


Cabinet 8 th April 2015	 TOWER HAMLETS
Report of: Corporate Director Resources	Classification: Unrestricted
Strategic Performance and Corporate Revenue and Capital Monitor Q3 2014/15 (Month 9)	

Lead Member	Cabinet Member for Resources. Cllr Alibor Choudhury
Originating Officer(s)	Kevin Miles, Chief Accountant. Louise Russell, Service Head, Corporate Strategy and Equality
Wards affected	All
Community Plan Theme	All
Key Decision?	No

Executive Summary

This monitoring report details the financial outturn position of the Council at the end of Quarter 3 compared to budget, and service performance against targets. This includes the projected year-end position for the:

- General Fund Revenue, Housing Revenue Account and Capital Programme; and
- An overview of Quarter 3 performance for the reportable Strategic Measures.

Recommendations:

The Mayor in Cabinet is recommended to:

- Note the Council's financial performance compared to budget for 2014/15 as detailed in Sections 3 to 6 and Appendices 1-4 of this report
- Approve the use of specific reserves set aside for ICT infrastructure works as set out in paragraph 4.7.
- Review and note the 2014/15 quarter 3 performance for reportable Strategic Measures in section 7 and Appendix 5.

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 annual outturn position against budget for both revenue and capital net spend. It also reports 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 THE REPORT

- 3.1 This monitoring report details the financial position of the Council at the end of December 2014 (Month 9) compared to budget. The report includes details of;
 - General Fund Revenue and Housing Revenue Account;
 - Capital Programme; and
 - Performance for strategic measures

3.2 General Fund

As at the end of December 2014, the net projected General fund outturn position is £295.685m. This represents on a £1.702m overspend, this is approximately 0.6%, on the approved budget of 293.933m.

The current position is summarised below

Narrative	£m
Budget	293.933
Education, Social Care and Wellbeing Overspend	1.025
Resources – Housing Benefit Adjustment	1.600
Corporate and Central – Additional Income	(0.800)
Other Movements	(0.073)
Forecast Outturn	295.685

ESCW have identified the factors driving the overspend and will keep CMT updated on the latest position and action taken to minimise the impact. A growth bid is being sought to cover the overspend arising from Housing Benefit Subsidy.

3.3 HRA

The HRA is projecting an underspend position of 0.74 m 2014/15. This is less than 1.0% of the total budgeted income of £90.6m.

3.4 Capital Programme

Directorates have spent 36% of their capital budgets for the year (£70.3m against budgets of £192.5m). Further information is provided in section 6 of the report and Appendix 4.

3.5 More detailed financial information is contained in the following report appendices:

- Appendix 1 - lists Revenue and Capital budget / target adjustments (including virements).
- Appendix 2 - provides the General Fund budget outturn forecast by Directorate. This is shown at service area level and contains explanations of any major variances.
- Appendix 3 – provides the budget outturn forecast for the HRA
- Appendix 4 – provides the projected Capital Monitoring outturn position

- Appendix 5 – provides a summary of the Strategic Measures

4 **FINANCE OVERVIEW**

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
Law, Probity and Governance	9,291	6,968	7,643	675	9,233	(58)
Communities, Localities and Culture	79,122	55,012	55,978	966	79,122	0
Development and Renewal	15,682	11,820	15,387	3,567	15,682	0
Education, Social Care and Wellbeing	222,309	177,435	168,818	(8,617)	223,334	1,025
Resources	7,386	5,541	3,656	(1,885)	8,971	1,585
Corporate Costs / Capital Financing	(39,857)	(29,892)	11,240	41,132	(40,657)	(800)
Total	293,933	226,884	262,722	35,838	295,685	1,752

4.2 Year-to-date variances are explained in the detailed budget analysis in Appendix 2. The summary position for each service directorate is set out below.

4.3 **Law Probity and Governance** **£58k Underspend**

The LP&G directorate is showing a small underspend as a result of vacancies in the Corporate Management structure.

