

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

21 JULY 2008

REPORT OF CORPORATE MANAGEMENT TEAM

COUNCIL DECISION

Corporate Management and Finance: Lead Cabinet Member – Councillor Laing

PERFORMANCE AND FINANCE REPORT YEAR END 31 MARCH 2008.

1. Summary

This report outlines the Council's performance and financial position for the period Quarter 4, January to March 2008 and year end outturn, providing details of performance against targets and improvement trends. The report includes the linkages between finance and performance, general fund balances, medium term financial and capital plan position. Also included is our performance against Council Plan objectives, Service Improvement Plan progress, Corporate Basket of key performance indicators, Gershon Efficiency Savings, complaints and commendations, consultation and sharing of good practice. Part 1 of the report focuses on the Council's financial position, part 2 details performance outturn.

2. Recommendations

1. That the overall report is noted.
2. The revised MTFP be noted (paragraph 6).
3. The level of working balances be noted and retained at £9.2 million (paragraphs 18 to 20).
4. Members approve the creation of specific reserves as detailed. (paragraph 21.)
5. That re-profiled approved capital expenditure of (£5,010,000), a reduced programme and additional financed expenditure of (£1,865,000) and a re-profiling of ring-fenced resources of (£1,394,000) be approved (paragraphs 23 and 25).
6. That Members approve the actual 2007/08 Prudential Indicators.
7. The Treasury Management Annual Report for 2007/08 be noted.

3. Reasons for the Recommendations/Decision(s)

This report highlights progress against our key Council performance measures and raises any related financial and risk issues.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

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RECOMMENDATIONS

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DETAIL

Part 1 FINANCIAL POSITION

Final Accounts

3. The Statement of Accounts for 2007/08 was approved by the Audit Committee on 26 June 2008, in line with the approved timescales detailed in the Accounts and Audit Regulations 2003 (Amended 2006). A full copy of the Statement of Accounts and a Summary Statement are available in the Members library and on the Council's website for information. Our external auditors, the Audit Commission, are required to sign off the accounts by 30 September and a special meeting of the Audit Committee has been arranged towards the end of September to review the Audit Commission's findings.

Final Outturn

4. The results for 2007/08 are structured around three “ring-fenced” financial areas:
- General Fund
 - Housing Revenue Account
 - Capital
5. Paragraphs 6 to 26 summarise the Council’s position, with regard to these funds.

General Fund

6. The following table details the current MTFP position of each service. This is compared to the projected position, based on financial information to the end of December, as reported to Cabinet on 21st February, 2008.

MTFP (MS / MC) – 2007/08 OUTTURN

Reserves (MS)/MC	Approved Position at 31/03/2008 (MS) / MC's £'000's	Actual Outturn Position at 31/03/2008 (MS) / MC's £'000's	Actual Outturn Position at 31/03/2009 (MS) / MC's £'000's	Actual Outturn Position at 31/03/2010 (MS) / MC's £'000's	Actual Outturn Position at 31/03/2011 (MS) / MC's £'000's
CESC	(1,057)	(2,264)	(857)	(478)	(181)
D & NS	(2,227)	(2,594)	(1,183)	(657)	(305)
RESOURCES	(212)	(516)	(89)	(129)	(164)
TES	0	13	0	0	0
LAW & DEMOCRACY	(87)	(186)	(26)	0	0
POLICY & COMMUNICATIONS	(263)	(319)	(56)	(90)	(43)
TOTAL	(3,846)	(5,866)	(2,211)	(1,354)	(693)

7. Details of budget variances are incorporated into the performance aspects of this report. The main reasons for the movements, since the previous report to Cabinet in February, are as follows:

Children, Education and Social Care

8. The Managed Surplus for the service has improved since December by £1.2 million. The reasons for this, which in the main are related to income from the Primary Care Trusts, are detailed as follows:

- Learning Disability (additional income of £472,000) – income received from a number of Primary Care Trusts which had previously been in dispute and therefore considered doubtful (the most significant being Doncaster PCT), together with movements in placements;
 - Community Therapy Team (additional income of £170,000) – backdated income received from the North Tees Primary Care Trust for general practitioner occupational therapy services;
 - Telecare (additional income of £150,000) – additional Primary Care Trust income has been received and will be earmarked and carried forward to fund the continuation of the scheme.
 - Special Placements Fostering/Residential (underspend of £171,000) – several children have left independent foster provision and there have been delays in the commencement of a number of other foster placements. In addition, higher than anticipated income has been received from the North Tees Primary Care Trust to fund special residential needs placements;
 - Early Years (underspend of £205,000). Ongoing negotiations with the Nursery provider will mean that the contract will now start in 2008/09;
9. £650,000 of the Managed Surplus has been approved by Members and utilised as part of the 2008/09 budget setting process. The remaining surplus will be used over the Medium Term Financial Plan, subject to the appropriate approval, to cover contributions and early employee termination payments associated within the provision of the Neighbourhood Nurseries service (£400,000), statutory increase in court fees for children's cases (£450,000) and Telecare services (£150,000).

Development & Neighbourhood Services

10. The managed surplus for Development and Neighbourhood Services has improved since the report to Cabinet in February by £370,000. The most significant variation has arisen within the Heating, Ventilation and Electrical Service where additional income of £149,000 has been received. This relates to additional contract works within the Electrical Domestic and Project areas arising from an increase in work requests
11. The Managed Surplus was partly utilized (£520,000) as part of the 2008/09 budget. The remaining reserve will be utilized over the Medium Term Financial Plan and subject to the appropriate approval, to fund various schemes and pressures within the service group, the most significant being the following:
- Production of documents under the Local Development Framework required under the Planning and Compulsory Purchase Act 2004 (£243,000 over a 3 year period);
 - Contribution to the Green Dragon Yard Cultural quarter scheme to improve paving, lighting and street furniture (£100,000);
 - Provision to cover potential increases in electricity costs on Street Lighting (£120,000 in 2009/10 and 2010/11- total £240,000);
 - Revenue contributions to fund the refurbishment of the Planetarium Roof and Yarm High Street Toilets (£65,000) and the promotion and marketing to increase school meal numbers (£50,000).
 - Various Community Protection Initiatives – various schemes (£100,000) including the provision of Dog Kenneling arising from new duties placed on local authorities, legal fees following a recent animal housing case and the purchase of monitoring equipment on the Council's Landfill Sites.
12. The managed surplus also includes outstanding balances on headroom bids approved as part of the budget cycle in previous years. These will be utilised over the medium term to fund a PCSO's contribution to the Police authority £191,000, contribution to the running costs of Castlegate Quay £45,000.

Resources

13. The managed surplus for Resources has increased by £300,000 since the last report to Cabinet. The major variations are as follows:
 - Finance (saving of £140,000). Saving arising on the NEPO electricity contract where the Council has purchased units of power at a lower rate than anticipated. This saving has been earmarked and carried forward to fund energy pressures that have arisen in 2008/09;
 - Information Technology (additional income/savings of £100,000) – additional income received from the provision of the Connexions service to the Tees Valley Authorities (£40,000), staff vacancies and network support savings generated through the use of web based facilities (£60,000).
14. During 2008/09 the Managed Surplus (£516,000) will be utilised, subject to the appropriate approval, as a contribution to any increase in energy costs and loss of rebate (£140,000), staff training within Human Resources (£25,000), the workwise review (£50,000) and costs arising from restructuring undertaken within Human Resources and Finance (£150,000).

Training and Employment Service

15. At the end of the year the Training and Employment Service had a small Managed Commitment of £13,000, which arose as a result of the targeted number of trainees not being achieved and the subsequent reduction in grant income. An assessment of trainee numbers has been undertaken and, if numbers are maintained at current levels, it is anticipated that the service will move to a balanced MTFP position during 2008/09.
16. It is proposed that this position will continue to be re-assessed and an update will be presented, as part of the first quarters Performance, Finance and Risk Report to the next meeting of this committee in September.

Law and Democracy

17. The Managed Surplus for Law and Democracy amounts to £186,000, a movement of £99,000 from the previous report to Cabinet. The improved position is due to a delay in the acquisition of the Case Management System and resources will now be earmarked and carried forward to fund the purchase in 2008/09.

