

## MUNICIPAL YEAR 2011/2012 REPORT NO. 157

**MEETING TITLE AND DATE:**

Cabinet 14<sup>th</sup> December 2011

**REPORT OF:**

Director of Finance, Resources  
and Customer Services

**AGENDA PART 1**

**ITEM 7**

**Subject:** Revenue Monitoring Report:  
October 2011

**Wards:** All

**Cabinet Member consulted:**

Councillor Andrew Stafford

**Contact:**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report sets out the Council's revenue budget monitoring position based on information to the end of October 2011. The report indicates a projected overspend on the General Fund of £64k in 2011/12.

**2. RECOMMENDATIONS**

It is recommended that Cabinet:

- 2.1 Notes the revenue outturn projection of £64k overspend in 2011/12.
- 2.2 Agrees that departments reporting pressures should formulate and implement action plans to ensure that they remain within budget in 2011/12.

**3. BACKGROUND**

- 3.1 The Council's revenue expenditure against budget is monitored by regular monitoring reports to Corporate Management Board and Cabinet. These reports provide a snapshot of the revenue position for each Department and for the Council as a whole, and provide details of any projected additional budget pressures and risks, or any significant underspends.
- 3.2 The Revenue Monitoring Report is a result of the monthly monitoring process carried out by the individual Departments, which is based on the following principles to ensure accuracy, transparency and consistency:
- Risk assessments, to enable greater emphasis to be placed on high-risk budgets throughout the year.
  - Comparisons between expenditure to date, current budgets and budget profiles.
  - Expenditure is predicted to the year-end, taking account of seasonal fluctuations and

other determinants of demand.

- The 'Key Drivers' that affect, particularly, the high-risk budgets are monitored and reported to Department Management Teams.
- Action plans to deal with any areas that are predicting or experiencing problems staying within agreed budgets are produced.

#### 4. OCTOBER 2011 MONITORING - GENERAL FUND

4.1 A summary of the departmental and corporate projected outturns and variances against budget is set out in Table 1 below:

Department	Original Budget	Approved Changes	Approved Budget	Projected Outturn	Projected Variation
	£000s	£000s	£000s	£000s	£000s
Chief Executive	938	568	1,506	1,713	207
Environment	40,967	1,195	42,162	42,395	233
Finance, Resources & Customer Services	22,504	2,613	25,117	25,023	(94)
Health, Housing and Adult Social Care	101,752	5,056	106,808	106,774	(34)
Regeneration, Leisure & Culture	14,796	284	15,080	15,080	0
Schools & Children's Services	81,027	1,751	82,778	82,530	(248)
<b>Department Budgets</b>	<b>261,984</b>	<b>11,467</b>	<b>273,451</b>	<b>273,515</b>	<b>64</b>
Treasury Management	9,192	0	9,192	9,192	0
Contribution from Capital Financing Account	(15,622)	0	(15,622)	(15,622)	0
Contribution to Bad Debt Provision	812	0	812	812	0
Earmarked Reserves	0	(10,008)	(10,008)	(10,008)	0
IT Fund	972	(109)	863	863	0
Contingent Items	2,642	(231)	2,411	2,411	0
Contingency	1,000	0	1,000	1,000	0
<b>Service Expenditure</b>	<b>260,980</b>	<b>1,119</b>	<b>262,099</b>	<b>262,163</b>	<b>64</b>
Levies	8,809	(469)	8,340	8,340	0
Revenue Grant & Contribution	(17,478)	(650)	(18,128)	(18,128)	0
<b>Total Budget Requirement</b>	<b>252,311</b>	<b>0</b>	<b>252,311</b>	<b>252,375</b>	<b>64</b>

## 5. DEPARTMENTAL MONITORING INFORMATION – BUDGET PRESSURES & PROJECTED SAVINGS

### 5.1 Chief Executive's Department

This department is currently projecting an overspend of £207k, as detailed in the table below.

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Human Resources	213	200	Estimated £76k overspend on HR salaries due to vacancy factor, this is being reviewed as part of the 12/13 estimate process. Reduced income from external recruitment, due to lower staff turnover and reduced posts in the current period of austerity and further reductions in income from reduced numbers attending training & other courses, has led to a net projected shortfall in income of £124k.
Minor Variances	8	7	Projected overspend of £9k, offset by income from Better Local Governance Board.
<b>Total Variation - Chief Executive</b>	<b>221</b>	<b>207</b>	

### 5.2 Environment

This department is currently projecting an overspend of £233k, as detailed in the table below.

