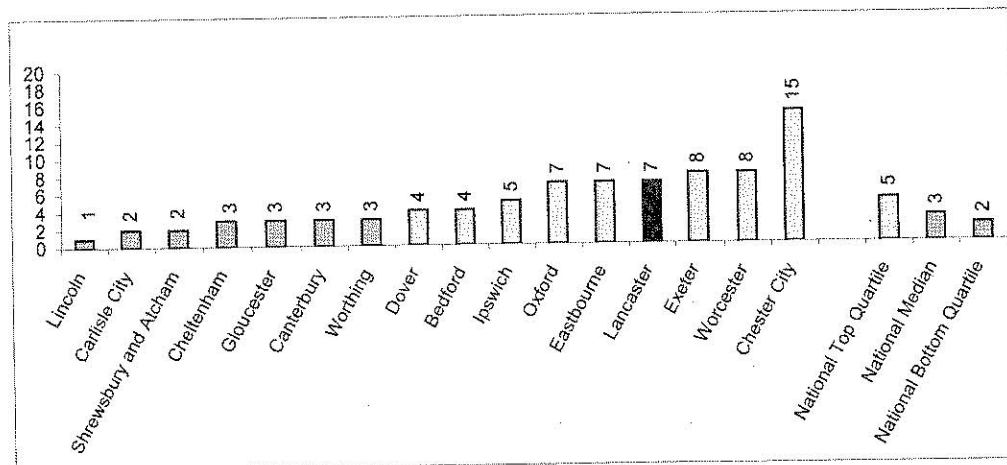
National Top Quartile= 24

National Median= 29

National Bottom Quartile= 39



2.12 Number of households (per 100) who considered themselves homeless, who approached the local authority and for whom housing advice casework intervention resolved their situation (BVPI 213)



National Top Quartile= 5

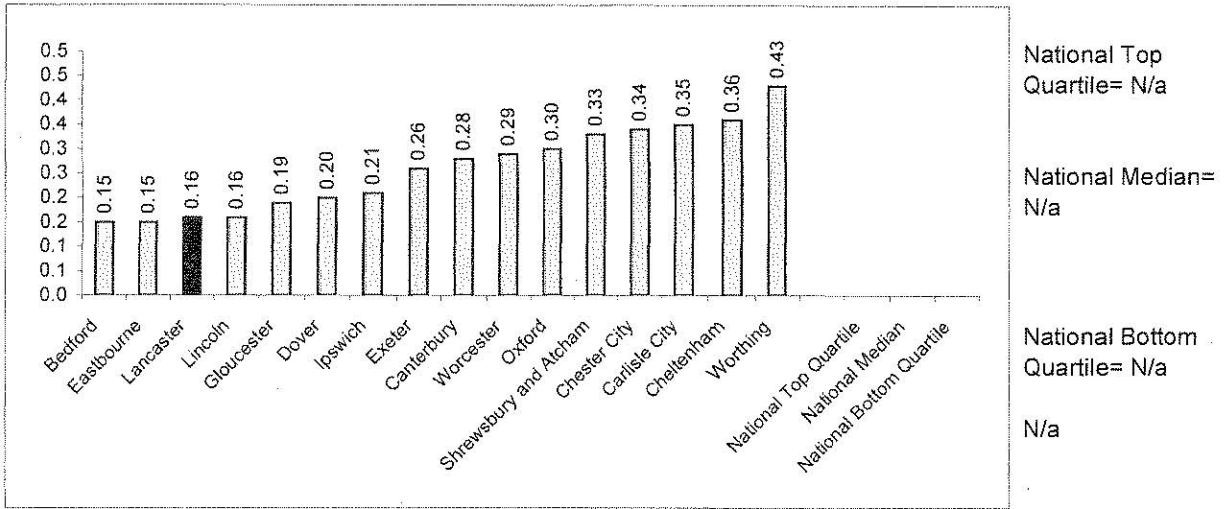
National Median= 3

National Bottom Quartile= 2

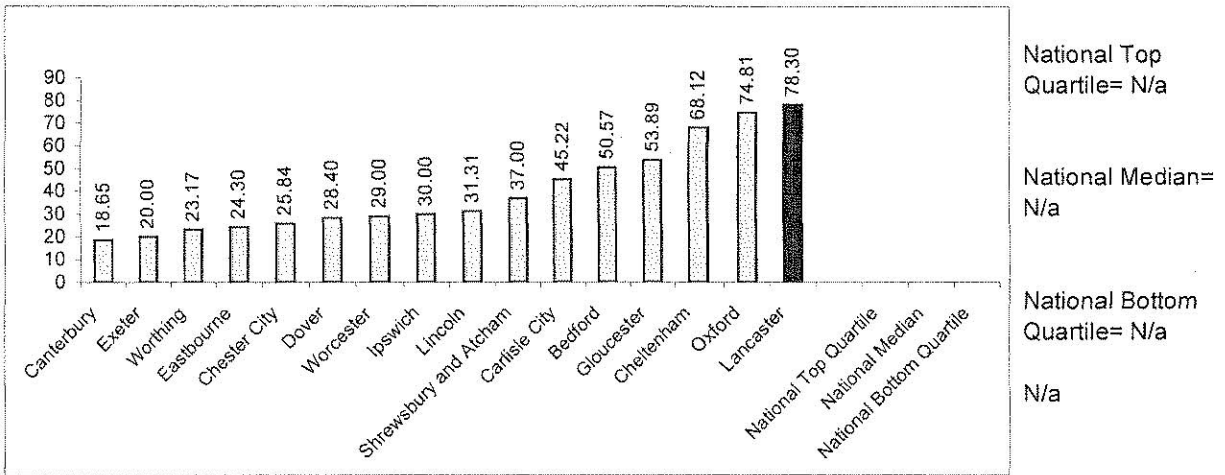


3. Benefits

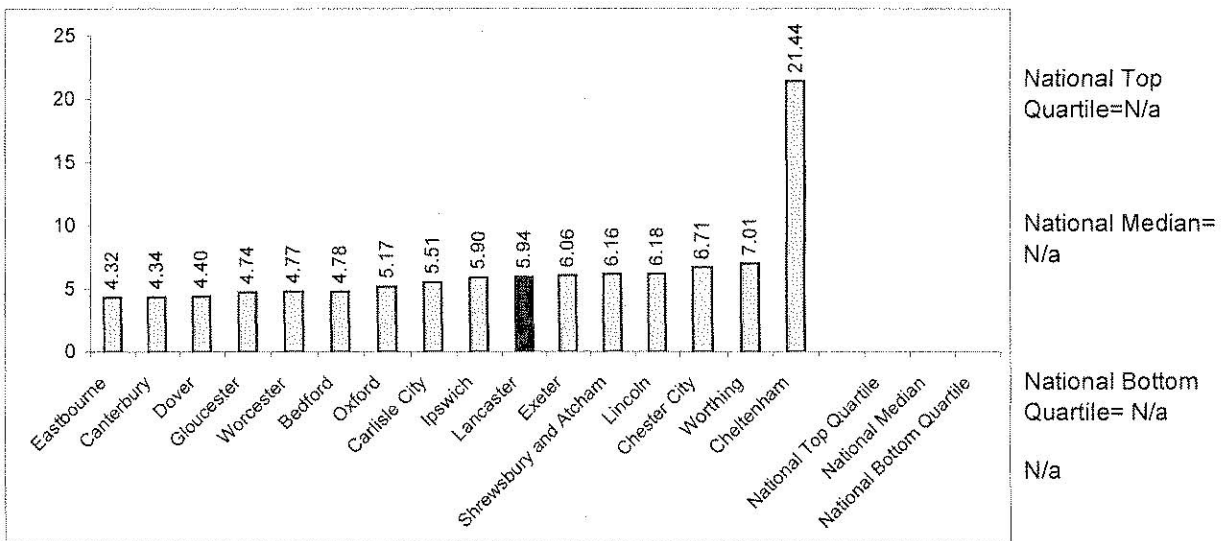
3.1 Housing Benefit Security - Number of investigators employed per 1000 caseload (BVPI 76b)



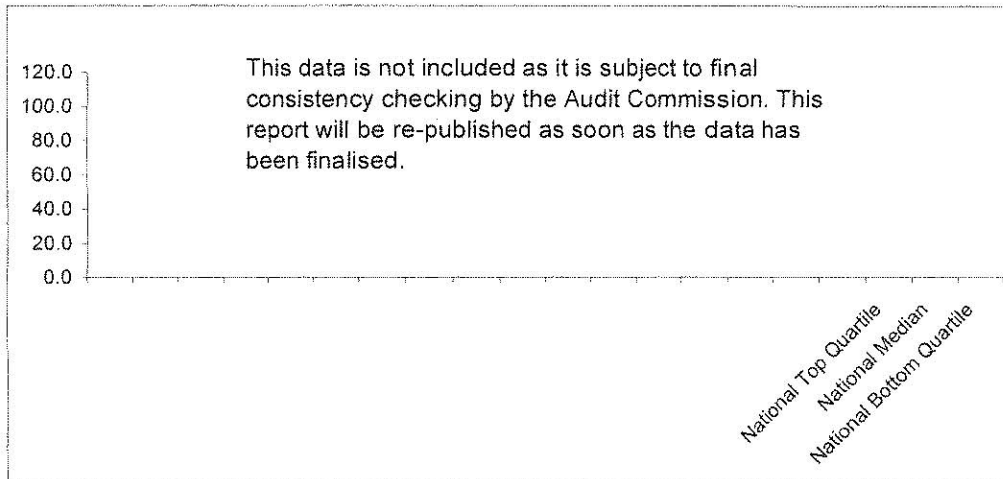
3.2 Housing Benefit Security - Number of fraud investigations per 1000 caseload (BVPI 76c)



3.3 Housing Benefit Security - Number of prosecutions and sanctions per 1000 caseload (BVPI 76d)

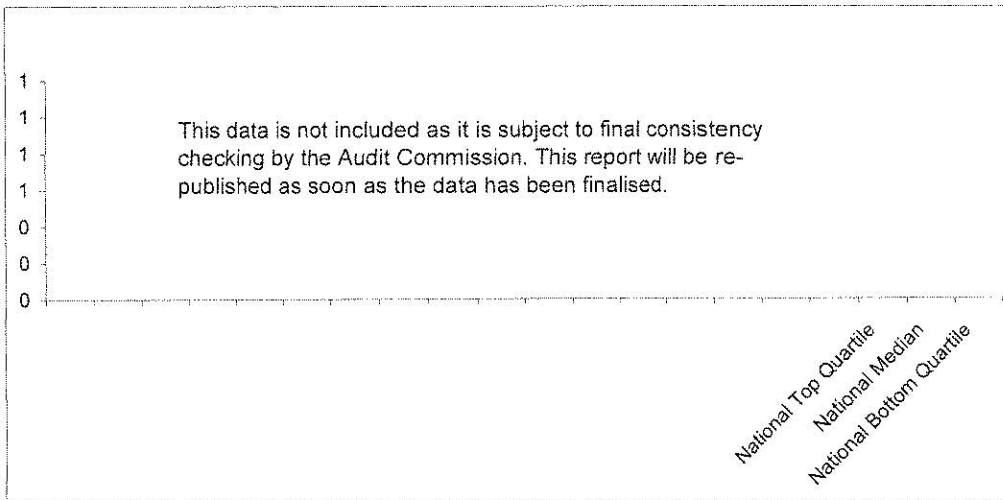


3.4 Average time (in days) to process new claims (BVPI 78a)



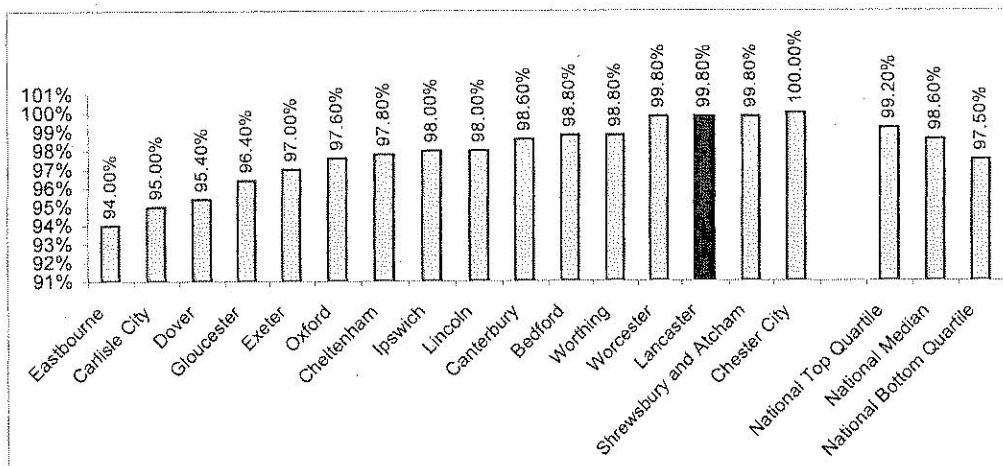
National Top Quartile=
 National Median=
 National Bottom Quartile=

3.5 Average time taken to process change in circumstances (days) (BVPI 78b)



National Top Quartile=
 National Median=
 National Bottom Quartile=

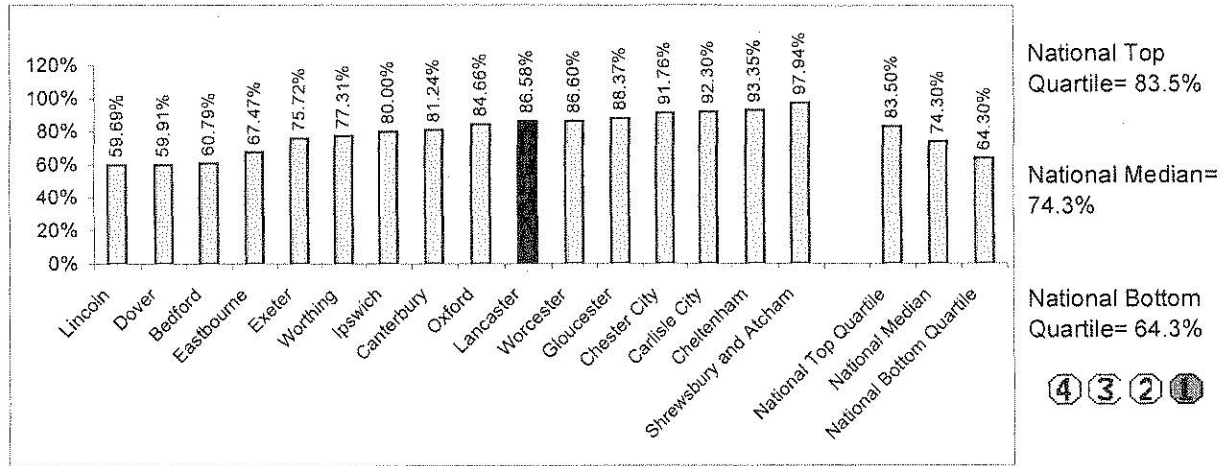
3.6 Proportion of benefit claims processed correctly (BVPI 79a)



