

# MONITORING REPORT FOR THE FINAL QUARTER OF 2009/10 FOR COUNCIL PLAN WORK PROGRAMME, QUARTERLY PERFORMANCE INFORMATION, LAA REPORT AND ACHIEVEMENTS

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<b>Cabinet Portfolio</b>	Leader of the Council Improvement, Partnerships and Community Safety.
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<b>Papers with report</b>	Council Plan Work Programme, Performance Information, LAA Report and Achievements

## HEADLINE INFORMATION

<b>Purpose of report</b>	To provide Cabinet with a corporate overview of: <ul style="list-style-type: none"> <li>• the progress made by officers in implementing the Council Plan that was agreed by full Council in May 2009.</li> <li>• the progress made to achieve the Local Area Agreement 2008.</li> <li>• the progress made to achieve the performance reward grant section of the LAA 2007.</li> <li>• the progress made in performance within the local performance framework</li> <li>• achievements for the final quarter of 2009/10.</li> </ul>
<b>Contribution to our plans and strategies</b>	Contribute towards implementation of the Council Plan.
<b>Financial Cost</b>	Financial costs for the Council Plan were absorbed by aligning service priorities. Any financial implications for the performance information in terms of current year budgets will be fed into the monthly budget monitoring reports
<b>Relevant Policy Overview Committee</b>	Specific Policy Overview Committee involvement has been referred to in the work programmes, circulated separately, where appropriate.
<b>Ward(s) affected</b>	All

## RECOMMENDATIONS

### That Cabinet:

- (i) Notes the progress made to date on the Council Plan;
- (ii) Notes the progress made on the LAA 2008 and the performance reward grant section of the LAA 2007;
- (iii) Notes the recent announcement from Government of payment of LAA reward monies in light of the public sector efficiency review.
- (iv) Notes the progress made in performance within the local performance framework;
- (v) Notes achievements across the Council.

## INFORMATION

This report sets out the progress made by officers in implementing the Council Plan across the Council. This report also provides a corporate overview of progress against the LAA, the Council's performance, Residents Survey and achievements across the Council.

### Reasons for recommendation

Cabinet agreed that the Council Plan, LAA and performance information should be monitored regularly.

### Alternative options considered / risk management

Cabinet may choose to instruct officers to take further action or not.

### Comments of Policy Overview Committee(s)

Specific Policy Overview Committee involvement has been referred to in the work programmes, circulated separately, where appropriate.

### Supporting Information

#### Council Plan Monitoring

Progress in implementing the work programme is regularly updated and monitored by officers. Three of the 'Looking ahead' targets have a status of Amber – slight slippage due to reasons outside of the Council's control, they are as follows:

Ref No	Task (Short Term Target)	Progress Comment
007a	CP007a.02 - Transfer 25,000 tonnes of waste to the Grundon's waste to Energy plant in Colnbrook to reduce waste to landfill.	<b>AMBER</b> – Some slippage - Due to operational and contractual problems the plant was closed for long periods during 2009 and waste tonnages were diverted to conventional disposal schemes. A total of 9,346 tonnes were sent to the site during the year- slippage is beyond our control.

Ref No	Task (Short Term Target)	Progress Comment
047	<p>CP047.01 - Agree design proposals for new build supported housing schemes.</p> <p>CP047.03 - Draft specifications for care and support services.</p>	<p><b>AMBER</b> - CP047.01 – Some slippage – The economic downturn has reduced the availability of sites for development. The corporate review is continuing to take place with a range of site options scoped to meet the needs of the Learning Disability programme. Feasibility studies are continually being undertaken for the supported housing scheme.</p> <p>CP047.03 – Some slippage - Specifications to be drafted when agreement has been reached on the sites allocated for supported housing for adults with learning disabilities.</p>
048	CP048.01 - Improve the health and well-being and quality of life for adults with mental health needs - in partnership with a Mental Health Trust provider open a Well-being Centre for adults with mental health needs to improve access to information, advice and support.	<b>AMBER</b> – Some slippage - The lease for the Well-Being Centre was signed off in March. This was because although planning permission was quickly granted in the expected time-frame, the operator (a private company) of the Well-Being Centre, then decided they wished to vary the terms of the planning permission through a second application. The delays were related to the changing requirements of the operator and outside of the Council's control.

