



CABINET AGENDA

Monday, 29 June 2009

The Jeffery Room

5:00 pm

Members of the Cabinet:

Councillor: Tony Woods (Leader of the Council)
Councillor: Brian Hoare (Deputy Leader)
Councillors: Sally Beardsworth, Richard Church,
Trini Crake, David Perkins, Paul Varnsvery

Chief Executive David Kennedy

If you have any enquiries about this agenda please contact Jo Darby 01604 837089 or jdarby@northampton.gov.uk

PORTFOLIOS OF CABINET MEMBERS

CABINET MEMBER	PORTFOLIO TITLE
Councillor A. Woods	Leader Partnership and Improvement
Councillor B. Hoare	Deputy Leader Engagement
Councillor S. Beardsworth	Housing
Councillor R. Church	Planning and Regeneration
Councillor T. Crake	Environment
Councillor D. Perkins	Finance
Councillor P.D. Varnsvery	Communities

NORTHAMPTON BOROUGH COUNCIL

CABINET

Your attendance is requested at a meeting to be held at the The Jeffery Room on Monday, 29 June 2009 at 5:00 pm.

D Kennedy
Chief Executive

AGENDA

1. APOLOGIES
2. MINUTES
3. DEPUTATIONS/PUBLIC ADDRESSES
4. DECLARATION OF INTEREST
5. ANNUAL GOVERNANCE STATEMENT
Report of the Director of Finance and Support
6. STATEMENT OF ACCOUNTS 2008-09
Report of the Director of Finance and Support
7. DRAFT CAPITAL PROGRAMME OUTTURN 2008-09
Report of the Director of Finance and Support
8. DRAFT HOUSING REVENUE ACCOUNT BUDGET OUTTURN
POSITION 2008-09
Report of the Director of Finance and Support
9. GENERAL FUND REVENUE BUDGET OUTTURN POSITION
2008-09
Report of the Director of Finance and Support
10. PERFORMANCE OUTTURN DATA 2008-09
Report of the Assistant Chief Executive
11. EXCLUSION OF PUBLIC AND PRESS
THE CHAIR TO MOVE:
"THAT THE PUBLIC AND PRESS BE EXCLUDED FROM THE
REMAINDER OF THE MEETING ON THE GROUNDS THAT
THERE IS LIKELY TO BE DISCLOSURE TO THEM OF SUCH
CATEGORIES OF EXEMPT INFORMATION AS DEFINED BY
SECTION 100(1) OF THE LOCAL GOVERNMENT ACT 1972 AS
LISTED AGAINST SUCH ITEMS OF BUSINESS BY
REFERENCE TO THE APPROPRIATE PARAGRAPH OF
SCHEDULE 12A TO SUCH ACT."

SUPPLEMENTARY AGENDA

**Exempted Under Schedule
12A of L.Govt Act 1972
Para No:-**

Appendices

1



NORTHAMPTON
BOROUGH COUNCIL

Item No.

5

CABINET REPORT

Report Title	ANNUAL GOVERNANCE STATEMENT
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AGENDA STATUS: Public

Cabinet Meeting Date:	29 June 2009
Key Decision:	NO
Listed on Forward Plan:	Yes
Within Policy:	N/A
Policy Document:	No
Directorate:	Finance and Support – Finance and Assets
Accountable Cabinet Member:	Councillor David Perkins
Ward(s)	N/A

1. Purpose

- 1.1 To present the 2008/09 Annual Governance Statement to the Cabinet.

2. Recommendations

- 2.1 That Cabinet consider any comments on the Annual Governance Statement arising from the Audit Committee considerations.
- 2.2 That Cabinet review the 2008/09 Annual Governance Statement and indicate whether there are any concerns arising that need to be brought to the attention of the Cabinet.
- 2.2 That Cabinet recommend to Council to adopt the Annual Governance Statement subject to any comments arising from 2.1 and 2.2 above.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Accounts and Audit Regulations (A&AR) 2003, as amended in 2006, require the Council to formally approve the Statement of Accounts by 30th June. This includes the adoption of the Annual Governance Statement.
- 3.1.2 The system on internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance.
- 3.1.3 In many organisations the system (and statement) of internal control is often seen as an audit or finance function. The responsibility lies with both officers and members. In summary:
- The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
 - The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to value for money.
 - In discharging this overall responsibility, the Council (elected Members and officers) is responsible for ensuring there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.
- 3.1.4 The Annual Governance Statement is attached at Appendix 1.

3.2 Issues

As noted within the document, the control weaknesses are detailed in section 5.

3.3 Choices (Options)

N/A

4. Implications (including financial implications)

4.1 Policy

There are no direct implications in relation to the statement on internal control.

4.2 Resources and Risk

The system on internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance.

4.3 Legal

None

4.4 Equality

N/A

4.5 Consultees (Internal and External)

Management Board, Corporate Managers and Internal Audit.

4.6 How the Proposals deliver Priority Outcomes

N/A

4.7 Other Implications

None

5. Background Papers

5.1 Office working file including evidence

Gavin Chambers, Head of Finance and Assets. Ext. 7194

NORTHAMPTON BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT 2008/09

1.0 Scope of responsibility

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised.

In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Northampton Borough Council aims to approve and adopt a local code of corporate governance by the end of November 2009. The code has been drafted and will be reviewed as part of the work plan of constitutional working party. The code will be consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' (CIPFA 2007). The code, when implemented, will be subject to a review by Internal Audit.

This statement explains how the council meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006, in relation to the publication of a statement on internal control.

2.0 The purpose of the governance framework

The System of Internal Control and the Governance Framework have been in place at Northampton Borough Council for the year ended 31 March 2009 and up to the date of the approval of the annual report and statement of accounts.

The governance framework comprises the systems and processes, and culture and values, by which the council is directed and controlled and the activities through which it accounts to, engages with and leads the community. It enables the council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the

risks to the achievement of the council's policies, aims and objectives. It is also designed to evaluate the likelihood of those risks being realised and their impact should they be realised, and to manage them efficiently, effectively and economically.

3.0 The Governance Framework

The Constitution is the relevant governance document and the Code of Governance will form part of it. Our governance framework will derive from the six core principles identified in a 2004 publication entitled The Good Governance Standard for Public Services. This was produced by the Independent Commission on Good Governance in Public Services – a commission set up by the Chartered Institute Of Public Finance and Accountancy (CIPFA), and the Office for Public Management. The commission utilised work done by, amongst others, Cadbury (1992), Nolan (1995) and CIPFA/SOLACE (2001). These principles were adapted for application to local authorities and published by CIPFA in 2007. The six core principles that this governance framework follows are:

- a) Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area;
- b) Members and officers working together to achieve a common purpose with clearly defined functions and roles;
- c) Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- d) Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- e) Developing the capacity and capability of members and officers to be effective; and
- f) Engaging with local people and other stakeholders to ensure robust public accountability.

The key elements of each of these core principles are as follows:

Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

The Council works through a number of strategic partnerships with other service providers in the area. These include the Local Strategic Partnership (LSP), Safer Stronger Northampton Partnership (CDRP) and Children and Young People's Partnership. To be effective and to maximise the use of our shared resources, we

develop shared priorities and deliver them in the most effective way for the people of Northampton.

Many activities which deliver shared priorities are agreed through the Local Area Agreement (LAA) for Northamptonshire. The first LAA was Northamptonshire focused on delivering services and improvements to communities against four key themes. The second LAA for Northamptonshire was submitted to the Government Office of the East Midlands on 30 May 2008. The LAA will identify the key priority outcomes for the whole county as well as informing local priorities for Northampton to be delivered by the Council and its partners.

This will focus on seven key areas:

- Stronger communities
- Safer communities
- Tackling exclusion and promoting equalities
- Children and young people
- Adult health and well-being
- Local economy
- Environmental sustainability

The Local Area Agreement will be the key delivery plan for the Northamptonshire Sustainable Community Strategy. The strategy was approved by the Public Service Board in October 2008 and sets out the vision and key objectives for the county between now and 2031. A Northamptonshire Public Service Board has been established as the body responsible for delivering the second LAA and replaces the previous LAA Board. This Board will take a strategic view for the county as expressed in the 'Sustainable Communities Strategy for Northamptonshire'. It brings key strategic partners together to inform, drive and champion the strategic vision for the county in the longer term.

Our partnership vision for Northampton:

We believe Northampton should be a successful and confident town in which everyone who chooses to live here, work here or visit the town feels they belong, have a future, have financial stability and, where appropriate, business opportunities. It should also be a place that has a vibrant and diverse culture and welcomes a variety of lifestyles.

To achieve this the Northampton Local Strategic Partnership has developed a *Sustainable Community Strategy for Northampton*, which includes key themes from a similar county-wide strategy and focuses on key strategic objectives local to Northampton. Its vision is -

By 2011 Northampton will be:

- ***Recognised for good quality, environmentally friendly housing***
- ***Well served by modern and efficient public services***
- ***Safer***
- ***Cleaner***
- ***Healthier***

As well as planning services for the future growth of the area, we also intend to improve the quality of our services and make them more accessible to our customers now. By constantly improving to make sure our Council is amongst the best Councils in terms of public service by 2013, we will be able to tackle the opportunities and challenges effectively - challenges such as managing the growth of the area in a way that enhances the quality of life, bringing the town centre to life, renewing local housing estates and putting Northampton on the map, both regionally and nationally. All of this can only be delivered by working hand in hand with our partners.

In order to ensure that our plans meet the needs and aspirations of our local communities, and contributes to wider community outcomes, we consulted with local people and used their feedback to help to select our five priorities. These are:

- **We will help our communities become safer, greener and cleaner**
- **We will improve housing and health to enhance the well-being of our communities**
- **We will be a well-managed organisation that puts our customers at the heart of what we do**
- **We will promote economic development and growth in Northampton**
- **We will strengthen our commitment to partnership working and engaging with our communities to deliver better outcomes**

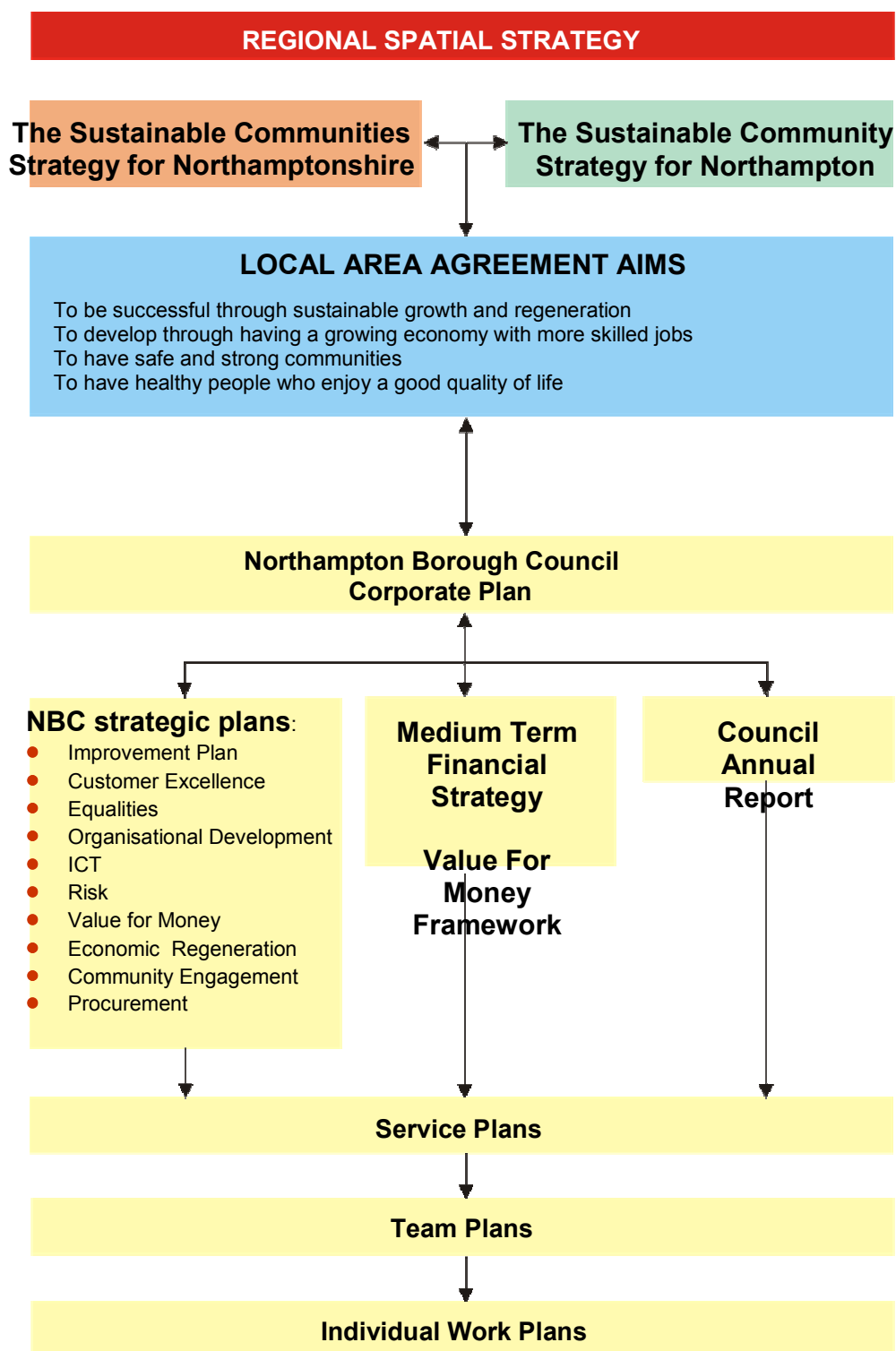
The council uses information from corporate and service consultations, engagement through area partnerships and community forums as well as feedback from customers to check that these priorities remain important to the community and that service delivery meets their expectations. The council also has a Residents Panel, which can be used for structured consultation with a demographically representative sample of the population.

The Council has adopted the following management aims, to enable the above priorities are delivered. The management aims are to:

- Provide excellent customer service
- Engage in meaningful dialogue
- Make best use of our resources
- Work to make Northampton a better place

The diagram below shows how the various groups and plans link together.

How We Deliver Our Key Strategies



Themed strategies and plans

The Council has in place a comprehensive and robust performance management framework. The framework is reviewed annually to ensure that learning and improvement is captured and changes made where necessary.

The Council monitors delivery of its priorities and objectives by use of the performance management framework. The objectives set out in the key strategic plans (Sustainable Communities Strategy, Local Area Agreement, Corporate Plan) are reflected in service plans for each service of the council. The service plans represent the key plan for each service and clearly set out targets and actions for each service and how each service area contributes to corporate objectives and targets. The service plans address service-level improvements, including value for money objectives. Service plans also set out how each service will contribute to a range of corporate performance and improvement imperatives, including data quality, Equalities, and Employee Opinion Survey action plans. Local service improvement plans are reflected in the plans.

The performance management framework requires service plan targets and actions to be reviewed each month by the relevant departmental management teams. At strategic management level overall performance of each service is monitored at monthly Directorate performance meetings, independently supported by a member of the corporate performance team. These reviews, chaired by the relevant Director, address a range of performance aspects: risk management, financial performance, national and local performance targets, complaints and compliments. Issues identified are discussed in one to ones with the Director and Chief executive. From April 2009 a summary exception report will be discussed at bi-monthly management board meetings. In 2009 Service plans will be subject to quarterly review; this will ensure that plans remain current, that targets remain relevant and appropriately challenging and that the service is delivering the actions necessary to achieve the corporate objectives.

Performance information is collated by the Corporate Performance Team who are responsible for ensuring that Data Quality processes and procedures have been completed. Checks on background evidence for indicators are applied each month on a sampling basis, with full background checks quarterly. Information which has no background checks, or which has not been signed off by managers in the service area, is not permitted to go forward into our performance reports. Senior managers and Councillors are then informed of the reason for the missing data. These steps are necessary to ensure that decision makers have confidence in the data presented to them.

Performance information is made widely available. All Councillors are provided with the monthly performance reports. Notice Boards across all council premises are used to display performance information, ensuring that staff who do not use computers can still access up to date information on the performance of each

service area. The reports are also placed on the Council's website so that members of the public can access the information.

At a political level performance is monitored by Portfolio Holders each month in meetings with Directors and Heads of Service. Monthly performance reports are presented to each meeting of Cabinet by the Portfolio Holder for Performance, advised by officers. These reports focus on performance against priority indicators in addition to an overview of performance against all indicators. Focus is placed on those measures where performance has improved or deteriorated over the previous month. The reports also set out an analysis of quartile performance so that the Council's performance levels can be compared to the levels of the best performing Councils.

The Performance Management Framework clearly sets out the flow of management information and accountability across the Council. The framework is reviewed annually to ensure that it remains fit for purpose.

At employee level we have established an Employee Development Scheme so as to jointly agree employee objectives and identify training and development needs. The Scheme provides for an annual appraisal at which past performance is reviewed, and also provides for regular monitoring of performance during the year.

Each year, the Council produces a report, setting out our performance against our corporate objectives.

Through reviews by external auditors, external agencies, Internal Audit, and internal review teams, the Council constantly seeks ways of ensuring the economical, effective and efficient use of resources, and for securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. A corporate procurement strategy/toolkit has been developed to ensure proper arrangements are in place for procurement of goods and services. This was reviewed by Members and senior officers before being adopted.

The Council reviewed its financial regulations during 2007/08 with the updated financial regulations being approved by Council in November 2007. Revised procurement rules were adopted in March 2008, updating the previous guidance that covered 2004 to 2007. All budget heads are allocated *to named budget officers, who are* responsible for controlling spend against budgets, and who are also responsible for assets used in the provision of their services.

Contracts let during the year, as well as partnerships entered into, include appropriate arrangements for monitoring against agreed targets and indicators. A Procurement Monitoring Group has also been set up, where contracts over £20k are referred to the group, to ensure that the appropriate finance, procurement and legal rules are all adhered to.

In January 2009 Cabinet adopted the revised Risk Management Strategy, now incorporating business continuity management. The Strategy clearly sets out the processes and responsibilities for managing risks across the authority and is supported by a Risk and Business Continuity Management Handbook.

Risks are identified and refreshed annually as part of the Service Planning process and are managed using the Performance Management Software. This enables risks to be associated clearly to objectives and priorities, providing management with valuable monthly reporting, ensuring resources are targeted to the priorities and objectives most at risk.

Service-level risks are challenged monthly through the Corporate Performance Review process and Strategic risks quarterly via Management Board.

The Council has defined critical functions and business continuity plans for these functions are well developed across the authority.

Assurance on the Council's risk and business continuity function is provided through a Quarterly Risk Review Meeting chaired by the Director of Finance and Support, and through regular verbal and written updates to the Audit Committee.

Members and officers working together to achieve a common purpose with clearly defined functions and roles

The council has adopted a Constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure these are efficient, transparent and accountable to local people. The constitution reflects the 'Executive/Scrutiny' model following the Local Government Act 2000.

The main decision-making committee is the Cabinet, which is responsible for all executive matters as defined by law and operates within the budget and policy framework approved annually by full Council. Meetings are open to the public except when personal or confidential matters are being discussed. Cabinet Portfolio Holders have authority to make delegated decisions in accordance with the Leader's Scheme of Delegations in the Constitution. Furthermore, senior and other officers of the Council can make decisions under delegated authority – again the extent of these delegations is set out in the Officers' Scheme of Delegations in the Constitution. The Council publishes a forward plan, which contains details of key decisions to be made by the Cabinet. Each Cabinet member has a specific portfolio of responsibilities requiring him or her to work closely with senior and other employees so as to achieve the Council's ambitions.

The Council's Management Board, which consists of the Chief Executive, Directors (including the S151 officer), the Monitoring Officer, Assistant Chief Executive and Head of Human Resources, met on a weekly basis during 2008/09. It now meets on a three weekly cycle (or more if required), to develop

policy issues commensurate with the Council's aims, objectives and priorities. Management Board also considers other internal control issues, including strategic risk management, performance management, compliances, efficiency and value for money, and financial management. Management Board meet with Cabinet on a monthly basis to review progress in achieving the Council's ambitions, priorities for action, performance management and forward planning for major issues. It has a corporate responsibility for the messages that the council puts out, both internally and externally.

A new administration came into power in May 2007, and relevant training followed as detailed within this AGS. An interim Chief Executive was employed during 2007, up to and beyond when the new Chief Executive, David Kennedy, commenced at NBC in November 2007.

- Below Management Board the management structure is well defined in a hierarchical manner, comprising the following groups:

Corporate Briefing

This group consists of Management Board members and also all Heads of Service. The meetings are diarised weekly to meet as required. The agenda and meeting go ahead is agreed weekly by the Chief Executive.

The group, which is non-decision making, provides collective responsibility for:

- Providing corporate leadership
- Employee development
- Internal and external communications
- Performance management
- Co-ordinating and delivering corporate objectives and priorities for action
- Reviewing corporate policy
- Reviewing corporate standards
- Considering key operational matters

Directorate Management Team (DMT)

Each Directorate has a DMT where the Director and Heads of Service meet to discuss Management Board feedback, council wide and service specific areas. DMT meetings:

- Ensure that directorates contribute to Management Board, Corporate Briefing and other teams/groups
- Ensures feedback from Management Board, Corporate Briefing and other teams/groups is communicated within the Directorate
- Provides a lead within Directorates to meet corporate requirements

- Ensures group corporate contribution
- Ensures communication of corporate requirements within and between teams within the respective directorate

Managers' Workshop

The managers' workshop started in 2007/08 and has a planned roll out of corporate subjects. The workshop attendance covers over 100 managers across the council.

Other specific group meetings:

There are also corporate groups for equalities, comprehensive performance assessment use of resources, ICT Governance, VFM Board to name a few.

Corporate priorities, policies and standards translated through service plans into day-to-day activities

The council has adopted a number of codes and protocols that govern both Member and officer activities. These are mainly reviewed annually:

- Members Code of Conduct
- Officers Code of Conduct
- Protocol for Members and officers regarding probity planning
- Protocol on Member/Employee relations
- Gifts and hospitality – Members and officers
- Counter Fraud
- Whistleblowing policy
- Complaints and compliments procedures

Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

The council has designated the Borough Solicitor as the Council's Monitoring Officer. It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations. The Monitoring Officer also supports the Standards Committee and is the nominated officer for whistleblowing. After consulting the Chief Executive and Director of Finance, he will report to the Council, under Section 5 of the Local Government and Housing Act 1989, if he considers that any proposal, decision or omission would give rise to unlawfulness or maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

Training needs are identified through one to one meetings, team meetings, and appraisals and are addressed via the Human Resources service and/or individual services as appropriate.

Report on Governance Arrangements

The People Development Manager, during 2007/08, conducted interviews with the Council Leader, Mayor, all Portfolio Holders, Directors and the Monitoring Officer, with the objective of examining the extent to which the NBC governance arrangements are:

- Understood by senior officers and inform current decision making
- Understood by portfolio holders and inform their decision making

Additionally, to identify whether potential breaches of governance arrangements take place. The review incorporated structured interviews which include the following questions:

- How effective are current governance arrangements?
- What's working well/needs to be improved?
- Do the arrangements support and have an impact on decision-making process?
- Instances of process failing to work or not complied with?
- General comments

The executive summary of the report which was presented to the Borough Solicitor and the Interim Chief Executive, is below:

"The overall impression is that the governance arrangements are beginning to have a positive impact on the decision making process. Portfolio holders believe that they are better informed and able to professionally represent their portfolio areas in Cabinet and Council meetings.

Since the election of the new administration in May 2007, the portfolio holders have had to gain an understanding of the role and responsibility of a portfolio holder, as the skills in this area have developed their effectiveness in the role has increased.

There are a number of concerns that the internal structure of NBC does not always match the portfolio holder responsibilities.

There was also a concern from portfolio holders that their political "hot topics" which had immediate media and public attention did not receive the same degree of focus on the agenda as items on improvement plans. The council's communications team have been working to address this.

There were no reported examples of breaches of governance arrangements within NBC”.

The Interim Chief Executive also issued a report to the Borough Solicitor and new Chief Executive on the governance improvements required, which has been incorporated into the improvement plan for the Borough Solicitor.

Finance and Audit Services

The financial management of the Authority is conducted in accordance with the financial rules set out at Article 13 and the Financial Regulations section within the Constitution. The Council has designated the Director of Finance as the Chief Finance Officer in accordance with Section 151 (S151) of the Local Government Act 1972. The Head of Finance and Assets is the deputy S151 officer. The Council has in place a three-year Financial Strategy, updated annually, to support the medium-term aims of the Council Plan.

The Council maintains an Internal Audit service provided through a contract with PricewaterhouseCoopers, who operate to the standards set out in the ‘Code of Practice for Internal Audit in Local Government in the UK’. Individual services produce annual service plans. These Service Plans are updated each year so as to incorporate the Council Plan requirements into service activities, so that services know what they are required to do to achieve the Council’s priorities and ambitions. These plans also identify any governance impact.

Our external audit services are currently provided by KPMG, who audit our statement of accounts, data quality, use of resources, whole of government accounts and national fraud initiative. External Audit will be transferring over to the Audit Commission during 2009/10.

Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

The Council has several committees, which carry out regulatory or scrutiny functions:

- Cabinet, which makes executive decisions
- A Planning Committee to determine planning applications and related matters;
- A Standards Committee that promotes, monitors and enforces probity and high ethical standards amongst the Council’s Members, and this extends to having the same responsibility for all town and parish councils within the Borough;
- An Audit Committee to provide assurance about the adequacy of internal controls, financial accounting and reporting arrangements, and that

effective risk management is in place. Its work is intended to enhance public trust in the corporate and financial governance of the council;

- A Licensing Committee, which monitors and reviews the effectiveness of the Council's licensing policy and procedures.
- General Purposes Committee, which is a sub-committee of full Council and makes decisions which are not the responsibility of the Executive or other committees,
- Appointments and Appeals Committee, which has responsibility for appraising senior officers and dealing with certain disciplinary/grievance matters.

Since May 2007 the Council has operated with four committees which carry out the Overview and Scrutiny (O&S) function. These are:

- Overview and Scrutiny Management Committee, made up of the chairs and vice-chairs of the three Overview and Scrutiny Committees - sets workplan, allocates resources, oversees Member training in O&S area, and reviews arrangements for involvement by Councillors and the public.
- Overview and Scrutiny Committee 1 - Partnerships, Regeneration, Community Safety and Engagement
- Overview and Scrutiny Committee 2 - Housing and Environment
- Overview and Scrutiny Committee 3 - Improvement, Performance and Finance

"Overview and Scrutiny is a key part of the modernised arrangements for governance in local councils and also an important mechanism for driving forward performances in services. The four key legislative roles are: -

- Holding the Executive to account
- Policy development and review
- Best Value Reviews
- External Scrutiny

Overview and Scrutiny provides the opportunity for Councillors that are not members of Cabinet to examine various functions of the Council, to question how key decisions have been made and to champion issues of local concern to residents.

Overview and Scrutiny is charged with finding ways of ensuring that the issues that matter to the public are the focus of their attention, and with finding new ways of getting citizens involved in the things that affect them. Overview and Scrutiny has considerable powers:

- Holding decision makers to account
- Challenging and improving performance
- Supporting the achievement of value for money
- Challenging the ways things are done
- Influencing decision makers with evidence based recommendations
- Bringing the evidence and views of stakeholders, users and citizens

Overview and Scrutiny is Councillor led. As well as Councillors leading on the review of topics, where they research issues and develop recommendations, they are also involved in setting the Overview and Scrutiny Committee, bringing forward topics and issues, identifying who they want to hear from to help their work and what they want to know and how they want it presented to them.

Developing the capacity and capability of members and officers to be effective

The council has a structured councillor development programme which is informed by corporate priorities, legislative changes and individual personal development plans for councillors. The programme is overseen by the councillor development group, which comprises of councillors from all political groups and officers to determine priorities and agree programmes of development on a rolling three-month programme. It also evaluates and monitors outcomes from development sessions.

Extensive Members training was undertaken during 2008/09. The developments focused on three key areas: Briefing, Skills and Committee Development Sessions. Some topics covered were: Constitutional Development, Various Financial Focuses, Overview and Scrutiny Roles, Legal and Probity for Planning, CAA/LAA, Public Speaking, Influencing/Negotiation and many more. The training was supported by a variety of internal and external sources including work with the IDEA, Local Government East Midlands and support from other councils. A member development scorecard is maintained for each member.

Engaging with local people and other stakeholders to ensure robust public accountability

The council has adopted a community engagement strategy. This sets out its principles for talking to and understanding the needs and opinions of residents, forums, community groups, stakeholders and partners, and how they can get involved in community life and decision-making. Detailed work is being carried out to develop a co-ordinated programme of engagement activities to support the implementation of the strategy.

A comprehensive communications strategy is also being prepared, which will make sure that the Council gets its message across, is able to inform local people of what it is doing and what they need to know, protects the Council's reputation and improves how it communicates with its own staff.

4.0 Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of its governance framework including the system of internal control. The process adopted during 2008/09 for a review is below; this will be strengthened during 2009/10:

The AGS group was set up to agree the approach and necessary contributors for the production of the draft AGS and its circulation for comments. The process included:

- Contributions and comments from Heads of Service.
- Internal Audit review for comment
- Review and approval by Management Board
- Review and comment by the Audit Committee
- Review and approval by Cabinet and full Council

The next paragraphs give more detail regarding the actual review process, and actions undertaken during 2008/09.

The review of effectiveness is informed by the work of the managers within the Council who have responsibility for the development and maintenance of the governance environment, the Internal Auditor's annual report and also by comments made by the external auditors and other review agencies and inspectorates.

The process that has been applied in maintaining and reviewing the effectiveness of the governance framework includes:

The Borough Solicitor (the 'Monitoring Officer') has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Council reviews the Constitution regularly to incorporate any necessary changes. A full review of the Constitution was undertaken during the latter part of 2007/08 to ensure it was accurate and reflected current best practice and legal requirements. A further review is currently underway through the Cross Party Constitutional Review Working Party (CRWP).

The Council's three Overview and Scrutiny (O&S) Committees are described above. They can establish 'task and finish' groups, which look at particular issues in depth, taking evidence from internal and external sources, before making recommendations to the Executive (Cabinet). The O&S Committees can "call-in" a decision that has been made by the Executive but not yet implemented, to enable it to consider whether the decision is appropriate. Call in can be referred to O&S by at least two Councillors.

A good example of the call in process at NBC is detailed in an article by the Centre for Public Scrutiny (CFPS), where the Sixfields plan was called in. The article notes that it was effective use of the call in process.

During 2008/09 examples of task and finish work carried out by O&S include:

- Councillor Call for Action
- Potential loss of school playing fields
- Relationship with the West Northamptonshire Development Corporation
- Contaminated water

Scheduled to have an “away-day” to develop an ambitious work programme for 2009/10. The Committee will also be conducting a base-line review using either a bespoke one or the Audit Commission’s Ethical Government toolkit. A programme to policy reviews will form part of the work programme.

In 2008/09, the local filter arrangements to deal locally with Member contract complaints was developed and implemented. A manual of procedures was developed and is being used by the Committee.

The Standards Committee has produced periodic newsletters for the benefit of Members, Parish Councillors and relevant officers, to provide updates on the national position, advice on matters in relation to Standards generally and to also remind Members of their obligations under the Code of Conduct, the Register of Interests, Gifts and Hospitality.

Internal Audit, under the terms of engagement, are required to provide those charged with governance with an opinion on the overall adequacy and effectiveness of the council’s:

- Risk management
- Control and;
- Governance processes.

Collectively this is referred to as “the system of internal control”.

An audit plan is prepared each year and is agreed at the Audit Committee prior to the year commencing. For 2008/09 the audit plan was agreed at the Audit Committee meeting on 26th February 2008.

Included within the planned days for 2008/09 was support provided by PwC on Risk Management. This input was initially when the Risk and Business Continuity post was vacant. During the latter half of 2008/09, this post was covered by a temporary appointment and was permanently appointed to in April 2009.

The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant service manager and/or chief officer. The report includes recommendations for improvements that are included within an action plan and requires agreement or rejection by service manager and/or chief officers. The process includes follow-up reviews of recommendations to ensure that they are acted upon, usually within six months. All Internal Audit reports include a report on the quality and effectiveness of internal control within the Council's systems, and an assessment in accordance with quantification and classification of internal control level definitions. These definitions are summarised below:

High Assurance: No control weaknesses were identified or some low impact control weaknesses were found.

Moderate Assurance: There are some weaknesses in the design and/or operation of controls, which could impair the achievement of the objectives of the system, function or process. However, their impact would be less significant or they are unlikely to occur.

Limited Assurance: There are some weaknesses in the design and/or operation of controls, which could have a significant impact, but should not have a significant impact on the achievements of the organisational objectives.

No Assurance: There are some weaknesses in the design and/or operation of controls, which could have a significant impact and may put at risk the achievement of organisational objectives.

Risk ratings, ranging from critical to low, are also included within the audit reports.

The Internal Audit service is subject to a review by the council's external auditors, KPMG, who place reliance on the work carried out by the section. Internal Audit also carries out an annual self-assessment that is reviewed by the Director and Head of Finance and external audit.

TeamCentral was introduced at the end of 2007/08. This software manages audit recommendations and monitors the adherence of implementing them by agreed dates. TeamCentral sends out automatic monthly reminders where the implementation dates of audit recommendations have passed without being closed. The reports from this system will also be used as part of the monthly Corporate Performance Review meetings and summary information is presented to the Audit Committee. The committee during 2008/09 has requested officers to be present at meetings to explain why recommendations have not been actioned.

As part of the Comprehensive Performance Assessment (CPA) framework for districts, the Council has been assessed under the 'use of resources' category. The overall score for 2007/08 was a 2, with a 3 scored for within VFM and for Financial Management. This is a significant improvement from previous years.

5.0 Significant governance issues

Significant control weaknesses in relation to the following services were identified by Internal Audit and highlighted to the Audit Committee at its meeting of 2nd June 2009 in the Annual Audit Report.

The report states that their work did not identify any significant control weaknesses that were considered pervasive in their effect on the system of internal control. However, isolated significant control weaknesses were identified in the following audits:

Significant Control Weakness areas	Action to address weakness (examples)
Core Financial Systems:	
Debtors	Immediate action was taken to address the recommendations on bad debt provision and write offs. A new recovery team has been up as part of the 09/10 budget restructures.
Creditor Payments (Uniclass)	Action is being taken to address the recommendations. Internal Audit will carry out a follow up review in 2009/10.
Payroll	The upgrade of the General Ledger system to Agresso 5.5 has enabled many recommendations to be actioned. The Payroll Team also moved to Finance in April 2009 improving resilience.
Bank Reconciliations	The bank reconciliations for 2008/09 are now fully complete and the process has been re-engineered for 2009/10.
Fixed Assets	The critical item flagged by audit has now been completed. This was to fully close down the 07/08 financial year by updating the transactions on the system.
Housing Rents	All recommendations, such as recovery procedures and improving the voids reporting process, have been actioned.

Specific Audits:	
Car Parking income	<p>Action has been taken to improve the use and accuracy of income data. Segregation of duties and management information improvements are also completed or in train.</p>

As a result of the above, Internal Audit can only give the authority limited assurance on the design and effectiveness of the system of internal control.

We propose to address the above matters, as set out in the table, to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Internal audit recommendations have not been addressed and implemented as quickly as necessary. In response to this, the audit reports and recommendations have been uploaded to TeamCentral. TeamCentral is an IT software solution that requires officers to update the system with their actions and it tracks the implementation status of audit recommendations. A summary of this is now included with the monthly performance reports as part of the CPR scheme referred to above.

Certain services during 2008/09 were monitored via the Government Monitoring Board. Improvements have been made to Finance, Culture and Leisure and the Revenue and Benefits services, that have shown the necessary progress to disengage from this process. Housing and Planning Services currently remain part of the GMB monitoring, but the necessary improvements have been undertaken, no meetings have been necessary recently and it is believed that full disengagement is imminent.

Following the senior management restructuring, the revised structure was adopted and commenced from October 2008. All posts at Director and Head of Service levels have been recruited to.

6.0 Certification by the Leader of the Council, Chief Executive, Director of Finance and the Monitoring Officer.

Signed:

Signed:

Date:

Date:

Councillor Tony Woods
Leader of the Council

David Kennedy
Chief Executive

Signed:

Signed:

Date:

Date:

Isabell Procter
Director of Finance (S151 Officer)

Francis Fernandes
Borough Solicitor/Monitoring
Officer

Appendices

1



NORTHAMPTON
BOROUGH COUNCIL

Item No.

6

CABINET REPORT

Report Title	2008/09 Statement of Accounts
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	29 June 2009
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance & Support
Accountable Cabinet Member:	Councillor David Perkins
Ward(s)	N/a

1. Purpose

- 1.1 To present the 2008/09 Statement of Accounts to Cabinet.
- 1.2 To update the Cabinet on any observations from the Audit Committee

2. Recommendations

- 2.1 That Cabinet review the 2008/09 statement of accounts and indicate whether there are any concerns arising that need to be brought to the attention of the Council.
- 2.2 That Cabinet consider any observations from Audit Committee.
- 2.3 That the revised general fund balance be noted.
- 2.4 That Cabinet recommend to Council that the Director of Finance and Support, in consultation with the Portfolio holder for Finance, be authorised to make any non-material adjustments to the accounts prior to external audit.
- 2.5 That subject to any comments arising at 2.1 and 2.2 above that Council be recommended to adopt the 2008/09 statement of accounts.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Accounts and Audit Regulations 2003 require the Council to formally approve the Statement of Accounts by 30th June.
- 3.1.2 The detailed format of the statement of accounts follows guidance issued by CIPFA/LASSAC. The format of the statement can change from year to year to reflect new requirements or changes in best practice.
- 3.1.3 The attached statement of accounts at Annex A will be presented to the external auditor on 30th June 2009 and will thereafter be available to the general public through the statutory deposit period. During this time members of the public may view documents and ask questions.
- 3.1.4 Any material changes arising from the audit of the 2008/09 accounts will be reported back to the Audit Committee in September.

3.2 Issues

General Fund

- 3.1.1 The General Fund working balances total £2.0m as identified within the Statement of Accounts at Annex A (page 29). The Council also holds General Fund earmarked reserves of £8.2m to mitigate specific business risks as identified within the Statement of Accounts at Annex A (page 66 Note 35 e). Taking the Council's financial position into account and the inherent risks in the 2008/09 budget along with potential risks relating to single status, the minimum prudent level of working balance should be £2.0m. This will be reviewed during 2009/10.

Housing Revenue Account (HRA)

- 3.1.2 The outturn position for the HRA shows an accumulated in year surplus of £492k giving a level of working balances of £6.1m as identified within the Statement of Accounts at Annex A (page 81). The Council also holds an HRA earmarked reserve of £8.2m to finance future capital expenditure and the potential PFI set-up costs of £175k as identified within the Statement of Accounts at Annex A (page 66 Note 35 e).

The Collection Fund

- 3.1.3 The collection fund had an in year surplus of £143k resulting in an overall fund deficit of £803k. It was estimated in January 2009 that the deficit would be £553k and this was apportioned between precepting authorities and the proportion relating to this council (£86k) was included when setting the budgets for 2009/10. The balance will be carried forward into the 2009/10 collection fund and will form part of the calculation of surpluses and deficits for setting the 2010/11 budget.

3.3 Choices (Options)

- 3.3.1 Cabinet is invited to review the 2008/09 statement of accounts and indicate whether there are any concerns arising that need to be brought to the attention of Council.
- 3.3.2 Cabinet is invited to consider any observations from the Audit Committee
- 3.3.3 Cabinet is asked to note the revised general fund balance.
- 3.3.4 Cabinet is requested to recommend to Council that the Director of Finance and Support, in consultation with the Portfolio holder for Finance, be authorised to make any non-material adjustments to the accounts prior to external audit.
- 3.3.5 The Cabinet is asked, subject to any comments arising at 3.3.1 above, to recommend that Council adopt the 2008/09 statement of accounts.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The statement of accounts summaries the Council's Financial Position as at 31st March 2009.

4.2 Resources and Risk

- 4.2.1 The Council's General fund working balance as at 31st March 2008 was £2.0m. Balances which have been earmarked for use are £8.2m.
- 4.2.2 There are Comprehensive Performance Assessment implications on the timing of the approval of the statement of accounts and the annual governance statement.

4.3 Legal

- 4.3.1 The statement of accounts is a statutory document which needs to be approved by the Council by 30th June 2009 in respect of the 2008/09 financial year.

4.4 Equality

- 4.4.1 None

4.5 Consultees (Internal and External)

- 4.5.1 Internal – Management Board, Heads of Service, and Internal Audit.
- 4.5.2 External – The attached statement of accounts at annex A will be presented to the external auditor on 30th June 2009 and will thereafter be available to the general public through the statutory deposit period. During this time members of the public may view documents and ask questions.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 N/a.

4.7 Other Implications

4.7.1 None

5. Background Papers

5.1 Statement of accounts working papers

5.2 Audit Committee Paper and Minutes

Isabell Procter, Director of Finance and Support
Tel. 01604 83 8757 iprocter@northampton.gov.uk



Draft Statement of Accounts 2008/2009

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A. Auditor's Report

Independent auditor's report to the members of Northampton Borough Council

The report will be included here after the audit for the publication of the audited accounts.

A. Auditor's Report

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A. Auditor's Report

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

The report will be included here after the audit.

A. Auditor's Report

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B. Explanatory Foreword

1. Introduction

The Council has a statutory duty to approve and publish this Statement of Accounts document for the period 1st April 2008 to 31st March 2009.

This document complies with recommended practice from the Chartered Institute of Public Finance and Accountancy and its format is largely prescribed.

To comply with the Accounts and Audit Regulation 2003 (subsequently updated by the Accounts and Audit Regulations 2006), the Council is required to have received and approved the Statement of Accounts by the end of June 2009.

This foreword outlines the key individual statements that comprise the Statement of Accounts, including a description of the relationship between them. It also highlights the main activities/variations that took place during 2008/09 in each of the main activity areas.

The detailed accounts and related information are shown on pages 27 to 94 and consist of the following: -

Core Financial Statements

Income and Expenditure Account (page 27)

This statement reports the net cost for the year of all the functions for the year which the Authority is responsible, and demonstrates how that cost has been financed from general government grants and income from local taxpayers. It brings together expenditure and income relating to all of the local authority's functions, in three distinct sections (Net Cost of Services, Net Operating Expenditure, and Surplus (-) / Deficit for the Year), each section being separated by a sub-total. This statement does not, however, show the effect of the Council's activities on the Council Tax or the level of reserves available. To understand the full position, the reader must also consider the Statement of Movements on the General Fund Balance.

Statement of Movements on the General Fund Balance (pages 29 to 31)

This statement details the adjustments which must be made to the movement on the Income and Expenditure Account in order to arrive at the year on year changes to the General Fund Balance. As such this statement also reverses out the effect of the Housing Revenue Account transactions which can be viewed separately in the supplementary statements. The balances left on this statement relate entirely to the General Fund.

Statement of Total Recognised Gains & Losses (page 33)

This statement brings together all the gains and losses of the council for the year and shows the aggregate increase in net worth. In addition to the surplus (-) / deficit generated on the Income and Expenditure Account, this statement includes gains and losses relating to fixed assets, the net liability to cover the cost of retirement benefits, and changes in amounts due to the council from the collection fund.

Balance Sheet (page 35)

The Balance Sheet is fundamental to the understanding of an authority's financial position at the year end and shows balances as at 31st March 2009. It shows the council's balances and reserves, summarised information on the fixed assets held, net current assets employed in its operations, its long -term indebtedness, and net assets held. All reserves and balances (including the levels of General Fund and Housing Revenue Account working balances) are shown in the lower part of the Balance Sheet.

B. Explanatory Foreword

Cash Flow Statement (page 37)

This statement consolidates and summarises the inflows and outflows of cash arising from transactions with third parties for revenue, capital, and investment purposes.

Notes to the Core Financial Statements (pages 39 to 77)

This section comprises the recommended notes to the Income and Expenditure Account, Statement of Movements on the General Fund Balance, the Balance Sheet, and the Cash Flow Statement, plus additional notes deemed useful to aid the understanding of the reader of the accounts.

Supplementary Financial Statements

Housing Revenue Account (HRA) Income and Expenditure Account (page 79)The transactions on this statement are included in the whole authority Income and Expenditure Account but cannot be individually identified within that statement. This statement shows the income and expenditure on HRA services which relate to the provision and maintenance of Council housing.

Statement of Movements on the Housing Revenue Account Balance (pages 81 to 83)

This statement details the adjustments which must be made to the movement on the HRA Income and Expenditure Account in order to arrive at the year on year changes to the Housing Revenue Account Balance. The balances shown on this statement relate entirely to the Housing Revenue Account.

Notes to the Housing Revenue Account (pages 85 to 90)

This section comprises the recommended notes to the Housing Revenue Account supplementary financial statements.

Collection Fund (page 91)

This statement shows income collected from Council Tax and Non-Domestic Rates and how this is distributed between Northampton Borough Council and the other precepting bodies (i.e. the County Council and the Police Authority). This account reflects the statutory requirement for billing authorities, such as Northampton Borough Council, to maintain a separate Collection Fund. The amount shown for Northampton Borough Council is reflected in the Council's Income and Expenditure Account.

Notes to the Collection Fund (pages 93 to 94)

This section comprises the recommended notes to the Collection Fund supplementary financial statements.

Statement of Responsibilities for the Statement of Accounts (page 95)

This statement outlines the Authority's and the Responsible Finance Officer's responsibilities when preparing the accounts.

Annual Governance Statement (pages 97 to x)

This statement outlines the Council's main systems of internal control and governance arrangements and notes any resultant actions arising for next year.

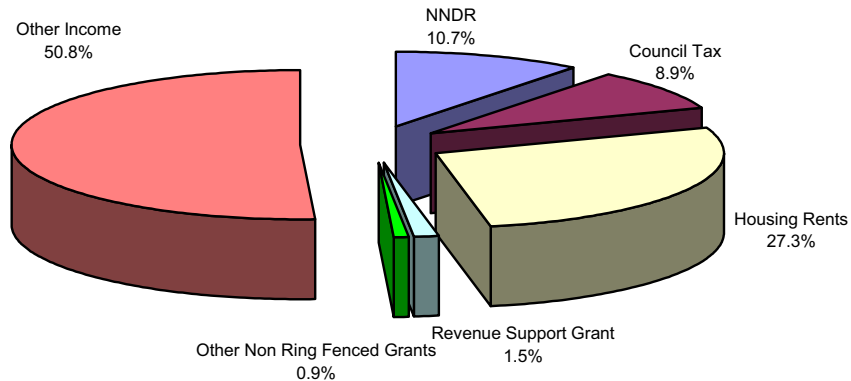
B. Explanatory Foreword

2. Financial Summary 2008/09

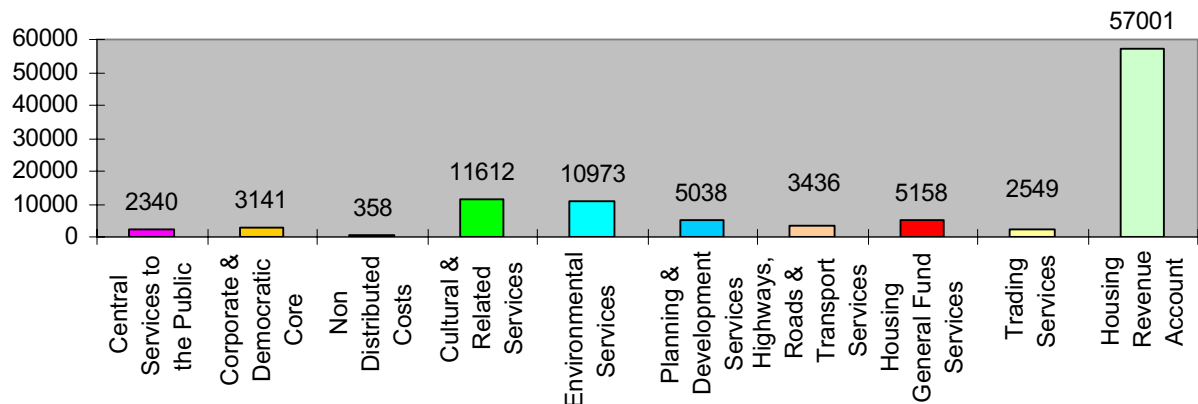
a) Revenue Spending and Sources of Income

The following charts outline where the Council's revenue money came from, how it was spent and on which services. The charts show the overall position of the Council's revenue budgets for 2008/09 (i.e. both General Fund and HRA).

Where The Money Came From



What Services Have Been Provided With The Money



B. Explanatory Foreword

b) General Fund Account

The following table summarises the position for the General Fund for 2008/09. Some notes are included following the table to explain the main variations to the budget for the year.

	Budget	Actual	Variance
	£000s	£000s	£000s
Expenditure			
Net Service Expenditure	45,088	47,238	2,150
Interest & Capital Financing Adjustments	-11,816	-12,736	-920
Total Net Expenditure	33,272	34,502	1,230
Income			
National Non Domestic Rates	-16,453	-16,453	0
Revenue Support Grant	-2,290	-2,290	0
Local Authority Business Growth Incentive	-832	-1,377	-545
Met by local Council Taxpayers	-13,719	-13,719	0
Collection Fund Deficit	22	22	0
Total Income	-33,272	-33,817	-545
(Surplus)/Deficit for the year		685	
Balance brought forward		-2,691	
Balance carried forward		-2,006	

Variations to Budget

After taking account of contributions to reserves and balances, the Council's General Fund working balance was reduced by £685k. This is after making a net contribution to General Fund earmarked reserves of £329k to mitigate some specific business risks.

There were a number of variances that have contributed to this position, the most significant of which are detailed below.

i) Local Authority Business Growth Incentive (LABGI) Funding

When setting the Council's budget, LABGI funding was treated as 'outside' of the Council's base budget due to its uncertain and unsustainable nature. To comply with recommended practice, the £83k that the Council has been awarded to date for 2008/09 has been shown within the accounts as a general government grant.