() Denotes savings or underspend

General Fund Balances and Earmarked Reserves

18. The Council's current policy is to hold 3% of General Fund expenditure as balances (equates to £7.6 million at 1st April 2008). In the report to Cabinet in February the forecast level of working balances was reported as £13.37 million with £5.8 million utilised as part of the 2008/09 budget setting process. The working capital position has now improved to £15.0 million by the year-end and the current position on working capital is summarised as follows:

	£000's
Working Capital Position reported to Cabinet in February, 2008	13,370
Less: balances utilised as part of 2008/09 budget setting	<u>5,813</u>
Available Working Capital following the 2008/09 budget process	7,557
Improvement in Working Capital at 31 st March, 2008 (*)	<u>1,624</u>
Total Working Capital at 1 st April, 2008	£ <u>9,181</u>

19. The major reasons for the improvement in working capital (*) are as a result of the following:

	£000's
Additional receipt of Local Authority Business Growth Incentive Scheme Grant (LABGIS) from Communities in Local Government (CLG), partly utilised as part of the 2008/09 Budget.	1,000
Rent Rebates - reduced level of third party payments and a lower than anticipated increase in the provision for doubtful debts.	320
Energy pressures, identified as part of the 2007/08 budget setting process that received corporate funding, proved to be lower than originally anticipated.	300
Surplus and commercial property budgets included backdated rent charges on custodian properties and security costs arose on the Saltersgill school site, which will be replenished from the proceeds of the sale of the school.	(240)
Town Centres - additional costs were incurred as a consequence of the complex sale of Billingham Town Centre. These costs have been partly offset by additional income arising from delays in the sale of Thornaby Town Centre.	(180)
Improved position within interest received on balances	300

20. The Total working capital available at 1st April, 2008, of £9.181 million is equivalent to 3.6% of our 2008/09 Net Budget Requirement (equates to approximately £1.4 million over the 3%). At this time, the Council are still facing a number of pressures, including those within Waste and Housing Options, there is still uncertainty around the funding of BSF and we are not expecting significant changes in the level of resources given by the government. As a result, we recommend that, at this time, we don't utilise balances and we will continue to review this position on a quarterly basis as part of the updates on the Medium Term Financial Plan.

Earmarked Reserves

21. The Council has created 3 new earmarked reserves at the year end to fund specific pressures arising within our service areas. The reserves have been created to develop the SAFFRON system (£229,000) with Development and Neighbourhood Services, to support the ICT Infrastructure Review (£180,000) within Resources and a Standards Fund reserve generated from grant received under the Government Standards Fund Programme to fund services on behalf of children and young people (£622,000).

Housing Revenue Account

22. The projected position is in line with the financial report presented to Cabinet in February, which is a surplus of £1.3 million at the 31 March 2008.

Capital

23. The Capital budget for 2007/08 is outlined in the following table:

	Approved Budget £000's	Outturn £000's	Variance £000's
Children, Education and Social Care	14,067	13,391	(676)
Development & Neighbourhood Services	54,114	46,753	(7,391)
Resources	345	143	(202)
Total Programme	68,556	60,287	(8,269)

24. The capital budget has been amended to reflect a reduction to the Parkfield re-development programme (£967,000), Heritage Lottery Grant (£112,000) associated with final design of the Holy Trinity Church Scheme, which has previously been approved, and a Department for Environment, Food and Rural Affairs grant (£100,000) received to fund the creation of Clarences Kick About Area.
25. The movement from the approved budget includes a reduced programme and additional financed expenditure of £(1,865,000), re-profiling of approved expenditure of £(5,010,000) and re-profiling of ring-fenced resources of £(1,394,000). The major reasons for the movements are as follows:

Cost Variations

£000's

Children, Education and Social Care

Harrowgate Primary – Scheme to create better nursery access and a parents room. This scheme was not originally included in the budget and has been funded by school revenue contributions.

161

Development and Neighbourhood Services

Green Blue Heart Master plan – feasibility work around the Tees White Water Course and site investigation costs at Tees Yard were higher than budgeted. Additional expenditure funded from grant and contributions. 114

Delegated to Tri-Star – Additional works were approved by Cabinet in August 2007, to accelerate the Decent Standards Programme and be funded through prudential borrowing. Following a further survey, undertaken with our consultants, it has been determined that standards could be achieved with a reduced programme. The Council not undertaking this borrowing will free revenue resources that can be used to fund the capital programme over the medium term. (2,314)

Re-profiling of Approved Expenditure over the Medium Term Financial Plan.

Children, Education and Social Care

Provision of Young People Centre's – Tenders were not let until March and the scheme will now be completed in 2008/2009. The scheme will be funded from capital receipts and revenue contributions. (130)

Development and Neighbourhood Services

Northshore Footbridge – Changes to the design sequence made by Balfour Beatty have resulted in changes to the spend profile of the scheme. The scheme is being funded from grant. (821)

Splash Extension – Delays in the commencement of the project have been caused by ongoing negotiations regarding the overall re-design of the scheme. The scheme is being funded from prudential borrowing and capital receipts. (525)

Thornaby Town Hall Roof Repairs – Additional works require addressing before work on the roof can commence. The scheme will be funded in 2008/09 from capital receipts. (259)

Stockton/Middlesbrough Initiative – The scheme has been re-profiled and the expenditure that will be incurred in 2008/09 will be funded from grant and capital receipts. (1,000)

Delegated to Tristar – The Prior and Melsonby Court decent standards schemes will be undertaken over a 2 year period and will be funded from capital receipts. (837)

Parkfield Regeneration – The number of re-purchased properties has been re-profiled and grant will be received from the Dept for Communities and Local Government in 2008/09 to fund the programme. (390)

Resources

Accommodation – Works associated with accommodation to facilitate the Access to Services agenda will now be undertaken in 2008/09. (150)

Re-Profiling Ring-Fenced Resources

Children, Education and Social Care

Devolved Formula Grant distributed to schools has been carried forward into 2008/2009. (988)

Section 278 Schemes – Delays in signing Section 278 agreements and changes in the contractors on the A19 / Haverton Hill interchange scheme have led to revisions to the spend profiles for these schemes. The schemes are funded from developer contributions. (405)

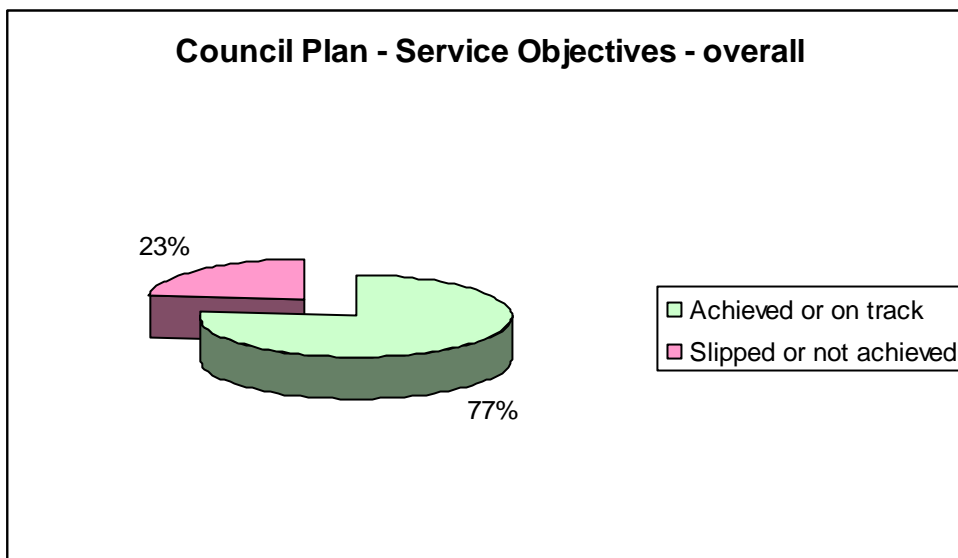
Treasury Management Annual Report

26. As part of the CIPFA Code of Practice on Treasury Management activity, there is a requirement for the Treasury Management Annual Report to be presented to Council for approval. A copy of the report is attached at **Appendix 1**