The three targets in the table above have been omitted from the final figures. Of the remaining 'Looking ahead' targets set out in the programme (see Appendix A), approximately 97% have been completed or are on track to be completed within the timescales identified. The table below shows a summary of progress of the 'Looking ahead' targets.

	Green - Completed	Green – On Track	Amber - Some Slippage	Red - Serious Slippage	Total
Number	67	4	2	0	73
Percentage	91%	6%	3%	0%	100%

## Performance Monitoring 2009/10

1. This report gives an overall good health check which focuses on the areas that require attention. The performance information is reported on an exception basis. The PIs that are service critical and experiencing some or serious slippage are detailed in this report with explanations on action being taken to improve performance. The remaining PIs which make up the local performance framework are monitored at Directorate level in Senior Management Team meetings on a monthly or quarterly basis as appropriate.
2. The Local Area Agreement 2008 (LAA) consists of 45 targets and 10 annual mandatory education targets. It was originally signed off by the Secretary of State for Communities and Local Government on the 1<sup>st</sup> July 2008 replacing the non-performance element of the Local Area Agreement 2007-2010. The Cabinet signed off a final refresh of LAA 2008 in April 2010, which agreed baselines and targets for the outstanding indicators.
3. The performance reward section of the Local Area Agreement 2007-10 continues to be eligible for reward, notwithstanding the replacement of LAA 2007-10 by LAA 2008-11. Hillingdon's Local Area Agreement 2007 has reached the end of the performance period, and performance has remained good. The reward section of LAA 2007 is made up from 13 outcomes monitored using 23 indicators. At the end of Quarter 4 2009/2010, 87% of these indicators have been recorded as 'on track' to meet the stretched performance reward target which means we were on track to receive at least £7,201,645 in reward grant. However, the Government announced on 10<sup>th</sup> June 2010 that, under the public sector efficiency review, the LAA reward payments for 2007 would be reduced by 50%. Announcements in respect of 2008-11 LAA have not yet been made. Appendix B sets out a full performance report for the LAA 2007.

### Reporting of Performance by Directorate

4. Reporting for this quarter will focus on the local performance framework which is being established by Directorates. Significant progress has been made, however, the framework continues to be under review as budget pressures arise

### Education and Children's Service

5. E&CS performance framework is structured around the National Indicators of which 10 are drawn from the LAA. Of the complete suite of indicators, where data is available, 7 are being shown as red serious slippage, and 6 indicators showing amber some slippage. For details see the table below :

PI Ref	Definition	Target 2009/10	Q1	Q2	Q3	Q4	*DOT
LAA NI 102b	Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stages 4 <b>ANNUAL FIGURE</b>	21%				27.2%	↓
LAA NI 112	Under 18 conception rates	-25%				-7%	↑
NI 43	Young people within the Youth Justice System disposals	5	7.4	6.47		6.2	↑
NI 76	Achievements at level 4 or above in both English and Maths <b>ANNUAL FIGURE</b>	4				6	→
NI 100	Children in care reaching level 4 in Maths at KS2 <b>ANNUAL FIGURE</b>	41%				20%	↓
NI 101	Children in care achieving 5 A* - C GCSEs or equivalent at KS4 (including English and Maths) <b>ANNUAL FIGURE</b>	19%				11%	↓