4.4 **Communities, Localities & Culture** **Nil**

A breakeven position is forecasted for this financial year

4.5 **Development and Renewal** **Nil**

The D&R directorate is forecasting a nil outturn for the financial year

4.6 Education, Social Care and Wellbeing

£1.025m Overspend

The extent of the financial pressures being experienced, principally by Adults Social Care packages is such that there is insufficient grants and reserves to cover the whole forecast amount, however the forecast has been revised down to an overspend of £1.025m for the Period 9 Corporate Budget Monitor from a projected overspend of £1.507m in the previous period.

There remain risks affecting the budget position, some of which may improve the position; others may make the position worse.

Pressures experienced within Adults Social Care at the end of the third quarter are significant, particularly within Learning Disability, Physical Disability and Mental Health care packages. After the use of reserves, available grants and in year savings assumptions, the current pressures in the directorate can be contained to an overspend of £1.0m. This has decreased from the quarter 2 position of £1.9m. This is partly as a result of extensive work to refine and revisit the make-up of care packages through challenge panel processes implemented by the Adults Social Care Financial Recovery Group.

The Financial Recovery Group has been established to work through the policy, process, systems, service and financial issues associated with restoring management and financial control for Adults Social Care. The work that this group oversees will be vital to restoring stability and visibility to the financial issues for ASC packages.

The Schools Budget is reporting an improved position, again, with forecast unallocated DSG at year-end now looking to be £4.999m.

4.7 Resources

Overspend £1.585m

The Resources directorate is forecasting an overspend of £1.585m.

The cost of the homelessness service is captured within the Housing Benefits Vote (R54). The authority receives central government subsidy to offset spend on providing temporary accommodation to residents who find themselves homeless. With the introduction of welfare reform changes in 2013/14 and the benefits cap, the amount of subsidy the authority can claim against temporary accommodation costs has significantly reduced. In addition, spiralling private sector rental costs within the borough mean that the actual cost of providing temporary accommodation has also been increasing. The combined effect of spiralling rents and tightening of subsidy rules has created a growth pressure within this service. In 2013/14 the growth pressure on a total budget of £28m was estimated at £1m. An appropriate provision was made and the actual growth materialised.

In 2014/15 the position has been reviewed with colleagues in D&R where the homeless service actually sits, and an additional pressure of £1.6m has been identified. Funding for this will need to be agreed in 2014/15 to avoid the potential overspend of £1.6m. It is likely that private sector rent within the borough will continue to increase and further growth in excess of £1m will be required in 2015/16 onwards. Provision for this is being incorporated into the 2015/16 budget.

In June 2014, specific earmarked reserves for ICT infrastructure works were approved and set aside as part of the 2013/14 accounts closure process. Approval is now being sought for the utilisation of £400k of these reserves in order to upgrade the Council's operating systems.

The balance represents net effect of a number of small variances across the directorate.

4.8 Corporate Costs & Capital Financing Additional Income £0.8m

Investment balances have been higher than expected due to Government grants being paid earlier in the year; capital expenditure slippage until later in the year; and a slightly higher interest return on longer term investments.

Spend to date variance is due to items such as depreciation and minimum revenue provision which are processed at year-end.

5. Housing Revenue Account £0.74m underspend

The overall projected HRA underspend is the net result of a number of variances, the main ones being that rental income is forecast to be lower than budgeted; this is due to the high number of Right to Buy sales that are taking place – in the first nine months of the year there have been 187 Right to Buy sales, compared to 40 sales during the same period last year. Energy costs are still forecast to be lower than budgeted due to energy prices being lower than anticipated when the budget was set, although this is a volatile area and costs may increase if there is a period of prolonged cold weather. In addition, the 2014/15 budget includes £1.3m in respect of additional costs due to an increase in employer pension contributions and current forecasts are that the actual increase in costs will be lower than budgeted, however this underspend is offset by a projected reduction in capital fee income to the HRA due to underspends in the HRA capital programme. It should be noted that the HRA includes a budgeted revenue contribution to capital (RCCO) of just under £10m. The use of these resources is dependent on the HRA capital outturn for the year; if this funding is

not used in 2014/15 then it will be ear-marked and carried forward to finance capital commitments in future years.