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Highways Service	-70	-94	There is a projected under recovery of £38K on skip licence income and a £48K overspend on the current highway works contract due to the cost of indexation uplifts in 2009 and 2010. The award of the Highway Works Contract Nov 2011 to Oct 2015 is likely to create a part year pressure. These cost pressures are more than offset by an over recovery of other receipts, which is forecast following a thorough mid-year review on various income streams for Highway Services.
Parking	80	72	There is a projected shortfall on parking receipts of £288k. This is offset by savings in contractor costs and additional income from parking permits.
Fleet Management	-77	-77	An underspend of £150k in the Fleet leasing budget due to the phasing in of the 12 refuse vehicles procured for the roll out of the wheeled bin project is partly offset by a £73k shortfall in MOT tests income.
Waste Services	60	60	There is a projected overspend on fuel costs of £60k due to rising fuel prices. As a result of the recent suspension of commercial clinical waste collection the service projects an under achievement of income of £26k which is offset by an underspend on the co-mingled waste disposal contract.
Development Management	262	279	Building construction activities have not shown signs of recovery, therefore a shortfall on planning fees income and building control application fees income of £90k and £189k respectively, is forecast.
Licensing	-36	-36	The service forecasts a favourable variance due to an over achievement of licensing income.
Parks	-6	29	Parks Operations forecast an overspend of £40k on fuel costs, which is partially offset by an underspend in employee costs £11k due to the

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
			deletion of a post following a recent restructure. The over achievement of income previously reported has been offset by the one-off costs anticipated with regards to cemetery works.
External Legal	0	0	Due to an unfavourable court judgement and interim payment thereof, the projected overspend on external legal costs is £325K. External legal costs are being treated as a corporate risk.
<b>Total Variation – Environment</b>	<b>213</b>	<b>233</b>	

### 5.3 Finance, Resources & Customer Services

This department is currently projecting an underspend of £94k, as detailed in the table below.

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Legal Services	59	28	There is an estimated £69k shortfall in income from Registrars and Citizenship. Estimated £31k increase in Land Charges income due to increasing number of full searches, following change in legislation, and an advertising campaign with solicitors
Revenues & Benefits	0	0	Although there is an underspend projected on permanent staff, the use of agency staff to meet demand, will lead to a projected overspend of £200k. It is proposed to reallocate the agency staff to reconcile variations between the Civica system & Pericles, so that the permanent staff are released to concentrate on customer service, and the cost of agency staff can be met from the £1m reserve for the implementation of Civica.
Corporate Governance	104	105	The overspend predicted for Audit has now reduced to £75k following increased income including £10k from a proceeds of crime case, and reduced staffing projections. The budget was set based on a full years savings being achieved through the restructure, however this was not implemented until 1st July 2011. Significant unbudgeted staff costs have been incurred for pay in lieu of notice and salaries paid during trial periods. Actions are being taken to try and reduce the size of the overspend by holding vacancies as long as possible and the potential reduction in contractor spend in 2011/12. A net £6k staffing overspend is predicted for Scrutiny, Secretariat, and Electoral Services, due to the delay in restructuring. Late legal bills for the judicial review of Chase Farm have led to £5k of unanticipated expenditure. The purchase of new software in Electoral Services was budgeted for in 2010/11, but costs have appeared in 2011/12, actions to reduce this overspend are being taken, but currently a £19k problem has been identified
Corporate Items	-73	-73	The annual audit fee is likely to be £70k below budget. A pension of £3k is no longer paid.
Accountancy & Exchequer Services	-93	-93	Savings on staffing, due to managed vacancies. One post to be deleted as part of the 12/13 budget exercise.
Property Services	-5	-61	The underspend in this service is due to savings of £440k from a combination of energy, employees and other running costs of administrative buildings and related facilities. These have been offset in part by net shortfall of £379k in rental income across the commercial portfolio, especially from The Ark, The BIC, Palace Gardens Development, New Southgate Industrial Estate, and some vacant units in Claverings. The net increase of £56k in the underspend is mainly due to additional savings from the costs of Building Maintenance and Porters respectively.

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
<b>Total Variation FRCS</b>	(8)	(94)	

#### 5.4 Health, Housing & Adult Social Care

This department is currently projecting an underspend of £34k as detailed in the table below.

Health & Adult Social Care			
Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Directorate	0	15	Projected overspend as a result of none achievement of vacancy factor.
Strategy and Resources	0	59	Overpend is predicted due to anticipated additional cost for voluntary organisation accommodation.
Mental Health	-183	-168	Reduced underspend in month due to operating costs within day service centre.
Learning Disabilities	400	400	The projected overspend in Learning Disabilities Services is made up of both the LD Pool and care purchasing projections. The LD Efficiency Board continues to manage the risk associated with the 11/12 savings target via a planned reduction in care costs over the year.
Older People & Physical Disabilities (Customer Pathway)	373	379	The movement of £6k is due to continued work on the transformation programme. It is important to note that there is a £1.7m savings target against the Transforming Social Care programme. Care purchasing costs for existing services continue to be monitored against trend analysis. The new self-directed support / personalised budget projections will need to be monitored closely to ensure appropriate processes for capturing costs are adopted.
In House Care Provider	-176	-279	Movement in month as a result of client variation and impact of shadow trading accounts in place for in-house services as part of changes for personalisation. The service has also reduced the level of agency commitment in month by £80k.
Care Purchasing - Central Contingency	-440	-440	No Movement
<b>Total Variation – Health and Adult Social Care</b>	<b>-26</b>	<b>-34</b>	
Community Housing			
Community Housing	0	0	Community Housing is reporting a breakeven position. There are projected underspends of £29k on the Bed and Breakfast and PSL rents; £90k underspend on furniture and equipment; £30k underspend on repairs; £10k underspend on grounds maintenance; £7k underspend on running costs; £20k underspend on the HALS management fees; £23k on the Barnet Sub Region staffing grant; £148k salary underspends due to vacancies and £34k underspend on Housing Strategy miscellaneous budgets. There has also been £47k received in refunds from rent deposits paid to landlords and £49k additional income from care and repair fees. These underspends are offset by overspends of £23k on environment recharges for the M3 database system and £108k unachievable income target for recharges on the PSL administration budget. Any over or underspend on Community Housing will be managed within the Initiatives reserve fund.
<b>Total Variation - Health, Housing and Adult Social</b>	<b>-26</b>	<b>-34</b>	

