

## Corporate Performance, Risk Management and Budget Monitoring Report

### Quarter 4 – January to March 2011



This report is the final monitoring statement for the Corporate Plan 2008-11 and the Corporate Risk Register 2010/11. At the time this Corporate Plan was written, the environment in which the Council operates was very different, with much emphasis on the Local Area Agreement and national performance indicators. As a consequence of changes such as the reduced inspection regime, a significant number of the targets contained in this report are now obsolete.

The Corporate Risk Register is the most important component of the Council's Risk Management Framework, and a key element of the overall performance framework. It is the vehicle by which the Council aims to identify and address any potential risks to the achievement of its strategic objectives and goals. It complements the Corporate Plan and supports its ongoing delivery.

Production of a new Corporate Plan is now underway, with a more local, outcome based approach. Future monitoring reports will focus on tangible progress and improvements with a direct link to delivery of the Council's priorities.

### ***Key achievements 2010/11***

- A range of physical improvement works have been carried out through the year, including Leyland town centre regeneration, refurbishment of Dob Lane play area and works nearing completion at Gregson Lane and Worden Park play areas. All three Green Flags have been retained. Work on the Hulmes Mill site began early in 2011, which will deliver much needed affordable housing in Leyland town centre.
- Improvements to the waste management service have been successfully implemented during 2010/11, including the roll out of a weekly food waste collection to terraced properties. Green boxes have been replaced with blue wheeled bins, making it easier for residents to recycle, and resulting in our highest ever recycling rates.
- Work has been ongoing through 2010/11 on the Local Development Framework (LDF) for Central Lancashire. This is the strategic document which shapes planning, development and regeneration over the next 10-15 years. Public consultation on issues and options finished in January; this was where site suggestions for development were put forward by landowners and developers and residents could comment. The Core Strategy – in effect our overall planning policy – has been submitted to the Secretary of State and will be subject to robust challenge by the planning inspectorate in June 2011. The next stage involves moving towards preferred options, where the Council identifies and consults on sites being put forward for development. The LDF is very much an ongoing project, with further activity which will be reported on during 2011/12.
- Service Managers have undertaken a comprehensive Leadership Development Programme this quarter, to further enhance leadership skills and prepare managers for the changes ahead. Feedback has been extremely positive, with managers reporting increased confidence in generating improvement and / or efficiency ideas, better knowledge of other departments and improved working relationships with peers.

- Work to reduce sickness through 2010/11 has resulted in a further reduction of the average days lost per employee. This continues a trend, as shown below.

	2008/9	2009/10	2010/11
Target	-	9.5	8.0
Actual	10.02	7.8	6.8

## **Finance**

In line with the Medium Term Financial Strategy, the Council had an efficiency target of £920,000 for 2010/11. At year end, the savings programme has actually over achieved by £261,000, resulting in a total of £1,181,000 in savings against the original target.

The total budget surplus expected to be transferred to general reserves at year end was £93,000. The actual amount transferred was £711,000; an improvement in performance of £618,000. This is largely due to the following one off savings:

- Transport costs, brought about by re-programming vehicle replacements within Neighbourhoods services (£130,000)
- a higher amount of Housing Benefit Subsidy income (£267,000) than anticipated
- additional income achieved (£139,000)

With regard to the Capital Programme outturn position for 2010/11 a scheme by scheme summary is attached at Appendix 1. The summary takes into account expenditure re-phased between financial years, new schemes approved through the year and highlights increases and decreases in capital budgets. The table also shows where variation has occurred between the anticipated year end position and the actual position, whether this has happened due to re-phasing into the next year or due to the scheme being delivered at a reduced cost. In summary, the year end outturn expenditure was expected to be £5,085,000, however, the actual expenditure was £3,814,000. From 2011/12 the capital budget monitoring reporting process will be expanded further in light of Scrutiny task group recommendations.

## **Risk Management**

Appendix 2 summarises the actions taken by management as at the end of March 2011 to implement a range of projects and actions contained in the Corporate Plan and individual Service Plans that mitigate the key risks & opportunities identified for 2010/11.

Appendix 2 contains the following information:

- (1) **Corporate Plan Projects & Service Plan Actions** – a list of all the key corporate projects and service level actions relevant to each corporate risk.
- (2) **Project / Action Rating** – a traffic light risk rating indicating progress against each project / action as at the end of March 2010.
- (3) **Status** – an indication of whether the project / action is fully achieved or whether further action is ongoing.

## **Key issues looking forward**

- It is anticipated that a number of developments with partner organisations will come to fruition in 2011/12. Examples of these include the creation of Health and Wellbeing

Boards (leading to the eventual dissolution of Primary Care Trusts), and agreement to proceed with a pan Lancashire Local Enterprise Partnership.

- The number of households in temporary accommodation has risen through the year, as demand for re-housing remains high. The housing team work to generate opportunities for re-housing as soon as possible, but circumstances such as previously accrued rent arrears make moving people into permanent accommodation difficult. National changes to Local Housing Allowance from April this year will also have an impact, as caps on the amount of housing benefit payable per property are likely to reduce options for families.
- Reform of the welfare system may impact on how benefits are administered; the proposal to introduce a Universal Credit (incorporating Housing Benefit), delivered by the Department for Work and Pensions, could significantly reduce the Council's role and responsibility in handling benefit claims. It is currently anticipated that this will be introduced from April 2013; although further confirmation is awaited, it is likely that any preparatory and transitional work would begin in 2012.
- The development of Worden Park as a local visitor attraction remains high on the Council's list of priorities, despite limited resources available. Improvements to the park are key to Leyland's wider regeneration; this is reflected in the development plan which has been produced. A refurbishment of the playground is presently underway, and a joint bid with partners has recently been made for £300,000 of external funding to restore the walled garden and surrounding areas. Work will continue through the coming year to identify resources to support the park.
- Central government is currently working on a Local Government Resource Review, which could change the way all councils receive their funding. Key elements of this include Localisation of Business Rates – where local authorities could receive a proportion of income generated from business rates, and Community Budgets – using the 'total place' model to target resources to families with multiple problems. The potential impact of these changes will affect different areas in different ways; the Council is keeping a watching brief, as well as ongoing conversation, to ensure everyone is kept up to speed.
- Through 2011/12, the Council is undertaking a review of Community Involvement, covering services such as Policy, Community Engagement and Regeneration. The objective is to join together and focus those services to better serve communities, with streamlining to create efficiencies towards the overall savings target. There is potential for significant change through this review, for both officers and elected members, in how they work with residents, volunteers and community groups.
- Despite a sound track record of delivering savings in line with budget proposals, the Council remains under pressure to reduce its expenditure, whilst at the same time, delivering quality services. Looking forward, there is much work to do in terms of reviewing services, refocusing our efforts and looking to work in partnership to meet expectations with ever decreasing resources.

**Further information:**

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