

|  |                           |   |            |                 |
|--|---------------------------|---|------------|-----------------|
| Committee(s)   | Date:                     | Classification:   | Report No: | Agenda Item No: |
| <b>Overview and Scrutiny Committee</b>   | <b>1st September 2009</b> | <b>Unrestricted</b>   |            | <b>9.1</b>      |
| Report of:<br><b>Assistant Chief Executive<br/>Director of Resources</b><br><br><b>Originating Officer(s)</b><br><b>Stephanie Ford, Performance Manager</b><br><b>Gary Moss, Interim Chief Accountant</b><br><b>Helen Duncan, Financial Planning Manager</b> |                           | Title:<br><b>Performance and Corporate<br/>Revenue Budget Monitoring report<br/>2009-10</b><br><br><b>Performance to 30th June 2009</b><br><br><b>Wards affected: All</b> |            |                 |

## 1 OVERVIEW

- 1.1 Effective performance monitoring and reporting is crucial to the way the Council drives improvement in services. This report draws together the performance monitoring reports on the Strategic Indicators, General Fund Revenue Budget and the Housing Revenue Account. Combining our performance and financial reporting in this way strengthens the Council's robust performance management arrangements.
- 1.2 The report provides Overview and Scrutiny Committee with information on the authority's performance against key performance indicators over the first quarter of the financial year, and its financial position to the end of June 2009 and projections of income and expenditure to the year-end. It also provides an analysis of identified risks in delivering a balanced budget.
- 1.3 The report projects an over spend on the General Fund revenue budget of £1.445m and also an over spend on the Housing Revenue Account of £1.591m for the current financial year. A number of directorates are reporting overspends and it will be important for Corporate Directors to act to contain these overspends in the coming months.

## 2 RECOMMENDATIONS

Overview and Scrutiny Committee is requested to:

- 2.1 Note the performance information contained in Appendix 1.
- 2.2 Note the projected outturn for Directorate service budgets and for the total General Fund net expenditure budget for 2009/10 in section 4 and Appendices 2A-G and Appendices 3A-C.
- 2.3 Agree the budget target adjustments and virements as detailed in section 6 and Appendix 4A-E.
- 2.4 Note the 2009/10 Savings Targets as detailed in Appendix 5.
- 2.5 Note the projected outturn in respect of the 2009/10 Housing Revenue Account as detailed in Appendix 6 of this report.

### **3 PERFORMANCE**

3.1 This is the first quarterly monitoring report for the Tower Hamlets Index, incorporating the council's Strategic Indicators, covering the period April-June 2009. The Strategic Indicators are the top tier of our performance framework. They consist of:

- National Indicators and local indicators in our LAA;
- some measures of corporate health (such as sickness absence); and
- Customer satisfaction (annual resident's survey).

These are monitored corporately every two months as the Tower Hamlets Index and quarterly in the joint strategic and budget monitoring report.

Following gap analysis and consultation, the following Tower Hamlets Homes Indicators have been added to the Strategic Indicator set;

- Percentage residents satisfied with outcome to ASB
- Total service charge debt outstanding
- Rent collected as percentage of rent due; and
- Average time to re-let property.

The following indicators are also being developed for consideration for inclusion within the Strategic indicator set:

- Resources Directorate are developing an indicator to reflect our commitment to reduce agency staff by 50%.
- Children, Schools and Families Directorate are identifying appropriate indicators to include within the Strategic set to measure performance around children's social care

These indicators are due to be included within June-July reporting of the Tower Hamlets Index.

#### **How We Are Doing – Strategic Indicators (Tower Hamlets Index)**

3.2 Performance against our Strategic indicators for Quarter 1 2009/10 is set out in Appendix 1.

3.3 Of the 83 indicators in the Strategic Indicator set, 22 (26.51%) can be reported in this quarter.

3.4 There are 11 GREEN, and 11 RED indicators in this monitoring period

|                              | GREEN              | RED                |
|------------------------------|--------------------|--------------------|
| <b>2008/09 – Q1</b>          | <b>11 (55%)</b>    | <b>9 (45%)</b>     |
| <b>2008/09 – Q2</b>          | <b>14 (41.18%)</b> | <b>20 (53.83%)</b> |
| <b>2008/09 – Q3</b>          | <b>10 (43.48%)</b> | <b>13 (56.52%)</b> |
| <b>2008/09 – Q4 (yr end)</b> | <b>18 (40%)</b>    | <b>28 (60%)</b>    |
|                              |                    |                    |
| <b>2009/10 – Q1</b>          | <b>11 (50%)</b>    | <b>11 (50%)</b>    |

