

## **BABERGH DISTRICT COUNCIL**

**FROM:** Director of Corporate Services and  
Director of Finance

**REPORT NUMBER:** **J205**

**TO:** OVERVIEW AND SCRUTINY  
(STEWARDSHIP) COMMITTEE

**DATE OF MEETING:** 23 March 2010

### **FINANCE AND PERFORMANCE MANAGEMENT – QUARTERLY MONITORING REPORT**

#### **1. PURPOSE OF REPORT**

- 1.1 This monitoring report provides an integrated picture of financial and performance management information for the third quarter of the 2009/10 reporting year.
- 1.2 The format follows that of the Strategic Plan for 2008/18 and shows the linkages to the council's corporate priorities.
- 1.3 The financial and performance monitoring is carried out with a risk based approach and includes all key areas of income and expenditures considered to be of significant risk in terms of financial values, service deliveries and the delivery of the Council's priorities.
- 1.4 The report takes into account the year to date position on key performance and financial areas and provides a projected outturn position for the year end.

#### **2. RECOMMENDATIONS**

- 2.1 That Members note the key points relating to variations against the 2009/10 National Indicators (NIs), former Best Value Performance Indicators (BVPIs) and Local Performance Indicators (LPIs).
- 2.2 That Members note the key areas of variations against 2009/10 original budget, movements since previous quarter's report and the projected outturn position. Also included for consideration is a summary of all key Treasury Management activities to date.
- 2.3 That a report be submitted to the next round of Overview and Scrutiny Committees if any variance issues are identified for further analysis.

The Committee is able to resolve these matters.

#### **3. FINANCIAL IMPLICATIONS**

- 3.1 The third quarter financial monitoring report is in line with the Council's revised budget that was approved by the Council on the 23 February. This reflects the very significant total saving on the General Fund of almost £1.3m that was allowed for in the original budget, with part of this having been achieved as a result of a high level of staffing savings. The anticipated savings included, therefore, in the General Fund original budget will be delivered. This is an improvement against Q2 position and despite the impacts of the recession on the Council's income streams and services.

- 3.2 At the time of this report a number of posts were identified as savings as part of the Council's overall Strategic & Financial Planning process for 2010/11. In accordance with the Statement of Recommended Practices (SORP) the redundancy and pension costs relating to these posts will be recognised in 2009/10 account. The estimated costs are about £117k. These additional costs have been fully allowed for in the approved 2010/11 Budget but will, based on the SORP requirements, clearly affect this year's final outturn position. This will have no overall impact, however, on the Council's overall financial position.
- 3.3 Following a strategic review of the General Fund capital programme and its financing, some of the key expenditures in the Original Budget for the year have either been deferred to future years or removed from the programme. This has resulted in an overall reduction in the revised 2009/10 budget of about £2.8 m.
- 3.4 Total capital expenditure at the end of Q3 on the Housing Revenue Account (HRA) is about 70% of the revised budget. The outturn position is expected to be marginally above budget and close to the 97% target for the year.
- 3.5 The revised Housing Revenue Account (HRA) Budget and Q3 reflects the late changes in housing rents and subsidy approved earlier in the year, which has resulted in a small deficit for the year.
- 3.6 The table below provides a high level summary of overall projected outturn position for the year compared to the original budget. These projected outcomes have been reflected in the revised budget:

	<b>Outturn as at Q2</b>	<b>Outturn as at Q3</b>
General Fund Revenue	£200k shortfall/overspend	-
General Fund Capital	£2.8m underspend	£3.2m underspend
Housing Revenue	-	£59k deficit
HRA Capital	As per target	As per target

- 3.7 The Council manages and invests about £10m -£12m of funds during the year and the income generated from these are an important element of the Council's budget. Appendix C1 provides a more detailed view of the key aspects of Treasury Management activities.

#### **4. RISK MANAGEMENT**

- 4.1 This report links to Corporate Business Risk No.7 – Finance, Performance & Risk Management. Key risks are seen as:

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation Measures</b>
NI, BVPI and LPI performance does not improve compared to previous years and LAs nationally.	To be determined	Marginal	Regular monitoring to identify key variations and poor performance.

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation Measures</b>
Budgets are affected by the continuing impact of the economic downturn or other factors, impacting on the net financial position at the end of the year.	Low	Marginal	Regular monitoring at officer & Member level with actions agreed to remedy the situation.
Savings and Efficiencies target for the year not met.	Low (Could be significant if further adverse variations arise)	Critical	An Action Plan is in place with regular monitoring by officers and Members on progress. Differing assumptions, options and risk scenarios are considered.
Inaccurate data.	Low	Marginal	An action plan has been developed to ensure appropriate arrangements are in place to secure data quality.

## 5. **KEY INFORMATION**

### **Overall Context**

5.1 Performance indicator targets for 2009/10 were formally approved by Strategy Committee on 7 April 2009, following consideration of the recommendations made by the joint Overview and Scrutiny Committee working group. This group met in March 2009 to consider in detail all the indicator targets proposed by officers. Targets were developed in line with specified criteria. They were set to be achievable but stretching based on the available evidence, including current performance level, trend data, benchmarking (where relevant) and Babergh's quartile position among shire district councils nationally.

5.2 In order to reduce double-handling and improve the effectiveness of scrutiny:

- The Overview and Scrutiny (Stewardship) Committee will receive a quarterly report setting out the key financial and performance information, areas where performance has deteriorated based on the performance indicators and financial information, and details of what is being done to improve performance in these areas
- Each Overview and Scrutiny Committee will receive for any area under their remit where performance has deteriorated, an update setting out whether performance has been improved, can be improved and how.

## 6. **Financial information**

6.1 Appendices A to C summarise the position in relation to monitoring key revenue budget risk areas and the capital programme.

- 6.2 Key information on the Quarter 3 position is set out below. Apart from the redundancy costs of £117k, all variations are reflected in the revised budget. The downside risk of further variations is seen as low.

## **General Fund**

### Key Expenditures

Staffing - This year's original budget included anticipated efficiency and vacancy savings of about £560k, including £375k relating to the General Fund. Total salary savings of over £650k are now expected, which reflects the saving of 1.5% on the pay award, and this saving has been allowed for in the revised budget reducing costs by £488k for the General Fund and around £160k for the HRA. This is £88k more for the General Fund than was reported in Q2

Concessionary Bus Fares scheme – Expenditure now expected to be £74k less than the original budget, which is £16k less than projected in Q2. The expenditure is primarily determined by the number of journeys and can be affected by seasonal variations and weather conditions.

Financing costs including minimum revenue provision on borrowing are expected to be about £132k lower than expected. This is largely due to the reduced borrowing requirements as a result of the strategic review of the capital programme.

Gate fees relating to the MRF are expected to be £30k less than original budget, compared to the £41k reduction forecast in Q2. This will partly off set the reduction in the recycling income (see below)

Since Q2 an increase of about £60k in the Waste contract has arisen as a result of the settlement of contractual claims received from the contractor. These have yet to be agreed.

### Key Income Streams

The impact of the economic downturn has been mostly reflected in the Council's forecast income streams for the year. The position in key areas is summarised below:

Significant reduction in the Investment income (in line with Q2 projection). Expected outturn is over £160k less than the original budget

Reduced recycling income of about £79k partly off set by the reduction in Gate fees (as above). This is in line with Q2 position

Reduction of about £35k in the Building Control fees, as reported in Q2

Anticipated increased income levels in the following areas; (Land charges £40k, Planning fees £94k, Trade and green waste £60k and other areas of about £50k).

## **Housing Revenue Account**

An overall additional cost of about £59k is to be met by HRA balance, which has partly resulted from the revised rent and subsidy determination and increased energy costs on sheltered schemes

The revised budget also includes variations against the original budget reflecting a more accurate outturn position. The key areas of changes are increases of £80k for repair requests, £25k for void repairs and a reduction of about £25k in painting & pre-paint repairs

A reduction to the Direct Revenue Financing of capital has been made to mitigate against these increased costs and keep the forecast net additional cost manageable

## **Capital Programme**

Some of the key schemes such as the planned Joint Refuse Depot (£1,601k), Hadleigh Community Facilities (£500k) and the Green waste enhancement vehicle (£135k) have been either deferred to future years or removed from the programme following the strategic review of the capital programme. Provision has been made in future years for a contribution towards a waste transfer station in relation to the latter

The acquisition of some of the Refuse Fleet costing about £500k has also been deferred until 2012

A review of the Haven Gateway schemes has been carried out to reflect the reduction in funding. The delivery of some schemes is now likely to be deferred to 2010/11.

There are also some smaller variations to the original budget. Please Appendix C for details

The ongoing uncertainties on capital receipts for the year due to the current economic situation and property market continue. The expected timing and amounts of these receipts have now been revised and it has been assumed they will not be received this year

The HRA capital programme is expected to be largely delivered. Please see Appendix C for more details.