PI Ref	Definition	Target 2009/10	Q1	Q2	Q3	Q4	*DOT
NI 114	Rate of permanent exclusions from schools <b>ANNUAL FIGURE</b>	0.08%				0.11%	↓
NI 59	Initial assessments for children's social care carried out within 7 working days of referral	85	40	40.8	43.4	Est.: 63.5%	↑
LAA NI 60	Core assessments for children's social care that were carried out within 35 working days of their commencement	80	70.9	72.6	73.9	Full Year Est.: 73%	→
LAA NI 102a	Achievement gap between pupils eligible for free school meals and their peers achieving the expected levels at KS2 <b>ANNUAL FIGURE</b>	24%				24.1%	↓
LAA NI 92	Narrowing the gap between the lowest achieving 20% in the early years foundation stage profile and the rest <b>ANNUAL FIGURE</b>	33.9%				36.2%	↓
NI 94	Progression by 2 levels in Maths between KS1 and KS2 <b>ANNUAL FIGURE</b>	83%				81%	↓
NI 99	Children in care reaching level 4 in English at KS2 <b>ANNUAL FIGURE</b>	46%				33%	↓

\*Direction of Travel – DOT - ↑Performance is improving  
→ Performance remains the same  
↓ Performance is declining

6. LAA NI 102a&b - The School Improvement Service (SIS) is working with schools to increase their awareness of Free School Meals (FSM) as a predictor of future performance and supporting them to improve their tracking of the progress of these pupils. Although the gap at KS4 has widened the proportion of pupils with FSM attaining 5+ A\*-C grades has increased from 27% to 30%.
7. LAA NI 112 - The fall in Teenage Pregnancy (TP) rates to 40.7 takes them below the London average of 44.9 and level with national average 40.7. Peer Education programme is helping young people to access local services. The programme is targeting Year 12's in secondary schools in TP Hotspot areas.
8. NI 43 – The end of year result of 6.2% is actually a significant improvement on last year's figure of 10.05. It is close to the target which was set centrally by Youth Justice Board.
9. NI 76 - All low attaining schools are now being given intensive support from the local authority and both local and national leaders. They are also being supported through the 'Keys to Success' initiative.
10. NI 99, 100 & 101 - The LACE team have created a clear vision of how the Virtual School will deliver a service to all Looked After Children. Established improved systems for tracking and monitoring educational provision and outcomes. Continue to promote effective communication, across services within and outside the borough and establishing multi-agency working practices
11. NI 114 - Exclusions have become a standing agenda item for the Hillingdon Behaviour and Attendance Partnership and a protocol has been agreed of 'one out one in' which we anticipate will see an improvement in reintegration rates. Exclusion avoidance work has focussed on Pre-Exclusion Clinics and training looking at alternatives. Guidance has been prepared to address a rise in Year 8 exclusions and the increase in exclusions for carrying weapons. An over representation of pupils excluded on the SEN spectrum is also being

challenged.

- 12. NI 59 – Many of the issues resulting from the implementation of ICS (Integrated Children's System) have now been successfully resolved and this is resulting in a much higher proportion of Initial Assessments being recorded as being carried out within 7 working days of a referral. The figure in Q4 is still likely to be improved as the final year data has not yet been verified for the return to Department of Education this is due at the end of July. It should be noted that from 2011/12 the time frame will be 10 working days. For this year we are continuing to work to 7 working days. Local systems, including more frequent management reports, have been put in place to assist teams in ensuring that assessments are carried out within time frames that are in-line with our targets. Future reports will include both 10 day and 7 day timescales.
- 13. LAA NI 60 - Local systems, including more frequent management reports, are being put in place to assist teams to help ensure that future assessments are carried out within time frames that are in-line with our targets.
- 14. LAA NI 92 - New initiatives such as ECAT (Every Child A Talker), intensive work in identified Schools and with other stakeholders
- 15. NI 94 - Whilst performance is better than national it is still well below the target set in 2008. Strategies are in place to support schools with low attainment, these should help ensure that more pupils make at least two levels progress in the future.