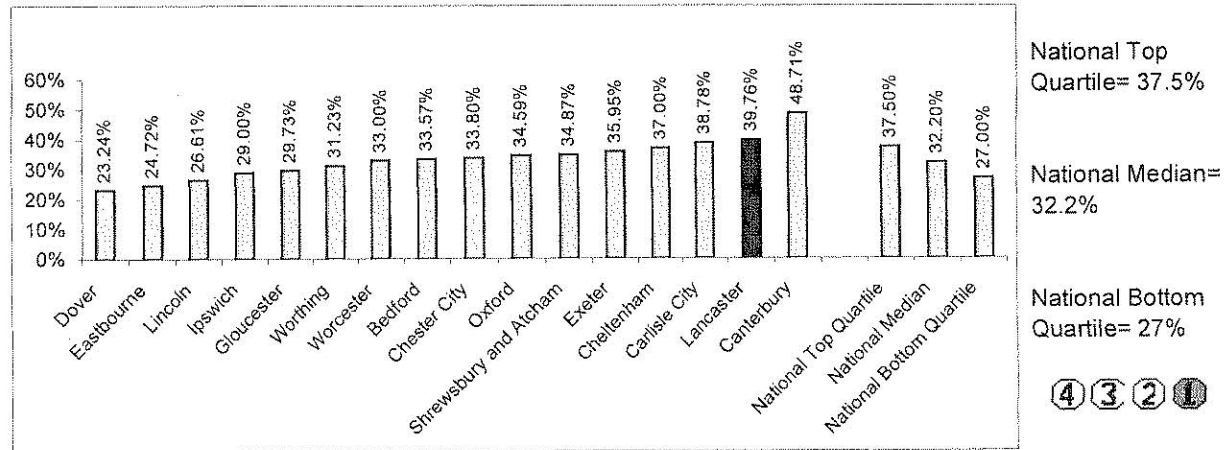
National Top Quartile= 99.20%
 National Median= 98.60%
 National Bottom Quartile= 97.50%



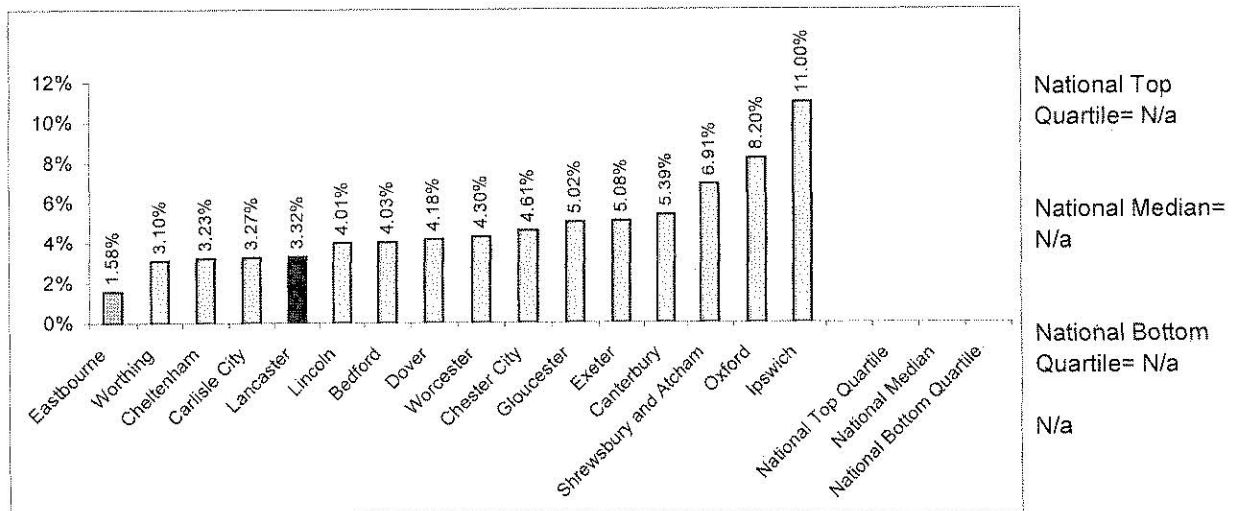
3.7 The amount of Housing Benefit overpayments recovered as a percentage of all housing benefit overpayments (BVPI 79b(i))



3.8 The amount of Housing Benefit overpayments recovered as a percentage of all housing benefit overpayments (BVPI 79b(ii))

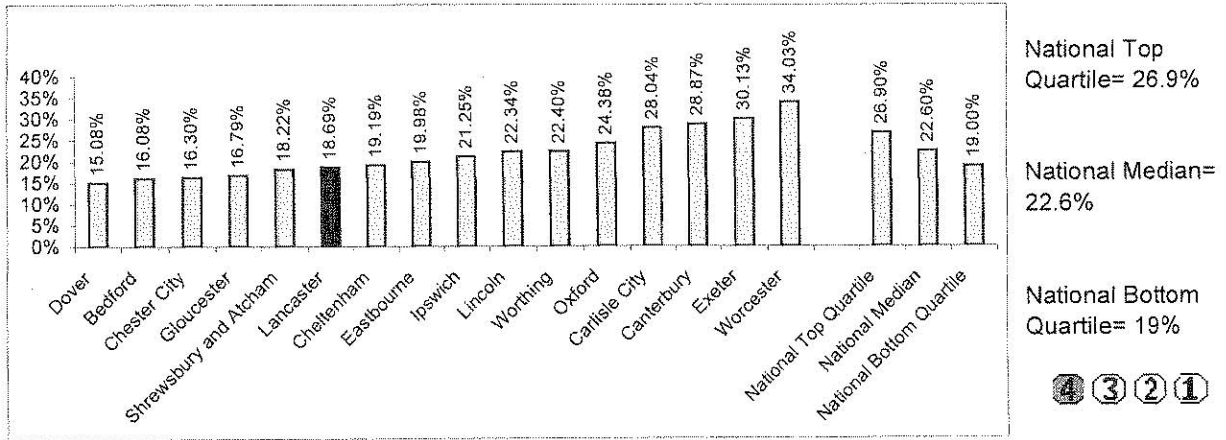


3.9 Housing Benefit overpayments written off as a percentage of the total amount of overpayment debt outstanding at the start of the year, plus the amount of overpayments identified during the year (BVPI 79b)

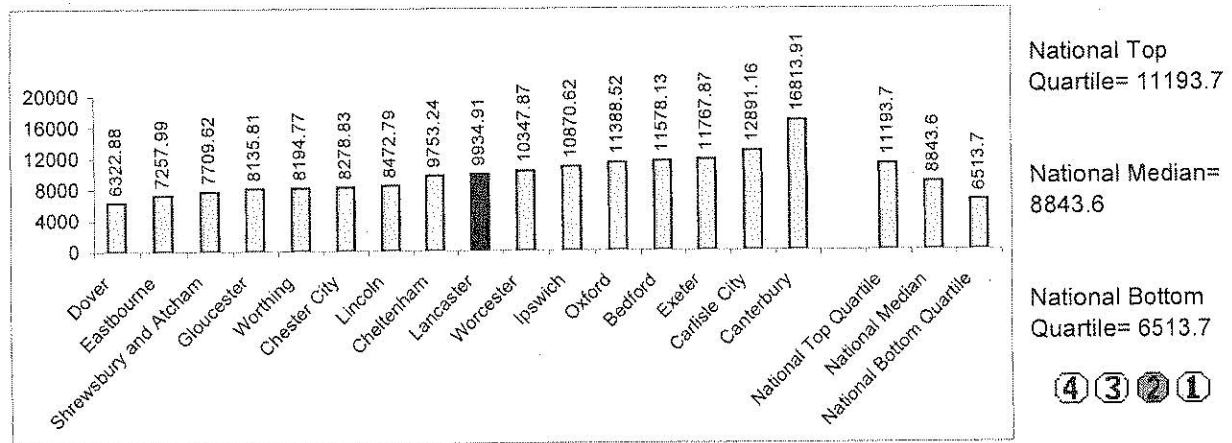


4. Environment

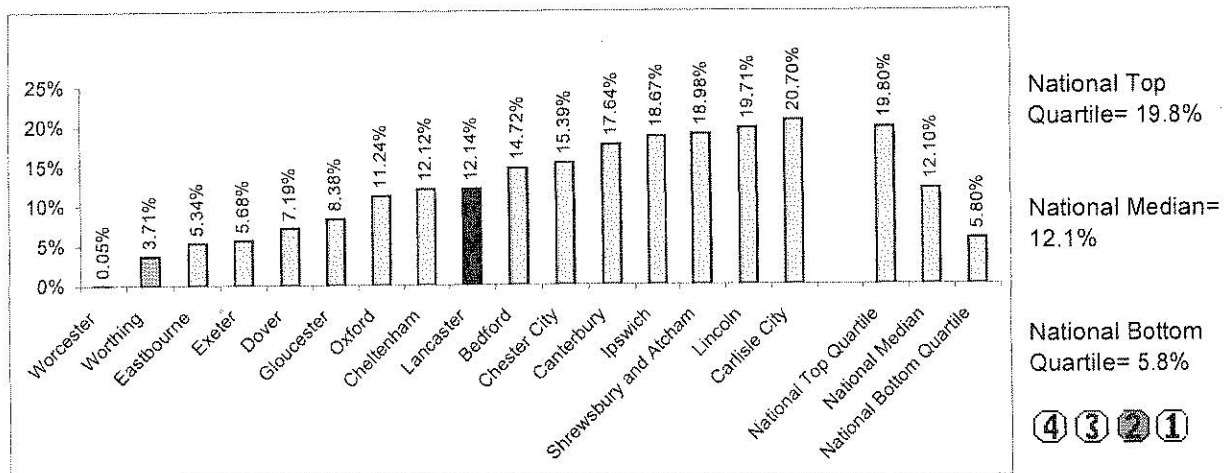
4.1 Percentage of household waste arisings which have been sent for recycling (BVPI 82a(i))



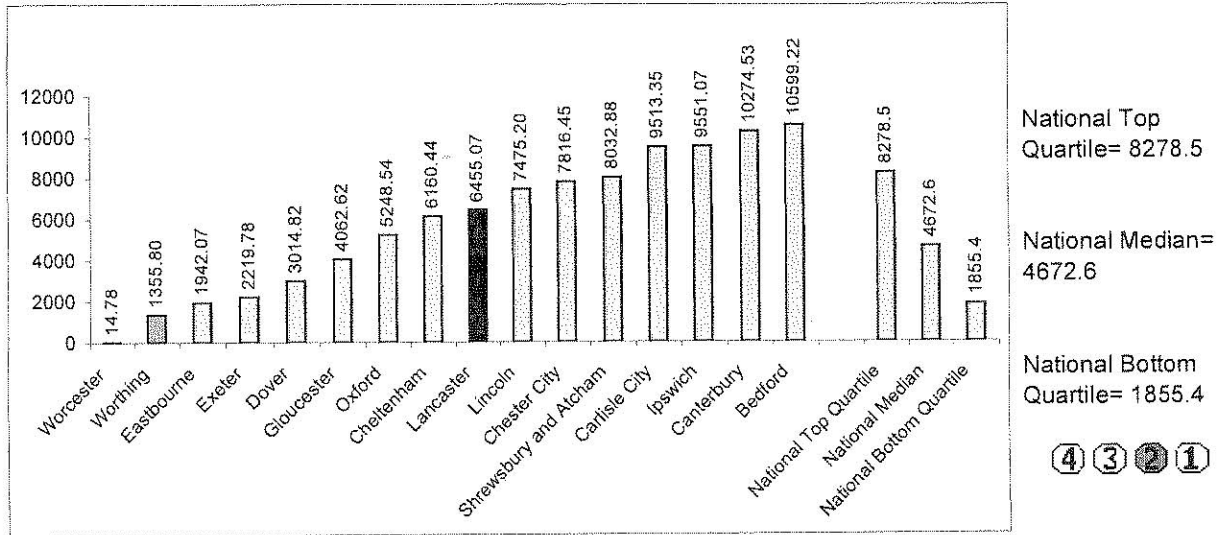
4.2 Total tonnage of household waste arisings sent for recycling (BVPI 82a(ii))



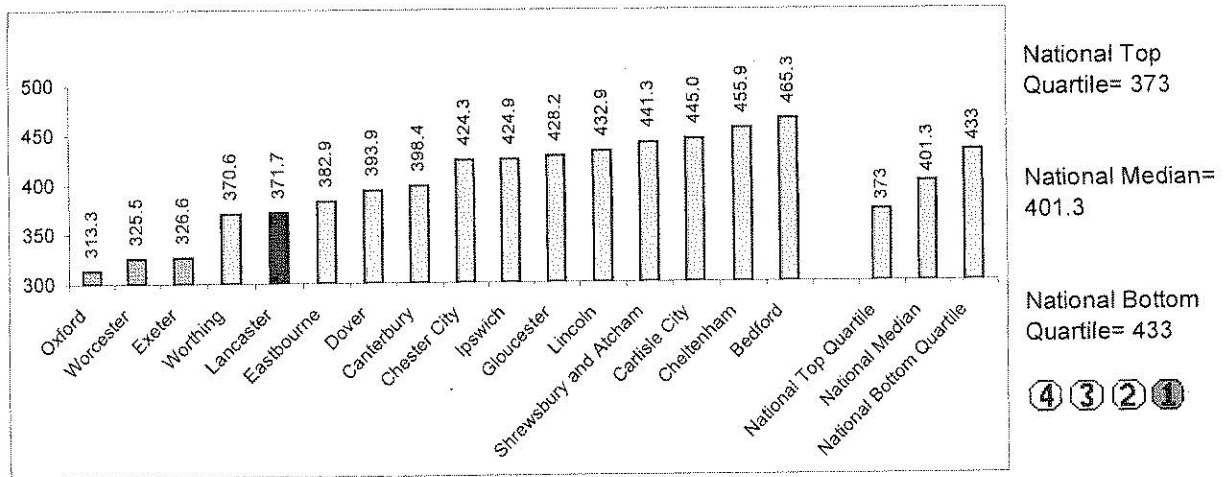
4.3 Percentage of household waste composted (BVPI 82b(i))