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Care			

## 5.5 Regeneration, Leisure & Culture

The Department is projecting year end expenditure to be as budget at the end of September. Budgets will be kept under close review throughout the year.

## 5.6 Schools & Children's Services (Non Schools)

This department is currently projecting an underspend of £248k as detailed in the table below.

### Children's Services

Education			
Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
A.D. Education	-34	-34	Anticipated payment from Haringey Council in respect of the shared services provision of the Assistant Director. 50% already received.
Schools Improvement Service	-250	-223	The 2010/11 Standards Fund allocation, which could be spent up to the end of August 2011, was spent by that time, which resulted in projected underspends totalling £377k across a number of SIS budgets. There is a projected £32k underspend from the partial secondment of a senior post to Human Resources and £22k due to a revised staffing structure at the Professional Development Centre. Continuing Professional Development is also reporting a £72k underspend as a result of a combination of lower charges from external providers and additional income. In addition a £78k underspend is reported as a result of diploma funding for the 14-19 year group, payment for which has been received, but is not fully required. The total underspend is net of a contribution of £328k to a reserve for schools causing concern and a provision of £50k as a result of claims made against LBE by former employees following a reorganization of the service earlier this year.
Early Intervention & Access			
Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Community Access Childcare & Support	-231	-264	Underspend mainly due to Early Years Special Projects to the value of £200k put on hold. In addition there are underspends due to staff vacancies as a result of the delay in implementing the restructure plus an erroneous 2010/11 reserve of which £48k will not be realised.
Children's Centres	406	261	The 2011/12 budget had anticipated a saving due to a restructure which is now unlikely to happen until the last quarter of the year. A thorough review of expenditure indicates that despite the delay in implementation the overspend can be reduced to £261k due to delays in filling posts.
Think Family	-50	-50	There is a saving of £70k as a result of postponement of recruitment whilst the Assertive Outreach Team is developed, offset by £20k overspend due to the employment of temporary data input clerks to ensure effectiveness of the eCAF system.
CAMHS/EPS	88	19	Projected overspend due primarily to a shortfall in buyback income

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
			which at the moment is in the region of £19k. The overspend has reduced this month as a result of increased income in other areas, however the income position from both buybacks and the PCT remains relatively fluid and difficult to estimate.
SEN Transport	-260	-293	The underspend is as a result of a 6.3% reduction in pupil numbers which has enabled a rationalisation of service reducing the total number of routes by 14. The variability in the nature of routes (frequency and vehicle size) means there is not a one to one correlation in the variation of route numbers to pupil numbers.

**Commissioning**

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Catering	-300	-300	Based on the surplus in last year's accounts adjusted for the closure of the Forty Hall café during building works, there is expected to be an underspend of approximately £300k.
Enhanced Pension Contributions	-122	-122	Following a review of the enhanced pension budget for former employees, a saving of £122k is reported.
Ladysmith Road	-34	-34	Provision has been made for the full year costs of Ladysmith Road accommodation. The lease expires later in the year resulting in estimated savings of £34k.
Secondary School Strategy	120	120	Virement agreed in September Monitoring to Cabinet- the development of options to meet the increasing demand for Secondary School Places over the next 10 years through feasibility studies.