Finance and Resources

16. Of the Key indicators being reported by F&R to CMT one is showing amber – some slippage.

PI Ref	Definition	Target	Q1	Q2	Q3	Q4	*DOT
FR003	Service Review action plans on track	100%	78%	78%	93%	93%	→

\* Direction of Travel – DOT -  
 ↑ Performance is improving  
 → Performance remains the same  
 ↓ Performance is declining

17. FR003 - The project to introduce a single system to deal with internet and phone based payments from the public has been subsumed within a much wider Finance BID workstream. This workstream is looking at centralising debt recovery teams and using a single debtors system (Oracle) and linking that debtors system with the payments system and the Councils new booking engine. The Contract for the payments system has been awarded and implementation is in progress but because of the linking to wider Finance systems improvements the projected completion date is now October 2010.

Deputy Chief Executive’s Office

18. Many of the DCEO indicators are either reliant on surveys or are reported annually. The next Place Survey will not be run until 2010/11, therefore data for the NIs reliant on this survey will not be reported for 2009/10. All of the Key and Local indicators are currently on track to achieve target.

Environment and Consumer Protection

19. Of the NIs in the ECP performance framework 6 are drawn from the LAA. Of the NIs where information is available 1 element of one NI is showing red – serious slippage, and 1 element of the same PI is showing amber – some slippage.

PI Ref	Definition	Target	Q1	Q2	Q3	Q4	*DOT
LAA NI 195d	Improved street and environmental cleanliness level of fly-posting ( <b>LOW FIGURE IS GOOD</b> )	1%	N/A	2%	3%	2%	↑
LAA NI 195a	Improved street and environmental cleanliness level of litter ( <b>LOW FIGURE IS GOOD</b> )	8%	N/A	10%	10%	9%	↑

\*Direction of Travel – DOT - ↑Performance is improving  
→ Performance remains the same  
↓ Performance is declining

20. NI 195d – The target for this is extremely challenging. Because the incidences of flyposting are so low in the borough a small change in actual numbers can have an exaggerated influence on the percentage score.

21. NI 195a - The third tranche was the best score to date at 7%, giving an outturn score of 9%. (This means that 91% of sites inspected were graded either "A" No Litter or "B" - predominantly free of litter and refuse except for some small items.). The score on residential areas is 3.3%.

Each set of tranche results are studied very closely and resources deployed to target any areas causing concern. In line with residents' wishes we have focused on reducing our litter score, improving both solo and mechanical sweeper provision borough wide and these services work together to target the most inaccessible areas. In 93% of the borough's roads the street sweepers now follow on during the same day as the refuse collectors, helping to minimise litter. We continue to roll out placement of new litter and recycling bins on streets. We have also continued to improve our detritus scores which are closely linked to litter and a workshop was held with Capital Standards in early December and looked at all elements of NI 195 as part of their efficiency challenge agenda. This NI needs to be considered in the context of other data. Benchmarking against the most similar outer London authorities indicates that our residents have greater confidence in:

- Our ability to keep the streets cleaner.
- Our work to make the area cleaner and greener.

This has resulted in higher satisfaction levels with the Council keeping public land clear of refuse and litter

### Adult Social Care, Health and Housing

22. The NIs in the ASCH&H performance suite contain 8 which form part of the LAA. Of the NIs and KPIs to be reported six are showing amber – some slippage. The details can be found in the table below:

PI ref	Definition	Target	Q1	Q2	Q3	Q4	*DOT
NI 130	Adults, older people and carers receiving Self Directed Support in the year. (New definition for 2009/10)	8%	7.8%	7.4%	7.0%	7.2%	↑
LAA NI 132	Timeliness of social care assessments	92%	80.0%	60%	89.90%	82%	↓
NI 133	Timeliness of social care packages following assessment	92%	80%	65%	77.6%	80%	↑
NI 156	Number of households living in temporary accommodation	1164	1150	1152	1138	1189	↓
NI 187a	Tackling fuel poverty - people receiving income based benefits living in homes with a low energy efficiency rating <b>ANNUAL FIGURE</b>	13.9%				15.6%	
NI 187b	Tackling fuel poverty - people receiving income based benefits living in homes with a high energy efficiency rating <b>ANNUAL FIGURE</b>	22.3%				18.8%	

\*Direction of Travel – DOT - ↑Performance is improving  
→ Performance remains the same  
↓ Performance is declining