3.4.1 Of the 22 applicable indicators, 11 of the performance indicators (50%) are on track to achieve their end of year target (GREEN). Areas where performance is well above the estimated level for the end of December target are as follows:

- Strategic225 - Average time to re-let property (days) – exceeded by 15.4%
- Strategic403 - Number of serious acquisitive crimes per 1,000 population – exceeded by 28.8%
- Strategic311 - Overall Employment rate (working-age) – exceeded by 12.4%
- Strategic407 - Arson incidents - Number of deliberate primary fires per 10,000 population – exceeded by 38%
- Strategic408 - Number of deliberate secondary fires per 10,000 population – exceeded by 81.7%

3.5 A total of 11 indicators (50%) are not meeting their first quarter target. Indicators that are significantly below their target are:

- Strategic101 - Percentage of Undisputed Invoices Paid on Time – target missed by 14.6% (please note, current Q1 outturn includes all invoices, disputed invoices are usually removed at year end. The Q1 outturn not including disputed invoices is 91.53%, with a variance from target of 6.60%).
- Strategic103 - The percentage of the top 5% of Local Authority staff who are from an ethnic minority – target missed by 14.2%
- Strategic104 - Percentage of the top paid 5% of staff who have a disability (excluding those in maintained schools.) – target missed by 48.4%
- Strategic224 - Percentage residents satisfied with outcome to ASB – target missed by 38.3%
- Strategic226 - Total service charge debt outstanding at year end – target missed by 52.7%
- Strategic402 – Number of most serious violent crimes per 1,000 population – target missed by 12.3%

3.6 Two strategic indicators that were RED in April/May have returned to target for this period:

- Strategic106 – Response time to Members Enquiries - % completed within 10 working days – Corporate – target missed in previous period by 1.2%
- Strategic110 – Average waiting time for calls to Hot Lines to be answered – target missed in previous period by 13.3%

3.7 Ten indicators have improved performance in comparison to this time last year. Seven indicators have deteriorated. A risk analysis has been undertaken and four indicators have been identified as being at risk of failing to achieve their target by the year end. The risk analysis uses a series of risk based criteria to identify which indicators would benefit from further scrutiny at Performance Review Group.

Based on risk – impact

- Performance against target
- Quartile performance (comparison to most recent data available)
- Variance over 10% (comparing actual to target)

Based on risk – likelihood

- Improving (previous reporting period or same period previous year)
- Confidence in recovery (assessment based on comments)

#### **Strategic101 – Percentage of undisputed invoices paid on time**

This indicator is flagged as at risk because it has been consistently off target. Performance dipped following the implementation of some pilot internal peer review recommendations which were subsequently found to be adding time to the process rather than reducing time as predicted. A strategic solution is underway through the Requisition to Pay (R2P) project, the indicator and improvement work is regularly reviewed at Performance Review Group. It should also be noted that when monitored during the course of the financial year, the reported performance includes “disputed invoices”. If these are removed from the calculation (as they are at the end of the financial year) then performance generally rises by at least 8%.

#### **Strategic103 – The percentage of top 5% of Local Authority staff who are from an ethnic minority; and**

#### **Strategic104 – Percentage of the top paid 5% of staff who have a disability (excluding those in maintained schools)**

Work is being undertaken to improve performance through the Workforce to Reflect the Community Strategy, however these indicators have consistently not met targets and their performance is worse than this time last year. Comments from the Directorate stress that performance against the top 5% of earners can be subject to significant movements over short periods of time. This is because of the relatively small number of staff included in the calculation compared to the workforce as a whole.

It was agreed at Performance Review Group that progress against the Workforce to Reflect the Community implementation plan would be monitored at PRG.

### **Strategic202 – Number of physical visits to libraries premises per 1000 population**

This indicator has been off target for the last two reporting periods, and has deteriorated since this time last year. Comments from the Directorate indicate that the 2009/10 target may not be met due to construction work impacting on visitor numbers. Although there is a plan to re-launch the affected Idea Store, it should be noted that construction work, due to finish in August 2009, will have affected five out of the 12 months of the financial year.

It has been agreed that a report on library usage will be presented at the August Performance Review Group. This will also consider additional performance information on library usage/lending.

- 3.8 24 Strategic indicators can be reported for the next THI monitoring period: the period ending July 2009.