**Safeguarding Division**

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Divisional Management- Employee Costs	-174	-174	There are projected underspends within the graduate social work training and the recruitment and retention budgets.
No Recourse to Public Funds	-135	-118	This budget was increased in 11/12 to reflect the additional spending in 10/11, but the current projection is £156k less than in 10/11. This is a result of the ongoing review of cases which commenced earlier this year. We are also now able to place clients in cheaper accommodation.
Social Work Teams	-50	-14	The Assessment & Family Support Teams were allocated additional budget at the start of the year to offset the staffing pressures due to a prolonged increase in workloads. The underspend has reduced this month as a result of new pressures arising, requiring extensions to agency staff.
Cheviots	-50	-50	An underspend of £35k has arisen because packages of financial support have been agreed with our health partners. There is also a £15k underspend as a result of reviewing carers support packages.
Leaving Care Team	51	30	The projected overspend has decreased as a result of variations in clients packages the most significant being clients moving from high cost residential to lower cost semi independent accommodation.
In House Fostering	120	191	There is now an overspend within the salary budget of £58k mainly as a result of fewer vacancies and the need for an agency worker to cover inspection work and long term sickness. The allowance budget is now reporting an overspend of £133k.as a result of 8 new placements in addition the 7 new placements last month.
External Residential Care Purchasing	529	675	There is now a net projected overspend of £675k across the range of LAC external residential placements. There is a large overspend of £704k (up £38k) within the Agency Fostering budget as a result of additional placements (+889 wks) in excess of the budget. These placements are required as there has been a lack of suitable placements within the In House Fostering service to deal with the increase in LAC numbers. The increase this month is due to 5 new placements but these costs are partially offset by placement length reductions for other existing clients. There is also an overspend of £138k within the Secure budget which is mainly due to an increase (+£785) in the average weekly cost and an additional 48 client weeks. There are currently projected underspends within the Community Homes (-£46k), Special Needs (-£190k), Mother & Baby (-£44k) due to fewer client weeks than budgeted (-143 wks). A further provision of £110k is included within the £675k total as current year's trends identify a probable increase in care purchasing expenditure towards the end of the financial year.
Unaccompanied	-130	-108	There are currently two clients under 16 that are receiving support



Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Asylum Seeking Children			where the flat rate grant funding received is significantly higher than their actual placement costs. However the underspend has reduced this month due a new client whose grant funding status has not yet been agreed with the Home Office.
Minor Variances	225	240	The variance within this area is due to projected underspends within the graduate social work training and the recruitment and retention budgets.
<b>Total Budget Variation - Non Schools</b>	<b>-281</b>	<b>-248</b>	

### Schools and Children's Services Risks:

**External Care Purchasing** – although currently projecting a £565k overspend this position may change dramatically if the increased activity in child protection matters continues to result in more children being taken into care between now and the year-end. From December 2010 to August 2011 the number of Looked after Children has increased from 294 to 318. As the In – House Fostering service is nearly at capacity, any further demand for placements will need to found externally in more expensive placements. The recent disturbances have also resulted in more young people being placed into secure care.

**In House Fostering** - The foster allowances projection includes a provision as a result of a new law from 1st April which means that family & friends who look after children that are in Local Authority care must now be paid the same allowance as other foster carers. These carers would previously be paid at DSS benefit rates until they had been assessed & approved by the Fostering Panel. However once the fostering service has assessed their suitability as a Foster Carer (within 16 weeks) the full maintenance allowance has to be paid. This was implemented from 1st September with an additional cost of £76k; however this may be higher if payments are subsequently backdated to 1st April 2011. The spending on the allowances will continue to increase when new clients are placed with F&F temporary carers and new clients are placed with unconnected foster carers as new carers are approved. The projections do not include costs for unknown placements for the rest of the year.

**Youth Offending & Youth Support Services** - as a result of the recent public disturbances and stabbings in the Borough it is likely that increasing demands will be placed upon these services. So far there have been 31 young people from the Borough who have been arrested. 4 have so far been sentenced and 6 released with no charge with 21 still in the judicial system. These cases may require Pre-Sentencing Reports which cost £2,300 each.

**External Legal Costs** - This is now treated as a budget risk across all departments on the basis that these costs were contained last year within overall departmental budget provisions. The Safeguarding Division is currently estimating that these costs will be £530k in 2011/12. If these costs cannot be covered by S&CS then an allocation from the Corporate contingency may be necessary.

**Service Level Agreement with Schools** - The SCS Department provides a range of services to schools under service level agreements. There is a risk that the level of buy-

back from schools may not be sufficient to achieve the income targets included in the budget. Information is still being received from schools regarding their intentions on SLAs and more accurate predictions of income from this source will be included as the year progresses.

**Improving PVI Capital Developments** - As a result of a Final Stage complaint not satisfying the complainant, there is a risk that the matter may be referred to the Ombudsman and that a payment may need to be made.

