

Cabinet 14 January 2019

Report title: Budget and Performance Report – Q2 2018/19

Wards: All

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Report summary

This report provides Cabinet with an overview of finance and performance for quarter two (Q2) 2018/19.

Finance summary

There are no capital or revenue implications arising as a direct result of this report, other than the monitoring information provided within the body of this report.

Recommendations

- (1) Note the budget monitor
- (2) Consider performance for Q2 as a whole and the Key Performance Indicators (KPIs) that have been highlighted as being of concern

1. Context

- 1.1 This report presents budget and performance information together in a single report for Cabinet to review. In terms of structure information is presented according to directorate.
- 1.2 In terms of performance, as with every year, work was done in the run up to the 2018/19 financial year to review and refresh the basket of corporate Key Performance Indicators (KPIs). As a result, performance reporting in 2018/19 extends across a wider range of services and functions.
- 1.3 Progress continues to be reported against two types of indicators
 - **Borough Plan indicators** – these give an understanding as to the achievement of the three priorities in the Borough Plan. Some Borough Plan KPIs are within the Council's direct control but most are not but are nonetheless important as they give an understanding of the wider wellbeing of the borough
 - **Service indicators** – these are concerned with monitoring the Council's performance and are aligned with service priorities. The KPIs here include those concerned with both processes and delivery and their achievement is mostly within the Council's control.
- 1.4 For Q2, benchmarking data has been updated and reflects the most recently published performance data at various points in time for Lambeth, our statistical neighbours (Hackney, Haringey, Lewisham, Southwark) and the London and England averages. It should be noted that all benchmarking data is historic and isn't necessarily reflective of current performance. It should therefore be used primarily as a guide to show how Lambeth compared to its comparators in the past and whether Lambeth's current performance has improved or worsened since the benchmarking periods in question. Benchmarking can be helpful to place our targets and current performance in a wider context.
- 1.5 For every red rated KPI a plan is being prepared setting out specific actions to improve performance in Q3 and beyond. This gives an extra layer of assurance and will enable a better assessment of the sufficiency of those actions and the impact they are having. Once completed, the action plans will be reviewed every quarter alongside the preparation for the quarterly performance report to Cabinet.

2. Proposals and reasons

Overview

Finance Forecast Outturn

Revenue: General Fund – £745k overspend

2.1 The General Fund forecast outturn for 2018/19 is a £745k overspend against a budget of £287.5m. A summary by directorate is as follows.

		Annual Budget	Full Year Forecast	Forecast Variance	Variance
		£000	£000	£000	%
CHILDRENS SERVICES	Income	(75,807)	(80,853)	(5,046)	7%
	Expenditure		154,850	7,812	5%
	Net		73,997	2,766	4%
NO RECOURSE TO PUBLIC	Income	0	0	0	0%
	Expenditure	3354	2937	(417)	-12%
	Net	3354	2937	(417)	-12%
ADULT SOCIAL CARE	Income	(101,750)	(109,540)	(7,790)	8%
	Expenditure	185,727	193,375	7,648	4%
	Net	83,977	83,835	(142)	0%
NEIGHBOURHOODS & GROWTH	Income	(79,199)	(80,228)	(1,029)	1%
	Expenditure	122,120	121,813	(307)	0%
	Net	42,921	41,586	(1,335)	-3%
CORPORATE RESOURCES	Income	(231,312)	(231,243)	69	0%
	Expenditure	284,283	284,087	(196)	0%
	Net	52,971	52,844	(127)	0%
CORPORATE ITEMS	Income	(1,398)	(1,398)	0	0%
	Expenditure			0	0%
	Net	33,074	33,074	0	0%
Total	Income	(489,466)	(503,261)	(13,795)	3%
	Expenditure	776,994	791,534	14,540	2%
	Net	287,528	288,273	745	0%

Capital

2.2 The full year forecast outturn is £140,923k against a budget of £191,766k. In most years, capital expenditure has traditionally been between £150m - £180m per annum. The remaining budget in the Capital Investment Programme is £102,433k. Where there have been underspends, the budgets will be carried forward into 2019/20.

