

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....29th November 2012

1. Title of Item/Report

Quarter Two 2012/13 Performance and Financial Outturn

2. Record of the Decision

Consideration was given to a report that outlined the progress against annual performance targets for the period April to end of September 2012/13. It highlighted the progress against the Council Plan objectives, areas for improvement, provided a summary of Freedom of Information requests responded to, Complaints, Commendations and Comments, a RIPA update and provided details of suggestions received through the Staff Suggestion scheme. It also provided the Council's financial position as at the end of the second quarter of 2012/13.

Good progress had been made during the first six months, with 74% of performance targets achieved or on track to be achieved. This compared to 81% achievement at the same point last year. Trends showed that actual achievement at year end tended to be lower than anticipated, but this was good progress at this stage. A significant number of Freedom of Information and Data Protection enquires had been received with an increase on the same period last year, 405 compared to 392. The staff suggestions scheme had received nine suggestions during the first six months of 2012/13; progress was detailed within the report. Progress with the EIT Review programme was attached to the report. Details of Complaints, Comments and Commendations received during the first half of the year were also provided within the report.

With regard to the Council's financial position the report contained tables that detailed the MTFP position of each service. Officers were continuing to monitor closely expenditure in all areas with particular focus on areas where services which were in the process of an EIT review.

With regard to Children, Education and Social Care a report to Members in October 2012 detailed the pressures that were being faced by the service and set out the use of £1.3m managed surplus to fund pressures in 2012/13. A further £94,000 of managed surplus was now expected to be required in 2012/13 reducing the overall balance to £324,000.

The main areas of pressure within children's services continued to be related to looked after children and details were provided within the report. The report highlighted one-off savings from EIG grant (£150k) and grant funding brought forward from previous financial years (£310k) that was available to reduce the impact of the above pressures in 2012/13.

Within adult social care there were some continuing pressures and some areas of savings and these were detailed within the report.

Members were made aware that both adult and children's social care areas were being examined closely as part of the Council's "Big Ticket" approach to efficiencies. The change would also be considered as part of the review of the MTFP during the 2013/14 budget process.

With regard to Development & Neighbourhood Services the overall managed surplus was expected to increase by £182,000. This reflected savings made from staff vacancies within Direct Services pending an EIT review. However the Directorate included budgets that were extremely volatile and would continue to be monitored closely throughout the year.

The managed surplus for Resources was expected to increase by £232,000. Of this, £134,000 was due to in-year costs of projects in HR, Policy and Communications being lower than anticipated and £74,000 resulting from savings on ICT systems.

General fund balances were expected to be £10.7m which was £2.2m above the 3% recommended target and given the current financial climate it was recommended that these resources are retained. The reasons for the increase of £400,000 was detailed within the report.

With regard to the financial climate Members were aware from the briefing note on 19th October 2012 of the recent announcements which would affect the Council's financial position. The approved position was detailed within the report.

The Comprehensive Review period ends in 2014/15 and the position for 2015/16 onwards was highly uncertain. The current plan included funding assumptions that were detailed within the report.

The plan also included a pay provision of 1% for 2013/14 and 2014/15 and 2% for 2015/16 and 2016/17.

Although there was uncertainty around Local Government Funding and the impact and mechanisms of the Localisation of Business Rates, there were 3 key issues emerging which would have a significant impact on the

Council's funding and these were detailed within the report.

Although further details would not be known until the Autumn Statement and Provisional Finance Settlement in December, the Council was likely to have a budget gap of £3m in 2013/14, rising to £15m over the next 3 years.

Members were aware that reviews of "Big Ticket" and cross-cutting items were ongoing and further savings were expected as a result. Further details would be provided as part of a report to Cabinet in January 2013.

The Capital budget for 2012/17 was attached to the report and summarised in the table within the report.

With regard to additional capital schemes the main changes to the programme were detailed within the report.

RESOLVED that:-

1. The levels of performance and proposed actions be noted.
2. The Medium Term Financial Plan (MTFP) and the current level of general fund balances be approved.
3. Reasons for the Decision  
To note the levels of performance and to approve the MTFP and current level of general fund balances
4. Alternative Options Considered and Rejected  
None
5. Declared (Cabinet Member) Conflicts of Interest  
None
6. Details of any Dispensations  
Not applicable
7. Date and Time by which Call In must be executed

Midnight on Friday, 7th December 2012

Proper Officer  
03 April 2012