**Schools Budgets - These variations do not form part of the General Fund position**

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Early Years	151	151	Based on last years outturn and one term's figures in 2011 it would appear that the take up of free entitlement for 3 & 4 year olds is increasing. The opening of a nursery at Woodpecker Hall School can only increase numbers further, however the extent of the overspend is difficult to project as this expenditure is demand led.
DSG Allocation 10-11	-65	-65	The DfE has announced the final grant income for 2011/12 and this is £65k higher than estimated. Further work will be done to check their calculations as the amount held back for academies appears to be higher than expected.
Learning Disabilities	-89	-106	Delays in appointing to posts will result in an underspend in the employee budget. This underspend has increased in October due to two members of staff leaving.
Maternity	128	128	Based on known claims the maternity cover budget will be overspent at the end of the year by around £128k.
Schools Rates	150	150	Following receipt of the actual rates bills for schools there is a potential additional cost of £150k across primary and secondary. The Business Rates Team has been asked to investigate the position.
Contingency General	242	242	The general contingency is likely to overspend by a £114k as a result of an increase in statement hours recorded in the Summer Term count of S.E.N. pupils. In addition a budget increase of around £128k is required to fund the LACSEG adjustment made to the DSG for schools that are now academies.
Schools PFI Benchmarking	-130	-130	The long-running benchmarking exercise is still not finally resolved but the indications from the tenders received is that there will be an underspend of approximately £200k depending on final decisions regarding notifications of change. However this underspend will be reduced by £70k as a result of the inflationary indexation being higher than estimated.
Minor Variances	-63	-60	
<b>Total Variation - Schools</b>	<b>324</b>	<b>310</b>	

**6. OTHER GENERAL FUND ITEMS**

**6.1 Treasury Management**

During October the European debt crisis spread to Italy, causing concerns over the ability of the Euro-zone to fund a bailout if Italy defaulted on its debt repayments. This has caused concerns about the impact on banks which hold sovereign debt in affected countries. Consequently, the Enfield Treasury Team has taken an even more prudent approach to the one it reported in September's monitoring report. From mid November we have limited LBE exposure to any one market fund to 10% of the total investments outstanding. This means we are spreading the risk over more funds and hence diluting the Council's exposure to default. Our overarching strategy is to maintain a highly liquid

position and to protect deposits against any further deterioration in the financial markets.

The team will continue to monitor this developing situation very carefully.

<b>London Borough of Enfield Investments as at 31<sup>st</sup> October 2011:</b>						
	<b>Principal £000's</b>	<b>Start Date</b>	<b>Effective Maturity</b>	<b>Rate</b>	<b>Days to Maturity</b>	<b>Credit Rating</b>
Goldman Sachs	£13,300	--	01/11/11	0.63%	1	AAA
Deutsche	£6,200	--	01/11/11	0.50%	1	AAA
Barclays	£7,500	17/10/11	17/11/11	0.60%	17	AA-
Barclays	£7,500	17/10/11	19/12/11	0.71%	49	AA-
Barclays	£5,000	17/10/11	12/01/12	0.88%	73	AA-
Lloyds TSB	£5,000	22/06/11	22/12/11	1.45%	52	A
Lloyds TSB	£5,000	03/12/10	02/12/11	1.95%	32	A
<b>Total – Investments</b>	<b>49,500</b>			<b>Average Rate</b>		<b>0.84%</b>
<b>Average Investment Size</b>	<b>7,071</b>			<b>Average Rating</b>		<b>AA</b>
<b>Time Weighted Average Days to Maturity</b>	<b>25</b>					

## 6.2 Contingency and Contingent Items

The Council maintains a general contingency of £1,000k to deal with unforeseen events and as a general safeguard against the risk of a general overspend. In addition, there are a number of contingent items that relate to spending requirements that are expected to arise during the current financial year, but about which there is some uncertainty regarding the timing of the financial impact. At this stage it is expected that all of the contingency and contingent items will be used, but a review is currently underway to identify any provision that will not be required. Any under-provision will be identified in future monitoring reports. The table below identifies the key provisions included in contingent items as at 31<sup>st</sup> October 2011.

<b>Contingent Items</b>	<b>£000's</b>
Residents Priority Fund	830
Redundancy provision	500
Demographic change contingency	1,000
Other items	81
<b>Total Contingent Items</b>	<b>2,411</b>

There is currently a budget risk in relation to expenditure on external legal / Counsel fees across departments. These costs were contained last year within overall departmental budget provisions. If this proves problematic in 2011/12 an allocation from contingency will be considered.

## 7. Housing Revenue Account (HRA) – Projected £128k underspend

Service Centre	Sept 2011	Oct 2011	Notes
	£000's	£000's	
Supervision & Management Special	28	33	The forecasted subsidy income for Supporting People is lower than the estimate used for the budget.
All Rents	-440	-437	Additional income of £46k from Aerials is partly offset by one off essential shop repairs totalling £28k. An over recovery of income of £490k has been identified on dwelling rents, due to a reduction in the void rate. The estimated void rate was 2.5% (including estate renewal decants) but is currently 1.6%. An under recovery of income of £67k on garage rent has been identified, due to a higher void rate than originally budgeted for.
Subsidy Payable	432	416	A detailed review has identified further increases to the Housing Subsidy payments. This is due to changes in the consolidated rate of interest and capital financing requirement.
Cost of Capital	-253	-243	A detailed review has identified a decrease in capital charges, due to changes in the consolidated rate of interest and capital financing requirement.
<b>Total Variation</b>	<b>-233</b>	<b>-231</b>	