Performance overview

2.3 In Q2, performance against 175 KPIs (key performance indicators) is reported, full details of which can be found in Appendix 1. Of these, 143 have been given a RAG rating: 38% (55) are green and achieving target, 25% (36) are below target but within an acceptable tolerance and 36% (52) are red and more significantly below target. In comparison Q1 saw 113 KPIs with a RAG rating; 42% (47) were green, 20% (23) were below target within an acceptable tolerance and 38% (43) were red and significantly below target. Overall quarter 2 has seen slightly deteriorating performance compared to that of quarter 1 with lower proportion of green KPIs and a higher proportion of amber KPIs.

2.4 In addition, 72 indicators have been given a Year on Year Direction of Travel (DOT) status. This compares performance with the same period 12 months ago and determines whether performance has improved or worsened. In this quarter 36% (26) have a “better / same” DOT and 64% (46) have a “worse” DOT from the same period last year. In comparison Q1 saw 75 indicators with a Year on Year DOT; 39% (30) saw a “better/ same” DOT and 61% (48) saw a “worse” DOT.

2.5 Quarter on Quarter DOT has however seen a slight improvement, as can be seen in the table below. Direction of travel compares performance with the previous quarter and determines whether performance has improved or worsened; 128 indicators were given a Quarter on Quarter DOT. In this quarter 53% (68) have a “better/ same” DOT and 47% (61) have a “worse” DOT from quarter 1.

2.6 The overall performance by directorate is summarised in the table below.

Directorate	KPIs reported	With RAG rating	G	A	R	KPIs - monitor only	KPIs - data not available	KPIs with QoQ DoT	Better / Same	Worse
Adults & Health	18	12	5	2	6	3	2	9	4	5
Children's Services	41	38	10	10	18	3	0	36	20	16
Corporate Resources	58	46	18	13	15	10	1	44	20	24

Neighbourhoods & Growth	59	46	22	11	13	10	3	40	24	16
TOTAL	175	142	55	36	52	26	6	129	68	61

2.7 Of the 176 KPIs reported in this quarter, 34 track the delivery of the Borough Plan. The table below provides a breakdown of Borough Plan KPIs by priority and their RAG rating where available.

Borough Plan Priority	G	A	R	Monitor only	No rag status
Reducing Inequality	6	8	7		
Inclusive Growth				1	1
Strong & Sustainable Neighbourhoods	2	1		5	3
Corporate Health					

Adults & Health

Q2 Forecast – Break-even

2.8 Adults Social Care had an underlying pressure of £5.34m in year, made up of various third party pressures, most prominently relating to home care provision. However due to the receipt of additional grant funding the service is forecasting no variance against budget. Mitigations to reduce expenditure are being developed to ensure that there is sufficient Government funding still available to meet expenditure needs next year.

2.9 Savings of £5.11m are forecast to be achieved in the financial year, which includes £1.48m carried forward savings from previous years.

2.10 Public Health services expenditure is forecast to budget..

Group	Full Year Budget	Full Year Forecast	Variance
	£000's	£000's	£000's
<u>ADULT SOCIAL CARE</u>			

Income	(56,846)	(64,636)	(7,790)
Expenditure	140,594	148,242	7,648
Net	83,748	83,606	(142)
<u>PUBLIC HEALTH</u>			
Income	(35,665)	(35,665)	0
Expenditure	35,665	35,665	0
Net	0	0	0
<u>STRATEGY & COMMISSIONING - ADULTS</u>			
Income	(9,239)	(9,239)	0
Expenditure	9,468	9,468	0
Net	229	229	0
<u>Adults and Public Health</u>			
Income	(101,750)	(109,540)	(7,790)
Expenditure	185,727	193,375	7,648
Net	83,977	83,835	(142)

Performance

2.11 The table below summarises performance.

Performance	Borough Plan KPIs	Service KPIs
Green	3	2
Amber		2
Red		6
Monitor only		5
No RAG status		2

Borough Plan KPIs

2.12 Currently, there are three adult social care KPIs aligned to outcomes in the Borough Plan. These are all achieving target.