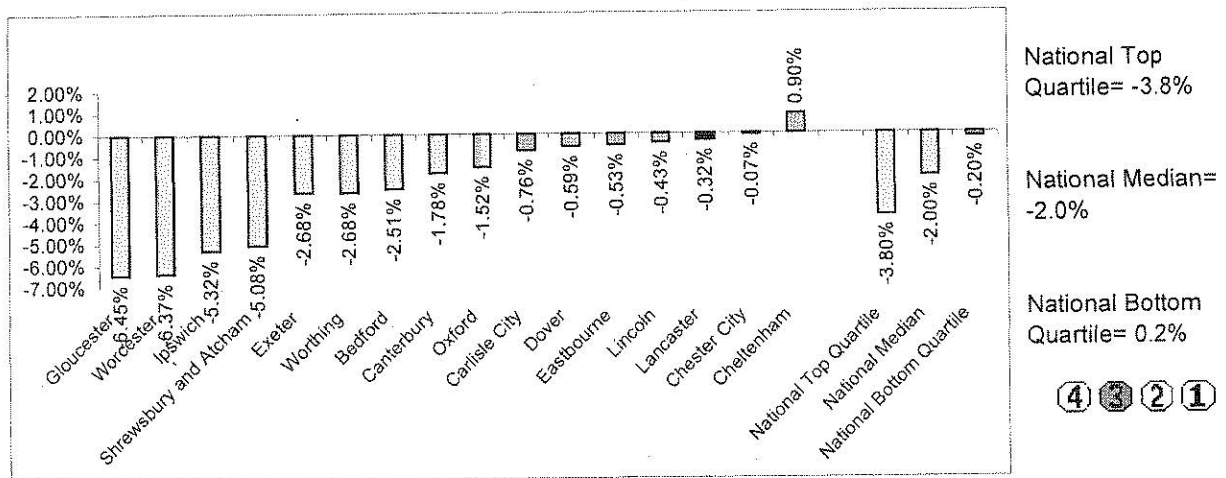
4.4 Total tonnage of household waste composted (BVPI 82b(ii))



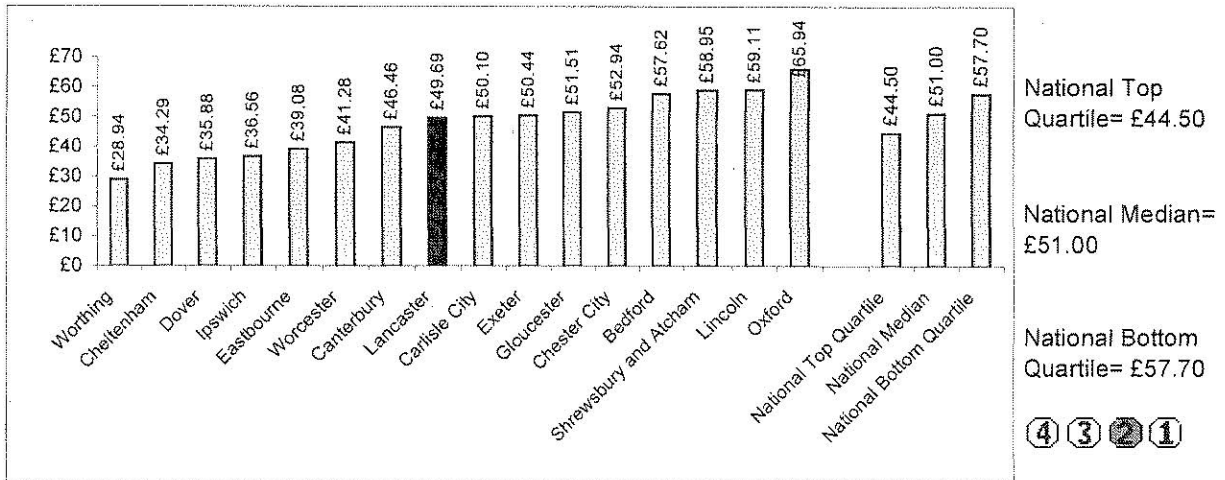
4.5 Number of kilograms of household waste collected per head of population (BVPI 84a)



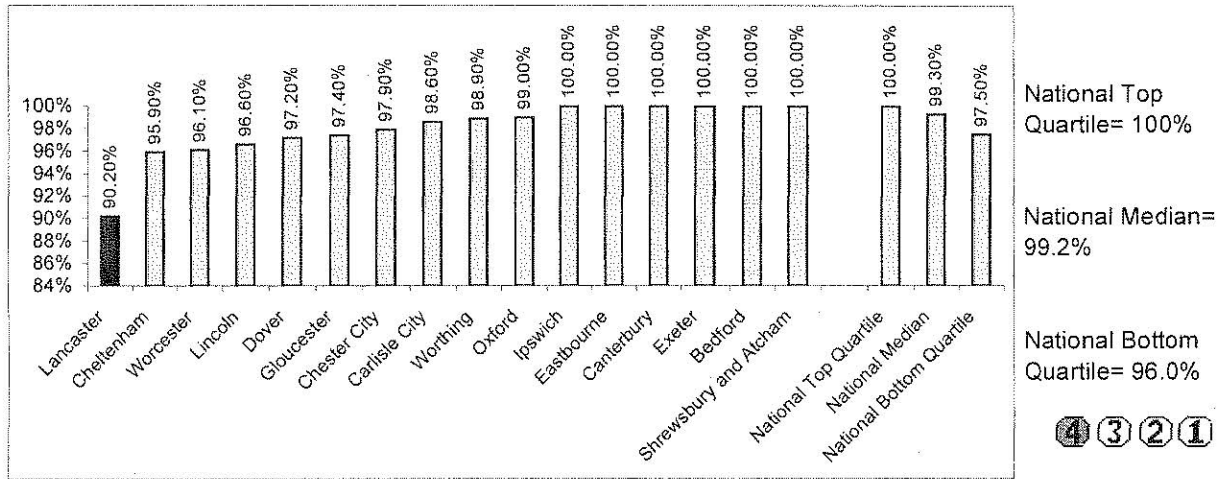
4.6 Percentage change from the previous financial year in the number of kilograms of household waste collected per head of population (BVPI 84b)



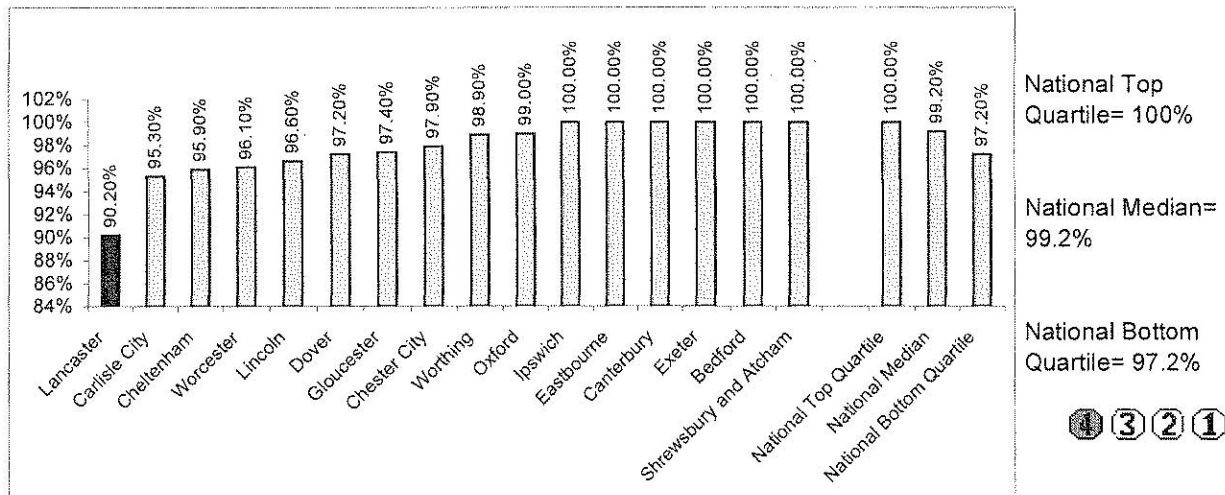
4.7 Cost of waste collection per household (BVPI 86)



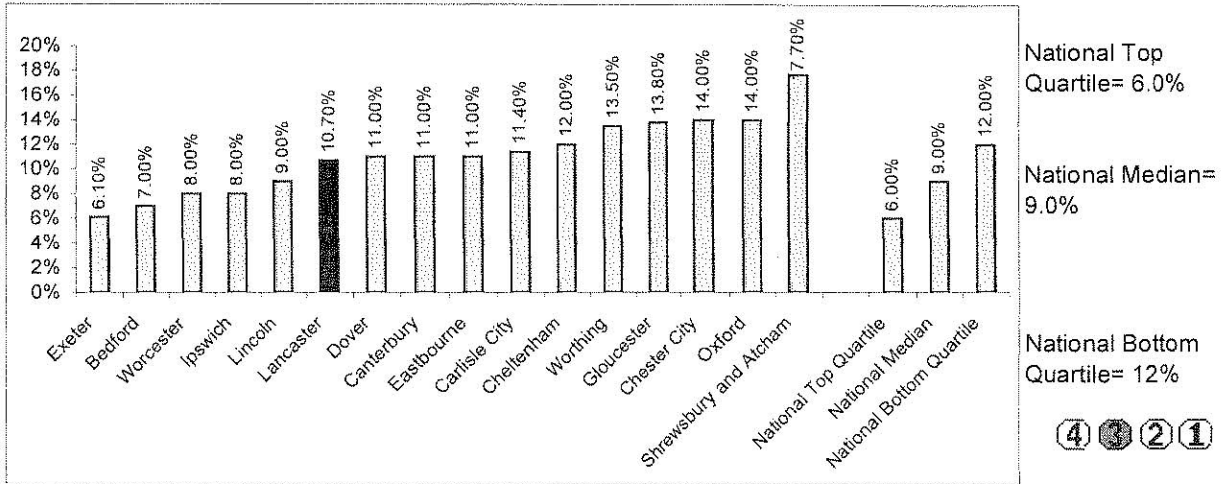
4.8 Percentage of residents served by kerbside collection of recyclables (BVPI 91a)



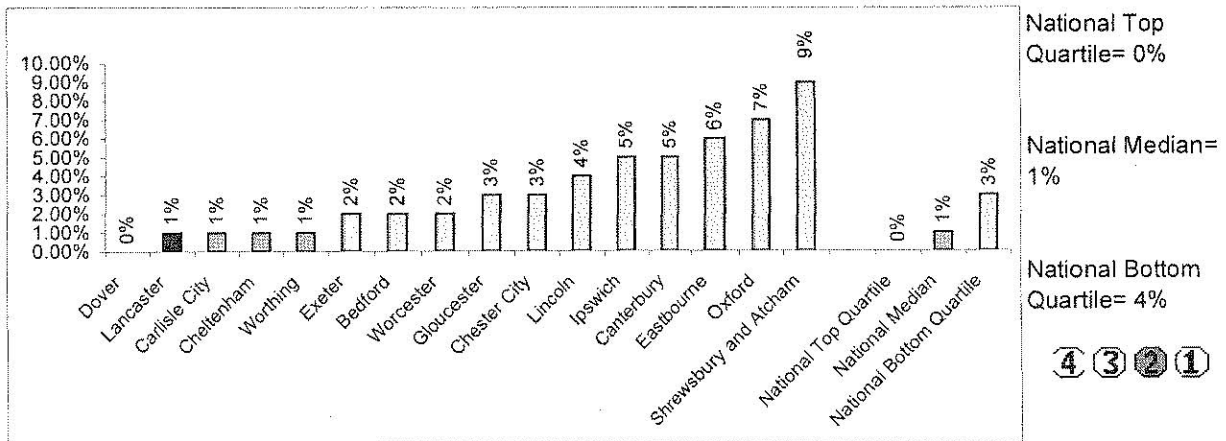
4.9 Percentage of residents served by kerbside collection of at least two recyclables (BVPI 91b)



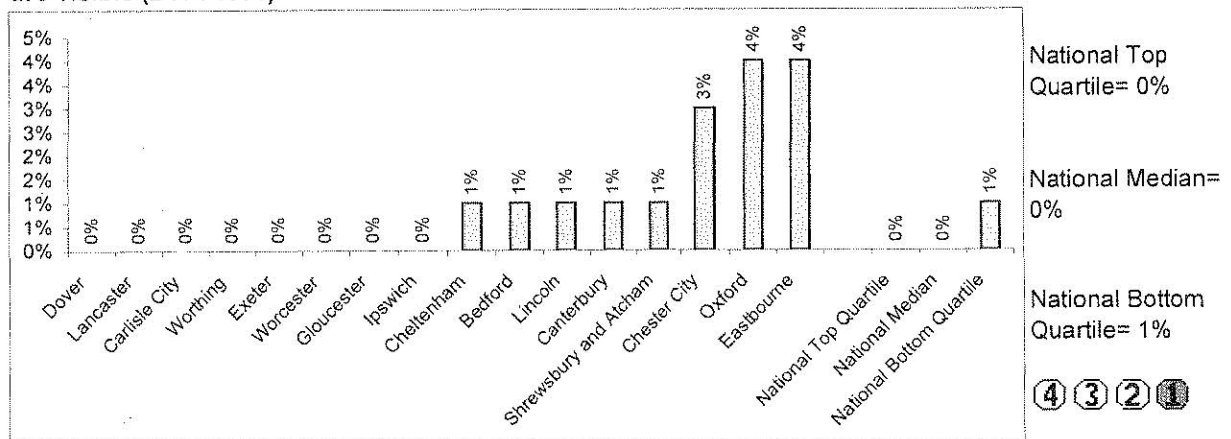
4.10 Percentage of relevant land and highways that is assessed as having combined deposits of litter and detritus that fall below an acceptable level (BVPI 199a)