## 8. ACHIEVEMENT OF SAVINGS

The 2011/12 Budget Report included efficiency and other savings, and the achievement of increased income totalling £34.5m to be made in 2011/12

Department	Red		Amber		Green		Blue		Total
	£000's	%	£000's	%	£000's	%	£000's	%	£000's
Chief Executive	0	0%	0	0%	-320	57%	-241	43%	<b>-561</b>
Environment	0	0%	0	0%	-1,516	35%	-2,768	65%	<b>-4,284</b>
Finance, Resources & Customer Services	0	0%	-678	13%	-1,564	30%	-2,962	57%	<b>-5,204</b>
Health, Housing & Adult Social Care	0	0%	-975	10%	-6,442	70%	-1,870	20%	<b>-9,287</b>
Regeneration, Leisure & Culture	0	0%	-465	30%	-250	16%	-813	54%	<b>-1,528</b>
Schools & Children's Services	0	0%	-83	1%	-3,542	55%	-2,816	44%	<b>-6,441</b>
Corporate	0	0%	-1,075	15%	-1,550	21%	-4,586	64%	<b>-7,211</b>
<b>Total Savings</b>	<b>0</b>	<b>0%</b>	<b>-3,276</b>	<b>9.5%</b>	<b>-15,184</b>	<b>43.9%</b>	<b>16,056</b>	<b>46.6%</b>	<b>-34,516</b>

### Movement of Savings

	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11
<b>Red</b>	(221)	0	0	0	0
<b>Amber</b>	(13,230)	(4,935)	(4,739)	(3,520)	(3,276)
<b>Green</b>	(12,897)	(17,027)	(16,489)	(17,063)	(15,184)
<b>Blue</b>	(8,168)	(12,554)	(13,288)	(13,933)	(16,056)
	<b>(34,516)</b>	<b>(34,516)</b>	<b>(34,516)</b>	<b>(34,516)</b>	<b>(34,516)</b>

## Amber Savings

Area of Saving	Dept	Amount £000s	Progress in Achieving Savings
Procurement savings	CORP	-1,000	CMB are currently considering the allocation of this saving with Procurement Board.
Reduced Insurance Fund contributions	CORP	-75	Work is currently being undertaken to achieve this saving. This will be fully reviewed in September.
Registrars Review (service level reduction to core services only)	FRCS	-100	Job descriptions have been re-evaluated and posts reviewed. Whilst a proportion of this additional saving will be achieved, it is unlikely the target will be achieved full
Increased registrars income	FRCS	-75	Following the review of income it is apparent that the originally anticipated income savings will not be achieved. The department is reviewing its budgets for alternative measures to mitigate this saving
Selling on of IT contract work	FRCS	-25	Work is ongoing to achieve this saving.
Revs & Bens staff realignment and other cost efficiencies	FRCS	-238	This saving has been fully identified but will be only part implemented in 2011/12. The saving has been part achieved already through the deletion of vacant posts following staff realignment. There will be a further post reduction which will follow during the year.
Reducing provision for potential subsidy loss (ie: increased risk)	FRCS	-240	This saving is dependant on the subsidy outturn and so will not be confirmed until later in the year. The process however has been reviewed improving data integrity and quality which reduces the risk of subsidy loss substantially.
Learning Difficulties savings re Care Purchasing, net of transition & current client pressures. Set against prior years pressures rather than applied as a new saving	HHASC	-400	LD Efficiency board in place, meeting regularly with planned approach to achieving savings target in year. Care purchasing budgets are demand led and are reviewed within monthly financial monitoring to ensure volatility is managed throughout the year.
Physical Disabilities savings re care purchasing Option B Home Care & Direct Payments and Park Ave, net of Option B Residential & Nursing and Supported Tenancy pressures. Set against prior years pressures not applied as a new saving	HHASC	-379	The savings have been identified as a part of a review of client trends. Savings have been netted off against the predicted growth. Care purchasing budgets are demand led and are reviewed within monthly financial monitoring to ensure volatility is managed throughout the year.
Reduce Grant Related Expenditure - Mental Health Grant	HHASC	-105	Commissioning staff and reviewing existing commitments.
Reconfiguration of Extra Care Team at Reardon Court	HHASC	-37	There was a delay in the start of the project due to capacity issue within the service, this has now been resolved.
Restructure Housing strategic services	HHASC	-54	Restructure of this area has secured potential savings, however a delay in implementation places achieving the full year effect at risk.
Leisure Centre Operators	RLC	-126	Risks Identified in the project managers September 2011 report for the capital build process at Albany, Southgate and Bramley Road.
Libraries Strategy	RLC	-310	The Library strategy consultation has commenced, but this level of saving is unlikely to be achieved in 11/12.
Enfield Business Centre Management Review	RLC	-15	The review has not created any savings in 11/12. Partners reluctant to set up social enterprise before Dec 2011.
Charging of management fee for monitoring S106 agreements	RLC	-14	Continuing to monitor income but not reached target yet
CAMHS & EPS savings	SCS	-83	Not all schools have indicated that they wish to buy back in full, this may have implications for the Service's ability to continue to fund staffing at the present levels. If changes are necessary, we will prepare the relevant reports so that changes can be implemented by the end of the financial year. We will review sources of income in late Oct. Some of these have reduced and we will explore opportunities for achieving income from other sources and/or reducing services. CAMHS and EPS will review any pressures created by any difficulties in trying to meet savings in both the Local Authority and the Enfield NHS/BEHMHT budgets.
<b>TOTAL AMBER SAVINGS</b>		<b>-3,276</b>	

## **9. ALTERNATIVE OPTIONS CONSIDERED**

Not applicable to this report.

