


<b>Overview and Scrutiny Committee</b> <b>07 January 2014</b>	 <b>TOWER HAMLETS</b>
<b>Report of: Corporate Director, Resources</b>	<b>Classification:</b> Unrestricted
<b>Strategic Performance and Corporate Revenue and Capital Budget Monitoring  Q2 2013/14 (Month 6)</b>	

<b>Wards affected</b>	All wards
<b>Community Plan Theme</b>	All
<b>Key Decision?</b>	No

### **EXECUTIVE SUMMARY**

This monitoring report details the financial position of the Council at the end of Quarter 2 compared to budget, and service performance against targets. This includes year-end projection updates for the:

- General Fund Revenue and Housing Revenue Account; and
- An overview of performance for all of the reportable strategic measures.

### **Recommendations:**

The Overview and Scrutiny Committee is recommended to:

- Review and note the Quarter 2 2013/14 performance; and
- Note the Council's financial position as detailed in section 4 and Appendices 1-3 of this report.

## **1. REASONS FOR THE DECISIONS**

1.1. Good financial practice requires that regular reports be submitted to Council/Committee setting out the financial position of the Council against budget, and its service performance against targets

1.2. The regular reporting of the Strategic Performance and Corporate Revenue and Capital Budget Monitoring should assist in ensuring that Members are able to scrutinise officer decisions.

## **2. ALTERNATIVE OPTIONS**

- 2.1. The Council reports its quarterly budget against spend, its capital monitoring and its Strategic Performance.
- 2.2. Significant variations, trends and corrective action are reported in the body and appendices of the report. No alternative action is considered necessary beyond that included below and this report is produced to ensure that Members are kept informed about decisions made under the delegated authority.

## **3. DETAILS OF REPORT**

### **3.1 Finance Overview**

#### **3.1.1 General Fund**

As at the end of September 2013, all Directorates are forecasting a breakeven position on an overall net budget of £298m, except for Resources who are looking to bring a projected overspend of £202k back to budget, and Chief Execs Directorate who are projecting a £50k underspend, giving a forecast outturn variance of £152K (less than 0.1%).

#### **3.1.2 HRA**

The HRA is projecting an overall underspend of £571k, this equates to less than 0.7% based on budgeted income of £86.4m.

#### **3.1.3 Capital Programme**

Directorates have spent 19% of their capital budgets for the year (£41m against budgets of £221.3m). Further information is provided in section 5 of the report and Appendix 4.

### **3.2 Strategic Plan and Strategic Measures**

3.2.1 The Strategic Plan provides the framework for delivering the Council's priorities and contributions to the Community Plan, including the Mayor's Pledges. There are 81 activities in the Strategic Plan. 85% of these activities are either complete or on target to complete on time. Of the total activities within the Plan, 9 (11%) were due for completion between April and September 2013. 4 of these 9 are complete, the remaining five activities are either overdue or delayed.

3.2.2 The Strategic Measures Set enables the Council to monitor progress against our priorities. Of the 33 measures reportable this quarter (including subset of measures), 12 (39%) are at or exceeding the standard target (lower

bandwidth), with a further 4 (13%) meeting or exceeding the stretched target (Green).

3.3 More detailed performance and financial information is contained in the following report appendices:

- Appendix 1 - lists budget/target adjustments (including virements) for the General Fund and capital budget movements
- Appendix 2 - provides the budget outturn forecast by Directorate and explanations of any major variances.
- Appendix 3 - provides the budget outturn forecast and explanations of major variances for the HRA.
- Appendix 4 – provides details of the capital programme and explanations of any major variances
- Appendix 5 – provides an update on progress against the actions and milestones in the Strategic Plan
- Appendix 6 – provides an overview of performance for all of the reportable strategic measures

## 4 REVENUE

4.1 The following table summarises the current expected outturn position for the General Fund.

SUMMARY	Latest Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Forecast Outturn £'000	Variance £'000
Chief Executive	9,592	4,796	5,256	460	9,542	(50)
Communities, Localities and Culture	76,951	34,558	28,664	(5,894)	76,951	0
Development and Renewal	15,741	7,994	9,792	1,798	15,741	0
Education, Social Care and Wellbeing	219,686	114,176	97,637	(16,539)	219,686	0
Resources	8,398	4,199	33,208	29,009	8,600	202
Corporate Costs / Capital Financing	(32,561)	(12,709)	4,302	17,011	(32,561)	0
<b>Total</b>	<b>297,807</b>	<b>153,014</b>	<b>178,859</b>	<b>25,845</b>	<b>297,959</b>	<b>152</b>

4.2 Year-to-date variances are explained in the detailed budget analysis in Appendix 2.

4.3 **Chief Executive** **£50k Underspend**  
The forecast levels of budgeted income are lower than anticipated to date and therefore has increased the pressure on 2013/14 budget. However, this risk is expected to be managed within the overall performance of the Chief Executives budget.