Part 2 Performance Position

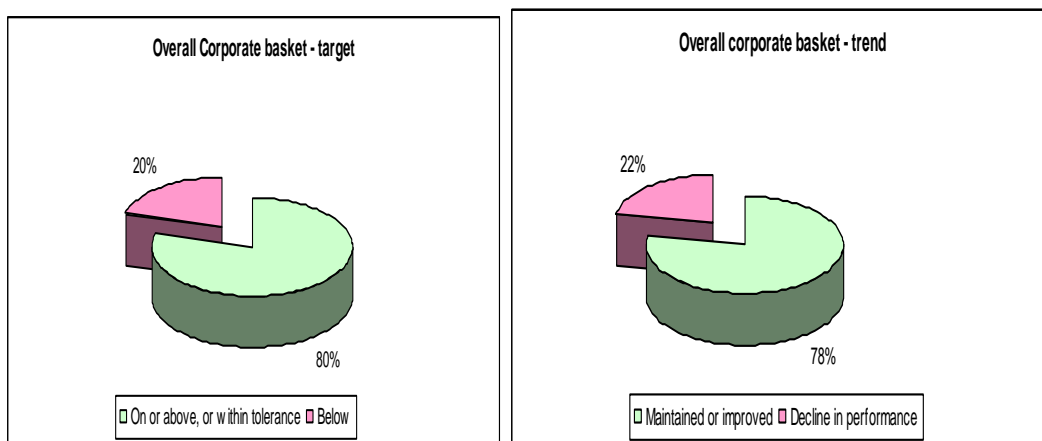
COUNCIL PLAN

27. The Council Plan sets out the overall ambitions and priorities of the Council and details the way ahead through a series of specific objectives and targets we aim to achieve. The chart below shows good progress has been made towards the achievement and delivery of objectives within the council plan with 77% of objectives either achieved or on track to be achieved. Full details of progress against each objective are detailed at **Appendix 2** with an analysis of progress against each Community Strategy theme detailed below.



OVERALL CORPORATE BASKET POSITION

28. The Corporate Basket for 2007/08 holds 95 of the council's key measures including Best Value Performance Indicators, Performance Assessment Framework measures (PAF) and local indicators. Outturn results show good levels of achievement against targets. Of the 95 measures, 80% of targets were achieved with 78% showing an improvement trend from the same period last year.
29. The charts below show the Council's performance against the targets set for 2007/08 and the improvement trend from year end 2006/07 to year end 2007/08.



Full details of each performance measure in the basket are attached at **Appendix 3** and are available at www.stockton.gov.uk/yourcouncil/performance/qtrperfmmonitor.

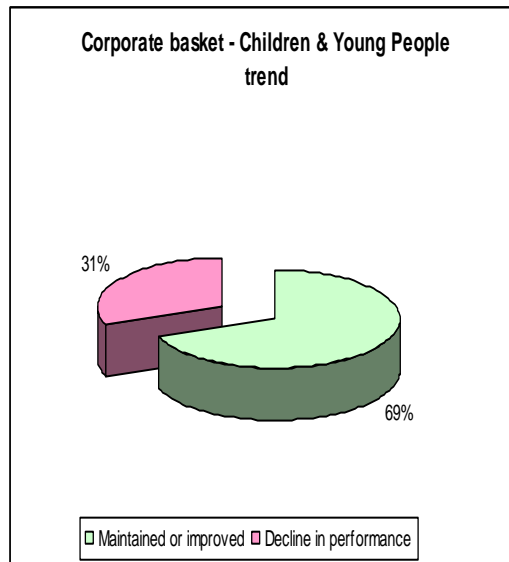
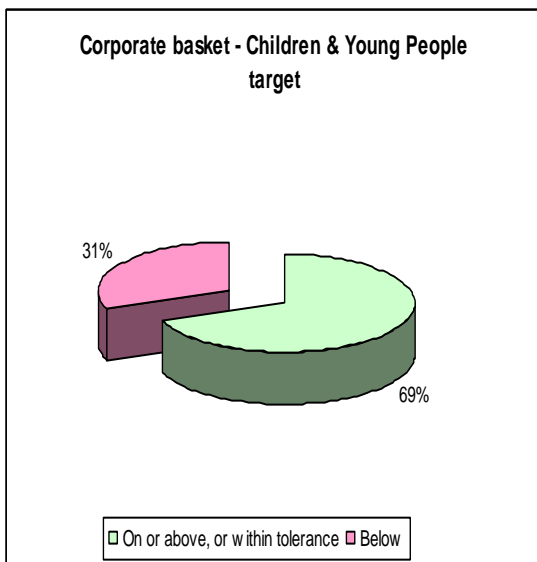
PROGRESS BY THEME (COUNCIL PLAN AND CORPORATE BASKET)

30. Key priorities for our community are detailed within the 5 themes of the Community Strategy 2005 – 2008. The Council Plan has an additional theme for organisational development, named Corporate Health. This report identifies performance, financial and risk related issues against each of the Community Strategy themes of:

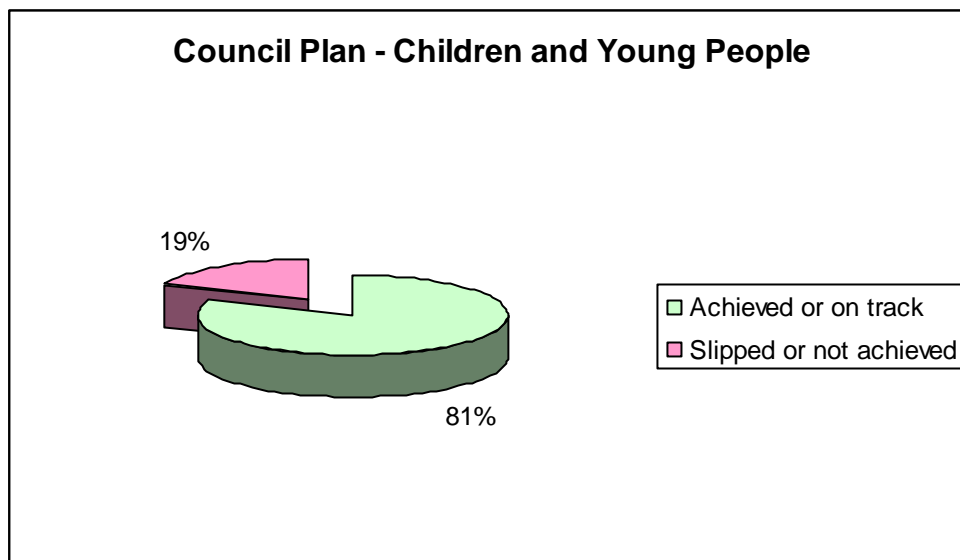
- Children and Young People
- Healthier Communities and Adults
- Safer Communities
- Liveability
- Economic Regeneration and Transport
- Corporate Health

Children and Young People

31. Good progress has been made towards meeting the targets of the Corporate Basket within the Children and Young People's theme. There are 28 indicators which relate to Children and Young People, 26 of which can be reported at year end. Of the 26 reported 18 (69%) have achieved the target set and 18 (69%) show a maintained or improved trend from the same period last year.



Within the Council Plan 81% of objectives show they are either achieved or on track with 19% showing slippage.



Achievements

32. Of particular note in terms of achievement are:

- A final published performance of 60% for pupils achieving 5 or more GCSEs at grades A*-C or equivalent, a 4.9 percentage point increase which further narrows the gap to within 1% of national average performance.
- Performance against the Early Learning Goals at 65% is significantly higher than the national average of 46%. Stockton is ranked second in the country for the percentage of pupils achieving overall "good" at the end of the Foundation Stage Profile, at 21% above the national and north east average.
- Performance in young people gaining a recorded outcome from Youth Service activity has seen a significant increase due to a revised curriculum which has been recognised as good practice in the 2007 inspection.

- Integrated Services (Children’s): since Q3, consultation has been completed and the final structures agreed down to front line manager level. The project is now moving into the final implementation stage, with details of all operational teams being confirmed and dates determined for full introduction of new roles and responsibilities.