6 CAPITAL

- 6.1 The capital budget for 2014/15 now totals £192.5m, decreased from the £197.7m reported at the end of September 2014.
- 6.2 Details of all the changes to the capital budget are set out in Appendix 1.
- 6.3 Total capital expenditure to the end of Quarter 3 represented 36% of the revised capital programme budget for 2014/15 as follows:

	Annual Budget as at 31-Dec-14	Spent to 31-Dec-14	% Budget Spent
	£m	£m	%
TOTALS BY DIRECTORATE:			
Education, Social Care and Wellbeing	21.643	12.259	57%
Communities, Localities and Culture	8.313	3.830	46%
Development and Renewal	20.240	8.311	41%
Building Schools for the Future (BSF)	14.481	11.896	82%
Housing Revenue Account (HRA)	115.866	33.963	29%
Corporate	12.000	0.018	0%
GRAND TOTAL	192.543	70.277	36%

This compares with 37% at the same stage last year. Although this is a seemingly low percentage of budget spent for 9 months into the year, spend tends to be heavily profiled to the end of a year.

The main schemes which contribute to this figure are:

- Housing Capital Programme (4% of £19.7m annual budget spent)**

This budget is managed by Tower Hamlets Homes and covers work outside of the ongoing Decent Homes programme such as heating, lifts and door entry systems, roofing, windows etc. with investment need assessed by stock condition surveys. Due to the Authority focusing on the Decent Homes programme, the majority of the expenditure will be incurred in 2015/16. The 2014/15 budget is projected to slip by £15.6m to 15/16 so variance against profiled budget is in line with annual projection.
- Whitechapel Civic Centre (0% of £12.0m annual budget spent)**

The payment to acquire the site has gone through in in the final quarter of 2014/15.

- **Blackwall Reach (11% of £4.7m annual budget spent)**

The Blackwall Reach represents a £13m capital commitment over a number of financial years. Due to delays in acquiring all the leasehold interests it is forecast that this scheme will slip into 2015/16.

- **Multi Faith Burial Grounds (0% of £3.0m annual budget spent)**

Following consideration of a report by Cabinet in February 2015 regarding a new burial site it is envisaged that the £3m will be spent in 2014/15. Expenditure can only begin once approval is gained.

- **Fuel Poverty and Insulation Works on HRA Properties (0% of £3.6m annual budget spent)**

Delays have arisen on this project due to changes in the Government's Energy Companies Obligations (ECO) scheme which resulted in the Council's partner (British Gas) withdrawing from the proposed project. The Council has however, secured alternative ECO funding from EDF, with formal contracts being entered into on 20 November. Due to these delays, it is forecast that this scheme will not fully spend in 2014/15 and will slip into 2015/16.

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

	Annual Budget as at 31-Dec-14	Projection 31-Dec-14	Forecast Variance
	£m	£m	£m
TOTALS BY DIRECTORATE:			
Education, Social Care and Wellbeing	21.643	16.886	-4.757
Communities, Localities and Culture	8.313	7.358	-0.955
Development and Renewal	20.240	13.563	-6.677
Building Schools for the Future (BSF)	14.481	14.481	0.000
Housing Revenue Account (HRA)	115.866	72.437	-43.429
Corporate	12.000	9.500	-2.500
GRAND TOTAL	192.543	134.225	-58.318

Programme slippage of £58.3m is currently being projected. The projection does not reflect an underspend but is due to timing differences between years. Any amount of slippage will be spent in future years. The main reasons for the variance are as follows:

- **Decent Homes Backlog (£21.6m)**

The Decent Homes programme totals £181m, which includes £94.5m of Decent Homes backlog grant funding. The scheme is being managed in accordance with GLA grant conditions with the 2014/15 grant amount being £46m. It is forecast that the 2014/15 budget will not be fully spent this year, although the

GLA grant element will be maximised with the Authority's own resource contribution slipping into 2015/16.

- **Housing Capital programme (£15.6m)**

See explanation in paragraph 5.3 above.