23. NI 130 – Pilots for individual budgets underway to give service users more choice and control over their care. These new arrangements will go live from August 2010.
24. LAA NI 132 – During 2009/10 we have increased the number of assessments completed within 28 days from 75% in 2008/09 to 82% in 2009/0. We are now very close to achieving the London standard for this target. In 2010/11 we are improving our systems and processes and working with our partners to increase their contribution to achieving this targets by March 2011. We have responded to urgent requests for assessments and maintained low levels of delay in people leaving hospital.
25. NI 133 – In 2010/11 we will be embedding the new information systems and processes for adult social care to achieve the target by March 2011.
26. NI 156 – the original target of 1164 households living in temporary accommodation by March 2010 was revised and an out-turn of 1189 households was achieved. The target was revised for financial reasons – target is to reduce the number of households living in Temporary Accommodation by 50% by Dec 2010 (a target of 917 households) will be achieved with the introduction of new initiatives in 2010-2011.
27. NI 187a & b - Target not met. This NI was introduced in 2009/10 and therefore this is the first year that the data has been collected. The data for this indicator comes from a survey undertaken by an external organisation. The out-turn is based on a relatively small sample size and not felt to be representative of true performance. A number of London Boroughs have experienced this concern and are making representation.

#### Planning and Community Services

28. The NIs in the performance suite include 13 from the LAA. Of the NIs and Key PIs reported two are showing red – serious slippage.

PI ref	Definition	Target	Q1	Q2	Q3	Q4	*DOT
<u>LAA</u> <u>NI08</u>	Adult Participation in sport and active recreation	23.40%				18.9%	↓
<u>LAA</u> <u>NI 15</u>	Serious Violent Crime (SVC)	1.24	0.47	1.02	1.31	1.78	↓

\* Direction of Travel – DOT -  
 ↑ Performance is improving  
 → Performance remains the same  
 ↓ Performance is declining

29. LAA NI 08 - Results for NI8 are based on a national telephone survey conducted by Sport England of 500 residents in each local authority. The survey is about general participation and not specifically local authority provision. Results from the latest survey show a slight but statistically insignificant reduction. However, other areas of the survey are more positive with Hillingdon now above average for those engaged in sports volunteering, club membership, sports tuition and competitive sport. The opening of the two new leisure centres in Uxbridge and Hayes, together with an extended range of programmes is expected to have a positive impact on future survey results
30. LAA NI 15 – Serious violent crime has three main components. The first is domestic violence and the Partnership is working to reduce repeat victimisation by monitoring the operation of the MARAC (repeat victimisation rate for first full year of operation is 1.9%) and the operation of the Specialist Domestic Violence Court. The second area of work is around alcohol related violence. The police and Council's licensing team are working to reduce violence associated with licensed premises. Work is on-going between the police,

Community Safety Team and Hillingdon Hospital to share data relating to A&E patients presenting due to violence and/or alcohol. Finally we continue to work to reduce youth violence. Police have increased patrols around public transport hubs during after school hours and Trading Standards continue to issue cautions to retailers who sell knives to young people.

**Residents Survey**

31. The Council will carry out a Resident Survey in September 2010, the methodology for this will be the same as that used for the survey in 2009.

**Place Survey**

32. Given the demise of Comprehensive Area Assessment, reduction in LAA there is some doubt as to whether the Government will still require the Place survey to be undertaken or whether further efficiency savings could be made. Officers are monitoring the situation.

**Achievements**

33. The achievements listed in Appendix C are for Quarter 4 of 2009/10 and show the key achievements across the council against the themes in the Council Plan.

**Financial Implications**

34. The financial implications of the Council Plan short term targets were absorbed by aligning service priorities.

35. The Council budgeted for £6.1m in LAA reward grant based on performance at the end of quarter 2 (split equally over revenue and capital). Since then improved performance to the end of the LAA period (March 2010) saw the forecast increase to £7.2m in reward grant. After payment to its Partners, this would have left the Council with £3.1m.