4.4 **Communities, Localities & Culture** **NIL**  
A breakeven position is forecast for the financial year.

4.5 **Development and Renewal** **NIL**  
A breakeven position is forecast for the financial year.

4.6 **Education, Social Care and Wellbeing** **NIL**  
The General Fund and the Schools Budget within Education Social Care and Wellbeing are reported as being balanced at year end. There are, however, significant risks (Vacancy management, auto pension enrolment and savings associated with the review of management and support services) with both budgets that could make significant calls on Directorate-wide reserves or which could deplete unallocated DSG to a level that requires retained budget reductions in 2014/15.

The variance to date is down to expenditure for schools being incurred at year end.

4.7 **Resources** **£202k Overspend**  
The projected Resources overspend relates to savings on the closure of One Stop Shops which were anticipated before the 2013/14 financial year, but which no longer seem realisable. Management are looking at ways to bring expenditure back in line with budget.

The variance to date is primarily due to the Housing Benefit Subsidy being received at year end.

4.8 **Corporate Costs & Capital Financing** **NIL**  
A breakeven position is forecast for the financial year. Spend to date variance is due to items such as depreciation and minimum revenue provision being processed at year-end.

4.9 **Housing Revenue Account (HRA)** **£571k underspend**  
The overall projected HRA underspend is the net result of a number of variances, the main ones being that it is anticipated that income will be

received in 2013/14 in respect of the recovery of costs incurred as part of various stock transfers carried out a few years ago; and it is forecast that rental income will be higher than budgeted due to a lower than anticipated level of voids and lower than anticipated level of Right to Buy sales in the first six months of the year.

The 2013/14 dwelling rent budget assumed 100 Right to Buy sales in each of 2012/13 and 2013/14. There were 12 sales in 2012/13 and there have been 14 completed sales to the end of September 2013; there are approximately a 1,000 live applications and a steady stream of sales for the rest of the year is anticipated.

In addition, it is currently expected that capital fee income will be higher than budgeted, however, any underspends within this budget heading will enable revenue resources to be set aside to finance part of the non-grant element of the Decent Homes capital programme, as agreed by Cabinet in September 2011 and re-confirmed in May 2013.

#### 4.10 Income Collection Performance Targets

Details of income collection during 2013/14 are shown below:

<b>Income Stream</b>	<b>Collected in 2012/13 %</b>	<b>2013/14 Target to 30.09.13 %</b>	<b>2013/14 Collected to 30.09.13 %</b>	<b>Direction of Travel</b>
Business Rates	99.69	49.80	59.76	↑
Central Income	91.00	82.00	60.00	↓
Council Tax	95.10	47.58	47.94	↑
Housing Rents	99.72	98.00	100.56	↑

Collection rates are above target, except for Central Income which is currently not reaching its target. This is being reviewed to ensure it is brought back on target.

## 5. CAPITAL

5.1 The capital budget now totals £221.3m, increased from the £206m reported for the first quarter following the adoption of new schemes for Bromley by Bow station upgrade, Wellington Way Health Centre and energy saving schemes relating to HRA properties.

5.2 Details of all the changes to the capital budget are set out in Appendix 1.

- 5.3 Total capital expenditure to the end of Quarter 2 represented 19% of the revised capital programme budget for 2013/14 as follows:

	Annual Budget as at 30-Sep-13	Spend as at 30-Sep-13	% Budget Spent
	£m	£m	%
<b>TOTALS BY DIRECTORATE:</b>			
Education, Social Care and Wellbeing	19.641	5.732	29%
Communities, Localities and Culture	17.123	3.380	20%
Development and Renewal	28.557	1.655	6%
Building Schools for the Future (BSF)	42.859	22.019	51%
Housing Revenue Account (HRA)	103.026	8.188	8%
Resources	0.128	0.000	0%
Corporate GF provision for schemes under development	10.000	0.000	0%
<b>GRAND TOTAL</b>	<b>221.334</b>	<b>40.974</b>	<b>19%</b>

This compares with £54.4m, (28%) at the same stage last year.