4.11 Percentage of relevant land and highways from which unacceptable levels of graffiti are visible (BVPI 199b)

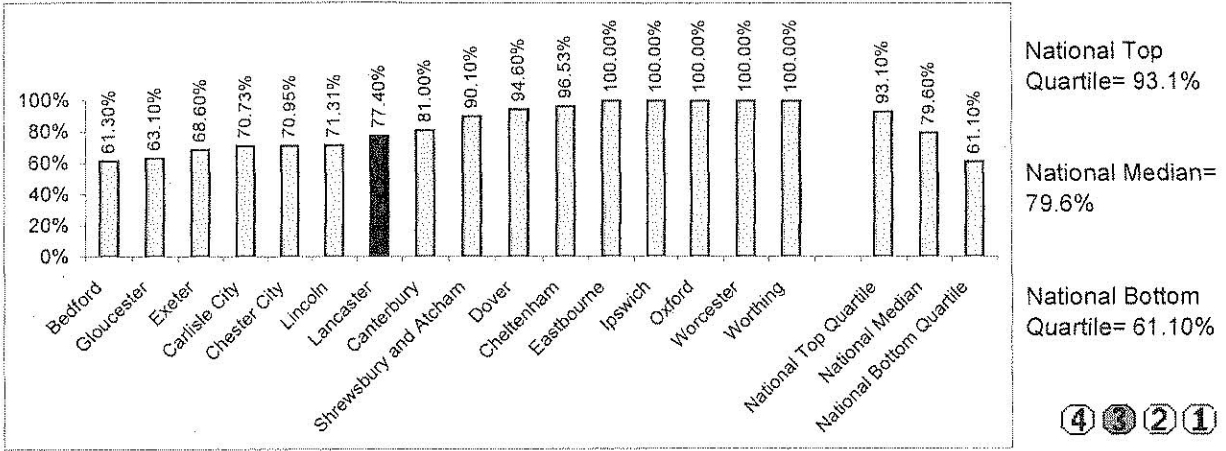


4.12 Percentage of relevant land and highways from which unacceptable levels of fly-posting are visible (BVPI 199c)

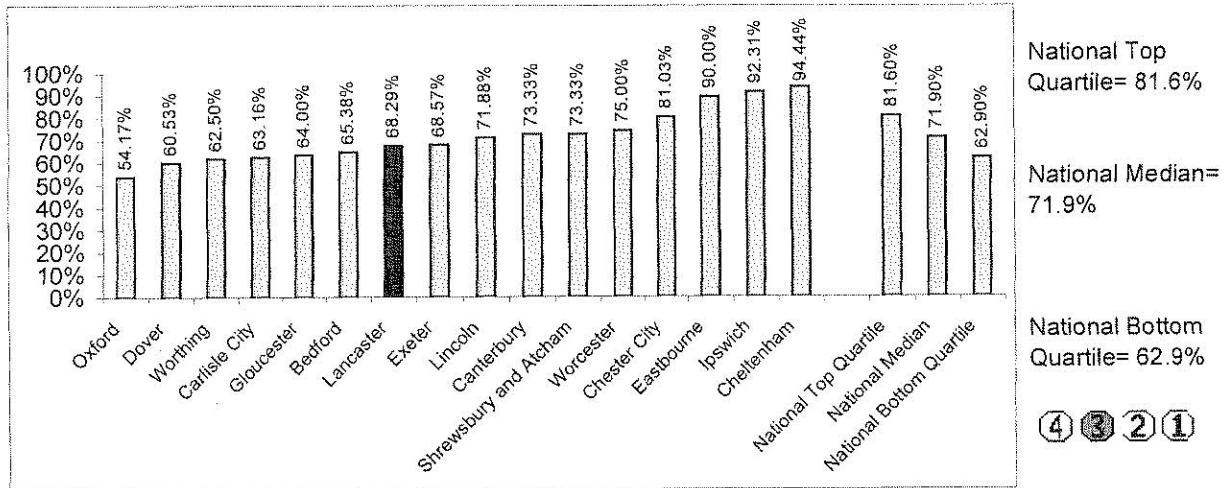


5. Planning

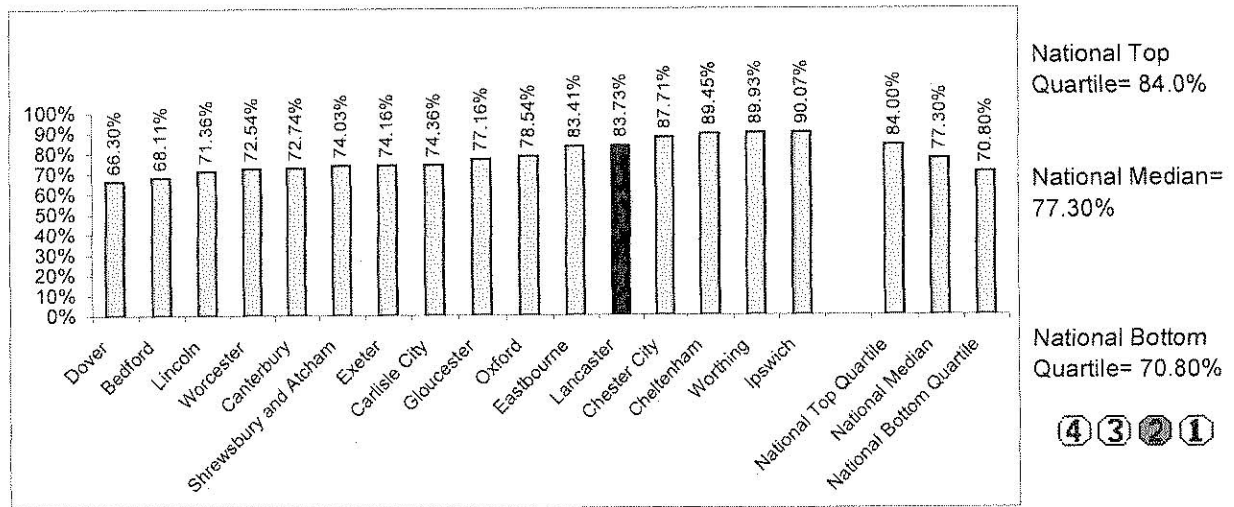
5.1 Percentage of new homes built on previously developed land (BVPI 106)



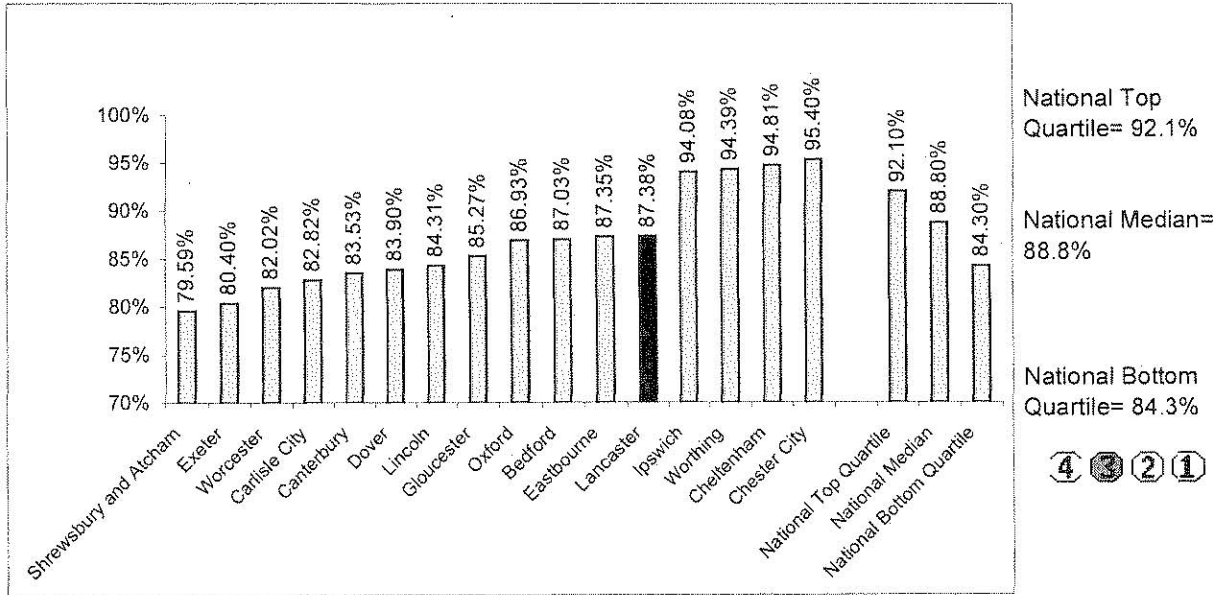
5.2 Percentage of major planning applications determined within 13 weeks (BVPI 109a)



5.3 Percentage of minor planning applications determined within 8 weeks (BVPI 109b)



5.4 Percentage of other planning applications processed within 8 weeks (BVPI 109c)

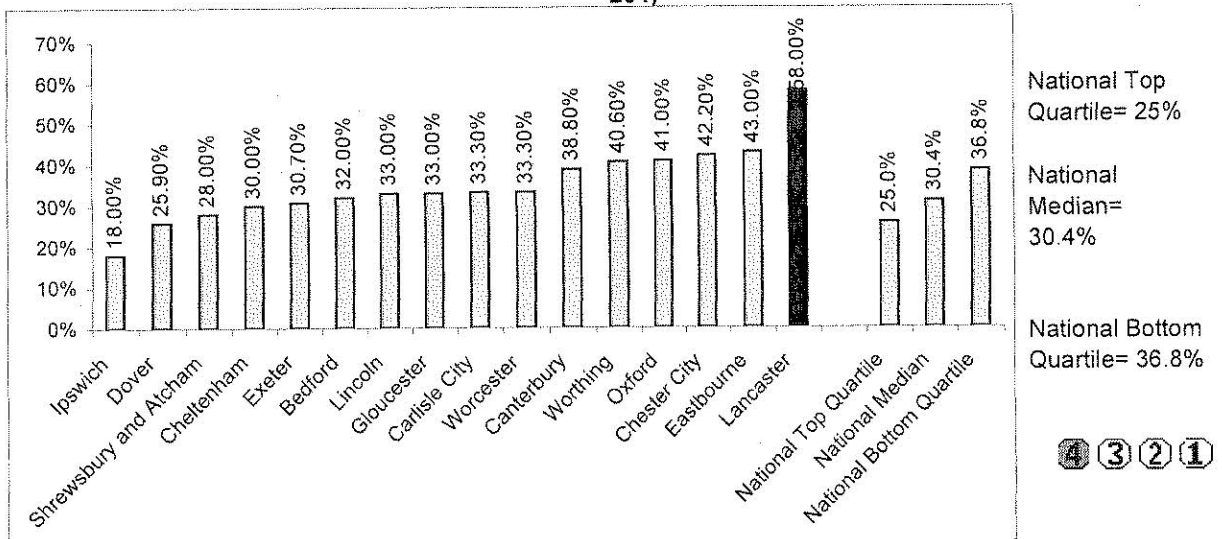


5.5 Plan making - development plan (BVPI 200a)

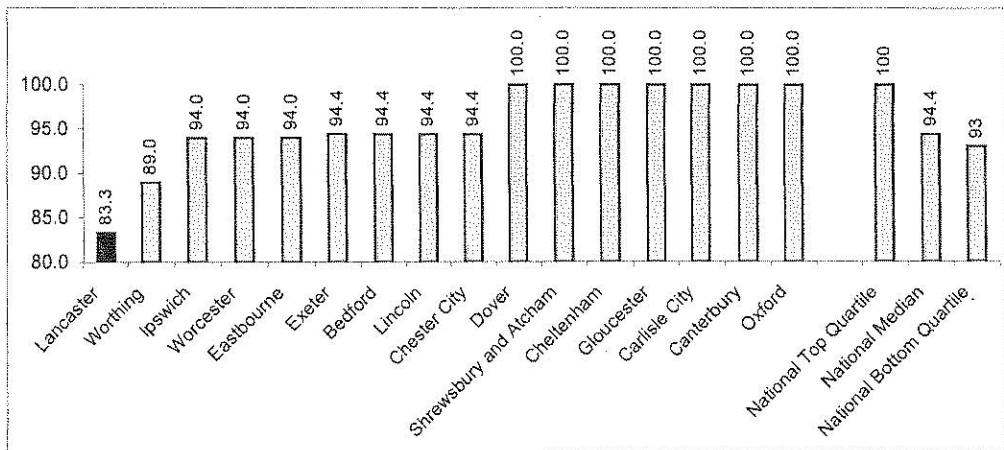
Bedford	Yes
Canterbury	Yes
Carlisle City	Yes
Cheltenham	Yes
Chester City	Yes
Dover	Yes
Eastbourne	Yes
Exeter	Yes
Gloucester	Yes
Ipswich	Yes
Lancaster	Yes
Lincoln	Yes
Oxford	Yes
Shrewsbury and	Yes
Worcester	Yes
Worthing	Yes

Bedford	Yes
Canterbury	Yes
Carlisle City	No
Cheltenham	Yes
Chester City	Yes
Dover	Yes
Eastbourne	No
Exeter	No
Gloucester	No
Ipswich	No
Lancaster	No
Lincoln	No
Oxford	Yes
Shrewsbury and	Yes
Worcester	Yes
Worthing	No

5.7 Percentage of appeals allowed against the authority's decision to refuse planning applications (BVPI 204)



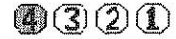
5.8 Quality of service checklist (BVPI 205)



National Top Quartile= 100.0

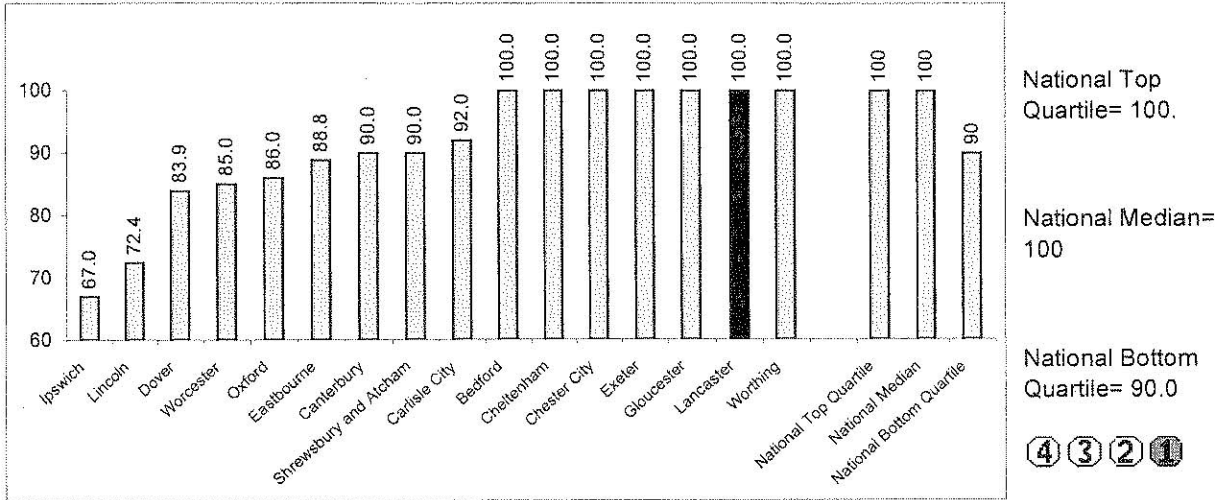
National Median= 94.