36. Following the Government’s announcement to pay 50% of the expected levels of grant, the Council and its Partners can now expect to receive £3.6m (£7.2m less 50%). After payment to its Partners, this would leave the Council with £1.5m.

37. Detailed below is more information explaining the impact of reduction in the LAA 2007 grant. The reduction in LAA reward grant likely to be received by the Council and its partners as a result of the Government’s decision to cut payments from the reward fund is £3.6 million. This reduction in grant is spread across the Council’s revenue and capital budgets and is summarised in the following table:

Table: Impact of Reduction in LAA 2007 Reward Grant

<b>Impact</b>	<b>2010/11 (£000s)</b>	<b>2011/12 (£000s)</b>	<b>2012/13 (£000s)</b>
<b><i>Revenue Reward Grant</i></b>			
<u>Budgeted Revenue Grant (as at quarter 2)</u>			
Revenue Budget – LAA reward grant	3,040	0	0
Revenue Budget – payments to SHP	-140	-140	-140
Revenue Budget – payments to other partners	-530	-530	0
<b><i>Net Revenue Budgeted Income (a)</i></b>	<b><i>2,370</i></b>	<b><i>-670</i></b>	<b><i>-140</i></b>
<u>Latest Projected Revenue Reward Grant (Prior to Grant Cut as at quarter 4)</u>			
Revenue – Projected reward grant performance	3,600	0	0

prior to grant cut			
Revenue – projected payments to SHP prior to grant cut	-280	-280	-280
Revenue – projected payments to other partners prior to grant cut	-615	-615	0
<i>Net Revenue Income Prior to Grant Cut</i>	<i>2,705</i>	<i>-895</i>	<i>-280</i>
<b>Impact</b>	<b>2010/11 (£000s)</b>	<b>2011/12 (£000s)</b>	<b>2012/13 (£000s)</b>
<u>Revenue Reward Grant (After Grant Cut)</u>			
Revenue – Reduced LAA reward grant	1,800	0	0
Revenue – payments to SHP	-140	-140	-140
Revenue – payments to other partners	-615	-5	0
<b>Net Revenue Income After Grant Cut (b)</b>	<b>1,045</b>	<b>-145</b>	<b>-140</b>
<b>Net revenue impact on Council budget (a - b)</b>	<b>1,325</b>	<b>-525</b>	<b>0</b>
<b>Impact</b>	<b>2010/11 (£000s)</b>	<b>2011/12 (£000s)</b>	<b>2012/13 (£000s)</b>
<b>Capital Reward Grant</b>			
<u>Budgeted Capital Grant</u>			
Capital Budget – LAA reward grant	2,230	670	140
Capital Budget – payments to SHP	-140	-140	-140
Capital Budget – payments to other partners	-530	-530	0
<b>Net Capital Programme Income (c)</b>	<b>1,560</b>	<b>0</b>	<b>0</b>
<u>Latest Projected Capital Reward Grant (Prior to Grant Cut)</u>			
Capital – Projected reward grant performance prior to grant cut	2,425	895	280
Capital – projected payments to SHP prior to grant cut	-280	-280	-280
Capital – projected payments to other partners prior to grant cut	-615	-615	0
<i>Net Capital Income Prior to Grant Cut</i>	<i>1,530</i>	<i>0</i>	<i>0</i>
<u>Capital Reward Grant (After Grant Cut)</u>			
Capital – Reduced LAA reward grant	1,515	140	140
Capital – payments to SHP	-140	-140	-140
Capital – payments to other partners	-615	0	0
<b>Net Capital Income After Grant Cut (d)</b>	<b>760</b>	<b>0</b>	<b>0</b>
<b>Net capital impact on Council budget (c – d)</b>	<b>800</b>	<b>0</b>	<b>0</b>