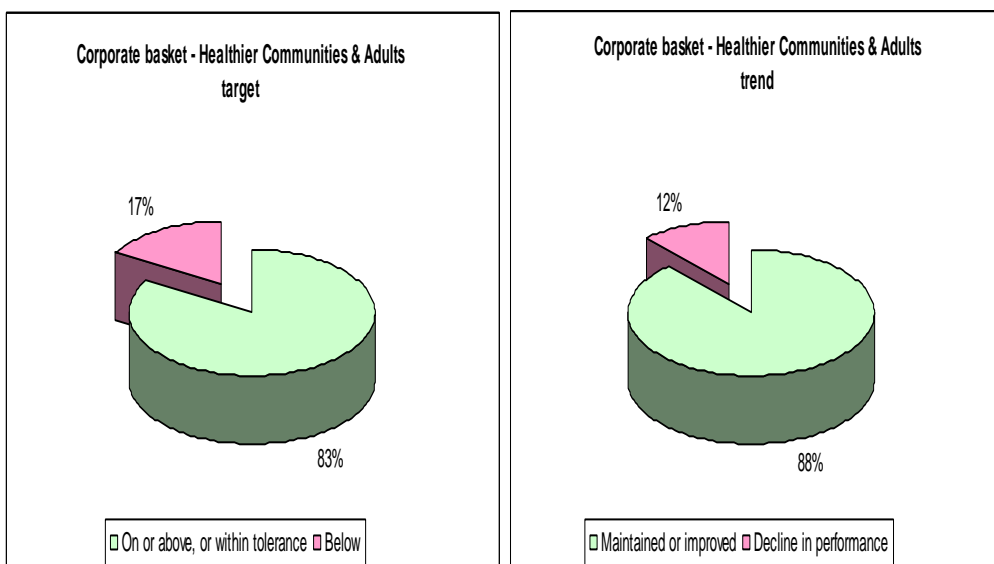
Issues

33. Issues to note are:

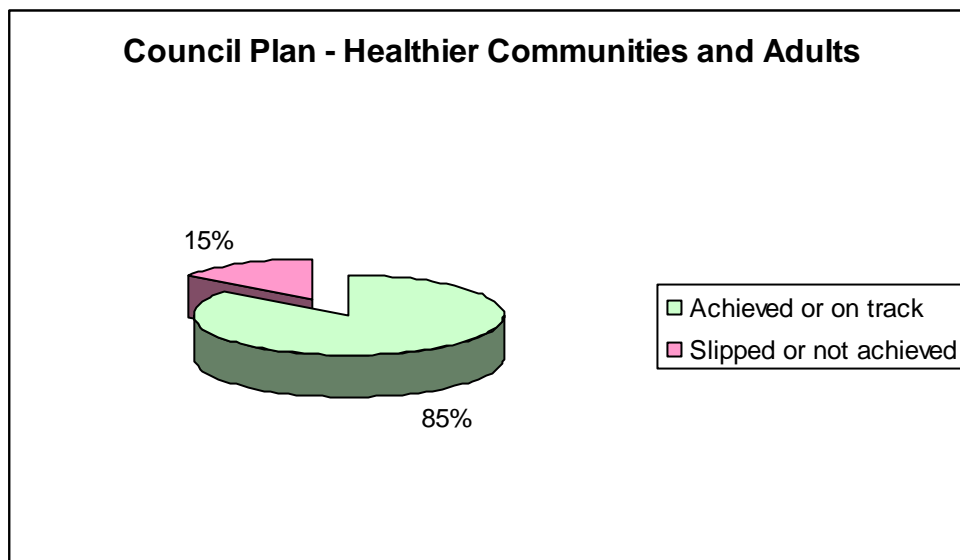
- Teenage pregnancy remains an area of high priority. Current levels of conception rates have not improved against the 1998 baseline however comparative figures across the north-east region do not show Stockton-on-Tees as a significant outlier with regard to year on year figures. Meeting the target of 50% reduction remains challenging. The local Teenage Pregnancy Strategy has been subject to rigorous external scrutiny and has been deemed to be addressing all the appropriate issues, across the 10 key priorities identified by the national Teenage Pregnancy Unit.
- Issues relating to youth offending continue to require further attention and intervention. Performance data shows an increase in the rate of re-offending by young people within 12 months of the original offence. Analysis indicates that, whilst levels of offending remain relatively positive when viewed as a percentage of the 10 – 17 population, those that do offend tend to be more serious offenders who are more likely to re-offend. The proportion of looked after children receiving final warnings / reprimands or convictions has also increased, with the most recent annual data showing that the proportion of such cases was 3.9 times the proportion for all children receiving final warnings / reprimands or convictions within the police force area. Actions to improve performance in these areas are addressed in the Youth Justice Plan, and include a focus on assessment, intervention and case management of high risk and complex cases and the development of the workforce, in particular around core competences of case managers and preparation for the advent of the Scaled Approach to justice.

Healthier Communities and Adults

34. There has been good progress against the corporate basket for the Healthier Communities and Adults theme. There are 18 indicators which relate to the Healthier Communities and Adults theme, 17 of which can be reported at year end. Of the 17 reported, 83% (15) have achieved the target set with 88% also showing a maintained or improved trend from the same period last year.



35. Within the Council Plan 85% of objectives show they are either achieved or on track with 15% showing slippage.



Achievements

36. Of particular note in terms of achievement are:

- A substantial improvement in the rate of museum visits / usage, with performance well above target due mainly to significant growth in Preston Hall visitors (29% increase) and in the number of people attending presentations.
- Continuing improvement in a number of measures that reflect increased independence, choice and control for adults and older people – e.g. significant increase in the proportion receiving direct payments; speedier provision of items of equipment and minor adaptations; more carers receiving services and greater numbers helped to live at home. This reflects the increased numbers of initiatives in place to support older people's independence and supported by increased levels of investment as shown in the 2007/08 outturn.
- Integrated Services (Adults): all the new Integrated Service Area Manager posts are filled. Work is now in hand to determine the revised care pathways for management of referrals, assessments and case loads in the ISA context, prior to determining the detailed composition of new ISA operational teams.
- Preston Park and Hall: progress continues on the £12m redevelopment plan. There has been a successful outcome to the Stage 1 Heritage Lottery Fund bid for the Hall project. The Stage 1 bid for the Park project has been submitted.

Issues

37. Issues for Healthier Communities and Adults include :

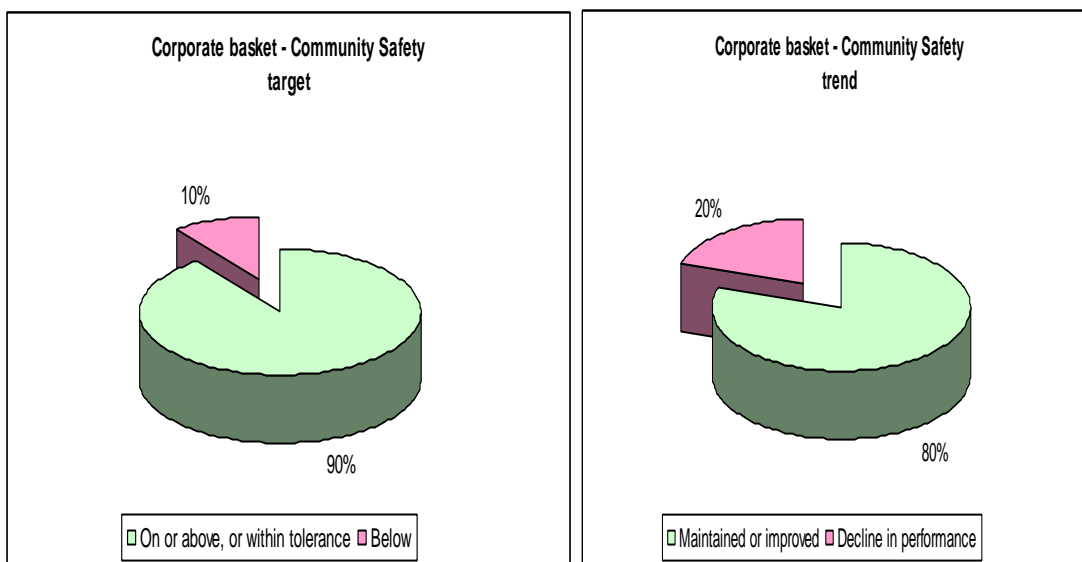
- The change in score for performance against the Public Library Service Standards follows a change in the national benchmark for the standard relating to children's satisfaction with the library service overall. The benchmark for meeting that standard was set at the upper quartile value for all authorities, meaning that 75% of authorities were bound to fall outside

the standard. For our Library Service, the satisfaction rating achieved for this standard improved and was within 3% of the upper quartile value; however, this was not quite sufficient to meet the revised standard. As a result, 8 out of 10 of the standards were met rather than the 9 which were achieved the previous year.

- The fall off in performance for retention of drug mis-users in treatment relates to practice in one of the local provider services, compounded by some problems with the recording of closed cases on the relevant national database system. As a result, the drop in performance was not identified sufficiently quickly to enable the issue to be remedied within the current reporting year. Discussions have now taken place with the service provider concerned, and actions have been taken to address the areas for improvement. These actions will impact on performance during the 08-09 reporting period.