National Bottom Quartile= 93.0

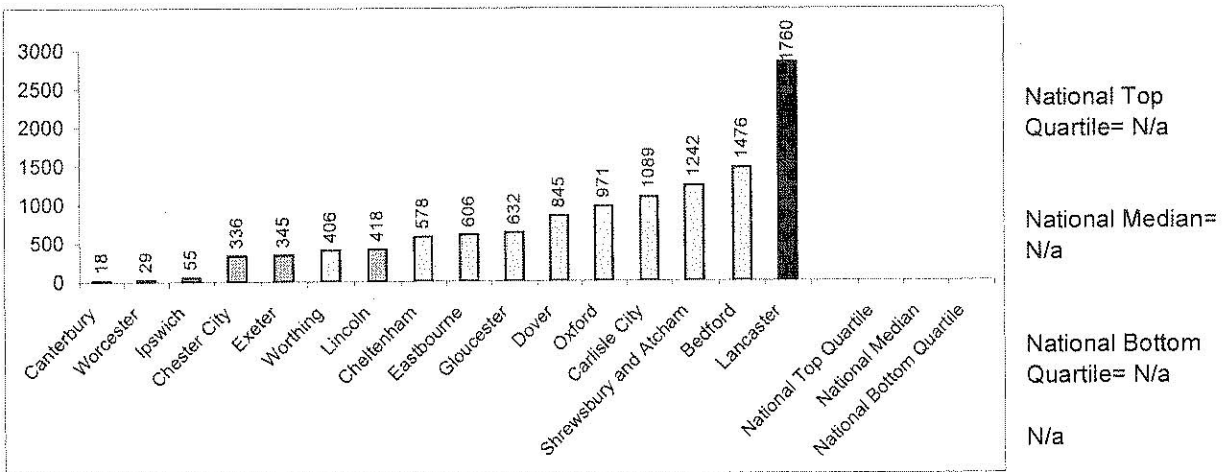


6. Environmental Health

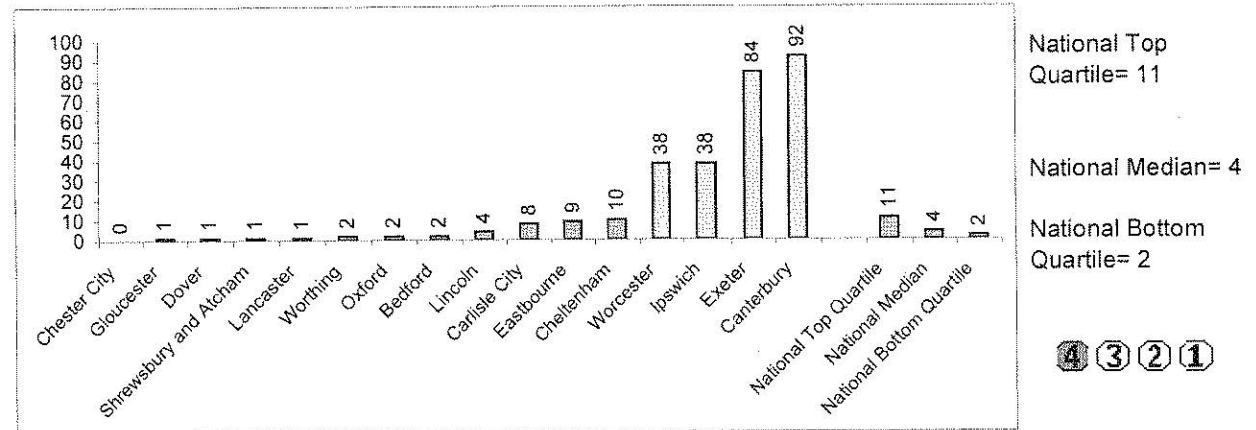
6.1 Score against a checklist of environmental health best practice (BVPI 166a)



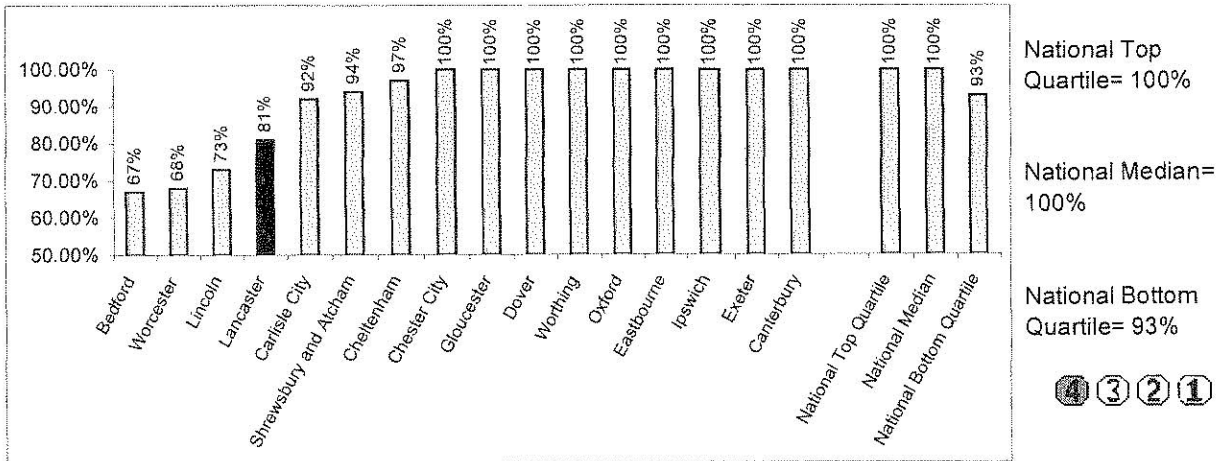
6.2 Number of 'sites of potential concern' with respect to land contamination (BVPI 216a)



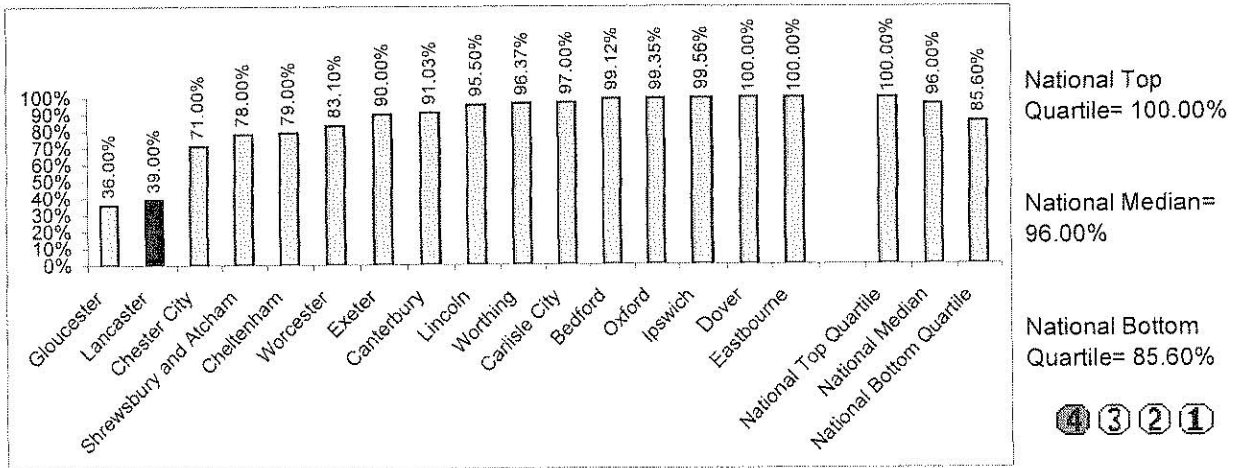
6.3 Number of sites for which sufficient detailed information is available to decide whether remediation of the land is necessary, as a percentage of all 'sites of potential concern' (BVPI 216b)



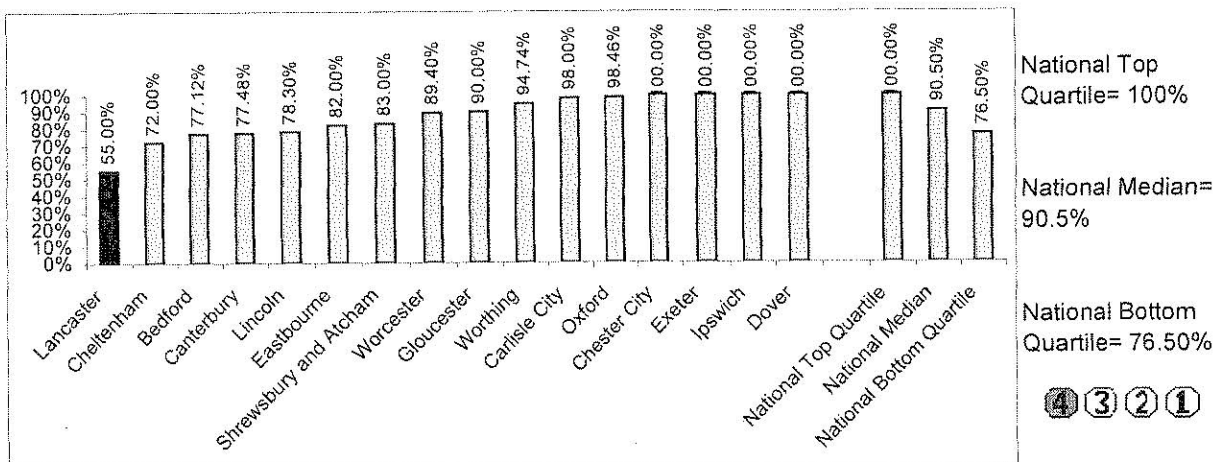
6.4 Percentage of pollution control improvements to existing installations completed on time (BVPI 217)



6.5 Percentage of new reports of abandoned vehicles investigated within 24 hours of notification (BVPI 218a)

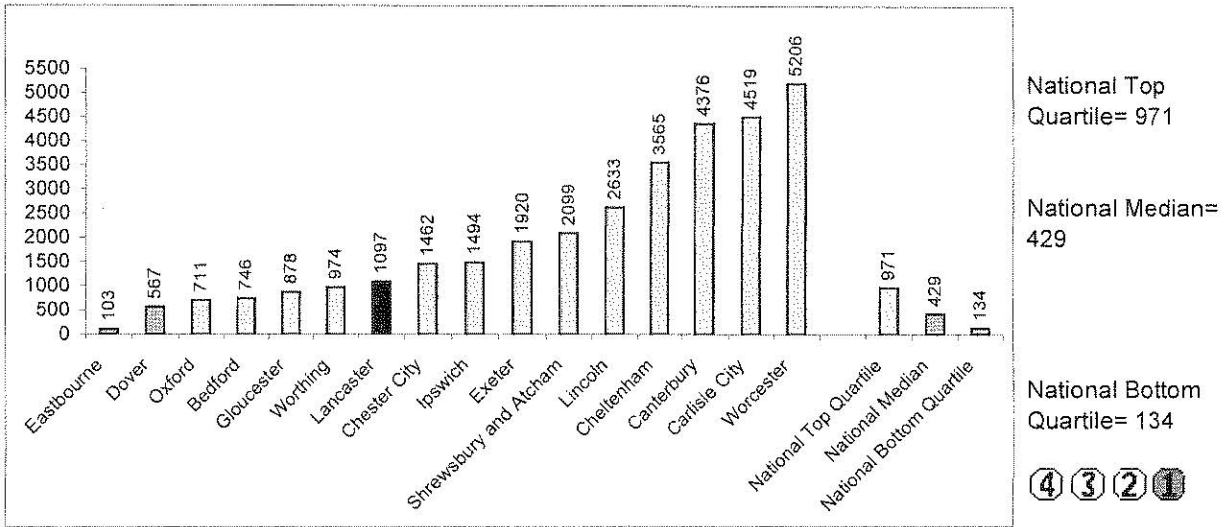


6.6 Percentage of abandoned vehicles removed within 24hrs from the point at which the authority is legally entitled to remove the vehicle (BVPI 218b)