## **Treasury Management**

There was one breach of the 2009/10 Treasury Management Strategy where an investment was placed for 93 days instead of 91 days (please see Appendix C1 for details). This has been addressed in the 2010/11 Treasury Management Strategy.

There were no borrowing requirements for the period but a short term (one month) borrowing requirement of about £1m is anticipated in March.

The investment income is reported above.

## **7. Performance Information**

### **Data Quality**

- 7.1 The Council's Data Quality Policy sets out the roles and responsibilities for staff at all levels of the organisation from the Directors / Heads of Service to operational staff inputting data into the council's various information management systems.
- 7.2 Collaborative working between the Policy Unit and the establishment of data quality champions in each division / service area ensures that improvement in arrangements are driven both top down from the Management Team and bottom up from service managers and staff.
- 7.3 The Data Quality Action Plan sets out how the Council will secure improved performance data. Delivery is monitored and managed by the Performance Improvement Coordinators group and progress is reported to the O&S (Stewardship) Committee. A detailed progress report for 2009/10 will be considered by the Committee on 21 June 2010.
- 7.4 Internal Audit review's data quality and performance indicators and any recommendations are incorporated into the Data Quality Action Plan and acted upon.
- 7.5 Internal Audit's last review in November 2009 assessed the Council's data quality arrangements as 'acceptable' and found that all the indicators tested were 'fairly stated'. This represented a further improvement on previous years.
- 7.6 The Council's appointed auditors PKF also carried out some indicator spot checks. Whilst all were concluded as fairly stated, one (BV212 – Average time to relet local authority housing) identified some errors in the underlying data including some double-counting. These had no impact on the final outturn. However, officers will review the definition and methodology to ensure that the correct data is included when calculating this indicator in future.
- 7.7 Testing of HB Count (Housing and Council Tax benefits) has also been concluded and a number of errors were identified initially. Further testing was undertaken so that the claim could be amended and ultimately a qualification letter was not issued. This represents an improvement on previous years when BV78a / b were qualified.

## Performance Indicator Analysis

- 7.8 Highlights from the basket of key performance indicators (KPIs) and analysis of performance exceptions are outlined below. Full details on the KPI basket can be found in Appendix D and exceptions in Appendix E.

### Direction of Travel analysis

- 7.9 Table 1 below shows the direction of travel for the KPIs at the end of the third quarter of the 2009/10 financial year. There is a positive or neutral direction of travel for 29 of the 37 PIs (78%) where comparison is possible. This is in line with the positive and neutral direction of travel for 2008/09 (84%), when there was half the number of KPIs in the basket. This is a particularly impressive achievement when the impact of the economic downturn on the revenue and new homes indicators on this year's performance are taken into consideration.

**Table 1**

	↑ Improving	↔ Unchanged	↓ Deteriorating	Contextual PI	No previous comparison	No data	Totals
<b>NI</b>	15	0	1	0	0	0	<b>16</b>
<b>BVPI</b>	2	2	3	0	0	0	<b>7</b>
<b>LPI</b>	7	3	4	1	4	0	<b>19</b>
<b>Totals</b>	<b>24</b>	<b>5</b>	<b>8</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>42</b>

### Actual v Target analysis

- 7.10 Table 2 shows the Quarter 3 position for key performance indicators against targets. 27 of the 39 PIs (69%), where targets have been set, are expected to meet or exceed the target by the end of the financial year. Again this compares very favourably with the 2009/10 figure, which was 55%.

**Table 2**

	↑ On or exceeding target	↓ Below target	Contextual	No data	Totals
<b>NI</b>	13	3	0	0	<b>16</b>
<b>BVPI</b>	3	4	0	0	<b>7</b>
<b>LPI</b>	11	5	1	2	<b>19</b>
<b>Totals</b>	<b>27</b>	<b>12</b>	<b>1</b>	<b>2</b>	<b>42</b>

Table 3 summarises the direction of travel for Babergh's basket of KPIs.

**Table 3**

**24**

<b>BV 2a</b> The level of the Equality Standard for Local Government to which the authority conforms		
<b>LPI115</b> Number of incidents of criminal damage in hotspot areas		
<b>LPI116</b> Number of serious public order offences (including violence)		
<b>NI 179</b> Value for Money		
<b>NI 181</b> Time taken to process Housing Benefit / Council Tax new claims and changes of circumstances.		
<b>NI 180</b> Changes in Housing Benefit / Council Tax Benefit new claims and change events		
<b>LPI 18</b> (3 out of 4 parts) Percentage of telephone calls answered where enquiry is resolved at point of contact		
<b>NI 195</b> (4 parts) Proportion of sites that fall below acceptable level for litter, detritus, graffiti and fly posting		
<b>NI 193</b> Municipal waste landfilled		<b>8</b>
<b>NI 192</b> The % of total tonnage of waste arising which has been recycled + the % of total tonnage of waste arising which has been sent for composting		<b>BV 66a</b> Proportion of local authority housing rent collected
<b>NI 184</b> Food establishments in the area which are broadly compliant with food hygiene law		<b>BV 9</b> % of Council Tax collected within the year
<b>NI 191</b> Residual waste per household	<b>5</b>	<b>BV 10</b> The % of Non Domestic Rates collected in the year
<b>LPI 12a</b> % of capital expenditure achieved on the Housing Revenue Account	<b>LPI12b</b> % capital expenditure achieved on the General Fund	<b>LPI 18</b> (1 out of 4 parts) Percentage of telephone calls answered where enquiry is resolved at point of contact
<b>NI 158</b> % non decent council homes	<b>LPI 80</b> Customer satisfaction with telephone service	<b>LPI 41a</b> The cumulative total number of completed affordable units of accommodation
<b>LPI 44</b> Local authority housing – repairs and maintenance – proportion of urgent repairs to non-urgent repairs	<b>LPI 119</b> % of planning decisions determined as delegated items	<b>NI 154</b> Net additional homes provided
<b>BV212</b> Average time to relet local authority housing	<b>BV 64</b> Private dwellings returned to occupation	<b>LPI 15</b> Number of affordable rent agreements secured
<b>NI 157</b> (3 out of 3 parts) Processing of planning applications as measured against targets of "Large scale Major", "Small scale Major", "Minor" and "all county matter" applications	<b>BV 63</b> Energy efficiency of local housing stock	<b>LPI 9</b> Number of homes adapted to meet the needs of older people or disabled people
<b>Improving</b>	<b>Unchanged</b>	<b>Deteriorating</b>

## **A greener cleaner Babergh**

- 7.11 The combined recycling rate for waste and compost is 40.05% (App D Row 1 - NI 192), which is just below the annual target of 42%. This is an improvement (0.2%) on the Q3 2008/09 figure. These variations are small and not unexpected. They can be accounted for due to the impact of the recession on recycling rates. The average amount of residual waste generated per Babergh household between April and December 2010 was 380.21 kg (App D Row 2 - NI 191). This is less than the amount produced during the third quarter of 2008/09 (i.e. improved performance) and there are no concerns about meeting the 2009/10 target of 525kg by the end of the financial year.
- 7.12 62.9% of the municipal waste that was generated this quarter was sent to land fill (App D Row 3 – NI 193). This is an improvement on the Quarter 3 figure last year and under 3% short of the 2009/10 target of 60.5%. The recession has had an impact on this measure. A trade waste recycling scheme has been introduced during the year and we anticipate that this will improve the performance in 2010/11
- 7.13 The first and second 2009/10 surveys of local street and environmental cleanliness (NI 195 – App D Row 4) cover the period April to November 2009. Performance is above target on all measures (litter, detritus, graffiti and fly tipping), but not quite as strong as for the same period last year. However it should be noted that different areas are sampled and therefore a slight variance can occur.
- 7.14 The percentage of conservation areas with an up to date character appraisal has been highlighted as an exception this quarter (BV219b – App E Row 2). As at 31 December 2009, 32.1% of conservation areas (9 out of 28) had an up to date character appraisal. The Medium Term Plans target 3 Conservation Area Appraisals per year. Two will be adopted within this financial year and a third very early in 2010/11. It is still intended to complete a further 3 in 2010/11. The 2009/10 target is inconsistent with the work plan and this will be reviewed as part of the target setting process.
- 7.15 An update on NI185 (CO2 reduction from Local Authority operations) has been given this quarter to ensure that Members are kept informed of the progress that has already been made. By the end of 2010/11 the Council is aiming to reduce CO2 emissions by 8% compared with the 2008/09 baseline. A Carbon Management Plan has been drafted which explains how this target will be achieved. It is anticipated the Plan will be signed off by the Carbon Trust by the end of March 2010. Alongside this, provision has been made in the General Fund Capital Programme from 1 April 2010 onwards for its implementation. Each scheme in the programme will be allocated a 'carbon saving allocation', which will allow the CO2 reduction to be monitored during 2010/11.