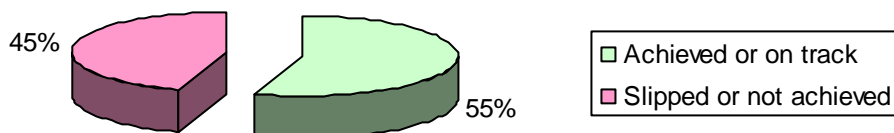
Safer Communities

38. Good progress has been made against the corporate basket for the Safer Communities Theme. There are 10 indicators, all of which are reported at year end. 90% of measures have achieved the target set with 80% (8), showing maintained or improved trend from the same period last year.



39. Within the Council Plan 55% of objectives have been achieved with 45 % showing slippage.

Council Plan - Community Safety



Achievements

40. Of particular note in terms of achievement are:

- Acquisitive crimes – the number of reported acquisitive crimes (domestic burglaries, vehicle crime and robberies) are now at the lowest ever recorded levels in Stockton.
- Domestic burglaries – 747 domestic burglaries were reported in 2007-08, a reduction of over 12% from last year's figures (855). The annual outturn of 9.2 is now approaching the latest published All-England upper quartile of 9.0 domestic burglaries per 1,000 households.
- Vehicle crimes – 1,310 vehicle crimes have been reported in 2007-08, a reduction of over 24% from last year's figures (1,733 reported crimes). The annual outturn of 6.9 is within the latest published All-England upper quartile of 10.5 vehicle crimes per 1,000 population.

Issues

41. The main issues for the Safer Communities theme are:

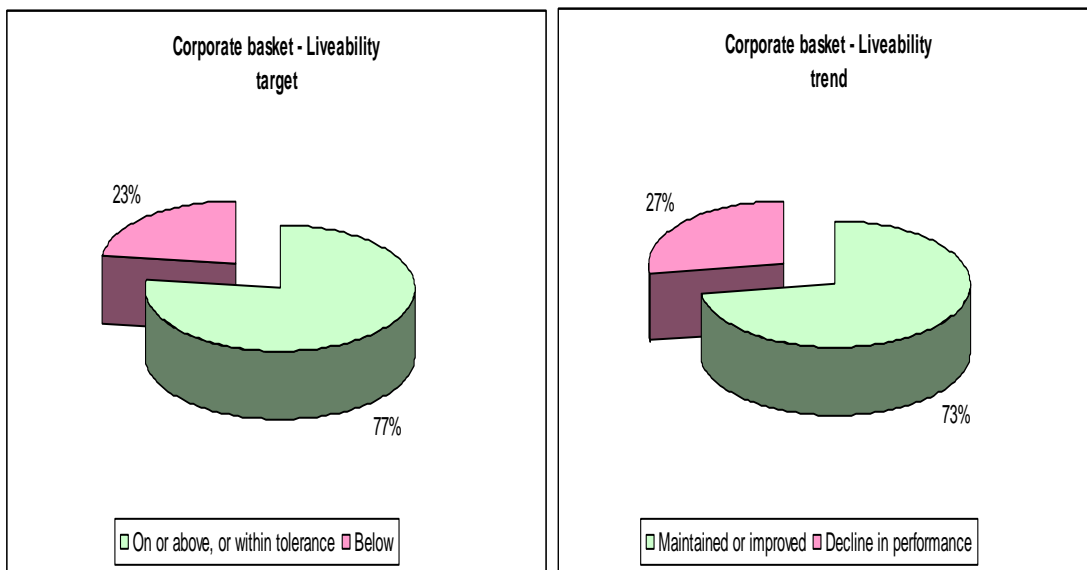
- Slippage has occurred with the delivery of programmes identified in the Local Transport Plan. The Norton Road scheme is now scheduled for completion in June 08 and the Darlington Back lane scheme will now commence in July 08.
- The number of pedestrian crossings suitable for disabled access has failed to meet the target of 100%. During an audit it was found that 4 sites not previously suitable for disabled facilities would now comply. These will be addressed over the next few years and all crossings will be compliant by 2010/11.
- Approval and publication of the Trading Standards Delivery plan and the Food Safety Enforcement Plan were both delayed due to slippage in Government guidance being issued. The Trading Standards plan has now been approved and an interim Food Safety Plan is in place awaiting further guidance being published.
- Increasing the number of arrests for Class A supply offences has fallen slightly short of its target, with 155 arrests made. This continues to be a high priority and as such is identified within the Community Safety Plan 2008 – 11.
- The reduction of total crime by 15% from a baseline of 20,534(2003/4) has been missed. A total of 17,653 crimes were recorded in 2007/8 a reduction of 14.03%. Though we are reporting record low levels of vehicle crime and dwelling burglary an increase in the recording on "other theft", which includes an range of offences from shop lifting to theft of

metals, had a negative impact on this target. This type of crime has been identified as a priority in the Community Safety Plan with various initiatives in place. Additional funding of £191,000 from outstanding balances on headroom bids has been approved as part of previous budget rounds to fund the Police Community Support Officer (PCSO'S) contribution to the Police Authority. The work of the PCSOs will impact positively on the overall levels of crime.

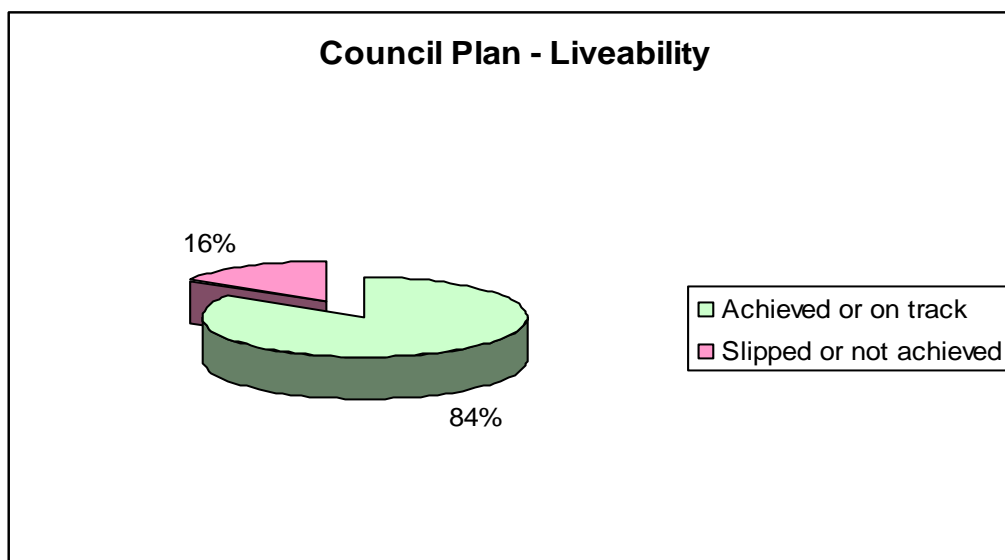
- Violent Crime - performance during 2007-08 was 19.8 violent crimes per 1,000 population which is above the annual target of 18.9. A total of 3,722 violent crimes were reported for 2007-08, a small reduction on the 2006-07 figures (3,752 reported crimes). Some very clear patterns of violent crime are apparent, with the Stockton Town Centre ward accounting for over 25% of the incidents. There is also a very clear correlation between violent crime levels and deprivation, with the six most deprived wards in Stockton, according to the latest Index of Multiple Deprivation (IMD), all featuring within the top six of wards with the highest violent crime levels.

Liveability

42. Strong progress has been made against the measures in the Corporate Basket for the Liveability Theme. There are 22 indicators within the Corporate Basket, 17 (77%) have achieved targets set and 73% also show a maintained or improved trend from the same period last year.



43. Within the Council Plan 84% of objectives show they have either achieved or on track with only 16% showing slippage.



Achievements

44. Of particular note in terms of achievement are:

- Housing and Council Tax Benefits - the cumulative average time taken to process a new claim for Housing and Council Tax Benefit is 24.1 calendar days, the best annual result ever reported in Stockton. The improvement in the speed of claims processing has been combined with a significant improvement in quality of processing, with 98.4% of sampled claims in 2007/08 accurately calculated. The Housing and Council Tax Benefits Team have been working within an extended flexi time system over the past year. This more flexible approach to working has enabled the staff within the service to better balance their work and other commitments and has resulted in improved productivity and customer satisfaction levels and also reduced the amount of staff sickness absence from 20.72 days per FTE in 2006/7 to 11.46 days per FTE in 2007/08.
- Homelessness – both key targets on homelessness – the length of time spent in bed and breakfast and the length of time spent in hostel accommodation by families in priority need - have been achieved. Only one family had to be accommodated in bed and breakfast accommodation during 2007/08, and that was for only one day. 17 families were accommodated in hostel accommodation during 2007/08 for an average of 7.37 weeks, well within the target of 8 weeks.
- Care for your Area - strong performances against target have been achieved for the recycling and composting of household waste (26.22%), the cleanliness of land and highways (only 1.8% of sampled areas below the acceptable standard) and the number of missed bin collections (2.13 per 100,000 bin collections).