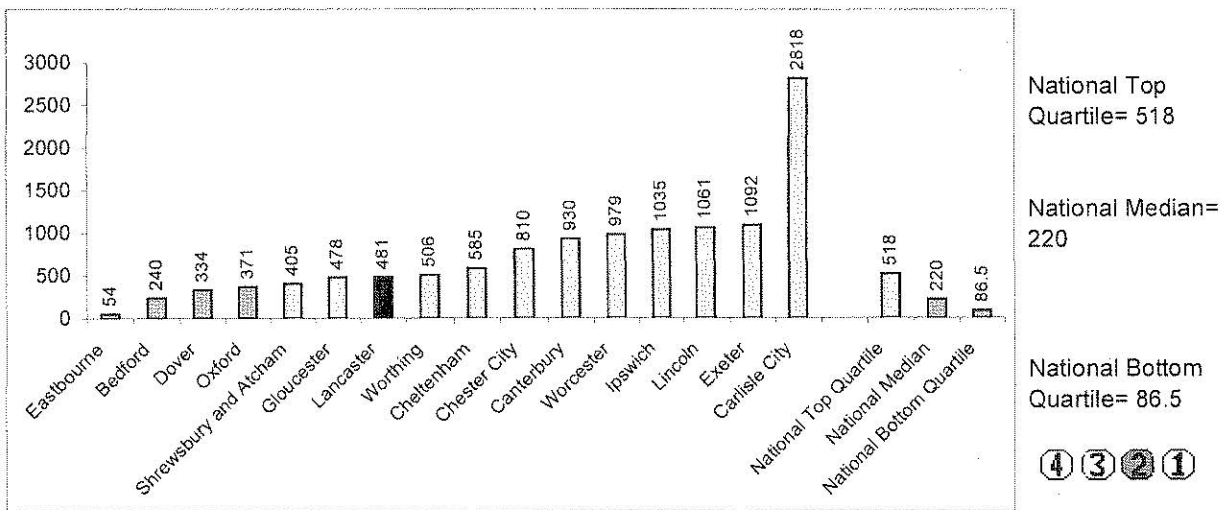


7. Culture

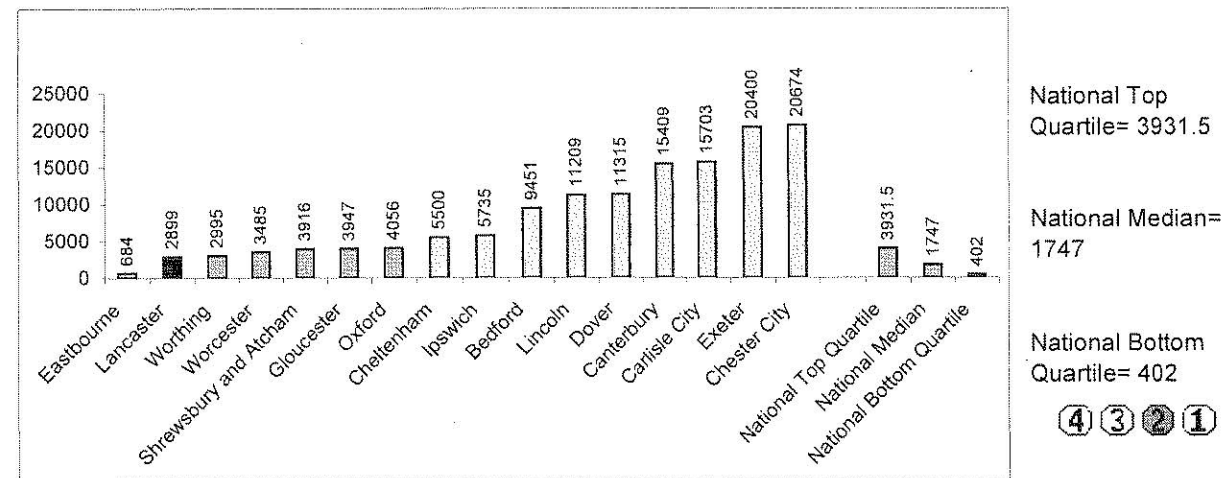
7.1 Number of visits to/usage of museums and galleries per 1000 population (BVPI 170a)



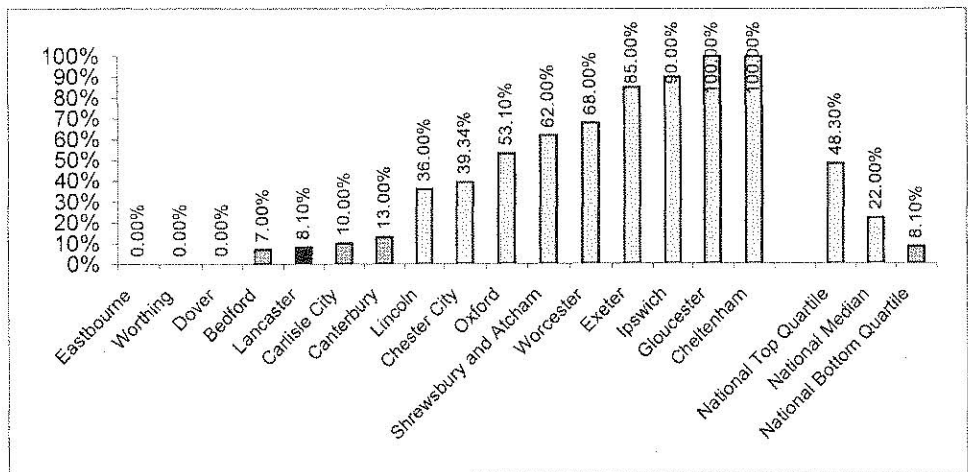
7.2 Number of those visits that were in person, per 1000 population (BVPI 170b)



7.3 Number of pupils visiting museums & galleries in organised school trips (BVPI 170c)



7.4 Percentage of conservation areas with up to date character appraisal (BV219b)



National Top Quartile= 48.3%

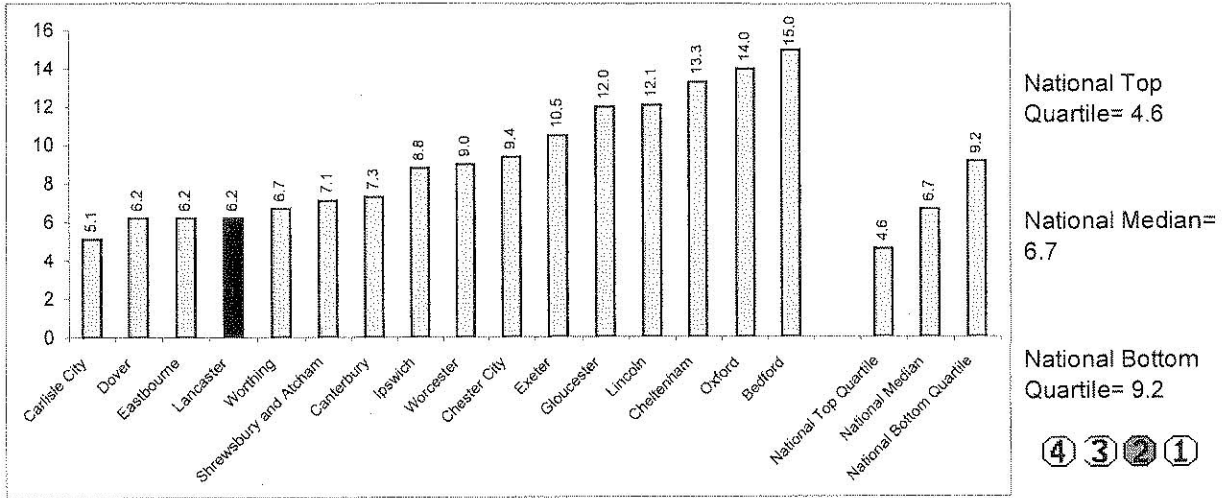
National Median= 22%

National Bottom Quartile= 8.1%

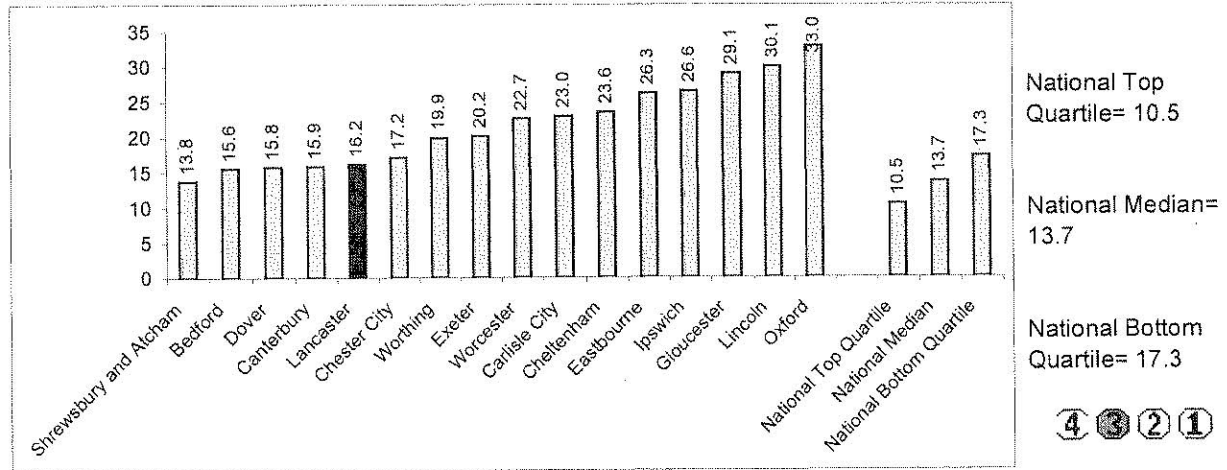


8. Community Safety

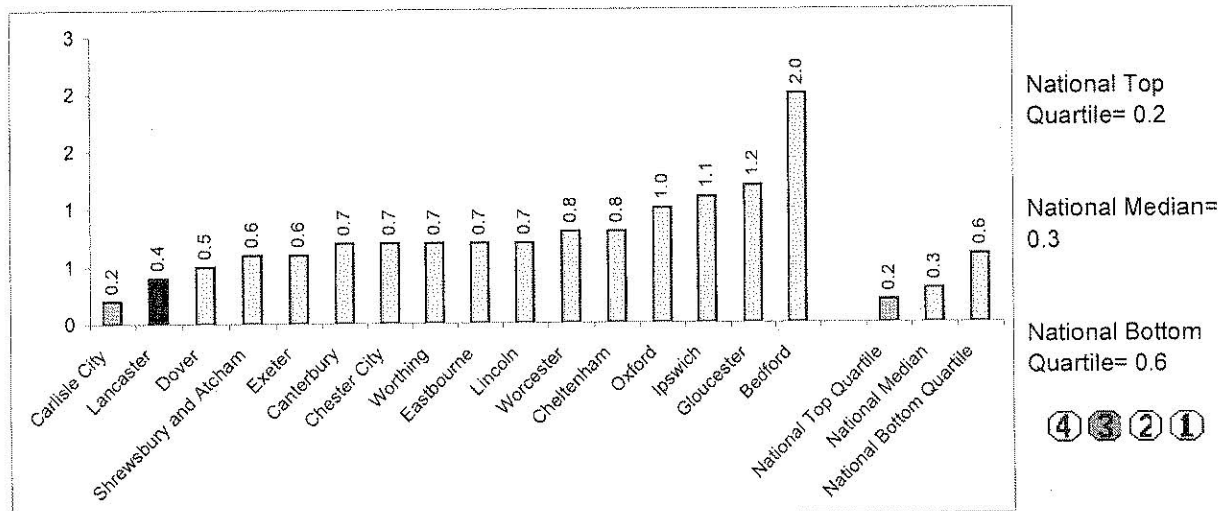
8.1 Domestic burglaries per 1000 households (BVPI 126)



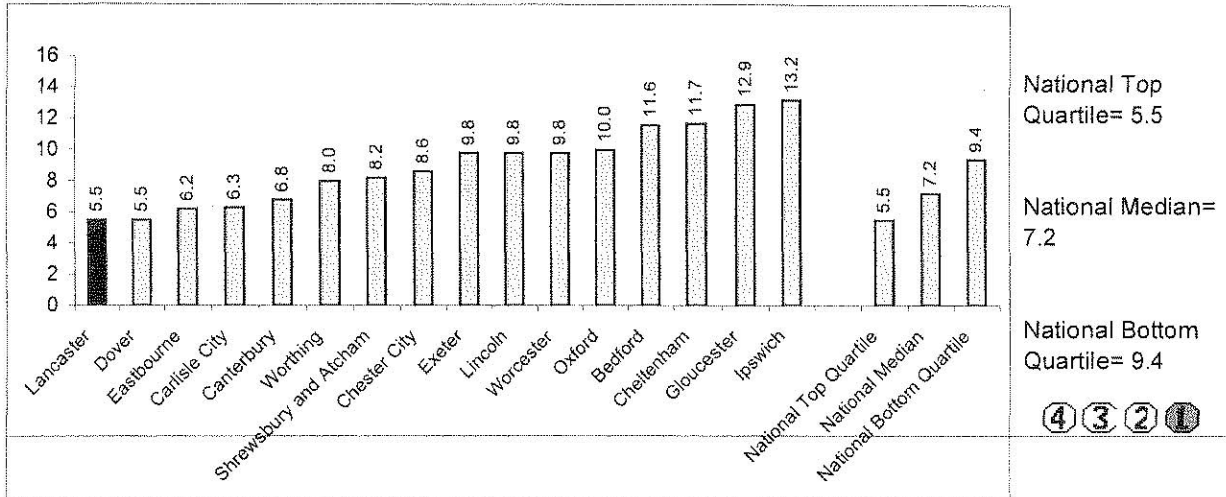
8.2 Violent offences committed by a stranger per 1000 population (BVPI 127a)



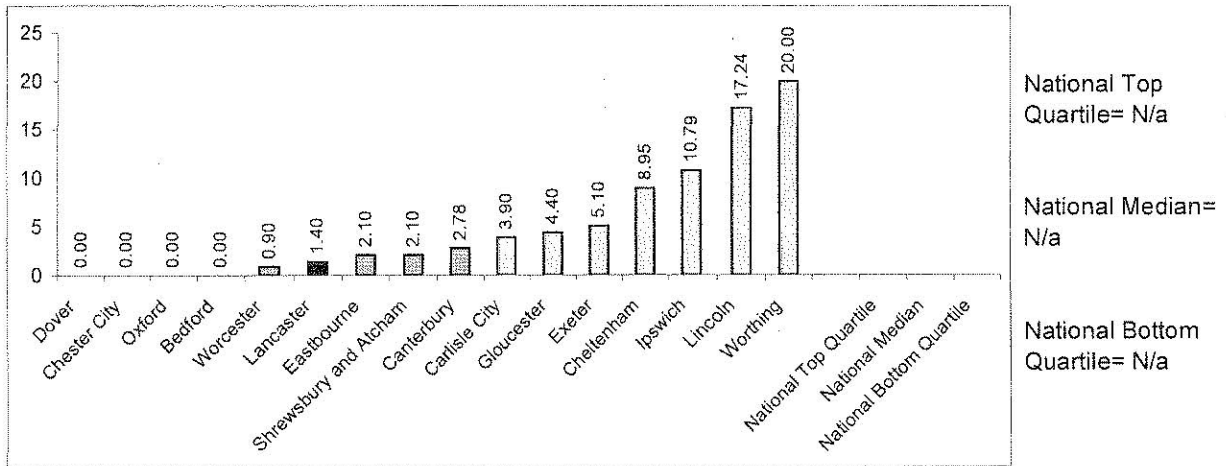
8.3 Robberies per 1000 population (BVPI 127b)