- 5.4 Projected capital expenditure for the year compared to budget is as follows:

	Annual Budget as at 30-Sep-13	Projection 31-Mar-14	Forecast Variance
	£m	£m	£m
<b>TOTALS BY DIRECTORATE:</b>			
Education, Social Care and Wellbeing	19.641	17.366	-2.275
Communities, Localities and Culture	17.123	17.123	0.000
Development and Renewal	28.557	28.123	-0.434
Building Schools for the Future (BSF)	42.859	42.858	-0.001
Housing Revenue Account (HRA)	103.026	88.714	-14.312
Resources	0.128	0.128	0.000
Corporate GF provision for schemes under development	10.000	0.000	-10.000
<b>GRAND TOTAL</b>	<b>221.334</b>	<b>194.312</b>	<b>-27.022</b>

Programme slippage of £27.0m is currently being projected. It should be noted that this figure includes a £10m provision for General Fund capital schemes which is not yet allocated to individual schemes. The remaining forecast in-year underspend is due to slippage on HRA and education schemes, though these are expected to be spent in future years.

- 5.5 The total approved budget, taking into account the whole life of all capital schemes, is currently £865.8m against which spend of £835.8m is forecast resulting in a total underspend variance of £30.9m. The main reason for this underspend is that a £30.0m borrowing provision was set aside in the budget, of which £20m relates to a credit arrangement which will fund the

development of Poplar Baths and Dame Colet House. The other £10m is not currently allocated to specific schemes.

	<b>All year budget as at 30-Sep-13</b>	<b>Projection 30-Sep-13</b>	<b>Variance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Education, Social Care and Wellbeing	100.474	100.474	0.000
Communities, Localities and Culture	74.726	74.726	0.000
Development and Renewal	45.034	45.034	0.000
Building Schools for the Future (BSF)	325.531	325.531	0.000
Housing Revenue Account (HRA)	289.779	289.779	0.000
Resources	0.220	0.220	0.000
Poplar Baths & Dame Colet House	20.000	0.000	-20.000
Corporate GF provision for schemes under development	10.000	0.000	-10.000
<b>GRAND TOTAL</b>	<b>865.764</b>	<b>835.764</b>	<b>-30.000</b>

- 5.6 Capital receipts received in 2013/14 from the sale of Housing and General fund assets as at 30 September 2013 are as follows:

<b>Capital Receipts</b>		
	<b>£m</b>	<b>£m</b>
Receipts from Right to Buy (7 properties)	0.618	
less estimated poolable amount to DCLG	-0.458	
		0.160
<b>Sale of Housing Land</b>		
Queens Head PH	0.350	
Enfranchisement	0.070	
Cotall Street	0.610	
		1.030
<b>Sale of General Fund assets</b>		
Travelodge site	2.910	
Overage Payments (Wapping Lane)	0.008	
		2.918
<b>Total</b>		<b>4.108</b>

The allocation of these receipts against capital projects will be considered alongside other resources when setting the 2014/15-2016/17 capital programme.

## **6. STRATEGIC PLAN 2013/14**

- 6.1 The council's performance management and accountability framework requires CMT and members to consider our progress against Strategic Plan activities every 6 months. This section provides a monitoring update for the first 6 months of the 2013/14 Plan.

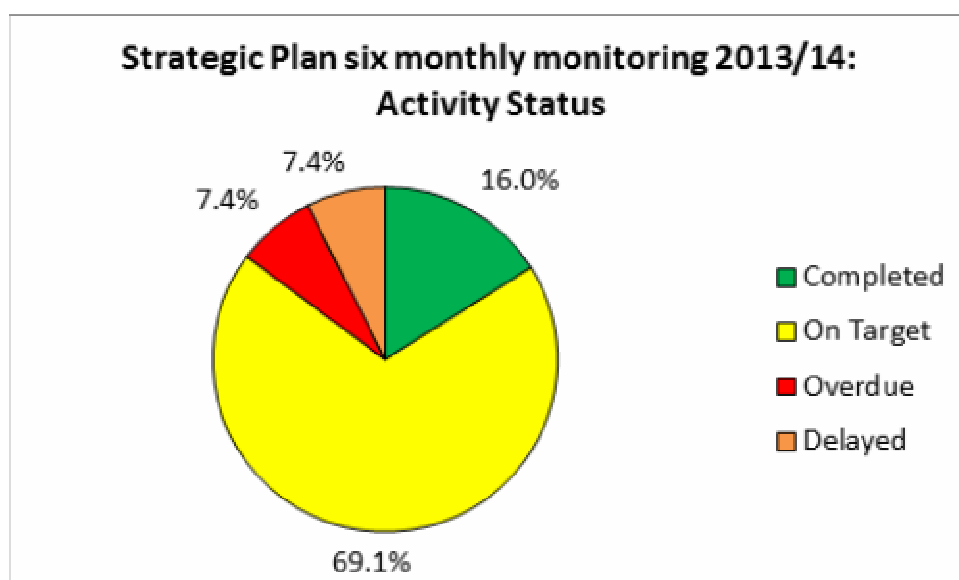
6.2 All activities within the Strategic Plan have been monitored and are included in Appendix 5. The following criteria are used to report on the status of activities:

- Completed (Green) - where an activity has been completed.
- On Target (Gold/Amber) - where an activity is not due for completion yet, and managers consider that progress is on track to meet the deadline. The percentage completed is given to provide an indication of the work already carried out.
- Delayed (Orange) - where an activity has missed its deadline or is assessed as likely to miss its deadline, but is still anticipated to complete within the financial year.
- Overdue (Red) - where an activity has been identified as likely to not be completed this financial year. Managers have provided comments for all overdue activities to explain why the deadline was missed; what is being done to rectify the situation; and when the activity will be completed.

6.3 There are 81 activities in the Strategic Plan. 85% of these activities are either complete or on target to complete on time, meaning the Council is well on track to delivering our strategic objectives within this financial year.

6.4 Of the total activities within the Plan, 9 (11%) were due for completion between April and September 2013. 4 of these 9 are complete, the remaining 5 activities are either overdue or delayed. Further detail and explanation are provided in the remainder of this report.

6.5 In total 13 (16%) of activities are completed, 56 (69%) are on target with 6 (7%) delayed and 6 (7%) overdue.



6.6 Overall performance in delivering against the Strategic Plan is strong, with several activities complete, some earlier than anticipated. **Community**



**facilities have been improved** with the opening of the new Idea Store Watney Market and the One Stop Shop. The design and implementation of the **People's History Plaque Scheme** has now been completed earlier than originally scheduled. All Tower Hamlets streets have been visited and **potholes** have been repaired.

- 6.7 **Delivery of the Partnership community offer through the Community Champion Programme** has been achieved. Several Community Champion co-ordinators have been recruited and trained, and an outreach framework to guide them when engaging with the local community has been developed. In addition, an activity in **engaging residents and community leaders in policy and budget changes** has been delivered ahead of time with the completion of an assessment to determine the method of delivering the first Community Budget. Both of these activities have been achieved before the year-end Strategic Plan deadline.
- 6.8 The proposal for a **framework for engagement of borough-wide equality forums in the Partnership** was agreed by the Partnership Executive in June, and now all Community Plan Delivery Groups have third sector representation. The **delivery of locally appropriate services through the four locality Hubs** has been achieved, with the co-location of police, public health, youth services and CLC front-line services.
- 6.9 The **introduction of 'TH Personnel' as a mechanism for recruiting local residents into temporary opportunities** activity has been achieved prior to the deadline. The TH Personnel temporary desk is now operational. Referral routes into external temporary agencies across East London businesses and agencies have been developed. A talent pool of residents who can be placed into temporary opportunities has been created.
- 6.10 The **Welfare Reform Temporary Accommodation Support Fund** has been implemented ahead of time. The most vulnerable residents are being identified to receive funds and monitoring of the impact is being fed back to the Welfare Reform Task Group on a regular basis.
- 6.11 Two activities within the focus on crime and anti-social behaviour theme have been completed early. **Further develop the Tower Hamlets Enforcement Officer service** – a further ten THEOs were recruited over the summer. The THEOs are operating in the 4 locality hubs, supporting the new local ward forums and their priorities for reducing ASB. **The Partnership approach to Violence against Women and Girls (VAWG)** has been developed. A forum has been established, a VAWG Day was held, and a programme of training to key statutory and voluntary organisations has been developed.