## **Quality homes people can afford**

- 7.16 The average time to re-let council properties (BV212 – App D Row 7) is 23 days. This is better than the target and an improvement on quarter 3 last year when the average void period was 25 days. This improvement is noteworthy especially given efficiency improvements and less staffing resources have been used.

- 7.17 The proportion of urgent to non urgent repairs to council properties is 10% (LPI 44 – App D Row 10), with performance better than the target of 15% and showing an improvement on last year's figure of 11%. 96% of the Council's housing stock already meets the Decent Homes Standard and the end of year target of 100% is likely to be met (NI158 – App D Row 8).
- 7.18 The processing rates of 'major' and 'other' planning applications (NI 157 – App D Row 11) are above target again this quarter. At 67.84%, Minor applications are slightly below the target of 70%. Performance for all types of planning application remains better than last year. The total number of planning applications received has fallen by 26% since the equivalent period 12 months ago (Q3 2008/09 = 1071 and Q3 2009/10 = 792). In response to this the staffing resources have been adjusted accordingly. Resources will continue to be closely monitored and any significant increase in demand may require further review to avoid a decline in performance.
- 7.19 The percentage of planning decisions determined as delegated items (LPI119 – App D Row 15) is currently 88% (694 out of a total of 792 decisions were not delegated), which is only slightly below the target of 90%. This is not a significant shortfall and it is likely that the end of year target will be met.
- 7.20 The proportion of planning appeals allowed against the authority's decision to refuse a planning application has been reported as an exception this quarter (BV204 – App E Row 1). The quarter 3 figure is 46%, which although an improvement on quarter 2, is still worse than the target of 25%. The percentage represents 13 out of a total of 28 planning appeals. The performance against target is largely outside our control, but reasons for refusal are rigorously assessed, reported in detail to the Development Committee each quarter and comments by inspectors, where appropriate, are used to inform our future approach to decisions.
- 7.21 The current Standard Assessment Procedure (SAP) rating of council properties (BV63 – App D Row 9) is 64 and it is expected to remain at that level for the rest of the year. Our current expenditure is geared towards replacing inefficient warm air and oil central heating systems with air source heat pumps. The benefits include reducing CO2 emissions and, where applicable, addressing the issue of fuel poverty by reducing energy bills by 20%. The use of air source heat pumps does not however contribute a great deal to increasing the SAP ratings so the targets for future years have been revised to take account of this. The proposed targets reflect a programme of work to insulate properties and replace back boilers, which will have a positive effect on the SAP rating.
- 7.22 3 private sector affordable rent agreements have been secured so far this year (LPI 15 – App D Row 14). This is fewer than planned (the annual target is 12). The initial objective of providing alternative accommodation for residents of Stour House has been met. The Council is working with the managing housing association to develop a pilot PSL scheme as part of the CBL operation. The proposal was discussed at board level on 10 February and it was agreed that the scheme will continue to be developed. No further rent agreements can be secured until the new scheme is in operation.

- 7.23 Babergh has been successful in a joint bid for 'Decent Homes from Empty Homes' grant, which can be used during 2010/11. Two private sector dwellings have been returned to occupation so far this year through the use of grant aid (BV64), against a target of 12. It has not been possible to actively promote the scheme this year, but the successful bid for funding means that the target remains achievable in 2010/11.
- 7.24 150 new homes (net) have been built in the Babergh area since 1 April 2009 (NI 154 – App D – Row 12). This is less than last year's total of 248 as at 31 December 2008 and this reflects the down turn in the housing market. The 2009/10 target for this LAA2 indicator has been renegotiated and is now 150. It is estimated that the number of new homes will rise to 195 by the end of the year, which is above the target.
- 7.25 A new five-year affordable housing target was set at the start of the 2009/10 financial year (LPI41 – Row 5 App D). The Council plans to add 500 units to this new affordable housing pipeline during the period 1 April 2009 and 31 March 2014. So far 12 properties have been added to the new pipeline. 2 of these are currently under construction and the remaining 10 have planning permission.
- 7.26 The previous five-year target was 700. At the end of the target period on 31 March 2009 a total of 761 were in the development pipeline. 428 of these were completed by that date. The remaining 333 units were at the planning permission or under construction stage. These properties continue to move through the delivery stages. The split on 31 December 2009 was 462 completions, 86 under construction and 213 with planning permission. Since 1 April 2009 34 units from this pipeline have been completed.
- 7.27 There have been 51 homelessness presentations requiring emergency intervention so far this year (LPI 42 – App D Row 6), which is the same as last year's figure. In addition the Homelessness Team has prevented 54 households from becoming homeless through early intervention. The equivalent figure at the same time last year was 73.

### **Vibrant Places and Strong Communities**

- 7.28 The position on revenue collection is set out in the following paragraphs. Given the huge impact of the recession, performance is seen as extremely strong overall. So far this year, 98.39% of Council Housing rent has been collected (BV66a – App D Row 19). Due to the economic climate this is slightly less than at the same time last year and is currently 0.61% down on the profiled target. However current projections suggest that the end of year target of 98.8% will still be achieved.
- 7.29 87.5% of non domestic rates have been collected (BV10 – App D Row 21). Due to the economic climate this is slightly less than the amount collected at the same time last year and just below the profiled target for the end of Quarter 3. The end of year prediction is 98.8% which is only just very marginally below the target of 98.5%.

- 7.30 88.05% of Council Tax has been collected so far this year (BV9 – App D Row 20). Due to the economic climate this is just below the profiled target for the end of December 2010 and slightly less than the amount collected at the same time last year (88.28%). To date only £6,586 has been written off due to bankruptcy - this represents 20 cases. The end of year prediction is for 98.5% against a target of 98.9%.
- 7.31 LPI 18 (App D Row 17), the percentage of telephone calls answered where the enquiry is resolved at the point of contact, has been split by service area to allow for more detailed scrutiny. The overall rate is currently 95%, which is above target and a significant improvement on last year. The response rates for calls relating to housing (97%), Money Matters (96%) and general enquiries (99%) are all well above target. Planning calls currently stand at 85% which represents a fall in performance since last quarter. Performance is also worse than last year and the end of year target of 90% is unlikely to be met. Calls received can vary in complexity and frequently customers insist on speaking to a named officer, who with increased application workloads is not always available. This position needs to be reviewed in light of the increase in the number of applications being received.
- 7.32 The customer satisfaction level for Babergh's telephone service remains very high (LPI 80 – App D Row 18). 98% of customers are satisfied with this service, which is significantly better than the target of 90%.
- 7.33 The time taken to process new benefits claims and changes of circumstances (App D Row 23) is currently 6.88 days, which is well below the target of 11 days and a continued improvement on performance compared to the same time last year (9 days). This significant improvement has been achieved through a combination of introducing improved processes for dealing with new claims and more direct early contact with benefit claimants and has arisen over a period that has also seen a significant increase in the number of claims being processed.
- 7.34 The number of changes of circumstances which affect Housing Benefit and Council Tax Benefit entitlement was 45.1 per 1000 caseload as at December 2009 and performance remains on target (NI180 – App D Row 22).
- 7.35 The % of benefits overpayments recovered against the % deemed recoverable has been reported as an exception this quarter (BV79bi – App E Row 5). Current performance is 67.15%, which is below the target of 72% and worse than at the same time last year (77.61%). The shortfall is due to the large monetary amounts of fraud discovered this year, 9 cases alone totalled £60,000. Unfortunately unless the fraud is due to undisclosed capital, depending on the customer's circumstances, some of these cases will take 6 years to repay. Processes have been reviewed in order to reduce overpayments entering the system and improve the level of collection. The Quarter 3 outturn is similar to other Suffolk authorities. The end of year target is therefore unlikely to be met.

- 7.36 30 homes have been adapted to meet the needs of older or disabled people (LPI 9 – App D Row 16) since the start of the year. This is less than at the same last year, when 34 homes had been adapted. The end of year figure is predicted to be 37, which if achieved will be less than the target of 42 but an improvement on last year's total of 36. Babergh's ability to meet the end of year target will be dependent on the number and timeliness of referrals from other agencies.
- 7.37 All discretionary grant funding (LPI104a Capital and LPI104b Revenue – App D Rows 24 and 25) has been spent or committed, although the drawing down of monies allocated to recipients is below target. With regard to the actual spend, the estimated end of year figures are £94,000 capital funding spent against the target of £108,000 and £400,000 revenue funding spent against the target of £405,648. Some recipients need to apply for top up grants from other sources and some time schedules cut across financial years.