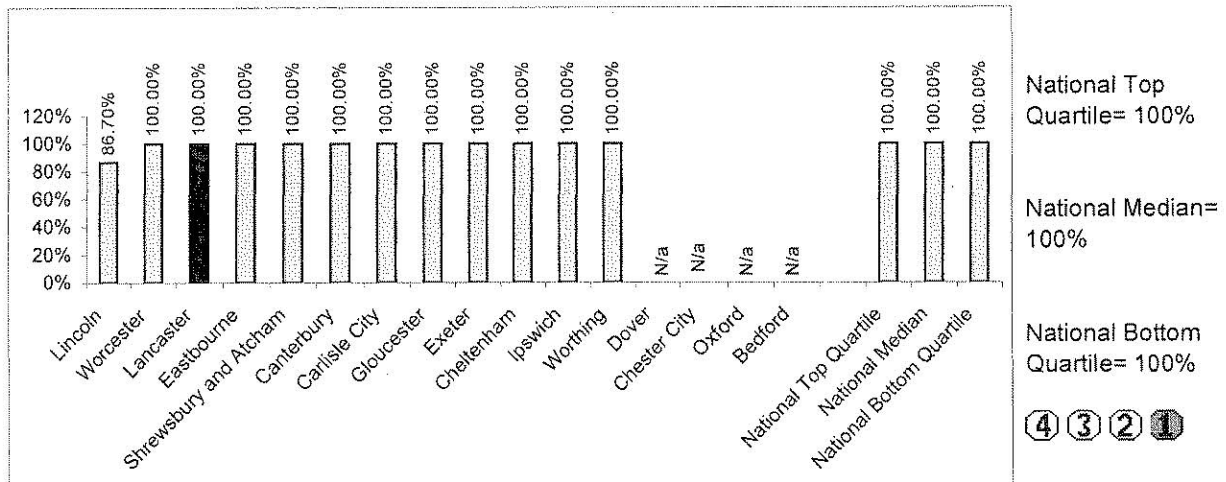
8.4 Vehicle crimes per 1000 population (BVPI 128)



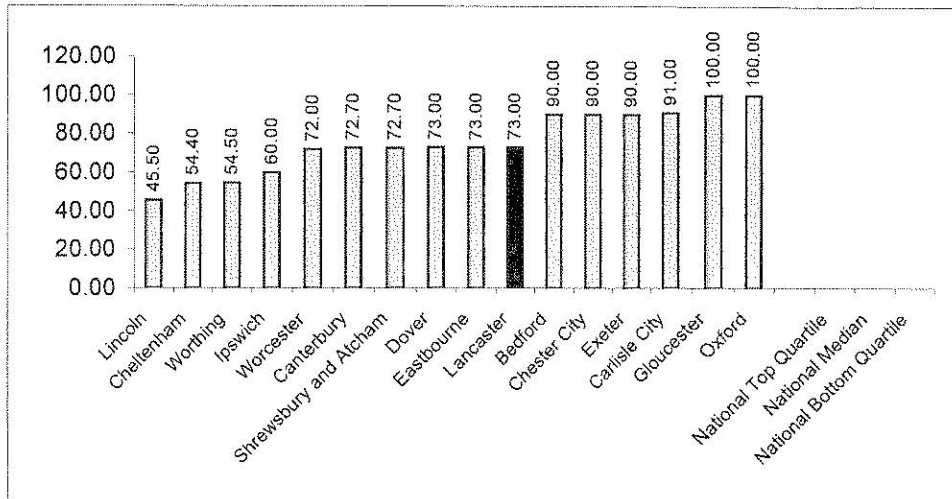
8.5 Number of racial incidents recorded by the authority per 100,000 population (BVPI 174)



8.6 Percentage of racial incidents resulting in further action by the local authority (BVPI 175)

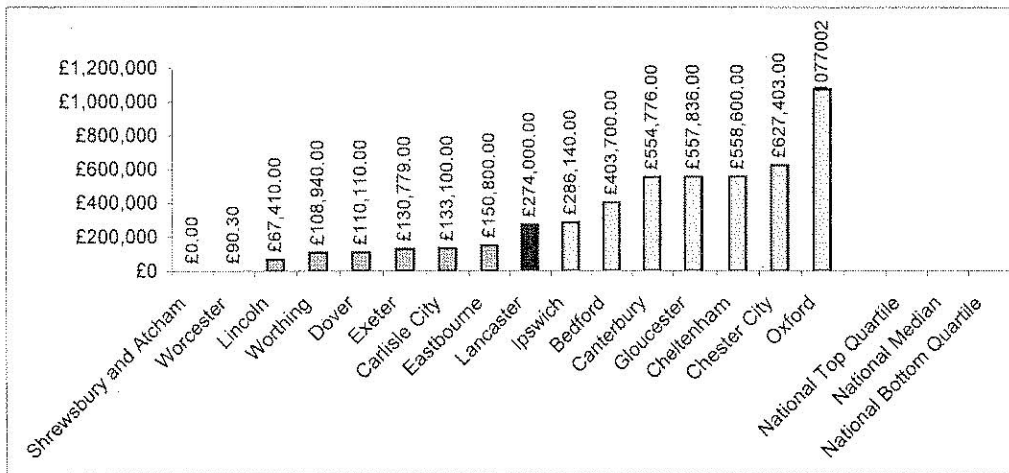


8.7 Effectiveness of local authority services designed to help victims of domestic violence (BVPI 225)



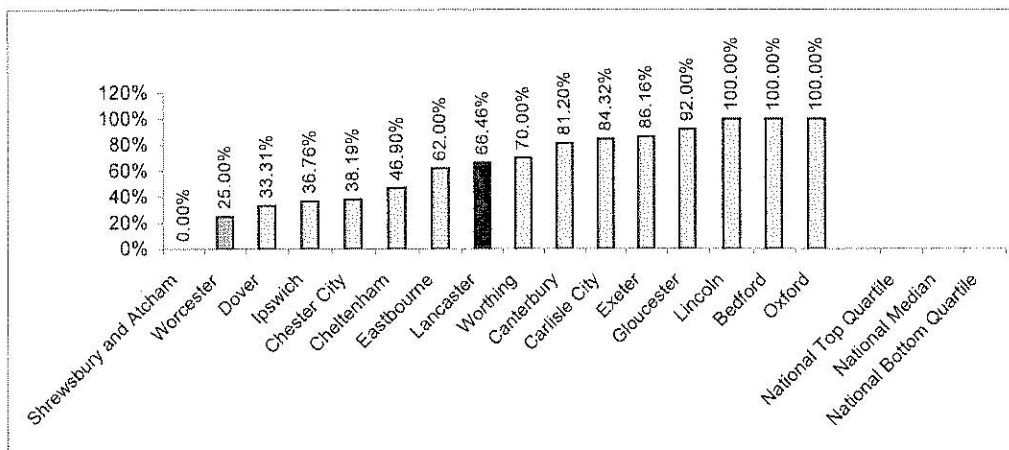
National Top Quartile= N/a
 National Median= N/a
 National Bottom Quartile= N/a

8.8 Total amount spent by the local authority on Advice and Guidance services provided by



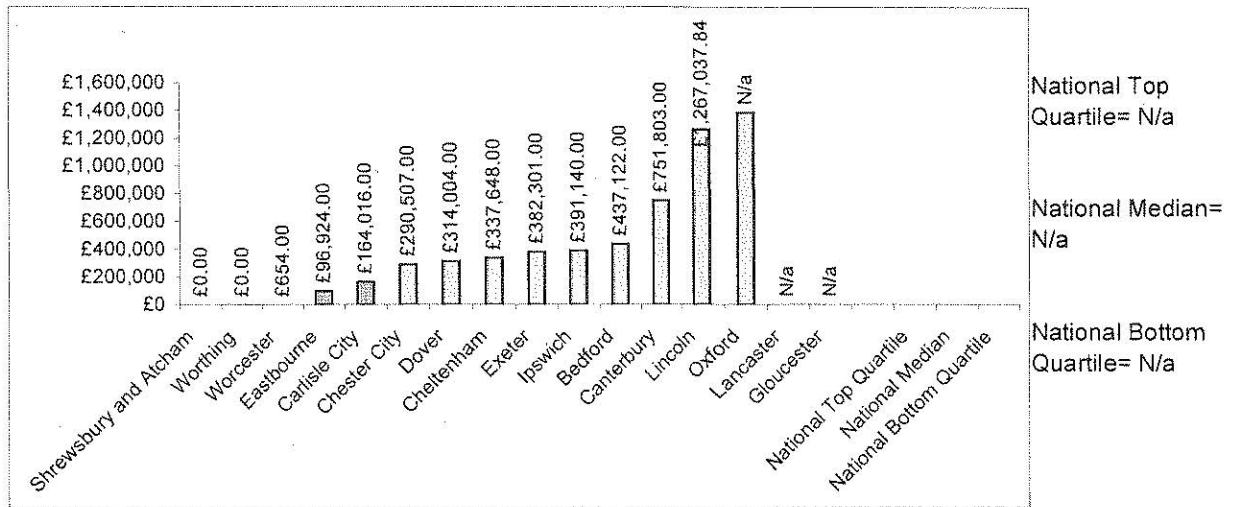
National Top Quartile= N/a
 National Median= N/a
 National Bottom Quartile= N/a
 N/a

8.9 Percentage of monies spent on advice and guidance services provision that was given to organisations holding the CLS Quality Mark at 'General Help' level and above (BVPI 226b)



National Top Quartile= N/a
 National Median= N/a
 National Bottom Quartile= N/a

8.10 Total amount spent on advice and guidance in the areas of housing, welfare benefits and consumer matters which is provided directly by the authority to the public (BVPI 226c)



Budget & Performance Panel

Data Quality Audit 2007/08 31st March 2009

Report of Corporate Performance Manager

PURPOSE OF REPORT

To inform Members of the outcome of the annual Data Quality Audit

This report is public

1. Background

- 1.1 In July and August 2008, the council's auditors KPMG undertook a statutory audit of the arrangements the Council has in place to ensure the quality of the data upon which it relies to make its decisions.
- 1.2 The audit is conducted in 3 parts:
 - **Stage 1:** Review of the management arrangements for data quality using the Data Quality KLOE (Key Lines of Enquiry)
 - **Stage 2:** Issues arising from analytical review of 2007/08 performance data (BVPIs and key non BVPIs eg. HIP returns). This process informs:-
 - **Stage 3:** In-depth review/audit of selected sample performance indicators

2. Outcome of the Audit

- 2.1 For the financial year 2007/08, Lancaster City Council consolidated its position as an authority which is '**Performing Well**' for data quality management and is '**consistently above minimum requirements**'.
- 2.2 The audit report is attached at **Appendix 1** to this report.

3. Auditor Recommendations

- 3.1 KPMG made a total of 8 original recommendations for improvement in the coming year. However Members will see if they refer to page 7 of the attached report that

this has now has been reduced to 7 in the light of officer comment upon the draft report.

- 3.2 A recommendation which asked the council to ‘automate’ the transfer of performance data from existing systems to the Escendency system was considered unrealistic in the light of current budgetary pressures. KPMG have agreed to remove the recommendation. Having reviewed the KLOE, it is considered that failure to do this should have no significant negative impact upon our prospects for improvement in future years.

4. The Future

- 4.1 A target to achieve level 4 (Well above minimum requirements - performing strongly) in the forthcoming 2008/09 audit has been set. The main requirement of the KLOE which we have not previously satisfied is the effective management of Data Quality within the Council’s key partnerships. It is not possible to achieve the highest level without the full co-operation of partners.
- 4.2 Work undertaken within the Local Strategic Partnership supporting the Performance Management Framework for the delivery of the Sustainable Community Strategy, means that for the first time there is a realistic possibility for us to improve our Data Quality score to the maximum possible awarded.
- 4.3 However, as KPMG have very recently made us aware that there may well be changes to the audit methodology for the 2008/09 data, the target of achieving level 4 should be reconsidered at a later date to ensure that the target remains realistic.

FINANCIAL IMPLICATIONS	
None	
SECTION 151 OFFICER’S COMMENTS	
The Section 151 Officer has been consulted and has no further comments.	
LEGAL IMPLICATIONS	
The Council has a duty to continuously improve within the terms of the Local Government Act 1999 (the duty of Best Value). Legal Services have been consulted and have no further comments.	
MONITORING OFFICER’S COMMENTS	
The Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS	Contact Officer: Liz Stokes
None	Telephone: 582150
	E-mail:
	Lstokes@lancaster.gov.uk



GOVERNMENT

Data Quality Review 2007-08

Lancaster City Council
23 February 2009

AUDIT

The contacts at KPMG in connection with this report are:

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Assistant Manager

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Management Arrangements 4

Performance Indicator Spot Checks 6

Appendices 7

1. Recommendations
2. Prior Year recommendations

This report is addressed to the Council and has been prepared for the sole use of the Council. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. The Audit Commission has issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies. This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. We draw your attention to this document.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Kevin Wharton who is the engagement lead to the Council, telephone 0161 246 4633 email kevin.wharton@kpmg.co.uk who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees on 0161 246 4063, email trevor.rees@kpmg.co.uk, who is the national contact partner for all of KPMG's work with the Audit Commission. After this, if you still dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the Complaints Team, Nicholson House, Lime Kiln Close, Stoke Gifford, Bristol, BS34 8SU or by e mail to: complaints@audit-commission.gov.uk. Their telephone number is 0844 798 3131, textphone (minicom) 020 7630 0421.

Executive Summary

The Audit Commission has developed a three-stage approach for assessing data quality, the first stage being a review of management arrangements for data quality. This review determines whether the Council has in place proper corporate management arrangements for data quality, and whether they are being applied in practice. This is the third year in which we have undertaken work on data quality.

The findings support our conclusion on your arrangements to secure value for money in relation to the specific criterion on data quality. This requires the Council to have *'a track record of using high quality information on costs to actively manage performance, improve value for money and target resources'*. This conclusion will be issued with the 2007/08 audit opinion on your accounts.

Stage One

The work on management arrangements focuses on corporate data quality arrangements for your performance information. Our work will help drive improvement in the quality of performance information, leading to greater confidence in the supporting data on which performance assessments are based. The review is structured around five themes:

- Governance and leadership;
- Policies and procedures;
- Systems and processes;
- People and skills; and
- Data use and reporting.