## **10. REASONS FOR RECOMMENDATIONS**

To ensure that Members are aware of the projected budgetary position for the Authority, including all major budget pressures and underspends which have contributed to the present monthly position and that are likely to affect the final outturn.

## **11. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **11.1 Financial Implications**

As the Section 151 Officer, the Director of Finance, Resources & Customer Services is required to keep under review the financial position of the Authority. The monthly revenue monitoring is part of this review process and this latest monitoring report confirms that there is no deterioration in the financial position of the Authority. If required, measures will be put in place to address risks identified through the monitoring process and to contain expenditure within approved budgets.

### **11.2 Legal Implications**

The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

### **11.3 Property Implications**

Not applicable in this report.

## **12. KEY RISKS**

There are a number of general risks to the Council being able to match expenditure with resources this financial year:-

- Ability of Departments to adhere to savings targets.
- State of the UK economy - which impacts on the Council's ability to raise income from fees and charges and on the provision for bad debt.
- Uncontrollable demand-led Service Pressures e.g. Adult Social Care, Child Protection etc.
- Potential adjustments which may arise from the Audit of various Grant Claims.
- Movement in interest rates
- Potential liability to fund losses incurred by the former insurance underwriter Municipal Mutual.

Risks associated with specific Services are mentioned elsewhere in this report.

## **13. IMPACT ON COUNCIL PRIORITIES**

**13.1 Fairness for All** – The recommendations in the report fully accord with this Council priority.

**13.2 Growth and Sustainability** – The recommendations in the report fully accord with this Council priority.

**13.3 Strong Communities** – The recommendations in the report fully accord with this Council priority.

## **14. PERFORMANCE MANAGEMENT IMPLICATIONS**

The report provides clear evidence of sound financial management, efficient use of resources.

## Business Plan Scorecard - Cabinet Review




This report contains only those indicators subject to regular data updates and excludes annual indicators




<b>Fairness for All</b>						
<b>Safeguarding Adults</b>						
Indicator	Current Performance	Current Target	Last Update	Status	Notes	
Achieving independence for older people through rehabilitation/ intermediate care	81.10%	85.00%	Oct 2011		Target for 11/12 is 85%. This indicator is only from Oct-Dec. Current performance is below target at 81.10%. 133 of the 164 clients who were discharged from hospital and received enablement were still independent three months after discharge. Of the 32 who were classed as 'not independent' 17 clients are untraceable. An untraceable client is anyone we unable to contact 91 days after discharge from the hospital. This may be due to a client moving to another borough, moved in with family/friend, changed contact numbers/address, or is deceased	
Social care clients receiving Self Directed Support (percentage)	42.36%	49.00%	Oct 2011		At the end of October 2011, 42.36% of community based clients (3216 clients) had received self directed support during the financial year. Overall target for 2011/12 is 60%.	
Carers receiving needs assessment or review and a specific carer's service, or advice and information	19.06%	20.41%	Oct 2011		The number of carers assessed or reviewed as a percentage of all clients receiving a community-based service is 19% at Oct, which is below the monthly target of 20.4%. This is 1,380 carers receiving support which includes carers offered information & advice. The end of year target is 35%.	
<b>Safeguarding Children</b>						
Indicator	Current Performance	Current Target	Last Update	Status	Notes	
Percentage of core assessments for children's social care that were carried out within 35 working days of their commencement	81.1%	85.0%	Oct 2011		708/859= 81.1% Core Assessments completed within 35 working days as at the end of September 2011. These timescales will change once Professor Munro's recommendations have been implemented later this year.	
Timeliness of placements of looked after children for adoption following an agency decision that the child should be placed for adoption	66.7%	80.0%	Q2 11/12		6 Adoption orders have been granted between April-September 2011, 4 children were placed within 12 months of the decision that adoption was in the child's best interest. This is a cumulative indicator.	
Stability of placements of looked after children: number of moves	15.1%	12.0%	Oct 2011		47/312 (15.1%) CLA have had 3 or more placements in the past year as at the end of October 2011. The placement panel carefully monitors the moves of all children during the year. It is widely recognised that older YP move more frequently than younger CLA. Of the current group of children 40% (19 young people) are aged 16-17 years old, and several have had moves into semi-independent living as part of their care plan, which has an impact on this indicator. The method of calculation for this indicator is very prescriptive and states that even a very short period when a child is missing from placement must be recorded as a placement change and counted in this indicator; if these were not included the figure would decrease slightly. Placements continue to be scrutinised regularly by the Senior Management Team for appropriateness and stability through the placement panel process.	
Child Protection Plans lasting 2 years or more	7.8%	7.0%	Oct 2011		21 children had a CP plan which lasted more than 2 years during the past year out of a total of 268. Good performance is low (0-10%)	
<b>Growth &amp; Sustainability</b>						