### **A Safer and Healthier Babergh**

- 7.38 91% of food establishments in the area are broadly compliant with food hygiene law, which is above the target of 90% (NI184 – App D Row 26). The term 'broadly compliant' is an output measure which the Food Standards Agency has developed to monitor the effectiveness of the regulatory service relating to food law. This is a very good outcome in recession conditions, as previous experience shows that hygiene standards can fall when businesses come under financial pressure. There is evidence that the Scores on the Doors initiative is helping to push up management standards, although the scope for further improvement is limited as there will always be new businesses that are non-compliant at the first inspection.
- 7.39 NI 182 and LPI 123 have been highlighted as exceptions this quarter because of exceptionally good performance (App E – Rows 3 and 4). 80% of businesses are satisfied with local authority regulation services, which is above the target of 78%. The reason this PI has been reported is that businesses are providing very positive and complimentary comments about Babergh's enforcement officers on the survey forms. In addition, the proportion of food premises achieving the required scores for Confidence in Management is above target. 26 premises when first visited had a previous score of 20 or over. Following their latest visit only 9 still had a score of only 20 or over i.e. 65% had reached the required standard. The target for this year was 25%.
- 7.40 Two new local crime indicators have been added to the key performance indicator basket this year: the number of incidents of criminal damage in hotspot areas and the number of serious public order offences (LPI115 and LPI116 – App D Rows 27 and 28). These performance indicators are monitored through a tactical plan agreed between Babergh DC and the Police. Data is collected on a six monthly basis over a calendar year. The latest figures show that there were a total of 922 offences of both types during the whole of 2009. Between 1 July and 31 December 2009 there were 406 offences which is fewer than in the earlier part of the year and represents a 21% reduction (110 fewer offences) on the equivalent six month period in 2008. This indicates a positive direction of travel and is evidence of the effectiveness of Babergh's Community Safety measures. Key to the success of this initiative has been the improved arrangements around CCTV monitoring, which has yielded a huge increase in the number of crimes detected. It also gives agencies early warning of incidents allowing early intervention and stopping the

escalation of incidents. Joint tactics around patrolling hotspot areas have also been a significant success.

### **A Strong and Sustainable Babergh Economy**

- 7.41 Two new local economic development indicators were added to the key performance indicator basket in 2009/10 – the number of companies referred to the Suffolk Redundancy Network (LPI117 – App D Row 29) and the number of companies that take up the advice offered by the Suffolk Redundancy Network (LPI118 – App D Row 30). Babergh DC has referred one company to the Suffolk Redundancy Network so far this year and the company took up the advice offered. This is encouraging in the current economic climate, as this is an ‘on demand’ service.

**How we will deliver (enabling measures)** - Indicators listed here are overarching and do not sit under one priority.

- 7.42 The Council has self-assessed at the “Developing” level of the new Equality Framework for Local Government (BV2a – App D Row 33) which is the target for 2009/10. Good progress is being made towards the ‘Achieving’ level (equivalent to Level 3 of the now defunct Equality Standard).
- 7.43 61% of Housing Revenue Account capital expenditure has been achieved (LPI12a – App D Row 31). The equivalent figure for last year was 60%. The end of year estimate is 94%, which is just below the target of 97%. This is not of concern and the shortfall is due to a few major contracts that are not expected to be 100% complete by the end of the financial year.
- 7.44 35% of capital expenditure has been achieved so far on the General Fund (LPI12b – App D Row 32). This percentage is based on the original 2009/10 budget and further details have been provided in the finance section of the report. Expenditure is expected to be largely in line with the revised budget at the end of the financial year.
- 7.45 The estimated total cumulative ‘value for money’ (efficiency) savings made since the start of the 2008/09 financial year is £1.176m, which is above the Council’s target of £1m. (NI179 - App D Row 34). The cumulative estimate includes £0.3m of forecast new efficiencies in this financial year. It is anticipated that these should be achieved. It should be noted that the Babergh target of £1m is higher than the Government’s 3% p.a. target of just over £0.8m for the two years 2008/09 and 2009/10.

## 8. Next Steps

- 8.1 Given the enormous challenges facing the Council and the continuing impact of the recession, the available performance and financial information is encouraging, with 69% of performance indicators predicted to meet the end of year target. Where performance is predicted to fall short of the target, it is important to recognise that whilst some factors are controllable by officers others are not. For example, the completion rate of new homes (NI 154) and affordable housing (LPI 41) has demonstrably been affected by the economic downturn. Where performance is controllable officers have put in place actions to secure improvements. The following indicators have been highlighted as areas of concern (see below).

**BV63 Energy efficiency of local council housing stock** – planned work to replace back boilers and improve insulation will improve the SAP rating during 2010/11. For further details see paragraph 7.21.

**LPI41 Number of affordable units** – as the slow down in major developments continues as a result of the recession, the focus for delivery of this target has moved to the search and identification of council owned land that it might be possible to develop. This takes time and results in far fewer properties than S106 developments generally do. For further details see paragraph 7.25.

**NI193 Municipal waste sent to landfill** – the introduction of a trade waste service will improve performance in 2010/11. For further details see paragraph 7.12.

**BV64 Private dwellings returned to occupation** – a successful bid for grant funding will result in improved performance in 2010/11. For further details see paragraph 7.21.

**BV204 Planning appeals allowed against the authority's decision to refuse a planning application** – performance is rigorously assessed and reported in detail to the Development Committee on a quarterly basis. Comments from inspectors, where appropriate, will continue to be used to inform our future approach to decisions. For further details see paragraph 7.20.

**BV9 and BV10** – Business Rates and Council Tax collection. All possible steps and actions are being taken to maintain revenue collection and debt recovery. A review of Council Tax single person's discounts is being undertaken to target these with the aim of removing any incorrect claims.

**BV79bi** – Recovery of Housing Benefit overpayments. All possible steps and actions are being taken to maintain revenue collection and debt recovery. Processes have been reviewed in order to reduce the level of overpayments entering the system and improve the level of collection.

- 8.2 All other issues have either already been reported further, or it is felt that the variation is not significant enough to require further action other than already specified within this report.

9. **APPENDICES**

Appendix A – Quarter 3 key General Fund revenue budget areas

Appendix B – Quarter 3 key HRA budget areas

Appendix C – Quarter 3 capital summary

Appendix C1 - Treasury Management

Appendix D – Quarter 3 basket of Key Performance Indicators (KPIs)

Appendix E – Quarter 3 performance exceptions

10. **BACKGROUND PAPERS REFERRED TO:**

None.

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## Key Budget Areas

<b>General Fund</b>	2008-09 Outturn	2009-10 Budget	Actual Q3 2009-10	Actual Q3 2008-09	Projected Outturn as per Rev Budget (Inc Carry- forwards)	Projected Outturn Variance against Rev Budget	HoS Comment
<b>Key income Streams</b>	£'000	£'000	£'000	£'001	£'000	£'000	
Investment Income	-564	-225	-39	-359	-62	0	Expected to be in line with revised budget.
Land Charges income	-154	-140	-143	-125	-180	0	Income expected to be as revised budget
Council Tax summons costs income	-112	-84	-69	-31	-91	0	Income expected to be as revised budget
Industrial / Starter Units rent income	-60	-42	-43	-50	-50	0	Income expected to be as revised budget
Belle Vue	-25	-28	-2	-13	-15	0	Income expected to be as revised budget
Planning Fees	-351	-308	-312	-234	-402	0	Assume fee receipts continue at previously projected rate
Building Control Fees	-415	-435	-272	-407	-400	0	Based on year to date income, and SWISS income still due.
SCC contribution(Twin Bin scheme - Green waste - Recycling Strategy )	-782	-729	-342	-331	-650	0	Outturn estimate based on half year figures
Trade Waste Fees	-376	-371	-410	-364	-410	0	Expected to be in line with revised budget.
Green Waste Fees	-230	-270	-291	-224	-291	0	Expected to be in line with revised budget.
Licensing Income	-149	-154	-114	-116	-154	0	Expected to be in line with revised budget.
Other Income	-73	-104	-36	-59	-58	0	Expected to be in line with revised budget.
<b>Total Income</b>	<b>-3,291</b>	<b>-2,890</b>	<b>-2,073</b>	<b>-2,313</b>	<b>-2,763</b>	<b>0</b>	