- 6.12 The activity to **support young people to live healthy lives** has been completed. Healthy eating and physical activity support is being provided to 33 schools. Achievements include: 13 schools delivered the Healthy Lives Champions Project, 16 schools achieved Advanced Healthy School status, lessons to Year 6 pupils around drug education have been delivered to 730 pupils, and Key Stage 3 alcohol lesson plan delivered to 995 students.
- 6.13 The council **launched its mechanism for engaging local disabled people in design, delivery and scrutiny of local services** through the Local Voices project. It reported in June with a number of recommendations and an action plan has been developed and agreed by the Tower Hamlets Equalities Steering Group. The next phase of Local Voices has been commissioned. An activity to **improve customer satisfaction and value for money** has been completed ahead of time, with the re-location of Cheviot House One Stop Shop to Watney Market.
- 6.14 Six activities (7.4%) have been flagged as being delayed (Amber). An activity is flagged as delayed where it has missed its deadline, or is assessed as likely to miss its deadline, but is still anticipated to complete within the financial year.
- 6.15 **Provide support for the improvement of faith buildings in the borough** – the launch of the application process was delayed and this has had a knock on effect on the following milestones. The service anticipates that the activity will be completed two months after the end of December deadline.
- 6.16 **Implement a programme of information to third sector and social enterprises to support commercial independence** – the restructure of the council's Third Sector Team has caused a delay in this activity.
- 6.17 **Deliver free school meals for all reception and year 1 pupils** –from September 2013, all Reception and Year 1 pupils are now receiving a free school meal – either statutory or via the Mayor's scheme. Whilst there has been a delay in the recruitment of permanent kitchen assistants due to the summer break, vacancies are currently being covered by temporary staff and a recruitment exercise through Skillsmatch should mean that permanent staff are in post by the new year.
- 6.18 **Ensure that integrated governance arrangements are in place to maximise health outcomes** – The Towards a Healthier Tower Hamlets Strategy and delivery plan has been agreed and the Healthwatch service is up and running. Work is underway to identify locally appropriate interventions to co-produce with residents with an initial focus on diabetes.

- 6.19 ***Provide proportionate support to vulnerable children and families*** – this activity is projected to be completed by January 2014. The TH Multi-Agency Safeguarding Hub will be formally launched in December following delays with building work and new technology. The further development of the Family Wellbeing Model was delayed in order to take into account the findings of the Working Together 2013 publication.
- 6.20 ***Make better use of our buildings*** – work is now underway on a complete refresh of the Strategic Asset Management Plan, and this should be achieved by March 2014. The Corporate Landlord Model is due to be completed in April 2014.
- 6.21 Of the 81 activities in the Strategic Plan, six have been assessed as being overdue (Red), as they are unlikely to be completed this financial year. Details on the overdue activities, including remedial action, are outlined below. In addition, Performance Review Group will review all activities at risk of not achieving their year-end target, to consider what further action is required.
- 6.22 ***Improve the quality of housing services*** – while review of the Leaseholder CAP and implementation of the Democratic Filter for housing will be completed within year, adoption of the Mayor's Housing Statement is projected to slip into 2014/15 because of a delay in consulting with Members. However, there is a suite of other sub-statements and policies, signed off at Cabinet, which deliver our strategic approach to Housing.
- 6.23 ***Introduce the Tower Hamlets local Community Infrastructure Levy (CIL)*** – amendments to existing CIL regulations by the Government have delayed this activity. The service anticipates that this activity will be completed by July 2014.
- 6.24 ***Expand free early education places of high quality for disadvantaged two-year-olds*** – this target was set by the DfE but it has been an extremely difficult task as most other inner city boroughs have found. Several activities are taking place to progress the activity. The service anticipates that the activity will be 80% completed by end of year.
- 6.25 ***Invest in the borough's leisure centres and playing pitches*** – the deadline for this activity as reported in the Strategic Plan was March 2014. Revisions in the specification of Poplar Baths have caused a delay of approximately one month on this activity. In addition, improvement works on football pitches have been rescheduled in order to avoid pitch disruption during the current football season.

- 6.26 ***Ensure effective partnership working across health and social care*** – the deadline for this activity is reported in the Strategic Plan as March 2014. The Mental Health Strategy is now completed, and discussions are on-going with health on a more integrated approach for delivery. However work to agree a council policy on integrated care pathways and to establish governance arrangements with health partners have been delayed until several key decisions about the future course for the council and health partners have been made.
- 6.27 ***Improve Accommodation and Equipment*** – whilst this activity was not due to complete until the end of the financial year, already a number of milestones are overdue. The service has confirmed that this activity will not be completed by March 2014; this is partly due to extended negotiations with another council on resource sharing. The activity is focussed on accommodation to support independence and wellbeing, including people needing high level support.