38. A Communities and Local Government (CLG) official has confirmed that the reduced fund will still be split equally between capital and revenue funding. For technical reasons all of the revenue LAA reward grant receivable is counted in the 2010/11 revenue budget. Hence the reduction in revenue grant income in 2010/11 is £1.8 million. This is mitigated by reduced payments to the Safer Hillingdon Partnership (SHP) of £140k reflecting the reduction in the grant share being passed onto individual targets. The same CLG official confirmed that the grant cut will be made to the second tranche of the LAA reward grant

payment due to be received in 2011/12. Our plans had been developed to phase payments to our other partners in line with the cash receipts of grant over two years. Now these partners will receive one payment this financial year for half of the overall amount of grant previously attached to each target. Hence there is no reduction in payments to our other partners this year. This leaves the net reduction in grant this year at £1.66 million.

39. However, in 2011/12 and 2012/13, there will be reduced payments to partners including the SHP of £750k and £140k respectively. The overall net reduction in revenue grant over three years to the Council is therefore £770k and to the partnership as a whole is £1.8 million.
40. The impact on the Council's revenue budget in 2010/11 is different to the loss of grant described above, as the budget was set based on the lower performance against the reward grant targets reported for Quarter 2 of 2009/10. The loss of revenue grant compared to budget assumptions is £1.24 million, but payments to partners will increase by £85k due to improved performance, leaving a net adverse impact on the revenue budget of £1.325 million. Budgeted payments to partners in 2011/12 will however reduce by £525k, to leave a net impact on the Council's revenue budget over three years of £0.8 million.
41. For technical reasons the capital LAA reward grant receivable is counted in the years that it is applied to the capital programme. Hence the reduction in capital grant income in 2010/11 is £910k. This is mitigated by reduced payments to the Safer Hillingdon Partnership (SHP) of £140k reflecting the reduction in the grant share being passed onto individual targets. This leaves the net reduction in capital grant this year at £770k.
42. In 2011/12 and 2012/13, there will be reduced payments to partners including the SHP of £750k and £140k respectively, matched by reduced applicable capital grant. The overall net reduction in capital grant over three years to the Council is therefore £770k and to the partnership as a whole is £1.8 million.
43. Similarly, the impact on the Council's capital programme budget in 2010/11 is different to the loss of grant described above, as the budget was set based on the lower performance against the reward grant targets reported for Quarter 2 of 2009/10. The loss of capital grant compared to budget assumptions is £715k, but payments to partners will increase by £85k due to improved performance, leaving a net adverse impact on the capital programme of £0.8 million. Budgeted payments to partners in 2011/12 will however reduce by £535k, matched by reduced applicable capital grant. Hence the net impact on the Council's capital programme over three years of £0.8 million.
44. The potential reward grant for LAA 2008 is significantly smaller at around £1.7 million and will only become payable with high levels of achievement against the targets. This grant would be paid to the Council over the 2 years 2011/12 and 2012/13. Given recent announcements from Government this payment must now be in some doubt.

## **EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES**

### **What will be the effect of the recommendation?**

45. The recommendations will allow officers to monitor progress on quarterly basis for the Council Plan, quarterly and monthly where necessary for Performance Information.

### **Consultation Carried Out or Required**

46. Consultations carried out have been referred to in the work programmes where appropriate.

## **CORPORATE IMPLICATIONS**

### **Corporate Finance**

47. The financial implications are set out above. The key area of the performance monitoring framework with significant financial implications is the reward grant attached to the LAA 2007. The projected reward grant from this is described in detail in the financial implications. LAA reward grant retained by the Council is a corporate resource, and consequently the impact of reduced grant is not tied to individual service areas but to the Council as a whole. The Corporate Management Team will consider options for how to corporately manage the reduced level of grant and report to Cabinet in due course.
48. Corporate finance has been working closely with the corporate performance team to develop a robust assessment of the likely level of reward grant expected from the LAA 2008.

### **Legal**

49. There are no specific legal implications arising from this report.

## **BACKGROUND PAPERS**

- Appendix A - Council Plan Work Programme 2009/10  
Appendix B - LAA 2007 Performance Report  
Appendix C – Achievements