Issues

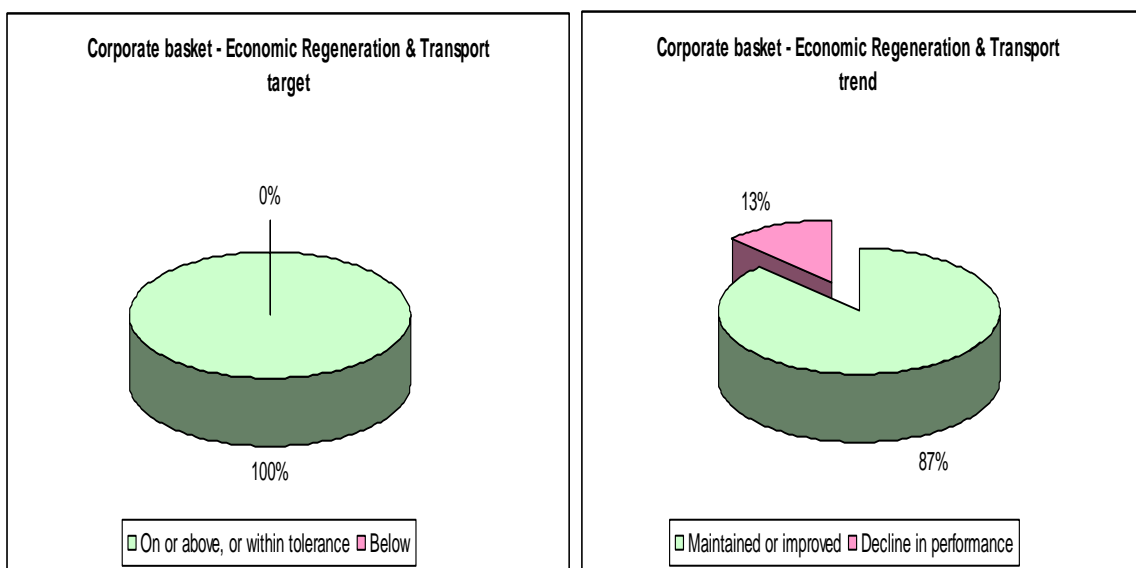
45. Issues within the Liveability Theme are:

- Planning appeals - performance on the number of planning appeals allowed during 2007-08 was 34.5% (20 out of 58 appeals upheld). It is worth noting that 20 appeals allowed equates to only 1.20% of all planning applications determined within the year (20 out of 1,647).
- Waste Management. Due to longer than anticipated maintenance closures at the Energy from Waste Plant, the percentage of Household Waste sent to landfill was higher than

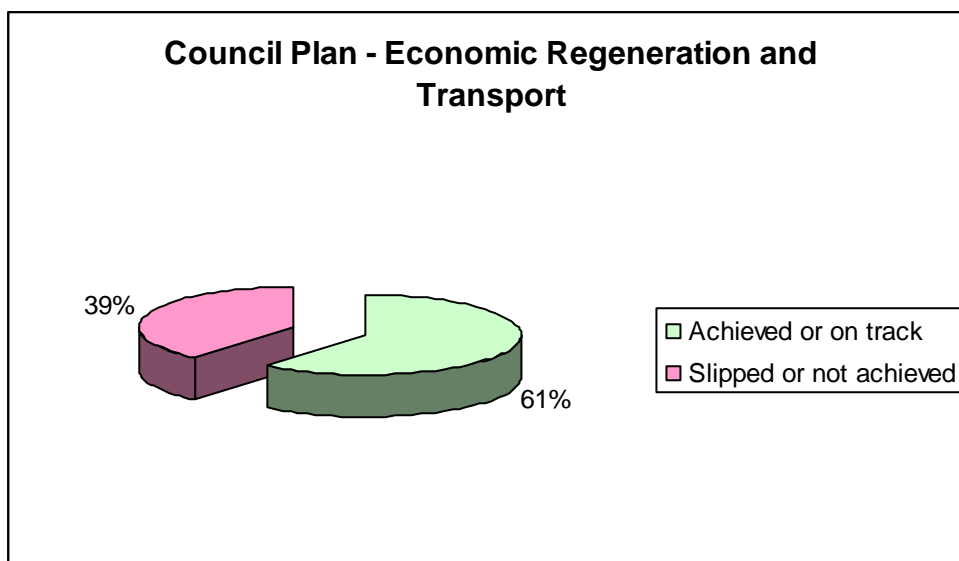
targeted. The amount of waste recycled or composted has increased to above targeted levels in 2007/08 but remains below the levels of top performing authorities. Following the recent review of waste management by the Environment and Housing Select Committee, a report on proposals for the improvement of these services is due to go before the next cabinet

Economic Regeneration and Transport

46. Excellent progress has been made against the measures contributing to the Economic Regeneration and Transport theme. Within the Corporate Basket there are 8 indicators all of which are reported at year end. All (100%) indicators have achieved the target set and 87% also show a maintained or improved trend from the same period last year. The percentage decline in trend relates to one measure (BV 109c, Planning Application determined within 8 weeks,) where the target of 80% was achieved both years but performance achieved in 06/07 was 89% and in 07/08 82%.



47. Within the Council Plan 61% of objectives show they are either achieved or on track with 39% showing slippage.



Achievements

48. Of particular note in terms of achievements are:

- Street Lighting - the average time taken to repair a street lighting fault by the non-Distribution Network Operator has achieved the annual target of 2.5 days. This builds on the progress made in 2006/07 and is a significant improvement on the average repair time of 4.5 days reported in 2005-06. Additional funding of £120,000 from the managed surplus is proposed for use by the street lighting service as provision to cover the additional costs of current and projected increases in the cost of electricity for 2009/10 and 2010/11.
- Planning - all categories of planning applications (major, minor and others) have achieved or exceeded their targets, with 92.22% of major applications determined within 13 weeks, against a 60% national target and 82.55% of minor applications determined within 8 weeks against a national target of 65%. These indicate particularly strong levels of performance in a significant improvement over the last few years.