B. Explanatory Foreword

ii) Other Variations

Under (-) / Over spends	£000s
Financial Instruments	-463
Interest and Debt Management Costs	-323
IT	-152
Benefits	233
Targeted Dwellings	-172
Domestic Refuse	-151
Construction Services	-216
Community Safety	-228
Car Parking	873
Regeneration	-138
Planning	-227
Asset Management	-308
Finance	-704
Non Distributed Costs	-222
Concessionary Fares	175
Provisions for Bad Debt and Insurance	-384
Support Services	2,048

c) Housing Revenue Account

The following table outlines the outturn position for the Housing Revenue Account for 2008/09. Some notes are included following the table to explain the main variations to the budget for the year.

	Budget	Actual	Variance
	£000s	£000s	£000s
Expenditure			
Net Service Expenditure	354	-806	-1,160
Interest & Capital Financing Adjustments	-528	314	842
(Surplus)/Deficit for the year	-174	-492	-318
Balance brought forward		-5,631	
Balance carried forward		-6,123	

Variations to Budget

After taking account of contributions to reserves and balances, the Council's Housing Revenue Account working balance was increased by £492k. This is after making a net contribution to HRA earmarked reserves of £2.175m to fund the capital programme in future years (£2m) and to set up a reserve for anticipated PFI Setup costs (£175k).

B. Explanatory Foreword

There were a number of variances that have contributed to this position, the most significant of which are detailed below.

Under (-) / Over spends	£000s
Rents - dwellings only	-515
Repairs & Maintenance	2,091
Revenue Contributions to Capital	-2,000
Contribution to Earmarked Reserves	2,175
Net Recharges for Support Services	-1,338
Rent Rebate Subsidy Limitation	-503

d) Capital Expenditure

Capital expenditure relates to spending on new and improved assets (primarily Council owned) such as land, buildings, infrastructure, equipment, and information technology. In 2008/09 the Council spent £11.1 million on capital projects, compared with a budget of £15.1 million.

	Budget	Actual	Variance
	£000s	£000s	£000s
Expenditure			
Housing Revenue Account Schemes	10,079	7,925	-2,154
General Fund Housing Schemes	4,848	3,055	-1,793
Other General Fund Schemes	224	136	-88
Total Capital Expenditure	15,151	11,116	-4,035
Sources of Financing			
Major Repairs Allowance		7,336	
Revenue Contributions to Capital Expenditure		519	
Grants & Contributions		1,029	
Capital Receipts		124	
Supported Borrowing		500	
Prudential Borrowing		1,608	
		11,116	

Capital Variations to Budget

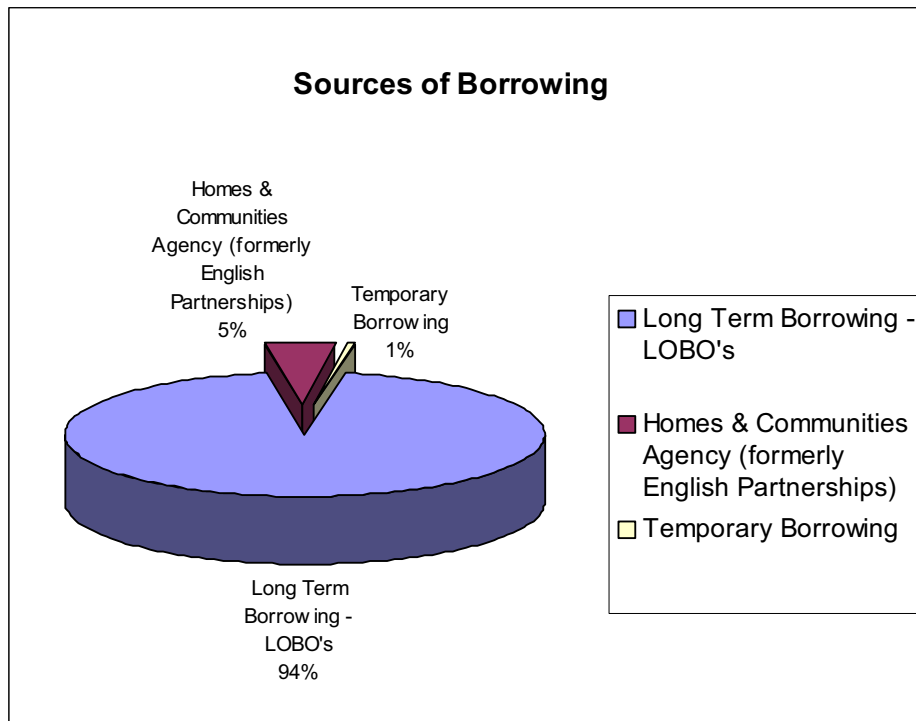
The spend on the capital programme was approximately £4m below budget for the year. Approximately £3.8m of this variance relates to schemes that are currently underway or still planned to take place, but have effectively "slipped " into the next financial year (i.e. 2009/10).

B. Explanatory Foreword

e) Current Borrowing Facilities

Current borrowing facilities are as detailed below: -

Description	£000s
Long Term Borrowing - Bonds	24,785
English Partnerships	1,242
Temporary Borrowing	159
	26,186



B. Explanatory Foreword

3. Major Changes in 2008/09

a) Assets acquired or enhanced

Capital expenditure represents major investment in new and improved assets such as land, buildings, infrastructure, equipment, and information technology assets. Expenditure is incurred in pursuit of the Council's objectives and priorities and the delivery of services, and can be for the acquisition of new assets, enhancement of existing assets or investment in assets owned by third parties.

Capital Expenditure	
	£000s
Housing	
Council Housing	7,460
Other Housing	464
	7,924
General Fund	
Information Technology	882
Corporate Buildings	628
Leisure and Community Facilities	452
Market Square	381
CCTV Installation	357
Community Safety Schemes	233
Recycling Facilities	154
Other Capital Works	105
	3,192
	11,116

b) Accounting Policies

A new Statement of Recommended Practice (SoRP) applies for the production of the 2008/09 accounts. This brings accounting treatments closer into line with UK Generally Accepted Accounting Practice (UK GAAP) and entails some minor changes to accounting treatments and the presentation of the accounts. Details of any changes are included in the section on accounting policies and the note on Prior Period Adjustments and Adjustments Relating to Previous Years.

c) Statutory Functions

The operation for the collection of Trade Waste was sold on 2nd June 2008 for £840k. The Council is responsible for ensuring that a Trade Waste service is available within the town. A service will continue to be available but will be provided by the private sector. The Council will still incur costs in relation to the collection of its own trade waste.

There have been no other changes to the statutory functions of the Authority.

B. Explanatory Foreword

d) Unusual charges or credits in the accounts

As indicated earlier, the Council is in receipt of an additional general government grant in 2008/09 called Local Authority Business Growth Incentive (LABGI) (as it was in 2007/08). This grant will not be ongoing and so the use of this grant is not being built into base budgets.

4. **Conclusion**

The Council is committed to continuous improvement in the delivery of services to the public whilst maintaining and developing strong internal control arrangements and improving the efficiency of back office functions. This is against a backdrop of an increasingly challenging funding regime which presupposes continuing efficiency savings from council services. To this end a programme of strategic business reviews is being instigated.

During this period of change and improvement, it is important to keep the Council's finances under tight control. The Council has succeeded in maintaining the levels of General Fund reserves at over £2m, which is considered the prudent level of reserves following a risk based analysis. The Council's budgets and the delivery of services within those budgets are the responsibility of service managers with support from a strong finance function and the Council continues to improve service delivery whilst controlling net expenditure.

The Capital Programme is under-spent in 2008/09 against budget but the position has improved compared to previous years. The Council is committed to further improving project management and to bring the capital spend closer to the budget in the future.

The out-turn for the Housing Revenue Account (HRA) shows an increase in the level of working balances and earmarked reserves. The revenue position of the HRA continues to be healthy with challenges facing the Council in delivering the capital improvements necessary to deliver good quality homes at an affordable price to its tenants.

The Council's General Fund Working Balance stood at £2.7m at the end of 2007/08. The working balance was reduced by £0.7m due to transactions in the year. The reasons for this are outlined in section 2b. The Council has adjusted its earmarked reserves to mitigate against emerging risks and against a re-assessment of existing risks together with maintaining its level of balances at the level indicated by risk-based analysis. The Council continues to consolidate and strengthen its financial position to enable a sound platform from which to maintain and improve essential services within available resources. This is demonstrated by the improvements in the Council's Comprehensive Performance Assessment score and the disengagement from close Government scrutiny. The level of working balance and the risk mitigation provided by reserves should enable the Council to concentrate on improving its services in line with priorities and improving the overall efficiency of the Council.

5. **Further Information**

Further information about these accounts is available from: -

Bill Lewis Assistant Head of Finance Northampton Borough Council Cliftonville House, Bedford Road Northampton NN4 7NR	Isabell Procter Director of Finance & Support Northampton Borough Council Cliftonville House, Bedford Road Northampton NN4 7NR
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B. Explanatory Foreword

In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed and the availability of the accounts is advertised in the local press.

C. Statement Of Accounting Policies

1. General Principles

The Statement of Accounts summarises the Council's transactions for the 2008/09 financial year and its position at the year-end of 31 March 2009. It has been prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice 2008* (the SoRP), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Accounts and Audit Regulations 2003 (as amended). The accounting convention adopted is historical cost, modified by the revaluation of certain categories of tangible fixed assets and certain categories of financial instrument.

2. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. This is in accordance with the SoRP and Financial Reporting Standard 18 (FRS 18). In particular:

- Fees, charges and rents due from customers are accounted for as income at the date the council provides the relevant goods or services.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as stocks on the balance sheet.
- Works are charged as expenditure when they are completed, before which they are carried as works in progress on the balance sheet.
- Interest payable on borrowings and receivable on investments is accounted for in the year to which it relates, on a basis that reflects the overall effect of the loan or investment.
- Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
- Income and expenditure is credited and debited to the relevant service revenue account, unless they properly represent capital receipts or capital expenditure.

3. Provisions

The Authority considers making a provision if the following circumstances occur:-

- A present legal or constructive obligation results from a past event;
- A probable transfer of economic benefit is required to settle an obligation;
- The timing of the transfer is uncertain;
- A reliable estimate can be made of the amount of the obligation.

Provisions are made where an event has taken place that gives the council an obligation that probably requires settlement by a transfer of economic benefits, but where the timing of the transfer is uncertain. For instance, the council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged to the appropriate service revenue account in the year that an authority becomes aware of the obligation, based on the best estimate of the likely settlement. When payments are eventually made, they are charged to the provision set up in the balance sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes more likely than not that a transfer of economic benefits will not

C. Statement Of Accounting Policies

now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service revenue account.

Where some or all of the payment required to settle a provision is expected to be met by another party (e.g. from an insurance claim), this is only recognised as income in the relevant service revenue account if it is virtually certain that reimbursement will be received if the obligation is settled.

4. Reserves

The council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts in the Statement of Movement on the General Fund Balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in that year to score against the Net Cost of Services in the Income and Expenditure Account. The reserve is then appropriated back into the General Fund Balance statement so that there is no net charge against council tax in that year for the expenditure.

The Council maintains earmarked reserves for a number of reasons including: -

- Setting aside money for future policy initiatives;
- To finance expenditure on future projects;
- To mitigate the impact between financial years of expenditure and income on general working balances;
- To mitigate the effect of specifically identified significant risks; and
- To protect the Authority against unexpected events and change in legislation.

The Council's risk-based assessment of the required level of General Fund working balance is £2m. This level of general working balance is considered reasonable due to the mitigation of some risks through the holding of earmarked reserves.

Certain reserves are kept to manage the accounting processes for tangible fixed assets, retirement benefits, and financial instruments and these reserves do not represent usable resources for the council – these reserves are explained below.

Insurance Provision / Reserve

Surpluses or deficits required in the insurance provision are charged or credited back to individual services. Any changes required to the Insurance Reserve will be debited or credited to the Statement of Movements to balances. This is in accordance with the SoRP and proper accounting practice.

5. Specific Accounting Adjustment Reserves

Capital Accounts

To comply with capital accounting rules and legislation, the Council has two "capital" accounts that are incorporated into the Consolidated Balance Sheet. These are: -

- **Revaluation Reserve** which broadly represents the changes in asset values arising from revaluations from 1st April 2007 onwards.
- **Capital Adjustment Account** which reflects the timing difference between the cost of fixed assets consumed and the capital financing set aside to pay for them.

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The **Revaluation Reserve** commenced with a nil balance from 1st April 2007 is used for gains on all upward revaluations and, to the extent that they reverse gains on upward valuations already held on the Revaluation Reserve for the asset under consideration, losses due to subsequent impairment or downward valuation. All other impairment losses are dealt with through the Income and Expenditure Account and will not impact on this reserve.

The **Capital Adjustment Account** mainly represents

- all resources used for financing capital expenditure,
- the amount of depreciation and impairment charged to revenue services
- disposal of assets, and
- revaluations and impairments that take the value of an asset below its historic cost (as at 1st April 2007).

The opening balance on this account as at 1st April 2007 was the combined balance of the old Fixed Asset Restatement Account (FARA) and Capital Financing Account (CFA), both of which ceased to exist as at that date.

Pensions Reserve

In accordance with Financial Reporting Standard 17 (FRS 17) on pensions, the Council is required to maintain a Pensions Reserve to reflect the net asset or liability of the Council's proportion of the Northamptonshire County Council's Pension Fund.

Financial Instruments Accounts

To comply with Financial Instruments rules and legislation, the Council has two financial instruments accounts that are incorporated into the Consolidated Balance Sheet. These are: -

- **Financial Instruments Adjustment Account (FIAA)**

The FIAA is used to manage balances relating to the difference between the actual interest payable in cash terms and the interest that would be payable at the effective interest rate. It is also used to manage movements relating to premia adjustments in the Statements of Movement in Balances. Finally it is used to manage some of the transitional arrangements for moving to the Financial Instruments Agenda.

- **Available-for-sale Financial Instruments Reserve (AFIR)**

The AFIR is used in accounting for gains and losses arising from a change in value of an available-for-sale financial asset, excluding impairment losses and any foreign exchange losses, which are recognised in the Income and Expenditure Account. These gains and losses are recognised as a separate item within the Statement of Total Recognised Gains and Losses. There are no such adjustments necessary for 2008/09.

6. Collection Fund Balances

The treatment of the collection fund balance is to split the balance on the collection fund by recording the precepting authorities as debtors or creditors in the top half of the balance sheet and the residual balance attributable to NBC in the bottom half. The movement on the amount attributable to NBC then forms part of the Statement of Recognised Gains and Losses. A note reconciling this treatment to the ring-fenced Collection Fund balance is included in the notes to the Accounts. This treatment is consistent with the requirements of the SoRP.

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7. Government Grants and Contributions (Revenue)

Government grants and third party contributions and donations are recognised as income at the date that the Authority satisfies the conditions of entitlement to the grant/contribution. This applies whether paid on account, by instalments, or in arrears, as long as there is reasonable assurance that the monies will be received and the expenditure for which the grant is given has been incurred. Revenue grants are matched in service revenue accounts with the service expenditure to which they relate. Grants to cover general expenditure (e.g. Revenue Support Grant) are credited to the foot of the Income and Expenditure Account after Net Operating Expenditure.

8. Retirement Benefits

Employees of the council are members of the Local Government Pensions Scheme, administered by Northamptonshire County Council. This scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the council.

The Local Government Pensions Scheme is accounted for as a defined benefits scheme in compliance with FRS 17 to ensure the financial statements reflect at "fair value" the assets and liabilities from an employer's retirement benefit obligations and any related funding. The liabilities of the Northamptonshire County Council pension scheme attributable to the council are included in the balance sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees.

Old: Liabilities are discounted to their value at current prices, calculating the discount rate as a weighted average of "spot yields" on AA rated corporate bonds. Our actuaries believe that it should therefore be broadly appropriate for Local Government Employers.

New: Liabilities are discounted to their value at current prices, calculating the discount rate based on the indicative return on high quality corporate bond(s) (ibox x Sterling Corporates Index). Our actuaries believe that it should therefore be broadly appropriate for Local Government Employers. The previous valuation methodology as used in 2007/08 was on a weighted average of "spot yields" on 'AA rated' corporate bonds. This change does not represent a material effect to the accounts of the Council, however an analysis of the effect that this would have had on the 2007/08 financial year is shown in note 1.

The assets of the Northamptonshire County Council Pension Fund attributable to the council are included in the balance sheet at their fair value:

- quoted securities – current bid price (was: mid-market value)
- unquoted securities – professional estimate
- unitised securities – current bid price (was: average of the bid and offer rates)
- property – market value.

The change in the net pensions liability is analysed into seven components:

- current service cost – the increase in liabilities as result of years of service earned this year – allocated in the Income and Expenditure Account to the revenue accounts of services for which the employees worked
- past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the

C. Statement Of Accounting Policies

Net Cost of Services in the Income and Expenditure Account as part of Non Distributed Costs

- interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to Net Operating Expenditure in the Income and Expenditure Account
- expected return on assets – the annual investment return on the fund assets attributable to the council, based on an average of the expected long-term return – credited to Net Operating Expenditure in the Income and Expenditure Account
- gains/losses on settlements and curtailments – the result of actions to relieve the council of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited to the Net Cost of Services in the Income and Expenditure Account as part of Non Distributed Costs
- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to the Statement of Total Recognised Gains and Losses
- contributions paid to the Northamptonshire County Council pension fund – cash paid as employer's contributions to the pension fund.

Statutory provisions limit the Council to raising council tax to cover the amounts payable by the Council to the pension fund in the year. This means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and any amounts payable to the fund but unpaid at the year-end which appear in the Statement of Movement on the General Fund Balance.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

9. VAT

Income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to HM Revenue & Customs and all VAT paid is recoverable from them. Where VAT costs are incurred that arise from a transaction in a foreign country and those VAT costs are not reclaimable, the costs are charged to the service incurring them.

10. Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA *Best Value Accounting Code of Practice (BVACOP) 2008*. The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the Council's status as a multi-functional, democratic organisation.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early, deferred charges relating to capitalisation directives, and depreciation and impairment losses chargeable on non-operational properties.

These two cost categories are defined in BVACOP and accounted for as separate headings in the Income and Expenditure Account, as part of Net Cost of Services.

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11. Capital Expenditure

All expenditure on the acquisition, creation or enhancement of capital assets is capitalised on an accruals basis. The Council has a general de-minimis limit of £6k for capital projects for capital expenditure purposes, which results in the capitalisation of expenditure that complies with the definition of capital expenditure, above that limit, as an asset in the balance sheet. Where an asset has been acquired for less than £6k but has been funded by ring fenced capital funding, this will be treated as capital and will result in an asset in the balance sheet if appropriate.

All expenditure counted as capital complies with the definition of expenditure for capital purposes as set out in Local Government Act 2003, and the appropriate accounting practices. Capital expenditure is therefore applied to the asset as an addition. Any subsequent revaluation will be undertaken as part of the Council's ongoing programme of revaluations.

12. Intangible Fixed Assets

Expenditure on assets that do not have physical substance but are identifiable and controlled by the council (e.g. software licences) is capitalised, subject to the general de-minimis limit of £6k for capital projects, when it will bring benefits to the council for more than one financial year. The balance is amortised to the relevant service revenue account over the economic life of the investment to reflect the pattern of consumption of benefits. Intangible Assets are amortised to revenue over between three and ten years depending on the scale and perceived benefit arising from the asset to reflect the pattern of consumption of benefits. Where appropriate, intangible fixed assets will be revalued, disposed of, and impaired in line with the accounting policies on tangible fixed assets.

13. Tangible Fixed Assets

Tangible fixed assets are assets that have physical substance and are held for use in the provision of services or for administrative purposes on a continuing basis.

Recognition: expenditure on the acquisition, creation or enhancement of tangible fixed assets is capitalised on an accruals basis, provided that it yields benefits to the council and the services that it provides for more than one financial year. Expenditure that secures but does not extend the previously assessed standards of performance of asset (e.g. repairs and maintenance) is charged to revenue as it is incurred.

Measurement: Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use. Assets are then carried in the balance sheet using the basis recommended by CIPFA and in accordance with the Royal Institute of Chartered Surveyors Valuation Standards 6th Edition (The Red Book). The basis of valuation for assets is shown in note 23 to the core statements (section E). Assets not valued at historic or depreciated historic cost are revalued as part of a five-year rolling programme. A schedule of properties valued at more than £0.45m is revalued annually. In order to properly reflect the profit or loss on disposal of an asset, assets which are being disposed of will be revalued at an unencumbered market value at the date of disposal. This revaluation will be outside the five-year rolling programme adopted by the Council. The Council's freehold and leasehold properties are valued by the Council's internal valuer, Richard Lewis FRICS. Vehicles, Plant, and Equipment with a carrying value of over £6k are valued annually by the most appropriate officer of the Council depending on the specific nature of the asset.

C. Statement Of Accounting Policies

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Income and Expenditure Account where they arise directly from the reversal of an impairment loss previously charged to a service revenue account. The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, which is the date of its formal inception. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment: the values of each category of asset and of material individual assets that are not being depreciated are reviewed at the end of each financial year for evidence of reductions in value. Where impairment is identified as part of this review or as a result of a valuation exercise, this is accounted for:

- where attributable to the clear consumption of economic benefits – by charging the loss to the relevant service revenue account;
- otherwise – by writing off against any revaluation gains attributable to the relevant asset in the Revaluation Reserve, with any excess charged to the relevant service revenue account.

Disposals: when an asset is disposed of or decommissioned, the value of the asset in the balance sheet is written off to the Income and Expenditure Account as part of the gain or loss on disposal. Receipts from disposals are credited to the Income and Expenditure Account as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts in excess of £10k are categorised as capital receipts. A proportion of receipts relating to housing disposals (75% for dwellings, 50% for land and other assets, net of statutory deductions and allowances) is payable to the Government. The balance of receipts is required to be credited to the Useable Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the council's underlying need to borrow (the Capital Financing Requirement). Receipts are appropriated to the Reserve from the Statements of Movement on the General Fund Balance and the Statement of Movement on the Housing Revenue Account Balance.

The carrying value of the assets are compared to the sale value to reflect the profit or loss to be shown in revenue. The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the Statement of Movement on the General Fund Balance and the Statement of Movement on the Housing Revenue Account Balance so that there is no impact on the General Fund or Housing Revenue Account balances.

Depreciation: is provided for on all assets with a determinable finite life (except for investment properties), by allocating the value of the asset in the balance sheet over the periods expected to benefit from their use.

Depreciation is calculated using the Straight-Line method over the determined life of the asset. The Council does not depreciate assets in the year of acquisition. This is not in accordance with Financial Reporting Standard 15, however this does not materially affect the pattern of consumption. Where an asset has major components with different estimated useful lives, these are depreciated separately. The difference between actual depreciation and historic cost depreciation on revalued assets is charged to the Revaluation Reserve to ensure that the current value is reflected.

Grants and contributions: where grants and contributions are received that are identifiable to fixed assets with a finite useful life, the amounts are credited to the

C. Statement Of Accounting Policies

Government Grants Deferred Account. The balance is then written down to service revenue accounts, where specific services can be identified, in line with the SoRP, according to the depreciation policy applied to the assets. This will partially offset depreciation charges made for the related assets in the relevant service revenue account, in order that the net impact is charged to services over the useful life of the assets. An adjustment will then be made in the Statements of Movement on balances so that there is no impact on levels of Council Tax or Housing Rents.

14. Charges to Revenue for Fixed Assets

Service revenue accounts, support services and trading accounts are debited with the following amounts to record the real cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- impairment losses attributable to the clear consumption of economic benefits on tangible fixed assets used by the service and other losses where there are no accumulated gains in the Revaluation Reserve which they can be written off against
- amortisation of intangible fixed assets attributable to the service
- Government Grants and other contributions used for the financing of capital expenditure amortised to the service to balance off against depreciation charges

The Council is not required to raise council tax to cover depreciation, impairment losses or amortisations, or reduce council tax on the basis of grants and contributions used to finance capital expenditure. However, it is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement (equal to at least 4% of the underlying amount measured by the adjusted Capital Financing Requirement, excluding amounts attributable to HRA activity). Depreciation, impairment losses and amortisations are therefore replaced by a revenue provision to the Statement of Movement on the General Fund Balance from the Capital Adjustment Account.

15. Revenue Expenditure Funded from Capital under Statute

This represents expenditure that may be capitalised under statutory provisions but does not result in the creation of tangible assets. This expenditure has been charged to the relevant service revenue account in the year. These include private sector renewal grants and advances to other parties to finance capital investment. Where the Council has decided to meet the cost of the deferred charges from existing capital resources or by borrowing, a transfer to the Capital Financing Account is used to reverse out the amounts charged in the Statement of Movement on the General Fund Balance so there is no impact on the level of council tax.

16. Leases

Leases have been assessed under the requirements of Statement of Standard Accounting Practice 21 and treated as Finance Leases or Operating Leases accordingly.

Finance Leases

The council accounts for leases as finance leases when substantially all the risks and rewards relating to the leased property transfer to the Council. Rentals payable are apportioned between:

- a charge for the acquisition of the interest in the property (recognised as a liability in the balance sheet at the start of the lease, matched with a tangible fixed asset – the liability is written down as the rent becomes payable) and

C. Statement Of Accounting Policies

- a finance charge (debited to Net Operating Expenditure in the Income and Expenditure Account as the rent becomes payable).

Fixed assets recognised under finance leases are accounted for using the policies applied generally to Tangible Fixed Assets, including the general de-minimus of £6k for capital expenditure, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life.

Operating Leases

Leases that do not meet the definition of finance leases are accounted for as operating leases. Rentals payable are charged to the relevant service revenue account on a straight-line basis over the term of the lease, generally meaning that rentals are charged when they become payable.

17. Financial Instruments

Assessment of Fair Value of Assets or Liabilities

Financial liabilities and financial assets are carried in the balance sheet at the appropriate level for their classification as a financial instrument. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- Estimated interest rates at 31st March 2009 have been used where applicable based on the rate most appropriate to each type of investment. These have been based on rates for that date including Bank of England base rate (0.5%), PWLB rates and LOBO rates for example;
- No early repayment or impairment is recognised;
- Where an instrument will mature in the next twelve months, the carrying amount is assumed to approximate fair value;
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

Financial Liabilities

Financial liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Income and Expenditure Account for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowing that the council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable and interest charged to the Income and Expenditure Account is the amount payable for the year in the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to Net Operating Expenditure in the Income and Expenditure Account on an amortised cost basis in the year of repurchase / settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments with substantially the same overall effect when viewed as a whole, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and written down to the Income and Expenditure Account on a straight-line basis over the term of the replacement loan by an adjustment to the effective interest rate. Where premiums and discounts are to be charged to the General Fund or Housing Revenue Account Balance, regulations allow the impact on the Balances to be spread over future years. In the case of premiums and discounts attributable to the HRA, the Council spreads the gain / loss over the term that was remaining on the loan against which the premium was payable or

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discount receivable when it was repaid up to a maximum of ten years. The reconciliation of amounts charged to the Income and Expenditure Account to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Statements of Movement on Balances. Where there is not a direct replacement of loans, the gains and losses must be derecognised from the balance sheet. Where there is a legal requirement to charge these to revenue over a different period, an adjusting transaction is made to the Statement of Movements on Balances.

Financial Assets

Financial assets are classified into three types:

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market
- available-for-sale assets– assets that have a quoted market price and/or do not have fixed or determinable payments
- financial assets at fair value through income and expenditure.

- a) **Loans and receivables** are initially measured at fair value and carried at their amortised cost. Annual credits to the Income and Expenditure Account for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. If the value of an investment falls below its cost, the investment is written down to market value and a provision for the unrealised loss is made to the Income and Expenditure Account if it is unlikely to be a temporary fall. For most of the loans that the Council has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable; the interest credited to the Income and Expenditure Account is the amount receivable for the year in the loan agreement.

However, the Council has made a number of loans at less than market rates (for example repayable training fees). These are termed 'soft loans'. The soft loans made by the Council have been assessed as non-material following discussions with the auditors and are therefore being accounted for as revenue expenditure and not financial instruments.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Income and Expenditure Account.

Any gains and losses that arise on the derecognition of the asset are credited / debited to the Income and Expenditure Account.

- b) **Available-for-sale assets** are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Income and Expenditure Account for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income (e.g., dividends) is credited to the Income and Expenditure Account when it becomes receivable by the Council. Assets are maintained in the Balance Sheet at fair value. Values are based on the following principles:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis

C. Statement Of Accounting Policies

- equity shares with no quoted market prices – independent appraisal of company valuations.

Changes in fair value are balanced by an entry in the Available-for-sale Financial Instruments Reserve and the gain / loss is recognised in the Statement of Total Recognised Gains and Losses (STRGL). The exception is where impairment losses have been incurred – these are debited to the Income and Expenditure Account, along with any net gain / loss for the asset accumulated in the Reserve. Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Income and Expenditure Account.

Any gains and losses that arise on the derecognition of the asset are credited/debited to the Income and Expenditure Account, along with any accumulated gains/losses previously recognised in the STRGL. Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

c) Financial assets at fair value through income and expenditure – Derivatives

The Council does not generally deal in derivatives but may take out forward loans from time to time as part of its overall Treasury Management Strategy.

18. Interest Receivable

The figure quoted in the Income and Expenditure Account is the total interest that would be receivable from third parties based on the effective interest rate, principally due to the investment of capital receipts and revenue balances. Interest due on revenue balances relating to the Housing Revenue Account is credited to the Housing Revenue Account based on the level of balances and using average rates of interest.

19. Stocks and Work in Progress

The stocks held at the Council's main stores at Westbridge Depot are valued at current prices due to the method of calculation employed by the Council's stores computer system. This accounting policy does not comply with Statement of Standard Accounting Practice 9 (SSAP 9) which requires that stock is carried at the lower of cost and net realisable value. This does not have a material effect on the accounts. Other stocks and stores are included in the balance sheet at the lower of cost and net realisable value in line with the SoRP and SSAP9.

Work in progress on uncompleted jobs is valued at cost.

20. Developers' Contributions

The Council has received a number of contributions from developers, mostly in settlement of their planning (section 106) obligations. Where the contribution is repayable to the developer within a specific time period if, by the end of that time period, certain works have not been completed, the contribution is treated as a creditor. The contributions will remain in creditors until such a point that the money is not repayable (i.e. the works have been completed) or until the contribution is repaid.

Where the contribution is not repayable to the developer within a specific time, there is a different treatment depending on whether the agreement relates to capital or revenue works. Any revenue contribution is treated as a receipt in advance and is held in the balance sheet until there is related expenditure in revenue. At this point the contribution

C. Statement Of Accounting Policies

is credited to the service accounts to support the revenue expenditure. Any capital contribution is treated as a Contribution Unapplied and is written down when the contribution is used to finance a relevant capital project. This treatment is in compliance with the SoRP.

21. Interests in Companies and Other Entities

The council has no material interests in companies and other entities that have the nature of subsidiaries, associates and joint ventures and so there is no requirement to prepare group accounts.

22. Private Finance Initiative (PFI)

PFI contracts are agreements to receive services, where the responsibility for making available the fixed assets needed to provide the services passes to the PFI contractor. The Council currently has no PFI agreements in operation.

23. Cash flow

The cash flow statement has been compiled using the indirect method, as recommended by FRS1, which works back from the final accounts making the appropriate adjustments. The Council has used the Cash flow model developed by Cipfa for this purpose.

24. Changes in Accounting Treatment

FRS17 Retirement Benefits

Under the 2008 SORP the council has adopted the amendment to FRS17 Retirement Benefits. As a result, quoted securities held as assets in the defined pension scheme are now valued at bid price rather than mid-market value. The effect of this change is that the value of the scheme assets at 31st March 2008 has decreased from £142.1m to £141.5m, a decrease of £587k, resulting in an increase in the pension deficit of £587k. The Council has elected not to restate the accounts for 2007/08 to reflect this change, as it is immaterial.

Soft Loans

Following discussions with the auditors, the Council's soft loans relating to training fees which are repayable in certain circumstances, have been determined to be de minimus. These costs are therefore being treated as revenue expenditure and not financial instruments. The balance sheet item has been written out accordingly.

D. Core Financial Statements

D1 Income & Expenditure Account

This account summarises the resources that have been generated and consumed in providing services and managing the Council during the year. It includes all day to day expenses and related income on an accruals basis, as well as transactions measuring the value of fixed assets actually consumed and the real projected value of retirement benefits earned by employees in the year.

2007/08		2008/09			Note
Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure	
£000s		£000s	£000s	£000s	
	EXPENDITURE ON SERVICES				
2,016	Central services to the public	15,695	-13,355	2,340	
	Cultural, environmental & planning				
7,809	Cultural & related services	15,757	-4,145	11,612	
11,224	Environmental services	15,610	-4,637	10,973	
4,100	Planning & development services	6,618	-1,580	5,038	2
2,921	Highways, roads & transport	8,175	-4,739	3,436	3
	Housing				
252	Housing Revenue Account	104,102	-47,100	57,002	
4,689	General Fund Housing	58,795	-53,638	5,157	
2,310	Corporate & democratic core	3,207	-66	3,141	4, 5
1,499	Non distributed costs	358		358	
-450	Other Services	0		0	
36,370	Net Cost of Services	228,317	-129,260	99,057	6-10
1,397	Loss on the Disposal of Fixed Assets			-1,213	
825	Parish Council precepts			832	
-59	Parish grants			-21	
	Surpluses (-) / Deficits on trading undertakings not included in Net Cost of				
86	Services			2,549	11
1,548	Interest payable and similar charges			1,503	
-799	Premia			0	
4,292	Contributions to housing pooled capital receipts			755	35d
-3,263	Interest & investment income			-3,664	
1,655	Pensions interest cost & expected return on pensions assets			4,679	12
42,052	Net Operating Expenditure			104,477	
-13,045	Demand on the Collection Fund			-13,719	
10	Distributed Surplus (-) / Deficit on Collection Fund			22	
	General Government Grants:				
-2,645	Revenue Support Grant			-2,290	
-15,760	Non-domestic rates redistribution			-16,453	
-451	Local Authority Business Growth Incentive			-83	
	Area Based Grant			-617	
	Concessionary Travel Scheme			-677	
10,161	Surplus (-) / Deficit for the Year			70,660	

D. Core Financial Statements

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D. Core Financial Statements

D2 Statement of Movement on the General Fund Balance

The Income and Expenditure Account shows the Council's actual financial performance for the year, measured in terms of the resources consumed and generated over the last twelve months. However, the Authority is required to raise council tax on a different accounting basis, the main differences being:

- Capital investment is accounted for as it is financed, rather than when the fixed assets are consumed.
- Retirement benefits are charged as amounts become payable to pension funds and pensioners, rather than as future benefits are earned.

The General Fund Balance shows whether the Council has over or under-spent against the council tax that it raised for the year, taking into account the use or reserves built up in the past and contributions to reserves earmarked for future expenditure.

This statement below and the detailed reconciling items on the following page summarise the differences between the outturn on the Income and Expenditure Account and the General Fund Balance.

2007/08		2008/09	Note
£000s		£000s	
10,161	Surplus (-) / Deficit for the year on the Income and Expenditure Account	70,660	
-9,959	Net additional amount required by statute and non-statutory proper practices to be debited or credited to the General Fund Balance for the year	-69,975	13
202	Increase (-) / Decrease in the General Fund Balance for the Year	685	
-2,893	General Fund Balance brought forward	-2,691	
-2,691	General Fund Balance carried forward	-2,006	

D. Core Financial Statements

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D. Core Financial Statements

Reconciling Items for the Statement of Movement on the General Fund Balance

2007/08		2008/09	Note
£000s		£000s	
	Amounts included in the Income and Expenditure Account but required by statute to be excluded when determining the Movement on the General Fund Balance for the year		
-503	Amortisation of intangible fixed assets	-484	
-7,757	Depreciation and Impairment of fixed assets	-10,688	
2,373	Government Grants Deferred amortisation	741	
-667	Revenue Expenditure Funded from Capital Under Statute	-1,850	
-1,450	Net loss on sale of fixed assets	1,105	
	Differences between amounts debited / credited to the Income and Expenditure Account and amounts payable / receivable to be recognised under statutory provisions relating to soft loans and premiums and discounts on the early repayment of debt	-3	
-187		-3	
-5,959	Net charges made for retirement benefits in accordance with FRS 17	-7,880	12
-14,150		-19,059	
	Amounts not included in the Income and Expenditure Account but required by statute to be included when determining the Movement on the General Fund Balance for the year		
350	Minimum Revenue Provision for capital financing	438	
23	Capital expenditure charged in-year to the General Fund Balance	515	
	Transfer from Usable Capital Receipts to meet payments to the Housing Capital Receipts Pool	-755	
-4,292		-755	
	Employer's contributions payable to the Northamptonshire County Council Pension Fund and retirement benefits payable direct to pensioners	5,980	12
5,523		5,980	
1,604		6,178	
	Transfers to or from the General Fund Balance that are required to be taken into account when determining the Movement on the General Fund Balance for the year		
-62	Housing Revenue Account Balance	-56,746	
2,649	Net transfers to / from (-) earmarked reserves	-330	
1,900	Adjustments to opening Financial Instrument Balances	-	
-1,900	Adjustments to opening Financial Instrument Balances Reversed to the Financial Instruments Adjustment Account	-18	
2,587		-57,094	
	Net additional amount required to be credited to the General Fund balance for the year	-69,975	

D. Core Financial Statements

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D. Core Financial Statements

D3 Statement of Total Recognised Gains & Losses (STRGL)

This statement brings together all the gains and losses of the council for the year and shows the aggregate increase in its net worth. In addition to the surplus generated on the Income & Expenditure Account, it includes gains and losses relating to the revaluation of fixed assets and re-measurement of the net liability to cover the cost of retirement benefits.

2007/08		2008/09	Note
£000s		£000s	
10,161	Surplus (-) / Deficit for the year on the Income and Expenditure Account	70,660	I&E
-52,632	Surplus (-) / Deficit arising on revaluation of fixed assets	14,769	
36,515	Actuarial gains (-) / losses on pension fund assets and liabilities	-6,475	12
	Any other gains and losses required to be included in the STRGL		
149	Surplus (-) / Deficit for the year on Collection Fund balance due to Northampton Borough Council	-23	14
1,710	Financial Instruments Restatement Adjustment (2007/08 Only)	-	
-4,097	Total recognised gains (-) / losses for the year	78,931	

D. Core Financial Statements

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D. Core Financial Statements

D4 Balance Sheet

The Balance Sheet summarises the financial position of the Council. It shows the value of the Council's assets and liabilities at 31st March.

2007/08		2008/09		Note
£000s	Fixed Assets	£000s	£000s	15,16
3,540	Intangible Fixed Assets		3,734	17
	Tangible Fixed Assets			18 - 24
	Operational Assets			
596,169	Council dwellings	517,077		
90,141	Other land and buildings	87,051		
911	Vehicles, plant, furniture & equipment	2,788		
1,249	Infrastructure Assets	1,415		
6,026	Community Assets	5,924		
	Non-operational Assets			
43,555	Investment Properties	39,841		
3,050	Assets Under Construction	3,514		
796	Surplus Assets Held for Disposal	1,169		
741,897			658,779	
745,437			662,513	
109	Long-term Debtors		40	
0	Long-term Investments		0	
745,546	Total Long-term Assets		662,553	
379	Stocks & work in progress	441		26
22,732	Debtors	15,662		27
52,503	Investments	53,019		25
29	Cash and bank	49		28
75,643	Total Current Assets		69,171	
821,189	Total Assets		731,724	
-154	Short-term Borrowing	-159		29
-35,597	Creditors	-28,801		30,31
-1,111	Bank Overdraft	-629		28
-36,862	Total Current Liabilities		-29,589	
784,327	Total Assets less Current Liabilities		702,135	
-26,047	Long-term borrowing	-26,027		32
-1,218	Provisions	-1,063		33
-8,145	Grants & contributions – deferred	-8,419		
-1,110	Grants & contributions – unapplied	-1,846		31
-101,215	Liability relating to defined benefit pension scheme	-97,118		12
-137,735	Total Long-term Liabilities		-134,473	
646,592	Total Assets less Liabilities		567,662	34
	Financed by			
50,489	Revaluation Reserve	15,564		
673,402	Capital Adjustment Account	622,581		
-1,582	Financial Instruments Adjustment Account	-1,288		
131	Capital Receipts Reserve	395		
54	Deferred capital receipts	44		
-101,215	Pension reserve	-97,118		12
2,691	General fund balance	2,006		
-148	Collection fund balance	-125		14b
5,631	Housing Revenue Account balance	6,124		
2,617	Major Repairs Reserve	3,113		
14,522	Earmarked reserves	16,366		
646,592	Total Net Worth		567,662	34,35

D. Core Financial Statements

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D. Core Financial Statements

D5 Cash Flow Statement

This statement summarises the inflows and outflows of revenue and capital cash arising from transactions with third parties.

2007/08		2008/09		Note
£000s		£000s	£000s	
11,473	Revenue Activities Net Cash Flow		0	36
	Return on Investments & Servicing of Finance			
-1,357	Cash Outflows - Interest paid	0		
2,847	Cash Inflows - Interest received	0		
1,490	Net Interest		0	36
	Capital Activities			
	Cash Outflows			
-12,819	Purchase of fixed assets	0		
0	Purchase of long-term investments	0		
-667	Other capital cash payments	0		
-13,486		0		
	Cash Inflows			
5,899	Sale of fixed assets	0		
2,916	Capital grants received	0		
39	Other capital cash receipts	0		
8,854		0		
-4,632			0	
8,331	Net Cash (Inflow)/Outflow before financing		0	
	Management of Liquid Resources			36
-7,943	Net increase / decrease in short term deposits	0		
0	Net increase / decrease in other liquid resources	0		
-7,943			0	
	Financing			36
537	Cash Outflows - Repayments of amounts borrowed	0		
-828	Cash Inflows - New loans raised	0		
-291	Financing Net Cash Flow		0	
97	Net Increase / Decrease (-) in cash		0	36

D. Core Financial Statements

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E. Notes To The Core Financial Statements

1. Prior Period Adjustments and Adjustments relating to Previous Years

Prior Period Adjustments

There are no prior period adjustments which have an effect on the overall position of the Council.

Adjustments relating to Previous Years

There is an adjustment relating to changes in valuation for the pension funds (FRS17). This has been processed in 2008/09 and not reflected in the figures for 2007/08 because it does not give rise to a material change.

2. Building Control Trading Account

The Building (Local Authority Charges) Regulations 1998 require the disclosure of information regarding the setting of charges for the administration of the building control function. However, certain activities performed by the Building Control Unit cannot be charged for, such as providing general advice and liaising with other statutory authorities. The statement below shows the total cost of operating the Building Control Unit divided between the chargeable and non-chargeable activities.

The Building Control chargeable services has, for the three-year period to 31st March 2009, made an operating deficit of £210k on a turnover of £1,090k. In the previous three-year period to 31st March 2008, there was a deficit of £25k against a turnover of £1,681k.

Continued...

E. Notes To The Core Financial Statements

	2008/09		
	Chargeable	Non-Chargeable	Total
	£000s	£000s	£000s
Expenditure			
Employees	219	172	391
Premises	0	0	0
Transport	7	5	12
Supplies and services	13	10	23
Support service charges	144	113	257
Capital Charges	0	0	0
Total Expenditure	383	300	683
Income			
Building Regulation fees	-280	0	-280
Other Income	0	0	0
Total Income	-280	0	-280
Surplus (-) / Deficit for Year	103	300	403
Comparatives for 2007/08	2007/08		
	Chargeable	Non-Chargeable	Total
	£000s	£000s	£000s
Expenditure	424	290	714
Income	-324	0	-324
Surplus (-) / Deficit for Year	100	290	390

3. Agency Services

An Agency agreement with the County Council commenced on 1st July 2003 which allows the Council to undertake a much smaller range of functions than under the previous Highways Agency Agreement.

2007/08		2008/09
£000s		£000s
446	Administration costs and ancillary services	431
-239	Income including transfer fees from NCC	-246
207		185

E. Notes To The Core Financial Statements

4. Members' Allowances

The total amount of members' allowances paid in the year ending 2008/09 was £445k. Detailed allowances are listed below:-

2007/08		2008/09
£000s	Expenditure	£000s
27	Mayor/Deputy Mayor Allowance	27
330	Members' Allowances	410
7	Expenses	8
364	Total	445

5. Audit Fees

Fees payable for external audit services are detailed below. The Authority's auditor is KPMG LLP and the amounts paid to the auditor for the various functions are: -

2007/08		2008/09
£000s		£000s
234	Fees payable with regard to external audit services carried out by the appointed auditor (Section 5 Audit Commission Act 1998)	268
21	Fees payable in respect of statutory inspection (Section 10 Local Government Act 1999)	0
50	Fees payable for the certification of Grant Claims and Returns (Section 28 Audit Commission Act 1998)	59
32	Fees payable in respect of other services provided by the appointed auditor	0
337		327

6. Discretionary Expenditure

Under the Local Government Act 2000, the maximum amounts in respect of discretionary expenditure were repealed. Councils now have powers under that Act to promote wellbeing in their area. There is still a requirement to disclose any expenditure made under section 137(3), e.g. donations to charities, not-for profit bodies and mayoral appeals. Expenditure made under this section was £239k in 2008/09 (£219k in 2007/08). The spend was mainly on grants to the voluntary sector and community groups working in the Northampton.

E. Notes To The Core Financial Statements

7. Publicity Expenditure

In accordance with the Local Government Act 1986 (Section 5(1)), the Council's spending on publicity was: -

2007/08		2008/09
£000s	Expenditure	£000s
152	Recruitment Advertising	261
426	Publicity Unit	428
118	Other Publicity	201
696	Total	890

8. Officers' Remuneration

The Council is required, under the Accounts and Audit Regulations 2003 (regulation 7(2)) to disclose the number of employees whose remuneration (excluding pension payments) was £50k or more. This is shown in bands of £10k in the table below:

2007/08		2008/09
No. of Employees	Remuneration Band	No. of Employees
5	£50,000 - £59,999	16
13	£60,000 - £69,999	10
1	£70,000 - £79,999	2
0	£80,000 - £89,999	2
3	£90,000 - £99,999	0
0	£100,000 - £109,999	1
0	£110,000 - £119,999	0
0	£120,000 - £129,999	0
0	£130,000 - £139,999	1

9. Related Party Transactions

The Council is required to disclose material transactions with related parties, bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Central Government has effective control over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. housing benefits). Details of transactions with government departments are set out in a note to the Cash Flow Statement.

E. Notes To The Core Financial Statements

Members of the Council have direct control over the Council's financial and operating policies. During 2008/09 expenditure to the value of £1.061m (£1.343m in 2007/08) was paid to parties where Members had an interest or where they serve as a nominated representative on outside bodies and income to the value of £67k (£39k in 2007/08) was receivable from those bodies. Contracts were entered into in full compliance with the Council's Standing Orders. All transactions are recorded in the Register of Members' Interest, open to public inspection at The Guildhall, Northampton.

Officers of the Council – no material disclosures.

Other Public Bodies – no disclosures.

Pension Fund – in 2008/09 the contributions paid to Northamptonshire County Council in respect of employers' contributions, added years' contributions and lump sum payments were £7.518m (£6.974m in 2007/08)

Assisted Organisations – no material disclosures.

Management Contracts – no disclosures.

Companies and Joint Ventures – no disclosures.

10. Local Authorities (Goods and Services) Act 1970

The Council is empowered by this Act to provide goods and services to other public bodies. The Authority provides a variety of services to other local authorities, the income from this is outlined below: -

2007/08			2008/09	
Exp	Income		Exp	Income
£000s	£000s		£000s	£000s
2	-9	Highways	200	-500
315	-155	Call Care	331	-206
32	-32	Print Services Unit	38	-38
349	-196		569	-744

11. Trading Undertakings

The Council operates the following trading undertakings: -

2007/08		2008/09		
Net		Income	Exp.	Net
£000s		£000s	£000s	£000s
-62	Property Management	-1,542	3,597	2,055
-	Construction Services	-551	1,045	494
148	Highways	0	0	0
86	(Surplus)/Deficit to I & E	-2,093	4,642	2,549

E. Notes To The Core Financial Statements

The financial statements include income of £0.488m and expenditure of £0.541m in 2007/08 in respect of the provision of highways related work undertaken by the Council for W S Atkins plc.

Concerns were raised about the legality of these payments. The Council obtained and has accepted counsel's opinion that this income and expenditure is beyond its powers and is therefore unlawful.

The Council also considered the implications of withdrawing from the arrangement and determined it could rely on its well-being powers to follow a phased withdrawal until June 2007 after which point no further work was undertaken.

The following services are also deemed to be trading services but are allocated to main service areas within the accounts: -

2007/08		2008/09		
Net		Income	Exp.	Net
£000s		£000s	£000s	£000s
28	Trade Refuse	-105	222	117
-106	Markets	-558	1,352	794
-78	(Surplus)/Deficit to I & E	-663	1,574	911

The operation for the collection of Trade Waste was sold on 2nd June 2008 for £840k as explained in the explanatory foreword.