## **7 STRATEGIC PERFORMANCE MEASURES**

- 7.1 The strategic measures enable the Council to monitor progress against its priorities outlined in the Strategic Plan. The strategic measures reflect the Council's continued commitment to set itself stretching targets. They are reviewed on an annual basis as part of the refresh of the Strategic Plan to ensure that it remains fit for purpose. Where necessary, there will also be in-year reviews of the measures.
- 7.2 Appendix 6 illustrates the latest performance against our strategic measures. Performance against the current stretching target is measured as either 'Red', 'Amber' or 'Green' (RAG). Should performance fall below standard target – indicated as the dotted red line, it is marked as 'Red'. Should it be at or better than the standard target, but below the stretched target – indicated as the solid green line, it is 'Amber'. Where performance is at or better than the stretched target, it is 'Green'. Performance is also measured against the equivalent quarter for the previous year, as a 'direction of travel'. Where performance is deteriorating compared to the same time last year, it is indicated as a downward arrow ↓, if there is no change (or less than 5% change, or no statistically significant change for survey measures) it is neutral ↔, and where performance has improved compared to the previous year, it is indicated as an upward arrow ↑.

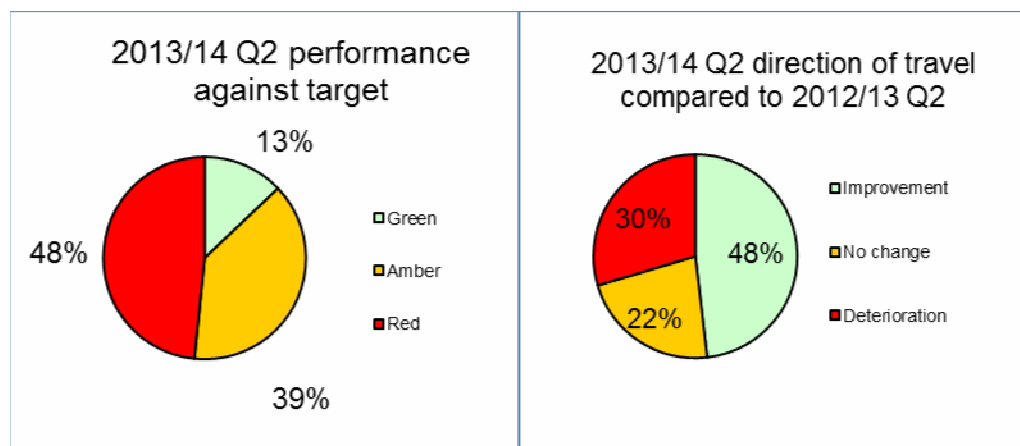
### **2012/13 Final Outturn Reporting Update**

- 7.3 Since the year end performance reporting was undertaken, final outturns for the following outstanding performance measures are now available, and are included in Appendix 6:
- All age, all-cause mortality (male and female)
  - Percentage of overall council housing stock that is non-decent
  - Self-reported experience of social care users
  - Percentage of CAF reviews with an improved score
- 7.4 Quarter 1 data for the following strategic measure was not available in time to report to CMT within the relevant report, but is now available, and is included in Appendix 6.
- Smoking quitters
  - Homelessness Prevention

### **Strategic Performance Measures – Quarter 2 (July-September 2013)**

- 7.5 The number of strategic measures available for reporting fluctuates between periods due to the different reporting frequencies of the measures. Of the 47 measures in the Strategic Set, including subset of measures, 33 are reportable this quarter (including previously outstanding 2012/13 final outturns and Quarter 1 data). Of these, four measures are new or changed for 2013/14:
- Rate of violence with injury crimes (excluding Domestic Violence)
  - Rate of violence with injury crimes (Domestic Violence only)
  - Average time between a child entering care and moving in with his/her adoptive family (Time to adoption)
  - Percentage of ethnic minority background children adopted (BME adoptions)
- 7.6 For new or significantly changed measures, it is not usually possible to measure direction of travel (because previous quarters are not available); as a result, the proportions allocated to each direction arrow are based on a total of 29. For performance against target (RAG status), proportions are based on 31 measures (targets for the two Public Health mortality measures are unconfirmed at the time of dispatch).
- Four measures (13%) are meeting or exceeding their stretched target (Green), with three of these an improvement from last year (↑) and one a new indicator;
  - 12 (39%) are above the standard target but below the stretched target (Amber), with 7 of these improving (↑), 3 remaining unchanged (↔), and one deteriorating (↓) compared to last year's performance; one measure is new.

- 15 (48%) are below the standard target (Red), with 3 improving from last year (↑), no change for 3 measures (↔) and 7 deteriorating (↓); with two measures being new.
- Overall, four indicators do not have comparable data for this time last year and therefore no direction of travel information can be produced.