- **Section 106 schemes within D&R (£3.1m)**

This capital estimate represents a ring-fenced s106 payment to Barts NHS Trust in respect of Wellington Way Health Centre and the resources will be carried forward until the NHS Trust draw down these funds, which is now expected to take place in 2015/16.

- **Fuel Poverty and Insulation Works (£2.9m)**

See explanation in paragraph 6.3 above.

- **Blackwall Reach (£2.8m)**

See explanation in paragraph 6.3 above.

- **Basic Need/Expansion (£2.6m)**

Slippage has occurred on major school expansion projects as the sites for new expansions are to be reviewed.

6.5 The total approved budget, taking into account the whole life of all capital schemes, is currently £914.5m against which spend of £912.0m is forecast, resulting in a variance of £2.5m underspend. This is because it is anticipated that the cost of the new town hall site will be less than the £12m budget set aside to cover the purchase costs.

	All years budget as at 31-Dec-14	Projection (all years)	Variance
	£m	£m	£m
Education, Social Care and Wellbeing	93.711	93.711	0.000
Communities, Localities and Culture	72.037	72.037	0.000
Development and Renewal	34.395	34.395	0.000
Building Schools for the Future (BSF)	334.163	334.163	0.000
Housing Revenue Account (HRA)	368.225	368.225	0.000
Corporate GF provision for schemes under development	12.000	9.500	-2.500
GRAND TOTAL	914.531	912.031	-2.500

6.6 Capital receipts received in 2014/15 from the sale of Housing and General Fund assets up to 31st December 2014 are as follows:

Capital Receipts		
	£m	£m
Sale of Housing assets		
Receipts from Right to Buy (187 properties)	20.942	
less pooled amount paid to DCLG	-1.182	19.760
Sale of General Fund assets		
Overage Payments (Wapping Lane)	0.680	0.680
Total		20.440

Retained Right to Buy receipts must be set aside to meet targets on housing provision as set out in regulations governing the pooling of housing capital receipts, so they must be ring fenced for this purpose and are not available for general allocation.

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 5** 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 worse than 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 ↑.

2013/14 Final Outturn Reporting Update

7.3 The final outturn is being reported for one health measure (Excess weight in 4-5 year olds). There is one measure where the 2013/14 outturns are still unavailable.

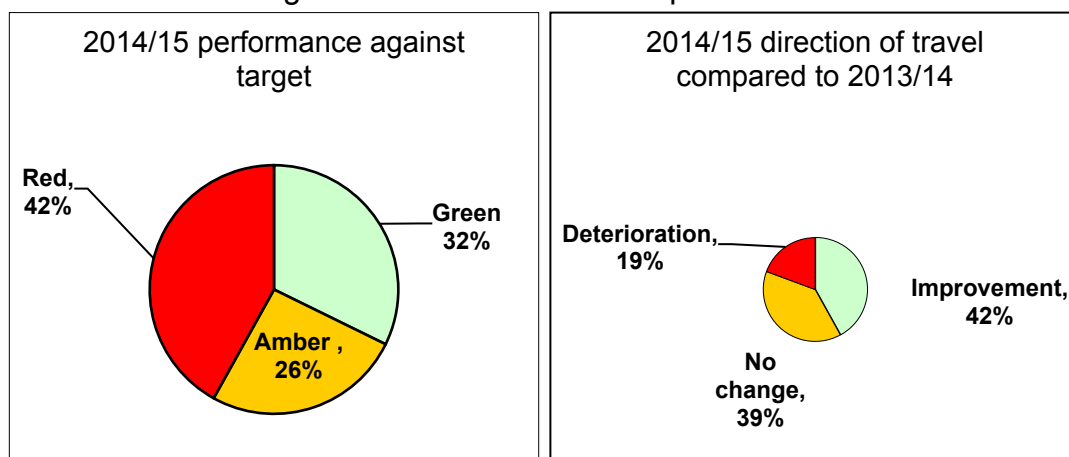
Rate of violence with injury crimes – DV and non-DV – due to recent changes within the Metropolitan Police, data relating to violence with injury measures is not currently available.