12 Accounting for Pensions

As part of the terms and conditions of employment of its officers and other employees, the authority offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that needs to be disclosed at the time that the employees earn their future entitlement. The council participates in the Local Government Pension Scheme that is administered locally by Northamptonshire County Council. This is a funded defined benefit final salary scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets. The date of the last actuarial valuation was 31st March 2007.

a) Transactions Relating to Retirement Benefits

The Council recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out in the Statement of Movements in the General Fund Balance. The following transactions have been made in the Income and Expenditure Account and the Statement of Movement in the General Fund Balance during the year:

E. Notes To The Core Financial Statements

2007/08		2008/09
£000s		£000s
	Net Cost of Service	
4,065	Current Service Cost	4,826
1,830	Past Service Cost / Curtailment	349
-20	Correction of Pension Contributions	42
	Net Operating Expenditure	
12,178	Interest Costs	14,806
-10,523	Expected Return on Assets	-10,127
7,530	Net charge to the Income and Expenditure Account	9,896
	Statement of Movement on the General Fund Balance	
-7,530	Reversal of Net Charges made for Retirement Benefits in accordance with FRS17	-9,896
6,974	Actual amount charged to the General Fund Balance for pensions in the year	7,517

In addition to recognised gains and losses included in the Income and Expenditure Account, actuarial gains and losses of £7.062m were included in the Statement of Total Recognised Gains and Losses. The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses is £40.839m.

b) Assets and Liabilities in Relation to Retirement Benefits

Reconciliation of present value of the scheme liabilities:

2007/08		2008/09
£000s		£000s
-226,893	Opening Balance	-243,307
-4,065	Current Service Cost	-4,826
-12,178	Interest Cost	-14,806
-1,471	Contribution by Scheme Participants	-1,638
-4,503	Actuarial Gains/(Losses)	48,306
-1,460	Past Service Gains/(Costs)	0
-370	Curtailment Gains/(Losses)	-349
7,633	Benefits Paid	8,022
-243,307	Closing Balance	-208,598

E. Notes To The Core Financial Statements

Reconciliation of Fair Value of the scheme assets:

2007/08		2008/09
£000s		£000s
162,077	Opening Balance	141,505
10,523	Expected Return on Assets	10,127
1,471	Contribution by Scheme Participants	1,638
6,183	Contributions by the Employer	6,652
811	Contributions in respect of Unfunded Benefits	824
-31,927	Actuarial Gains/(Losses)	-41,244
-7,633	Benefits Paid	-8,022
141,505	Closing Balance	111,480

The expected return on assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year 2008/09 was £31.242m and in 2007/08 was £8.227m.

c) Scheme History

31st March	2005	2006	2007	2008	2009
	£000s	£000s	£000s	£000s	£000s
Present Value of Scheme Liabilities	-199,423	-227,855	-226,893	-243,307	-208,598
Fair Value of Assets	123,026	154,034	162,077	141,505	111,480
Surplus / (Deficit) in the Scheme	-76,397	-73,821	-64,816	-101,802	-97,118

The liabilities show the underlying commitments that the Council has in the long run to pay retirement benefits. The total liability of £97m has a substantial impact on the net worth of the Council as recorded in the Balance Sheet, resulting in a positive overall balance of £567.662m

However statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy:

- the deficit on the scheme will be made good by increased contributions over the remaining working life of employee, as assessed by the scheme actuary.

The total contributions expected to be made to the scheme by the Council in the year to 31 March 2010 is £6.5m.

d) Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions

E. Notes To The Core Financial Statements

about mortality rates, salary levels, etc. The scheme liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates being based on the latest full valuation of the scheme as at 1 April 2007.

The principal assumptions used by the actuary have been:

31/03/2008		31/03/2009
	Long Term Expected Rate of Return on Assets in the Scheme	
7.5%	Equity Investments	7.0%
5.3%	Bonds	5.4%
6.5%	Property	4.9%
5.3%	Other	4.0%
	Mortality Assumptions	
	Longevity at 65 for Current Pensioners:	
21.1	- Men	21.1
24.0	- Women	24.0
	Longevity at 65 for Future Pensioners:	
22.5	- Men	22.2
25.0	- Women	25.0
3.6%	Rate of Inflation	3.1%
5.1%	Rate of Increase in Salaries	4.6%
3.6%	Rate of Increase in Pensions	3.1%
6.1%	Rate for Discounting Scheme Liabilities	6.9%
50.0%	Take-up of Option to Convert Annual Pension into Retirement Lump Sum	50.0%

The Local Government Pension Schemes assets consist of the following categories, by proportion of the total assets held:

31/03/2008		31/03/2009
70.0%	Equities	70.0%
17.0%	Bonds	19.0%
7.0%	Property	7.0%
6.0%	Cash	4.0%
100.0%		100.0%

e) History of Experienced Gains and Losses

The actuarial gains identified as movements on the Pensions Reserve in 2008/09 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31st March 2009:

E. Notes To The Core Financial Statements

31st March	2005	2006	2007	2008	2009
	£000s	£000s	£000s	£000s	£000s
Fair Value of Employer Assets	123,026	154,034	162,077	141,506	111,482
Experienced Gain/Loss(-) on Assets	6,822	21,709	-1,871	-31,927	-41,244
Gain/Loss(-) as % of Asset Fair Value	5.55%	14.09%	-1.15%	-22.56%	-37.00%
Present Value of Liabilities	-199,423	-227,855	-226,893	-243,308	-208,600
Experienced Gain/Loss(-) on Liabilities	3,031	-4,102	0	6,529	-739
Gain/Loss(-) as % of Total Liabilities	-1.52%	1.80%	0.00%	-2.68%	0.35%

The information included for all of the pension disclosures is provided by Hymans Robertson LLP, the Actuary for the Pension Fund. Further information can be found in the County Council's Pension Fund's Annual Report which is available on request from the Pensions Section, Resources Directorate, PO Box 136, County Hall, Guildhall Road, Northampton, NN1 1AT.

13. Minimum Revenue Provision

The Council is required by Statutory Instrument 2003 No. 3146 to set aside a minimum revenue provision (MRP) for the repayment of debt, and by Statutory Instrument 2008 No.414 to determine an amount of minimum revenue provision which it considers to be prudent. In doing so the Council is required to have regard to guidance issued under Section 21A of the Local Government Act 2003.

The Council approved the Council's Annual MRP statement for 2008/09, which is required by the guidance issued by CLG, on 26th Feb 2009.

The MRP charged to the 2008-09 accounts relates to the historic debt liability incurred for years up to and including 2007-08. This has been calculated at the rate of 4% on the reducing balance, in accordance with option 1 of the guidance, the "regulatory method".

The Council's Minimum Revenue Provision for 2008-09 was £438k. This compares to £350k in 2007-08.

14 Collection Fund

The Collection Fund is used to account for the collection of Council Tax and National Non-Domestic Rate (NNDR) and then pays amounts to precepting authorities on the basis of their precept requests.

E. Notes To The Core Financial Statements

a) Precept Split

The split of these precepts is shown below:

Precept 2007/08	Percentage of Total Precepts		Precept 2008/09	Percentage of Total Precepts
£000s		Precepting Authorities	£000s	
59,497	71%	Northamptonshire County Council	62,567	71%
11,037	13%	Northamptonshire Police Authority	11,689	13%
13,045	16%	Northampton Borough Council	13,719	16%
83,579	100%	Total Precepts for the year	87,975	100%

b) Allocation of surplus / deficit

For the purposes of the accounts, the balance on the Collection Fund is assigned to the precepting authorities as shown below: -

Collection Fund Balance 2007/08	Treatment	Collection Fund Balance 2008/09
£000s		£000s
	Creditors / Debtors	
673	Northamptonshire County Council	571
125	Northamptonshire Police Authority	107
	Reserve	
148	Northampton Borough Council	125
946	Collection Fund Balance	803

E. Notes To The Core Financial Statements

15 Capital Expenditure and Financing

a) Capital Expenditure

Total 2007/08		Total 2008/09
£000s		£000s
	Capital Investment	
497	Intangible Assets	628
	Tangible Assets	
10,894	Operational Assets	9,894
384	Non-operational Assets	594
1,331	Deferred Charges	0
13,106		11,116
	Sources of Finance	
500	Supported Borrowing	500
2,559	Prudential Borrowing	1,608
1,477	Capital Receipts	124
7,940	Government Grants	8,182
23	Revenue Contributions	519
607	Other Contributions	183
13,106		11,116

b) Revenue Expenditure Funded from Capital Under Statute

Total 2007/08		Total 2008/09
£000s		£000s
	Capital Investment	
0	Revenue Expenditure funded from Capital	3,140
0		3,140
	Sources of Finance	
0	Supported Borrowing	0
0	Prudential Borrowing	856
0	Capital Receipts	1,010
0	Government Grants	1,194
0	Revenue Contributions	0
0	Other Contributions	80
0		3,140

E. Notes To The Core Financial Statements

c) Capital Financing Requirement

Total 2007/08		Total 2008/09
10,766	Opening Capital Financing Requirement	13,475
500	Supported Borrowing	500
2,559	Prudential Borrowing	2,463
-350	Minimum Revenue Provision	-438
13,475	Closing Capital Financing Requirement	16,000

16 Commitments Under Capital Contracts

Contract	Contractor	2009/10 £000s	2010/11 £000s	2011/12 £000s	2012/13 £000s
Complete Roofs	Warkton Roofing Ltd	638	23	0	0
Heating Replacement	Wheldon Contracts & Services Ltd	315	12	0	0
Planned	A Ainge & Sons	163	0	0	0
Kitchen Replacement	Graham Holmes Astraseal	74	2	0	0
Backlog 2008-09 Contract	IBS Open Housing	61	0	0	0
Door and Ad-hoc Window Replacement (Relating to Hardingstone)	Oakleaf Roofing Ltd	59	4	0	0
Housing Management System (IBS Open Housing)	Ladderbridge Roofing Ltd	22	0	0	0
Complete Roofs	Graham Holmes Astraseal	13	0	0	0
Complete Roofs	Mears	12	0	0	0
Door and Ad-hoc Window Replacement	A Ainge & Sons	5	0	0	0
Kitchen Replacement	Chris Smith Developments	3	0	0	0
Backlog 2007-08 Contract					
Kitchen Replacement					
Backlog 2007-08 Contract					
Spring Lane Victorian School Annexe					
Total		1,365	41	0	0

E. Notes To The Core Financial Statements

17 Movement in Intangible Assets

	Purchased Software Licenses	Licenses, Trademarks and Artistic Originals	Patents	Total
	£000s	£000s	£000s	£000s
Original Cost	5,373	0	0	5,373
Amortisations to 1 April 2008	-1,833	0	0	-1,833
Net book value 31st March 2008	3,540	0	0	3,540
Expenditure in Year	628	0	0	628
Adjustments in Year	-510	0	0	-510
Amortisations written back on Disposal	1,307	0	0	1,307
Adjustments in Year - Amortisation	510	0	0	510
Written Off to Revenue in Year - Impairment	-1,203	0	0	-1,203
Written Off to Revenue in Year - Amortisation	-538	0	0	-538
Net book value of assets 31st March 2009	3,734	0	0	3,734

18 Movement in Tangible Fixed Assets

a) Operational Assets

	Council Dwellings	Other Housing Property	Other land & buildings	Vehicles plant, etc.	Infra-structure	Com-munity Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Certified Valuation 31st March 2008	614,482	16,805	80,616	10,062	1,444	6,092	729,501
Accumulated impairment	-948	-382	-1,664	-2,771	0	0	-5,765
Accumulated depreciation	-17,365	-341	-4,893	-6,380	-195	-66	-29,240
Net book value 31st March 2008	596,169	16,082	74,059	911	1,249	6,026	694,496
Movement in 2008/09							
Additions	7,575	0	750	823	180	579	9,907
Disposal	0	0	0	0	0	0	0
Revaluations	10,513	363	1,322	1,176	0	0	13,374
Depreciation	-9,849	-250	-1,876	-466	-15	-21	-12,477
Depreciation Written Back	17,365	254	4,722	6,404	0	0	28,745
Impairments	-104,031	-547	-7,680	-6,062	0	-660	-118,980
Adjustments/Transfers	-665	20	-174	2	1	0	-816
Depreciation Adj/Transfers	0	-3	9	0	0	0	6
Net book value 31st March 2009	517,077	15,919	71,132	2,788	1,415	5,924	614,255
Gross Valuation at 31st March 2009	631,905	17,188	82,514	12,063	1,625	6,671	751,966
Impairments at 31st March 2009	-104,979	-929	-9,344	-8,833	0	-660	-124,745
Depreciation at 31st March 2009	-9,849	-340	-2,038	-442	-210	-87	-12,966
Net Book Value 31st March 2009	517,077	15,919	71,132	2,788	1,415	5,924	614,255

E. Notes To The Core Financial Statements

b) Non-Operational Assets

	Works In Progress	Investment & Commercial	Surplus Assets	Total
	£000s	£000s	£000s	£000s
Certified Valuation 31st March 2008	3,050	44,195	796	48,041
Accumulated impairment	0	-588	0	-588
Accumulated depreciation	0	-52	0	-52
Net book value 31st March 2008	3,050	43,555	796	47,401
Movement in 2008/09				
Additions	465	129	0	594
Disposal	0	0	-1,046	-1,046
Revaluations	0	727	0	727
Depreciation	0	0	-19	-19
Depreciation Written Back	0	0	120	120
Impairments	0	-3,988	-104	-4,092
Adjustments/Transfers	-1	-590	1,550	959
Depreciation Adjustments/Transfers	0	8	-128	-120
Net book value of assets 31st March 2009	3,514	39,841	1,169	44,524
Gross Valuation at 31st March 2009	3,514	44,461	1,300	49,275
Impairments at 31st March 2009	0	-4,576	-104	-4,680
Depreciation at 31st March 2009	0	-44	-27	-71
Net Book Value 31st March 2009	3,514	39,841	1,169	44,524

E. Notes To The Core Financial Statements

19 Information on Assets Held

31/03/2008		31/03/2009
Number	Operational Assets	Number
12,262	Council Dwellings	12,209
	Other Land and Buildings	
27	Council Houses not used as dwellings	27
95	Shared Ownership Properties	94
3,005	Council Garages	3,002
20	Other Housing Properties	19
67	Operational Shops	67
194	Other Garages	194
1	Guildhall	1
62.88ha	Allotments	62.88ha
4	Sports & Leisure Centres	5
27	Community Centres	27
2	Museums, Art Galleries	2
1	Open Markets	1
15	Public Conveniences	14
5	Multi-Storey Pay & Display Car Parks	5
4	Local Area Offices	4
4	Central Administrative Offices	4
1	Gypsy Site	1
1	Bus Station	1
17	Surface Pay & Display Car Parks	18
1	Depots	1
15	Sub-Depots	15
284	Commercial Property (Units)	289
1	Golf Course	1
74	Infrastructure	75
164	Vehicles, Plant, Furniture and Equipment	163
	Community Assets	
887.45ha	Parks and Open Spaces	887.45ha
4	Historical Buildings	4
33	Monuments/Memorials/Exhibitions	35
6	Pavilions	6
6	Cemeteries	8
1	Civic/Mayoral Regalia	1
	Non-operational Assets	
284	Commercial Property (Units)	289
65.97ha	Agricultural Land	65.97ha
1	Theatres	1
1	Indoor Market/Arts Venue	1
78	Intangible Assets	70

E. Notes To The Core Financial Statements

20 Assets Held Under Leases

The Council uses equipment financed under the terms of operating leases. The amount charged to revenue under these arrangements in 2008/09 was £2.53m (£2.48m for 2007/08). The Council has one financing lease above the de-minimus level which was entered into in 2008/09. The amount charged to revenue in 2008/09 was £8k.

a) Cost

2007/08		2008/09
£000s		£000s
0	Finance Lease Rentals	4
314	Operating Lease Charges	339
2,162	Vehicle Operating Lease Charges (including Maintenance)	2,193
2,476		2,536

b) Periods & Commitment

Commitments in 2009/10 for Assets Held Under Operating Leases in 2008/09	31/03/2009
	£000s
Leases Expiring	
Within 1 year	0
2 – 5 years	222
Exceeding 5 years	153
	375

Future Year Obligations for Assets Held Under Finance Leases in 2008/09	31/03/2009
	£000s
Obligations Due	
Within 1 year	7
2 – 5 years	6
Exceeding 5 years	0
	13

21 Assets Held For Leases

The Council received £2.419m (£2.435m in 2007/08) in the year from the lease of property to third parties under operating leases. As at 31st March 2009, the gross value of the assets was £40.309m for which £2.338m accumulated depreciation has been charged to revenue.

E. Notes To The Core Financial Statements

22 Valuation Information

Assets are carried in the Council's balance sheet at current value in accordance with the proper practices as set out in the CIPFA 2008 SoRP (Statement of Recommended Practice).

The valuation methods used for different types of assets are set out at table 23 below.

Valuations of the Council's freehold and leasehold properties are carried out by the Council's internal valuer, Richard Lewis FRICS.

Further information on the way that intangible and fixed assets are accounted for is set out in the Accounting Policies.

a) Tangible Operational

	Council Dwellings	Other HRA Land & Build.	Other Land & Build.	Vehicles Plant & Equip.	Infra- Structure Assets	Comm. Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Valued at Historic Cost	0	0	33	0	1,362	5,202	6,597
Valued at Current Value in: -							
2008/09	517,077	15,793	65,625	2,139	0	0	600,634
2007/08	0	126	262	649	0	184	1,221
2006/07	0	0	487	0	0	0	487
2005/06	0	0	550	0	0	0	550
2004/05	0	0	3,561	0	53	170	3,784
Previous Years	0	0	614	0	0	368	982
Total	517,077	15,919	71,132	2,788	1,415	5,924	614,255

E. Notes To The Core Financial Statements

b) Tangible Non-Operational

	Non-Operational Assets			Total
	Works in Progress	Investment Property	Surplus Property	
	£000s	£000s	£000s	£000s
Valued at Historic Cost	3,513	0	0	3,513
Valued at Current Value in: -				
2008/09	0	24,767	115	24,882
2007/08	0	3,193	554	3,747
2006/07	0	4,698	0	4,698
2005/06	0	3,714	277	3,991
2004/05	0	3,219	50	3,269
Previous Years	0	250	174	424
Total	3,513	39,841	1,170	44,524

23 Valuation Methodologies

Intangible Assets	Historic Cost
Operational Assets	
Council Housing	Existing Use Value - Social Housing
Land & Buildings	Existing Use Value
	Depreciated Replacement Cost
Vehicles, Plant & Equipment	Assets with opening NPV <£6k at Depreciated Historic Cost
	Assets with opening NPV at or > £6k at lower of Net Realisable Value and Current Replacement Cost
Infrastructure Assets	Historic Cost applied where possible but where unable to determine the historical cost, the asset is valued at £1
Community Assets	Historic Cost applied where possible but where unable to determine the historical cost, the asset is valued at £1
Non-Operational Assets	
Investment Properties	Market Value
Surplus Properties	Market Value
Assets Under Construction	Historic Cost

24 Changes in Valuation Methodologies Used

There have been no changes to valuation methodologies used in 2008/09 compared with the previous year.

E. Notes To The Core Financial Statements

25 Investments

31/03/2008	Investment Type	31/03/2009
£000s		£000s
	Short Term - Under 1 Year	
0	Gilts	0
100	UK Equities	0
47,303	Building Societies	9,959
5,100	Cash On Deposit	11,280
0	Banks	25,477
52,503		46,716
	Long Term - Over 1 Year	
0	Gilts	0
0	UK Equities	0
0	Building Societies	0
0	Cash On Deposit	0
0	Banks	6,303
0	Total	6,303

26 Stocks & Work In Progress

Stocks held at the main stores at Westbridge Depot and the sub-stores are valued at current prices. Each time a commodity is purchased, the entirety of the stock holdings are revalued at that delivery price. Stocks held at the Council's other stores are valued at cost price.

31/03/2008		31/03/2009
£000s		£000s
183	Westbridge Depot Main Stores	259
68	Sub Stores	90
128	Other Stores	92
379	Total	441

E. Notes To The Core Financial Statements

27 Current Assets – Debtors

31/03/2008		31/03/2009
£000s		£000s
4,588	Sundry Debtors	5,275
9,968	Government Departments	3,634
1,949	Other Local and Public Authorities	569
10,554	Local Taxpayers	10,988
4,291	Housing Tenants	3,386
15	Loans to Employees	21
798	Collection Fund Balance owed	677
32,163		24,550
	Provisions for Bad Debts	
-3,809	Local Taxpayers	-3,953
-2,376	Housing Tenants	-1,933
-3,246	Other	-3,002
-9,431	Total Provision for Bad Debts	-8,888
22,732	Net Debtors	15,662

28 Current Assets – Cash & Bank

31/03/2008		31/03/2009
£000s		£000s
0	Co-operative Bank	0
5	Imprests	5
16	Floats	36
8	Girobank	8
29	Cash & Bank	49
-1,111	Overdraft	-629

E. Notes To The Core Financial Statements

29 Current Liabilities – Short Term Borrowing

31/03/2008	Funded by	Period Invested	31/03/2009
£000			£000
50	Billing Parish Council	Fixed Deposit	50
10	Billing Parish Council	7 day Notice	15
94	Northampton Volunteer Bureau	7 day Notice	94
154			159

30 Current Liabilities – Creditors

31/03/2008		31/03/2009
£000s		£000s
10,402	Sundry Creditors	6,385
7,385	Government Departments	6,860
4,136	Other Local and Public Authorities	2,600
4,204	Local Taxpayers	4,515
890	Tenants	540
8,005	Developer's Contributions	7,730
575	Deposits	171
0	Collection Fund Balance owed	0
35,597		28,801

31 Government Grants and Developers' Contributions

Contributions received from developers have been classified depending on whether the contribution is repayable and whether the contribution is for a revenue or capital purpose, in line with the treatment described in the Statement of Accounting Policies.

2007/08		2008/09
£000s		£000s
6,598	Creditors	6,332
1,407	Receipts in advance	1,399
948	Grants & Contributions - Unapplied (Government Grants)	1,361
21	Grants & Contributions - Unapplied (Non-Government Grants)	376
141	Grants & Contributions - Unapplied (Developers)	110
9,115		9,578

E. Notes To The Core Financial Statements

32 Long Term Borrowing

31/03/2008	Source of Loan	Range of Interest Rates (%)	31/03/2009
£000			£000
24,791	Analysis of loans by type		
1,256	Money Markets	4.85 - 7.03	24,785
	English Partnerships	9.25	1,242
26,047			26,027
	Analysis of loans by maturity		
14	Maturing in 1-2 years		16
51	Maturing in 2-5 years		56
15,845	Maturing in 5-10 years		15,820
10,137	Maturing in over 10 years		10,135
26,047			26,027

33 Provisions

a) Insurance Provision

The provision covers the following risks :-

- Liability claims under the policy excess arising from 1992/93 onwards.
- Claims under the policy excess on the Council's own dwellings.
- Claims over the "paid locally" figure but under the excess on the Council's motor vehicles.
- Death in service cover for employees who have council loans for the purchase of cars required for essential purposes.
- Other small miscellaneous items arising from time to time.

External premiums are charged direct to the revenue accounts, as are the costs of the internal Insurance Provision. This provision is reduced as claims are settled.

The estimated cost of outstanding claims on the Insurance provision as at 31st March 2009 is shown below. These sums represent the balance on the Insurance Provision, with any surplus being transferred to the Insurance Reserve.

2007/08		2008/09
£000s		£000s
-982	Ongoing Liability Claims under the policy excess	-992
-7	Motor Vehicle Claims over the "paid locally" figure, but under the policy excess	-1
-989		-993

E. Notes To The Core Financial Statements

b) Overall Provisions

Provisions	Balance 31/03/2008	Costs	Income	Balance 31/03/2009
	£000s	£000s	£000s	£000s
Insurance	-989	1,228	-1,231	-992
DWP Grants	-160	160	0	0
Other	-69	0	-2	-71
	-1,218	1,388	-1,233	-1,063

Department for Work and Pensions (DWP) Grants

The provision of £160k that had been made in relation to prior year subsidy claims is no longer required. Therefore this provision has been written back to revenue in 2008/09.

Other

The balance represents small provisions of £5k in respect of the Rent Assistance and Rent Guarantee Schemes and a provision of £66k relating to electricity payments due on leisure centres.

34 Analysis of Net Assets Employed

	31 March 2008	31 March 2009
	£000s	£000s
General Fund	-11,241	-9,932
Housing Revenue Account	617,853	539,860
Trading Operations	40,216	37,734
Total	646,828	567,662

E. Notes To The Core Financial Statements

35 Reserve Movement

a) Overall Summary

Reserve	Balance 31/03/2008	Net Movement in Year	Balance 31/03/2009	Purpose of Reserve	Further Details of Movements
	£000s	£000s	£000s		
Revaluation Reserve	50,489	-34,925	15,564	Store of gains on revaluation of fixed assets	Note 35 b below
Capital Financing Account	673,402	-50,821	622,581	Store of capital resources set aside to meet past expenditure	Note 35 c below
Financial Instruments Adjustment Account	-1,582	294	-1,288	Adjustments for Financial Instruments transactions to properly reflect the impact on revenue balances in the correct year	Note 35 f below
Capital Receipts Reserve	131	264	395	Proceeds of fixed asset sales available to meet future capital investment	Note 35 d below
Deferred capital receipts	54	-10	44	Future Capital Receipts from mortgaged property	
Pension Reserve	-101,215	4,097	-97,118	Balancing account to allow inclusion of Pensions Liability in the Balance Sheet	Note 12 to the Core Financial Statements
General Fund Balance	2,691	-685	2,006	Resources available to meet future running costs for non-housing services	Statement of Movement on the General Fund Balance (D2)
Collection Fund Balance	-148	23	-125	Resources available to be paid to the Council in the future from the collection fund	Collection Fund Statements and Note 14 to the Core Financial Statements
Housing Revenue Account Balance	5,631	493	6,124	Resources available to meet future running costs for council houses	HRA Statements
Major Repairs Reserve	2,617	496	3,113	Resources available to meet capital investment in council housing	HRA Statements
Earmarked Reserves	14,522	1,844	16,366	Reserves set aside for specific purposes	Note 35 e below
Total	646,592	-78,930	567,662		

E. Notes To The Core Financial Statements

b) Revaluation Reserve

	General Fund	Housing Revenue Account	Total
	£000s	£000s	£000s
Balance at 01/04/2008	8,611	41,878	50,489
Revaluation adjustments	8,144	8,960	17,104
Market Factors Impairment Adjustments	-975	-38,524	-39,499
Historic Cost Depreciation Adjustment	-1,098	-9,430	-10,528
Revaluations on Disposal	-1,694	-308	-2,002
Balance at 31/03/08	12,988	2,576	15,564

E. Notes To The Core Financial Statements

c) Capital Adjustment Account

	General Fund	Housing Revenue Account	Total
	£000s	£000s	£000s
Balance at 01/04/2008	92,345	581,061	673,406
Capital Financing			
MRR	0	7,336	7,336
Capital Receipts	1,124	11	1,135
Revenue Contributions	519	0	519
	1,643	7,347	8,990
MRP	438	0	438
Revenue Expenditure Funded from Capital	-1,850	-27	-1,877
Depreciation - General	-2,378	-10,119	-12,497
Depreiated Historic Cost Adjustment	1,098	9,430	10,528
Impairment - Economic Benefits	-2,759	-190	-2,949
Impairment - Market Factors	-6,077	-48,670	-54,747
Amortisation - Intangibles	-484	-53	-537
Amortisation - 3rd Party Contributions	301	0	301
Amortisation - Grants Deferred	440	15	455
	-9,859	-49,587	-59,446
Revaluations			
Disposals	1,479	-409	1,070
	1,479	-409	1,070
Balance at 31/03/2009	84,196	538,385	622,581

E. Notes To The Core Financial Statements

d) Capital Receipts Reserve

2007/08		2008/09
£000s		£000s
0	Balance as at 1 April	131
5,900	Effects of Disposals	2,154
-4,403	Housing Capital Receipts Pooling	-749
-1,477	Capital Programme Financing	-1,135
111	Other	-6
131	Balance as at 31 March	395

e) Earmarked Reserves

Reserve	Balance 31/03/2008	Additions to Reserve	Use Of Reserve	Balance 31/03/2009
	£000s	£000s	£000s	£000s
Insurance	2,236	-208	-52	1,976
Benefits Clawback	1,300	-496	-804	0
Subsidy Equalisation	550	0	-50	500
Core Business Systems	500	1	-332	169
Building Maintenance	676	0	-176	500
Corporate Initiatives	886	0	-535	351
Service Improvements	215	1,000	-215	1,000
Debt Financing	0	460	0	460
General	2,136	370	706	3,212
Arts	23	0	0	23
HRA	6,000	2,175	0	8,175
	14,522	3,302	-1,458	16,366

i) Insurance Reserve

The Insurance Reserve has been set aside using surplus money from the insurance provision which is used to meet known insurance claims. This reserve is to be used for future insurance or risk management requirements including initiatives to mitigate and manage significant risks.

ii) Benefits Clawback Reserve

Housing benefits subsidy claims from prior years have been closed and there the risk of significant clawback from the Department for Work and Pensions has been removed. This reserve has therefore now been closed.

iii) Subsidy Equalisation Reserve

Subsidy claims are very much reliant upon regulations issued by the grant paying bodies. These can change in-year and so the net cost of benefit payments and subsidy claims from the Government can be extremely volatile. This reserve has been constituted to help smooth the effects of this between years.

E. Notes To The Core Financial Statements

iv) Core Business Systems Reserve

The Core Business Systems Reserve will be used to improve the main financial and subsidiary financial systems of the Council to streamline administrative processes and improve the quality of information and controls.

v) Building Maintenance Reserve

The base budgets for revenue and capital include an allowance for ongoing building maintenance / enhancement. This reserve consists of balances set aside from revenue to finance any major unanticipated maintenance projects.

vi) Corporate Initiatives Reserve

In 2007/08 and 2008/09, general government grant was received relating to the Local Authority Business Growth Incentive Scheme. Due to the volatile nature of this grant, it is not included within base budgets. This income has been moved added into an earmarked reserve to be used on corporate initiatives.

vii) Service Improvements Reserve

This reserve will be used to support strategic business reviews which will improve the performance of the Council.

viii) Debt Financing Reserve

This reserve has been set up to mitigate the additional market risks inherent in treasury management transactions during this period of world-wide economic uncertainty.

viii) General Reserve

The General Reserve allows the Council to commit funding to individual projects which may spread across more than one year. This reserve is also used for any contingency sums set aside during budget setting to mitigate risks within the budget.

ix) Arts Reserve

This is used to finance the purchase of exhibits for the Museum and Art Gallery.

x) HRA Earmarked Reserve

This reserve contains amounts specifically set aside to finance HRA projects. The money in this reserve must be used on the Housing Revenue Account.

f) Financial Instruments Adjustment Account

2007/08		2008/09
£000s		£000s
0	Balance as at 1 April	1,582
1,603	Transitional Arrangements - Unattached Premia	-315
-18	Transitional Arrangements - Recognition of Financial Instruments	18
-3	Effective Interest Rate Adjustments	3
1,582	Balance as at 31 March	1,288

E. Notes To The Core Financial Statements

36 Cash Flow Notes

a) Revenue Activities Net Cash Flow to Income & Expenditure Accounts

2007/08		2008/09	
£000		£000	£000
	Surplus/deficit (-) for the year		
-10,309	Income & Expenditure		0
	Non-Cash Transactions		
19,809	Depreciation / Impairment	0	
-442	Deferred Grants Amortised	0	
-1,932	Grants Funding Deferred Charges	0	
555	Pension Fund Adjustments	0	
-46	Reductions in fair value of soft loans	0	
256	Other non-cash Adjustments	0	
70	Increase / Decrease in Provisions re loans & advances	0	
433	Transfers to Reserves	0	
18,703			0
	Items classified elsewhere in the Cash Flow Statement		
-3,453	Interest received	0	
1,547	Interest paid	0	
667	Deferred Charges	0	
-47	Fixed Assets Gain / Loss	0	
-1,286			0
	Items accrued		
-37	Increase (-) /decrease of stock & work in progress	0	
2,030	Increase (-) /decrease in debtors	0	
2,372	Increase/decrease (-) in creditors	0	
4,365			0
11,473	Revenue Activities Net Cash In-Flow		0

E. Notes To The Core Financial Statements

b) Analysis of Net Debt

	Cash	Temporary Investments & Short Term Deposits	Total	Loans Due within one year	Loans due after more than one year	Deferred Liabilities	Net Debt
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1st April 2008	-1,207	52,503	51,296	-154	-25,862	0	25,280
Cashflow / changes in year	0	0	0	0	0	0	0
Other Non Cash changes	0	0	0	0	-6	0	-6
Balance at 31 March 2009	-1,207	52,503	51,296	-154	-25,868	0	25,274

c) Reconciliation of Changes in Cash to Movement in Net Debt

2007/08		2008/09
£000s		£000s
98	Increase / Decrease (-) in Cash in Year	0
12,983	Cash Inflow / Outflow (-) from Management of Liquid Resources	0
828	Cash Inflow from Loans Raised	0
-537	Cash Outflow from Loans Repaid	0
-6	Net Adjustments for differences between EIR and actual interest	0
11,914	Net Debt B/f	0
25,280		0

d) Analysis of Changes in Cash and Liquid resources

	2007/08	2008/09	Change in Year
	£000s	£000s	
Temporary Investments	52,503	0	-52,503
Short Term Deposits	0	0	0
Cash	29	0	-29
Bank Overdraft	-1,235	0	1,235
Net Cash Inflow / Outflow (-)	51,297	0	-51,297

E. Notes To The Core Financial Statements

e) Analysis of Other Government Grants

2007/08		2008/09
£000s		£000s
627	Planning	0
0	Regeneration	0
1,168	Administration Grant	0
143	Recycling	0
0	Crime Reduction	0
0	Customer Services	0
115	Training and Capacity Development	0
37,344	DWP Grants	0
39,397	Net Cash (In)/outflow	0

37 Contingent Assets and Liabilities

Assets

The Council is currently monitoring two contingent assets. These are: -

- Historic Costs associated with the redevelopment of Grosvenor / Greyfriars may be reimbursed by the developer depending on agreement of contract terms and the timing of that agreement.
- A number of claims for reimbursement of VAT and associated interest were submitted to HMRC in March 2009. These were in the areas of sports tuition, sports services, domestic waste, excess charges levied in car parks and cultural services. We await to hear back from the HMRC on their validation of these and as such, the figures are not yet quantifiable to report as they could vary significantly.

Liabilities

The Council is potentially liable for the following payments: -

- The Council has received Deposits under Section 106 agreements, which may be repayable if the conditions for each agreement are not met. No provision has been made in the Accounts for any interest that may become repayable under the terms of the individual agreements. In the event that every one of these deposits becomes repayable with interest, the Council's maximum liability for interest payable as at 31st March 2009 was estimated to be £1.350m (£1.439m as at 31st March 2008).
- A capital grant was received from East Midlands Development Agency (EMDA) for site clearance of the Blueberry Diner. The grant was awarded on condition of scheme completion within a fixed time period and, due to that time period not having been complied with, up to the full amount of the grant of £2m may be clawed back by EMDA. The Council is making endeavours to secure a development partner for this site and is keeping EMDA fully updated of the progress. To date they have continued to be supportive.
- The Council is currently in negotiations about potential equal pay claims. If there are cases where the Council loses at a tribunal, the Council may be liable to pay back pay.

E. Notes To The Core Financial Statements

- Three employees are currently taking the Council to an industrial tribunal for unfair dismissal. The tribunal proceedings to quantify compensation have not been finalised so an assessment of the compensation figure at this stage is difficult.
- The Council has not yet implemented a full pay and grading review. This is planned to be completed for implementation in April 2010. The impact of this review is unknown at present and in any case will be reflected in budgets for the 2010/11 financial year.

38 The Euro

The Council recognises that there may be costs associated with the introduction of the Euro if this is required by UK law. The purchase of new computer systems must take account of Euro issues and compliance. No other preparations have been made nor has any money been earmarked for the introduction of the Euro. There has been no direct expenditure to date on Euro conversion and it is anticipated that prior to possible introduction of the Euro, all systems will be Euro compliant.

39 Trust Funds

The Council acts as sole trustee in respect of two Trust Funds for the Northamptonshire Regiment museum (balances of £72k) and the other the Northamptonshire Yeomanry Museums Trust (balances of £1k). The Trust funds are used to finance expenditure on the exhibits donated by the Regiments at their disbandment, which are housed at Abington Museum. Surplus funds are invested and accounted for separately to the Council's funds and no money is expended unless there are funds to do so.

40 Financial Instruments Disclosures

a) Financial Instruments Balances

The borrowings and investments disclosed in the Balance Sheet are made up of the following categories of financial instruments:

	Long-Term		Current	
	31 March 2008	31 March 2009	31 March 2008	31 March 2009
Financial Liabilities at amortised cost	£000s -25,862	£000s -26,027	£000s -36,798	£000s -29,589
Financial liabilities at fair value through income and expenditure	0	0	0	0
Total borrowings	-25,862	-26,027	-36,798	-29,589
Loans and Receivables	119	40	69,654	68,053
Available-for-sale financial assets	0	0	0	0
Financial assets at fair value through income and expenditure	0	0	5,040	0
Total Investments	119	40	74,694	68,053

b) Financial Instruments Gains and Losses

The gains and losses recognised in the Income and Expenditure Account are made up as follows:

E. Notes To The Core Financial Statements

2007/08				
	Financial Liabilities	Financial Assets		Total
	Liabilities measured at amortised cost	Loans and Receivables	Available for sale assets	
	£000s	£000s	£000s	£000s
Interest expenditure	-1,363	0	0	-1,363
Gains / Losses on derecognition	0	0	0	0
Impairment losses	0	-4,351	0	-4,351
Interest Payable and similar charges	-1,363	-4,351	0	-5,714
Interest income	0	3,454	0	3,454
Gains / Losses on derecognition	0	0	0	0
Interest and Investment Income	0	3,454	0	3,454
Net gain/(loss) for the year	-1,363	-897	0	-2,260

2008/09				
	Financial Liabilities	Financial Assets		Total
	Liabilities measured at amortised cost	Loans and Receivables	Available for sale assets	
	£000s	£000s	£000s	£000s
Interest expenditure	-1,502	0	0	-1,502
Gains / Losses on derecognition	0	0	0	0
Impairment losses	0	-1,984	0	-1,984
Interest Payable and similar charges	-1,502	-1,984	0	-3,486
Interest income	0	3,664	0	3,664
Gains / Losses on derecognition	0	0	0	0
Interest and Investment Income	0	3,664	0	3,664
Gains on Revaluation			0	
Losses on Revaluation			0	
Amounts recycled to the I+E Account after impairment			0	
Surplus arising on revaluation of financial assets			0	
Net gain/(loss) for the year	-1,502	1,680	0	178

E. Notes To The Core Financial Statements

c) Fair Value of Assets and Liabilities Carried at Amortised Cost

Fair value has been calculated using the assumptions detailed in the Statement of Accounting Policies and are as follows: -

	31 March 2008		31 March 2009	
	Carrying amount	Fair value	Carrying amount	Fair value
	£000s	£000s	£000s	£000s
Financial Liabilities at amortised cost	-61,131	-65,710	-55,617	-61,056
Loans and Receivables	68,234	68,225	68,093	68,594

The fair value of Financial Liabilities at amortised cost at 31st March 2008 and 31st March 2009 is more than the carrying amount because the Authority's portfolio of loans includes a number of fixed rate loans where the interest payable is higher than the rates available for similar loans at the Balance Sheet date. This commitment to pay interest below current market rates increases the amount that the Authority would have to pay if the lender requested or agreed to early repayment of the loans.

The fair value of Loans and Receivables at 31st March 2008 is less than the carrying amount because the authority's portfolio of investments included a number of fixed rate loans where the interest receivable was lower than the rates available for similar loans at the Balance sheet date. This commitment to receive interest below current market rates decreases the amount that the authority would receive if it agreed to early repayment of the loans.

The fair value of Loans and Receivables at 31st March 2009 is higher than the carrying amount because the authority's portfolio of investments includes a number of fixed rate loans where the interest receivable is higher than the rates available for similar loans at the Balance sheet date. This guarantee to receive interest above current market rates increases the amount that the authority would receive if it agreed to early repayment of the loans.

d) The Nature and Extent of Risks Arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Authority;
- Liquidity risk – the possibility that the Authority might not have funds available to meet its commitments to make payments; and
- Market risk – the possibility that financial loss might arise for the Authority as a result of changes in interest rates and stock market movements

The Authority's risk management processes consider the unpredictability of financial markets and seek to minimise potential adverse effects on the resources available to fund services. Risk management is undertaken by the Capital and Treasury team under policies approved by the Council in its Treasury Management Policy Statement, Treasury Management Practices and Schedules and the annual Treasury Management Strategy. These contain overall principles for risk management, as well as covering specific risks, which include liquidity risk, interest rate risk, credit risk, and market risk.

E. Notes To The Core Financial Statements

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures from the Authority's customers. Deposits are made with banks and financial institutions supported by an assessment of risk. The limits put on investments vary according to the particular institution or group depending on the risk level determined for that specific body.

Due to the nature of its business the Authority does not assess operational customers for credit worthiness and does not set credit limits on customers. In relation to mortgages, the Council holds an equity stake in each relevant property as collateral against the mortgage outstanding. There are also certain exceptional circumstances under which the Authority has placed a charge on a property as collateral against a specific debt. Business customers are not given individual credit limits, however, business customers are assessed, taking into account their financial position, past experience, and other factors, in line with parameters set by the Council, when contracts are entered into. This forms part of the council's procurement procedures.

The following analysis summarises the Authority's potential maximum exposure to credit risk based on experience of default and uncollectability over the last four financial years adjusted to reflect current market conditions.

	Amount at 31 March 2009	Historical Experience of Default	Historical Experience Adjusted for Market Conditions at 31 March 2009	Estimated Maximum Exposure to Default and Uncollectability
	£000s	%	%	£000s
Long Term Debtors - Mortgages	40	0.00	0.00	0
Customers: Council Tax	10,138	4.08	4.08	414
Customers: NNDR	850	0.67	0.67	6
Customers: Rent	2,476	3.10	3.10	77
Customers: Sundry *	3,559	24.60	24.60	876
Deposits with Banks and Financial Institutions	53,019	0.00	0.00	0
	53,019			1,373

* Based on last 2 years' experience of default.

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits. The Council held no investments in the form of bonds during 2008-09.

E. Notes To The Core Financial Statements

The Council does not generally allow credit for its customers (with the exception of mortgagees) such that £18.4m of the £66.6m is past its due date for payment. The past due amount can be analysed by age as follows:

	Amount at 31 March 2009
	£000s
Less than three months	0
Three to six months	0
Six months to one year	0
More than one year	0
	0

Impairment on the debtors financial asset has been identified, standing at a total of £9.4m at the end of 2008-09.

Collateral

The Council holds collateral against a number of mortgages. The balance sheet value of these is currently £45.5k (£54.8k in 2007/08).

The terms and conditions relating to the pledge are standard in all the mortgages held and are summarised as follows:

- The property is to be kept in good and substantial repair;
- No structural alterations, demolitions, additions are to be carried out to the property or any part of it without written consent of the Council;
- To comply in all respects with the Planning Acts;
- Not to do or permit on the property anything which may prejudice the insurance of the property;
- Limitations on the usage of the property;
- The right of the Council to inspect the property;
- That the borrower is required to observe and perform any covenants and provisions relating to the property;
- The Council's power of sale;
- Events on which the whole mortgage becomes repayable;
- Remedies available to the Council;
- The Council's power to transfer the benefit of the charge;
- The power of the Council to make written concessions in favour of the borrower.

Liquidity Risk

As the Council has ready access to borrowings from the Public Works Loan Board (PWLb), there is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the Council will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The strategy is to manage loans that are due to mature within any rolling three-year period through a combination of careful planning of new loans taken out and (where it is economic to do so) making early repayments.

E. Notes To The Core Financial Statements

The maturity analysis of financial liabilities is as follows: -

Maturity Profiles of Financial Liabilities	Amount at 31 March 2009
	£000s
Less than one year	29,589
One to two years	16
two to five years	56
More than five years	25,955
	55,616

All trade and other payables are due to be paid in less than one year.

Market Risk

Market risk falls into three categories, Interest Rate Risk, Price Risk, and Foreign Exchange Risk.

Interest Rate Risk

The Council is exposed to significant risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For example a rise in interest rates would have the following effects: -

- Borrowing at variable rates – the interest expense charged to the Income and Expenditure Account will rise;
- Borrowing at fixed rates – the fair value of the liabilities will fall;
- Investment at variable rates – the interest income credited to the Income and Expenditure Account will rise;
- Investments at fixed rates – the fair value of the assets will fall.

Borrowing is not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Income and Expenditure Account or STRGL. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Income and Expenditure Account and affect the General Fund Balance pound for pound. Movements in the fair value of fixed rate investments will be reflected in the STRGL.

The Council has a number of strategies for managing interest rate risk. For example, during periods of falling interest rates and where economic circumstances make it favourable, fixed rate loans may be repaid early to limit exposure to losses.

The Capital and Treasury Team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to update the budget quarterly during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

E. Notes To The Core Financial Statements

According to this assessment strategy, at March 2009, if interest rates had been 1% higher with all other variables held constant, the financial effect would be: -

	Amount at 31 March 2009
	£000s
Increase in interest payable on variable rate borrowing	0
Increase in interest receivable on variable rate investments	0
Impact on I & E Account	0
Share of overall impact credited to the HRA	0
Impact remaining on General Fund	0
Impact on GF I & E Account	0
Increase in fair value of fixed rate investment assets	0
Impact on STRGL	0
Decrease in fair value of fixed rate borrowing liabilities (no impact on I & E Account or STRGL)	0

The impact of a 1% increase in interest rates would be as above but with the movements being reversed.

Price Risk

The Council does not invest in equity shares and therefore has no exposure to loss arising from movements in share prices.

Foreign Exchange Risk

The Council has no financial assets or liabilities denominated in foreign currencies and, therefore, has no exposure to loss arising from movements in exchange rates.

E. Notes To The Core Financial Statements

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F. Housing Revenue Account

F1 Income & Expenditure Account

The Housing Revenue Account (HRA) summarises the transactions relating to the provision, maintenance and sale of Council houses and flats. The account has to be self-financing and there is a legal prohibition on cross subsidy to or from local taxpayers.

2007/08		2008/09		Notes
£000s		£000s	£000s	
	Income			
-40,461	Dwelling Rents	-41,091		HRA2-4
-1,126	Non Dwelling Rents	-906		
-1,527	Charges for services & facilities	-1,522		
-160	Contributions Towards Expenditure	-266		
0	Housing Revenue Account subsidy receivable	0		
0	Sums Directed by the Secretary of State that are income in accordance with UK GAAP	0		
-43,274	Total Income		-43,785	
	Expenditure			
12,227	Repairs & Maintenance	13,065		HRA5
	Supervision & Management			
5,760	General Management	6,195		
3,653	Special Services	3,739		
53	Rent, Rates, Taxes & other charges	62		
8,483	Negative Housing Revenue Account subsidy payable	9,031		HRA6
10,721	Depreciation and Impairment of Fixed Assets	67,168		HRA7
0	Debt Management Costs	0		
1,275	Increased in provision for bad/doubtful debts	430		
0	Sums Directed by the Secretary of State that are expenditure in accordance with UK GAAP	0		
1,354	Rent Rebates transfer to General Fund	1,097		HRA8
43,526	Total Expenditure		100,787	
252	Net Cost of Services		57,002	
0	HRA Services share of Corporate and Democratic Core		0	
0	HRA share of other amounts included in the whole authority			
0	Net Cost of Services but not allocated to specific services		0	
252	Net Cost of HRA Services		57,002	
-52	Gain (-) or Loss on sale of HRA Fixed Assets		-89	
	Interest Payable and other similar charges			
480	Amortisation of Premiums & Discounts		0	
-961	Interest and Investment Income		-1,104	
344	Pensions interest cost and expected return on pensions assets		957	
63	Surplus (-) or Deficit for the year on HRA services		56,766	

F. Housing Revenue Account

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F. Housing Revenue Account

F2 Statement of Movement on the Housing Revenue Account Balance

The Income and Expenditure Account shows the Council's actual financial performance for the year, measured in terms of the resources consumed and generated over the last twelve months. However, the Authority is required to account for the net costs of Council Housing in a different way.

This statement below and the detailed reconciling items on the following page summarise the differences between the outturn on the HRA Income and Expenditure Account and the Housing Revenue Account Balance.