### **Priority Indicators**

- 3.9 It was agreed at CMT 30<sup>th</sup> June 2009 that the Priority indicator set will be monitored at six months and year end. Directorates will continue to monitor their strategic, priority and local indicators on a quarterly basis. Strategy and Performance will be using the data from their monitoring to inform Performance Review Group in the quarterly performance digest and exception reports.

## **4. CORPORATE REVENUE BUDGET MONITORING 2009/10 - TO 30/06/09**

### **4.1 Background**

4.1.1 This part of the report sets out the financial position for the Council's General Fund revenue budget and the Housing Revenue Account for the first quarter of 2009/10. It is based on expenditure and service activity until the end of June 2009 and has been obtained from monitoring statements provided by Corporate Directors. A separate report on the capital programme is set out elsewhere on this agenda.

Corporate Directors have provided the following information in support of their projected outturn and variance figures:

Explanation of Variances:-

- ◆ Explanations for the most significant net variances (greater than £100,000) in both expenditure and income.

- ◆ Details of actions to deal with any variances including whether the actions are on target and, if not, what alternative/additional courses of action have been put in place.
- ◆ Any implications for the 2009/10 and future years' budgets.

#### 4.1.2 Risk areas

- ◆ Explicit monitoring information on the key risk areas identified in the final budget report 2009/10 which was submitted to Cabinet in March 2009.
- ◆ Details of any additional risk factors which have emerged since the budget was set in February.

#### 4.1.3 Virements

- ◆ Virements are transfers of budget allocated for one purpose to another purpose. Financial Regulations stipulate that virements in excess of £250,000 must be submitted to Cabinet for approval.

## 4.2 Projected Outturn Position

4.2.1 The table below shows the projected outturn position against the latest budget for each directorate which includes the original budget plus any target adjustments agreed between directorates:

| Directorate/Service                 | Latest Budget  | Forecast Outturn as at 30/06/09 | Projected variance | Status     |
|-------------------------------------|----------------|---------------------------------|--------------------|------------|
|                                     | £'000          | £'000                           | £000               | £000       |
| Adults' Health & Wellbeing          | 88,912         | 87,751                          | (1161)             | Green      |
| Children Schools and Families       | 95,887         | 96,278                          | 391                | Red        |
| Communities, Localities and Culture | 75,137         | 75,137                          | -                  | Green      |
| Development & Renewal               | 17,388         | 17,420                          | 32                 | Amber      |
| Chief Executive's                   | 10,674         | 11,070                          | 396                | Red        |
| Resources                           | 15,271         | 15,358                          | 87                 | Amber      |
| Corporate / Capital                 | 13,169         | 14,869                          | 1,700              | Red        |
| <b>TOTAL</b>                        | <b>316,438</b> | <b>317,883</b>                  | <b>1,445</b>       | <b>Red</b> |

Key to 'Traffic Light System'

The elements in the traffic light system are used to indicate significant outturn variances as follows:-  
 Red – Potentially detrimental to the finances of the Council

Amber – Previously reported overspend, position improved since the last report  
Green – Potentially advantageous to the finances of the Council

### **4.3 Variance Analysis**

The following sections set out explanations of the main variances in each Directorate's budget provided by the relevant Corporate Director.

#### **4.3.1 Adults' Health & Wellbeing**

##### Occupational Therapy net - £150,000 overspend

Increase in demand for OT apparatus and the cost of testing electronic equipment has led to an increase in spend

##### Learning Disabilities Commissioning net - £353,000 underspend

As a result of successful negotiations with the PCT over the appropriate sharing or distribution of costs in a number of complex cases of clients receiving very high levels of support has resulted in this favourable variance.

##### Mental Health net - £234,000 underspend

Increasing costs of residential care has resulted an overspend of expenditure however negotiations with the PCT to cover these costs have resulted in an overall under spend.

##### Physical Disabilities Commissioning net - £191,000 underspend

This variance in expenditure represents increases in demand for direct payments and other service areas concurrent with changes in policy and legislation towards more independent living. However these costs are now being funded under NHS continuing care funding.

##### Homelessness & Housing Advice Services net - £341,000 underspend

The variance reflects increased temporary accommodation placements, with more households contributing to Administration Charges than originally budgeted for. This brings with it extra grant from the Government.

#### **4.3.2 Children Schools and Families**

##### Fieldwork – Children's Social Care - £526,000 overspend

The Children's Services directorate reports a steady increase in activity within this area.