## Key Budget Areas

General Fund	2008-09 Outturn	2009-10 Budget	Actual Q3 2009-10	Actual Q3 2008-09	Projected Outturn as per Rev Budget (Inc Carry- forwards)	Projected Outturn Variance against Rev Budget	HoS Comment
<b>Key Expenditure Areas</b>							
Salaries	8,969	9,352	6,270	6,630	8,801	117	Additional redundancy and pension costs to be met from this year's budget. Savings to be achieved from 2010 onwards.
ICT (Business Unit) Supplies & Services costs	341	363	371	318	386	0	Expenditure expected to be as revised budget
Corporate Training	58	35	53	35	60	0	Expenditure expected to be as revised budget
Recruitment Costs	49	65	11	26	20	-10	Based on recruitment activities to date some savings are expected.
Specialist Legal Expenses	95	40	10	73	35	0	Expenditure expected to be as revised budget
Training Costs within other Business Units/Services (Excluding Corp Training)	142	125	72	105	100	-25	Based on training spends to date underspends at the yearend are likely.
Borrowing costs including MRP	229	272	53	13	140	0	The borrowing costs for Q3 include and estimated Minimum Revenue Provision allocation
Concessionary Fares - payment to SCC	675	800	546	486	714	0	Expenditure expected to be as revised budget
Discretionary Rate Relief	86	100	95	83	100	0	Expenditure expected to be as revised budget
Community Safety / CDRP - expenditure	144	148	108	84	150	0	Expenditure expected to be as revised budget
Central Grants Pot (Revenue)	366	435	229	251	449	0	
Kingfisher Leisure Pool Repairs & Maintenance	30	23	18	17	23	0	Expenditure expected to be as revised budget
Hadleigh Pool Repairs & Maintenance	14	15	8	6	15	0	Expenditure expected to be as revised budget
Waste Contract	1,492	1,734	1,056	1,041	1,794	0	The settlement of contractual claims received from the contractor which is yet to be agreed.
Open spaces & Street cleansing contracts	1,164	1,225	683	869	1,226	0	Expenditure expected to be as revised budget

**Key Budget Areas**

<b>General Fund</b>	<b>2008-09 Outturn</b>	<b>2009-10 Budget</b>	<b>Actual Q3 2009-10</b>	<b>Actual Q3 2008-09</b>	<b>Projected Outturn as per Rev Budget (Inc Carry- forwards)</b>	<b>Projected Outturn Variance against Rev Budget</b>	<b>HoS Comment</b>
Waste Gate Fees	429	541	191	155	511	0	Based on predicted tonnages at agreed rate
Free Swimming costs					16	16	
<b>Total Expenditure</b>	<b>14,283</b>	<b>15,273</b>	<b>9,774</b>	<b>10,192</b>	<b>14,540</b>	<b>98</b>	
<b>Net saving</b>						<b>98</b>	Net saving

## Key Budget Areas

Appendix B

	2009-10 Budget	Actual Q3 2009-10	Actual Q3 2008-09	Projected Outturn as per Rev Budget (Inc Carry-forwards)	Projected Outturn Variance	Comments
HRA	£000	£000	£000	£000	£000	
Income - rents and charges (less voids)	-13,172	-9,531	-9,320	-12,655	0	Housing rental income and subsidy levels have been revised to reflect the impact of the revised rent increase. Accordingly this also reflects the revised HRA budget.
Tenancy changes (void properties)	358	269	243	383	0	Additional £25k to increase the budget. High number of void properties currently being processed
Repair Request from tenants	860	573	597	941	0	An additional £80k has been added for the revised budget. Expenditure is slightly below outturn but the after effects of the snow period have yet to be reflected
Painting and Pre-paint repairs	337	181	178	312	0	£25k moved to Tenancy Changes for revised budget. Small underspend currently anticipated.
Energy Costs	355	216	191	426	0	Potential overspend, billing issues to be resolved
Babergh Response (new contract)	31	20	18	28	0	The revised budget reflects the review due to staff retirement in December.
<b>Total</b>	<b>-11,231</b>	<b>-8,272</b>	<b>-8,093</b>	<b>-10,565</b>	<b>0</b>	

## Key Budget Areas

APPENDIX C

	2008-09	2009-10	2009-10 Q3	Actual Q3	Projected	Projected	HoS Comments at Quarter 3
			Expenditure as			Variance	
			Percentage of			2009-10	
	Outturn	Revised Budget	Annual Budget	2009-10	Outturn	as at Q3	
Externally Funded Schemes	178	121	16%	19	30	-91	These are mainly Haven gateway funded schemes. Some of the schemes are likely to be delivered in 2010/11.
Internally Funded Schemes	361	1,694	85%	1,433	1,659	-35	There is a possible underspend of £20,000 on planned maintenance at Kingfisher Leisure Centre and an underspend of £15,000 on the joint refuse depot
<b>Contract &amp; Asset Management</b>	<b>539</b>	<b>1,815</b>	<b>80%</b>	<b>1,452</b>	<b>1,689</b>	<b>-126</b>	
LAMP Phase 2	310	467	35%	164	467	0	As per revised budget
Infrastructure	169	46	67%	31	46	0	As per revised budget
Applications	24	6	117%	7	6	0	As per revised budget
Service Transformation	79	115	47%	54	99	-16	Underspends on a number of small schemes.
<b>ICT</b>	<b>582</b>	<b>634</b>	<b>40%</b>	<b>256</b>	<b>618</b>	<b>-16</b>	
Externally Funded Schemes	77	427	34%	147	440	0	Any additional expenditure will be funded by CDRP grant income received
Internally Funded Schemes	155	155	45%	70	155	0	All budgeted grants expected to be paid in 2009/10
<b>Community Development</b>	<b>232</b>	<b>582</b>	<b>37%</b>	<b>217</b>	<b>595</b>	<b>0</b>	
Green Waste Enhancement		135	0%	0	0	-135	The grant funding application to SCC is still being finalised and is now not expected to be received until 2010/11. The refuse vehicle will not be purchased until the grant is received.
Sudbury Town Centre Redevelopment		26	31%	8	26	0	As per revised budget
Sudbury Town Centre Enhancement (HERS)	81	20	0%	0	0	-20	Sudbury Town Council have now informed Babergh DC that the work for which this grant has been allocated will not be completed in 2009/10.

## Key Budget Areas

APPENDIX C

	2008-09	2009-10	2009-10 Q3	Actual Q3	Projected	Projected	HoS Comments at Quarter 3
			Expenditure as			Variance	
			Percentage of			2009-10	
	Outturn	Revised Budget	Annual Budget	2009-10	Outturn	as at Q3	
Air Quality Management		28	4%	1	1	-27	Some of the preparatory work has been undertaken this year but it is unlikely to be completed prior to 31 March 2010.
<b>Natural &amp; Built Environment</b>	<b>81</b>	<b>209</b>	<b>4%</b>	<b>9</b>	<b>27</b>	<b>-182</b>	
Disabled Facilities Grants	285	180	87%	157	180	0	As per revised budget
Other Private Sector Renewal Grants/Loans	104	70	44%	31	70	0	As per revised budget
Affordable Housing Grants	22	334	55%	184	261	-73	Some of the budget has not yet been allocated and will not be spent in 2009/10.
<b>PSR &amp; Affordable Housing</b>	<b>411</b>	<b>584</b>	<b>64%</b>	<b>372</b>	<b>511</b>	<b>-73</b>	
<b>General Fund Programme</b>	<b>1,845</b>	<b>3,824</b>	<b>60%</b>	<b>2,306</b>	<b>3,440</b>	<b>-397</b>	

## Key Budget Areas

APPENDIX C

	2008-09	2009-10	2009-10 Q3	Actual Q3	Projected	Projected	HoS Comments at Quarter 3
			Expenditure as			Variance	
			Percentage of			2009-10	
	Outturn	Revised Budget	Annual Budget	2009-10	Outturn	as at Q3	
Total Planned Maintenance	2,675	2,759	71%	1,969	2,790	30	Potential overspend of £30,000 on central heating to be met from 2010/11 budget
Other Programmes	720	811	62%	502	853	42	Possible overspend on Insulation Improvements (Babergh Standard). Will be met from 2010/11 budget
Council Housing Programme	3,395	3,570	69%	2,471	3,643	73	

## Treasury Management

### Interest rates

The Bank of England Monetary Policy Committee (MPC) have maintained the base rate at an unprecedented 0.5% since 5<sup>th</sup> March 2009. This has had a significant impact on the Council's investment income levels which has reduced considerably from the highs of about £650k in 2008/09 to just over £60k in 2009/10.

That said the Council's current investment returns are still, with a year to date return of 1.56% averaging well above the Local Authority 7 day offer benchmark rate of 0.41%. The higher than benchmark return was resulted from locking into high return investments last year shortly before the sharp decline in the interest rate. These investments matured in Nov 2009.

### Cash, Borrowing and Investment

The Council did not enter into any external borrowing during the period ending 31<sup>st</sup> December 2009. Current forecast is that there will be some short term borrowing requirements of about £1m during March. The officers are in consultations with the Council's Treasury advisors in planning for the best borrowing options in financing the capital programme borrowing requirements as approved by the Council and in accordance with the prudential borrowing code.

The Council practices in holding as little money as possible in the current account overnight. This is monitored regularly to ensure best returns on the sums involved.