2007/08		2008/09	Note
£000s		£000s	
	Surplus (-) / Deficit for the year on the HRA Income and Expenditure Account	56,766	
	Net additional amount required by statute to be debited or credited to the HRA Balance for the year	-57,258	
	Increase (-) / Decrease in the HRA Balance for the Year	-492	
	HRA Balance brought forward	-5,631	
	HRA Balance carried forward	-6,123	

F. Housing Revenue Account

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F. Housing Revenue Account

Reconciling Items for the Statement of Movement on the HRA Balance

2007/08		2008/09	Note
£000s		£000s	
	Amounts included in the HRA Income and Expenditure Account but required by statute to be excluded when determining the Movement on the HRA Balance for the year		
	Difference between amounts charged to Income and Expenditure for amortisation of premiums and discounts and the charge for the year determined in accordance with statute	0	
	Difference between any other item of income and expenditure determined in accordance with the SoRP and determined in accordance with statutory HRA requirements (if any)	0	
	Revenue Expenditure Funded from Capital (Deferred Charges)	-27	
	Grants Deferred Written Off	15	
-1,405	Impairment of Fixed Assets	-57,011	
-53	Amortisation of intangible fixed assets	-53	
52	Gain or Loss on sale of HRA fixed assets	89	
-1,571	Net charges made for retirement benefits in accordance with FRS 17	-2,015	
	Sums directed by the Secretary of State to be debited or credited to the HRA that are not income or expenditure in accordance with UK GAAP	0	
-2,977		-59,002	
	Amounts not included in the HRA Income and Expenditure Account but required by statute to be included when determining the Movement on the HRA Balance for the year		
-1,680	Transfer to / from (-) Major Repairs Reserve	-2,287	HRA9
0	Transfers to / from (-) Housing Repairs Account	0	HRA5
1,451	Employer's contributions payable to the Northamptonshire County Council Pension Fund and retirement benefits payable direct to pensioners	1,537	
315	Financial Instruments Adjustments	315	
0	Voluntary set aside for debt repayment	4	
0	Capital expenditure charged in-year to the HRA Balance	0	
3,000	Net transfers to / from (-) earmarked reserves	2,175	
3,086		1,744	
109	Net additional amount required to be credited or debited to the HRA balance for the year	-57,258	

F. Housing Revenue Account

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G. Notes To The Housing Revenue Account

1 Prior Year Adjustments

None

2 HRA Assets and Capital Transactions

- a) At 31st March 2009 the Council was responsible for managing 12,238 units of accommodation: -

Type of Property	Number of Bedrooms				Total
	One	Two	Three	Four+	
Flats-Low Rise	1,468	389	2	1	1,860
Flats-Medium Rise	1,837	879	121	4	2,841
Flats-High Rise	398	83	22	0	503
Houses & Bungalows	879	2,582	3,233	340	7,034
Totals	4,582	3,933	3,378	345	12,238

- b) The movement in housing stock can be summarised as follows: -

Type of Property	Stock at 01/04/2008	Stock Movements			Stock at 01/04/2009
		Sales	Transfers	Additions	
Flats	5,208	-4	0	0	5,204
Houses & Bungalows	7,039	-5	0	0	7,034
Dwellings (excl. Shared)	12,247	-9	0	0	12,238
Shared Ownership	95	-1	0	0	94
Totals	12,342	-10	0	0	12,332

G. Notes To The Housing Revenue Account

c) The gross balance sheet of housing assets at 31st March was as follows:-

2007/08	Gross Balance Sheet Value	2008/09
£000s		£000s
	Operational Assets	
184,307	Land	155,123
418,087	Dwellings	361,954
12,768	Other Capital Assets	16,435
615,162	Total Operational Assets	533,512
1,129	Non Operational Assets	1,944
616,291	TOTAL	535,456
1,206,554	Vacant Possession Value as at 1st April	1,156,025

d) Capital Receipts

2007/08	Housing Capital Receipts	2008/09
£000		£000
365	Land Sales	13
5,465	Dwelling Sales	1,011
0	Other Property Sales	0
5,830	Total	1,024
-3,986	Payable to the Secretary of State	-755
110	Adjustment to amounts payable	0
-3,876	Net cost of Payments to CLG	-755
1,954	Useable Capital Receipts	269

The adjustment to amounts payable of £110k for 2007/08 in the above note relates to the balance of an amount that was being held to pay the Secretary of State for prior years' pooling payments. The settlement amount was £110k less than anticipated.

G. Notes To The Housing Revenue Account

e) Capital Expenditure & Financing

2007/08	HRA Capital Expenditure and Financing	2008/09
£000s		£000s
	Expenditure	
0	Land Purchase	0
5,141	Dwellings	7,460
354	Other Property	464
5,495	Total Expenditure	7,924
	Financing	
	Dwellings	
500	Borrowing	500
0	Useable Capital Receipts	0
0	Revenue Contributions	0
4,641	Major Repairs Reserve	6,871
0	Third Party Contributions	89
5,141		7,460
	Other Property	
0	Borrowing	0
0	Useable Capital Receipts	0
0	Revenue Contributions	0
354	Major Repairs Reserve	464
354		464
5,495	Total Financing	7,924

3 Arrears

During 2008/09, arrears as a proportion of gross income was 8.2%. This represents a decrease of 1.7% since 2007/08 when the proportion was 9.9%. The figures for rent arrears are detailed below: -

2007/08	Arrears	2008/09
£000s		£000s
3,990	Gross Arrears at 31 March	3,386
-588	Prepayments	-540
3,402	Net Arrears at 31 March	2,846
2,293	Provision for bad debts at 31 March	1,933

G. Notes To The Housing Revenue Account

During 2007/08, the process for analysing outstanding debt and establishing a bad debt provision was reviewed and the bad debt provision is now based on age of debt. The size of the provision reflects the probability of the arrears being collected.

4 Vacant Possession Value

The Vacant Possession value of dwellings within the HRA as at 1st April was £1,156m (£1,207m in 2007/08). For the balance sheet, the figure has been reduced to 50% of this value, i.e. £579m (£604m in 2007/08). This shows the economic cost of providing Council housing at less than open market rents.

5 Housing Repairs Account

The transactions on the Housing Repairs Account for 2008/09 balanced to nil for the year, although this may not always be the case.

2007/08	Housing Repairs Account	2008/09
£000s		£000s
0	Balance B/f	0
12,227	Expenditure in the Year	13,065
-12,227	Contributions to the Housing Repairs Account	-13,065
0	Increase (-) / Decrease in the Housing Repairs Account Balance for the year	0
0	Balance c/f	0

6 Housing Subsidy

The Government operates a "subsidy system" in relation to the Housing Revenue Account. It is based upon a notional account representing the Government's assessment of what the Council should be collecting and spending. A breakdown of the elements in the subsidy calculations is shown below: -

2007/08	Housing Subsidy	2008/09
£000s		£000s
-161	Prior Year Adjustment	-25
-19,241	Management and Maintenance Allowance	-20,270
-7,611	Major Repairs Allowance	-7,831
-1,126	Charges for Capital	-1,182
0	Other Allowances	0
36,617	Notional Rent	38,335
5	Interest on Receipts	4
8,483	Total Amount to be paid to Government	9,031

G. Notes To The Housing Revenue Account

7 Depreciation and Impairment

a) Depreciation

2007/08	Depreciation	2008/09
£000s		£000s
	Operational Assets	
9,047	Dwellings	9,849
49	Intangible Assets	53
269	Other Property	253
0	Vehicles, Plant & Equipment	17
9,365	Total Operational Assets	10,172
0	Non Operational Assets	0
9,365	TOTAL	10,172

b) Impairment

2007/08	Impairment	2008/09
£000s		£000s
	Operational Assets	
948	Dwellings	104,025
6	Intangible Assets	36
382	Other Property	354
20	Vehicles, Plant & Equipment	25
1,356	Total Operational Assets	104,440
0	Non Operational Assets	0
1,356	TOTAL	104,440

8 Secretary of State Determinations

When councils raise rents by more than an amount determined by the Government, the Government limits the subsidy payable to those councils. Now that the responsibility for paying rent rebates has transferred to the General Fund, any authorities that had rent rebate subsidy limited have to transfer an amount from the HRA to the General Fund to recompense the General Fund in order that the General Fund does not carry additional costs.

G. Notes To The Housing Revenue Account

2007/08	Secretary of State Determinations	2008/09
£000s		£000s
1,354	Rent Rebate Subsidy Limitation	1,097
1,354	Total Effect of Special Directions	1,097

9 Major Repairs Reserve

Authorities are required to maintain a Major Repairs Reserve (MRR). The MRR has two functions; the first is to act as a credit entry for the cost of depreciation on Council dwellings. The second is to hold unused balances of Major Repairs Allowance (MRA), which can be used in future years. The MRA is a grant paid through the Housing Subsidy mechanism which can only be used to finance capital expenditure and represents the estimated annual cost of maintaining an Authority's stock at its existing level.

HRA depreciation is not the same as the MRA, therefore an adjustment is required to ensure there is no bottom line impact on the HRA. The transactions on the MRR are detailed below: -

Major Repairs Reserve	£000s
Balance at 1 April 2008	-2,617
HRA Depreciation	-10,119
Depreciation adjustment to agree to MRA	2,287
	-7,832
Amount used to finance Capital Expenditure	
Dwellings	6,871
Other Property	464
	7,335
Balance at 31 March 2009	-3,114

10 Rental Income

53 week years occur from time to time due to the number of days in a year not being exactly divisible by 7. 2007/08 was such a 53 week rent year. This means that the HRA is showing additional income in 2007/08 relating to that extra week.

H. The Collection Fund

Income and Expenditure Account

The Collection Fund account reflects the statutory requirement for billing Authorities to establish and maintain a separate fund for the collection and distribution of amounts due in respect of Council Tax and National Non Domestic Rates (NNDR).

2007/08		2008/09	Note
£000s		£000s	
	INCOME		
-72,884	Council Tax (net of benefits, discounts & transitional relief)	-77,284	CF2
	Transfers from General Fund		
-10,858	Council Tax benefits	-11,866	
-91,922	Income collectable from business ratepayers	-99,609	
	Contributions		
-120	Towards previous years' Collection Fund deficit	-141	CF3
-175,784		-188,900	
	EXPENDITURE		
	Precepts & demands:-		
59,497	Northamptonshire County Council	62,567	14
11,037	Northamptonshire Police Authority	11,689	14
13,045	Northampton Borough Council	13,719	14
	National Non-Domestic Rates		
91,610	Payments to national pool	99,292	
312	Cost of collection	317	
	Bad & Doubtful Debts / Appeals		CF4
1,101	Write-offs	1,129	
133	Provisions	44	
	Contributions		
0	Towards previous years' Collection Fund surplus	0	
176,735		188,757	
951	(Surplus)/deficit for the year	-143	
-5	Fund balance b/fwd	946	
946	Fund Balance c/fwd	803	

H. The Collection Fund

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I. Notes To The Collection Fund

1. National Non Domestic Rates (NNDR)

The Council collects non-domestic rates for its area that are based on local rateable values multiplied by a uniform rate in the pound. The total amount, less certain reliefs and other deductions, is paid into a central pool (the NNDR pool) managed by Central Government, which in turn pays back to councils a standard amount per head of the local adult population.

The total non-domestic rateable value as at 31st March 2009 was £244.3m and the equivalent figure for 2007/08 was £243.7m. The National Non-Domestic Rate multiplier for 2008/09 was 46.2p and the equivalent figure for 2007/08 was 44.4p. The small business non-domestic rating multiplier for 2008/09 was 45.8p and the equivalent figure for 2007/08 was 44.1p.

2. Council Tax

The Council's tax base, i.e. the number of chargeable dwellings in each valuation band (adjusted for dwellings where discounts apply) converted to an equivalent number of band D dwellings for 2008/09 calculated as follows: -

2007/08 Band D Equivalents	Band	Estimated number of taxable properties 2006/07 after discounts	Ratio	2008/09 Band D Equivalents
19.0	A(-)	36.0	5/9	20.3
16,103.9	A	24,659.2	6/9	16,302.3
13,607.2	B	17,876.5	7/9	13,660.7
16,432.2	C	19,456.8	8/9	16,651.7
8,794.9	D	9,127.8	9/9	8,907.8
5,977.6	E	4,966.8	11/9	6,011.0
3,020.3	F	2,142.5	13/9	3,018.1
1,775.6	G	1,085.0	15/9	1,773.5
100.9	H	51.3	18/9	94.5
65,831.6	Gross Council Tax Base			66,439.9
987.5	Non-collection provision			996.6
64,844	Council Tax Base Used for setting the Precept			65,443

The provision for non-collection was set at 1.5% for 2008/09 (1.5% for 2007/08).

I. Notes To The Collection Fund

3. Analysis of In-year Contributions to Fund Deficits

The in-year contributions to Collection Fund deficits from the precepting authorities are detailed below: -

2007/08	Allocation Of Collection Fund Deficits	2007/08
£000s		£000s
-10	Northampton Borough Council	-22
-93	Northamptonshire County Council	-100
-17	Northamptonshire Police Authority	-19
-120	Total Deficit Recovered	-141

4. Bad and Doubtful Debts

2007/08	Bad and Doubtful Debts	2008/09
£000s		£000s
3,240	Bad Debt Provision B/f	3,373
133	Provision Made in Year	44
3,373	Bad Debt Provision c/f	3,417

J. Statement Of Responsibilities For The Statement Of Accounts

The Authority's Responsibilities

The Authority is required to:-

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is Isabell Procter (Director of Finance);
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- approve the Statement of Accounts

The Section 151 Officer

The Section 151 Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing this Statement of Accounts, the Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Code of Practice.

The Section 151 Officer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities

I certify that this Statement of Accounts presents fairly the position of the Authority at the accounting date and its income and expenditure for the year ended 31st March 2009.

Isabell Procter Section 151 Officer	Councillor Anthony Woods Leader of Northampton Borough Council
Date	Date

J. Statement Of Responsibilities For The Statement Of Accounts

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Appendices

3



NORTHAMPTON
BOROUGH COUNCIL

Item No.

7

CABINET REPORT

Report Title	CAPITAL PROGRAMME 2008-09 – OUTTURN POSITION
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	29 June 2009
Key Decision:	NO
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance & Support
Accountable Cabinet Member:	Cllr David Perkins
Ward(s)	Not Applicable

1. Purpose

1.1 The purpose of the report is:

a) To inform Cabinet of:

- The outturn expenditure and funding position for the Council's capital programme for 2008-09.
- The slippage of unfinished schemes and unapplied funding from 2008-09 into the Council's capital programme for 2009-10
- Funding issues arising in 2009-10 as a result of capital receipts shortfalls in 2008-09

2. Recommendations

2.1 That Cabinet note:

- a) The outturn position for the Council's capital programme for 2008-09 and how the expenditure was financed.
- b) The slippage of unfinished schemes from 2008-09 into the 2009-10 capital programme, and how the planned expenditure is to be funded.
- c) Funding issues arising in 2009-10 as a result of capital receipts shortfalls in 2008-09

3. Issues and Choices

3.1 Report Background

- 3.1.1 Council approved the Council's original capital programme for 2008-09 on 25 February 2008. Changes to the capital programme have been approved at Cabinet meetings throughout 2008-09.

3.2 Issues

Capital Outturn and Financing 2008-09

- 3.2.1 The Council's final approved budget for capital programme expenditure in 2008-09, agreed by Cabinet on 18 March 2009, was £20.637m.
- 3.2.2 The overall programme was re-assessed at year-end to take account of any changes identified through the closedown process. A small number of capital items were identified as having been purchased through revenue and included in the revenue budget. The expenditure and funding for these have now been incorporated into the capital programme, and these items are included in the latest budgeted position. These changes resulted in an overall programme increase of £100k to £20.737m.
- 3.2.3 A major change in accounting treatment has also impacted on the final capital programme budget. Revenue expenditure funded from capital under statute, previously known as deferred charges and included in the capital programme, must now be shown directly in the revenue budget. As this encompasses expenditure under capitalisation directives and grants to third parties for capital expenditure, such as Disabled Facilities Grants and other private sector housing grants, it covers a significant part of the capital programme. The capital programme budget has therefore been reduced by £5.223m to reflect this change; the actual expenditure of £3.140m is now in revenue and will be reported as part of the revenue budget outturn.

3.2.4 Further changes to estimated financing totalled £362k. The most significant movements were as follows:

- External funding of £500k for the Chrysalis Centre was not sanctioned by NEL and has therefore been removed from the funding sources. The scheme is unable to proceed without the external funding.
- Section 106 monies of £89k for affordable housing, have been used to fund the HRA archangel square development scheme.

3.2.5 Details of the changes outlined at paragraphs 3.2.3 and 3.2.4 are included in Annex A1 to the report.

3.2.6 A number of self-balancing changes were made at year-end to HRA planned financing for 2008-09, with no overall impact on available funds. These include movements between MRA, supported borrowing and revenue contributions

3.2.7 The final available funding for the 2008-09 capital programme expenditure was £15.152m. The following table summarises the financing changes set out above.

Capital Programme 2008-09	
	£000
Final approved budget – Cabinet 18 March 2009	20,637
Plus:	
Capital expenditure transferred from revenue (and other changes identified at year end)	100
Less:	
Revenue expenditure funded from capital under statute	(5,223)
Changes to available financing	(362)
Final available financing	15,152

3.2.8 Capital expenditure for 2008-09 totalled £11.115m against the final available budget of £15.152m. The outturn expenditure against budget for the Council's capital programme for 2008-09 is summarised in the table below; the outturn variance is reported against the final available budget position.

Capital Expenditure 2008-09	Latest Approved Budget As at 18th March 2009	Latest Budgeted Position	Final Available Budget	Outturn	Variance to Final Available Budget
Directorate	£000	£000	£000	£000	£000
General Fund					
Finance & Support	3,164	3,178	1,952	1,532	(420)
Environment & Culture	2,139	2,190	2,190	962	(1,228)
Planning & Regeneration	1,069	1,071	560	419	(141)
Assist Chief Executive	493	495	229	214	(15)
Housing General Fund	3,782	3,814	142	64	(78)
HRA					
Housing	9,990	9,990	10,079	7,925	(2,154)
Total	20,637	20,737	15,152	11,116	(4,036)

3.2.9 This information is shown in more detail at Annex A1 with explanations of the reasons for any significant variances.

3.2.10 Annex A2 shows the forecast outturn position for each service as at period 11 with explanations of the reasons for any significant variances.

3.2.11 The table below shows how the capital programme for 2008-09 has been funded.

Financing of Capital Programme 2008-09	General Fund	HRA	Total
	£000	£000	£000
Supported Borrowing	0	500	500
Prudential Borrowing	1,608	0	1,608
Capital Receipts	124	0	124
Major Repairs Allowance	0	7,336	7,336
Government Grants	846	0	846
Third Party Contributions	94	89	183
Revenue Contributions	519	0	519
Total	3,191	7,925	11,116

Capital Slippage 2008-09

3.2.12 On 29 January 2007 Cabinet approved the following:

“... the principle that slippage between years for capital schemes should be more automatic, subject to the approval of the Council’s Chief Financial Officer (or nominated representative). A report would then be brought to Cabinet after the end of each financial year detailing the capital outturn and reporting the approved slippage it will be adopted for the 2006/07 financial year onwards and will be more explicitly detailed in the Council’s Financial Management Framework which is currently under review“

3.2.13 The table below shows the amount of slippage to be brought forward from 2008-09 into the 2009-10 capital programme.

Capital Slippage 2008-09	£000
General Fund	
Finance & Support	410
Environment & Culture	1,156
Planning & Regeneration	34
Assistant Chief Exec	7
Housing General Fund	47
HRA	
Housing	2,154
Total	3,809

3.2.14 The slippage details are shown in a scheme by scheme basis at Annex B

- 3.2.15 £12.918m of capital funding is available to be carried forward to 2009-10. £3.809m of this total amount is required to fund slippage. The table below shows how the slippage brought forward from 2008-09 into the 2009-10 capital programme will be funded.

Financing of 2008-9 Capital Programme Slippage in 2009-10	General Fund	HRA	Total
	£000	£000	£000
Brought Forward Funding			
Supported Borrowing			
Prudential Borrowing	538		
Capital Receipts		198	
Major Repairs Allowance		1,944	
Government Grants	1,008		
Third Party Contributions	63		
Revenue Contributions	46	12	
Total	1,655	2,154	3,809

- 3.2.16 The slippage schemes will be incorporated into the 2009-10 agreed capital programme and monthly monitoring information on these schemes will be reported to Cabinet during the year in the regular programmed capital monitoring reports.
- 3.2.17 Slippage of revenue expenditure funded from capital under statute totalling £2.083m will be spent in 2009-10 to complete the schemes outstanding, using earmarked funding carried forward for that purpose. Monitoring information on these schemes will also be reported to Cabinet on a monthly basis.

Capital Funding 2009-10

- 3.2.18 Funding brought forward from 2008-09 to the value of £9.133m is built into the capital programme for 2009-10 and future years approved by Council on 26 February 2009. However there is a funding shortfall of £251k after the 2008-09 slippage has been funded.
- 3.2.19 This shortfall is primarily a result of lower HRA capital receipts than anticipated; the estimate had been reduced through the year to take account of the market conditions, but the actual outturn position, after allowing for

pooling, was lower than the decreased forecast by approximately £240k. The shortfall will be dealt with as set out below.

3.2.20 Major Repairs Allowance totalling £102k that was to be carried forward to 2010-11 will be required in 2009-10 to fund the following HRA funding shortfalls:

- Revenue expenditure funded by capital under statute of £10k in 2008-09; budgeted as GF, but required treatment as HRA expenditure.
- Right to Buy capital receipts shortfall of £92k in 2008-09

The 2010-11 shortfall will be funded by revenue contributions from the HRA

3.2.21 Prudential borrowing of £149k will be used to fund a shortfall on the General Fund programme. This has arisen because of statutory pooling requirements on HRA non Right to Buy receipts used to fund the General Fund programme.

3.2.22 Remaining funding balances to be carried forward comprise:

- Major Repairs Allowance of £4.2m earmarked for the 2010-11 HRA capital programme
- £110k prudential borrowing allocation to fund known commitments in 2009-10; project appraisals will be brought to a future Cabinet for approval as required
- £31k for a Choice Based Lettings regional scheme, to be undertaken in partnership with other neighbouring local authorities

3.3 Choices (Options)

3.3.1 Cabinet are asked to note the capital outturn and slippage information contained in this report.

4. Implications (including financial implications)

4.1 Policy

4.1.1 All schemes within the capital programme are within existing policy

4.2 Resources and Risk

4.2.1 All schemes included in the capital programme, or put forward for approval, are fully funded, either through borrowing, internal resources or external funding arrangements.

4.2.2 Any revenue budget implications related directly to the capital projects themselves are set out in the capital project appraisals, and fed into revenue budget planning as appropriate (i.e. through revenue budget monitoring, budget build or medium term financial planning).

4.2.3 Financial and non-financial risks related to the capital projects are addressed in the capital project appraisals.

4.3 Legal

4.3.1 Legal implications related to the capital projects are addressed in the capital project appraisals.

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

4.4 Equality

4.4.1 Equalities implications related to the capital projects are addressed in the capital project appraisals. Many of the schemes in the programme are specifically targeted at addressing equalities issues.

4.5 Consultees (Internal and External)

4.5.1 The capital project appraisals and project variations for schemes in the programme have been put together by the Project Manager, in consultation with:

- The Budget Manager
- The Finance Manager (Capital & Treasury)
- The Corporate Director (or the Chief Executive)
- The Member with Portfolio,
- The Section 151 Officer

4.5.2 In respect of consultation with stakeholders on individual schemes, details are contained within the capital project appraisals

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The extent to which each project meets the Council's objectives and priorities is described within the individual capital project appraisals.

4.6.2 The use of capital project appraisals to determine and agree capital schemes in accordance with the objectives and priorities of the authority, and the effective monitoring and reporting of capital programme activity, including outturn both contribute to improving the CPA Use of Resources score. This supports Council's Priority No 3: We will be a well-managed organisation that puts our customers at the heart of what we do

4.7 Other Implications

4.7.1 There are no other specific implications arising from this report.

5. Background Papers

5.1 Capital programme budget setting and monitoring reports to Cabinet throughout 2008-09.

Bev Dixon, Finance Manager – Capital & Treasury, ext 7401

[illegible]

Division/Service	Budget				Actuals	Variance	Explanation for Variances
	Latest Budgeted Position	Adjustment for Revenue Expenditure funded by Capital	Additional Funding / No Longer Available	Latest Available Budget	Outturn Position	Variance (Under)/ Overspend	
	£	£	£	£	£	£	
Housing GF							
Strategy, Investment & Performance	0	0	0	0	0	0	There are no capital schemes in this division.
Landlord Services	0	0	0	0	0	0	There are no capital schemes in this division.
Needs & Support	3,813,593	(3,703,593)	32,425	142,425	64,120	(78,305)	There is an underspend of £47k on the two Ecton Lane projects. There have been access issues which has prevented work starting on one of the projects and no work has started on the second project, this is scheduled to be completed in 2009-10. An additional contribution from revenue of £32k was made to the Choice Based Lettings scheme to cover NBC scheme costs.
Total Housing GF	3,813,593	(3,703,593)	32,425	142,425	64,120	(78,305)	
Total General Fund	10,747,265	(5,223,415)	(451,184)	5,072,666	3,190,985	(1,881,682)	
HRA							
Housing HRA							
Strategy, Investment & Performance	8,894,648		88,931	8,983,579	7,097,797	(1,885,782)	£40k of this underspend relates to the Housing Management System scheme. The go live date has been delayed until 2009-10 so this expenditure will not be incurred until then. The remaining underspend relates to a number of schemes which involves capital work being completed on council dwellings and one on housing land. There is an underspend greater than £100k on the following schemes: Complete Roofs, Environmental Enhancements to Housing Land and Decent Homes and Poor Condition Improvement. The underspend on Complete Roofs is £988k, this was due to the contractor going into liquidation which delayed work and also as the second contract was not let until late in the financial year. The underspend on Environmental Enhancements to Housing Land is £208k, this was due to procurement changes part way through the year which delayed the completion of the schemes identified. The underspend on Decent Homes and Poor Condition Improvement is £160k, work was not started on this project and is due to start in 2009-10.
Landlord Services	0	0	0	0	0	0	There are no capital schemes in this division.
Needs & Support	1,095,469	0	0	1,095,469	826,876	(268,593)	The underspend in this division is from the Disabled Adaptations (Council Stock) scheme. The underspend represents unpaid grants as opposed to uncommitted funds. This will be required in 2009-10 to pay the grants that have already been legally committed.
Total Housing HRA	9,990,117	0	88,931	10,079,048	7,924,673	(2,154,375)	
Total HRA	9,990,117	0	88,931	10,079,048	7,924,673	(2,154,375)	
Total Capital Programme	20,737,382	(5,223,415)	(362,252)	15,151,715	11,115,658	(4,036,057)	

Variance between Forecast at Period 11 & Outturn Position - General Fund

Division/Service	Forecasts			Actuals	Variance	Explanation for Variances
	Forecast at Period 11 £	Adjustment for Revenue Expenditure funded by Capital £	Forecast at Period 11 less Adjustment £	Outturn Position £	Variance (Under)/ Over Forecast £	
General Fund						
Finance & Support						
Human Resources	0	0	0	0	0	There are no capital schemes in this division.
Customer Services & ICT	358,120	0	358,120	348,912	(9,208)	£13k less was spent the One Stop Shop, CRM than forecast. This is because £14k of orders were placed in 2008-09 but did not arrive on time to be charged to this financial year. The expenditure on the Electronic Record Management project was £3k more than forecast, this was due to expenses being charged to 2008-09 but the forecast was for these to be incurred in 2009-10.
Revenues & Benefits	71,814	0	71,814	71,814	0	There was no difference between the forecast at period 11 and the outturn position for this division.
Northampton Area procurement	0	0	0	0	0	There are no capital schemes in this division.
Finance & Assets	2,379,671	(1,226,158)	1,153,513	1,110,619	(42,894)	£7k and £3k less was spent on the E-Benefits, Chip & Pin project and Core Financials project respectively due to there being less consultancy days in 2008-09 than anticipated. The remaining difference relates to a number of asset management projects with the largest variances being as follows: The expenditure on the Electrical Upgrade Works was £30k less than forecast, this is because the fire alarm upgrade at the Guildhall was not completed in 2008-09. The forecast for Far Cotton Resource Centre included £20k for a payment to the contractor, however this was not received by the end of March. The spend on Shopmobility was £16k more than forecast as asset management fees were not included in the forecast.
Total Finance & Support	2,809,605	(1,226,158)	1,583,447	1,531,345	(52,102)	
Environment & Culture						
Public Protection	539,966	0	539,966	496,128	(43,838)	£41k of this variance relates to Carbon Management projects, the forecast was for them to be completed in 2008-09 but only 25% of the St John's Lighting project was completed by the end of March and the other projects that were forecast to be fully spent were not started.
Neighbourhood Environmental Services	351,238	0	351,238	302,934	(48,304)	£47k of the variance relates to the Upgrade of Recycling Facilities project. The work was scheduled to take place in March. However a problem with a manhole meant that the work could not be completed in the way originally intended and further options had to be explored, leading to the project being delayed.
Culture & Leisure	150,142	0	150,142	159,253	9,111	There was expenditure of £5k more than forecast on the Replacement of Pool Features at Danes Camp project. This is because the forecast included the final payment to be paid in 2009-10, however the work was completed in 2008-09 so was charged to this financial year. There was £4k more of capital expenditure moved from revenue than forecast.
Town Centre Ops	3,868	0	3,868	3,868	0	There was no difference between the forecast at period 11 and the outturn position for this division.
Total Environment & Culture	1,045,214	0	1,045,214	962,183	(83,031)	
Planning & Regeneration						
Planning	5,710	0	5,710	938	(4,772)	This difference relates to the Urban Enhancement 2005-06 project. The work was forecast to be completed in 2008-09, however was not started.
Regeneration & Development	409,817	(19,679)	390,138	418,140	28,002	There was £30k more expenditure on the Market Square as a Flexible Space project than forecast as the forecast did not include an estimate for NBC's staff time spent on the project.
Total Planning & Regeneration	415,527	(19,679)	395,848	419,078	23,230	
Chief Executive						
Policy & Community Engagement	54,415	(39,223)	15,192	20,997	5,805	The expenditure on the Upgrade of NBC Website project was £10k more than forecast. The forecast was for the payment to be made in 2009-10, however as the work was completed in 2008-09 it was charged to this financial year. The expenditure on the Money 4 Youth project was £4k less than forecast, this is because not all of the budget was spent on the Anne Frank festival in 2008-09.
Communications & Consultation	0	0	0	0	0	There are no capital schemes in this division.
Performance & Improvement	0	0	0	0	0	There are no capital schemes in this division.
Northampton Local Strategic Partnership	349,085	(152,492)	196,593	193,262	(3,331)	The expenditure on the CCTV in Lifts project was £2.5 less than forecast. The forecast was to cover any outstanding asset management fees, however these did not materialise.
Total Chief Executive	403,500	(191,715)	211,785	214,259	2,474	
Borough Solicitor	0	0	0	0	0	There are no capital schemes in this directorate.
Total Borough Solicitor	0	0	0	0	0	
Housing GF						
Strategy, Investment & Performance	0	0	0	0	0	There are no capital schemes in this division.
Landlord Services	0	0	0	0	0	There are no capital schemes in this division.
Needs & Support	1,521,738	(1,400,311)	121,427	64,120	(57,307)	This variance relates to the two Ecton Lane projects. Both were forecast to be completed in 2008-09, one forecast with a £10k overspend, however no physical work has started on these projects. The reason for one project not starting was due to access issues and the work on the other project will be completed in 2009-10.
Total Housing GF	1,521,738	(1,400,311)	121,427	64,120	(57,307)	
Total General Fund	6,195,584	(2,837,863)	3,357,721	3,190,985	(166,737)	

Capital Outturn 2008-09

Variance between Forecast at Period 11 & Outturn Position - Housing Revenue Account

Division/Service	Budget			Actuals	Variance	Explanation for Variances
	Forecast at Period 11	Adjustment for Revenue Expenditure funded by Capital	Forecast at Period 11 less Adjustment	Outturn Position	Variance (Under)/ Overspend	
	£	£	£	£	£	
HRA						
Housing HRA						
Strategy, Investment & Performance	6,788,613	0	6,788,613	7,097,797	309,184	The forecast on the schemes in this division were an estimate of the work that would be completed by year end. The biggest variances were as follows: There was £340k more expenditure on the Heating Replacement - planned scheme than forecast. This was due to the work being miscoded at period 11 and therefore not being in the actuals. There was £119k more expenditure on the Complete Roofs scheme than forecast, this was due to fees not being included in the forecast. The expenditure on the Heating Replacement - responsive scheme was £109k less than forecast, this is because there was less work than anticipated. The expenditure on the Environmental Enhancements to Housing Land was £60k less than forecast, this is because a piece of work was only part complete at year end but was forecast to be finished.
Landlord Services	0	0	0	0	0	There are no capital schemes in this division.
Needs & Support	632,379	0	632,379	826,876	194,497	The variance in this division is from the Disabled Adaptations (Council Stock) scheme. Due to the nature of grants it is very difficult to forecast the spend as it is dependent on when the contractors complete the work and submit their invoices.
Total Housing HRA	7,420,992	0	7,420,992	7,924,673	503,681	
Total HRA	7,420,992	0	7,420,992	7,924,673	503,681	
Total Capital Programme	13,616,576	(2,837,863)	10,778,713	11,115,658	336,944	

General Fund - Finance & Support

Scheme Title	Final Available Budget £	Outturn Position £	(Underspend) £	Slippage Request £	Reasons for Slippage
<u>Customer Services & ICT</u>					
One Stop Shop, CRM	202,711	129,331	(73,380)	73,380	£14k of orders was placed in 2008-09 which will need to be paid for in 2009-10. £30k of this slippage is required for a speech recognition system and £20k for x-forms. Approval to purchase these was not given until late in 2008-09 and therefore the budget is required in 2009-10.
Relocation of Call Care	60,000	8,325	(51,675)	51,675	The relocation of call care did not go ahead in 2008-09 as a suitable location is yet to be decided. The budget is therefore required in 2009-10 to complete the project.
Total Slippage for Customer Services & ICT				125,055	
<u>Revenues & Benefits</u>					
E- Benefits Application	64,995	56,814	(8,181)	3,000	The software launch has been put back to May 2009 and the associated hardware will now be linked to the changes within the One Stop Shop.
Total Slippage for Revenues & Benefits				3,000	
<u>Finance & Asset Management</u>					
Far Cotton Resource Centre	63,722	42,229	(21,493)	21,493	Payment to contractor of £20k to be paid in 2009-10. £1,493 may be required for additional work.
E-payments, Chip & Pin, Payment Kiosks	66,312	59,411	(6,901)	6,901	Budget required for consultancy days in 2009-10 to complete the project.
Core Financials	377,434	332,116	(45,318)	45,318	Consultancy days in 2008-09 was less than forecast. The budget is required in 2009-10 to complete the project.
Electrical Upgrade Works	125,907	96,404	(29,503)	29,503	Required to pay for the fire alarm system at the Guildhall. Work started in 2008-09 but was not completed.
Shopmobility Re-Location	60,000	16,833	(43,167)	43,167	Project delayed due to building regulation issues, budget required in 2009-10 to complete the project.
Corporate Properties	26,186	0	(26,186)	5,869	Budget required to support the additional costs on the Shopmobility project in 2009-10.
Fire Door Improvements - Cliftonville House	55,000	15,232	(39,768)	39,768	£6,768 required to complete this project. £33k required to support the additional costs on the Shopmobility project in 2009-10.
Installation of basement level radon ventilation radon ventilation - Abington Museum	25,000	0	(25,000)	25,000	Project could not be started in 2008-09 as this project was not approved until late in the financial year and monitoring is required beforehand.
Carbon Monoxide Detection Units - Guildhall	12,000	0	(12,000)	12,000	This project was not approved until late in the financial year and there was not time for this to be started in 2008-09.
Footpath Improvements - Dallington Park & St Giles Churchyard	13,500	1,314	(12,186)	12,186	The contractor who agreed to do this work could no longer do it, therefore further quotes had to be obtained which delayed the work.
Midsummer Meadow Bridge	41,043	0	(41,043)	41,043	This project is being procured by NCC. Funds will not be paid to them until contracts are drawn up regarding maintenance and ownership.
Total Slippage for Finance & Asset Management				282,248	
Total Slippage for General Fund - Finance & Support				410,303	

General Fund - Environment & Culture

Scheme Title	Final Available Budget £	Outturn Position £	(Underspend) £	Slippage Request £	Reasons for Slippage
<u>Public Protection</u>					
DPPO Signage	10,000	9,540	(460)	380	Required to pay for window slings.
CMP St John's Lighting	31,608	6,889	(24,719)	24,719	Work was only 25% complete by year end, budget required to pay contractors in 2009-10 when the work is finished.
CMP Loft & Cavity Wall Insulation	10,932	0	(10,932)	10,392	Weston Favell offices closed, therefore work not going ahead, however work that meets Salix requirements will be identified in 2009-10. Access issues delayed other piece of work from being started in 2008-09.
CMP Pipework Insulation	5,000	0	(5,000)	5,000	Further quotes were required therefore this work could not be completed in 2008-09.
CMP Steam Control Valve	2,000	0	(2,000)	2,000	Work was not started in 2008-09 as awaiting quote from contractor.
CMP Variable Speed Drive	2,500	0	(2,500)	2,500	Awaiting quote from contractor and liaison with leisure centre to arrange fitting.
Air Quality Monitoring	22,510	15,896	(6,614)	6,614	Additional funding was not approved until the middle of March, therefore it was not possible to spend this in 2008-09.
Total Slippage for Public Protection				51,605	
<u>Neighbourhood Environmental Services</u>					
Upgrade Recycling Facilities	67,786	20,406	(47,380)	47,380	This work was planned for completion in March 2009. However a problem with a manhole meant that the work could not be completed in the way originally intended and further options had to be explored, leading to the project being delayed.
Wheelie Bins & Recycling Boxes	89,960	89,590	(370)	370	To be spent in 2009-10 with new budget.
Total Slippage for Neighbourhood Environmental Services				47,750	
<u>Culture & Leisure</u>					
Money 4 Youth - Summer Sports 2008	13,420	12,346	(1,074)	1,074	Funding was not spent in 2008-09 as spend is dependent on youths identifying projects. Funding will be spent in 2009-10.
Holiday Play	1,983	342	(1,641)	1,641	This budget will be spent in school holidays that fall in financial year 2009-10.
Innovative Play Days	350	0	(350)	350	Funding timescales are from September to September. This expenditure is planned to be spent in 2009-10.
Abington Museum Upgrade	995,000	7,425	(987,575)	987,575	The application for the external funding is a lengthy process that was not completed in 2008-09.
Replacement of Swimming Pool Features - Danes Camp Leisure Centre	60,000	54,951	(5,049)	5,000	£5k required in 2009-10 for the flume re-lining project at Danes Camp. This has already been agreed by Cabinet.
Playbuilder - Eastfield Park	50,000	49,846	(154)	154	NCC have advised to spend the underspend on other items.
Lings Forum Wetside Changing Rooms	60,637	0	(60,637)	60,637	Contractors could not supply the material before the 31st March 2009. Approval has been received from the funding body to carry funds forward.
Total Slippage for Culture & Leisure				1,056,431	
Total Slippage for General Fund - Environment & Culture				1,155,786	

General Fund - Planning & Regeneration

Scheme Title	Final Available Budget £	Outturn Position £	(Underspend) £	Slippage Request £	Reasons for Slippage
Planning					
Urban Enhancement 2005-2006	12,624	710	(11,914)	5,000	Difficulties in programming installation of signs into overall signage program, further consultations required.
Housing & Planning Delivery Improvements	26,987	228	(26,759)	26,759	This is being used to deliver improvements to the current IT systems but could not be completed by the end of the financial year due to a variety of reasons, therefore the slippage request is to enable the project to continue and make further improvements.
Total Slippage for Planning				31,759	
Regeneration & Development					
Sport & Recreation in Becketts Park	35,000	32994	(2,006)	2,006	To be spent on phase 2 of the project.
Total Slippage for Regeneration & Development				2,006	
Total Slippage for General Fund - Planning & Regeneration				33,765	

General Fund - Assistant Chief Executive

Scheme Title	Final Available Budget £	Outturn Position £	(Underspend) £	Slippage Request £	Reasons for Slippage
<u>Policy & Community Engagement</u>					
Upgrade of NBC Website	15,000	10,000	(5,000)	5,000	This is required for training on the new website, this will not take place until 2009-10 as the website did not go live in February as originally planned. Not all of the Money 4 Youth projects could be completed in 2008-09. The main reason for this was because the majority of the additional funding was not approved until January onwards.
Money 4 Youth	12,777	10,997	(1,780)	1,780	
Total Slippage for Policy & Community Engagement				6,780	
<u>Northampton Local Strategic Partnership</u>					
SSNP - Night Safe & Target Hardening	38,839	38,345	(494)	494	This part of the funding will be spent in 2009-10.
Total Slippage for Housing Services				494	
Total Slippage for General Fund - Assistant Chief Executive				7,274	

General Fund - Housing

Scheme Title	Final Available Budget £	Outturn Position £	(Underspend) £	Slippage Request £	Reasons for Slippage
<u>Needs & Support</u>					
Ecton Lane Improvements	45,000	7,695	(37,305)	37,305	Due to access issues the project was not started in 2008-09 and the budget is required for the project in 2009-10.
Ecton Lane Improvements 2	10,000	0	(10,000)	10,000	Project not approved until late in 2008-09, therefore it was not started this financial year.
Total Slippage for Needs & Support				47,305	
Total Slippage for General Fund - Housing				47,305	

Housing Revenue Account - Housing

Scheme Title	Final Available Budget £	Outturn Position £	(Underspend) £	Slippage Request £	Reasons for Slippage
Strategy, Investment & Performance					
Disabled Alterations - Capital Schemes	160,000	122,501	(37,499)	35,914	Staff shortages in occupational therapists therefore backlog of works.
Complete Roofs	2,117,042	1,129,273	(987,769)	987,769	The flat roof contract was not completed and the second contract has been let but was not forecast to be fully spent this financial year.
Structural Repairs (Including Barn Roofs)	245,000	230,460	(14,540)	14,540	One contractor went into liquidation which delayed the contract.
Heating Replacement - Planned	900,000	811,541	(88,459)	88,459	Slippage due to delays in planning approval process for Greenfield site.
Heating Replacement - Responsive	750,000	664,988	(85,012)	85,012	Residual to scheme
Cooper Street Heating Replacement	383,420	348,520	(34,900)	34,900	Residual to scheme
Door Entry Replacement	232,606	135,234	(97,372)	97,372	Project not completed in 2008-09.
Lift Refurbishment	189,820	159,660	(30,160)	30,160	Project not completed in 2008-09.
Decent Homes & Poor Condition Improvement	171,000	11,349	(159,651)	159,651	Slippage due to some problems with regard to materials from the company and works on hold.
Environmental Enhancements to Housing Land	300,000	91,682	(208,318)	208,318	Works not started in this area. Contract due to start in 2009-10.
Kitchen Replacement (Backlog)	1,096,663	1,062,621	(34,042)	34,042	Procurement procedures changed part way through the year and therefore delayed the completion of the schemes.
Archangel Square	158,931	88,931	(70,000)	70,000	Residual element of scheme.
Housing Management System (IBS OpenHousing)	504,097	464,452	(39,645)	39,645	This scheme is now being funded by section 106 monies, therefore the original budget of £70k is still unspent. This is required to be slipped and will be used in 2009-10.
					The go live date for this project was put back until 2009-10, therefore the budget will be required then to complete the project.
Total Slippage for Strategy, Investment & Performance				1,885,782	
Needs & Support					
Disabled Adaptations (Council Stock)	1,095,469	826,876	(268,593)	268,593	Slippage represents unpaid grants as opposed to uncommitted. Budget required in 2009-10 to pay the grants.
Total Slippage for Needs & Support				268,593	
Total Slippage for Housing Revenue Account - Housing				2,154,375	

GRAND TOTAL 3,808,808

Appendices

2



NORTHAMPTON
BOROUGH COUNCIL

Item No.

8

CABINET REPORT

Report Title	HOUSING REVENUE ACCOUNT BUDGET OUTTURN POSITION 2008/09
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	29th June 2009
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance and Support
Accountable Cabinet Member:	Cllr David Perkins
Ward(s)	N/A

1. Purpose

- 1.1 This report identifies the outturn position for the 2008/2009 Housing Revenue Account (HRA).

2. Recommendations

- 2.1. That Cabinet note the outturn position for the Housing Revenue Account.
- 2.2. That Cabinet approve the increase in the Capital Programme Reserve of £2m to £7m and also, the setting up of a new HRA PFI Reserve of £175k.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Council approved the HRA Budget on 28th February 2008. The 2008/09 budget preparation process set a balanced budget which contributed £299k to the HRA reserves. Budget monitoring reports at period 10 had estimated a net underspend on direct costs of £38K. The HRA still suffers from the pressures of reducing stock numbers through Right to Buy sales, although these have fallen off in 2008/09, and the effects of the Government's HRA subsidy regime.
- 3.1.2 The HRA is continually being reviewed in terms of its Asset Management Strategy and long term Business Plan that will provide the Council with options moving forward and provide the backbone to future budgets to help to achieve Decent Homes and a sustainable and deliverable HRA.

3.2. Summary

- 3.2.1. The final outturn position for the HRA for 2008/2009 is net income over expenditure of £493k. This equates to a £319k underspend against budget. This includes prudently setting aside a further £2m for financing the future capital programmes and also setting a new reserve of £175k for the HRA PFI initiative. The Cabinet is asked to approve both of these contributions to reserve levels. Appendix 1 to this report provides a summary of the HRA. The major variations in the income and expenditure side of the account are detailed in the analysis and the notes contained in Appendix 2.
- 3.2.2. The HRA net income over expenditure reported above is inclusive of an overspend on the HRA's controllable budgets. The actual outturn shows a net overspend on Service Controllable budgets of £864k, (Appendix 2 refers). This represents a change to the forecasted outturn underspend of £38k, (reported to Cabinet on 18th March 2009). There were no savings or efficiencies built directly into the 2008/09 budget.
- 3.2.3. The net underspend of £493k will increase the level of working balances on the HRA from £5.6m to £6.1m for 2009/10. This represents an increase to the budgeted balances underpinning the 2009/10 budget which were £6m. This level of reserves supports the current proposals for improvements in delivery of HRA services in the short term.
- 3.2.4. The Council also holds earmarked reserves of £5m for financing the capital programme in light of the anticipated outcome of the Asset Management Strategy review and HRA Business Plan. A further £2m has been transferred to the reserve for the same purpose and approval is sought for this increase to the reserve.
- 3.2.5. All outturn variations identified within the 2008/09 accounts will be investigated to identify if any savings/overspends are ongoing and need to be reflected within the current and future year budgets. The next 2009/2010 budget monitoring report to Cabinet will provide more detail concerning any

recommended budget revisions and management actions required to ensure that the budget remains in balance for the current financial year.

3.3. Main Variances in Outturn 2008/09 Against Budget

Table 1 - Main Summary of Variances of HRA Outturn

HRA Variance Description	Outturn Variance 31.3.09 £'000
Rent - Dwellings Only	-515
General Management	285
Repairs and Maintenance ** (see para.3.3.3)	2,250
Revenue Contribution to Capital **(see para. 3.3.3)	-2,000
Special Services	-734
Rent Rebate Subsidy deductions	-503
Net Recharges From the General Fund	-1338
Contribution to HRA Reserve Balances	2,175
Other Variations	61
TOTAL OVERSPEND/(UNDERSPEND)	-319

- 3.3.1. **Rents – Dwellings Only.** Additional income of £515k due to the continued downturn in Right to Buy sales and therefore more stock being held in the year than originally budgeted.
- 3.3.2. **General Management.** This overspend largely relates to the compensation payments have been paid to the tenants vacated from Robinson House.
- 3.3.3. **Repairs and Maintenance / Revenue Contributions to Capital.** Repairs expenditure was higher due to increases in void works to implement improvements in void turn around times and to manage the increase in the number of voids over the year. Rules surrounding the capitalisation of expenditure, has meant that costs over those originally budgeted have had to remain in revenue. However, to mitigate the effect of this on the revenue accounts, the planned financing of £2m capital expenditure from revenue has not occurred. Overall, the impact on revenue is £250k overspent for both items.
- 3.3.4. **Special Services.** Call Care charges are now accounted for within General Fund resulting in an under spend against the budget. A corresponding adjustment to the income side of Call Care is reflected in Service charges income. Other general areas had lower upkeep costs in the year e.g. the integrated reception service provided to housing blocks.
- 3.3.5. **Rent Rebate Subsidy deductions.** The contribution to the general fund is reducing in line with rent convergence and when rents are fully restructured no further contributions will be necessary. Lower contributions were required

through government formula that reflects the changing position on convergence.

- 3.3.6. **Net Recharges From the General Fund.** Expenditure attributable to the HRA is £4,882k compared to a budgeted figure of £6,220k resulting in an underspend of £1,338k. The variance partially relates to an underspend on General Fund Services that are recharged to the HRA. In addition, an exercise was undertaken to re-apportion support service costs in 2008/09. This has resulted in a lower level of recharge from the General Fund to the Housing Revenue Account.
- 3.3.7. **Contribution to HRA Working Balances and Reserves.** The resultant under spends on the HRA enable the Council to earmark balances for specific priorities. In previous years unused Revenue Contributions to Capital have been set aside to fund future Capital Programmes, amounting to £5m. The total balance on all HRA reserves at 31/3/2009 is £14.1m. The contributions to earmarked reserves and their resultant balances are summarised in the table below.

Table 2 – HRA Working Balances and Reserves

	Balance 1.4.08 £'000	Movement In Year £'000	Balance 31.3.09 £'000
HRA Balances on Account			
HRA Working Balance	5,632	493	6,125
HRA Capital Programme Earmarked Reserve	5,000	2,000	7,000
HRA Leaseholders Earmarked Reserve	1,000	0	1,000
HRA PFI Reserve	0	175	175
TOTAL HRA BALANCES	11,632	2,493	14,125

3.4. Choices (Options)

- 3.4.1. Cabinet is invited to note the report and approve the actions being taken to earmark balances for the HRA Capital Programme and PFI Reserve. This will help to ensure funds are available to go towards maximising delivery of the outcomes of the HRA Asset Management Strategy and the HRA Business Plan as well as current Council priorities.
- 3.4.2. Consideration must be given as to whether further management action can be taken to achieve service improvements and deliver future budgets.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The outturn position impacts on the level of reserves.

4.2 Resources and Risk

4.2.1 This report informs the Cabinet of the HRA budget outturn.

4.2.2 There will be an ongoing impact on future year budgets due to increased pressures on level of reserves.

4.2.3 The impact of individual outturn variances needs to be assessed against the current and future year budgets in light of the outcome of the Asset Management Strategy review and the HRA Business Plan.

4.3 Legal

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

4.4 Equality

4.4.1 Not applicable

4.5 Consultees (Internal and External)

4.5.1 Chief Executive, Directors, Corporate Mgrs, and Budget Managers have been consulted.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Annual outturn reporting relates to improving the CAA Use of Resources score, which contributes to the priorities of continuing to improve our weakest services and continuing to strengthen our financial management.