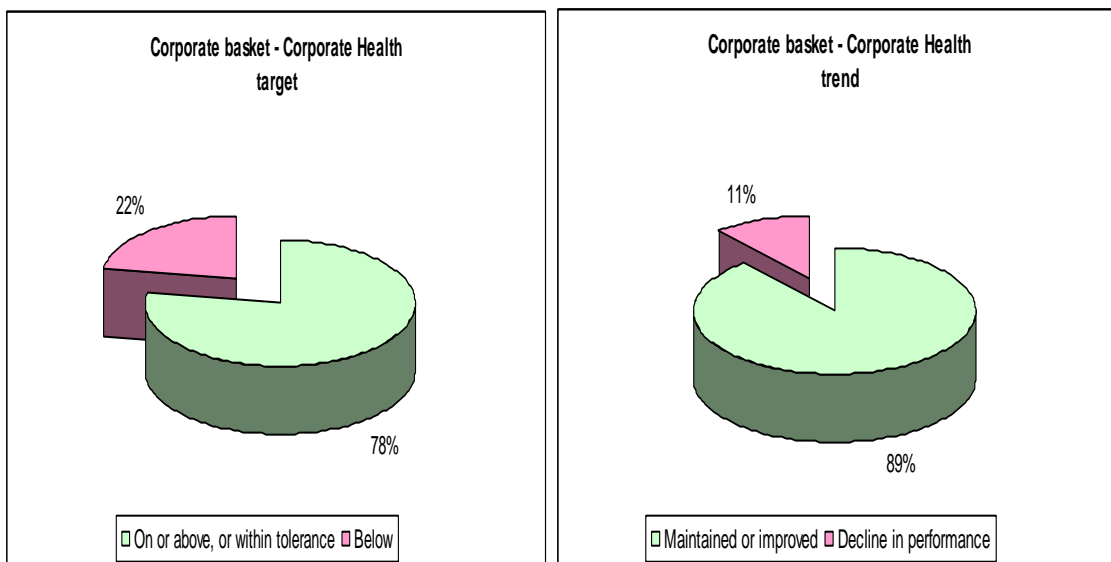
Issues

49. Issues within this theme are:

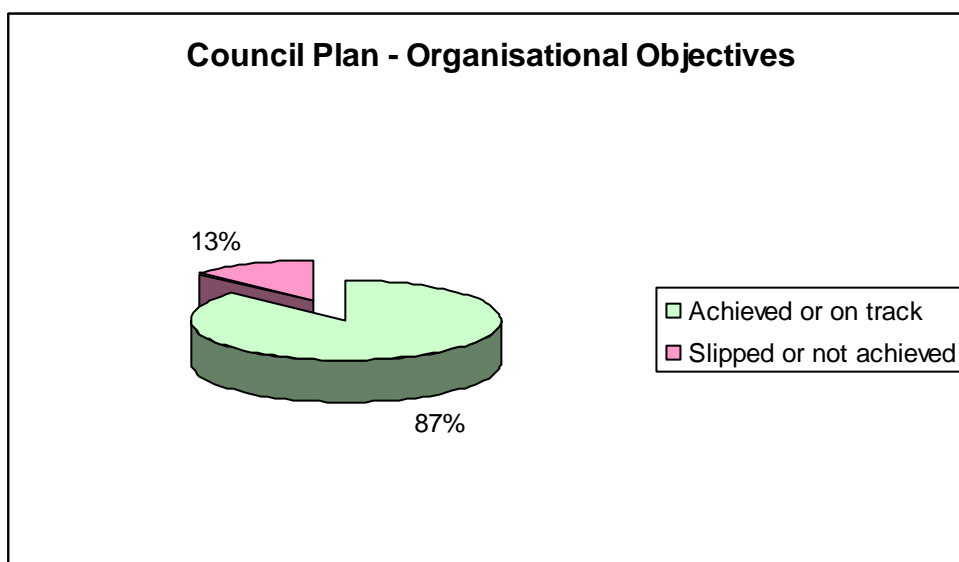
- The numbers visiting the Tourist Information Centre have dropped this year. Due to a decision to make SIRF a free event there were no ticket sales through the Tourist Information Offices. Internet enquiries have also had an effect on visitor numbers. A new micro site will enable the Tourist Information office to monitor the volume of visitors to its website from 2009.
- There has been some slippage against the targets set within the Council Plan with the Stockton, Thornaby and Billingham Town Centre Regeneration plans. Progress has now been made in all 3 areas and these ambitious plans continue to be a focus within the Council plan 2008 – 11.
- The Markets have suffered a loss of income due to a reduced number of stalls and weather conditions. There are new initiatives in place to develop the market further in Stockton over the next 12 – 18 months. This should also have an impact on the levels of resident satisfaction with Markets, which fell slightly short of the target set within the council plan.

Corporate Health

50. Good progress has been made against the measures within the Corporate Basket. There are 9 indicators, 78% of which achieved the targets set with 89% showing a maintained or improved trend from the same period last year.



51. Within the Council Plan 87% of objectives show they are either achieved or on track with 13% showing slippage.



Achievements

52. Of particular note in terms of achievements are:

- CPA 2007 results published in February 2008 confirmed Stockton-on-Tees Borough Council as a 4 star council. We successfully appealed our direction of travel rating resulting in “improving strongly”. Stockton-on-Tees Borough Council also achieved top marks for the Use of Resources assessment
- The Telephone Contact Centre and the Ingleby Barwick Community Access Point, successfully went live in January 08. Seven services achieved Customer First Stage 2 and the team has provided support to a number of other services preparing for assessment.
- HR and Finance supported the Single Status collective agreement with trade unions on all evaluations and changes to conditions of services. Most staff have now received their

grades as part of the new pay and grading structure. HR are dealing with on-going enquiries and appeals. Work has commenced evaluating HoS and higher grade jobs through Hay.

- Sickness absence continues to fall for the second year in succession. This is a result of the continued rolling out of the new absence reporting process and the advisory teams working proactively with managers.
- Business rate collection at 99.72% exceeded the target of 99.5% the highest rate ever achieved.
- The first stage of the Purchase Card programme has been completed and cards are now used to purchase paper and board for the print room and food supplies for a number of school kitchens. The cards replace traditional invoices and allow significant automation of the payment process, thus reducing invoice numbers each year.
- Additional temporary support to the Childcare Team has been provided by the transfer on a full-time basis of the Assistant Solicitor (Litigation) and Litigation/Licensing work being reassigned.
- Final audit of the LPSA 2004-7 completed which coupled with performance against targets resulted in a grant claim to CLG for approx £3.7million. This grant has been taken into consideration in the MTFP.
- Neighbourhood Renewal Programme- All of the successfully evaluated NRF projects have been continued for a further year to allow time to complete mainstreaming or exit arrangements for the projects. Over 71% of the health projects have been continued by the Primary Care Trust.
- Following the Employee Census we are now able to report significant improvements in the proportion of the workforce who are disabled or from Black and Minority Ethnic communities

Issues

53. Issues within the Corporate Health Theme are:

- The target for payment of invoices within 30 days (BVPI 8) was not achieved. The cumulative total for the year ended at 64.52% against a target of 85%. However, the implementation of an improvement plan seems to be working and performance is currently improving with 76.51% in March.
- A new management development programme has been delayed to ensure integration with a more strategic approach to workforce development to commence in 2008/9.
- The percentage of Council Tax collected during 2007/8 was 97.05%, which failed to meet the target of 97.3%. It should be noted however that collection and recovery of arrears continues beyond the year end. For example, last year 37.6% of the outstanding 2.9% debt at year end was collected. It should also be noted that Stockton has collected the highest level of Council Tax in the Tees Valley.
- The proposed regulations toolkit and related Standards Board guidance have been delayed until May 2008. Subject to this work has continued on developing the Authority's approach to the framework. Action is required to appoint a support officer for the purposes of the new arrangements.

Gershon Efficiency Savings

54. The authority is expected to make efficiency savings of 2.5% annually. There are two elements within the Gershon Efficiency Framework, financial efficiency gains and performance measures that are required to maintain or improve performance levels.

Financial Variances

55. For 2007/08 the authority put forward an overall efficiency saving target of £8,288,000. The final year end position is a projected efficiency saving of £9,353,000 which is £1,065,000 greater than planned. This is accounted for within the MTFP. However, these efficiency savings can only be claimed if performance measures show improved or maintained performance since the 2004/05 baseline position.

Performance Variances

56. Only one of the performance measures shows a lower level of performance than the baseline, which is the number of registrations on the child protection register per 10,000 population. Performance in this area has shown an increase of 20% on the original baseline. This could potentially result in the authority being unable to include the £580,000 in the backward look efficiency statement. Despite this the authority has still have over achieved on its overall efficiency target.

Appendix 4 shows the detail.

LEARNING

Consultation Activity

57. A range of consultation has taken place across the authority. Some of the most significant are:
- A sensitive exercise to consult on the future of **Parkview Residential Care Home** began in January and the Adult Services and Health Select Committee reported the results to Cabinet on the 13th March.
 - The Participation, Involvement and Consultation (PIC) network action plan proposed the implementation of a Charter Mark for young people's services. Children and young people were invited to a **Youth Charter** event held on the 24th February at Elmwood Community Centre where workshops were held to discuss various elements of the Youth Charter development. The findings from this event have been brought to the PIC network steering group for consideration and further consultation will run in 2008.
 - As part of the Council's commitment to supporting the development of childcare across the Borough, the Children and Families Strategy team consulted a diverse range of over 1000 parents in Stockton. They also talked to employers and childcare providers. The results of the consultation have informed the **Childcare Sufficiency Assessment**, which is available on the internet.
 - **A Children's Trust Board Event** had a follow up consultation event with young people, from Central Stockton, Eaglescliffe, Thornaby and Ingleby Barwick, on the five Every child Matters outcome priorities in the Children and Young People's Plan-Every Child Matters. Fun workshops were held resulting in ideas being used to develop updates to the Every Child Matters Plan.