2.13 For people aged 18-64 and people aged 65+ the service are forecast to underspend on Nursing and Residential placements by £2.4m. The main overspend of £5.8m is in Home Care provision, as demand for the service continues to grow.

2.14 Public Health are currently forecast to spend to budget

Service KPIs

2.15 In terms of service KPIs there are five that are rated red in the Adults & Health directorate, the KPIs of most concern are listed below. The other two red service indicators relate to corporate measures concerning the employment of apprentices in the directorate and the actioning of post received.

KPI	Comment	QoQ DOT	YoY DOT
Proportion of people in community setting reviewed during the year receive services for 12 months+	<p>Target - 40% Q2 outturn – 26%</p> <p>There were a total of 578 people in a placement for more than 12 months at the end of quarter 2 and of those 153 have been reviewed.</p> <p>Targets are in place for workers within the new placement support team to complete 4 reviews a week per worker. A Year end target of 364 additional placement reviews over next 6 months has been set and will be tracked via regular performance meetings.</p>	Cumulative KPI	Data not available
Proportion of people in residential / nursing / Supported Living reviewed during the year who received services for 12 months +	<p>Target – 38% Q2 outturn – 27%</p> <p>There were a total of 2238 people in receipt of a community-based service for 12 months or more at the end of quarter 2, and of those 606 have received a review. Community review work is responding to urgent re-assessment review work which is impacting on capacity to pick up planned 12-month review work.</p> <p>A risk-based approach has been adopted to ensure those people that haven't reviewed in the last financial year are prioritised. Form redesign will be implemented by the beginning of December and this allow easier recording of reviews, and facilitate telephone reviews. We will also take the learning from the placement support team who are developing new protocols for carrying out reviews. We will monitor the effectiveness of these changes in the monthly performance meeting.</p>	Cumulative KPI	Data not available
Timeliness of safeguarding concerns that are open beyond 3 months	<p>Target – no more than 20% Q2 outturn – 57%</p> <p>There were a total of 276 open safeguarding cases that were open for 12 weeks or more at</p>	Worse	New KPI

<i>KPI</i>	<i>Comment</i>	<i>QoQ DOT</i>	<i>YoY DOT</i>
	<p>the end of quarter 2 and this represent 57% of all cases. This is an increase from the 231 reported at the end of quarter 1. However there has been significant improvement in this area overall, with figures nearest to the ideal target they have been over the last two years.</p> <p>We are reviewing the method for measuring timeliness in line with the safeguarding adults board guidance.</p>		

Savings Delivery Plan - Adults

Adult Social Care and Public Health savings

	2018/19 Savings Target	2018/19 Forecast
	£000	£000
Savings for 2018-19	4,347	3,629
Savings from 2017-18 carried forward	1,319	1,480
Total	5,666	5,109

Children's Services

Q2 Forecast - £2,766k overspend

- 2.16 Childrens Social Care are forecasting an overspend of £2m on placements and £1.4m on Childrens Centres. A £4.2m forecast overspend on Special Education Needs (SEN) will be funded by the Dedicated Schools Grant (DSG). Mitigating actions to address the forecast overspend on Social Care Placements include reviewing the highest cost placements; reviewing the purchasing arrangements for emergency placements and transition arrangements. The forecast has been adjusted to reflect these.
- 2.17 Childrens Services have a savings target of £2m in year, which includes £1m brought forward as undelivered from 2017/18. The service are forecasting £1.3m to be achieved in year, with delays in the achievement of savings relating to a social care redesign, residential placements, adoption and fostering services.