The table below provides a summary of year to date (end of quarter 3) balances:

		Number of Days
	DR/CR	2009/10
Cleared Bank Balance Range		To 31/12/09
Greater than £250,000	DR	0
Between £100,000 and £250,000	DR	0
Between £25,000 and £99,999	DR	0
Between £5,000 and £24,999	DR	3
Between Zero and £4,999	DR	11
Between Zero and £4,999	CR	164
Between £5,000 and £24,999	CR	11
Between £25,000 and £99,999	CR	4
Between £100,000 and £250,000	CR	2
Greater than £250,000	CR	0

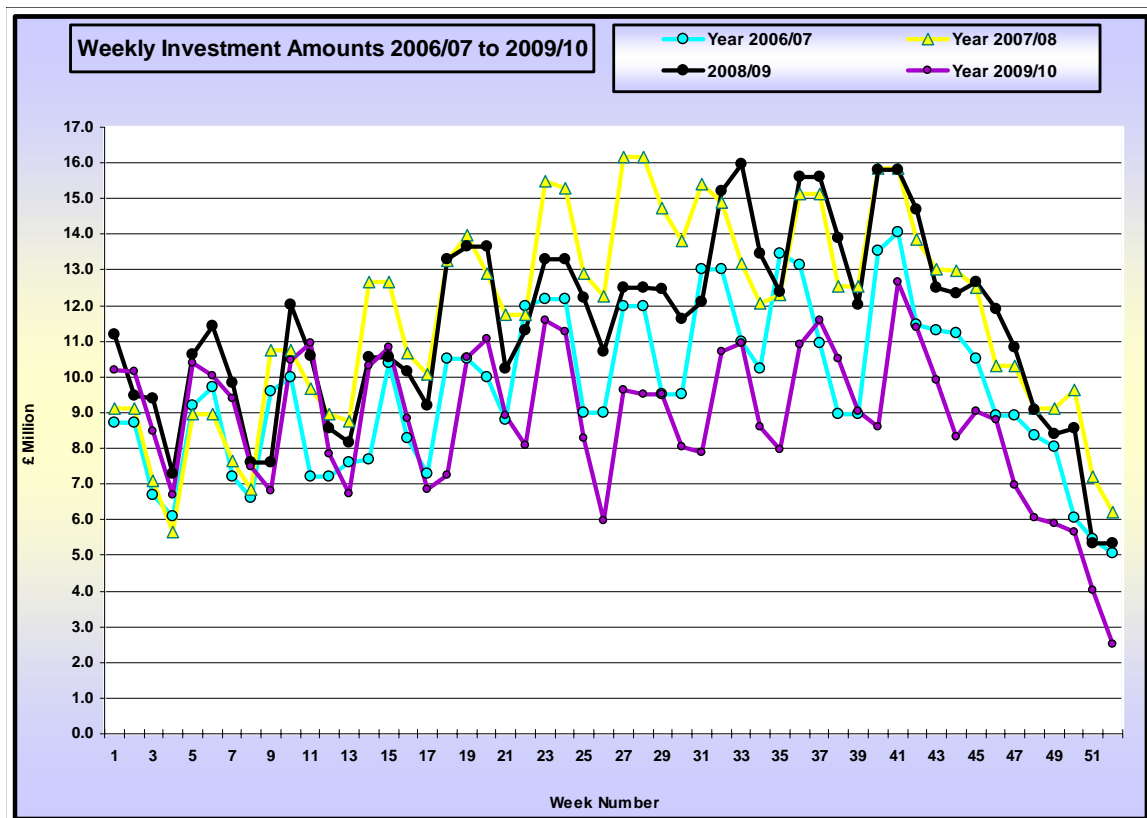
There was one breach of the 2009/10 Treasury Management Strategy where an investment was placed for 93 days when the Strategy allows for a maximum of 3 months. This 3 month period of investment totalled 91 days, the maximum consecutive days during the year is 92 days if the redemption date does not occur during a weekend. This has been addressed in the 2010/11 Treasury Management Strategy.

## Prudential indicators

There has been no breach of the prudential indicators.

## Cash flow

The cash flow graph below represents the daily cash reserves available for investment. This is based on actual figures to date, projections based on previous years' experience for the remainder of the year and previous years' actuals for comparisons. Because majority of income and expenditure are received or paid fairly standard predefined schedules the profiles tend to follow similar trends year on year.



The lower investment levels in comparison to previous years are mainly due to lower capital receipts and use of surplus funds to finance capital expenditure.

Ref	Division	PI	Performance Indicator Description	2007/08			2008/09		Current Year - 2009/10				Comments	
				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q3 Actual 2008/09	Target 2009/10	Q3 Actual 2009/10	Actual v Target		Direction of Travel
<b>A greener and cleaner Babergh</b>														
1	Natural and Built Environment	NI 192 (formerly BV82ai + BV82bi)	The % of total tonnage of waste arising which has been recycled The % of total tonnage of waste arising which has been sent for composting	39.2% [30.60% Recycled; 8.62% Composted]	82ai = TQ 82bi = 3Q	82ai = TQ 82bi = 3Q	82ai = 26.9% 82bi = 19.8%	40%	39.85% [28.05% recycled + 11.8% Composted]	42%	40.05% (28.34% recycled + 11.71% composted)	↓	↑	<b>Below target.</b> Due to the economic downturn, households are spending less, which in turn is generating a lower proportion of recyclable packaging in their household waste. The end of year estimate is 40% and so the annual target is unlikely to be met.  Mid Suffolk and Babergh recently commissioned some research to explore customer satisfaction for Street Cleaning and Refuse / Recycling. One of the recommendations arising from this research is to re-launch the recycling brand to renew enthusiasm for recycling. The researchers also identified a need to counter the negative messages in the national media about what happens to the collected recycle.
2	Natural and Built Environment	NI191	Residual household waste per household					240kg	396kg	525kg	380.21kg	↑	↑	<b>On target.</b> Less waste is being generated by households - this is an effect of the economic downturn. The end of year estimate is 506.94 kg. NB. A lower figure represents good performance.
3	Natural and Built Environment	NI193	Municipal waste land filled					60%	63.08%	60.5%	62.9%	↓	↑	<b>Not on target.</b> NB. A lower figure represents good performance. The end of year estimate is 62.5%, which suggests that the annual target will not be met. Performance has been affected by the lower proportion of recycle in the total amount of waste collected from households (reasons are given in the commentary for NI 192 above). Mid Suffolk and Babergh are currently investigating how their 2 existing collection vehicles are being used with a view to identifying spare capacity so that some trade waste can be collected.
4	Natural and Built Environment	NI 195 (formerly 199a/b/c)	Proportion that falls below acceptable level:											<b>On target.</b> Data is collected in three (four-month) tranches, rather than quarterly. The score cannot be calculated until a tranche is complete. The figure reported in this quarter is therefore for tranches 1 and 2, which covers the period April to November 2009.  The end of year estimates are 4% Litter, 22% Detritus, 2% Graffiti and 2% Fly-posting, which means that we expect to meet the targets.  Different areas are sampled and therefore a variance would be expected
			a) Litter	15% litter and detritus	No comparison data	BQ	6.0%	5%	1% Litter	5% Litter	3% Litter			
			b) Detritus					29%	17% Detritus	29% Detritus	21% Detritus			
			c) Graffiti	2% graffiti	No comparison data	3Q	0.0%	5%	1% Graffiti	4% Graffiti	2% Graffiti			
			d) Fly posting	0% fly posting	No comparison data	TQ	0.0%	4%	0% Fly posting	3% Fly Posting	0% Fly Posting			
<b>Quality homes local people can afford</b>														
5	Community Development	LPI 41	The cumulative total number of affordable units of accommodation in the affordable housing programme between 2009 and 2014: (a) completed units (b) total number of units in the affordable housing delivery pipeline	(a) = 303 completions between 1 April 2007 and 30 Sept 2007  (b) = 737 in the affordable housing delivery pipeline between 1 April 2004 and 30 Sept 2007				700 in the affordable housing delivery pipeline between 1 April 2004 and 31 March 2009	a) 410 completions of which 82 were between 1 April 2008 and 31 Dec 2008  b) 745 in the affordable housing delivery pipeline between 1 April 2004 and 31 Dec 2008	(a) 70 completions during 2009/10  (b) 500 in the affordable housing delivery pipeline between 1 April 2009 and 31 March 2014	(a) 0 completions between 1 April 2009 and 31 Dec 2009  (b) 12 units added to the affordable housing delivery pipeline since 1 April 2009	↓	↓	<b>Below target.</b> A new five-year target was set at the start of this financial year. The Council plans to add 500 units to this new affordable housing development pipeline between 1 April 2009 and 31 March 2014. Since the start of the reporting period, 12 properties have been added to the 2009 to 2014 development pipeline. 2 are under construction and 10 have a planning permission. Of these 11 are RSL properties and 1 is a planning obligation property. The previous five-year target was 700. At the end of the target period at 31 March 2009, 761 units were in the development pipeline. Of these 428 were completed by 31.3.2009. The remaining 333 units were at the planning permission or under construction stage. These properties continue to move through the delivery stages of the 2004 to 2009 pipeline. The split on 31 December 2009 was 462 completions, 86 under construction and 213 with planning permission. During the period 1 April to 31 December 2009 34 units were completed.