4.7 Other Implications

4.7.1 Not applicable

5. Background Papers

5.1 Cabinet Reports –

- 4 August 2008. HRA Budget Monitoring Position at end of June 2008
- 1 September 2008. HRA Budget Monitoring Position at end of July 2008
- 26 Nov' 2008. HRA Budget Monitoring Report at end of September 2008
- 22 Dec' 2008 HRA Budget Monitoring Position at end of October 2008
- 04 February 09 HRA Budget Monitoring Position at end of November 2008
- 25 Feb 09 HRA Budget Monitoring Position as at end of December 2008
- 18 March 2008. HRA Budget Monitoring as at end of January 2009

Bill Lewis, Assistant Head of Finance – Corporate Finance, ext 7167

Isabell Procter, Corporate Director, ext 8757

HOUSING REVENUE ACCOUNT OUTTURN STATEMENT FOR 2008/09

	2007/2008 £,000's Actuals	2008/2009 £,000's Revised Budget	2008/2009 £,000's Actuals	Variance £,000's	Report Para. Ref
INCOME					
Rents - Dwellings Only	-40461	-40580	-41095	-515	3.3.1
Rents - Non Dwellings Only	-1126	-1157	-1138	19	3.3.2
Service Charges	-1527	-1646	-1522	125	
Other Income	-160		-266	-266	
Total Income	-43274	-43383	-44020	-637	
EXPENDITURE					
Repairs and Maintenance	9915	9152	11402 **	2250	3.3.3
General Management	3841	3984	4269	285	
Special Services	2550	3437	2703	-734	3.3.4
Rents, Rates, Taxes & Other Charges	33	70	39	-30	
Increase in Bad Debt Provision	1275	450	430	-20	3.3.5
Rent Rebate Subsidy Deductions	1354	1600	1097	-503	3.3.6
Housing Revenue Account Subsidy	8483	8993	9031	38	3.3.7
Total Expenditure	27451	27685	28971	1286	
Net Cost of Services	-15823	-15697	-15049	649	
Net Recharges from the General Fund	5324	6220	4882	-1338	3.3.8
Interest & Financing Costs	-166	-528	-789	-261	
Revenue Contribution to Capital		2000	-2000 **	-2000	3.3.3
Depreciation/MRA	7611	7831	7808	-23	
Pensions Costs	225		479	479	
Contribution to Earmarked Reserve	3000		2175	2175	3.3.9
Net Transfer From / (To) Working Balance	171	-174	-493	-319	
Working Balance b/f	-5803	-5631	-5631		
Working Balance Outturn	-5631	-5806	-6124	-319	

** Rules surrounding the capitalisation of expenditure, has meant that costs over those originally budgeted have had to remain in revenue. However, to mitigate the effect of this on the revenue accounts, the planned financing of £2m capital expenditure from revenue has not occurred. Overall, the impact on revenue is £250k overspent for both items.

Housing Revenue Account Budget - Outturn Variance 2008/2009

	2008/2009 Revised Budget	2008/2009 Outturn Actuals	2008/09 Outturn Variation Due to Other Issues Explained in Narrative	Explanatory Note for Key Variations
	£000	£000	£000	
<u>Housing Revenue Account</u>				
Dwelling Rents	-40,580	-41,095	-515	Increased income as a result lower than budgeted RTB sales and increased performance in voids.
Non-Dwelling Rents	-1,157	-1,138	19	
Charges For Services	-1,646	-1,522	125	Call care income is now fully accounted for within the General Fund. This overspend is more than offset by the saving on expenditure shown below - Supporting People.
Contribution To Expenditure	0	-266	-266	Miscellaneous income including fire insurance income and contributions from tenants for repairs not budgeted for.
HRA Subsidy	8,993	9,031	38	
HRA Tenant Participation	0	-1	-1	
Rents, Rates, Taxes	70	39	-30	This saving reflects a reduction in the costs incurred relating to void properties as a result of an improvement in void turnaround times.
General Management	4,216	4,269	53	Various under / overspends including compensation payments to vacate Robinson House (205k) and savings on pension costs payable to support retired officers (-£172k).
Communal Heating	280	337	57	Period has seen a sharp rise in utilities costs.
Communal Lighting	240	210	-30	Largely savings made as a result of a reduction in the level of expenditure on responsive repairs.
Caretaking & Cleaning	321	344	23	
Lifts	63	33	-30	Savings on lift maintenance expenditure.
Maintnec Greens & Shrubs	146	84	-62	Primarily reflects lower than budgeted expenditure on the removal of rubbish and miscellaneous cleaning.
Environmental Enhancement	119	87	-32	Related to the above, this saving reflects savings on refuse removal and miscellaneous cleaning.
Television & Wireless	94	35	-59	Reflects a saving on expenditure relating to the upkeep of the integrated reception service provided to housing blocks.
Single Persons Accommodation	71	66	-5	
Community Rooms	80	85	5	
Supporting People	1,688	1,393	-295	Call care charges have not been charged to the HRA, as they are now fully accounted for within the General Fund.
Wardens	18	15	-4	
Provision For The Homeless	104	57	-47	Saving due largely to discontinuation of NBC Temp Accommodation units.
Provision For Bad Debts			0	Technical adjustment based upon the level of year end debtors. See below.
Misc Communal Services	159	12	-147	Property Maintenance saving offset by overspends elsewhere.

Rent Rebate Subsidy Deductions	1,600	1,097	-503	The contribution to the general fund is reducing in line with rent convergence. Lower contributions were required through government formula that reflects the changing position on convergence.
Housing Property Maintenance	9,311	11,402	2,091	Represents the overall overspend within the Property Maintenance service. It is largely made up of an increase in revenue works on voids and responsive repairs that could not be capitalised. However, it is offset by a reduction in the budgeted revenue contribution to capital expenditure.
Property Maintenance Manager	127	309	181	Overspend largely relates to the engagement of external consultancy services to review the Property Maintenance service.
Responsive Repairs Team	3,644	4,900	1,256	Increase in Responsive Repair works not being classified as capital works. The impact of this has been offset by a reduction in the revenue contribution to capital expenditure.
Voids Team	1,824	3,157	1,333	Increase in Void works to improve turnaround times and therefore rental income levels. Voids work not qualifying to be capitalised also contributed to the overspend. The impact of this has been offset by a reduction in the revenue contribution to capital
Major Works Team	1,075	925	-149	Salary savings have resulted from vacant posts throughout the year, that have been used to mitigate the effect of overspends elsewhere.
Gas Team	1,204	1,188	-16	
Electrical Team	752	756	4	
Drainage Team	234	249	15	
Estate Shops and Flats	111	56	-55	Savings largely due to an underspend on repair and maintenance costs.
Housing Repairs Income	-9,311	-11,402	-2,091	HRA contribution to Property Maintenance costs. See above.
Total Budgetted Variations	-16,151	-15,287	864	
<u>Variations Out of Budget Manager Control</u>				
Technical Pension Adjustments		-192	-192	
Adjustment to Bad Debt Provision and Write off of Bad Debts	450	430	-20	
Total Net Cost of Services	-15,701	-15,049	652	
<u>Accounting Adjustments</u>				
Appropriations relevant to Depreciation and MRA	7,831	7,808	-23	
Revenue Contributions to Capital	2,000	0	-2,000	see report para ref 3.3.3
Net Support Service Recharges	6,220	4,882	-1,338	see report para ref 3.3.8
FRS17 Pensions Technical Adjustment		479	479	
<u>Interest & Financing Costs</u>				

Premia Adjustment				
Interest on HRA Balances	-528	-395	133	
Mortgage Interest		-3	-3	
Housing Item 8 - Interest on CFR		-390	-390	
Total of Accounting Adjustments	15,523	12,381	-3,142	
Housing Revenue Account Underspend 2008/2009	-178	-2,668	-2,490	
Net Contribution to Earmarked Reserves		2,175		see report para. ref. 3.3.9
Balance B f/wd	-5,631	-5,631		
Balances c/f	-5,809	-6,124		
<u>Earmarked Reserves</u>				
HRA Capital Programme Reserve		7,000		
Leaseholder Capital Works Reserve		1,000		
HRA PFI Reserve		175		
		8,175		

Key

"-" figure denotes a budget underspend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

Appendices

4



NORTHAMPTON
BOROUGH COUNCIL

Item No.

9

CABINET REPORT

Report Title	GENERAL FUND REVENUE BUDGET OUTTURN POSITION 2008/09
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	29 th June 2009
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Finance and Support
Accountable Cabinet Member:	Cllr David Perkins
Ward(s)	N/A

1. Purpose

- 1.1 This report identifies the outturn position for the 2008/2009 General Fund Revenue Account.

2. Recommendations

- 2.1. That the outturn position for the revenue General Fund be noted.
- 2.2. Cabinet note the net movement in Earmarked Reserves of £329k as detailed in Appendix 3 and summarised in the following table:

Reserve	Balance 01/04/08	Transfers to/(from) Reserves	In Year Use of Reserves	Balance 31/03/09
	£000	£000	£000	£000
General Fund Earmarked Reserves (Excluding HRA Reserve)	8,521	935	(1,264)	8,192

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Council approved the General Fund Revenue Budget on 28th February 2008. The 2008/09 budget preparation process identified a substantial gap in funding. This was bridged by a combination of policy, efficiency and base budget savings of £6.87m. This included a requirement for use of reserves and balances of £360k.
- 3.1.2 During September the authority was notified that it had been awarded an additional sum of £83k LABGI funding.
- 3.1.3 The Council was granted a capitalisation directive for severance costs on 30th January 2009. In accordance with the conditions of the directive, it has been possible to capitalise severance costs of £808k. This is reflected in the final 2008/09 General Fund Account.
- 3.1.4 The Council was granted a capitalisation directive for Single Status related pay costs on 26th September 2008. In accordance with the conditions of the directive, it has been possible to capitalise Single Status costs of £512k. This is reflected in the final 2008/09 General Fund Account.

3.2. Summary

3.2.1. The final outturn position for the Controllable General Fund Service Accounts is an under spend of (£446k) as shown in the following table:

	2008/2009 Revised Budget	2008/2009 Outturn Actuals	2008/2009 Outturn (Underspend) / Overspend
	£000	£000	£000
Assistant Chief Executive	4128	4344	216
Director of Planning and Regeneration	2836	2614	-222
Director of Finance and Support	18253	14701	-3,552
Director of Housing	1546	1516	-30
Borough Solicitor	1316	1355	39
Director of Environment and Culture	13166	13529	363
Total Variations within Budget Managers Control	41,245	38,059	-3,186
Technical Adjustments within Controllable Budgets	0	2740	2,740
Total Variations Within Controllable Service Budget	41,245	40,799	-446

3.2.2. The most recent reported projection for the 2008/2009 General Fund Controllable Service Revenue budget was a forecast under spend of (£385k). This would represent an under spend of (£247k) once adjusted for technical accounting adjustments. The comparable final outturn position for Controllable Service budgets is an under spend of (£446k) giving rise to a difference between the forecast and actual Controllable outturn variance of £199k.

3.2.3. Many of the outturn variations have already been addressed as part of the 2009/10 budget setting process however, all outturn variations identified within the 2008/09 accounts will be investigated to identify if any savings/overspends are ongoing and need to be reflected within the current forecast and future year budgets. The next 2009/2010 budget monitoring report to Cabinet will provide more detail concerning any recommended budget revisions and management actions required to ensure that the budget remains in balance for the current financial year and provides a robust basis for the Medium Term Financial strategy and service delivery planning.

3.3. General Fund Budget

- 3.3.1. During 2008/09, Cabinet approved the use of reserves in specific areas. Some of these reserve allocations were not fully spent. As a result, the unspent reserve funding of £140k, has been placed back in the appropriate reserve for use within the 2009/10 financial year.
- 3.3.2. £16k of the unused reserve funding will not be required in 2009/10 and has been put back into the General Earmarked Reserves.
- 3.3.3. After a net contribution to General Fund Earmarked Reserves of £329k, the level of working balances carried forward to underpin the 2009/10 budget is £2.0m. The Council has undertaken a risk-based assessment of working balances and recommends that the General Fund working balance should not fall below £2.0m.
- 3.3.4. The Council also holds Earmarked Reserves of £8.2m (excluding HRA Reserve) to mitigate specific risks that the Council will be exposed to including the need for service improvement. Appendix 3 to this report identifies the Earmarked Reserves.

3.4. Controllable Service Budget Outturn

- 3.4.1. In period 10 of 2008/09, the forecast outturn position reported to Cabinet for the Controllable Service budgets was an under spend of (£385k).
- 3.4.2. Controllable Service Budgets include Employees, Transport Costs, Premises Costs, Supplies and Services, Transfer Payments, Contract Payments and Income. They exclude Capital Charges, Support Service Recharges and Debt Charges
- 3.4.3. Controllable Service budgets are subject to technical year-end accounting adjustments for pensions, provisions and revenue expenditure funded by capital under statute. These adjustments cannot be anticipated with any real accuracy and therefore are not reflected in the forecast outturn position that is reported to Cabinet throughout the financial year.
- 3.4.4. The comparison between the period 10 forecast outturn position that was reported to Cabinet and the final outturn position, is therefore distorted by these accounting adjustments. To enable a more meaningful comparison between the two outturn positions, the period 10 forecast has been adjusted to reflect the impact of year end technical accounting adjustments. Appendix 2 to this report provides a comparison of the adjusted period 10 forecast and the final outturn position.
- 3.4.5. The final outturn position for the General Fund Account for 2008/2009 including technical accounting adjustments is an over spend of £685k. Appendix 1 to this report provides a detailed explanation of the outturn position

3.5. Technical Accounting Adjustments

- 3.5.1. As identified above, Controllable Service Budgets are subject to technical accounting adjustments for pensions, which impact on individual services during the year. At year-end it is necessary to undertake accounting adjustments to ensure that the accounts of the Council meet pension accounting requirements.
- 3.5.2. This results in what appears to be a significant under spend of Controllable Service budgets that is offset by a charge elsewhere within the General Fund Account.
- 3.5.3. With effect from 2008/09, Controllable service budgets are subject to technical accounting adjustments for Revenue Expenditure Funded from Capital under Statute.
- 3.5.4. Previously the Council was able to classify specific types of expenditure as capital so that capital resources could finance it. This expenditure was not charged to the Controllable service accounts. However, changes to accounting practice in 2008 dictate that where such expenditure does not result in the creation of an asset that is owned by the Council, expenditure must be charged to the appropriate Controllable service revenue account.
- 3.5.5. This charge is then reversed as a technical accounting adjustment elsewhere within the General Fund Account. This accounting adjustment results in no impact on the General Fund Account but does result in additional expenditure being charged to Controllable Service accounts that was not budgeted for or contained within any forecast. Expenditure of £3.1m has been incurred by the Council that falls within this category. For ease of comparison, this expenditure has been removed from the service outturn variances in the annexes to this report.

3.6. Project Carry Forwards

- 3.6.1. Where a Project Carry Forward relates to a project started in 2008/09, but not able to be completed, it is proposed that funding is earmarked within General Reserves. Once approved, in line with the recommendation of Council at it's meeting on 28 February 2009, this can be drawn down by services in 2009/10. A formal request for the use of reserves will need to be approved by the Chief Finance Officer. The following table identifies the project carry forwards:

Project Carry Forward	Amount
	£000
Pension Strain Costs	590
Joint Planning Unit	138
Hazelrigg House Dilapidations	32
Museums Till System	3
Local Strategic Partnership	38
Sustainability Project	22
Central Area Action Plan	73
Training	25
Northamptonshire Area Procurement Service	12
Total	933

3.7. Year End Reserve Movements

3.7.1. The following table identifies the closing Reserve Account balances excluding the HRA Reserve. Appendix 3 to this report provides a detailed analysis of the movement on the Reserve Accounts.

Reserve	Balance 01/04/08	Transfers to/(from) Reserves	In Year Use of Reserves	Balance 31/03/09
	£000	£000	£000	£000
Corporate Initiatives	886	(360)	(175)	351
Service Improvements	215	1,000	(215)	1,000
General Reserve	2,135	1,568	(491)	3,212
Building Maintenance	676	(176)	0	500
Benefits Claw back	1,300	(1,300)	0	0
Subsidy Equalisation	550	(50)	0	500
Insurance Reserve	2,236	(208)	(51)	1,977
NTR (Core Business Systems)	500	1	(332)	169
Debt Financing	0	460	0	460
Arts	23	0	0	23
Total (Excluding HRA Reserve)	8,521	935	(1,264)	8,192

3.7.2. Transfers of £360k have been made from the Corporate Initiatives Reserve with respect to the budgeted use of reserves within the 2008/09 budget. In year usage of reserves of £175k has been approved and applied. This takes the reserve balance to £351k.

3.7.3. A transfer of £1m has been made into the Service Improvement Reserve to meet the potential costs arising from the Strategic Business Review process.

3.7.4. The following key transfers to and from the General Earmarked Reserve have been actioned to mitigate future risks that the Council will be exposed to:

- The addition of £933k to the General Earmarked Reserve to meet the cost of Project Carry Forward Bids submitted by Managers. Appendix 3 and section 3.49 of this report contains details of these bids.
- The transfer of £1279k from the General Earmarked Reserve for Premia Adjustment. This has been reallocated to other reserves to mitigate specific risks.

- The addition of £250k to the General Earmarked Reserve for Car Parking to mitigate the risk of further downturn in Car Parking activity.
 - The addition of £800k to the General Earmarked Reserve for Pay and Grading taking the closing balance to £945k.
 - The General Earmarked Reserve contains an earmarked allocation of £510k for Concessionary Fares. £200k of this has been applied in 2008/9 leaving a closing balance of £310k.
 - The General Earmarked Reserve for Restructuring of the Council stands at £386k after usage within 2008/09 of £114k of the reserve.
- 3.7.5. A transfer has been made from the Building Maintenance reserve of £176k to meet the budgeted use of reserves contained within the 2008/09 budget.
- 3.7.6. The reserve for Benefits Claw back has been deleted. The high-risk historic claims that the reserve was established to meet the potential cost of have now been settled and closed.
- 3.7.7. Improvements within the Revenues and Benefits service have resulted in a decrease to the risk that the Council is exposed to with regards to Subsidy Equalisation. It is proposed that £50k that is unearmarked from the Subsidy Equalisation reserve. This leaves a closing balance of £500k.
- 3.7.8. The net movement on the Insurance reserve of £259k reflect changes to the actuarial valuation of outstanding and anticipated insurance claims.
- 3.7.9. Usage of £332k of the Core Business System reserve was approved and applied in 2008/09, leaving a closing balance of £169k. This reserve is to meet the costs of maximising the use of the efficiency and control benefits that are available within the upgraded Core Business System. In addition, work will be undertaken to investigate if the Core Business System can be used for Fixed Assets and Accounts Receivable, to replace the outdated legacy systems that are currently in use.
- 3.7.10. As a result of the economic recession the Council has experienced pressure with regards to the management of its debts and investments. A reserve has been created for £460k to mitigate the risk that the Council may be exposed to should the economic downturn continue.

3.8. General Fund Balance

3.8.1. The following table identifies the movement in the General Fund Balance:

General Fund Balances		£000
	General Fund Balance as at 01.04.2008	2,691
Less:	Budgeted Use of Reserves	(80)
Less:	Budgeted Use of Balances	(280)
Less:	Funding for Car Parking	(250)
Plus:	Technical Accounting Adjustments	610
Less:	General Fund Deficit	(685)
	General Fund Balance as at 31.03.2009	2,006

3.9. Choices (Options)

- 3.9.1. Cabinet is invited to note the report and the explanations of the outturn position and reasons for the change since the forecast outturn position.
- 3.9.2. Cabinet is asked to note the proposed movements in the Reserve Accounts.
- 3.9.3. Consideration must be given as to if further management action can be taken to achieve those savings that have been identified as not achieved in 2008/09.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 The outturn position impacts on the level of reserves as shown in Appendix 3.

4.2 Resources and Risk

- 4.2.1 This report informs the Cabinet of the General Fund Revenue budget outturn.
- 4.2.2 The impact of individual outturn variances needs to be assessed against the current and future year budgets.

4.3 Legal

- 4.3.1 There are no specific legal implications arising from this report.

4.4 Equality

- 4.4.1 Not applicable

4.5 Consultees (Internal and External)

- 4.5.1 Chief Executive, Directors, Heads of Service, and Budget Managers have been consulted.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 Annual outturn reporting relates to improving the CAA Use of Resources score, which contributes to the priorities of continuing to improve our weakest services and continuing to strengthen our financial management.

4.7 Other Implications

- 4.7.1 Not applicable

5. Background Papers

- 5.1 Cabinet Reports – Budget Monitoring 2008/09 – Reports of 14 July 2008, 4 August 2008, 1 September 2008, 15 October 2008, 26 November 2008, 22 December 2008, 4 February 2009, 25 February 2009, 18 March 2009

Ann Davies, Finance Manager – Financial Management, ext 7168
Isabell Procter, Director – Finance and Support, ext 8757

Summary of General Fund Outturn Position 2008/09

	2008/2009 Revised Budget	2008/2009 Outturn Actuals	2008/2009 Outturn (Underspend) / Overspend
	£000	£000	£000
Assistant Chief Executive	4,128	4,344	216
Director of Planning and Regeneration	2,836	2,614	-222
Director of Finance and Support	18,253	14,701	-3,552
Director of Housing	1,546	1,516	-30
Borough Solicitor	1,316	1,355	39
Director of Environment and Culture	13,166	13,529	363
Total Variations within Budget Managers Control	41,245	38,059	-3,186
<u>Technical Accounting Adjustments within Controllable Budgets</u>			
Insurance Provision	0	-180	-180
Adjustment to Bad Debt Provision	0	-204	-204
Revenue Expenditure Funded by Capital by Statute	0	3,124	3,124
	0	2,740	2,740
Total Controllable	41,245	40,799	-446
<u>Technical Accounting Adjustments out of Budget Manager Control</u>			
Capital Grants Applied to Revenue Expenditure Funded by Capital by Statute	0	-1,274	-1,274
Net Capital Charges	0	10,431	10,431
Net Support Service Recharges	-7,399	-5,351	2,048
	-7,399	3,806	11,205
Total Net Cost of Services	33,846	44,605	10,759
<u>Other Technical Accounting Variations</u>			
Pensions Technical Adjustment	0	1,822	1,822
Area Based Grant and Car Parking Funding	-508	0	508
Capital Financing for Revenue Expenditure Funded by Capital by Statute	0	-1,849	-1,849
Revenue Contributions to Capital	0	1	1
Interest and Financing	146	-178	-324
Financial Instruments Technical Adjustment	0	-463	-463
Reversal of Capital Charges	0	-10,431	-10,431
Area Based Grant accounted for within General Grants	0	-462	-462
Local Authority Business Growth Initiative Funding	0	-83	-83
	-362	-11,643	-11,281
Budgeted Use of Balances	0	0	280
General Fund Underspend 2008/2009	33,484	32,962	-242
Net Contribution to/(from) Reserves			927
General Fund Deficit			685
Balance b/fwd			-2,691
Balance c/fwd			-2,006

Summary of General Fund Controllable Service Budget Outturn Position 2008/09

Assistant Chief Executives

Key

"-" figure denotes a budget underspend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000	Explanatory Note for Key Variations
312	316	4	0	4	
37	2	-35	0	-35	A project carry forward has been requested to roll forward the underspend on this account to 2009/10 as this represents partner contributions that were not spent in 2008/09
0	18	18	-1	19	
163	152	-11	4	-15	
163	170	7	3	4	
24	0	-24	1	-25	
398	386	-12	1	-13	
422	386	-36	2	-38	
87	91	4	0	4	
115	117	2	1	1	
75	73	-2	0	-2	
102	114	12	1	11	
988	944	-44	8	-52	Savings on Employees due to vacant secretarial and political assistant posts.
98	25	-73	1	-74	Savings on Employee costs as a result of the Management Restructure within the organisation and an underspend of the Community Enabling Strategy Budget
1,063	1,055	-8	0	-8	
603	984	381	-4	385	Funding for Neighbourhood Renewal project of £413k was budgeted for within this service but has been accounted for within General Grants elsewhere within the General Fund Account (as per the requirements of the Statement of Recommended Practice). This has no impact on the overall General Fund Balance. This has been partially offset by a small number of under/overspends on utilities and Supplies and Services
63	67	4	0	4	
3,194	3,470	276	7	269	
4,128	4,344	216	12	204	

Chief Executive

Director LSP

Assistant Chief Executive

Assistant Chief Executive
Communications

Head of Performance and Improvement

Recovery
Performance

Head of Policy and Community Engagement

Corporate Manager (Governance and Communications
Civic and Mayoral Expenses
Policy
Overview & Scrutiny
Councillor & Managerial Support
Recovery, Policy and Governance Manager
Community and Other Grants

Community Developments
Emergency Planning

Total Assistant Chief Executives

Summary of General Fund Controllable Service Budget Outturn Position 2008/09

Director of Planning and Regeneration

Key

"-" figure denotes a budget under spend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

					Explanatory Note for Key Variations	
2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000		
	134	152	18	2	16	
	98	96	-2	0	-2	
	228	187	-41	2	-43	Savings on the Employee budgets have been achieved as a result of vacant posts within the service.
	597	469	-128	10	-138	The service has achieved savings within the Employees budget as a result of vacant posts. These savings have been partially offset by additional costs on the St Johns development site
	923	752	-171	12	-183	
	171	144	-27	10	-37	The service has achieved net under spends on its Employee budgets of (£185k) as a result of vacant posts. This under spend has been partially offset by a shortfall in income collected of £164k. A number of other small under spends relating to the staff vacancies have been achieved i.e.. staff travel.
	501	582	81	12	69	The service has underachieved its income budget as a result of a reduction in the number of applications due to the economic down turn
	101	199	98	-1	99	The service incurred staff severance costs as a result of savings made within the 2009/10 budget. These were not anticipated within the budget. In addition consultancy fees were incurred in relation to vacant posts within the Planning Section
	1,006	785	-221	6	-227	This budget contains the funding for the Joint Planning Unit. A project carry forward relating to the JPU has been requested of £148k. The remaining under spend relates to under spends on the general Supplies and Services budgets for the service.
	1,779	1,710	-69	27	-96	
	2,836	2,614	-222	41	-263	

Director of Planning & Regeneration

Head of Regeneration and Development

Corporate Manager (Regeneration)

Economic Intelligence

Regeneration

Head of Planning

Building Control

Development Control

Corp Man (Development, Building Control, Env Hlth)

Planning Policy & Conservation

Total Director of Planning and Regeneration

Summary of General Fund Controllable Service Budget Outturn Position 2008/09
Director of Finance and Support

Key

"-" figure denotes a budget underspend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

	2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000	Explanatory Note for Key Variations
Director of Finance & Support						
	218	246	28	0	28	
Head of Human Resources						
Corporate Manager (Human Resources)	1,050	1,043	-7	0	-7	
Single Status	65	77	12	-1	13	
Training & Development	380	399	19	0	19	
Programme Delivery	0	0	0	0	0	
	1,495	1,519	24	-1	25	
Head of Finance and Assets						
Asset Management	2,605	2,314	-291	17	-308	The service has achieved significant under spends of its Employee budget as a result of vacant posts. Some of the savings were utilised to employee temporary cover for posts
	2,183	1,488	-695	9	-704	Income of (£650k) was posted to the accounts of the service in relation to unidentified receipts held on the balance sheet for the financial years 2002/3 to 2005/06. In addition Section 106 monies have been written off to the revenue account for a company that went into administration as could not be traced by Legal Services.
Financial Services	461	480	19	0	19	
Audit	2,306	-231	-2,537	-2315	-222	This account is subject to significant technical accounting adjustments for pensions. The impact of the technical accounting adjustments has been excluded from the outturn variance. The remaining variance is due to a recharge between the HRA and the General Fund for Pension Strain and Added Years costs that has not taken place as this is replaced by the technical accounting adjustments that have been undertaken for pensions
Non Distributed Costs	112	105	-7	0	-7	
Investments	-1,299	-1,342	-43	0	-43	As a result of a number of vacant properties throughout the year the service under achieved its income budget. This was offset by lower than anticipated NNDR and utility charges on premises. The underspend contains an amount of £32k in relation to income received from a tenant for delapidation settlement. This has been requested as a project carry forward.
Other Buildings & Land	153	132	-21	0	-21	
Corporate Manager (Finance & Asset Management)	2,429	2,604	175	0	175	The appeal relating to the concessionary fares reimbursement rate ruled in favour of the Bus Operators. The financial implication of this ruling is reflected in the adverse variance
Concessionary Fares	8,950	5,550	-3,400	-2289	-1,111	
Head of Customer Services and ICT						
Administrative Services	604	588	-16	2	-18	
	1,446	1,328	-118	1	-119	Additional income of (£51k) has been generated from room bookings, external hire and refreshments. Additional savings have been achieved on NNDR, utility costs and Supplies and Services.
Office Accommodation	110	119	9	2	7	
Corporate Manager (Customer Services)	2,243	2,278	35	21	14	
Customer Access						

Summary of General Fund Controllable Service Budget Outturn Position 2008/09
Director of Finance and Support

Key

"-" figure denotes a budget underspend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000	Explanatory Note for Key Variations
	-97	-128	-31	1	-32
	2,170	2,029	-141	11	-152
	90	66	-24	2	-26
	218	203	-15	0	-15
	6,784	6,483	-301	40	-341
	200	172	-28	2	-30
	200	172	-28	2	-30
	424	684	260	27	233
	90	7	-83	3	-86
	92	40	-52	0	-52
	606	731	125	30	95
	18,253	14,701	-3,552	-2,218	-1,334

Net savings were achieved on Employee budgets as a result of vacant posts. In addition savings were achieved as a result of cessation of the pc replacement programme and change to IT leasing arrangements.

A number of variations relating to benefits activity and subsidy claim have occurred. The main reason for the net variation is underspends on the Employees budgets relating to vacant posts. These savings have been partially offset by the cost of temporary staff to cover the vacant posts. The Head of Service post was vacant for most of the financial year, generating a saving.

The service has generated additional income in relation to court costs recoverable for Council Tax and NDR arrears. The service has also generated savings on employees as a result of vacant posts. These savings have been offset partially by additional costs for discretionary relief that has been awarded for NDR.

Print Unit

Information Technology

Corporate Manager (Performance & Improvement)

Telephones

Head of Procurement

Procurement

Head of Revenues and Benefits

Benefits

Corporate Manager (Housing Services)

Revenues

Total Director of Finance and Support

Summary of General Fund Controllable Service Budget Outturn Position 2008/09
Borough Solicitor

Key

"-" figure denotes a budget underspend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000	Explanatory Note for Key Variations
245	210	-35	-1	-34	Underachievement of search fee income of £145k as a result of a downturn in search activity. This has been partially offset by a reduction in the costs incurred that relate directly to search activity volume.
-93	-18	75	1	74	
894	919	25	12	13	
270	244	-26	2	-28	
1,316	1,355	39	14	25	

Borough Solicitor

Electoral Services

Land Charges

Legal

Meeting Services

Summary of General Fund Controllable Service Budget Outturn Position 2008/09
Director of Environment and Culture

Key

"-" figure denotes a budget under spend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000	Explanatory Note for Key Variations
134	47	-87	5	-92	Savings were achieved on Employees due to the appointment of a Director late in the financial year.
254	373	119	3	116	The over spend reflects the over spend on the Balloon Festival. This has been partially offset by under spends on Employees due to vacancies.
90	82	-8	0	-8	
886	835	-51	4	-55	The service has generated additional income from sponsorship, room booking and memento sales. Savings have also been achieved on utilities and fixtures and fittings. These savings have been partially offset by additional employee costs due to a post not budgeted for
119	113	-6	0	-6	
1,215	1,297	82	-13	95	The service has generated (£286k) additional income mainly due to specific projects and initiatives within the Leisure Centres. This has resulted in additional costs mainly within the Employees, utility costs and Supplies and Services resulting in a net overspend of £95k.
0	0	0	0	0	
2,564	2,700	136	-6	142	
45	36	-9	0	-9	
94	98	4	2	2	
2,209	2,060	-149	2	-151	Savings have been achieved with regards to spot hire of vehicles and vehicle fuels (£131k). Savings have also been achieved on Employee costs as a result in change to working practices and reduced sickness levels.
587	370	-217	-1	-216	After the cessation of the Highways Service, budgets for Construction service were estimated. The actual income and expenditure reflect the true nature of the services provided. The service has ceased in 2009/10 due to its high cost.
156	128	-28	0	-28	
156	172	16	0	16	
3,267	3,377	110	5	105	The service achieved savings relating to Employees and Premises costs. These savings have been offset by additional costs relating to vehicles for spot hire, contract hire and vehicle fuel. The service has underachieved its income budget as a result of cottage within Abington Park not being rented out.
2,213	2,280	67	-1	68	The net overspend on the service relates to Employee budgets. The service was allocated a saving target to achieve within its Employee budget that was not achieved. Additional costs were also incurred for the cost of silt removal that is now classified as hazardous waste.
1	90	89	0	89	The net overspend reflects the cost of running the service for 2 months that was not included within the budget. It was anticipated that the service would be sold in 2007/08 but was not sold until 2nd June 2009.
769	749	-20	3	-23	
1,404	1,303	-101	9	-110	The service achieved additional recycling income of (£373k) due to improved recydate prices and tonnage. This additional income has been partially offset by additional haulage and vehicle costs.
10,901	10,663	-238	19	-257	

Director of Environment & Culture

Head of Leisure and Culture

Events
Corporate Manager (Citizen Engagement)

Museums
Arts and Other Activities
Leisure
Tourist Information

Head of Neighbourhood Environmental Services

Abandoned Vehicles
Cemeteries
Domestic Refuse
Construction Services
Corporate Manager (Streetscene & Property Mainten)
Public Conveniences

Parks and Open Spaces

Street Cleaning

Trade Refuse
Westbridge Depot

Recycling

Head of Public Protection

Summary of General Fund Controllable Service Budget Outturn Position 2008/09
Director of Environment and Culture

Key

"-" figure denotes a budget under spend or an income budget

"+" figure denotes a budget overspend or an expenditure budget

	2008/2009 Revised Budget £000	2008/2009 Outturn Actuals - Adjusted for Technical Accounting Adjustments £000	2008/2009 Outturn (Underspend) / Overspend £000	2008/09 Outturn Variation Due to Technical Pensions Adjustments £000	2008/09 Outturn Variation Due to Other Issues Explained in Narrative £000	Explanatory Note for Key Variations
Community Safety	818	590	-228	0	-228	The service was allocated a budget of £257k that was not required. This resulted in an under spend that is reversed out in the remainder of the General Fund Account (see below).
Licensing	-203	-143	60	3	57	Underachievement of licensing income of £97k. This is offset by net under spends on Employees in relation to vacant posts.
Pest Control	42	39	-3	0	-3	
	459	342	-117	4	-121	Net Savings on Employee budgets of (£54k) have been achieved as a result of vacant posts. Grant funding for the Smoke free initiative of (63k) was received but not contained within the budget.
Commercial Services	731	655	-76	-1	-75	Net savings on Employee budgets were achieved of (£22k) due to vacant posts and maternity absence. Additional income was generated relating to drain unblocking fees, air pollution licences and animal welfare licences. An under spend of the sustainability project monies took place. A project carry forward of £22k has been requested in relation to this under spend.
Environmental Protection	0	23	23	-1	24	
Head of Public Protection	638	628	-10	0	-10	
Neighbourhood Wardens	2,485	2,134	-351	5	-356	
Head of Town Centre Management						
Town Centre Management	26	9	-17	1	-18	
	-3,049	-2,178	871	-2	873	Underachievement of car parking income of £131k on Daily Ticket income, £251k on Season Ticket income, £309k on contract Parking, £81k Advertising Income. Additional costs were incurred for security cash collection charges and temporary staff.
Car Parking	0	0	0	0	0	
On-Street Parking	312	308	-4	0	-4	
Bus Station	-222	-169	53	1	52	External rent received from regular stall holders was underachieved by £83k. This was partially offset by additional income from casual stall holders and lower than anticipated expenditure on skips
Markets	15	15	0	0	0	
Bus Shelters	-2,918	-2,015	903	0	903	
Total Director of Environment and Culture	13,166	13,529	363	23	340	

General Fund Controllable Service Revenue Budget**Comparison of 2008/09 Period 10 Forecast Outturn Variance and and Actual Outturn Variance**

To assist comparison, the period 10 forecast outturn variance has been adjusted to reflect the year end technical accounting adjustments that are included within the final outturn variance. These include accounting for pensions, changes to provisions for bad debts and insurance, revenue expenditure funded by capital by statute and accounting for area based grants within General Grants on the Income and Expenditure Account.

Key

"-" figure denotes a budget underspend or an income budget or improvement in outturn

"+" figure denotes a budget overspend or an expenditure budget or deterioration in outturn

	2008/2009 Projected Outturn Variance as at Period 10 £000	Technical Accounting Adjustments £000	2008/2009 Projected Outturn Variance as at Period 10 (Adjusted for Technical Accounting Adjustments) £000	2008/2009 Final Outturn Variance £000	Variance £000	Explanatory Note of the Key Variations Between the Forecast and Actual Outturn Income/Expenditure
<u>Assistant Chief Executive</u>						
Chief Executives	4	-1	3	4	1	
Director of Northampton Local Strategic Partnership	-38	1	-37	-35	2	
Assistant Chief Executive	30	4	34	6	-28	
Head of Performance and Improvement	-6	1	-5	-12	-7	
Head of Policy and Community Engagement	-74	824	750	655	-95	A credit was posted to the service for the write back of Roadmenders Bad Debt Provision. Community Enabling Strategy budget was not spent as forecast. Lower than anticipated temporary staff costs were incurred and additional income was received for Far Cotton Resource Centre.
	-84	829	745	618	-127	
<u>Director of Planning and Regeneration</u>						
Director of Planning and Regeneration	0	2	2	19	17	
Head of Regeneration and Development	-108	63	-45	-119	-74	Lower than anticipated consultancy costs
Head of Planning	-129	28	-101	-69	32	
	-237	93	-144	-169	-25	

2008/2009 Projected Outturn Variance as at Period 10 £000	Technical Accounting Adjustments £000	2008/2009 Projected Outturn Variance as at Period 10 (Adjusted for Technical Accounting Adjustments) £000	2008/2009 Final Outturn Variance £000	Variance £000	Explanatory Note of the Key Variations Between the Forecast and Actual Outturn Income/Expenditure
0	0	0	27	27	
46	15	61	40	-21	
-141	-2,602	-2,743	-2,769	-26	
-204	133	-71	-208	-137	Primarily due to less expenditure on office accommodation than forecast. This includes savings on printing and photocopying, additional room hire income and external rent.
1	3	4	-27	-31	
-528	-387	-915	-292	623	Additional expenditure was incurred due to the increased payment of rent allowances and the increased cost relating to a higher level of Benefits caseload.
-826	-2,838	-3,664	-3,229	435	
0	-2	-2	54	56	
40	1,743	1,783	1,679	-104	Additional Call Care income and advertising income for Choiced Based Lettings
-39	1	-38	-37	1	
1	1,742	1,743	1,696	-47	
155	17	172	42	-130	Vacant posts within the Legal Section were not filled due to greater efficiency within the service. In addition the impact of the down turn within the housing market was estimated within previous forecasts and proved to be less severe than forecast.
155	17	172	42	-130	

Director of Finance and Support

Director of Finance & Support

Head of Human Resources

Head of Finance and Assets

Head of Customer Services and ICT

Head of Procurement

Head of Revenues and Benefits

Director of Housing

Director of Housing

Head of Housing Needs and Support

Head of Housing Strategy, Investment & Performance

Borough Solicitor

Borough Solicitor

Explanatory Note of the Key Variations Between the Forecast and Actual Outturn Income/Expenditure					
2008/2009 Projected Outturn Variance as at Period 10	Technical Accounting Adjustments	2008/2009 Projected Outturn Variance as at Period 10 (Adjusted for Technical Accounting Adjustments)	2008/2009 Final Outturn Variance	Variance	
£000	£000	£000	£000	£000	
0	4	4	-86	-90	The variation is due to funding for interim cover of the Director post being allocated to this service, however the actual expenditure in relation to the interim cover has been charged to another account within the General Fund.
19	125	144	267	123	Although the service achieved more income than budgeted, the final income was less than forecast primarily due to lower grant income than forecast. In addition the service incurred honararia and compensation payments that were not included within the previous forecast and enhanced severance costs that will not be funded from capital resources.
-24	46	22	-200	-222	The most significant variations in the forecast relate to a net improvement in the position for the Recycling Service of (£113k) due to improved income levels. This was not forecast due to fluctuating prices and tonnage. Another significant variance exists within the Domestic Refuse Service. This has achieved an improved outturn position in comparison to the forecast. The improved outturn is due to lower than forecast vehicle fuel and repair costs and lower costs of temporary staff.
-384	140	-244	-267	-23	
995	-20	975	882	-93	Improved income on daily tickets of (£66k) compared to forecast. The service also incurred additional underspends on utilities and NNDR that were not forecast.
606	295	901	596	-305	
-385	138	-247	-446	-199	

Director of Environment and Culture

Director of Environment and Culture

Head of Leisure and Culture

Head of Neighbourhood Environmental Services

Head of Public Protection

Head of Town Centre Management

Total within Budget Manager Control

Summary of Reserves 2008/09

Reserve	Analysis of Transfers to and Transfers (from) Reserves					
	Balance 01/04/08	Reallocation of Reserves	Earmarked 2008/09	Unearmarked Reserves	Less Actual Use of Reserves Approved	Balance 31/03/09
	£000	£000	£000	£000	£000	£000
<u>Corporate Initiatives</u>						
Unallocated Approved	699	(112)		(360)		227
Fish Market		5			(5)	0
Delapre Abbey	26	27			(27)	26
Conditional funding for Regen feasibility studies - Leisure Provision						
Leisure Provision feasibility study	25					25
Car Parking feasibility study	30					30
Conditional funding for Regeneration feasibility studies	30				(10)	20
Greyfriars Bus Station Demolition Appraisal	5				(5)	0
St John's Master plan	11	(8)			(3)	0
MKSM Contribution		5			(5)	0
Market Square		20				20
Delapre Abbey	3				(3)	0
Water works in Links View	7				(7)	0
Beckets Park and Midsummer Meadow Waterside Enhancements	50				(50)	0
Flood Investigation - Links View		10			(7)	3
Market Square - Leisure		27			(27)	0
Fish Market		20			(20)	0
Chamber Business Alliance		6			(6)	0
	886	0	0	(360)	(175)	351
<u>Service Improvement Reserve</u>						
Unallocated	102	986			(88)	1,000
Planning Improvements	28				(28)	0
Legal - Employment Solicitor	25				(25)	0
Performance Officers	60				(60)	0
Member Training		4			(4)	0
Culture Change Programme		10			(10)	0
	215	1,000	0	0	(215)	1,000
<u>General Earmarked Reserve</u>						
St Peters Way Car Park	35	0	2	0	0	37
Restructuring	500	0	0	0	(114)	386
Car Parks	0	250	0	0	0	250
Concessionary Fares	0	0	0	510	(200)	310
Premia Adjustment to General Reserve	1,279	(1,279)				0
Envelope / Insert	22				(22)	0
VFM Work	25				(25)	0
Reconciliations	30				(30)	0
Pay & Grading	145			800		945
Legal Fees on Disposal of Land	50				(50)	0
Interim Support	50				(50)	0
Office Moves		100				100
Budget Gap		364		(113)		251
Utilities Contingency						0
Pension Strain Costs			590			590
Joint Planning Unit			138			138

Reserve	Analysis of Transfers to and Transfers (from) Reserves					
	Balance 01/04/08	Reallocation of Reserves	Earmarked 2008/09	Unearmarked Reserves	Less Actual Use of Reserves Approved	Balance 31/03/09
	£000	£000	£000	£000	£000	£000
Hazelrigg House			32			32
<u>General Earmarked Reserves Continued</u>						
LSP			38			38
NAPS			12			12
Sustainability			22			22
Museum Tills			3			3
Central Area Action Plan			73			73
Training			25			25
	2,136	(565)	935	1,197	(491)	3,212
Building Maintenance	676	0	0	(176)	0	500
Benefits Claw back	1,300	(496)	0	(804)	0	0
Subsidy Equalisation	550	0	0	(50)	0	500
Insurance Reserve	2,236	(400)	192	0	(51)	1,977
NTR (Core Business Systems)	500	1	0	0	(332)	169
Debt Financing	0	460	0	0	0	460
Arts	23	0	0	0	0	23
Total (Excluding HRA Reserve)	8,522	0	1,127	(193)	(1,264)	8,192

Analysis of Savings and Efficiencies within Budget 2008/09

Colour Key

Achievable Savings
Unachievable Savings

Portfolio Holder	Director	New Division	Service Description	Ref	Source of Saving	Detail	Budget Process Year in Which Saving Approved	2008/09 Total Target Saving £000's	2008/09 Forecast Savings Shortfall / (Excess) £000's	Progress to Date	Agreed Future Management Action	Risks Identified
Cllr Church	D Bailey	Head of Planning	Building Control	BD1	Bid	Increased Income	2007/08	-2	2	The efficiency saving cannot be achieved as the Building Control Income has been affected by the downturn in economy and competition from Approved Inspectors	Continually monitor Income with a view to establish income trend changes; also monitor expenditure to see if it can be reduced to meet the savings & efficiency target	Downturn in activity
Cllr Crake	J Dean	Head of Public Protection	Environmental Protection	PS2	Policy	Environmental Health - cease non-mandatory activities, e.g. safe cycle routes, healthy eating	2007/08	-15	0	Post was deleted from Environmental Protection and redeployed to a budgeted post in Regeneration, Growth & Community Development in 2007/08. Therefore saving for 2008/09 has been achieved		
Cllr Crake	L Wearing	Head of Housing Needs and Support	Private Sector Housing	BD2	Bid	HIMO Licensing Income	2007/08	-23	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	L Wearing	Head of Housing Needs and Support	Private Sector Housing	EF01	Efficiency	Private Sector Housing - deletion of vacant posts plus possible redundancy	2007/08	-175	0	Saving achieved in full in 2008/09		
Cllr Crake	L Wearing	Head of Housing Needs and Support	Private Sector Housing	PS01	Policy	Private Sector Housing - cease non-mandatory aspects of energy efficiency	2007/08	-15	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Public Protection	Building Control and Environmental Health	PEE001	Policy	Recruitment cost savings	2008/09	-6	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	L Wearing	Head of Housing Needs and Support	Building Control and Environmental Health	PEE001	Policy	Recruitment cost savings	2008/09	-1	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	D Bailey	Head of Planning	Building Control and Environmental Health	PEE004	Policy	Further Efficiencies Identified by Budget Manager during 2008/09 budget setting process	2008/09	-6	0	Saving achieved in full in 2008/09	The savings have been monitored on a continuous basis; the current position is that although the savings may not be achieved from the services and codes that were nominated, they will be achieved from the Division as a whole	
Cllr Crake	J Dean	Head of Public Protection	Building Control and Environmental Health	PEE004	Policy	Further Efficiencies Identified by Budget Manager during 2008/09 budget setting process	2008/09	-9	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	L Wearing	Head of Housing Needs and Support	Building Control and Environmental Health	PEE004	Policy	Further Efficiencies Identified by Budget Manager during 2008/09 budget setting process	2008/09	-14	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	I Procter	Head of Revenues and Benefits	Housing Services	HSE001	Policy	Benefits	2008/09	-3	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Housing Services	HSE002	Policy	Recruitment cost savings	2008/09	-5	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Housing Services	HSE003	Policy	Homelessness Prevention	2008/09	-10	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Housing Services	HSE004	Policy	Further Efficiencies Identified by Budget Manager during 2008/09 budget setting process	2008/09	-12	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Leisure and Culture	Arts Development	PS24	Policy	Arts Development External income. This is offset by an additional expenditure budget that was created	2007/08	-50	0	The Expenditure Budget in supplies and services is underspent by £50k to offset the income that will not be achieved.	The income will not be achieved, but the service will not spend the £50k expenditure budget to offset the unachieved income.	