### Recovery of Overpaid Benefit

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Percentage of Recoverable Housing Benefit Overpayments that are recovered during period	70.25%	69.50%	Oct 2011		



### Employment Rate

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Overall Employment rate (working-age)	64.7%	69.1%	Q4 2010		Data published by the DWP (1.9.11) for the fourth quarter of the 2010 calendar year. Target figure is average for all London. Data Source: Annual Population Survey. The Sustainable Communities Programme is actively promoting employment opportunities in and beyond Enfield. The Work-Out project has already beaten its own targets for involving young people in work, both the Pre-Apprenticeships and Apprenticeships projects are delivering high quality candidates for employment in Enfield. Our high-profile brokerage service -Jobsnet has recently opened two new outreach offices, stimulating employment in the Ponders End and New Southgate areas. Residents are being assisted through the Community Mentorship and E-Learning projects
Working age people on out of work benefits	16.10%	13.00%	Q1 2011		Data published by the DWP for the first quarter of the 2011 calendar year. Target is the average for All London
Percentage of residents claiming Job Seekers Allowance (JSA)	5.6%	4.4%	Oct 11		October 2011: Claimant count of 5.6% = 10,623 claimants (6208 male; 4415 female) October 2010: Claimant count of 4.8% = 9,093 claimants (5730 male; 3363 female) Target figure of 4.4% represents average for All London

### Revenue Collection

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Percentage of Non-domestic Rates Collected	64.71%	64.00%	Oct 2011		
% of Council Tax collected	66.34%	66.00%	Oct 2011		




### Recycling and Waste Collection

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Residual household waste per household	164.4kg/hhd		Q1 11/12		There has been a slight increase in the level of residual waste compared against quarter 1 in 2010-11. However, 20,000 further properties entered the wheeled bin scheme in July 2011. Statistics collected from previous rollouts suggest that this should have a positive impact on both waste reduction and the borough's recycling rate from quarter 2. Targets are currently being calculated in line with the schedule of further wheeled bin rollout phases.
Percentage of household waste sent for reuse, recycling and composting	34.12%		Q1 2011/12		There has been a slight decrease in the overall recycling rate compared with quarter 1 in 2010-11. However, 20,000 further properties entered the wheeled bin scheme in July 2011. Statistics collected from previous rollouts suggest that this should have a positive impact on both waste reduction and the borough's recycling rate from quarter 2. Targets are currently being calculated in line with the schedule of further wheeled bin rollout phases.






## Strong Communities

### Community Safety

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Serious acquisitive crime rate - number of crimes	4,642	4,334	Oct 2011		Overall serious acquisitive crime is 6.6% higher than at the end of October 2010, which reflects a wider trend across London. Within this however, there is a clear variation amongst different crime types. Domestic burglary (up 21.6%) and theft of a motor vehicle (up 14.2%) have both seen significant increases, whereas robbery is down 11.2% in Enfield. There are no official targets for community safety and crime indicators, as specifically requested by the Home Secretary upon the removal of the national indicator set last year and to reflect the position of the Metropolitan Police. The wider Community Safety Partnership are committed to reducing priority crimes and the figures shown in the target column are the number of offences at the same point last year. These are provided as a basis for comparison between offences this year and last
Burglary in a dwelling - Number of burglaries	1,459	1,200	Oct 2011		The wider Community Safety Partnership are committed to reducing priority crimes
Robbery - number of robberies	668	752	Oct 2011		The wider Community Safety Partnership are committed to reducing priority crimes

### Leisure and Physical Activity

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Increase no of sports sessions for Children and Young People	9,867	7,409	Q1 11/12		The target is based on a 10% increase from the previous year. The nature of sports development is to seek external funding or commissioning to take on additional pieces of work above core service this cannot be predicted at the beginning of the year. The sports development core budget will only produce a finite amount of sessions; the number delivered above this is as a result of external funding received.
Increase no of sports sessions for 16-49	4,956	4,323	Q1 11/12		Adult figures usually pick up in the New Year.
Increase leisure centre attendances by CYP	337,670	347,362	Q2 11/12		Quarterly fluctuations, memberships increase in new year.

### Telephone Response Times

Indicator	Current Performance	Current Target	Last Update	Status	Notes
Customer Service Centre enquiries dealt with at first point of contact (caller does not abandon call before connection)	97.5%	95.0%	Oct 2011	