This has necessitated retaining a quota of agency staff above establishment to meet this increased demand for a service and to ensure children are safeguarded.

A detailed strategy to re-shape the service is underway with particular emphasis on early intervention and prevention to reduce the demands on the service. It is anticipated that this strategy will reduce the level of overspend in the medium term.

The workflow and activity will be kept under further close scrutiny and review.

#### **4.3.3 Communities, Localities and Culture**

There are no significant variances to report for quarter one to 30<sup>th</sup> June 2009.

#### **4.3.4 Development and Renewal**

There are no significant variances to report for the quarter to 30<sup>th</sup> June 2009. However there are significant risk factors within this directorate in connection with shortfalls in development fees, section 106 and trading income and the directorate's ability to fund expenditure previously supported by capital. For full details see Appendix 2D.

#### **4.3.5 Resources Directorate**

As reported in July, there are pressures on the Office Accommodation budget arising from delays in disposing of vacant and underused office buildings and pressure on costs at East India Dock. Mitigating actions are being pursued to contain these costs but the service is due to deliver savings of £600,000 in the current year and there is a significant risk that these will not be achieved. The Corporate Director will seek to contain any over spend within the Directorate's overall budget.

#### **4.3.6 Chief Executive's**

##### Communications - £396,000 overspend

Since 2008 it has been recognised by the Communications Team that due to unfavourable market conditions previous high levels of advertising income may not continue to be achievable, and, in 2009/10 the existing budget would face increasing pressures. Consequently, the team developed an action plan to address this ongoing situation and at the year end the original projected 2008/09 overspend was reduced. In the first quarter 2009/10 continuing weak market conditions suggest a continuing downward trend of lower advertising income. However, current estimates are based on the experience of the first three months of the financial year and there is scope for the projected outturn to be overcautious and



therefore the current budget performance continues to be kept under close and continuous review.

#### **4.3.7 Corporate & Capital Finance**

##### Capital/Treasury Management £1,700,000 shortfall

In former years the Council has benefited from being able to invest at higher interest rates and enjoyed low external borrowing costs. However, the economy has entered a recession and interest rates have fallen significantly, rates are expected to remain the same for the remainder of 2009/10 and in the medium term and the Council is expecting a significant shortfall in investment income which means the capital financing and investment budget is unlikely to break-even. The position will be kept under review throughout the rest of the financial year.

#### **4.3.8 Trading Accounts.**

At this stage none of the Directorates have reported any major variances within their trading accounts.

Although Development & Renewal are reporting that fee levels and the budget were both reduced with effect from 1 April 2009, and that Land Charge search fee income is forecast to be significantly lower than anticipated as a direct consequence of both the current economic climate and competition from personal search companies. Officers are currently assessing alternative means of minimising the impact.

Full details of all trading accounts are held in Appendix 3A-C.

### **5 VIREMENTS**

- 5.1 Virements are transfers of budget that result in no overall change to the budget of the Council. Under Financial Regulations, virements over £250,000 are required to be approved by the Cabinet. Virements over £100,000 are required to be reported for information and are agreed by the Corporate Directors.
- 5.2 There are virements from Children, Schools and Families which are attached at Appendix 4A-E.

### **6 TARGET ADJUSTMENTS**

- 6.1 Target adjustments are transfers between services/directorates and are subject to approval by Cabinet.

The following budget adjustments are required in order to reflect accurately the transfer of managerial responsibilities within directorates.

### LAPs Service Improvement Growth £2.380m

Following the participatory budgeting exercise service improvement growth was allocated to various LAP areas and the budget now requires to be transferred to the directorates responsible for the implementation of the agreed proposals.

A full break-down is contained at Appendix 4A-E.

### Transfer of Health & Safety Post £0.049m

A budget transfer from Resources, Chief Executive's and Development and Renewal to fund a Health & Safety post within Communities, Localities and Culture.

### Transfer of Learning & Development function £0.710m

Budget transfer to follow the re-alignment of responsibility for the above service from Children, Schools and Families to Resources Directorate

The effect of all budget transfers is shown at Appendix 4A-E.

## **7 SERVICE IMPROVEMENT GROWTH**

- 7.1 On 27<sup>th</sup> February 2009 Cabinet agreed Service Improvement Growth for 2009/10. At this relatively early stage in the financial year no Directorates have reported that targets will not be achieved. A full progress report will be submitted to Cabinet later in the year.