Strategic Performance Measures – Quarter 3 (October-December 2014)

7.4 The number of strategic measures available for reporting fluctuates between periods due to the different reporting frequencies of the measures. Of the 56 measures in the Strategic Set, including subset of measures, 32 are reportable this quarter (including Quarter 2 and 2013/14 year end data).

7.5 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 31. For performance against target (RAG status), proportions are based on 31 measures.

- 10 measures (32%) are meeting or exceeding their stretched target (Green), with eight of these an improvement from last year (↑) and two remaining unchanged (↔);
- 8 (26%) are above the standard target but below the stretched target (Amber), with five of these improving (↑), and three remaining unchanged (↔);
- 13 (42%) are below the standard target (Red), with no change for six measures (↔), six deteriorating (↓), and one a new measure with no measurable direction of travel;
- One indicator does not have comparable data for this time last year and therefore no direction of travel information can be produced. One indicator does not have a target and so no RAG can be produced.



- 7.6 There are several strategic performance measures which report on a quarterly basis but Q3 data is currently not available due to a time lag in reporting. Q2 data has been provided in the report and appendix for one measure:
- Percentage of household waste sent for reuse, recycling and composting.

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 3

- 7.7 Measures that exceeded their stretched target or have improved compared to quarter 3 last year include:

Percentage of LP07 or above Local Authority staff who are from an ethnic minority – performance is 25.19 percent exceeding the standard target of 23.91 percent. There has been an increase of 3.07 percentage points in performance since December 2013/14. The MentorWise mentoring scheme has now been launched, providing an addition to the range of initiatives to help support and encourage staff progression.

Percentage of LP07 or above Local Authority staff who have a disability – performance is 7.8 percent exceeding the stretch target of 6.9 percent. There has been a significant increase (1.49 percentage points) in performance since December 2013/14. The target has been exceeded as a direct result of a drive to improve declaration rates amongst managers, and the provision of clearer examples of the wide spectrum of disabilities.

Percentage of council tax collected – performance is 72.52 percent; the stretch target has been exceeded by 1.19 percentage points.

Percentage of non-domestic rates collected – performance is 87.12; the stretch target has been exceeded by 12.12 percentage points.

Key Stage 2 pupil attainment in Reading, Writing and Maths – 82 percent of pupils achieved the standard compared to 78 percent in the previous year. This final outturn is one percentage point higher than the provisional figures reported in Q2. The stretch target of 79 percent was exceeded.

Percentage of 16-19 year olds who are not in education, employment or training (NEET) – 3.4 percent of the 16-19 cohort are NEET, the stretch target has been exceeded by 0.9 percentage points. There has been a 1.5 percentage point improvement since December 2013/14.

Overall employment rate – gap – the gap between the borough's employment rate and the London average has reduced to 3.7 percent. The stretched target of 6.3 percent has been exceeded. In quarter 3 last year, the gap was 5.9 percent, equating to a 2.9 percentage point improvement.

JSA claimant – rate the gap between the borough's JSA claimant rate and the London average has reduced to 0.6 percent, and the stretched target has been met. In December 2013 the gap was 1 percent, equating to a 0.4 percent point improvement since this time last year.

MOPAC 7 crimes: Number of Robbery incidents, number of Burglary incidents, and number of thefts from a Motor Vehicle incidents, number of thefts from the person, Total MOPAC 7 crimes

The Met Police targets have now been applied to these measures. Performance is better than stretch target for three measures, better than the standard target for one measure and one measure is off target but there have been fewer incidents compared to this time last year:

- *Number of Robbery incidents* – there were 878 offences of this crime type between April-December 2014. Performance is worse than the stretch target 863 but the outturn was above the standard target of 938. There were 97 fewer offences compared to this time last year
- *Number of Burglary incidents* – there were 1,766 offences of this crime type between April-December 2014. Performance is better than the stretch target of 1,808, and there were 256 fewer offences compared to this time last year
- *Number of Thefts from a Motor Vehicle incidents* – at 1,156 offences, performance is better than the stretch target of 1,253. In addition, 224 fewer offences of this crime type were committed this year compared to last
- *Number of Theft from the Person incidents* – there were 961 offences of this crime type to December 2014, which is better than the stretch target of 1,029. In addition there were 268 fewer offences compared to this time last year
- *Total MOPAC 7 incidents* – there were 9,308 offences of this crime type to December 2014: although there were more offences than the standard target of 9,403, there were still 309 fewer crimes this year compared to the same period last year.