Ref	Division	PI	Performance Indicator Description	2007/08				2008/09		Current Year - 2009/10				
				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q3 Actual 2008/09	Target 2009/10	Q3 Actual 2009/10	Actual v Target	Direction of Travel	Comments
6	Community Development	LPI 42	The number of formal homelessness presentations	79				130	51	140	51	Contextual	Contextual	This contextual indicator is showing lower homelessness levels than expected. The estimated number of formal homeless presentations for the whole year is 70.  In addition to this, 54 households have been given advice and support by the Homelessness Team so far this year. This prevention work has helped to keep the number of formal homeless presentations to a minimum. This lower than the equivalent figure for the same period last year of 73.
7	Community Development	BV 212	Average time to relet local authority housing	38 days	No comparison data	3Q	24 days	25 days	25 days	24 days	23 days	↑	↑	<b>On target.</b> Performance has improved since last quarter. Efficiency has also improved and less staffing resource used, enabling Savings and Efficiencies targets. The estimated end of year figure is 24 days.
8	Contract and Asset Management	NI 158	% non decent council homes	11%				4%	6%	0%	4%	↑	↑	<b>On target.</b> There are currently 128 non decent council homes out of total of 3505. The end of year estimate is 0%
9	Contract and Asset Management	BV 63	Energy efficiency of local housing stock	64	No comparison data	BQ	72.8	66	64	67	64	↓	↔	<b>Below target.</b> The end of year figure is expected to remain at 64, which is below the target of 67. When the target was set it was thought that the introduction of new technology air source heat pumps to replace E7 storage heating would increase the council's SAP rating (as calculated by new BRE software). Whilst the ASHPs have not improved the SAP rating as much as anticipated, they are having a positive impact on issues such as reducing CO2 reductions and fuel poverty.
10	Contract and Asset Management	LPI 44 (formerly BV211a)	Local authority housing - repairs and maintenance - proportion of urgent repairs to non-urgent repairs	16%				15%	11%	15%	10%	↑	↑	<b>On target.</b>
11	Natural and Built Environment	NI 157 (Based on 109a to c but not directly comparable)	Processing of planning applications as measured against targets of: Large scale major applications  Small scale major applications  Minor applications  Other applications	109a = 71%	3Q	3Q	81.6%	Major = 60% Stretched Major (combined) = 67%	Large scale major = 75%	75%	Large scale major = 100%	↑  (Except minor)	↑	<b>On target except for minor applications (2 parts of 3).</b> The cumulative percentages as at the end of Q3 2009/10 equate to the following number of applications: Large scale major = 3 out of 3 (developments in excess of 99 properties) Small scale major = 3 out of 5 (developments of 9 to 99 properties) All major = 6 out of 8 (75%) Minor = 135 out of 199 Other = 499 out of 585 Total = 792  The equivalent figures as at the end of Q3 2008/09 are: Large scale major = 6 out of 8 (developments in excess of 99 properties) Small scale major = 31 out of 42 (developments of 9 to 99 properties) All major = 37 out of 50 (74%) Minor = 149 out of 241 Other = 625 out of 780 Total = 1071  Although planning application performance to the end of Q3 exceeds the national targets, the numbers of applications will continue to be monitored and staffing levels will be reviewed to match demand.
				109b = 57%	BQ	BQ	84.0%	Minor = 65% Stretched Minor = 72%	Small scale major = 73.81%	70%	Small scale major = 60%			
				109c = 75.59%	BQ	BQ	92.1%	Other = 80% Stretched Other = 87%	Minor = 61.83%	84%	Minor = 67.84%			
									Other = 80.13%		Other = 85.30%			

Ref	Division	PI	Performance Indicator Description	2007/08				2008/09		Current Year - 2009/10					
				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q3 Actual 2008/09	Target 2009/10	Q3 Actual 2009/10	Actual v Target	Direction of Travel	Comments	
12	Natural and Built Environment	NI 154	Net additional homes provided	N/A				285 additional homes p/a	248	150 (Revised LAA2 target)	150	↑	↓	<b>On target.</b> The lower overall completion rates are due to the market downturn. However, there has been a substantial upturn in the number of completions during the last 3 months. Between 1 Oct - 31 Dec 2009 there were 75 completions, the same number as in the previous 6 month period (1 April - 30 Sept 2009). However some caution is needed when estimating the completion levels for the next 3 months, as factors such as the weather may have an impact (as has been the case with late December / January so far). Applying a 10% reduction allows for this and results in a predicted net completion figure of 45 dwellings over the period 1 Jan - 31 Mar 2010. The estimated end of year figure is 195. This is above the revised LAA target and prediction of early 200, but represents a fall of around 30% from the previous year's completion figure. However, this was anticipated and reflects a realistic aspiration under the prevailing market / economic conditions.	
13	Natural and Built Environment	New LPI based on BV 64	Private dwellings returned to occupation	0	No comparison data	BQ	53.3%	12	8	12	2	↓	↔	<b>Below target.</b> Babergh submitted a joint bid with three other Suffolk Authorities for "Decent Homes from Empty Homes" grant. The bid was successful and Babergh has been awarded £125,000 to be used during 2010/11. Officers have started to plan how to use the grant, which has to be used to bring private sector properties that have been empty for 6 months or more up to the Decent Homes Standard with a view to letting them at an affordable rent. Uncertainty over the availability of funding has meant that during this year it has not been possible to actively promote the scheme.	
14	Natural and Built Environment	LPI 15	Number of affordable rent agreements secured	5				30	21	10	3	↓	↓	<b>Below target.</b> The initial objective of providing alternative accommodation for residents of Stour House was met. The Council is working with the managing housing association to develop a pilot PSL scheme which will be integrated into the Choice Based Lettings operation during 2010/11. The proposal was considered at board level on 10 February and it was agreed that the scheme will continue to be developed. No further rent agreements will be secured until the new scheme is in operation, therefore the estimated end of year figure is 3.	
15	Natural and Built Environment	LPI 119	% of planning decisions determined as delegated items	91%				90%	88.20%	90%	88%	↑	↔	<b>On target.</b> 694 planning applications out of 792 have been delegated since 1 April 2009.	
<b>Vibrant places and strong communities</b>															
16	Natural and Built Environment	LPI 9	Number of homes adapted to meet the needs of older people or disabled people	30				30	34	42	30	↓	↓	<b>Below target.</b> The end of year estimate is 38, which if achieved will be an improvement on the 2008/09 end of year figure of 37. Babergh's ability to meet the target of 42 is dependent on the number of referrals received from other agencies.	
17	Customer Services	LPI 18	Percentage of telephone calls answered where enquiry is resolved at point of contact:-	80.98%				81%	90%	90%	99%	↑	↑	<b>On target</b>	
			(a) General enquiries												
			(b) Housing enquiries	91.05%				91%	75%	80%	97%	↑	↑	<b>On target</b>	
			(c) Planning enquiries	76.48%				75%	92%	90%	85%	↓	↓	<b>Below target</b>	
			(d) Money Matters	90.88%				91%	95%	95%	96%	↑	↑	<b>On target</b>	
		(e) Overall	81%				80%	88%	86%	95%	↑	↑	<b>On target (4 parts)</b>		
18	Customer Services	LPI 80	Customer satisfaction - telephone service	98%				98%	100%	90%	98%	↑	↔	<b>On target</b>	
19	Customer Services	BV66a	Proportion of local authority housing rent collected	99.11%	N/A	TQ	99.0%	99.25%	98.68%	98.80%	98.39%	↑	↓	<b>On target.</b> Performance is currently 0.61% down on the profiled target (by £61,000) and 0.29% down on the figure for Quarter 3 2008/09. However, the target was reduced from last year to allow for the economic downturn and the end of year estimate is 98.8%, which suggests that the annual target will be met. Write-offs to date include: £5,379 due to bankruptcy (3 cases), £5,191 due to death of the tenant (34 cases) and £7,466 due to abandonment (22 cases). £31,000 is being paid by arrangement.	