## **8 SAVINGS/EFFICIENCY TARGETS**

### **8.1 Savings/Efficiency Targets**

8.1.1 Efficiency targets are underway or planned to deliver the cashable savings of £5.674m as part of the Council's Budget Strategy for 2009/10.

8.1.2 A breakdown of efficiency savings is attached at Appendix 5.

8.1.3 At this stage Development & Renewal are reporting that £60,000 of savings from the Digitalisation programme will not be achieved during 2009/10.

## 9 INCOME COLLECTION PERFORMANCE 2009/10 TARGETS

- 9.1 The table below relates to debt raised since the 1<sup>st</sup> April 2009: in addition, a proportion of debt is collected as arrears, so a greater proportion of overall debt is collected than these targets suggest. The direction of travel arrows indicate that for most types of debt, performance is above target.
- 9.2 The 2009/10 targets will be monitored on a regular basis.

| Income Stream   | Collected<br>In 2008-09<br>% | 2009-10<br>Target to<br>30-06-09<br>% | 2009-10<br>Collected to<br>30-06-09<br>% | Direction<br>of Travel |
|-----------------|------------------------------|---------------------------------------|--|------------------------|
| Business Rates  | 98.6                         | 27                                    | 31.56                                    | ↑                      |
| Central Income  | 86.07                        | 75                                    | 76.28                                    | ↑                      |
| Council Tax     | 95                           | 24.15                                 | 24.7                                     | ↑                      |
| Housing Rent    | 99.66                        | 101.42                                | 104.49                                   | ↑                      |
| Major Works     | 8                            | 4.75                                  | 4.83                                     | ↑                      |
| Parking Fines   | 63.55                        | 60                                    | 63.31                                    | ↑                      |
| Service Charges | 57.8                         | 12.2                                  | 16.8                                     | ↑                      |

### 9.3.1 Performance Analysis

Despite the economic climate, collection activity in most areas is currently performing well, but the authority must be prepared for the impact of the Business Rates Deferral Scheme which could see a drop in collection levels in the second half of the financial year.

This is the first year Council Tax has been paid over 12 monthly instalments so it is difficult to compare performance with last year. It is known however, that benefit claims have increased month on month this year as unemployment has grown, which could have an adverse affect on future collection levels of council tax.

## 10 HOUSING REVENUE ACCOUNT

- 10.1 The report also incorporates the first quarter's financial position of the Housing Revenue Account (HRA) based on income, expenditure and service activity to 30<sup>th</sup> June 2009. The Corporate Director for Development & Renewal reports that:

10.1.1 The Housing Revenue Account is currently estimating a £1.591m deficit for the year, as shown in Appendix 6. The reasons for this variance are:

#### 10.1.2 Dwelling and Non-Dwelling Rents - £180,000 overspend

Rental Income is lower than originally estimated due to the transfer of approximately 90 tenanted properties on the Coventry Cross estate to Polar HARCA in July 2009. This is partially offset by increased income from shop rents following the re-negotiation of leases.

#### 10.1.3 Tenant and Leaseholder Service Charges - £558,000 underspend

The anticipated income from Service Charges for 2010/11 is higher than estimated. The actualisation of service charges for 2009/10 will be completed during September with updated projections being incorporated within the second quarter's budget monitoring report.

#### 10.1.4 Capital Financing Charges / Government Subsidy / Investment Income - Net: £985,000 overspend

As is the case with the General Fund (see paragraph 4.3.7) any changes in interest rates have a significant impact on the Housing Revenue Account. A review of balances and the latest advice from the Authority's debt management advisors have been incorporated into the three affected items within the HRA i.e. Capital Financing Charges, Government Subsidy and Investment Income.

As with the General Fund the position will be kept under close review and Members advised accordingly.

#### 10.1.5 Supervision and Management - £875,000 overspend

Net expenditure on Supervision and Management is currently forecast to be 2% in excess of budget. The projections include some extra-ordinary one-off restructuring costs which have been provided for within reserves. Other potential overspends are anticipated across various other budgets, including those provided through the Council. Efforts are being made in conjunction with Tower Hamlets Homes to reduce expenditure in this area.

## **11 EQUAL OPPORTUNITIES IMPLICATIONS**

- 11.1 The Council's Strategic Plan is focused upon meeting the needs of the diverse communities living in Tower Hamlets. The Key Themes reflect diversity issues and there are key equality milestones in relation to delivering One Tower Hamlets.