7.7 There are several strategic performance measures which report on a quarterly basis but Q2 data is currently not available due to a time lag in reporting. These are:

- Number of Smoking Quitters (NI123) – due to report January 2014;
- Homelessness Prevention (Strategic 201) – due to report November 2013 (quarter 1 data, which was not previously reported, has been provided in the report and appendix); and
- Percentage of household waste sent for reuse, recycling and composting – early indications are that the best-ever performance reported in Quarter 1 (29.1% recycled) has been maintained, with a slightly improved rate of 29.5% recorded for August, comfortably above the target of 29%. Quarter 2 data, including September, will be available from mid-November.

### **Performance Summary**

The following sections detail our performance under two key headings:

- High performing and areas of improvement
- High risk areas

### **High Performing Areas – Quarter 2**

7.8 Measures that exceeded their stretched target or have improved compared to quarter 2 last year include:

- ***Percentage of LP07 or above local authority staff that are women:***

This measure has improved since this time last year, when the outturn was below the lower bandwidth. The Workforce to Reflect the Community

action plan had identified a number of specific actions to improve representation of women.

- ***Percentage of LP07 or above local authority staff that have a disability:***

This measure is currently exceeding the stretch target and has consistently done so for most months this year. It is thought that the improved performance is due to a staff equalities audit that was carried out last year, encouraging staff to declare if they have a disability.

- ***Number of social rented housing completions for family housing (gross):***

17 more social rented homes were completed for family housing in Q2 2013/14 than Q2 2012/13. The delivery of housing units fluctuates throughout the year. The predicted annual delivery stands at 239, exceeding the 2013/14 upper bandwidth.

- ***Percentage of overall council housing stock that is non-decent:***

The percentage of council housing stock that is non-decent has gone down due to the Decent Homes Programme. However, due to non-completion on a few properties, the target was missed by 0.48 percentage points.

- ***Level of street and environmental cleanliness – litter and detritus:***

Both of these measures have improved by more than 50%; this has been the result of additional investment in cleanliness as a result of the Accelerated Delivery Programme.

- ***JSA Claimant count – gap with London average and Overall Employment Rate – Gap with London Average***

Both of these measures have improved when compared to the same period last year. The council has had an extended and sustained programme of activities aimed at assisting residents into work, including Skillsmatch, apprenticeships (including through procurement processes), and work with Jobcentre Plus.

- ***Proportion of children in poverty***

The child poverty rate in Tower Hamlets has fallen considerably since 2007 from 64% to 46.1% – a fall of 17.9 percentage points. The drop in rate reflects a significant fall in the number of children in relative poverty against a steadily growing child population. London also saw a fall over the same period but it was far less pronounced (a drop from 33% to 26.7% – a fall of 6.3 percentage points). Nationally rates have shown little change – falling only by 1.9 percentage points since 2007.

- ***Rate of personal robbery crimes:***

Performance is better than this time last year and lower than the stretch target.

- ***Rate of violence with injury (domestic violence only) crimes:***

This measure is designed to track the success of the Police in increasing detection of domestic violence. Domestic Violence with Injury Offences when compared to the same period in 2012 saw an increase of 21% and is reflective of the proactivity being undertaken. Tower Hamlets has one of the highest arrest rates in the MPS for Domestic Violence with a Detection Rate of 56.7%. The Police consider the increase in rate is due to better reporting practices.

- **All-age, all-cause mortality, female:**

The latest available mortality figures relate to end of year 2012/13. This shows that the all-age all-cause mortality rate for females is slightly lower than it was in the previous year. 2013/14 data will be available in August 2014.

- **Social care clients and carers in receipt of Self Directed Support:**

This measure is within the target bandwidth and has shown an improvement of 4.5 percentage points since the last reported outturn. The Adult's Social Care team continue to work with clients and carers to increase the proportion of clients in receipt of self-directed support or direct payments.

## High Risk Areas – Quarter 2

7.9 As part of the monitoring of our performance each quarter, analysis is undertaken to identify those measures at risk of not achieving their annual targets. These measures are set out below. Performance Review Group will consider each of these further (alongside all off-track measures) and whether additional remedial action is required.

- **Percentage of LP07 or above local authority staff who are BME**

There has been a small decline in performance recently and is approximately 2 percentage points off the lower bandwidth (standard target). A range of actions are in place to improve performance, including implementation of Navigate.

- **Homeless prevention**

Performance has declined since last year, and the environment is more challenging. Quarter 2 information will be available in mid-November which will give better indication of progress and risk.