Portfolio Holder	Director	New Division	Service Description	Ref	Source of Saving	Detail	Budget Process Year in Which Saving Approved	2009/09 Total Target Saving £000's	2008/09 Forecast Savings Shortfall / (Excess) £000's	Progress to Date	Agreed Future Management Action	Risks Identified
Cllr Glynane	J Dean	Head of Public Protection	CCTV	BH4	Broomhill & Outturn	CCTV Savings	2007/08	-130	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately. This was achieved in Supplies and Services in 07/08. It is likely to be achieved in Building Safer Communities in 08/09.	
Cllr Glynane	J Dean	Head of Leisure and Culture	Christmas Lights	PS09	Policy	Xmas Lights - cease provision by NBC (NB this item was discussed with Carl Grimmer but should be on Thomas Hall list)	2007/08 & 2008/09	-46	12	Additional £30k was allocated to the service during the 2008/09 budget setting process. Due to Vandalism, and a crane that was hired this year, the Christmas Lights were set to be overspent by £3K. However, additional contribution has been provided by Town Centre Christmas budgets which has resulted in the further saving.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Public Protection	Community Safety	BD3	Bid	Delete Community safety Post	2007/08	-70	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Public Protection	Community Safety	PS25	Policy	External income from partner organisations for Anti Social Behaviour unit. This is offset by an additional expenditure budget that was created in Director budget	2007/08	-25	0	Saving achieved in full in 2008/2009.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Leisure and Culture	Cross Cutting	DC3	December		2007/08	-50	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Leisure and Culture	Events and Arts	PS04	Policy	Arts Development & Events - additional income through charges and staffing reorganisation	2007/08 & 2008/09	-164	144	The majority of this saving related to income targets assigned to the Balloon Festival which have not been achieved. The Balloon Festival has incurred further expenditure in Period 11. Part of this is additional unforeseen printing and stationery costs, together with some income refunds. £20k extra income has been achieved from ice rink and market events.	Corporate proposals for next year need to be raised for consideration by management.	
Cllr Glynane	J Dean	Head of Leisure and Culture	Events, Arts, Museums	DC5	December & Outturn	Events, Arts, Museums - S&S - Does this require specific action to achieve?	2007/08	-53	53	Due to the current economic climate the Schools income has declined and will underachieve by £5k. In addition, supplies and services costs have increased resulting in an £11k overspend.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Public Protection	Health Wellbeing and Access	PS03	Policy	Health Wellbeing & Access - discontinue service	2007/08	-54	0	Saving achieved in full in 2008/09		
Cllr Glynane	J Dean	Head of Leisure and Culture	Leisure Centres	BD4	Bid	Leisure Service	2007/08	-20	20	Leisure Service as a whole has over spent	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Leisure and Culture	Leisure Centres	PS05	Policy	Leisure Centre Charges	2007/08	-150	0	Extra income has been achieved form all leisure centre charges, i.e. all income streams. However, there is also increased costs for supplies & services, premises and employees to consider. Extra income cannot compensate for all other costs however it does cover the additional costs for supplies & services and the £150k is still achieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynane	J Dean	Head of Leisure and Culture	Leisure Centres	PS06	Policy	Leisure Centre Energy Costs - increased costs to be funded from further increase in charges	2007/08	-100	10	Increased charges are insufficient to cover both increased energy costs and increased supplies & services costs/.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	

Portfolio Holder	Director	New Division	Service Description	Ref	Source of Saving	Detail	Budget Process Year in Which Saving Approved	2008/09 Total Target Saving £000's	2008/09 Forecast Savings Shortfall / (Excess) £000's	Progress to Date	Agreed Future Management Action	Risks Identified
Cllr Glynnane	J Dean	Head of Leisure and Culture	Tourist Information	PS07	Policy	Tourism - withdraw funding from Explore Northants.	2007/08	-275	0	Saving achieved in full in 2008/2009.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Public Protection	Town Centre Management	EF02	Efficiency	Town Centre Mngmt/Community Safety efficiencies/income	2007/08	-45	0	Saving achieved in full in 2008/2009.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Public Protection	Community Safety, Leisure and Town Centre Operations	CEE002	Efficiency	Cessation of CASPAR project - merging with neighbourhood management agenda	2008/09	-36	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Leisure and Culture	Leisure Centres	CEE003	Efficiency	Duty Officer Posts	2008/09	-28	28	This saving will not be achieved. The posts are not in place yet and the Leisure Manager is requesting that the posts are employed at a higher grade than originally anticipated.		
Cllr Glynnane	J Dean	Head of Leisure and Culture	Community Safety, Leisure and Town Centre Operations	CEE004	Efficiency	Recruitment cost savings	2008/09	-3	4	Due to a high staff turnover in leisure, the job advertising costs have been greater than anticipated.		
Cllr Glynnane	J Dean	Head of Public Protection	Community Safety, Leisure and Town Centre Operations	CEE005	Efficiency	Further Efficiencies Identified by Budget Manager during 2008/09 budget setting process	2008/09	-42	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Leisure and Culture	Leisure Centres		Efficiency	Leisure Price Increases	2008/09	-93	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Administrative Services	EF06	Efficiency	Admin Services non-staffing	2007/08	-50	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Cross Cutting Administration Services	DC1	December	Cross-cutting savings as a result of OSS (i.e., in other service areas)	2007/08	-48	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Customer Access	EF05	Efficiency	Customer Access non-staffing	2007/08	-37	0	The savings of £37k was divided over all of Customer Services . Overall the supplies and services budgets were underspent and therefore the savings have been achieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Customer Services	EF04	Efficiency	Customer Services posts	2007/08 & 2008/09	-116	0	These savings were divided between all Customer Services, this also included call care which has since moved into housing needs. The outturn for 2008/09 on employees for Customer Services and ICT has been underspent and therefore the savings have been realised.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Post Room	EF07	Efficiency	Postages - increased e-mail (some overlap/duplication with above) Additionally there is a further £18k "shaving" of postage budget agreed between Ian Thompson and Clive Thomas. Total of £78k represents nearly Post Room	2007/08	-10	0	The savings due to electronic clean mail has been overachieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Post Room	OT2	Outturn	Post Room	2007/08	-18	0	The savings due to electronic clean mail has been overachieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	

Portfolio Holder	Director	New Division	Service Description	Ref	Source of Saving	Detail	Budget Process Year in Which Saving Approved	2009/09 Total Target Saving £000's	2008/09 Forecast Savings Shortfall / (Excess) £000's	Progress to Date	Agreed Future Management Action	Risks Identified
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Print Unit	BH1	Broomhill	Print Unit, incl partnership w/kg	2007/08 & 2008/09	0	0	Saving achieved in full in 2008/09		
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Print Unit	EF03	Efficiency	Print Unit (links to above)	2007/08 & 2008/09	0	0	Saving achieved in full in 2008/09		
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Customer Services	CES004	Efficiency	Further Efficiencies identified by Budget Manager during 2008/09 budget setting process	2008/09	-39	0	The savings of £39k was divided over all of Customer Services . Overall the supplies and services budgets were underspent and therefore the savings have been achieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	L Wearing	Head of Housing Needs and Support	Call Care		Efficiency	Increase call care charges	2008/09	-12	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Asset Management	EF10	Efficiency	Finance & Asset Management vacancy freeze	2007/08	-45	0	Saving achieved in full in 2008/09	A restructure has been carried out and the saving will be made year on year.	
Cllr Mildren	I Procter	Head of Finance and Assets	Asset Management	EF11	Efficiency	Window cleaning reduced freq.	2007/08	-8	0	Certain contracts have ceased to result in savings to date. Progress needs to be made with all contracts to achieve all budgeted savings. Overall saving not made in a number of areas within the authority.		
Cllr Mildren	I Procter	Head of Finance and Assets	Audit	OT3	Outturn	Audit Fees/Internal Audit - only £38k re Internal Audit included in budget	2007/08	-38	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Council Tax	PS12	Policy	Council Tax	2007/08	-260	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Cross Cutting	EF08	Efficiency	Cease insurance cover on low risk areas.	2007/08	-75	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Debt Management	MS1	Misc	Debt rescheduling	2007/08	-35	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Finance	BD7	Bid	Increase in Commission re Insurance on Sold Flats	2007/08	-7	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Other Land and Buildings	BD5	Bid	Increase of rent for small industrial units not increased for some years	2007/08	-29	3	Part year effect of rent reviews have not met target but will be achieved in 2009/10.	Ongoing rent reviews in 2009/10.	Risk of rental income reducing due to economic downturn.

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Cllr Mildren	I Procter	Head of Finance and Assets	Other Land and Buildings	BD6	Bid	Minor increase on main portfolio where reviews and lease renewals due	2007/08	-30	20	Rent reviews have been completed and has will resulted in increased rents and back rent. A number of tenancies have been terminated with the properties remaining vacant.	Ongoing rent reviews in 2009/10.	Risk of rental income reducing due to economic downturn.
Cllr Mildren	I Procter	Head of Finance and Assets	Other Land and Buildings	BD8	Bid	Increase in Service charges for industrial units especially gas/electricity	2007/08	-10	2	Due to a higher level of vacancies reduced income from Service Charges.	Service Charges are levied to recover costs and will be in line with any increase in utility costs. Increased Income therefore will be in line with increased expenditure and must be monitored closely.	
Cllr Mildren	I Procter	Head of Procurement	Procurement	EF09	Efficiency	Procurement efficiencies and joint working with other Councils	2007/08	-40	0	Saving achieved in full in 2008/09.		
Cllr Mildren	I Procter	Head of Finance and Assets	Finance and Asset Management	F AE003	Efficiency	Recruitment cost savings	2008/09	-15	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Finance and Asset Management	F AE004	Efficiency	Staff Agency Savings due to Vendor neutral contract	2008/09	-50	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Finance and Asset Management	F AE005	Efficiency	NNDR Savings as a result of challenging NNDR on NBC properties	2008/09	-50	0	Refunds have been achieved on Greyfriars Car Park and Mayorhold Car Park that are in excess of the estimated value.	Further NNDR appeals to be carried out on an ongoing basis.	
Cllr Mildren	I Procter	Head of Procurement	Finance and Asset Management	F AE006	Efficiency	VFM Postage Review	2008/09	-10	0	This saving was identified by the Budget Manager during the 2008/09 Budget Setting process and is currently deemed achievable.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Mildren	I Procter	Head of Finance and Assets	Finance and Asset Management	F AE007	Efficiency	Further Efficiencies identified by Budget Manager during 2008/09 budget setting process	2008/09	-5	0	Saving achieved in full in 2008/09.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	David Kennedy	Head of Policy and Community Engagement	Cllr & Managerial Support, Meeting Services and Communications Unit	EF12	Efficiency	Restructure Admin Support and delete vacant posts	2007/08	-372	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brendan Glynane	David Kennedy	Head of Policy and Community Engagement	Community Centres	PS27	Policy	Community Centres. This is offset by an additional expenditure budget that was created.	2007/08	-50	0	Income and expenditure budget of £50k set. Community Centres working party has been established. The £50k saving has not been achieved but this is offset by the £50k expenditure budget not being spent.	Look into the community centres purpose against the councils priorities, assess their working arrangements and investigate the possibility of them becoming more self sufficient. All management contracts will be reviewed.	
Brendan Glynane	David Kennedy	Head of Policy and Community Engagement	Community Development	EF21	Efficiency	Planning (delete vacant posts, rationalise grants admin and community development)	2007/08	-82	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brendan Glynane	David Kennedy	Head of Policy and Community Engagement	Community Grants	PS08	Policy	Royal & Demgate Grant - phased reduction in grant	2007/08	-200	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brendan Glynane	David Kennedy	Head of Policy and Community Engagement	Community Grants	PS14	Policy	Community Grants	2007/08	-50	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brendan Glynane	David Kennedy	Head of Policy and Community Engagement	Community Grants	PS26	Policy	Next Grants allocation process will work with reduced budget. This is offset by an additional expenditure budget that was created.	2007/08	-14	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	David Kennedy	Head of Policy and Community Engagement	Gross Cutting	EF13	Efficiency	Hospitality (excluding Mayoralty and residual corporate provision)	2007/08	-15	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	

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Cllr Woods	David Kennedy	Head of Communications and Consultation	Publicity	EF14	Efficiency	Reduce Advertising Budget	2007/08	-20	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Woods	David Kennedy	Head of Communications and Consultation	Publicity	OT4	Outturn	Deletion of Communications Post	2007/08	-32	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Woods	David Kennedy	Head of Communications and Consultation	Publicity	PS10	Policy	Civic Newspaper - cease production	2007/08	-31	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Woods	David Kennedy	Head of Policy and Community Engagement	Governance, Resources and Communications	GCE004	Policy	Further Efficiencies identified by Budget Manager during 2008/09 budget setting process	2008/09	-20	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Homelessness	BH5	Broomhill		2007/08	-100	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Homelessness	DC2	December	Cease use of B&B for Homeless	2007/08	-60	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Housing Money and Advice	PS11	Policy	Housing & Money Advice Merger - reconfigure service/integrate with OSS - reduction of 4 fte (vacant posts)	2007/08	-130	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Human Resources	Human Resources	EF16	Efficiency	HR Division Restructure - 6 posts to go, replaced by 4 new posts (generally lower graded)	2007/08	-151	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Human Resources	Training	EF15	Efficiency	Reduce Training Provision	2007/08	-100	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Human Resources	Human Resources	HRE002	Efficiency	Recruitment cost savings	2008/09	-14	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Human Resources	Human Resources	HRE004	Efficiency	Further Efficiencies identified by Budget Manager during 2008/09 budget setting process	2008/09	-4	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brian Hoare	David Kennedy	Borough Solicitor	Licensing	BD9	Bid	Increased Licensing Income - Based on 2006/07 experience.	2007/08	-73	95	The total income budget for Licensing has increased substantially since 2006/07 but charges were not increased in line with budgets. As a result the additional income has not been achieved in 2008/09. The budget in 2009/10 has reduced to a reasonable level for the fees being charged.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brian Hoare	David Kennedy	Borough Solicitor	Legal & Democratic	LDE002	Bid	Recruitment cost savings	2008/09	-1	0	Saving achieved in 2008/09 on employee budget	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	

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Brian Hoare	David Kennedy	Borough Solicitor	Legal & Democratic	LDE003	Bid	Further Efficiencies identified by Budget Manager during 2008/09 budget setting process	2008/09	£000's -5	£000's 0	Saving achieved in 2008/09 on supplies and services budget	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Customer Services and ICT	ICT	EF17	Efficiency	HR/Payroll replacement system	2007/08	-20	0	The savings of £20k achieved within supplies and services with ITC.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Customer Services and ICT	ICT	EF18	Efficiency	IT System efficiencies	2007/08	0	0	Saving achieved in full in 2008/09		
Cllr Hoare	I Procter	Head of Customer Services and ICT	ICT	EF19	Efficiency	Electoral System Implementation	2007/08	0	0	Saving achieved in full in 2008/09		
Cllr Hoare	I Procter	Head of Customer Services and ICT	ICT	EF20	Efficiency	Freeze vacancies - Performance Officer plus Analyst/Programmer	2007/08	-63	0	Saving were achieved on employee within ICT	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Customer Services and ICT	ICT	OT6	Outturn	Telephones	2007/08	-25	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
		Head of Communications and Consultation		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
D Kennedy		Chief Executives	ICT	PS13	Policy	Mobile Telephones	2007/08	-1	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Performance and Improvement		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Human Resources		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Regeneration and Development		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
Cllr Glynnane	J Dean	Head of Leisure and Culture		PS13	Policy	Mobile Telephones	2007/08	-2	3.5	Corporate ongoing efficiency savings on mobile phones throughout the authority. Mobile phones are still widely utilised within Leisure and consequently this saving has not been achieved. Mobile phones have an overspend of £2.5k		
		Borough Solicitor		PS13	Policy	Mobile Telephones	2007/08	0	0	Saving achieved in 2008/09 on supplies and services budget		
		Head of Finance and Assets		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Policy and Community Engagement		PS13	Policy	Mobile Telephones	2007/08	-2	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Housing Needs and Support		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Customer Services and ICT		PS13	Policy	Mobile Telephones	2007/08	-3	0	Corporate ongoing efficiency savings on mobile phones throughout the authority. The allocated savings on mobile phone within Customer Services and ICT has been achieved.		
	D Bailey	Head of Planning		PS13	Policy	Mobile Telephones	2007/08	0	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Neighbourhood Environmental Services		PS13	Policy	Mobile Telephones	2007/08	-5	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Public Protection		PS13	Policy	Mobile Telephones	2007/08	-1	0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
		Head of Revenues and Benefits		PS13	Policy	Mobile Telephones	2007/08	-1	0	Corporate ongoing efficiency savings on mobile phones throughout the authority. Savings could not be met on mobile but where met from within supplies and services.		

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		Head of Town Centre Management		PS13	Policy	Mobile Telephones	2007/08	£000's 0	£000's 0	Corporate ongoing efficiency savings on mobile phones throughout the authority.		
Cllr Hoare	D Kennedy	Head of Performance and Improvement	Performance Management	OT5	Outturn	Deletion of vacant posts	2007/08	-32	0	Achieved the deletion of the vacant Research & Information Officer post in full in 2007/08. Therefore this will be achieved in 2008/2009.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	D Kennedy	Head of Customer Services and ICT	ICT	PIE001	Outturn	Mainframe Replacement Savings on Hardware and software	2008/09	-173	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	D Kennedy	Head of Customer Services and ICT	ICT	PIE003	Outturn	Further Efficiencies identified by Budget Manager during 2009/09 budget setting process	2008/09	-54	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	D Kennedy	Head of Customer Services and ICT	ICT	PIE002	Outturn	Recruitment cost savings	2008/09	-1	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Church	D Bailey	Head of Regeneration and Development	Regeneration	BH2	Broomhill	Regeneration & Growth - MTFP assumed £100k growth, removed in budget setting - equivalent to c2.5fte	2007/08	-100	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Church	D Bailey	Head of Regeneration and Development	Regeneration	EF21	Efficiency	Planning (delete vacant posts, rationalise grants admin and community development)	2007/08	-82	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Church	D Bailey	Head of Regeneration and Development	Regeneration, Growth and Community Development	RGE001	Efficiency	Recruitment cost savings	2008/09	-5	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Church	D Bailey	Head of Regeneration and Development	Regeneration, Growth and Community Development	RGE002	Efficiency	Further Efficiencies Identified by Budget Manager during 2009/09 budget setting process	2008/09	-10	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	D Kennedy	Head of Performance and Improvement	Performance, IT & Improvement			Vacancy Factor		-5	5	No vacancies have arisen during the year to achieve forecast.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Hoare	I Procter	Head of Human Resources	Human Resources			Vacancy Factor		-27	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Church	D Bailey	Head of Regeneration and Development	Regeneration, Growth & Community Development			Vacancy Factor		-14	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Town Centre Management	Community Safety, Leisure & Town Centre Ops			Vacancy Factor		-16	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	J Dean	Head of Leisure and Culture	Community Safety, Leisure & Town Centre Ops			Vacancy Factor		-80	80	Taking into account the bottom line expenditure of the whole of leisure & culture there is an overspend on all staffing costs excluding honoraria & compensation and severance costs, of £387k. Therefore vacancy factor has not been achieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brian Hoare	D Kennedy	Borough Solicitor	Legal and Democratic Services			Vacancy Factor		-30	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	

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Cllr Mildren	I Procter	Head of Finance and Assets	Finance & Asset Management			Vacancy Factor		-88	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Brendan Glynnane	D Kennedy	Head of Policy and Community Engagement	Governance & Communications			Vacancy Factor		-32	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
		Head of Communications and Consultation				Vacancy Factor		-4	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
		Director of Northampton Local Strategic Partnership				Vacancy Factor		-1	0	Savings made due to Partnership Director post being vacant for 6 months, therefore vacancy factor achieved.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
		Head of Planning				Vacancy Factor		-41	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Glynnane	I Procter	Head of Customer Services and ICT	Customer Services			Vacancy Factor		-88	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Church	J Dean	Head of Public Protection	Building Control			Vacancy Factor		-50	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Streetscene & Property Maintenance			Vacancy Factor		-200	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Housing Needs and Support	Housing Services			Vacancy Factor		-40	0	Based on historic experience the saving is achievable	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	L Wearing	Head of Strategy, Investment and Performance	Housing Services			Vacancy Factor		-3	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Beardsworth	I Procter	Head of Revenues and Benefits	Housing Services			Vacancy Factor		-48	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Domestic Refuse Collection	EF22	Efficiency	Managed vacancy factor - Streetscene	2007/08	-45	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Graffiti Removal	PS18	Policy	Graffiti Removal - reduce number of teams/vehicles from 4 to 2.	2007/08 & 2008/09	-60	0	Saving achieved in full in 2007/2008. Therefore it is anticipated that this will be achieved in 2008/2009. During the 2008/09 Budget Setting process £60k was added to this budget to retain the 2 existing staff within the team	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Park Ranger	PS19	Policy	Park Rangers - removal of entire service (6 fte)	2007/08 & 2008/09	-190	0	Saving achieved in full in 2007/2008. Therefore it is anticipated that this will be achieved in 2008/2009. Please note that the saving approved in the 2007/08 Budget Setting Process for 2008/09 was £240k. An additional £50k was awarded to the service to pay for 2 park rangers during the 2008/09 Budget Setting Process.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Parks & Grounds Maintenance	PS17	Policy	Grounds Maintenance - reduced frequency of grass cutting/maintenance of parks - loss of 9 fte staff Parks Savings - duplication - Ongoing impact of 2006/07 budget decision, i.e. £100k in 06/07 rising to £250k in 07/08.	2007/08	-250	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Parks & Grounds Maintenance	PS23	Policy	To be achieved from other SS services	2007/08	-150	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	

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Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Public Conveniences	PS20	Policy	Public Conveniences Other - closure of all public conveniences other than parks	2007/08 & 2008/09	-30	-30	Saving achieved in full in 2007/2008. Therefore it is anticipated that this will be achieved in 2008/2009. Additional funding of £100k was awarded to this service in the 2008/09 budget setting process with respect to investment in conveniences across the town. Saving and Efficiency target currently unachieved due to 2 staff still being employed giving an overspend of £46k. This is offset by savings on temporary staff of £15k.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Public Conveniences	PS21	Policy	Public Conveniences Sheep Street - closure	2007/08	-100	0	Saving and Efficiency target currently unachieved due to 2 staff still being employed giving an overspend of £46k. This is offset by savings on temporary staff of £15k.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Recycling	DC4	December	Material Recycling Facility	2007/08	-100	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Street Cleaning	PS15	Policy	Street Cleaning - 10% reduction in service levels.	2007/08	-150	122	Saving currently unachievable. 6 posts should be deleted, currently there are 5 posts vacant but they are being covered by agency staff. Managers working towards reducing this agency cover.	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Street Cleaning	PS16	Policy	Weed Spraying - reduce frequency from 4 sprays to 2 sprays pa.	2007/08	-30	0	To be addressed by budget realignment	This saving will be achieved from with the Parks and Open Spaces budget. In doing so the service will exceed the target savings allocated the service.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Trade Refuse Collection	BH3	Broomhill	Sale of Trade Refuse Operation	2007/08	-30	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Streetscene and Property Maintenance	SSS004	Broomhill	Further Efficiencies identified by Budget Manager during 2009/09 budget setting process	2008/09	-60	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Streetscene and Property Maintenance	SSE003	Broomhill	Recruitment cost savings	2008/09	-5	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Grounds Maintenance	SSS002	Broomhill	Reduction of Tools Budget	2008/09	-30	0	Saving achieved in full in 2008/09	The saving will continue to be monitored on a monthly basis and any risks identified that may prevent achievement of the saving will be reported appropriately.	
Cllr Crake	J Dean	Head of Neighbourhood Environmental Services	Westbridge Depot	PS22	Policy	Westbridge Depot Security	2007/08 & 2008/09	0	0	Saving achieved in full in 2008/09		
TOTAL								-6888	634			

Appendices:

3

Item No

10



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title

Performance Monitoring Report

PUBLIC

Cabinet Meeting Date:	29 June 2009
Key Decision:	NO
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	NO
Portfolio:	Performance & Support Services
Accountable Cabinet Member:	Councillor Brian Hoare
Ward(s)	N/A

1. Purpose

1.1 To inform Cabinet of the Council's performance for:

- a) Outturn performance against all indicators for 31 March 2008 – 1 April 2009 and;
- b) Performance trends for the period March 2003 – March 2009

2. Recommendations

2.1 That Cabinet note the contents of the report.

3. Issues and Choices

3.1 Report Background

3.1.1 Performance data is collected across a range of Best Value Performance Indicators (BVPI's), locally developed indicators and National Indicators (NIs). Most BVPI's are collected monthly, with others collected either quarterly or annually. The reporting of NIs and BVPIs, together with a small number of locally determined indicators, forms the basis of our performance monitoring process.

3.1.2 Performance data is available by the 20th of the following month; this allows for data to be transferred onto our database and quality assured to ensure that data quality standards are met. This report summarises our outturn performance for 2008/9 and performance trends for the period March 2003 - March 2009.

- 3.1.3 The report is supported by a tabled summary in Appendix A of all of our performance indicators over this period. The table is split into two parts. Part 1 details those indicators that have remained consistent in definition 2003 – 2009. Part 2 details 2008/9 out turn results for those indicators without continuous reporting for the period 2003 – 2009.
- 3.1.4 National quartile data for 2008/9 is not yet available and therefore quartile positioning for 2008/9 has been compared against the 2007/8 national data set. In 2008/9 the new National Indicator (NIs) set replaced the BV indicators and therefore all future national quartile data will only be available for the new NIs.

3.2 Overall Performance 2008/9

Key service area improvements have been made in planning and benefits. Areas for further focus include sickness absence and income measures, which have been impacted upon by the current economic climate.

The table in Appendix A details overall performance for 2008/9 and our performance against targets.

The report in Appendix B provides a detailed summary of service area performance over the last year.

3.2.1 Performance improvement

- 51% (46 of 91) indicators where targets have been set have met or exceeded target during 2008/9
- 51% (40 of 78) comparable indicators have improved compared to Outturn 2007/8

Headlines

- The total tonnage of household waste sent for composting or treatment by anaerobic digestion increased by 8% when compared to 2007/8
- The percentage of abandoned vehicles removed within 24 hours increased to 95.95%, representing a 17% increase since 2007/8
- The number of pupils visiting museums and galleries in organised school groups has improved by 14% compared to 2007/8.
- Crime statistics remain in the bottom quartile, but have shown a continued level of improvement. Targets for violent crime, robberies and vehicle crime have been met.
- Planning determination times have improved moving the Council into the Top quartile nationally for minor and other applications
- The percentage of local authority tenants with more than 7 weeks (gross) rent arrears has steadily decreased throughout the year with a 3% reduction compared to 2007/8, exceeding the challenging annual target
- The average time to re-let local authority homes reduced to 29 days, a 15% decrease since 2007/8 and representing a Upper Median quartile performance.
- The average time to process new claims reduced by 7.7 days (32%) compared to Outturn 2007/8.

- The average time to process changes in circumstances has reduced by 2.9 days (27%) compared to Outturn 2007/8.
- The percentage of cases from complete to determined within 14 days increased by 10.08% since Outturn 2007/8, ensuring the annual target was achieved.
- The percentage buildings open to the public and with disabled access has increased by 67%.
- The processing of invoices within 30 days increased by 3% compared to 2007/8. Despite this, the annual target was not achieved by 0.62%

3.2.2 Performance deterioration

- 49% (45 of 91) indicators where targets have been set are below target during 2008/9
- 38% (30 of 78) of comparable indicators have deteriorated compared to Outturn 2007/8

Headlines

- Recycling rates reduced slightly over 2008/9, falling 3% short of our target
- The number of missed bins increased during 2008/9 due to the inclement weather in February 2009, the introduction of Routesmart and vehicle breakdowns impacting on figures. 100% of missed bins were put right within 24 hours.
- The percentage of 'small scale major' planning applications determined within 13 weeks under performed by 19%, compared to the annual target
- The percentage of rent collected¹ under performed every month in 2008/9 leading to a slight deterioration on Outturn 2007/8. Despite this, the collection rate for 2008/9 alone was just over 100%, reducing the total amount owed by £368,436, which is the lowest year-end figure for many years.
- The average length of stay in Bed and Breakfast accommodation for households that are unintentionally homeless and in priority need increased by 0.68 weeks (4 ³/₄ days) when compared to Outturn 2007/8. This is despite much improved performance in quarter 4 of 2008/9, where the average time reduced from 1.80 weeks (12.6 days) to 0.52 weeks (3.64 days).
- Despite being on target for the first 9 months of the year, the percentage of council tax collected reduced by 1.01% compared to Outturn 2007/8.
- Despite being on target for the first 8 months of the year, the percentage of non-domestic rates received reduced compared to Outturn 2007/8. A concerted push by the Business Rates team in February and March resulted in the final collection rate of 99.12% (target 99.50%), which equates to Upper Median performance.
- The percentage of recoverable housing benefit overpayments recovered has deteriorated by 2.9% compared to Outturn 2007/8.

¹ Including previous year's arrears figures

- The percentage of housing benefit overpayment debt recovered performed 12.7% below the annual target, and deteriorated by 2.3% compared to Outturn 2007/8.
- Sickness absence has deteriorated by almost 1 day compared to 2007/8, and now stands at 12.86 days.

3.3 Performance trends 2003 – 2009

To inform the Council's progress over the last six years the report in Appendix C details key performance trends by service area for the period 2003 – 2009. The report is supported by the tabled summary in Appendix A of all of our performance indicators over this period.

3.3.1 Quartile headline

1.4 Performance headline

Analysis of quartile information has been included², where appropriate.

Overall, 35% of comparable indicators have improved quartile position from their base year (i.e. the first year of reporting) to the latest reported data. 42% remained in the same quartile position and 23% have deteriorated.

3.3.2 Performance headline

70% of comparable indicators have improved performance comparing their base year to 2008/9. 5% of indicators have maintained performance and 25% have deteriorated.

3.3.3 Key performance trends

- Significant improvements have been made in benefits with performance moving from bottom to top quartile in a number of key areas
- Crime statistics have remained in the bottom quartile, but have shown a continued level of improvement
- Recycling and composting rates have improved significantly since 2003/4. However, there has been a slight decrease in recycling since 2007/8
- The removal of abandoned vehicle performance has significantly improved in the last 3 years
- Planning performance improved between 2003/4 and 2005/6, followed by a year of deterioration. Performance is since back on track with improving determination times moving the Council into the Top quartile nationally
- Sickness absence remains high
- Despite the economic climate the percentage of council tax and non-domestic rates collected has improved since 2003/4³. There was a slight dip in performance in 2008/9 where collection rates remained on track until January 2009.

² Based on the appropriate Audit Commission Quartile Pack from the relevant period

- Rent arrears and homeless households placed in B&B have been reduced and the average Standard Assessment Procedure (SAP rating) for homes has increased
- The number of housing void days has improved year on year, moving the Council from Bottom quartile to Upper Median quartile within 3 years

3.4 Data Quality

The Council has processes in place to ensure that the data and information it provides to support management decision-making is as reliable as possible. The Council has a strategy to improve data quality and service areas are working to achieve the objectives within it. This is closely linked to the Council's risk assessment processes and is monitored monthly as part of the Council's Performance Management Framework.

3.5 Choices (Options)

None

4. Implications (including financial implications)

4.1 Policy

None.

4.2 Resources and Risk

Failure to deliver performance in line with targets exposes the council to reputation risk and impacts on improvement progress.

4.3 Legal

None.

4.4 Equality

None.

4.5 Consultees (Internal and External)

Internal – Performance data is published across the Council

External – The Lead Official; Audit Commission; partners; publication of performance data on our website.

4.6 How the Proposals deliver Priority Outcomes

Corporate Change Plan – Performance management, including the monitoring of data, is a key priority in the Plan

Corporate Plan – Performance management, including the monitoring of data, is critical in ensuring the Corporate Plan objectives are delivered.

4.7 Other Implications

None

5. Background Papers

5.1 Monthly and quarterly Performance Reports for 2008/9

Dale Robertson, Head of Performance & Improvement
Performance & Improvement - Ext 7110



APPENDIX A

Northampton Borough Council

2003/4 to 2008/9

Performance Results Summary

If you require any information relating to this document please contact;
Dale Robertson Tel: 01604 837110 or email drobertson@northampton.gov.uk

Detailed Report on Performance

The tables below represent our outturn (results) for 2008/09 by service area and performance indicator

(results for 2003/04 – 2007/08 included where available)

KEY TO BOX STATUS COLOURING	
GREEN:	Achieved Target
AMBER:	No Target Set
RED:	Missed Target

KEY TO QUARTILE STATUS		Top & Upper Median Quartile	Lower Median Quartile	Bottom Quartile	No Quartile Data
1	NEW INDICATOR FOR 2008/09				CORPORATE PRIORITY INDICATORS
2	LOCAL INDICATOR [quartile data unavailable]				
3	NO QUARTILE DATA [issued by Audit Commission]				
ALL QUARTILE DATA IS BASED ON LATEST AUDIT COMMISSION INFORMATION AVAILABLE					

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
TABLE 1 – Continuous data 2003/04 – 2008/9												
Neighbourhood and Environmental Services												
↑	BV 82ai	Percentage tonnage of household waste arisings which have been sent by the authority for recycling	21.02%	24%	21.54% ↓	BV 82a 14.78% Upper Median	BV 82a 18.67% Upper Median	19.82% Upper Median	20.41% Upper Median	21.54% Lower Median	21.02% Lower Median	
↑	BV 82bi	Percentage of the total tonnage of household waste sent for composting or treatment by anaerobic digestion	17.73%	16%	16.16% ↑	BV 82b 0.20% Lower Median	BV 82b 9.45% Upper Median	16.30% Top	16.81% Upper Median	16.16% Upper Median	17.73% Upper Median	
↓	BV 84a	Number of kilograms of household waste collected per head	383.6 kg	406 kg	395.4kg ↑	340.0 kg Top	379.0kg Top	401.7kg Upper Median	412.8 kg Lower Median	395.4 kg Upper Median	383.6 kg Upper Median	
↓	BV 86	Cost of waste collection per household	£46.88	£42.00	£46.16 ↓	£35.05	£55.73 Bottom	£51.72 Lower Median	£43.10 Upper Median	£46.16 Upper Median	£46.88 Upper Median	
↑	BV 89	The percentage of people satisfied with the cleanliness standard in their area				44% Bottom			53% Bottom	49% Bottom		Triennial Satisfaction Indicator
↑	BV 90a	The percentage of people satisfied with household waste collection				76% Bottom			69% Bottom	67% Bottom		Triennial Satisfaction Indicator
↑	BV 90b	The percentage of people satisfied with waste recycling				55% Bottom			70% Lower Median	69% Lower Median		Triennial Satisfaction Indicator
↑	BV 91a	Percentage of households resident in the authority's area served by kerbside collection of recyclables	100%	100%	98.5% ↑	BV 91 100% Top	BV 91 100% Top	100% Top	100% Top	98.5% Lower Median	100% Top	

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
Public Protection												
↓	BV 126	Domestic burglaries per year per 1,000 households in local authority area	20.7	13.9	20.9 ↑	29.90 Bottom	26.00 Bottom	22.1 Bottom	21.4 Bottom	20.9 Bottom	20.7 Bottom	
↓	BV 127a	Violent crime per year, 1000 population	23.6	23.6	26.8 ↑	6.90 Bottom	7.50 Bottom	27 Bottom	26.0 Bottom	26.8 Bottom	23.6 Bottom	Definition significantly changed for 2005/6
↓	BV 127b	Robberies per year, 1000 population	2.5	2.8	2.7 ↑	13.90 Bottom	15.20 Bottom	3.4 Bottom	3.5 Bottom	2.7 Bottom	2.5 Bottom	
↓	BV 128	The number of vehicle crimes per year, per 1,000 population in the local authority area	13.9	15.3	16.2 ↑	30.30 Bottom	25.20 Bottom	21.6 Bottom	19.8 Bottom	16.2 Bottom	13.9 Bottom	
↑	BV 166a	Score against a checklist of enforcement best practice for environmental health	96.7%	100%	96.7% ↔	76.7% Lower Median	96.7% Upper Median	100% Top	96.7% Lower Median	96.7% Lower Median	96.7% Lower Median	
↔	BV 174	The number of racial incidents recorded by the authority per 100,000 populations.	3.45	7.89	8.99 ↓	15.97	22.00	18.48	8.20	8.99	3.45	3
↑	BV 175	The percentage of racial incidents that resulted in further action	100%	100%	100% ↔	90.00% Lower Median	100% Top	100% Top	100% Top	100% Top	100% Top	
Planning												
↑	BV 106	Percentage of new homes built on previously developed land	51.15%	65%	54.85% ↓	80% Upper Median	69.40% Lower Median	84% Upper Median	87.08% Upper Median	54.85% Bottom	51.15% Bottom	
↑	BV 111	The percentage of applicants satisfied with the service received				84% Top			57% Bottom	74% Upper Median		Triennial Satisfaction Indicator
↑	NI 157b	Percentage of minor planning applications determined within 8 weeks	92.19%	87%	87.42% ↑	BV 109b 56.00% Lower Median	BV 109b 70.70% Upper Median	BV 109b 74.55% Lower Median	BV 109b 64.98% Bottom	BV 109b 87.42% Top	92.19% Top	NI 157b replaced BV 109b 2008/9
↑	NI 157c	Percentage of other planning applications determined within 8 weeks	95.70%	95%	95.21% ↑	BV 109c 70.00% Bottom	BV 109c 80.70% Lower Median	BV 109c 85.62% Lower Median	BV 109c 75.98% Bottom	BV 109c 95.21% Top	95.70% Top	NI 157c replaced BV 109c 2008/9
↔	BV 200a	Did the local planning authority submit the Local Development Scheme by 28th March 2005 and thereafter maintain a 3-year rolling programme?	Yes	Yes	Yes ↔	No	No	Yes	Yes	Yes	Yes	3

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
↔	BV 200b	Has the local Planning authority met the milestones, which the current local Development scheme set out?	Yes	Yes	No ↑	No	Yes	No	Yes	No	Yes	3
↑	PLI 188	The number of decisions delegated to officers as a percentage of all decisions	96.07%	95%	94.77% ↑	BV 188 85.0% Lower Median	85% Lower Median	84.1% Lower Median	92.3% Top	94.77% Top	96.07% Top	2
Human Resources												
↑	BV 11a	The percentage of top 5% of earners that are women	34.72%	34%	34.79% ↓	24.70% Lower Median	28.40% Lower Median	32.83% Upper Median	32.43% Lower Median	34.79% Lower Median	34.72% Lower Median	
↑	BV 11b	The percentage of top 5% of earners who are from an ethnic minority				6.76% Top	6.76% Top	8.89% Top	7.07% Top	6.67% Top		Not reported for 2008/9
↓	BV 12	The number of working days/shifts lost due to sickness absence	12.86 days	9 days	11.89 days ↓	13.00 days Bottom	13.48 days Bottom	16.12 days Bottom	11.38 days Bottom	11.89 days Bottom	12.86 days Bottom	
↓	BV 14	The percentage of employees retiring early (excluding ill-health retirements) as a percentage of the total workforce	0.63%	0.50%	0.36% ↓	0.53% Lower Median	2.26% Bottom	2.64% Bottom	0.70% Lower Median	0.36% Upper Median	0.63% Lower Median	
↓	BV 15	The percentage of employees retiring on grounds of ill health as a percentage of the total workforce	0.36%	0.25%	0.82% ↑	0.61% Bottom	0.55% Bottom	0.41% Bottom	0.61% Bottom	0.82% Bottom	0.36% Bottom	
↑	BV 16a	The percentage of local authority employees declaring that they meet the Disability Discrimination Act 1995 disability definition				3.20% Upper Median	4.54% Top	5.55% Top	4.97% Top	3.06% Lower Median		Not reported for 2008/9
↑	BV 17a	The percentage of local authority employees from minority ethnic communities				4.8% Top	5.3% Top	4.9% Top	5.6% Top	3.7% Upper Median		Not reported for 2008/9
Finance and Assets												
↑	BV 8	The percentage of invoices for commercial goods and services paid by the authority within 30 days of being received	94.38%	95%	91.51% ↑	92.30% Upper Median	81.10% Bottom	86.89% Bottom	89.45% Bottom	91.51% Lower Median	94.38% Lower Median	

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
↑	BV 156	The percentage of authority buildings open to the public in which all public areas are suitable for and accessible to disabled people	95.45%	95%	28.06% ↑	80.00% Top	86.00% Top	90.14% Top	92.54% Top	28.06% Lower Median	95.45% Top	3
Revenues and Benefits												
↑	BV 9	Percentage of council tax received in the year	96.94%	98.50%	97.95% ↓	95.00% Bottom	95.00% Bottom	95.45% Bottom	96.63% Lower Median	97.95% Upper Median	96.94% Lower Median	
↑	BV 10	Percentage of non domestic rates due for the year which were received by the authority	99.12%	99.50%	99.79% ↓	98.50% Lower Median	99.70% Top	99.23% Upper Median	99.72% Top	99.79% Top	99.12% Upper Median	
↔	BV 76b	Housing Benefit Security: the number of fraud investigators employed per 1,000 caseload	0.23	0.29	0.30 ↓	0.26	0.24	0.28	0.24	0.30	0.23	3
↔	BV 76c	Housing Benefit Security: the number of fraud investigations per 1,000 caseload	55.69	65	50.97 ↑	30.50 Bottom	38.51 Upper Median	51.08 Upper Median	61.32 Top	50.97 Upper Median	55.69 Top	3
↔	BV 76d	Housing Benefit Security: the number of prosecutions and sanctions per 1,000 caseload	5.34	4.70	4.45 ↑	2.11 Lower Median	2.48 Lower Median	4.64 Upper Median	3.91 Upper Median	4.45 Upper Median	5.34 Top	3
↓	BV 78a	Speed of Processing: Average time for processing new claims for housing and council tax benefits	16.1 days	20 days	23.8 days ↑	81.8 days Bottom	63.4 Bottom	57.6 day Bottom	36.5 days Bottom	23.8 days Upper Median	16.1 days Top	
↓	BV 78b	Speed of Processing: Average time for processing notifications of change in circumstances	8.0 days	8.0 days	10.9 days ↑	28.0 days Bottom	20.9 Bottom	24.4 days Bottom	16.4 days Bottom	10.9 days Lower Median	8.0 days Upper Median	
↑	BV 79a	Accuracy of processing (a) percentage of cases for which the calculation of the amount of benefit due was correct on the basis of the information available for the decision for a sample of cases checked post-decision	97.80%	99%	97% ↑	91.65% Bottom	91.80% Bottom	78.60% Bottom	94.20% Bottom	97% Bottom	97.80% Lower Median	
↑	BV 80a	Overall satisfaction with the benefits service: Overall I am satisfied with the facilities to get in touch with the benefits office				70% Bottom			66% Bottom	68% Bottom		Triennial Satisfaction Indicator

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
↑	BV 80b	Overall satisfaction with the benefits service: Overall I am satisfied with the service in the actual office				72% Bottom			59% Bottom	70% Bottom		Triennial Satisfaction Indicator
↑	BV 80c	Overall satisfaction with the benefits service: Overall I am satisfied with the telephone service				55% Bottom			46% Bottom	59% Bottom		Triennial Satisfaction Indicator
↑	BV 80d	Overall satisfaction with the benefits service: Overall I am satisfied with the staff in the benefit office				75% Bottom			65% Bottom	70% Bottom		Triennial Satisfaction Indicator
↑	BV 80e	Overall satisfaction with the benefits service: Overall I am satisfied with the clarity and understandability of the forms, letters and leaflets				57% Bottom			52% Bottom	59% Bottom		Triennial Satisfaction Indicator
↑	BV 80f	Overall satisfaction with the benefits service: Overall I am satisfied with the amount of time it took for them to tell me whether my claim was successful				57% Bottom			53% Bottom	65% Bottom		Triennial Satisfaction Indicator
↑	BV 80g	Overall satisfaction with the benefits service				70% Bottom			63% Bottom	71% Bottom		Triennial Satisfaction Indicator
Landlord Services												
↑	BV 66a	Local authority rent collection and arrears – proportion of rent collected	96.26%	97.80%	96.76% ↓	95.16%	96.20% Bottom	96.03% Bottom	95.93% Bottom	96.76% Bottom	96.26% Bottom	
↑	NI 160	Satisfaction of tenants of council housing with the overall service provided by their landlord	67.40%	74%	64% ↑	BV 74a 73% Lower Median			BV 74a 64% Bottom	MORI 64% Spring 2008 Bottom	67.40% Bottom	Status survey
↑	BV 74b	Satisfaction of tenants of council housing with the overall service provided by their landlord with results further broken down by ethnic minority tenants	67%	67%	64% ↑	69% Lower Median			57% Bottom	64% Spring 2008 Lower Median	67% Lower Median	Triennial Satisfaction Indicator
↑	BV 74c	Satisfaction of tenants of council housing with the overall service provided by their landlord with results further broken down by non ethnic minority tenants	68%	75%	66% ↑	74% Lower Median			65% Bottom	66% Spring 2008 Bottom	68% Bottom	Triennial Satisfaction Indicator

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
↑	BV 75a	Satisfaction of tenants of council housing with opportunities for participation in management and decision making in relation to housing services provided by their landlord				59% Lower Median			49% Bottom	59% Spring 2008 Bottom		Triennial Satisfaction Indicator
↑	BV 75b	Satisfaction of tenants of council housing with opportunities for participation in management and decision making in relation to housing services provided by their landlord; with results further broken down by ethnic minority tenants				58% Lower Median			45% Bottom	47% Spring 2008 Bottom		Triennial Satisfaction Indicator
↑	BV 75c	Satisfaction of tenants of council housing with opportunities for participation in management and decision making in relation to housing services provided by their landlord; with results further broken down by non ethnic minority tenants				60% Lower Median			48% Bottom	59% Spring 2008 Bottom		Triennial Satisfaction Indicator
↔	LHPI 164	Does the authority follow the Commission for Racial Equality's code of practice in rented housing and follow the Good Practice Standards for social landlords on tackling harassment included in Tackling Racial Harassment Code of Practice in Social Landlords?	Yes	Yes	Yes ↔	BV 164 Yes	BV 164 Yes	BV 164 Yes	Yes	Yes	Yes	2
Housing Needs and Support												
↑	BV 63	Energy efficiency - the average SAP (standard assessment procedure) rating of local authority owned dwellings	70.3%	71%	70% ↑	59% Lower Median	66% Upper Median	67% Upper Median	68% Upper Median	70% Upper Median	70.3% Upper Median	
↑	BV 64	Number of private sector vacant dwellings that are returned into occupation or demolished during the year as a direct result of action by the local authority	225	110	55 ↑	67 No quartile data from A/C	55 Upper Median	59 Upper Median	161 Top	55 Upper Median	225 Top	

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
↓	LHPI 183a	The average length of stay in bed and breakfast accommodation of households that are unintentionally homeless and in priority need	1.68 weeks	0.87 weeks	1 week ↓	BVPI 183a 11.06 Bottom	BVPI 183a 4.0 Lower Median	BVPI 183a 3.25 weeks Lower Median	2.25 weeks Upper Median	1 week Top	1.68 weeks Upper Median	2
Culture and Leisure Services												
↑	BV 119a	The percentage of residents satisfied with the local authority cultural services; sports and leisure facilities				59% Upper Median			57% Lower Median	57% Spring 2008 Lower Median		Triennial Satisfaction Indicator
↑	BV 119c	The percentage of residents satisfied with the local authority cultural services; museums				57% Top			58% Top	52% Spring 2008 Top		Triennial Satisfaction Indicator
↑	BV 119d	The percentage of residents satisfied with the local authority cultural services; arts activates and venues				72% Top			67% Top	67% Spring 2008 Top		Triennial Satisfaction Indicator
↑	BV 119e	Percentage of residents satisfied with the Local Authority Cultural Services: Parks and Open Spaces				79% Top			79% Top	72% Spring 2008 Lower Median		Triennial Satisfaction Indicator
↑	BV 170a	The number of visits to/usage's of local authority funded or part funded museums per 1,000 population	804	880	886 ↓	2,684 Top	2,126 Top	1,287 Top	863 Upper Median	886 Upper Median	804 Upper Median	
↑	BV 170b	The number of those visits to local authority funded or part funded museums that were in person per 1,000 population	714	850	786 ↓	999 Top	1,055 Top	800 Top	845 Top	786 Top	714 Top	
↑	BV 170c	The number of pupils visiting museums and galleries in organised school groups	7,876	10,500	6,929 ↑	12,927 Top	13,917 Top	14,067 Top	10,016 Top	6,929 Upper Median	7,876 Upper Median	
Policy and Community Engagement												
↑	BV 2a	The level of the Equality Standard for local government to which the authority conforms in respect of gender, race and disability	Level 2	Level 3	Level 2 ↔	0	0	Level 1	Level 1	Level 2	Level 2	An extension to September 09 has been granted for achieving Level 3

GOOD TO BE HIGH/ LOW	BVPI / LP/NI REFERENCE	DESCRIPTION OF INDICATOR	RESULTS 08/09	TARGET 08/09	RESULTS (Arrows show 08/09 result compared to 07/08)	NBC 03/04 RESULT & QUARTILE POSITION	NBC 04/05 RESULT & QUARTILE POSITION	NBC 05/06 RESULT & QUARTILE POSITION	NBC 06/07 RESULT & QUARTILE POSITION	NBC 07/08 RESULT & QUARTILE POSITION	NBC 08/09 RESULT & POTENTIAL QUARTILE POSITION	COMMENTS
↑	BV 2b	The quality of an authority's Race Equality Scheme and the improvements resulting from it's application	95%	53%	89% ↑	26% Bottom	26% Bottom	39% Bottom	16% Bottom	89% Top	95% Top	
↑	BV 3	The percentage of citizens satisfied with the overall service provided by the council				38% Bottom			34% Bottom	29% Spring 2008 Bottom		Triennial Satisfaction Indicator
↑	BV 4	The percentage of citizens satisfied with the handling of their complaint				30% Bottom			29% Bottom	25% Spring 2008 Bottom		Triennial Satisfaction Indicator
↔	BV 16b	The percentage of the economically active population in the local authority area who have a disability				12.25%	12.25%	12.25%	12.25%	12.25%		Not reported 2008/9
↑	NI 35a	Building resilience to violent extremism – Understanding of, and engagement with, Muslim communities	3	Baseline setting year – no target for 2008							3	1
↑	NI 35b	Building resilience to violent extremism – Knowledge and understanding of the drivers and causes of violent extremism and the Prevent objectives	2	Baseline setting year – no target for 2008							2	1
↑	NI 35c	Building resilience to violent extremism – Development of a risk-based preventing violent extremism action plan, in support of delivery of the Prevent objectives	3	Baseline setting year – no target for 2008							3	1
↑	NI 35d	Building resilience to violent extremism – Effective oversight, delivery and evaluation of projects and actions	2	Baseline setting year – no target for 2008							2	1

Table 2 – 2008/09 out turn results for those indicators without continuous reporting for the period 2003/04 – 2008/9