## **12 COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 12.1 This report sets out the performance of the authority against priority performance indicators for the first quarter of the year together with budget monitoring against the General Fund revenue budget, which is the main budget influencing performance in the short term. This represents good practice as it enables performance in both areas to be considered alongside one another and thus actions can be taken on the basis of a balanced overall view.
- 12.2 This report projects a net General Fund over spend for 2009/10 of £1.445m and a net over spend on the Housing Revenue Account of £1.591m both based on spending to the end of June 2009. If this is carried through to the end of the financial year, this will result in decreases in general reserves and housing reserves respectively.
- 12.3 In the case of the General Fund, provision was made in the budget for a local annual pay award of 2.25%. It now seems likely that the settlement will be less than this and so an unallocated contingency could be available which would help to offset any over spend. However, Directorates should not manage their budgets on this basis and should continue to take steps to spend in line with budgets in accordance with financial regulations.
- 12.4 This is the first quarter report and accordingly the projected outturn is based on the experience of only a few months. The scope for projected outturns to be over or understated is therefore correspondingly greater. However, where overspends are being predicted Corporate Directors, in accordance with Financial Regulations, must keep the position under close, continuous review and, where necessary, identify compensatory savings. Consequently, the Corporate Director - Resources will be monitoring closely those Directorates that have so far projected adverse end of year variances that are material.
- 12.5 The 2009/10 budget process also included an assessment of the robustness of expenditure and income forecasts including identification of the key risk areas. This report continues the development of that process by explicitly commenting on the current status of those risk areas within Appendix 2A-G.

## **13 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 13.1 The Local Government Act 1999, Section 3, requires all authorities to 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness'. Performance monitoring of corporate plans is an important way in which that obligation can be fulfilled and regular monitoring reports to members on performance and actions arising from

those reports will demonstrate that the Council has undertaken activity to satisfy the statutory duty.

13.2 Under the Local Government Act 1972, the budget monitoring framework underpins the Council's section 151 legal framework to ensure there are sound and robust systems of financial administration, financial management and strategic financial planning advice for the Authority as a whole. In addition, it enables the Council to plan and control its income and expenditure through the financial year and report to managers and members the Authority's financial position.

13.3 Further, the Local Government Act 2003 requires the Chief Finance Officer to review the robustness of the budget estimates and its impact on reserves periodically in year through regular budget monitoring. Also, where there has been deterioration in the Authority's financial position it requires the Authority to take action to address the situation.

## **14 SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

14.1 An element of the monitoring report deals with environmental milestones within the Safe and Supportive agenda.

## **15 ANTI POVERTY COMMENTS**

15.1 Reducing poverty is an implicit priority within the Strategic Plan.

## **16 RISK MANAGEMENT IMPLICATIONS**

16.1 In line with the Council's risk management strategy, the information contained within the Strategic Indicator Monitoring will assist the Cabinet, Corporate Directors and relevant service managers in delivering the ambitious targets set out in the Strategic Plan. Regular monitoring reports will enable Members and Corporate Directors to keep progress under regular review.

16.2 There is a risk to the integrity of the authority's finances if an imbalance occurs between resources and needs. This is mitigated by regular monitoring and, where appropriate, corrective action. This report provides a corporate overview to supplement more frequent monitoring that takes place at detailed level.

16.3 The explanations provided by the Directorates for the budget variances also contain analyses of risk factors.

## 17 INDEX OF APPENDICES

| <b>Appendix</b> | <b>Detailing the following:</b>  |
|-----------------|--|
| 1               | Tower Hamlets Index Progress Report to 30 June 2009                                      |
| 2A-G            | Details of outturn and explanation of significant variances / risks for each Directorate |
| 3A-C            | Details of trading accounts and explanation of significant variances / risks             |
| 4A-C            | Budget/Target Adjustments  |
| 5               | Efficiency Savings Targets 2009/10   |
| 6               | Housing Revenue Account – Income & Expenditure 2009/10                                   |

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### **LOCAL GOVERNMENT ACT, 1972 SECTION 100D (AS AMENDED)**

#### **LIST OF "BACKGROUND PAPERS" USED IN PREPARATION OF THIS REPORT**

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| <b>Brief description of "background paper</b> | <b>Name and telephone number of holder and address where open to inspection</b> |                |       |
|---|---|----------------|-------|
|   | Performance Manager   | Stephanie Ford | x3186 |
|   | Corporate Finance   | Gary Moss      | x4223 |