These themes break down into thirteen Key Lines of Enquiry (KLOEs). We have assessed your arrangements against each KLOE and have scored you against each theme as defined below:

Level	Description
Inadequate	Below minimum requirements - inadequate performance
Adequate	Only at minimum requirements - adequate performance
Performing well	Consistently above minimum requirements - performing well
Performing strongly	Well above minimum requirements - performing strongly

We have assessed your overall performance as performing well. You have performed well in respect of your arrangements in each of the five themes.

We have provided our key findings in Section One and have raised seven recommendations, summarised in Appendix 1. We report on the implementation of prior year recommendations in Appendix 2

Executive Summary

Stage Two

During Stage Two of the process, we followed up issues arising from the analytical review of 2007/08 BVPI and non-BVPI data, used in the Comprehensive Performance Assessment carried out by the Audit Commission. This analytical review informed our selection of a sample for testing at Stage Three.

Stage Three

When deciding how many and which PIs to review at Stage Three, in addition to those identified for review by the Audit Commission, we used the results from stage one and our cumulative audit knowledge and experience to determine the total number of PIs for review. As a result of this, we have identified 1 BVPI to review. In addition, it is mandatory to review two housing benefits PIs (BV78a and BV78b) at Stage Three. The following were therefore reviewed:

- BV 184 (a) – Proportion of non-decent home;
- BV 78 (a) - Speed of processing new claim to HB/CTB; and
- BV 78 (b) – Speed of processing change of circumstances to HB/CTB.

The results of these spot check reviews indicate that the data quality underpinning your PIs is good.

The results of our data quality spot checks are summarised in Section Two.

Best Value Performance Plan Report

In prior years we audited your Best Value Performance Plan in accordance with the Local Government Act 1999 and the Audit Commission's Code of Audit Practice. From this year there is no requirement for this to be audited.

Management Arrangements

We have assessed your **overall level of performance** as **performing well**. You have performed well in respect of your arrangements over each of the five themes detailed below.

The table sets out key drivers behind each theme, and details areas where you are currently meeting requirements and areas where further development is required.

Theme	Performance	Key issues
Governance & Leadership	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ The Council has ensured that the Data Quality Policy is embedded within the organisation. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council provided one-on-one training with staff during the year, however the Council should demonstrate an example of good practice in securing data quality training for all relevant staff.
Policies & Procedures	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ The Council has reviewed and updated the Data Quality Strategy during the year. The updated Data Quality Strategy now covers data quality requirements on partnership working. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council has developed a network of information custodians, however the Council need to demonstrate the impact that information custodians have on data quality. For example, by creating a log to identify all issues and actions by the information custodians to improve data quality. • The Council should begin to pursue and rectify non-compliance with policies and procedures by partnerships.
Systems & Processes	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ The council has introduced business continuity arrangements during the year to provide protection for records and performance data which are vital to the continued effective functioning of the Council. ✓ A formal Information Sharing protocol has been introduced during the year which specifies the responsibilities of partners to provide data which is 'fit for purpose' to the Council. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council should put systematic arrangements in place annually to ensure that data supplied by third parties is fit for purpose, for example, via direct input into the Escendency System or through data quality assessments carried out by Internal Audit. • Any issues identified at partner bodies is communicated to them on an ad hoc basis. The Council should ensure the partner bodies are fully involved in this process, for instance being included on internal data quality communications.

Management Arrangements (continued)

Theme	Performance	Key issues
People & Skills	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ During the year, the Council has continued updating the Data Quality Strategy to ensure all relevant staff are clear on their roles and responsibilities around data quality. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council should develop a formal training programme on data quality issues tailored to the varying needs of all relevant staff and ensure it is adapted to changing needs.
Data Use	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ During the year, the members and senior management have fully utilised the Escendency system. This is evidenced by quarterly performance reports and annual reports for 2007/08. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council should develop a formal documented process for checking externally reported data/performance indicators, both departmentally and corporately, to assure the quality of the data.

Performance Indicator Spot Checks

Our Stage Two and Three analytical review work identified that the PI values reviewed fell within expected ranges. We carried out spot checks on three of your PIs. As a result of our audit work, one PI was amended and no reservations issued on two PIs as summarised in the table below.

PI	Description	Value stated	Conclusion
BV 184 (a)	Proportion of non-decent homes	1%	Amended to 0%
BV 78 (a)	Speed of processing new claim to HB/ CTB	19.2 days	Fairly stated
BV 78 (b)	Speed of processing changes of circumstances to HB/ CTB	7.4 days	Fairly stated

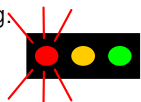
Recommendations

This appendix summarises the recommendations we have identified relating to your data quality management arrangements. We have given each a risk rating (as explained below) and agreed with management what action you will need to take.

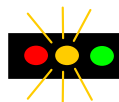
We will follow up these recommendations as part of our 2008-09 audit.

Priority rating for recommendations

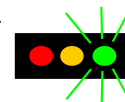
Priority one: Addressing these issues is essential to assist in moving you towards an improved rating.



Priority two: Addressing these issues is desirable to assist in moving you towards an improved rating.



Priority three: Addressing these issues will assist in moving you towards an improved rating.



No.	Priority	Recommendation	Management response	Officer and due date
1	● (two)	Governance and leadership The Council provided one-on-one training with staff during the year, however the Council should demonstrate an example of good practice in securing data quality training for all relevant staff.	Agreed	Corporate Performance Manager April 2009
2	● (two)	Policies and procedures The Council has developed a network of information custodians, however the Council need to demonstrate the impact that information custodians have on data quality. For example, by creating a log to identify all issues and actions by the information custodians to improve data quality.	Agreed	Corporate Performance Manger April 2009
3	● (two)	Policies and procedures The Council should begin to pursue and rectify non-compliance with policies and procedures by partnerships.	DQ compliance within partnerships will be checked by LSP PMF Team	Corporate Performance Manager - ongoing
4	● (two)	Systems and processes The Council should put systematic arrangements in place annually to ensure that data supplied by third parties is fit for purpose, for example, via direct input into the Escendency System or through data quality assessments carried out by Internal Audit.	Agreed - Corporate Strategy will check. It is inconsistent with the role of Internal Audit as impartial assessors for them to play an integral part in the process – however, potential for review of systems on an ad hoc basis where appropriate	Corporate Performance Manager – ongoing throughout year
5	● (three)	Systems and processes Any issues identified at partner bodies is communicated to them on an ad hoc basis. The Council should ensure the partner bodies are fully involved in this process, for instance being included on internal data quality communications.	Agreed	Corporate Performance Manager - ongoing
6	● (two)	People and skills The Council should develop a formal training programme on data quality issues tailored to the varying needs of all relevant staff and ensure it is adapted to changing needs.	Agreed	Corporate Performance Manager – programme in place April 2009
7	● (two)	Data Use The Council should develop a formal documented process for checking externally reported data/performance indicators, both departmentally and corporately, to assure the quality of the data.	Agreed	Corporate Performance Manger April 2009

Prior Year Recommendations

This appendix summarises the progress made to implement the recommendations that were identified in previous Data Quality reports by the Audit Commission. We have given each of our observations a risk rating (as explained in Appendix 1). In summary:

Year	Number of recommendations that were:		
	Included in original report	Implemented in year or superseded	Remain outstanding (re-iterated below)
2006-07	6	4	2
Total	6	4	2

No.	Risk	Issue and recommendation	Management response	Officer and due date	Status at November 2008
1	● (three)	Governance and Leadership Ensure that the Council's Data Quality Policy is embedded within the organisation	Refresh DQ Strategy to ensure good fit with latest AC guidance and then re-launch through Information Custodian Group (draft report February 2008)	Information Management Group April 2008	Fully implemented The Data Quality Strategy has been updated during the year and is embedded within the organisation.
2	● (two)	Policies Demonstrate the impact that information custodians have on data quality	Examples sought through Information Custodian Group	Corporate Performance Manager Ongoing	Not implemented This is still ongoing process. See Recommendation two.
3	● (three)	Systems and processes Accelerate the development of Business Continuity Plans.	Business Continuity plans have been in place for all Council Services since March 2007. They were tested at table-top exercise in September 2007 and have recently been reviewed and revised based on learning from that exercise and some recent plan activations.	Information Management Group March 2008	Fully implemented Business Continuity Plans have been in place during the year.
4	● (two)	Systems and processes Specify quality requirements for all data used by the Council which is shared with external partners, or which is provided by a third-party organisation.	Agreed. Complete at strategy level covered by Information Sharing protocol. In early 08 there will be a significant review of what the council measures to take into account the NI set and the emerging LAA. Requirements at a detailed operation level can only be fully specified when we are clear what we will measure	Information Management Group and Information Custodians June 2008	Fully implemented A formal Information Sharing Protocol has been introduced during the year.

Prior Year Recommendations (continued)

No.	Risk	Issue and recommendation	Management response	Officer and due date	Status at November 2008
5	● (one)	<p>People and Skills</p> <p>Ensure that data quality training is periodically evaluated and adapted to changing needs.</p>	<p>Second session of DQ training planned for spring 2008 to train the small number of Information Custodians who missed the initial training. Will be scheduled to take place after business plans completed.</p>	<p>Corporate Performance Manager April 2008</p>	<p>Partially implemented</p> <p>Training has been provided during the year. However, improvement to training can be strengthened by developing training programme. See Recommendation seven.</p>
6	● (two)	<p>Data use and reporting</p> <p>Monitor usage of the Escendency system to ensure that members and senior management are fully utilising the system.</p>	<p>There are a detailed project plan for the further development of the system. At all stages, central QA procedures will ensure that the functionality of the system is fully utilised.</p>	<p>Corporate Performance Manager Ongoing</p>	<p>Fully implemented</p> <p>During the year, the members and senior management have fully utilised the Escendency system. This is evidenced by quarterly performance reports and annual reports for 2007/08.</p>



08 December 2008

Chief Executive Officer
All District Councils

Direct line

0845 052 2616

Email

cpa@audit-commission.gov.uk

Dear Colleague

Use of Resources Assessment 2008

Please find attached your authority's use of resources assessment which we ask you to treat as confidential.

You may apply for a review of your authority's use of resources assessment if you wish formally to challenge the overall use of resources assessment.

Before making an application for a review of the assessment, please discuss the issues with your Appointed Auditor. The Commission document *Review Procedure for Scored Judgements* explains more about the review process and is available on our [website](#). If you wish to request a review you must send written notice of your application by 5pm on 19 December 2008 to Mark Fletcher (m-fletcher@audit-commission.gov.uk), Regional Director, together with your full case and evidence. We ask that you, as Chief Executive Officer, make the request for a review.

Any general queries regarding the contents of this letter should be referred to your Comprehensive Area Assessment Lead (CAAL), who has been sent a copy of this letter.

Please note that these score are confidential until the Commission completes any requested reviews. We will have done this by the end of January 2009. We will publish a consolidated list of all scores at the end of February 2009. If you have any queries on these arrangements, please contact your CAA Lead or cpa@audit-commission.gov.uk.

Yours sincerely

A handwritten signature in black ink that reads 'Gareth Davies'.

Gareth Davies
Managing Director, Local Government, Housing & Community Safety

cc CAA Leads



Lancaster City Council

Confirmation of Use of Resources Assessment - 2008

This confirmation was attached to a covering letter and is subject to an embargo as set out in the covering letter.

Auditor Assessments

Element	Score
Financial Reporting	3
Financial Management	3
Financial Standing	3
Internal Control	2
Value for Money	2

Audit Commission - Overall Use of Resources Judgement

Element	Score
Overall Score	3

The use of resources judgements are scored on the following scale:

- 4 - well above minimum requirements - performing strongly
- 3 - consistently above minimum requirements - performing well
- 2 - at only minimum requirements - adequate performance
- 1 - below minimum requirements - inadequate performance

BUDGET AND PERFORMANCE PANEL**Work Programme Report
31st March 2009****Report of Head of Democratic Services****PURPOSE OF REPORT**

To provide Members with an update of the Panel's Work Programme.

This report is public

RECOMMENDATIONS

- (1) That consideration be given to appointing a Panel Member to the District Wide Tenants Liaison Group whilst the Liaison Group considers the implications of revisions to council housing rents.
- (2) That the Panel agree to the Budget and Performance Panel section of the Annual Scrutiny Report 2008-09.

1. Referral from Overview and Scrutiny Committee – Council Housing Rents

At the Overview and Scrutiny Committee meeting on 11th March 2009, Councillor Kerr discussed issues within his portfolio with the Committee. Among the issues raised were the possible budgetary implications in view of the recent announcement from the government minister of a 3.1% increase in council rents as opposed to the council's agreed 5% increase. Councillor Kerr advised the committee that this would be raised in the District Wide Tenants Liaison Group and invited the Committee to send a representative to these discussions. As this was a budgetary issue the Committee agreed that this should be referred to Budget and Performance Panel for consideration.

The Corporate Director (Community Services) will be reporting to a future Cabinet on this issue as the announcement was too late to be incorporated into this year's budget process.

The Panel are requested to consider appointing a representative to attend the District Wide Tenants Liaison Group whilst the Liaison Group discusses consideration of this issue.

2. **Agreement of Budget and Performance Panel section of the Annual Scrutiny Report 2008-09**

A copy of the draft Budget and Performance Panel section of the Annual Scrutiny Report 2008-09 has been circulated to Panel Members electronically with the request that any revisions/comments be forwarded to Democratic Services prior to the meeting in order that any revisions can be incorporated into the version which will be submitted to the Panel at the meeting. This will be considered by Full Council on 8th April 2009.

The Panel are requested to agree to the Budget and Performance Panel section of the report.

BACKGROUND PAPERS	Contact Officer: Liz Bateson Telephone: 01524 582047 E-mail: ebateson@lancaster.gov.uk Ref:
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BUDGET AND PERFORMANCE PANEL
WORK PROGRAMME

Matter for consideration	Officer Responsible	Meeting date
Partnership Scrutiny Pilot– Community Safety Partnership	H.CS	TBC
Partnership Scrutiny Pilot – Museums Service Partnership	H.Cult.S	TBC

Requests for Cabinet Member attendance

PRT Reports 3 rd quarter	Cabinet Member with responsibility for performance management efficiency	31.3.09
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Briefing Notes requested

Date requested	Topic	Officer responsible	Progress