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				Actual 2007/08	2007/08 Babergh Quartile [SPARSE]	2007/08 Babergh Quartile [Districts]	2007/08 District Council Top Quartile	Target 2008/09	Q3 Actual 2008/09	Target 2009/10	Q3 Actual 2009/10	Actual v Target	Direction of Travel	Comments
20	Customer Services	BV9	The % of Council Tax collected in the year	98.82%	TQ	TQ	98.0%	99.1%	88.28%	98.9%	88.05%	↓	↓	<b>Slightly below target.</b> Performance is currently 0.05% down on the profiled target and 0.23% below the Q3 figure for 2008/09. As at 5 Jan 2010, £1.7m is needed to meet the target. Of this, £980,000 is to be collected by Direct Debit leaving £720,000 to be collected by other means. Of the £2.1m outstanding, £1.1m is at the bill stage (£130,000 being created in the last 30 days) and the remaining £974,694 being under some form of recovery. £126,000 has been profiled to be paid in 2010/11. To date £6,586 (20 cases) have been written off due to bankruptcy. The end of year figure for this PI is estimated to be 98.8%, which suggests that the annual target will not be met.
21	Customer Services	BV 10	The % of Non Domestic Rates collected in the year	99.05%	2Q	3Q	99.40%	99.2%	87.71%	98.9%	87.50%	↓	↓	<b>Slightly below target and showing a negative direction of travel.</b> Performance is currently 0.48% down on the profiled target and 0.19% below the Q3 figure for 2008/09. The end of year estimate is 98.5% which suggests that the annual target will not be met. As at 5 January 2010, a further £900,000 is needed to meet the target. Of this, £139,000 is to be collected by Direct Debit leaving £760,800 to be collected by other means. Of the £1,083,780 outstanding (£135,000 has been profiled to be paid during 2010/11), £531,787 is still at the bill stage with the remaining amount under some form of recovery. This includes empty rates where the owners have no means to pay (£35,500), ratepayers in administration (£58,000) and liquidation (£10,000). Write offs to date include : 1 bankruptcy case (£988), 4 liquidation cases (£1,950) and 4 cases where the amount owed is deemed irrecoverable (£754).
22	Customer Services	NI180	Changes in Housing Benefit / Council Tax Benefit entitlements within the year (per 1000 caseload)					No target set. New PI in 2008/09	16.91	45	45.1	↑	↑	<b>On target.</b> Current trends on data released from the Department of Work and Pensions show we are on target for the current financial year.
23	Customer Services	NI181	Time taken to process Housing Benefit / Council Tax Benefit new claims and change events					15 days (notional target during first year)	9 days	11 days	6.88 days	↑	↑	<b>On target.</b> Current caseload figures are as follows: Rent Rebates = 2264, Rent Allowances = 2068 and Council Tax Benefit = 2006 (Owner Occupiers) Total = 6338. The total caseload in Quarter 3 2008/09 was 5748. This shows that performance has improved even though there has been a 10% increase in caseload.
24	Community Development	LPI104a	Discretionary grant funding spent - capital					No target set. New PI in 2008/09	£42,563	£108,000	£37,534	↑	N/A	<b>On target with all the budget spent and committed.</b> The estimated end of year spend is £94,000.
25	Community Development	LPI104b	Discretionary grant funding spent - revenue					No target set. New PI in 2008/09	£242,000	£405,648	£245,414	↑	N/A	<b>On target with all the budget spent or committed.</b> The estimated end of year spend is £400,000.
<b>A safer and healthier Babergh</b>														
26	Natural and Built Environment	NI184	Food establishments in the area which are broadly compliant with food hygiene law					No target set. New PI in 2008/09	88%	90%	91% (804 out of 885 establishments scored 10 & under)	↑	↑	<b>On target.</b> The estimated end of year figure = 90% to 91%. The scope for further improvement is becoming limited as there will always be a hard core of non-compliance that is difficult to deal with. There will also always be new businesses where there may be non-compliance at the first inspection.
27	Community Development	LPI115	Number of incidents of criminal damage in hotspot areas							Reduction by 10%	922 (Between Jan - Dec 2009)	↑	↑	<b>Good trends.</b> These performance indicators are monitored via a specific tactical plan agreed between Babergh District Council and the Police. Data is collected via commissioned research, which is completed on a six monthly basis. The available figures are for the 2009/10 calendar year and not the financial year. Also, it is not possible to disgregate these into separate figures for criminal damage and public order offences. Between January to June 2009 there were 516 criminal damage and public order offences in the target wards. In the following six month period of July to December 2009, the total number of offences had dropped by 19% to 406. This also represents a 21% reduction (110 fewer offences) when compared with the same period in the previous year. Whilst it is not possible to comment on the progress against the set targets for these PIs (which are for the 09/10 financial year and split by type of offence), the figures do suggest a positive direction of travel.
28	Community Development	LPI116	Number of serious public order offences (including violence)							Reduction by 15%		↑	↑	
<b>A strong and sustainable Babergh economy</b>														

Ref	Division	PI	Performance Indicator Description	2007/08			2008/09		Current Year - 2009/10					
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29	Community Development	LPI117	Number of companies referred to the Suffolk Redundancy Network							Contextual	1	NA	NA	This PI is dependent on economic conditions. There have been no additional company referrals in quarter 3
30	Community Development	LPI118	Number of companies that take up the advice offered by the Suffolk Redundancy Network							Contextual	1	NA	NA	This PI is dependent on economic conditions. The Suffolk Redundancy Network (SRN) is working with JobCentrePlus (JCP) to obtain data on local redundancies and job creation.
<b>How we will deliver (enabling measures)</b>														
31	Contract and Asset Management	LPI 12a	% of capital expenditure achieved on the Housing Revenue Account	81%				97%	60%	97%	61%	↓	↑	<b>Unlikely to meet the end of year target.</b> The current end of year estimate is 94%. Qtr 4 projection based on a review of expenditure at 31.12.09. It is anticipated that a few major contracts will not be 100% complete by the end of the financial year.
32	Finance	LPI 12b	% capital expenditure achieved on the General Fund	71%				89%	Not reported	89%	35%	↑	↔	<b>On target.</b> The estimated end of year figure is 100%. The figure reported for quarter 3 is based on the original 2009/10 capital budget. Capital expenditure is expected to be fully on target against the revised budget at the end of the financial year.
33	Corporate Services	BV 2a	The level of the Equality Standard for Local Government to which the authority conforms	Level 1				Level 2	Level 2	Level 2 / Developing	Level 2 / Developing	↑	↑	<b>Target met.</b> Members were informed at Q2 that the 'developing' target had been met. Work towards attaining the 'achieving' level of the new Equality Framework for local Government is well underway. This work focuses on developing better outcomes under five specific 'themes'. Working groups for each theme have been established under the direction of the Fairness and Equal Access Group and overall progress has been made.
34	Finance	NI 179	Value for Money – total net value of ongoing cash releasing value for money gains that have impacted since the start of the 2008/09 financial year	N/A				£400,000	£800,000	£1m	At least £1.176m (Q2 figure)	↑	↑	<b>On target.</b>

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1	Natural and Built Environment	BV204	Planning Appeals allowed against the authority's decision to refuse a planning application	21%	TQ	TQ	25.90%	25%	21.4%	25%	46%	↓	↓	<b>Below target.</b> 13 appeals have been allowed out of 28 in the year to date. Whilst still below target this is an improvement on the Q2 figure of 59%
2	Natural and Built Environment	BV219b	% of conservation areas with an up to date character appraisal	21.4%	No comparative data	3Q	48.3%	32%	29%	64.3%	32.1%	↓	↑	<b>Below target.</b> 9 CAAs have been completed out of a total 28 conservation areas requiring appraisals. 2 further CAAs were adopted on 14th Jan 2010 which will result in an end of year figure of 39.3%. The next 2 CAAs to be completed after those are well in progress and anticipated for completion in Q1 of 2010/11. An action in the 2010/11 Delivery Plan states that there are sufficient resources to complete a total of 3 CAAs during next financial year. This would suggest that a more realistic target for 2010/11 would be 50% (14 out of 28). This will be reviewed as part of the target setting process.
3	Natural and Built Environment	LPI123	Management standard of food premises (based on the score for Confidence in Management)					No target. New in 2008/09	37%	25%	65%	↑	↑	<b>On target.</b> This PI has been included as an example of exceptionally good performance this quarter. Performance is significantly above target and an improvement on last year. 26 premises visited had a previous score of 20 or over. Following the latest visit, only 9 remained at 20 or over. This is a positive outcome of the Scores on the Doors scheme.
4	Natural and Built Environment	NI182	Satisfaction of businesses with local authority regulation services					> 70%	78%	78%	80%	↑	↑	<b>On target.</b> This PI has been included as an example of exceptionally good performance this quarter. The reason for highlighting this PI is that businesses are providing very positive and complimentary comments about Babergh's enforcement officers on their NI182 questionnaires. A full report of these comments is available on request.  Between 1 April - 31 December 2009, a total of 185 questionnaires were issued to non-compliant businesses (93 of these were returned) and 151 questionnaires were issued to compliant businesses (69 of these were returned)

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5	Customer Services	BV79bi	% of benefits overpayments recovered against % deemed recoverable	69.88%		3Q	74.6%	72%	77.61%	72%	67.15%	↓	↓	<b>Below target.</b> Performance is currently 4.85% down on the profiled target. This is due to the large monetary amounts of fraud discovered this year. We have 9 cases alone that totalled £60,000. Unfortunately unless the fraud is due to undisclosed capital, depending on the customers circumstances, we are only able to set a minimal recovery rate. Unless the customers circumstances change, some of these cases will take 6 years to repay. However processes have been reviewed in order to reduce overpayments entering the system and improve the level of collection. The Q3 outturn is comparable with other Suffolk Authorities. End of year estimate is 70% which is worse than the annual target.