Neighbourhood and Environmental Services

↑	BV 82aii	Total of tonnage of household waste arisings which have been sent by the authority for recycling	16,350.68 tonnes	18,832.00 tonnes	17,046.29 tonnes ↓			15,509.95 tonnes Top	16,429.14 tonnes Top	17,046.29 tonnes Top	16,350.68 tonnes Top	
↑	BV 82bii	Total tonnage of household waste sent for composting or treatment by anaerobic digestion	13,789.32 tonnes	12,955.00 tonnes	12,787.84 tonnes ↑			12,752 tonnes Top	13,532.86 tonnes Top	12,787.84 tonnes Top	13,789.32 tonnes Top	
↓	BV 84b	Percentage change from the previous financial year in the number of Kg of household waste collected per head of population	-2.17%	-1%	-4.21% ↓			+5.96% Bottom	+2.75% Bottom	-4.21% Top	-2.17% Upper Median	
↑	BV 91b	Percentage of households resident in the authority's area served by kerbside collection of at least two recyclables	100%	100%	98.5% ↑			100% Top	100% Top	98.5% Lower Median	100% Top	
↓	BV 199a	The proportion of relevant land and highways that is assessed as having combined deposits of litter and detritus that fall below an acceptable level				11.0% Top	12.0% Upper Median	3.0% Top	4.0% Top	4.8% Top	No longer reported	
↓	BV 199b	The proportion of relevant land and highways from which unacceptable levels of graffiti are visible						10% Bottom	14% Bottom	8% Bottom	No longer reported	
↓	BV 199c	The proportion of relevant land and highways from which unacceptable levels of fly posting are visible						1% Upper Median	1% Bottom	2% Bottom	No longer reported	
↓	BV 199d	The year on year reduction in total number of incidents and increase in total number of enforcement actions taken to deal with fly tipping	NI 196 Level 2	Level 2	Level 4 ↑					Level 4 Bottom	NI 196 Level 2 Upper Median	Replaced by NI 196 for 2008/9
↑	BV 218a	Percentage of new reports of abandoned vehicles investigated within 24hrs of notification	98.91%	95%	97.36% ↑			No result reported	87.25% Lower Median	97.36% Upper Median	98.91% Upper Median	
↑	BV 218b	Percentage of abandoned vehicles removed within 24 hours from the point at which the Authority is legally entitled to remove the vehicle	95.95%	90%	78.80% ↑			No result reported	79.16% Lower Median	78.80% Bottom	95.95% Upper Median	
↑	ELPI 5	Percentage of fly tips removed within two working days	99.82%	95%	99.83% ↓			99.37%	99.6%	99.83%	99.82%	2
↓	ELPI 6	Number of missed refuse collections	2,699	1,200	1,659 ↓				11,302	1,659	2,699	2
↑	ELPI 10	The percentage of missed collections put right within 24 hours	100%	97%	98.92% ↑				92.99%	98.92%	100%	2
↓	NI 191	Residual household waste per household	525kg	543kg					N/A	N/A	525kg	1

↑	NI 192	Percentage of household waste sent for reuse, recycling and composting	38.74%	40%							38.74%	1
↓	NI 195a	Improved street and environmental cleanliness – levels of litter	11%	Baseline setting year – no target for 2008-09							11%	1
↓	NI 195b	Improved street and environmental cleanliness – levels of detritus	22%	Baseline setting year – no target for 2008-09							22%	1
↓	NI 195c	Improved street and environmental cleanliness – levels of graffiti	8%	Baseline setting year – no target for 2008-09							8%	1
↓	NI 195d	Improved street and environmental cleanliness – levels of fly-posting	2%	Baseline setting year – no target for 2008-09							2%	1
Public Protection												
↔	BV 216a	Number of sites of potential concern within the local authority area with respect to land contamination	742	N/A				975	966	793	742	Feeder indicator for BVPI 216b.
↑	BV 216b	Number of sites for which detailed information is available to decide whether remediation of the land is necessary, as a percentage of all "sites of potential concern"	5%	13%	9% ↓			6% Upper Median	8% Upper Median	9% Upper Median	5% Upper Median	
↑	BV 217	Percentage of pollution control improvements to existing installations completed on time	100%	95%	95% ↑			97% Upper Median	100% Top	95% Lower Median	100% Top	
↑	BV 225	Domestic violence checklist- The percentage of questions answered 'yes'	90.9%	100%	90.9% ↔			63.6%	81.8%	90.9%	90.9%	3
	NI 15	Serious violent crime	283								283	1 Data supplied via CDRP
	NI 16	Serious acquisitive crime	5,204								5,204	1 Data supplied via CDRP
	NI 20	Assault with injury crime rate	1,654	Baseline setting year – no target for 2008							1,654	1 Data supplied via CDRP
	NI 32	Repeat incidents of domestic abuse	27.5% Base data for 2008/09	Baseline setting year – no target for 2008							27.5% Base data for 2008/09	1 Data supplied by CDRP

↑	NI 182	Satisfaction of businesses with local authority regulation services									National reporting timetable	1
↑	NI 184	The percentage of food establishments within the local authority which are broadly compliant with food law	81%	82%							87%	1
↓	NI 185	CO2 reduction from LA operations									National reporting timetable	1
↑	NI 188	Adapting to climate change	Level 1	Level 1							Level 1	1
↓	NI 194	Level of air quality - % reduction in Nox & PM10 emissions through LA estates and operations									National reporting timetable	1
Planning												
↑	BV 109a	Percentage of planning applications determined: 60% of major applications in 13 weeks				32.00% Bottom	64.50% Upper Median	64.18% Lower Median	66.67% Lower Median	65% Lower Median		Replaced by NI 157A for 2008/9
↓	BV 204	Percentage of appeals allowed against the authority's decision to refuse planning applications	37.5%	25%	39.5% ↑		41% Bottom	34.8% Lower Median	21.1% Top	39.5% Bottom	37.5% Lower Median	
↑	BV 205	Quality of Service checklist for Planning	66.7%	90%	77.8% ↓		89% Top	77.7% Bottom	77.8% Bottom	77.8% Bottom	66.7% Bottom	
↔	BV219b	Percentage of conservation areas in the local authority area with an up to date character appraisal (and management plan from 2008/9)	63.16%	60%	42.11 ↑			16.67% Upper Median	33.33% Upper Median	42.11% Upper Median	63.16% Top	Replaced by LPI 219 2008/9
↑	NI 154	Net additional homes provided	707	1529							707	1
↑	NI 157a LM	Percentage of large scale major planning applications determined within 13 weeks	100%	0%							100%	1
↑	NI 157a SM	Percentage of small scale major planning applications determined within 13 weeks	54.55%	74%							54.55%	1
↑	NI 159	Supply of ready to develop housing sites	96.8%	100% within 5 years							96.8%	1
↓	NI 170	The proportion of the area of developed land that is vacant or derelict for more than 5 years	0.78%	0.78%							0.78%	1
↔	REG LPI 200c	Did the Planning authority publish an annual monitoring report by December of the last year						Yes	Yes	Yes		Not reported for 2008/9

↔	REG LPI 219a	The total number of conservation areas in the local authority area						BV 219a 18	BV 219a 18	19		Replaced by LPI 219
↔	REG LPI 219c	Percentage of conservation areas with published management proposals						BV 219 c 0% Bottom	BV 219c 33.33% Top	42% Top		Replaced by LPI 219
Human Resources												
↑	BV 11c	The percentage of top 5% of earners who have a disability						4.38% Upper Median	3.80% Upper Median	6.67% Top		Not reported for 2008/9
Finance and Assets												
↔	BV 226c	Total amount spent on advice and guidance in the areas of housing, welfare benefits and consumer matters which is provided directly by the authority to the public	£189,973	£118,874	£245,068 ↓				£116, 532	£245,068	£189,973	3
↑	NI 179	The total value of ongoing cash releasing value for money gains that have impacted since the start of the 2008 – 09 Financial Year	£2,825,000	Baseline setting year – no target for 2008							£2,825,000	Biannual – October 2008 & July 2009
Revenues and Benefits												
↔	BV 76 a	Housing Benefit Security: the number of claimants visited per 1,000 caseload					42.3	53.35	149.37			Replaced by CFLI 1 for 2007/8
↑	BV 79bi	The amount of housing benefit overpayments recovered during the period being reported on as a percentage of hb deemed recoverable overpayments during that period	67.54%	75%	70.44% ↓			106.20% Top	58.35% Bottom	70.44% Lower Median	67.54% Lower Median	
↑	BV 79bii	Housing benefit overpayments recovered during the period as a percentage of the total amount of housing benefit overpayment debt outstanding at the start of the period plus amount of hb overpayments identified during the period	27.29%	40%	29.59% ↓			62.51% Top	31.60% Lower Median	29.59% Lower Median	27.29% Lower Median	

↔	BV 79biii	Housing benefit overpayments written off during the period as a percentage of the total amount of hb overpayment debt outstanding at the start of the period plus amount of hb overpayments identified during the period	4.43%	7%	4.04% ↑			12.14%	4.35%	4.04%	4.43%	3
↑	NI 180	The number of changes of circumstances affecting HB/CTB entitlement processed within the year	971.1 10 month's data only	950							971.1 10 month's data only	1
↓	NI 181	Time taken to process Housing Benefit/Council Tax new claims/changes	6.3 8 month's data only	15							6.3 8 month's data only	1
↑	BENLPI 1	Percentage of cases from complete to determined within 14 days	96.82%	91%	86.74% ↑				85.51%	86.74%	96.82%	2
↔	CFLI 1	Housing benefit Security: the number of housing benefit claimants visited	3,705	3,504	4,013 ↓					4,013	3,705	2
Landlord Services												
↓	BV 66b	The number of local authority tenants with more than seven weeks of (gross) rent arrears as a percentage of the total number of council tenants	7.37%	7.50%	10.03% ↑			12.43% Bottom	11.92% Bottom	10.03% Bottom	7.37% Bottom	
↓	BV 66c	The percentage of local authority tenants in arrears who have had Notice Seeking Possession served	37.71%	25%	31.41% ↓			44.58% Bottom	26.66% Lower Median	31.41% Lower Median	37.71% Bottom	
↓	BV 66d	The percentage of local authority tenants evicted as a result of rent arrears	0.46%	0.20%	0.22% ↓			0.83% Bottom	0.46% Lower Median	0.22% Upper Median	0.46% Bottom	
↑	HLPI 9	Night time repairs completed on target	99%	99%	99% ↔			98%	99%	99%	99%	2
Housing Needs and Support												
↓	BV 184a	The proportion of local authority homes which were non-decent at 1st April	46.1	Baseline setting year – no target for 2008		30% Upper Median	29% Upper Median	25% Upper Median	27% Lower Median	33% Lower Median	NI 158 46.1% Bottom	Replaced by NI 158 for 2008/9
↓	BV 202	The number of people sleeping rough on a single night within the area of the local authority	2	0	1 ↓		7	8 Bottom	4 Bottom	1 Upper Median	2 Lower Median	
↓	BV 212	Average time taken to re-let local authority homes	29 days	23 days	34 days ↑			72 days Bottom	71 days Bottom	34 days Lower Median	29 days Upper Median	

↑	BV 213	Number of household who considered themselves homeless who approached the local authority housing advice service and for whom advice casework intervention solved their situation	8	8	7 ↑			5 Top	7 Top	7 Top	8 Top	
↓	NI 156	Number of households living in Temporary Accommodation	33%	70%							33%	1
↓	NI 187a	Tackling fuel poverty-percentage of people receiving income based benefits living in homes with a low energy efficiency rating –SAP below 35	3.53%	Baseline setting year – no target for 2008							3.53%	1
↑	NI 187b	Tackling fuel poverty-percentage of people receiving income based benefits living in homes with a low energy efficiency rating – SAP of 65 or greater	48.24%	Baseline setting year – no target for 2008							48.24%	1
↓	LHPI 203	The percentage change in the number of families which include dependent children or pregnant women, placed in temporary accommodation under the homelessness legislation compared with the average in the previous year	-9.46%	-14%	-43.22% ↓		BVPI 203 37.00% Bottom	BVPI 203 -9.86% Upper Median	BV 203 -27.73% Top	-43.22% Top	-9.46% Lower Median	2
↓	LHPI 214	Proportion of households accepted as statutorily homeless by the same authority within the last 2 years	0%	0%	0% ↔			0.54% Upper Median	1.41% Lower Median	0% Top	0% Top	2
Policy and Community Engagement												
↑	NI 189	Flood and coastal erosion risk management	100%	Baseline setting year – no target for 2008							100%	1
↔	BV 226a	Total amount spent by the Local Authority on Advice and Guidance Services provided by external organisations	£474,383	£380,761	£541,321 ↓			£368, 860	£368, 860	£541,321	£474,383	3
↑	BV 226b	Percentage of monies spent on advice and guidance services provision which was given to organisations holding the CLS Quality Mark at general help level and above	73.14%	79.08%	81.39% ↓			92.18%	92.18%	81.39%	73.14%	3

Customer Services												
↓	NI 14	Reducing avoidable contact: minimising the proportion of customer contact that is of low or no value to the customer.	28.4%	Baseline setting year – no target for 2008							28.4%	1
Housing Strategy, Investment & Performance												
↑	NI 155	Number of affordable homes delivered (gross)	288	400							288	1



Northampton Borough Council

Performance Indicators – Outturn 2008/9 Improvements & Deterioration

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1. Introduction

This report highlights key areas of improvement and deterioration for performance indicators for Outturn 2008/9, which includes performance to date against targets and trends throughout the year. It also compares performance against last year and quartile position based on 2007/8 quartile data.

The report summarises performance for the Council as a whole and a breakdown for each service.

1.1 Background

All performance indicators included in this report have improved or deteriorated for Outturn 2008-9.

The data used in this report is detailed in the Performance Report for 2003/4 – 2008/9. This is split into two tables (see Appendix A):

Table 1 includes outturn results with continuous data from 2003/4–2008/9

Table 2 includes outturn results without continuous data from 2003/4–2008/9

- Each section has a summary showing the number of comparable indicators
- Not all indicators are comparable with last year as they may be new indicators or have changes in definition
- Quartile data is not available for all local indicators (LPI's) or national indicators (NI's). NI's can be compared if they are a direct replacement for previous Best Value Performance Indicators (BVPI's)
- All quartile data is based on 2007/8 Audit Commission quartile data
- Some indicators are being reported for the first time and therefore no target has been set for 2008/9, to allow for baseline setting. For those measures where targets have been set 51% (46 of 91) have achieved or exceeded target during 2008/9 and 49% (45 of 91) have not achieved target.

Status	Measures (with targets set)	Percentage
Target Achieved	46	51%
Target not achieved	45	49%

Overall summary of measures collected:

- 146 performance indicators¹
- 36 National Indicators
- 16 indicators with no target set
- 36 indicators reported in 2007/8 were not reported in 2008/9

¹ Total number of indicators included in Tables 1 & 2 (see Appendix A)

2. Performance Summary

Key service area improvements have been made in planning and benefits. Areas for further focus include sickness absence and income measures, which have been impacted upon by the current economic climate.

Performance against 2008/9 targets

- 51% (46 of 91) indicators where targets have been set have met or exceeded target
- 49% (45 of 91) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 51% (40 of 78) comparable indicators have improved compared to Outturn 2007/8
- 38% (30 of 78) comparable indicators have deteriorated compared to Outturn 2007/8

2.1 Performance improvement

Headlines

- The total tonnage of household waste sent for composting or treatment by anaerobic digestion increased by 8% when compared to 2007/8
- The percentage of abandoned vehicles removed within 24 hours increased to 95.95%, representing a 17% increase since 2007/8
- The number of pupils visiting museums and galleries in organised school groups has improved by 14% compared to 2007/8.
- Crime statistics remain in the bottom quartile, but have shown a continued level of improvement. Targets for violent crime, robberies and vehicle crime have been met.
- Planning determination times have improved moving the Council into the Top quartile nationally for minor and other applications
- The percentage of local authority tenants with more than 7 weeks (gross) rent arrears has steadily decreased throughout the year with a 3% reduction compared to 2007/8, exceeding the challenging annual target
- The average time to re-let local authority homes reduced to 29 days, a 15% decrease since 2007/8 and representing a Upper Median quartile performance.
- The average time to process new claims reduced by 7.7 days (32%) compared to Outturn 2007/8.
- The average time to process changes in circumstances has reduced by 2.9 days (27%) compared to Outturn 2007/8.
- The percentage of cases from complete to determined within 14 days increased by 10.08% since Outturn 2007/8, ensuring the annual target was achieved.
- The percentage buildings open to the public and with disabled access has increased by 67%.
- The processing of invoices within 30 days increased by 3% compared to 2007/8. Despite this, the annual target was not achieved by 0.62%

2.2 Performance deterioration

Headlines

- Recycling rates reduced slightly over 2008/9, falling 3% short of our target
- The number of missed bins increased during 2008/9 due to the inclement weather in February 2009, the introduction of Routesmart and vehicle breakdowns impacting on figures. 100% of missed bins were put right within 24 hours.
- The percentage of 'small scale major' planning applications determined within 13 weeks under performed by 19%, compared to the annual target
- The percentage of rent collected² under performed every month in 2008/9 leading to a slight deterioration on Outturn 2007/8. Despite this, the collection rate for 2008/9 alone was just over 100%, reducing the total amount owed by £368,436, which is the lowest year-end figure for many years.
- The average length of stay in Bed and Breakfast accommodation for households that are unintentionally homeless and in priority need increased by 0.68 weeks (4 ³/₄ days) when compared to Outturn 2007/8. This is despite much improved performance in quarter 4 of 2008/9, where the average time reduced from 1.80 weeks (12.6 days) to 0.52 weeks (3.64 days).
- Despite being on target for the first 9 months of the year, the percentage of council tax collected reduced by 1.01% compared to Outturn 2007/8.
- Despite being on target for the first 8 months of the year, the percentage of non-domestic rates received reduced compared to Outturn 2007/8. A concerted push by the Business Rates team in February and March resulted in the final collection rate of 99.12% (target 99.50%), which equates to Upper Median performance.
- The percentage of recoverable housing benefit overpayments recovered has deteriorated by 2.9% compared to Outturn 2007/8.
- The percentage of housing benefit overpayment debt recovered performed 12.7% below the annual target, and deteriorated by 2.3% compared to Outturn 2007/8.
- Sickness absence has deteriorated by almost 1 day compared to 2007/8, and now stands at 12.86 days.

² Including previous year's arrears figures

Service Area Performance Analysis

3 Neighbourhood Environmental Services

3.1 Summary

- 27 performance indicators
- 6 National Indicators
- 7 indicators with no target set
- 6 indicators were no longer required in 2008/9

Performance against 2008/9 targets

- 71% (12 of 17) indicators where targets have been set have met or exceeded target
- 29% (5 of 17) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 60% (9 of 15) comparable indicators have improved compared to Outturn 2007/8
- 40% (6 of 15) comparable indicators have deteriorated compared to Outturn 2007/8

3.2 Performance Improvements

3.2.1 BV 82bii

The total tonnage of household waste sent for composting or treatment by anaerobic digestion increased by 8% when compared to 2007/8, a reduction of 1,2356 tonnes of household waste being sent to landfill. Top quartile performance has been maintained for this indicator

3.2.2 BV 218b

The percentage of abandoned vehicles removed within 24 hours increased to 95.95%, representing a 17% increase since 2007/8. The improvement has moved the Council from Bottom to Upper Median quartile within 12 months.

3.2.3 ELPI 5

99.82% of flytips were removed within two working days. This represents a 0.01% reduction compared to 2007/8, although 100% was achieved in 8 out of 10 months. Over 99% of flytips were removed within 24 hours, against a target of 95%, every month this year.

3.2.4 ELPI 10

Despite a high number of missed refuse collections this year, 100% were put right within 24 hours. This represents a 1.08% increase compared to 2007/8, when excellent performance was also achieved.

3.3 Performance Deterioration

3.3.1 BV 82ai

The percentage of household waste sent for recycling has reduced to 21.02%, indicating a slight deterioration since 2007/8. Monthly targets have not been met and therefore performance falls short of the annual target by almost 3%.

3.3.2 BV 82aii

Despite a reduction of only 1% of total waste collected, 3% less waste has been sent for recycling since 2007/8. Monthly targets have not been met and consequently the annual target was not met by 2,481 Tonnes. Despite this, the indicator maintains Top quartile performance.

At the beginning of the financial year the target for dry recyclate was revised from 21% to 24% to allow for further expansion of different types of plastics and the possible collection of glass from the kerbside. A trial of kerbside glass collections started in February 2008 using pod vehicle to collect from 4,000 properties. This trial is still on going and is bringing in about 5 tonnes of glass a week. However, the collection of this additional recyclate is not enough to reach such an optimistic target. Following a Cabinet decision to implement kerbside collection of glass, officers are now working on the most efficient and effective ways of rolling out the scheme across the borough. In readiness for implementation on the 1 June 2009, 61,000 glass boxes are being delivered to properties, whilst conducting the wheelie bin collection rounds.

3.3.3 ELPI 6

The number of missed refuse collections increased by 63% compared to 2007/8 (ELPI6). Despite being significantly over the annual target, all missed collections were put right within 24 hours (ELPI 10).

Approximately 780,000 collections are made each month. The number of missed collections exceeded the annual target due to the inclement weather in February 2009 and the introduction of Routesmart, which revised the collection rounds. The number of missed collections has also been impacted by vehicle breakdowns this year. These vehicles are now at the end of their contract period and replacements have been acquired.

4 Culture and Leisure

4.1 Summary

- 7 performance indicators and a further indicator regarding resident satisfaction with libraries³.
- 4 indicators were not required in 2008/9

Performance against 2008/9 targets

- 0% (0 of 3) indicators where targets have been set have met or exceeded target
- 100% (3 of 3) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 33% (1 of 3) comparable indicators have improved compared to Outturn 2007/8
- 67% (2 of 3) comparable indicators have deteriorated compared to Outturn 2007/8

4.2 Performance Improvements

4.2.1 BV170c

The number of pupils visiting museums and galleries in organised school groups has improved by 14% compared to 2007/8. Although the annual target was not achieved, the Council is currently placed in the Upper quartile nationally.

Work is continuing on improving and developing the sessions offered to pupils, as well as developing new ways of engaging with schools. The museum has also developed resources to deliver to this audience outside of the museum building.

4.3 Performance Deterioration

4.3.1 BV170a

The number of visits / usages at local authority funded or part funded museums per 1,000 population deteriorated by 9.3% since 2007/8 and has failed to meet the annual target. Every quarter in 2008/9 recorded fewer visits / usages when compared to each respective quarter in 2007/8.

The annual target was based on historic information, which included staff and contractors counted by the electronic counters. This has been rectified and staff and contractors are no longer counted. Greater effort will be put into the marketing of upcoming events and exhibitions. A review of the effectiveness of marketing, and public programme is also required.

³ The libraries service is run by Northamptonshire County Council. The satisfaction value 08/09 is sourced from the Place Survey and can be disaggregated to Borough level, hence its inclusion in this summary and lack of target data.

5 Public Protection

5.3 Summary

- 20 performance indicators
- 9 National Indicators
- 5 indicators with no target set
- 3 indicators have no current data due to national reporting timetables

Performance against 2008/9 targets

- 50% (6 of 12) indicators where targets have been set have met or exceeded target
- 50% (6 of 12) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 50% (5 of 10) comparable indicators have improved compared to Outturn 2007/8
- 20% (2 of 10) comparable indicators have deteriorated compared to Outturn 2007/8

5.4 Performance Improvements

5.4.1 BV 127a

Violent crime per year has reduced by 12% to 23.6 per 1,000 population. This is despite a c.1.4% increase in population. This indicator remains within the Bottom quartile although significant progress has been made. The highest figure reported in 2008/9 was 2.1 per 1,000 population, compared to 2.7 in 2007/8.

5.4.2 BV 127b

The number of robberies per year has reduced by 0.2 per 1,000 population. Despite an increase in population since 2007/8, the number of robberies reported has reduced by 6.5%. This indicator is still performing in the Bottom quartile despite this progress.

5.4.3 BV 128

The number of vehicle crimes per year, per 1,000 population exceeded the annual target, despite under performance in the first 5 months of the year. Although the population has increased since 2007/8, the number of vehicle crimes reported reduced by 13%.

The lowest figure reported in 2008/9 (0.9) was achieved in three consecutive months between December and February. This figure was only achieved once in 2007/8 and was never achieved in 2006/7.

5.5 Performance Deterioration

5.5.1 BV126

The number of domestic burglaries has not achieved target by 6.8% despite a slight improvement compared to 2007/8. There was one more domestic burglary recorded in 2008/9 than in 2007/8, although the number of households increased by 1.1%. The lowest figure recorded this year was 1.3 per 1,000 households (June), compared to 1.0 in 2007/8 (September). The highest figure recorded this year was 2.4 per 1,000 households (December), compared to 2.2 in 2007/08 (December).

5.5.2 BV174

The number of racial incidents recorded by the authority per 100,000 population has failed to meet the target by a significant amount. The annual target (7.89 per 100,000 population) is broken down to 2 per quarter. This was not achieved in any quarter in 2008/9, with 1.48 being the highest figure recorded (Quarter 4). The cumulative performance achieved equates to 7 reported incidents against a target of 16. Incidents are now only reported when NBC has a direct involvement in the resolution. This will have a detrimental effect on this indicator, as the number will now be lower than previous reports where any racist incidents were reported to us.

6 Planning

6.1 Summary

- 19 performance indicators
- 7 National Indicators⁴
- 5 indicators were not required in 2008/9
-

Performance against 2008/9 targets

- 57% (8 of 14) indicators where targets have been set have met or exceeded target
- 43% (6 of 14) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 67% (6 of 9) comparable indicators⁵ have improved compared to Outturn 2007/8
- 22% (2 of 9) comparable indicators have deteriorated compared to Outturn 2007/8

6.2 Performance Improvements

6.2.1 NI 157a LM

West Northamptonshire Development Corporation processes all large major applications. However, one application was received by Planning in September, which was determined on time.

6.2.2 NI 157b

The percentage of minor planning applications determined within 8 weeks increased by c.5%, compared to 2007/8. Top quartile performance has been maintained and the target has been exceeded in every month this financial year.

6.2.3 NI 157c

Top quartile performance has been achieved for the percentage of 'other' planning applications determined within 8 weeks. The performance of this indicator has improved on 2007/8 and exceeded the target in 10 out of the 12 months.

6.2.4 PLI 188

The number of decisions delegated to officers as a percentage of all decisions increased to 96.10% in 2008/9 – this represents a 1.3% increase compared to 2007/8. This indicator exceeded target every month during 2008/9.

6.2.5 BV204

The percentage of appeals allowed against the authority's decision to refuse planning applications has reduced to 37.5%. This indicator has moved from Bottom to Lower Median quartile, despite the target not being achieved. Performance reduced significantly between December 2008 (50%) and March 2009 (12.5%). Between January and March 2009 only two appeals against the authority's decision were allowed, due to increased Officer and Member training.

⁴ NI 157 has been divided into 4 separate NIs for external CLG monitoring

⁵ NI 157a LM and SM are new indicators and replace BV109a. Data is now split and therefore cannot be compared

6.3 Performance Deterioration

6.3.1 NI 157a SM

The percentage of 'small scale major' planning applications determined within 13 weeks under performed by 19%, compared to the annual target. Cumulative performance remained relatively stable throughout the year, but March 2009 saw the lowest percentage recorded. Two applications were received and none were determined within 13 weeks.

In recent months, the priority has been on making quality decisions, which has impacted on the number of applications determined within 13 weeks. The percentage of appeals allowed against the authorities decision to refuse planning applications has reduced significantly in the final quarter in 2008/9 as a result (see BV 204).

14 applications were received in quarter 3:	7 appeals allowed (50%)
16 applications were received in quarter 4:	2 appeals allowed (12.5%)

A new Interim Development Control Manager has been appointed to improve performance. Additional staff are being recruited to address performance on Major applications.

7 Housing

7.1 Summary

Housing own 24 performance indicators, 4 of which are National Indicators split across 2 of the 3 service areas, as below;

Landlord Services	12
Housing Needs and Support	12

7.2 Landlord Services

- 12 performance indicators
- 1 National Indicator
- 3 indicators were not required in 2008/9

Performance against 2008/9 targets

- 44% (4 of 9) indicators where targets have been set have met or exceeded target
- 56% (5 of 9) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 44% (4 of 9) comparable indicators have improved compared to Outturn 2007/8
- 33% (3 of 9) comparable indicators have deteriorated compared to Outturn 2007/8

7.3 Performance Improvements

7.3.1 BV66b

The percentage of local authority tenants with more than 7 weeks (gross) rent arrears has steadily decreased throughout the year and now stands at 7.37%. This represents a decrease of 375 cases since April 2008. This is the best performance to date and represents a 3% reduction compared to 2007/8, exceeding the challenging annual target. The result is due to a number of targeted initiatives, together with close performance management. Improving preventative action at the early stage of debt and targeting wilful non-payers will continue to reduce the higher-level debt cases.

7.3.2 HLPI9

The percentage of night-time repairs completed on target met or exceeded the target in every month this year. Only 8 repairs (total: 1590) were not completed within target, compared to 14 in 2007/8. This was due to training issues with temporary staff. Improved training and the employment of permanent staff should resolve this.

7.4 Performance Deterioration

7.4.1 BV 66a

The percentage of rent collected⁶ under performed every month in 2008/9 leading to a slight deterioration on Outturn 2007/8. Despite this, the collection rate for 2008/9 alone was just over 100%, reducing the total amount owed by £368,436, which is the lowest year-end figure for many years. Allowing for the arrears carried forward, the return for the year is 96.26%. This has been the result of a number of targeted initiatives, together with close performance management.

7.4.2 BV 66c

The percentage of tenants receiving Notices Seeking Possession increased by 6.3% since Outturn 2007/8. This indicator has under performed every month in 2008/9 and the annual target of 25% has not been achieved.

Earlier action has been taken to serve Notices against tenants in arrears to warn them of the potential consequences of continued non-payment. Whilst this had a detrimental effect on total Notices served, it nevertheless has improved arrears levels, especially amongst the lower level cases.

7.4.3 BV 66d

The percentage of tenants evicted as a result of rent arrears has more than doubled since Outturn 2007/8. This indicator was on target for the first four months of the year, but performance deteriorated in August, September, December and February. The annual target has not been achieved. There were 55 evictions in 2008/9 compared to 26 in 2007/8 and reflects increased recovery activity.

The emphasis remains on seeking agreements to pay the debt rather than enforcement action. Applications for warrants are targeted against wilful non payers with sign posting being carried out for those vulnerable tenants in financial difficulties.

⁶ Including previous year's arrears figures

7.5 Housing Needs and Support

- 12 performance indicators
- 3 National Indicators
- 4 indicators with no target set

Performance against 2008/9 targets

- 44% (4 of 9) indicators where targets have been set have met or exceeded target
- 56% (5 of 9) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 50% (4 of 8) comparable indicators have improved compared to Outturn 2007/8
- 38% (3 of 8) comparable indicators have deteriorated compared to Outturn 2007/8

7.6 Performance Improvements

7.6.1 BV212

The average time to re-let local authority homes reduced to 29 days, a 15% decrease since 2007/8 and representing a Upper Median quartile performance. The performance in March 2009 (22 days) is the lowest average time recorded since June 2008 (21 days). June's performance represents the lowest figure reported to date for this indicator.

7.6.2 BV213

There has been a 14% increase in the number of households who considered themselves homeless and who have approached the Council for housing advice, and for whom advice casework intervention solved their situation.

7.7 Performance Deterioration

7.7.1 LHPI 183a

The average length of stay in Bed and Breakfast accommodation for households that are unintentionally homeless and in priority need increased by 0.68 weeks (4 ³/₄ days) when compared to Outturn 2007/8 (LHPI 183a). This is despite much improved performance in quarter 4 of 2008/9, where the average time reduced from 1.80 weeks (12.6 days) to 0.52 weeks (3.64 days).

DCLG highlighted that Northampton was ranked 3rd highest for 16/17 year olds living in temporary accommodation (outside London). The Council has decided to report this figure corporately in 2009/10 to ensure it remains a priority.

Performance was due to inappropriate procedures placing people approaching the Council for Homeless needs into Bed and Breakfast accommodation before investigating where they would be best placed. Procedures have been improved so that we now profile how we deal with customers at first contact with the Council, prior to the allocation into Bed and Breakfast accommodation. Pre-work is also being done with customers to put homelessness preventative measures in place before issues arise.

8 Revenues and Benefits

8.1 Summary

- 23 performance indicators
- 2 National Indicators
- 7 indicators were not required in 2008/9

Performance against 2008/9 targets

- 47% (7 of 15) indicators where targets have been set have met or exceeded target
- 53% (8 of 15) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 54% (7 of 13) of comparable indicators have improved compared to Outturn 2007/8
- 46% (6 of 13) of comparable indicators have deteriorated compared to Outturn 2007/8

8.2 Performance Improvements

8.2.1 BV76d

The number of prosecutions and sanctions increased by 0.89 per 1,000 population. Despite under performing in the first 3 months of the year, the target was achieved in the remaining 9 months, improving performance by 20% compared to Outturn 2007/8. This improvement is due to focusing on publicising a fraud deterrent and preventing fraud. It also reflects the quality of work being carried out in line with the high standards expected in criminal investigations.

8.2.2 BV78a

The average time to process new claims reduced by 7.7 days (32%) compared to Outturn 2007/8. The highest (worst) monthly figure reported this year was 21.1 days (March), compared to 33.3 days in 2007/8 (July). The target has been met or exceeded every month this year.

8.2.3 BV78b

The average time to process changes in circumstances has reduced by 2.9 days (27%) compared to Outturn 2007/8. As a comparison of year on year improvement, the highest monthly figure reported in 2008/9 was 9.0 days (March), compared to 14 days in 2007/8 (October). The target has been met or exceeded every month this year.

8.2.4 BEN LPI 1

The percentage of cases from complete to determined within 14 days increased by 10.08% since Outturn 2007/8, ensuring the annual target was achieved. The highest percentage recorded in 2007/8 was 96.13%. All months (except March 88.57%) exceeded this figure in 2008/9.

8.3 Performance Deterioration

8.3.1 BV 9

Despite being on target for the first 9 months of the year, the percentage of council tax collected reduced by 1.01% compared to Outturn 2007/8.

As of December 2008, performance was 1.01% higher than at the same time in 2007. Despite this, the final 3 months of the year performed worse than in 2007/8 leading to the annual target being missed. In the second half of the year, only 1 month (December) saw an increase compared to the respective months in 2007/8.

Despite delivering to the recovery timetable, the economic climate has had a detrimental impact on this indicator. Comparisons with other local authorities are ongoing to check our respective position, although the latest information places the Council in the Lower Median quartile nationally.

8.3.2 BV 10

Despite being on target for the first 8 months of the year, the percentage of non-domestic rates received reduced compared to Outturn 2007/8. This is despite improved performance in the final 3 months of the year, compared to the respective months in 2007/8.

The current economic climate has affected many local businesses, as well as changes in legislation relating to empty property rates (April 2008). A concerted push by the Business Rates team in February and March resulted in the final collection rate of 99.12% (target 99.50%), which equates to Upper Median performance.

8.3.3 BV 76b

The number of fraud investigators employed per 1,000 caseload has deteriorated since 2007/8. This is due to a resignation and an increase in the average caseload figure since last year. The vacant post was filled in April 2009, although the caseload figure is likely to increase again in the coming years. A decision has been made to simply report the number of fraud investigators employed in 2009/10, rather than per 1,000 caseload.

8.3.4 BV 79bi

The percentage of recoverable housing benefit overpayments recovered has deteriorated by 2.9% compared to Outturn 2007/8. Despite being on target throughout the first two quarters of the year, performance deteriorated over the second two quarters leading to the annual target not being achieved.

8.3.5 BV 79bii

The percentage of housing benefit overpayment debt recovered has under performed in every quarter this year. This indicator performed 12.7% below the annual target, and deteriorated by 2.3% compared to Outturn 2007/8. This places this indicator in the Lower Median quartile data despite targeting in the Top quartile.

Revenues and Benefits have been affected throughout the year by resource issues. There has been a restructure of resources, which will enable greater focus to be given to recovering overpayments in future.

9 Finance & Assets

9.1 Summary

- 4 performance indicators
- 1 National Indicator
- 1 indicator with no target set in 2008/9

Performance against 2008/9 targets

- 67% (2 of 3) indicators where targets have been set have met or exceeded target
- 33% (1 of 3) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 67% (2 of 3) comparable indicators have improved compared to Outturn 2007/8
- 33% (1 of 3) comparable indicators have deteriorated compared to Outturn 2007/8

9.2 Performance Improvements

9.2.1 BV8

The processing of invoices within 30 days increased by 3% compared to 2007/8. Despite this, the annual target was not achieved by 0.62%

Continuous efforts are being made to improve performance. All invoices which exceed 60 days are being checked to identify errors in posting and if found are corrected.

A 10-day payment target has also been set internally to support local businesses in the NN postcode area during the challenging economic climate.

9.2.2 BV156

The percentage buildings open to the public and with disabled access has increased by 67%. There were no Elections during 2008/9 therefore 93 polling stations were not included in the survey. Buildings that do not fall within the remit of the definition have now been identified.

9.3 Performance Deterioration

9.3.1 BV226c

The total amount of monies spent on Advice and Guidance in the areas of housing, welfare benefits and consumer matters, provided directly by the authority to the public, had decreased to £189, 973. This equates to a reduction of £55, 095. Despite this reduction, the annual target has been exceeded.

9 Human Resources

10.1 Summary

- 8 performance indicators
- 4 indicators were not required in 2008/9

Performance against 2008/9 targets

- 25% (1 of 4) indicators where targets have been set have met or exceeded target
- 75% (3 of 4) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 25% (1 of 4) of comparable indicators have improved compared to Outturn 2007/8
- 75% (3 of 4) of comparable indicators have deteriorated compared to Outturn 2007/8

10.2 Performance Improvements

10.2.1 BV15

The percentage of employees retiring early on grounds of ill health has improved since 2007/8. Although the annual target was not achieved, the percentage reported was the lowest figure achieved to date.

10.3 Performance Deterioration

10.3.1 BV11a

The percentage of women in the top 5% of fee earners has achieved the annual target, despite a very minor deterioration since last year. The Council is currently performing in the Lower Median quartile nationally.

10.3.2 BV12

Sickness absence has deteriorated by almost 1 day compared to 2007/8, and now stands at 12.86 days. The restructure has had an impact on the figures this year. Sickness absence is monitored regularly through Directorate Management Team meetings and Performance Reviews, in order to reduce the numbers of sickness absences. The Agresso update will also provide improved recording.

10.3.2 BV14

The percentage of employees retiring early (excluding ill health) has deteriorated since 2007/8, and may be attributed to the recent restructure and period of change.

11 Policy and Community Engagement

11.1 Summary

- 12 performance indicators
- 5 National Indicators⁷
- 5 Indicators have no target set
- 3 indicators were not required in 2008/9

Performance against 2008/9 targets

- 50% (2 of 4) indicators where targets have been set have met or exceeded target
- 50% (2 of 4) indicators where targets have been set are below target

Year on year improvement (2007/8 outturn against 2008/9)

- 33% (1 of 3) comparable indicators have improved compared to Outturn 2007/8
- 67% (2 of 3) comparable indicators have deteriorated compared to Outturn 2007/8

11.2 Performance Improvements

11.2.1 BV 2b

The quality of the Councils Race Equality Scheme and the resulting improvements resulting from its application has improved to 95% compared to 89% in 2007/8. The annual target of 53% was significantly exceeded and performance places the Council in the Top quartile nationally.

11.3 Performance Deterioration

11.3.1 BV 226a

The total amount spent on Advice and Guidance Services provided by external organisations has deteriorated slightly since 2007/8. Performance is better than previous years, and the annual target has been achieved.

11.3.2 BV 226b

The percentage of monies spent on Advice and Guidance Services provision, which was given to organisations holding the CLS Quality Mark at general help level and above, has deteriorated since 2007/8.

The 8.25% reduction, down to 73.14% led to the annual target not being achieved.

⁷ NI 35 has been divided into 4 indicators



Northampton Borough Council

Performance Summary 2003/4 to 2008/9
12 June 2009

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Introduction

1.1 This report summarises the performance of Northampton Borough Council, between April 2003 and March 2009.

1.2 All National Indicators (NI's), former Best Value Performance Indicators (BVPI's) and Local Performance Indicators (LPI's) are included where data is available for comparison.

1.3 Quartile headline

Analysis of quartile information has been included¹, where appropriate.

Overall, 35% of comparable indicators have improved quartile position from their base year (i.e. the first year of reporting) to the latest reported data. 42% remained in the same quartile position and 23% have deteriorated.

1.4 Performance headline

70% of comparable indicators have improved performance comparing their base year to 2008/9. 5% of indicators have maintained performance and 25% have deteriorated.

1.5 Key performance trends

- Significant improvements have been made in benefits with performance moving from bottom to top quartile in a number of key areas
- Crime statistics have remained in the bottom quartile, but have shown a continued level of improvement
- Recycling and composting rates have improved significantly since 2003/4. However, there has been a slight decrease in recycling since 2007/8.
- The removal of abandoned vehicle performance has significantly improved in the last 3 years
- Planning performance improved between 2003/4 and 2005/6, followed by a year of deterioration. Performance is since back on track with improving determination times moving the Council into the Top quartile nationally
- Sickness absence remains high
- Despite the economic climate the percentage of council tax and non-domestic rates collected has improved since 2003/4². There was a slight dip in performance in 2008/9 where collection rates remained on track until January 2009.
- Rent arrears² and homeless households placed in B&B have been reduced and the average Standard Assessment Procedure (SAP rating) for homes has increased
- The number of housing void days has improved year on year, moving the Council from Bottom quartile to Upper Median quartile within 3 years

¹ Based on the appropriate Audit Commission Quartile Pack from the relevant period

² The current economic climate has had a detrimental effect on the performance of a number of indicators, including Council Tax, non-domestic rates and rent collection

Performance Summaries

2 Neighbourhood Environmental Services

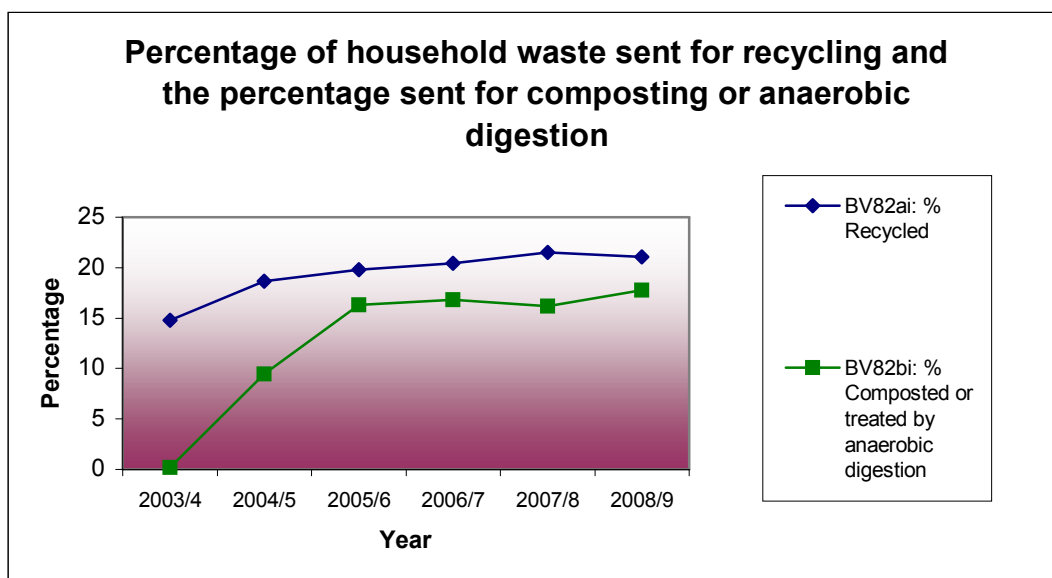
2.1 Summary

- 2.1.1 5 comparable indicators have been measured consistently since 2003.
- 2.1.2 40% (2 out of 5) have improved in this time.
- 2.1.3 25% (1 out of 4) indicators³ have improved their quartile position in this time⁴.

Performance Improvement

2.2 BV 82ai, BV 82bi and NI 192

- 2.2.1 The percentage of household waste arisings, which have been sent for recycling have increased from 14.78% in 2003/4 to 21.02% in 2008/9.
- 2.2.2 The percentage of total household waste sent for composting or treatment by anaerobic digestion has improved significantly from 0.2% in 2003/4 to 17.73% in 2008/9.
- 2.2.3 The percentage of total household waste sent for composting or treatment by anaerobic digestion improved year on year between 2003/4 and 2006/7. The graph below highlights the significantly improvement since the introduction of kerbside wheelie bin collections, and demonstrates the sustained improvements in recent years.



³ Quartile data not available for all indicators

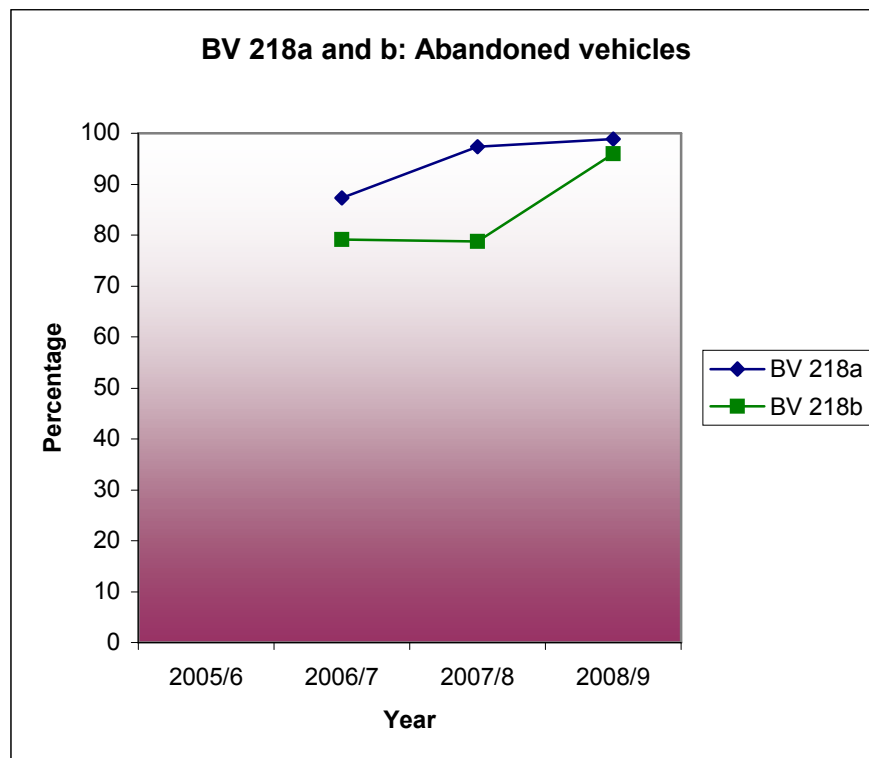
⁴ BV 91a: Maintained Top quartile position

2.3 BV 218a

- 2.3.1 The percentage of new reports of abandoned vehicles investigated within 24 hours of notification has improved from 87.25% in 2006/7⁵ to 98.91% in 2008/9. This improvement exceeds the challenging 95% target set for 2008/9 and places the Council in the Upper Median quartile nationally⁶.

2.4 BV 218b

- 2.4.1 The percentage of abandoned vehicles removed by the Council within 24 hours of notification has significantly improved from 79.16% in 2006/7⁵ to 95.95% in 2008/9, which also exceeds the challenging target for the same year of 90%. Performance is now placed within the Upper Median quartile nationally⁶ compared to the bottom quartile in 2007/8.
- 2.4.2 The improvement is the result of a third party collection contract (Threadgolds) supplied by. Northamptonshire Police and Northamptonshire County Council. The Council has signed a service level agreement to have abandoned vehicles collected within 24 hours.



2.5 ELPI 5

- 2.5.1 The percentage of fly tips removed within 2 working days has maintained a high level of performance, over 99% since 2005/6⁷, consistently exceeding the annual target of 95%.

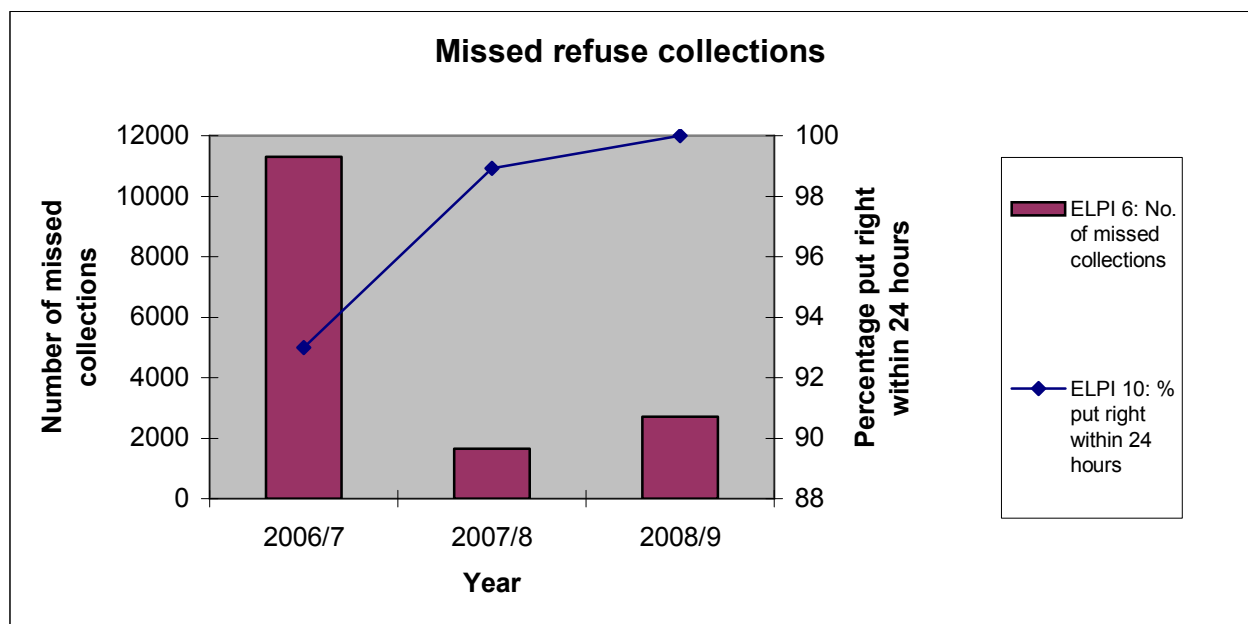
⁵ This indicator was introduced in 2005/6, although was not reported until 2006/7

⁶ Based on latest AC quartile data 2007/8

⁷ This indicator was not measured prior to 2005/6

2.6 ELPI 6 and ELPI 10

- 2.6.1 A significant improvement (-85%) in the number of missed refuse collections was achieved between 2006/7⁸ (11,302) and 2007/8 (1,659). In 2008/9 the number of missed bins remained low compared to 2006/7, but saw a deterioration of 63% on 2007/8 performance to 2,699 due to the inclement weather in February 2009 and the introduction of Routesmart, that revised the collection rounds. The number of missed collections has also been impacted by vehicle breakdowns this year. These vehicles are now at the end of their contract period and replacements have been acquired.
- 2.6.2 100% of missed refuse collections (ELPI10) were put right within 24 hours, despite the increase in the number of missed refuse collections this year.
- 2.6.3 This indicator has improved year on year since 2006/7⁸, and has exceeded the challenging annual target of 97% for 2008/9.