- Widespread consultation on the redevelopment of the **Shambles Market Hall** has been undertaken regarding the upgrade of historic buildings and a return to a high quality food hall. Results contributed to the April cabinet report where proposals were agreed.
- A consultation on the Proposed **Market Festival and Christmas Fair** began in February 2008 and is expected to continue until December this year. Results are informing further development work on the project.
- Consultation events supporting scrutiny reviews of the **Travellers Transit Site, Waste Management and Recycling and School Travel Strategy** have all taken place. The results of the consultation have made a significant contribution to the review process, the results of which will be reported to members in due course
- Both surveys and focus groups were conducted to consult on the **budget setting** process for 2008/9. Results informed members in setting priorities and the budget for the next 3 years.
- A survey to monitor the interventions in place in **the St Ann's** area of town was sent out to households. Results were discussed by the St Ann's Board to inform future interventions and priorities for the area.
- A questionnaire was sent to service users accessing the **Administration and Land Ownership Records** to gauge satisfaction with the service. Respondents indicated high levels of satisfaction with 100% very or fairly satisfied with Administration and 93% very or fairly satisfied with Land Ownership and Records.
- A Council led consultation on the proposals to extend **Splash** were displayed in Tees Active buildings. Presentations were also made to Members, local Partnership Boards and with local young people. There was broad support to the revised proposals with just over 60% in support. Suggested activities will help to inform activities programme development as well as local youth work.
- A consultation on **Choice Based Lettings** was launched in February with the aim of changing the way Council and a number of Registered Social Landlord properties are allocated in the borough. Choice Based Lettings would increase choice and accessibility of affordable housing stock. A draft policy was available for comments which will be included in the development of the scheme. The aim is for the scheme to go live in summer 2009.

Complaints and Commendations

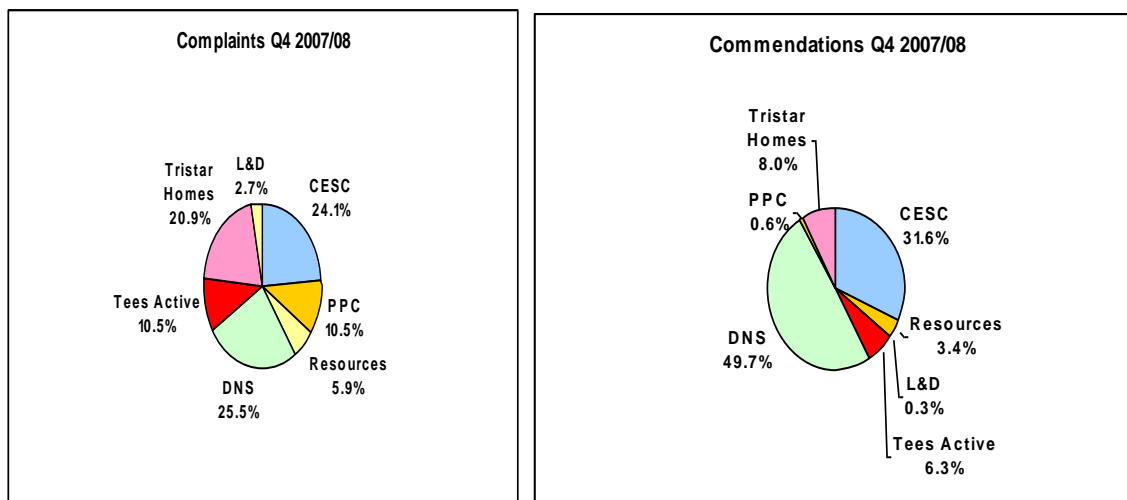
Complaints

58. In total the Council received 220 complaints in Quarter 4, this compares to 226 complaints received in the same quarter last year. The number of complaints received for the whole of 2007/8 is 863. This compares to 825 in 2006/7. Of the 220 complaints, one is at Stage 3 and one at Stage 4 and of the Stage 1 and 2 complaints 86.7% (189) were responded to within timescales, an improvement over quarter 3, where 86.4% of the Stage 1 and 2 complaints were responded within timescales.

Commendations

59. A total of 348 commendations were received in Quarter 4, this compares to 372 commendations in the same quarter last year.

60. The pie charts below show a breakdown of complaints and commendations by service group.



61. New procedures have been introduced through Customer Services to collect information about the age, gender, disability, ethnicity and faith of those who make complaints. Further analysis of this data is required to provide services with quality information to inform any future service improvements. As part of ongoing development in this area, further training and awareness sessions are being provided to complaints officers including how to complete the new corporate complaints form and dealing with persistent complainants.
62. For complaints and commendations **Appendix 5** provides a detailed analysis of the numbers received in each service area and the response times they were dealt with. The appendix also shows the main service areas that these relate to and the type of complaints and commendation.
63. This report highlights some of the main messages from the analysis.
- The main trend from Quarters 1 to 4 identifies that on average almost 75% of the complaints are in relation to the 3 service areas Children, Education, and Social Care (CESC), Development and Neighbourhood Services (DANS) and Tristar (Housing). Each receiving approximately a quarter of the total complaints
 - Of the total commendations almost 82% are received for 2 service areas CESC and DANS, approximately 50% of these are compliments for DANS.
 - Of the 14% of complaints which are not responded to on time the main areas are DANS and CESC with an approximate failure to respond rate of 6% and 35% respectively. Most of those within CESC are in Health and Social Care.
 - Within CESC the majority of the complaints are within the children and young people service and the majority of the compliments are within adults' services
 - Within DANS the complaints are evenly spread across Direct Services and Community Protection and the majority of commendations are within the Direct Services area (e.g. street cleansing, refuse, horticultural services and highways).
 - For Tristar the main areas of complaints are repairs procedure, modernisation works not delivered on time, neighbour disputes and some in relation to staff approach. Commendations are thanks to teams and to individuals.

Examples of Good Practice

64. Areas of good practice are shared amongst service groups to encourage improved procedures and practices. Detailed below are some areas of good practices :
- Coventry's LSP Manager spent a day with the LSP team to see first hand how we engage with the voluntary and community sector in the borough. The visit followed positive

feedback on their experience of engagement in the LSP by Stockton's Community Empowerment Network representatives at a national conference.

- Supporting People Programme – ensuring fair access, diversity and inclusion. SBC has been at the forefront of sub-regional collaboration to improve the quality of contracted services providing housing related support to help vulnerable people live independently. A Quality Assessment Framework (QAF) is a key component of the approach.
- An one day seminar was hosted by Stockton Borough council to share good practice on Use of Resources and Value for money following the achievement of top scores in all categories of Use of Resources.
- SEAL (Social and Emotional Aspects of Learning). This is a national programme designed to provide schools and other settings with a clear, structured whole-curriculum framework for developing all children's social, emotional and behavioural skills. Strategic planning for implementation of SEAL in Stockton-on-Tees has been recognised through the National Strategies as an example of good practice. There is a focus on strong cross-service collaboration to support successful implementation of SEAL across all phases of learning. This collaboration has extended, for example, to work with the Adult Education service that has resulted in effective parental support of SEAL. Positive outcomes for schools actively engaging with SEAL have been achieved, for example a reduction in rates of pupil exclusion, and an increase in the overall rates of pupil attendance. A robust monitoring and evaluation pro forma, developed by the local authority, has received widespread approval nationally.
- Managing Sickness Absence - The Audit commission has recently undertaken a review of the way sickness absence is managed in a number of local Authorities in the North East Region. Stockton Council was identified as having particular strengths in terms of its information systems and intelligence, its policies and procedures, the setting of clear targets and accountabilities and the wide range of health initiatives in place which promote health and well being in the workplace.

FINANCIAL IMPLICATIONS

To update the MTFP and outline the outturn position as at 31 March 2008 on General Fund, Capital and the HRA to comply with the requirements of the Accounts and Audit Regulations 2003.

LEGAL IMPLICATIONS

There are no legal implications.

RISK ASSESSMENT

This review of the MTFP and projected outturn report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk. The Quarterly Monitoring Report of the Council Plan and Corporate Basket is categorised as low risk. Existing management systems and routine performance management arrangements are in place to control and reduce risk on performance.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

As this report refers to the financial year 2007/08, the performance data detailed within this report is set out under each of the five priority improvement themes detailed in the Community Strategy 2005 – 2008 and the Council Plan 2005- 2008. The report demonstrates how progress is being made towards the achievement of each of the themes within these plans. .

- Safer Communities
- Healthier Communities and Adults
- Economic Regeneration and Transport
- Children and Young People
- Liveability

EQUALITIES IMPACT ASSESSMENT

- This report is not subject to an Equality Impact Assessment, however the documents it makes reference to in monitoring terms have been the subject of positive Equality Impact Assessments.

CONSULTATION INCLUDING WARD/COUNCILLORS

This report is for information only. Consultation is not necessary

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Background Papers

Quarterly monitoring Reports for 2007/08
Council plan 2005 – 08
Service Improvement Plans 2007 – 10