- **Burglary, vehicle crimes and violence with injury (excl. DV)**

These indicators are the responsibility of the police, who have a plan in place to improve performance. While performance is similar to last year for both burglary and vehicle crime, performance has improved for violence with injury (excl. DV). The Police have stated that the vehicle crime target will be very difficult to achieve.

- **CAD Calls (ASB)**



Work is in place to reduce the number of calls, including specific plans to address identified issues.

## **8. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 8.1 Under Financial Regulations it is the responsibility of senior managers to spend within budgets and, where necessary, management actions will need to be taken over the remainder of the financial year to avoid overspend.
- 8.2 Any overspend we incur at the end of 2013/14, or at any time over the forthcoming period, will risk the financial position and would increase the savings targets required to meet spending cuts, with a potential impact on front-line services. The projected figures at this stage do not indicate that this is a significant risk.

## **9. LEGAL COMMENTS**

- 9.1 The report provides performance information, including by reference to key performance indicators and the budget. It is consistent with good administration for the Council to consider monitoring information in relation to plans and budgets that it has adopted.
- 9.2 Section 3 of the Local Government Act 1999 requires the Council as a best value authority 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”. Monitoring of performance information is an important way in which that obligation can be fulfilled.
- 9.3 The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council’s chief finance officer has established financial procedures to ensure the Council’s proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Members to receive information about the revenue and capital budgets as set out in the report.
- 9.4 When considering its performance, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don’t. Relevant information is set out in section 9 of the report and officers must consider the need for equality analysis when carrying out any action in discharge of the Council’s functions.

## **10. ONE TOWER HAMLETS CONSIDERATIONS**

The Council's Strategic Plan and Strategic Indicators are focused upon meeting the needs of the diverse communities living in Tower Hamlets and supporting delivery of One Tower Hamlets. In particular, Strategic priorities include the reduction of inequalities and the fostering of strong community cohesion and are measured by a variety of strategic indicators.

## **11. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

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

## **12. RISK MANAGEMENT IMPLICATIONS**

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.

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.

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

## **13. CRIME AND DISORDER REDUCTION IMPLICATIONS**

The Strategic Indicator set contain a number of crime and disorder items under the Safe & Cohesive theme, however there are no specific crime and disorder reduction implications.

## **14. EFFICIENCY STATEMENT**

Efficiencies for 2013/14 are incorporated within the estimated forecast outturn.

## **15. LINKED REPORTS, APPENDICES AND BACKGROUND DOCUMENTS**

### **Linked Reports**

- None

### **Appendices**

- Appendix 1 - lists budget/target adjustments (including virements) for the General Fund and for the capital budget
- Appendix 2 - provides the estimate budget outturn forecast by Directorate for the General Fund and explanations of any major variances.
- Appendix 3 - provides the budget outturn forecast and explanations of major variances for the HRA.
- Appendix 4 - provides details of the capital programme and explanations of any major variances
- Appendix 5 - provides an update on progress against the actions and milestones in the Strategic Plan
- Appendix 6 - provides an overview of performance for all of the reportable strategic measures.

### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- None

### **Officer contact details for documents:**

**Chris Holme**, Acting Corporate Director, Resources;  
**Louise Russell**, Service Head Corporate Strategy and Equality

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### Consultation and Version Control

[Please state version number and all changes must be tracked or report will not be accepted]

<b>Version Number</b>	1.1	<b>Version Date</b>	17/12/2013
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<b>Name</b>	<b>Title</b>	<b>Date Consulted</b>	<b>Date Cleared</b>	<b>Version</b>
Chris Holme	Corporate Director	05/12/2013	05/12/2013	2.0
Paul Thorogood	Department Finance	05/12/2013	05/12/2013	1.0
Paul Thorogood	Corporate Finance	05/12/2013	05/12/2013	1.0
David Galpin	Legal Services	05/12/2013	05/12/2013	1.0

### Originating Officers and Contact Details

<b>Name</b>	<b>Title</b>	<b>Contact for information</b>
Chris Holme	Corporate Director, resources	Kevin Miles
Louise Russell	HoS Corp Strategy & Equality	Kevin Kewin

### Decision Type

<b>Key Decision?</b>	<b>Urgent Decision?</b>	<b>Exempt from Call-In?</b>	<b>Restricted Report or Partially Restricted (e.g. appendix)?</b>
No	No	No	No

\*If the answer is yes make sure the forthcoming decision on the website states this or else the decision cannot be taken.

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