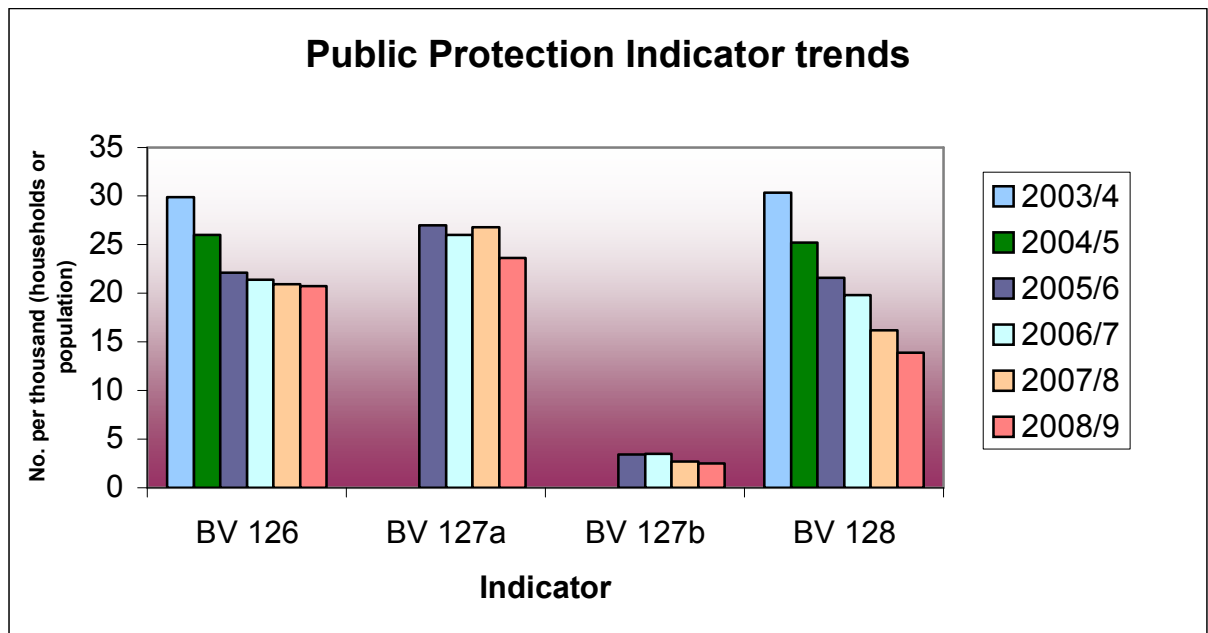


⁸ This indicator was not measured prior to 2006/7

3 Public Protection

3.1 Summary

- 3.1.1 7 comparable indicators have been measured consistently since 2003.
- 3.1.2 100% (6 out of 6) comparable measures⁹ have improved in this time¹⁰.
- 3.1.3 17% (1 out of 6) indicators have improved their quartile position in this time¹¹.
- 3.1.4 Despite BV126, 127 and 128 remaining in the bottom quartile when compared nationally since 2003, crime figures have shown notable improvement as highlighted in the graph below.



Performance Improvement

3.2 BV 126

- 3.2.1 The number of domestic burglaries per year has reduced to 20.7 per 1,000 households, compared to 29.9 in 2003/4. Annual performance has steadily improved year on year since 2003, with significant reductions taking place between 2003/4 and 2005/6. Despite this 31% reduction, performance remains in the Bottom quartile¹².

3.3 BV 127a

- 3.3.1 The number of violent crimes per year has reduced to 23.6 per 1,000 population, compared to 27.0 in 2005/6¹³. Despite a small increase between 2006/7 and 2007/8, performance improved significantly in 2008/9 and represents a 13% improvement since 2003. Performance remains in the Bottom quartile nationally.

⁹ BV 127a and BV 127b: Calculated differently in 2003/4 and 2004/5 so progress judged against 2005/6

¹⁰ BV 174: Improvement polarity not known

¹¹ Quartile data is not available for all indicators

¹² Based on latest AC quartile data 2007/8

¹³ The Indicator definition was different in 2003/4 and 2004/5 and so offers no comparison

3.4 BV 127b

- 3.4.1 The number of robberies per year has reduced to 2.5 per 1,000 population, compared to 3.4 in 2005/6¹⁴. Despite a small increase between 2005/6 and 2006/7, performance improved significantly in 2008/9, representing a 26% improvement since 2003. Performance remains in the bottom quartile nationally.

3.5 BV 128

- 3.5.1 The number of vehicle crime per year has reduced to 13.9 per 1,000 population from 30.3 in 2003/4. Despite this 54% reduction, and the consistent year on year improvements, performance remains in the Bottom quartile nationally.

3.6 BV 175

- 3.6.1 100% of racial incidents continue to result in further action. This performance has been maintained since 2004/5¹⁵ and places the Council in the top 25% nationally for this indicator.

3.7 BV 217

- 3.7.1 100% of pollution control improvements to existing instalments were completed on time in 2008/9. This is despite deterioration between 2006/7 (100%) and 2007/8 (95%), and places the Council in the Top quartile nationally.

3.8 BV 225

- 3.8.1 90.9% of the Domestic Violence Checklist questions were answered positively for the second consecutive year. This indicates a significant improvement of 27.3% since 2005/6¹⁶ and 9.1% since 2007/8.

¹⁴ BV 127a and BV 127b: Calculated differently in 2003/4 and 2004/5 so progress judged against 2005/6

¹⁵ BV 175: 90% achieved in 2003/4

¹⁶ This indicator was not measured prior to 2005/6

4 Planning

4.1 Summary

- 4.1.1 6 comparable indicators have been measured consistently since 2003.
- 4.1.2 83% (5 out of 6) indicators have improved since 2003/4.
- 4.1.3 67% (2 out of 3) indicators have improved their quartile position in this time¹⁷.

Performance Improvement

4.2 BV 109a (NI 157a LM and SM)

- 4.2.1 The percentage of 'major' planning applications determined within 13 weeks improved to 65% in 2007/8, compared to 32% in 2003/4¹⁸. Performance significantly improved between 2003/4 (32%) and 2004/5 (64.5%) and in the last 3 years, performance has been maintained at around 65%, the lower median nationally.
- 4.2.2 NI157a replaced BV109a in 2008/9. In 2008/9, 100% (1 out of 1) of 'Large Scale Major' planning applications were determined within 13 weeks and 54.55% (6 out of 11) of 'Small Scale Major' planning applications were determined within 13 weeks

4.3 NI 157b (former BV 109b)

- 4.3.1 The percentage of 'minor' planning applications determined within 8 weeks has improved to 92.19%, compared to 56% in 2003/4. Despite a deterioration between 2005/6 and 2006/7, a steady improvement overall is evident. The annual target for this indicator has been exceeded for 2008/9 and top quartile performance has been maintained¹⁹, despite being in the Bottom quartile in 2006/7.

4.4 NI 157c (former BV 109c)

- 4.4.1 The percentage of 'other' planning applications determined within 8 weeks has improved up to 95.7%, compared to 70% in 2003/4. As per NI 157b, performance deteriorated between 2005/6 and 2006/7 but has since recovered, moving the Council from Bottom quartile to Top quartile nationally¹⁹ since 2006/7. The high annual target of 95%, has been exceeded in 2008/9.

The improved performance has been assisted by the frequent internal monitoring of all applications received. BV 204 illustrates that whilst applications are processed quickly, the quality of decision is also important and needs to be maintained. The recent restructure has also benefited the service area by establishing a stable workforce. Training and development has been put into place to ensure that quality of performance is improved and maintained.

4.5 PL 188

- 4.5.1 The percentage of decisions delegated to officers has increased to 96.07%, compared to 85% in 2003/4. Despite a very small deterioration between 2004/5 and 2005/6, performance recovered and exceeded the annual target of 95%²⁰ in 2008/9.

¹⁷ Quartile data is not available for all indicators

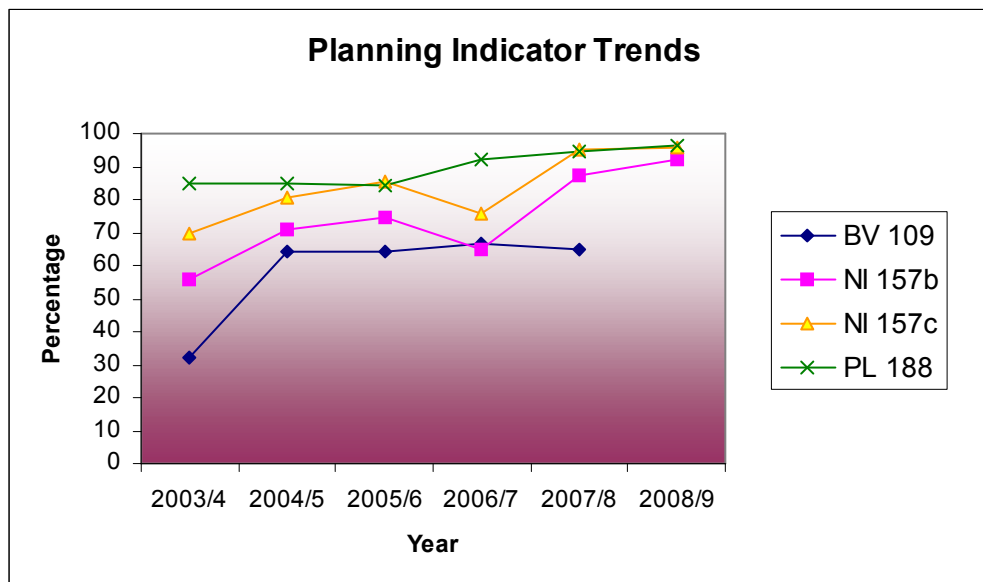
¹⁸ The introduction of NI 157 LM and SM prevents comparison in 2008/9

¹⁹ Based on latest AC quartile data 2007/8

²⁰ No quartile information is available as this is a local indicator

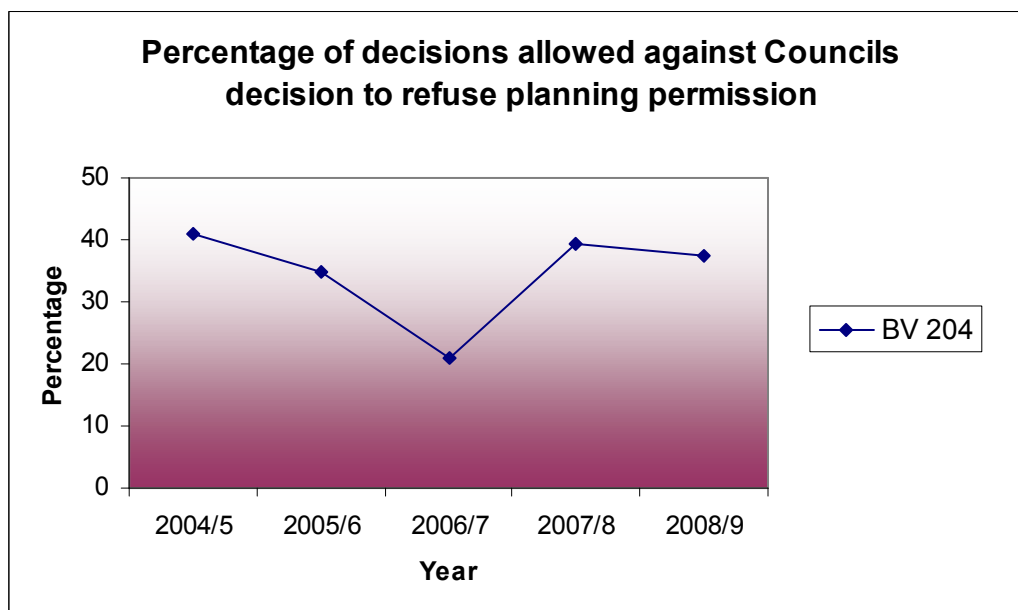
4.6 BV 205

- 4.6.1 The Councils score against the 'quality of planning services' checklist has deteriorated to 66.7%, compared to 89% in 2003/4.
- 4.6.2 An upgrade to the IT system used is underway using the 'Housing Planning Delivery' grant, with a target set to achieve 90% in 2009/10 and 100% by 2010/11.



4.7 BV 204

- 4.7.1 The percentage of appeals allowed against the Councils decision to refuse planning permission has improved to 37.5%, compared to 41% in 2004/5²¹. Performance improved significantly between 2004/5 and 2006/7, but then deteriorated by 18% in 2007/8, moving from Top quartile to Bottom quartile nationally. Since 2007/8 the Council has improved and has moved into the Lower Median quartile nationally²².



²¹ This indicator was not measured prior to 2004/5

²² Based on AC quartile data 2007/8

4.8 LHPI 219

- 4.8.1 The percentage of conservation areas with an upto date character appraisal and management plan has improved to 63.16%, compared to 16.67% in 2005/6²³.
- 4.8.2 The number of conservation areas in the Borough has remained constant. The improved performance was assisted by the implementation of a project plan and support from an external consultant, increasing the number of appraisals and management plans completed.

Performance Deterioration

4.9 BV 106

- 4.9.1 The percentage of new homes build on previously developed land has significantly deteriorated to 51.15%, compared to 80% in 2003/4.
- 4.9.2 Performance deteriorated in 2004/5, but then recovered in the next two years. Since 2006/7, the percentage has reduced by almost 36%.
- 4.9.3 The recession and housing market collapse has had a detrimental effect on this indicator. Building on previously development land has relied heavily on the apartment market (e.g. Town Centre apartment schemes), which has recently experienced a lack of investor appetite.
- 4.9.4 Housing targets to allow increased development on Greenfield sites has also impacted on this indicator. The greater percentage of completions on Greenfield land is likely to continue in the coming year and therefore the target for this indicator will be adjusted accordingly in 2009/10.

²³ This indicator was not measured prior to 2005/6

5 Human Resources

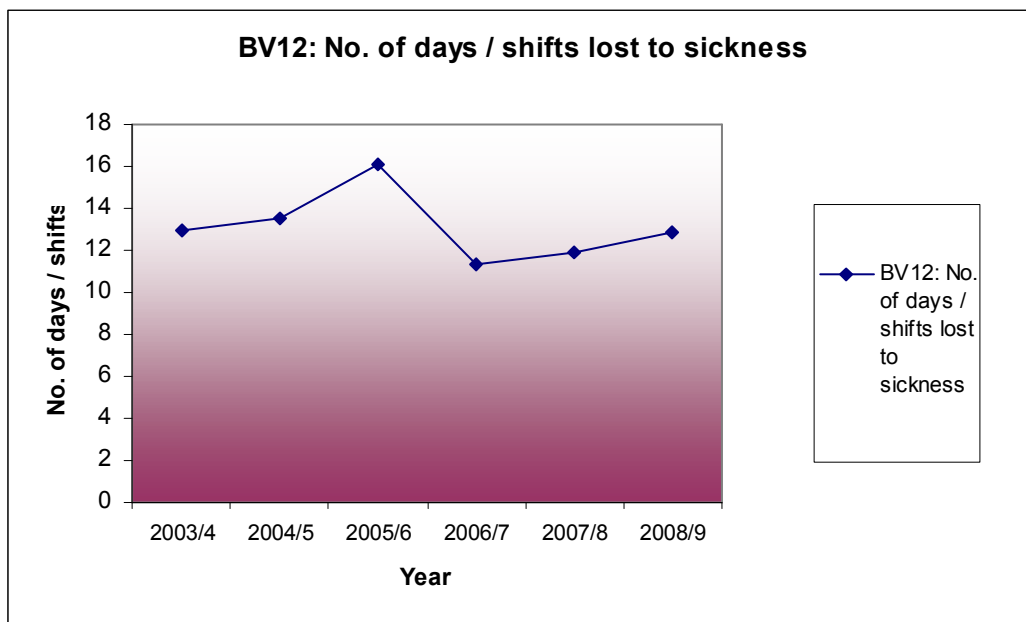
5.1 Summary

- 5.1.1 4 comparable indicators have been measured consistently since 2003.
- 5.1.2 75% (3 out of 4) indicators have improved in this time.
- 5.1.3 No comparable indicators have improved their quartile position in this time.

Performance Improvement

5.2 BV 12

- 5.2.1 The number of working days / shifts lost due to sickness has slightly improved to 12.86 days, compared to 13 days in 2003/4. Performance significantly deteriorated between 2004/5 and 2005/6 to 16.12 days, but then recovered well in 2006/7 to 11.38. Since then performance has steadily deteriorated to 12.86% in 2008/9, which places the Council in the bottom quartile nationally²⁴.



5.3 BV 11a

- 5.3.1 The percentage of top 5% of earners that are women has improved to 34.72%, compared to 24.70% in 2003/4. Excluding 2006/7²⁵, improvement is evident each year until 2007/8. A very minor (0.07%) reduction can be seen this year, although Lower Median quartile performance has been maintained²⁴.

5.4 BV 15

- 5.4.1 The percentage of employees retiring on grounds of ill health has reduced to 0.36%, compared to 0.61% in 2003. Consistent improvements were made until 2006/7 when the percentage rose to 0.61%, and rose again to 0.82% in 2007/8. Improvements have been made this year and the figure has reduced to 0.36%, although this still places the Council in the bottom quartile nationally²⁴.

²⁴ Based on AC quartile data 2007/8

²⁵ 2006/7 indicated a 0.4% deterioration.

6 Finance and Assets

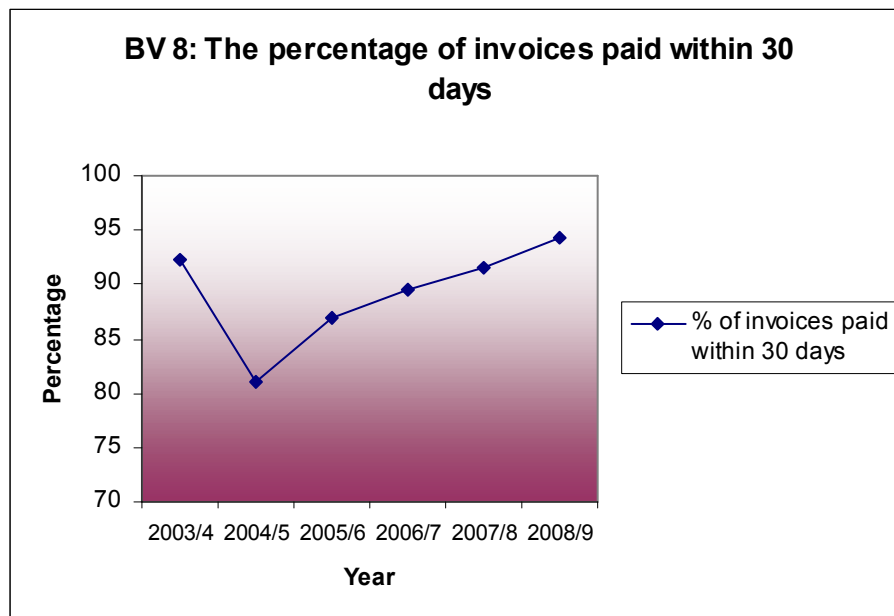
6.1 Summary

- 6.1.1 2 comparable indicators have been measured consistently since 2003. Both indicators have improved when compared to 2003/4

Performance Improvement

6.2 BV8

- 6.2.1 The percentage of invoices for commercial goods and services paid within 30 days of receipt has increased to 94.38%, compared to 92.30% in 2003/4. Performance deteriorated to 81.10% in 2004/5 but has since improved year on year.
- 6.2.2 The improvement places the Council in the Lower Median quartile nationally²⁶. A 10-day payment target has now been set for businesses located in the NN postcode range with the aim of supporting local business throughout the challenging economic climate.



6.3 BV 156

- 6.3.1 The percentage of local authority buildings, open to the public, which are suitable for and are accessible to disabled people has improved to 95.45%, compared to 80% in 2003/4. Consistent improvement took place until 2007/8 when buildings used in the Election affected the indicator. As these buildings were not used in 2008/9 the percentage has increased significantly and represents the highest figure recorded to date.

²⁶ Based on latest AC quartile data 2007/8

7 Revenues and Benefits

7.1 Summary

- 7.1.1 8 comparable indicators have been measured consistently since 2003.
- 7.1.2 87.5% (7 out of 8) indicators have improved since 2003/4.
- 7.1.3 100% (5 out of 5) indicators²⁷ have improved quartile position since 2003/4.

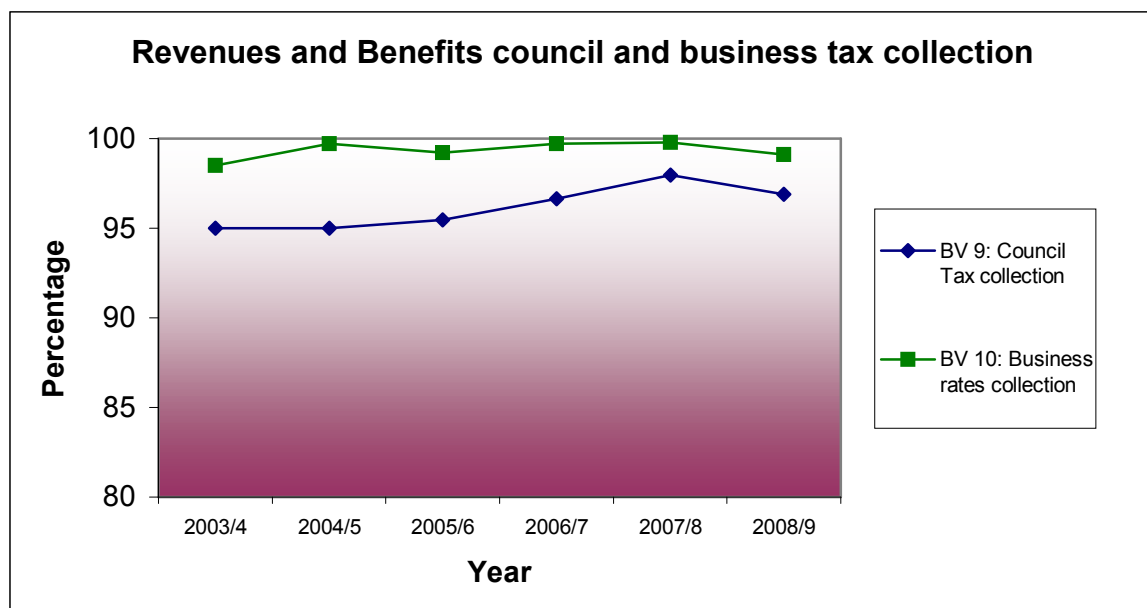
Performance Improvement

7.2 BV 9

- 7.2.1 The percentage of council tax received in 2008/9 increased to 96.94%, compared to 95% in 2003/4, despite the current economic climate having a detrimental effect on the collection rates in 2008/9. Performance for 2008/9 was slightly below the annual target and places the Council in the lower median quartile for this indicator²⁸.

7.3 BV 10

- 7.3.1 The percentage of non-domestic rates collected has increased to 99.12%, compared to 98.50% in 2003/4. This small improvement is despite the current economic climate having a detrimental effect on the collection rates in 2008/9, as well as new legislation regarding collection on vacant properties. Despite these difficulties, Upper Median quartile performance has been achieved²⁸.



7.4 BV 78a

- 7.4.1 The average time to process new claims for housing and council tax benefits has reduced to 16.1 days, compared 81.8 days in 2003/4. A year on year reduction has led to this 80% improvement, and has moved the Council from bottom quartile to Top quartile²⁹ within 5 years.

²⁷ Quartile data is not available for all indicators

²⁸ Based on latest AC quartile data 2007/8

²⁹ Based on TQ First 07/8 quartile information, prior to Audit Commission publication

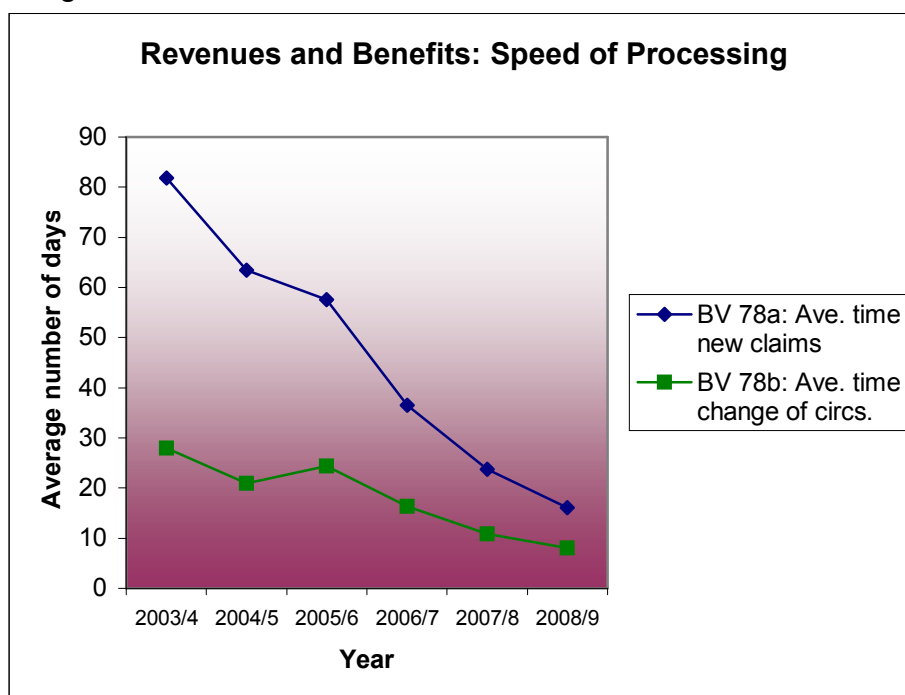
7.5 BV 78b

- 7.5.1 The average time to process change of circumstances has reduced to 8.0 days, compared to 28.0 days in 2008/9. Excluding a small deterioration between 2004/5 and 2005/6, performance has improved year on year leading to a 71% reduction since 2003/4. This significant improvement moved the Council from bottom quartile to upper median quartile³⁰ within 5 years.

This improvement in processing times and accuracy has been assisted by the work completed in partnership with Kendric Ash.

Working practices and procedures were completely reviewed and full training provided to staff. Procedure notes are now in place for all aspects of the business.

Following this improvement, Kendric Ash have since withdrawn from the Council and the processes and practices put in place are now being maintained locally by the new management team.



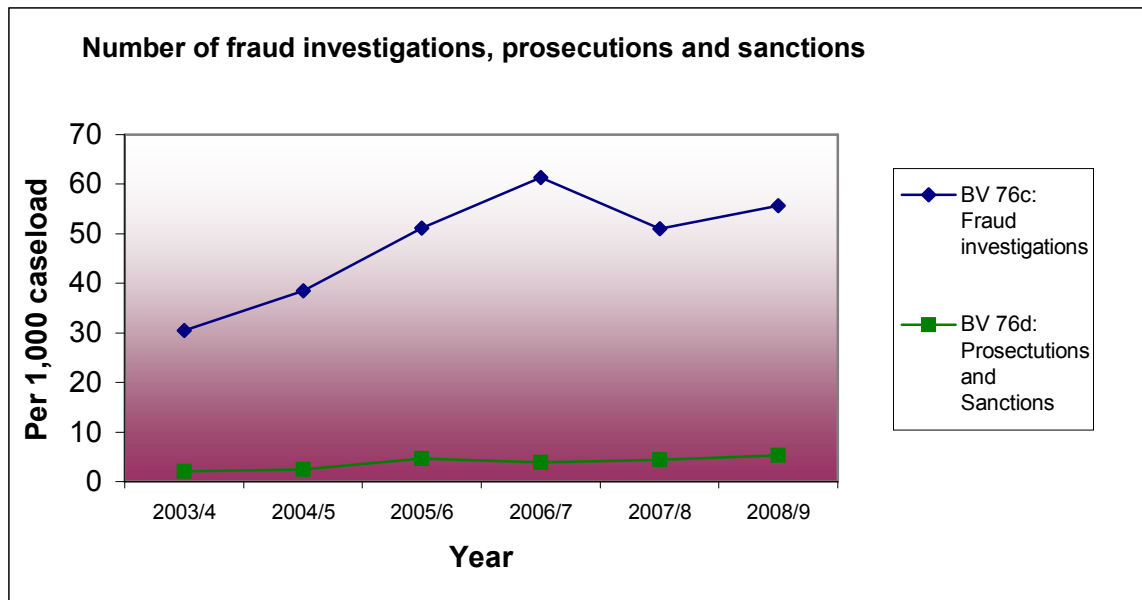
7.6 BV 76c

- 7.6.1 The number of fraud investigations improved to 55.69 per 1,000 caseload, compared to 30.50 in 2003/4. Performance improved year on year until 2007/8, where performance deteriorated by 10.35 investigations per 1,000 caseload. Since then performance has improved although it has not yet reached the levels achieved in 2006/7. This significant improvement moved the Council from bottom quartile to top quartile³⁰ within 5 years. This indicator will be measured as actual investigations, rather than per 1,000 caseload in 2009/10.

7.7 BV 76d

- 7.7.1 The number of prosecutions and sanctions improved to 5.34 per 1,000 caseload, compared to 2.11 in 2003/4. Following a slight deterioration in 2006/7, performance recovered and improved by 37% in the last 2 years. Lower median performance is currently being achieved³⁰.

³⁰ Based on TQ First 07/8 quartile information, prior to Audit Commission publication



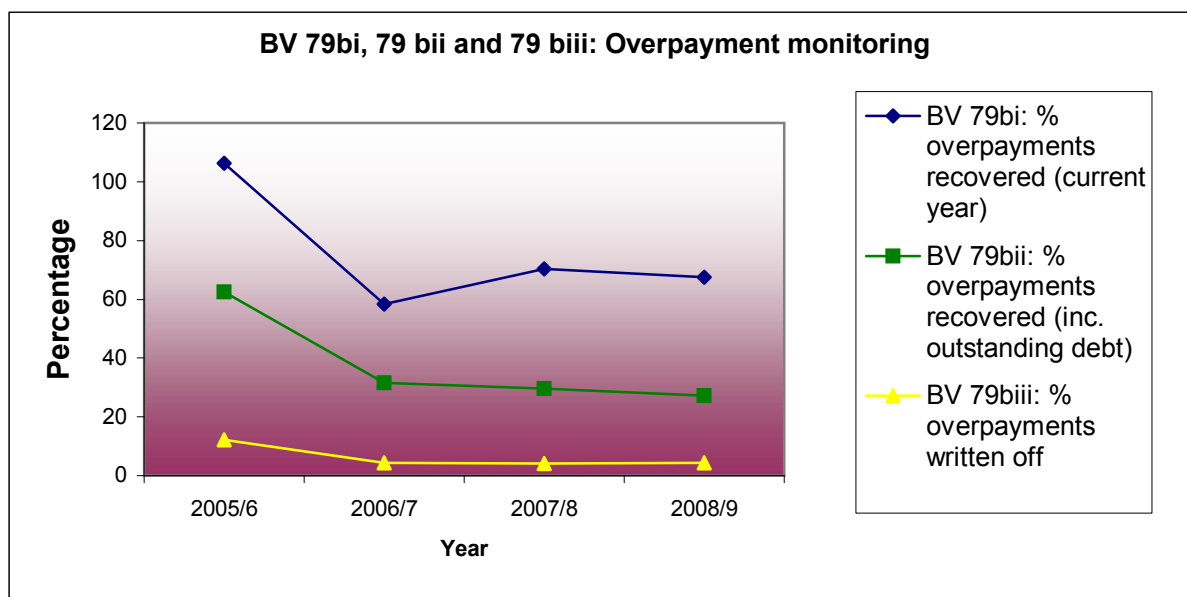
Performance Deterioration

7.8 BV 79bi

7.8.1 The percentage of recoverable housing benefits actually recovered has deteriorated significantly since 2005/6³¹. Despite improvement between 2006/7 and 2007/8, the percentage recovered deteriorated again in 2008/9 to 67.54%. A restructure of resources has recently taken place to enable greater focus on recovering overpayments.

7.9 BV 79bii

7.9.1 The percentage of overpayments recovered, including debt from the previous year, has deteriorated by 32.92% since 2005/6. This deterioration has moved the Council from top quartile to lower median quartile in 3 years³². As per BV 79bi, a restructure of resources has taken place to enable greater focus on overpayment recovery.



³¹ This indicator was not reported prior to 2005/6

³² Based on latest AC quartile data 2007/8

8 Housing

8.1 Summary

- 8.1.1 The Housing Directorate is split into 3 service areas; Landlord Services, Housing Needs and Support and Housing Strategy, Investment & Performance

Housing Strategy, Investment & Performance does not currently have any performance measures. Measures are in place for 2009/10.

Landlord Services

Performance Improvement

8.2 BV 66a

- 8.2.1 The percentage of rent collected, including arrears, has remained relatively consistent since 2003/4, improving by 1.1%. The actual collection rate for 2008/9 alone is 100.34%. Taking into account previous year-end arrears, the performance for this indicator as a whole is 96.26%.

Despite the good collection rate for this year, the annual target has been narrowly missed and performance remains in the bottom quartile nationally³³. A 2009/10 Arrears Action Plan has been developed to address the collection of rent arrears.

8.3 BV 66b

- 8.3.1 The percentage of tenants with more than 7 weeks (gross) rent arrears has consistently improved since 2005/6³⁴. The target has been exceeded this year, although performance remains in the bottom quartile nationally³². The reduction since 2007/8 equates to 375 cases and is the result of targeted initiatives on high-level debt cases and by improving preventative action at an early stage of debt.

8.4 BV 66c

- 8.4.1 The percentage of tenants in arrears receiving Notices Seeking Possession has improved by almost 7% compared to 2005/6³⁵. Excellent performance between 2005/6 and 2006/7 has outweighed the deterioration in the last 2 years. This deterioration is mainly due to serving earlier Notices, warning of the consequences of non-payment. Whilst this action has impacted on this indicator, a reduction in arrears levels has been achieved as a result.

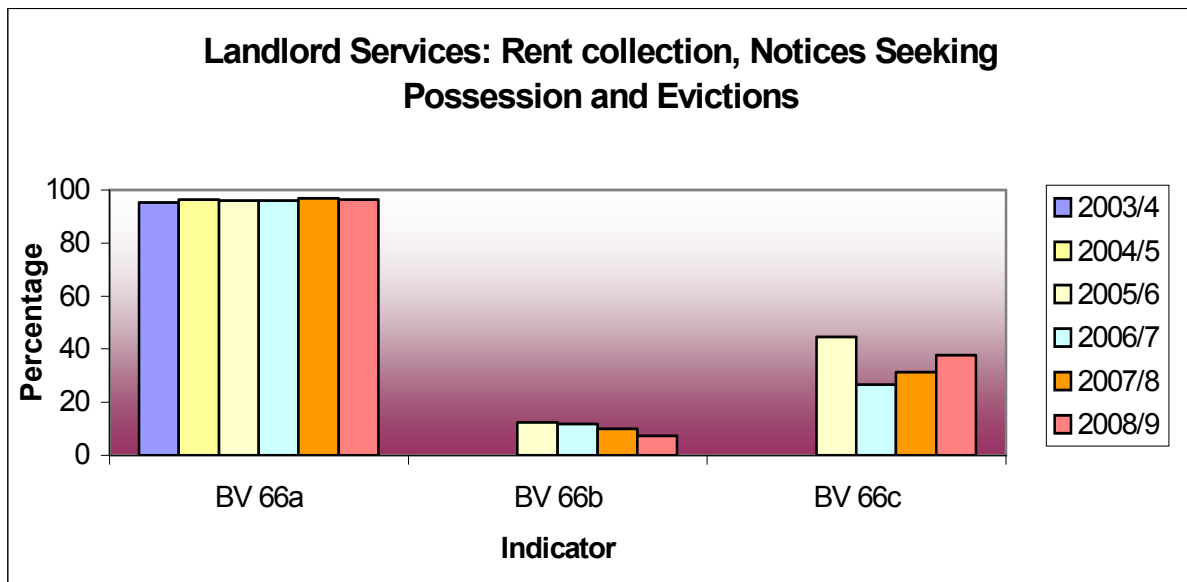
8.5 BV 66d

- 8.5.1 The percentage of tenants evicted as a result of rent arrears has improved since 2005/6. Reductions were evident between 2005/6 and 2007/8, although the percentage has deteriorated this year. As per BV 66c, the increased recovery rent arrears activity has impacted on this indicator. Applications for warrants are targeted against wilful non-payers, with sign posting activity in place for vulnerable tenants in financial difficulties.

³³ Based on latest AC quartile data 2007/8

³⁴ This indicator was not reported prior to 2005/6

³⁵ This indicator was not reported prior to 2005/6



Performance Deterioration

8.6 NI 160, BV 74b and BV 74c

- 8.6.1 67.4% of tenants are satisfied with services provided by their landlord³⁶. This shows deterioration since 2003/4 (73%), but improvement since 2006/7 and 2007/8 (64%)³⁷. 67% of tenants from ethnic minorities are satisfied with the overall service provided by their landlord, a slight deterioration on 2003/4, but improvement has been consistent since 2006/7.

Housing Needs and Support

Performance Improvement

8.7 BV 212

- 8.7.1 The average time taken to re-let local authority homes improved to 29 days, compared to 72 days in 2005/6³⁸. The average number of days has reduced year on year with the most significant reduction between 2006/7 and 2007/8 (-37 days). This 60% improvement since 2005/6 has moved the Council from bottom quartile to upper median quartile in 3 years³⁹.

8.8 LHPI 183a

- 8.8.1 The average length of stay in bed and breakfast accommodation, for households that are unintentionally homeless and in priority need, reduced by 9.38 weeks to 1.68 weeks in 2008/9 (11.06 weeks in 2003/4). Performance has steadily improved until 2008/9, where performance slightly deteriorated (+0.68 weeks).

DCLG highlighted that Northampton was ranked 3rd highest for 16/17 year olds living in temporary accommodation (outside London). This was due to inappropriate procedures placing people approaching the Council for Homeless

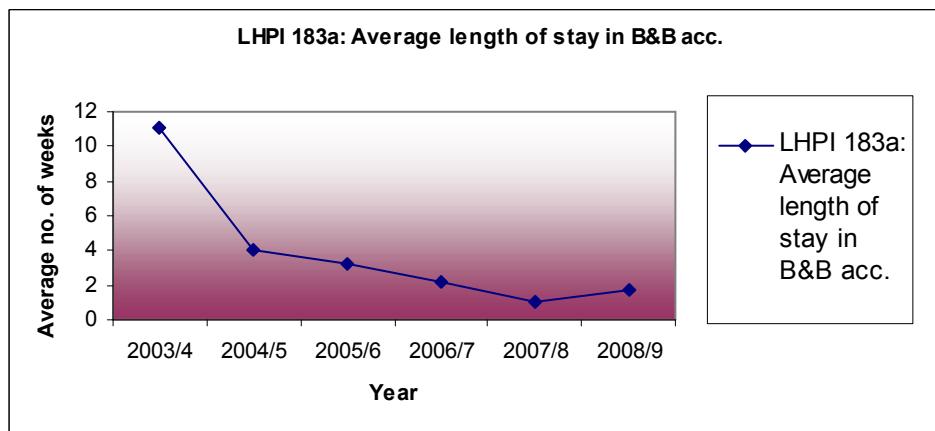
³⁶ Place survey

³⁷ No landlord services surveys were conducted in 2004/5 or 2005/6

³⁸ This indicator was not reported prior to 2005/6

³⁹ Based on latest AC quartile data 2007/8

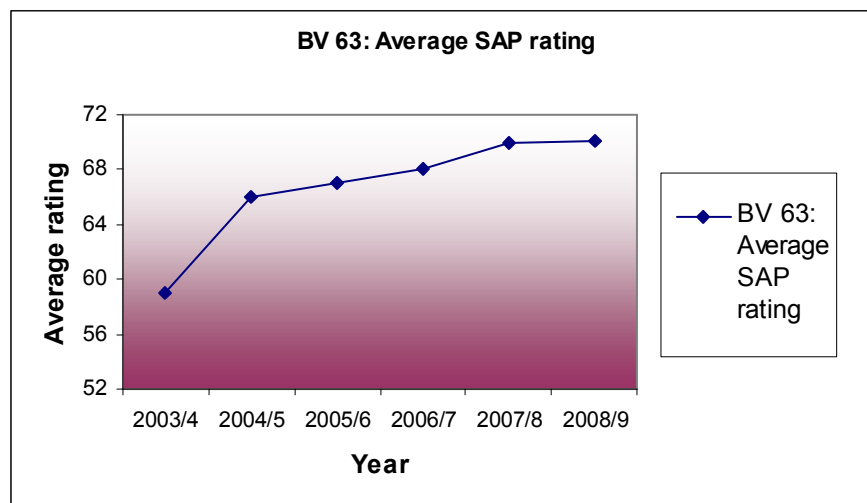
needs into Bed and Breakfast accommodation before investigating where they would be best placed. Internal procedures, and those with partnering organisations, have now been changed so that we now profile how we deal with customers at first contact with the Council, prior to the allocation into Bed and Breakfast accommodation. Pre-work is also being done with customers to place homelessness preventative measures in place before issues arise.



8.9 BV 63

8.9.1 The average SAP (Standard Assessment Procedure) rating for local authority owned dwellings has increased to 70.3%, compared to 59% in 2003/4. The performance of this indicator has steadily improved over the last 5 years and has moved the Council into the upper quartile nationally⁴⁰.

8.9.2 A number of tenants are resisting central heating installation and roof insulation levels were already of an efficient standard. A four year decent homes programme has begun, which will increase thermal efficiency in homes, offering improved insulation and heating types.



8.10 BV 64

8.10.1 The number of private sector dwellings returned to occupation or demolished as a result of action by the Council, has increased to 225, compared to 67 in 2003/4.

8.10.2 Improvement was made until 2007/8 when a 66% deterioration occurred. Since then, performance has recovered due to a number of probate cases being resolved and Empty Homes Grants becoming available.

⁴⁰ Based on latest AC quartile data 2007/8

9 Culture and Leisure

9.1 Summary

- 9.1.1 8 comparable indicators have been measured consistently since 2003/4. No comparable measures have improved performance or quartile position since 2003/4.

Performance Deterioration

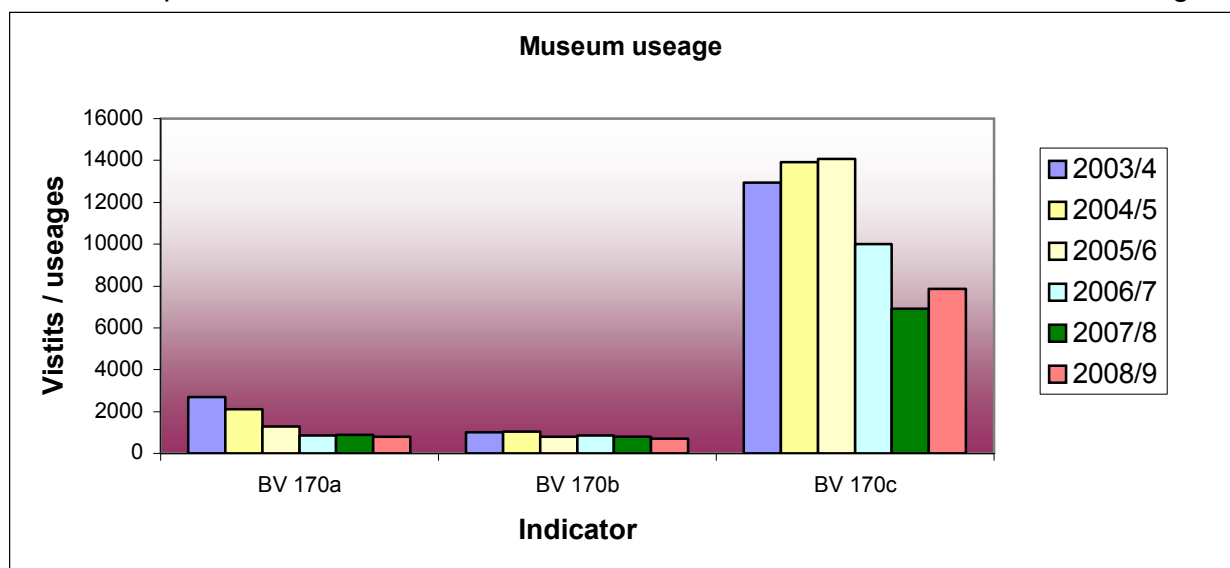
9.2 BV 170a, BV 170b and BV 170c

- 9.2.1 The number of visits to, or usages of, local authority funded (or part funded) museums deteriorated to 804 per 1,000 population, compared to 2684 in 2003/4. Despite this deterioration, the Council is performing in the upper median nationally⁴¹.

The number of visits that were in person has also deteriorated since 2003/4 (-29%), although the Council is still performing in the top quartile nationally⁴⁰. As part of delivering 'National Status', greater effort is being put into the marketing of upcoming events and exhibitions in order to increase footfall.

The number of pupils visiting museums and galleries in organised school groups has increased by 14% this year, despite two years of deterioration since 2005/6.

Work is continuing on improving and developing the sessions offered to pupils, as well as developing new ways of engaging with schools. The museum has also developed resources to deliver to this audience outside of the museum building.



9.3 BV 119a, BV 119b, BV 119c, BV119d and BV 119e

- 9.3.1 A General User Satisfaction Survey, which was a tri-annual statutory requirement, was held in 2003/4 and 2006/7. The Council repeated the survey in 2007/8. A statutory Place Survey replaced this survey in 2008/9 and the results will be published shortly. The same questions relating to the indicators above were asked in all four surveys.

⁴¹ Based on latest AC quartile data 2007/8

All Council's have conducted the same surveys and there is a national trend that satisfaction with local services has declined.

The percentage of residents satisfied with sports and leisure facilities (BV119a) was 57% in 2006/7 and 2007/8 compared to 59% in 2003/4.

52% of residents are satisfied with museums (BV119c) in 2007/8, indicating a 5% deterioration since 2003.

The percentage of residents satisfied with arts activities and venues (BV119d) decreased from 72% in 2003/4 to 67% in 2006/7 and 2007/8.

72% of residents were satisfied with parks and open spaces (BV229e) in 2007/8, However, satisfaction has deteriorated by 7% compared to 2003/4.



10 Policy and Community Engagement

10.1 Summary

10.1.1 2 comparable indicators have been measured consistently since 2003/4.

10.1.2 100% (2 out of 2) comparable measures improved in this time

10.1.3 50% (1 out of 2) indicators have improved their quartile position in this time

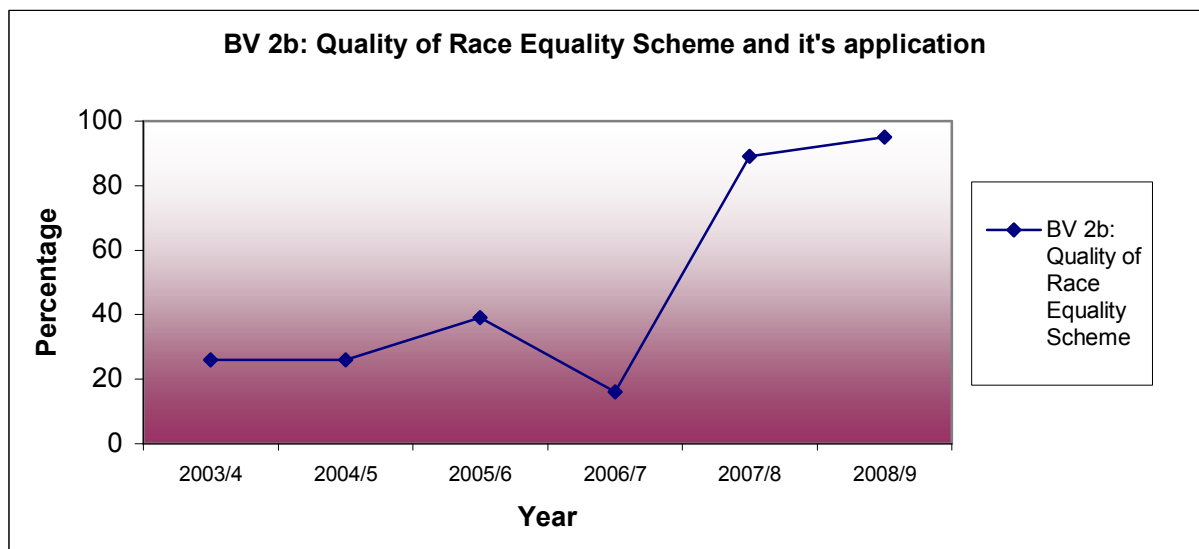
Performance Improvement

10.2 BV 2a

10.2.1 In 2007/8 the Council has achieved Level 2 of the Equality Standard. This was achieved in 4 years between 2003/4 and 2007/8. During 2008/9, the Council has progressed further and is now 83% towards achieving full compliance with Level 3. The Council is being assessed against Level 3 in September 2009.

10.3 BV 2b

10.3.1 The quality of the Council's Race Equality Scheme and the resulting improvements resulting from its application, increased to 95%, compared to 26% in 2003/4. This is significantly above the annual target of 53% and places the Council in the top quartile nationally⁴².



Performance Deterioration

10.4 BV 3

10.4.1 A General User Satisfaction Survey, which was a tri-annual statutory requirement, was held in 2003/4 and 2006/7. The Council repeated the survey in 2007/8. A statutory Place Survey replaced this survey in 2008/9. The same questions relating to the indicator above was asked in all three surveys.

In the 2007/8 survey the percentage of citizens satisfied with the overall service provided by the Council deteriorated to 29%, compared to 38% in 2003/4.

⁴² Based on AC quartile data 2007/8

All Council's have conducted the same surveys and there is a national trend that satisfaction with local services has declined.