Percentage of ethnic minority background children leaving care who are adopted – 5 percent of BME children who have left care were adopted, the standard target has been exceeded by 1 percentage point, and this outturn is also 1 percentage point higher than the December 2013/14 outturn.

Self-directed support – 61.7 percent of people using social care receive self-directed support or a direct payment. The standard target was met; however the stretch target of 70 percent was missed. Although this represents deterioration since last quarter, compared to this time last year performance has improved by 3 percentage points.

High Risk Areas – Quarter 3

- 7.8 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.
- 7.9 **Number of working days / shifts lost to sickness absence per employee** – In December, sickness absence was 7.54 days, and the outturn was 0.98 days off the standard target of 6.47 days. In addition there has been a deterioration in performance compared to December 2013 when sickness absence was 7.04 days. From March 2015, briefings will be provided for all managers on managing sickness absence. Additionally, guidance which has been circulated for use in the D&R and CLC Directorates will be distributed Council-wide. This guidance sets out the triggers and main actions to be taken at the various stages of the procedure and acts as a prompt to managers to continue to actively manage sickness absence.
- 7.10 **Number of affordable social rented housing completions for family housing** – The standard target of 200 housing completions was missed by 84. In addition there were 6 fewer homes built compared to this time last year. The service expects that the full year figures will be within the annual target range (between 267-387 units), as completions currently forecasted for quarter 4 meet their GLA 2011-15 grant funded programme deadlines.
- 7.11 **Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths** – The final year end outturn of 59.7 percent is 1.7 percentage points higher than what was provisionally reported at Q2. However performance is below the standard target of 64.7 percent and 6.7 percentage points lower than last year's outturn. Changes to the methodology at KS4 have led to widespread drops in performance this year, with a national fall of 5.8 percentage points to 53.4%. In Tower Hamlets, this fall was 5.0 percentage points, meaning that we remain well above the national average but slightly below the London average of 61.5%.

7.12 MOPAC7 measures: Number of violence with injury offences, Number of theft of a motor vehicle offences, Number of vandalism / criminal damage offences

The standard target for three MOPAC7 measures were missed and the outturns were higher than during the same period in 2013/14. The outturns are year to date (April-December 2014). Comments from the MPS will be provided in Q4.

- *Violence with Injury offences* - outturn 2,094 compared to a standard target of 1,762 (332 more offences compared to this time last year).
- *Theft of a Motor Vehicle offences* – outturn 693 compared to a standard target of 647 (64 more offences compared to this time last year)
- *Vandalism / Criminal Damage offences* – outturn was 1,760 compared to a standard target of 1,595 (140 more offences compared to this time last year)

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 action will need to be taken over the remainder of the financial year to avoid overspend.
- 8.2 Any overspend incurred during 2014/15, will risk the financial position of the Council and would increase the savings targets within the MTFP, with a potential impact on services.
- 8.3 The current forecast overspend in ESCW is being reviewed by the Financial Recovery Group and the overall position will be reported through ongoing monitoring. Further work will be done to validate the extent of the cost pressures, and in the short term, the overspend can be contained with corporate contingencies. Any cost pressures that are replicated in future years will be considered as part of the budget and MTFP process.

9 LEGAL SERVICES 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 and any procurement, 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 (the public sector equality duty). Relevant information is set out in section 7 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 Great Place to Live theme.

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 2014/15 are incorporated within the estimated forecast outturn.

Linked Reports, Appendices and Background Documents

Linked Reports

None

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 a summary of the Strategic Measures

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

None

Originating Officers and Contact Details

Name	Title	Contact for information
Kevin Miles	Chief Accountant ext. 6791	Brian Snary - Interim Financial Accountant ext. 5323
Louise Russell	Service Head, Corporate Strategy and Equality ext.3267	Kevin Kewin – Service Manager, Strategy, Policy and Performance ext.4075