Group	Full Year Budget	Full Year Forecast	Variance
	£000's	£000's	£000's
<u>CHILDREN'S SOCIAL CARE</u>			
Income	-3,212	-5,712	-2,500

Expenditure	59,170	64,057	4,887
Net	55,958	58,345	2,387
<u>EDUCATION AND LEARNING</u>			
Income	-71,705	-74,252	-2,547
Expenditure	79,346	86,922	7,576
Net	7,641	12,670	5,029
<u>STRATEGY & COMMISSIONING - CHILDREN</u>			
Income	-890	-889	1
Expenditure	8,522	9,874	1,352
Net	7,632	8,985	1,353
Children Services			
Income	-75,807	-80,853	-5,046
Expenditure	147,038	160,853	13,815
DSG Income	0	-4,703	-4,703
Management Actions to Mitigate Overspend	0	-1,300	-1,300
Net	71,231	73,997	2,766
<u>NO RECOURSE TO PUBLIC FUNDS</u>			
Income	0	0	0
Expenditure	3,354	2,937	-417
Net	3,354	2,937	-417

Performance

2.18 The table below summarises performance.

Performance	Borough Plan KPIs	Service KPIs
Green	2	8
Amber	8	2
Red	5	13
Monitor only		3
No rag status		

Borough Plan KPIs

- 2.19 There is a mixed position in Children’s Services in relation to the achievement of KPIs tracking the achievement of Borough Plan outcomes.
- 2.20 Youth offending KPIs have shown improvement in quarter 2. The proportion of **First Time Entrants to the Youth Justice System** has reduced and is now better than the same period in the previous year. In addition, the **rate of proven re-offending by young offenders** has also reduced in Q2 is 54.8% against a target of 50.1%. The YOS Improvement Plan focuses on improving practice to reduce re-offending and produce better outcomes for service users. The Plan includes a current re-offending live tracker to monitor offending behaviour and reduce re-offending. This tracker indicates that re-offending in the current year is less than in the period reported this quarter. However, any improvement now will not appear in the KPI for two years due to the lag on published data.
- 2.21 The red rated Borough Plan KPIs are mostly to be found in Children’s Social Care. **Child & Family Assessments completed within 45 working days** has improved compared to quarter 1. In relation to KPIs concerned with adoption, the recent focus on timeliness has secured the adoption of children who had historically experienced drift. This success masks improved performance in Q2.

Service KPIs

- 2.22 Across Children’s Services 13 out of 26 KPIs are rated red. Six of the red KPIs are in Children's Social Care. Of these, 4 are showing worse performance compared to the same period in the previous year. A small number remain a cause for concern in Q2 and are listed in the table below.

<i>KPI</i>	<i>Comment</i>	<i>QoQ DOT</i>	<i>YoY DOT</i>
Percentage of looked after children looked after continuously for 12 months who had their annual health assessment	<p>Target – 90% Q2 outturn – 68%</p> <p>With an increasingly older looked after population there are more young people who decline their health assessment. The Lead Officer for Looked After Children Health Assessments, Commissioners and the health providers completed a forensic diagnostic in July and as a result implemented a revised operating protocol in October to address process inefficiencies. Monthly Performance Panels have been established to support improved performance.</p>	Same	Worse

Timeliness of initial health assessments for looked after children	Target – 75% Q2 outturn – 31% To tackle the poor performance in the timeliness of health assessments for looked after children, based on a forensic diagnostic carried out in the summer, a revised operating protocol has been implemented to address the inefficiencies, and monthly performance panels have been established.	Worse	Worse
Percentage of looked after children in foster care provision who are placed with in-house carers	Target – 30% Q2 outturn – 17% A revised fostering recruitment and retention strategy, which takes a 'whole Council' approach, is being developed to grow the in-house fostering service.	Worse	Worse

2.23 Two other red rated KPIs are located in Education & Learning and relate to the timely completion of Education, Health & Care (EHC) plans children and young with special educational needs. Following improvement in quarter 1, performance for the two indicators measuring the percentage of EHC plans completed within 20 weeks (including valid exceptions and excluding valid exceptions) slipped to red for quarter 2, reporting 60.27% and 57.69% respectively. The causes for this relate to a rise in the number of EHC assessments, whilst staff levels have fallen. To improve performance Educational Psychologists and schools are chairing outcomes meetings in many cases, allowing officers to concentrate on completing assessments and drafting plans; some use is being made of external agencies to draft plans; panel is flexible so that decisions can be made swiftly; and management decisions are being made when an urgent decision is required.

Savings Delivery Plan - Childrens

	2018/19 Savings Target	2018/19 Forecast
	£000	£000
Savings for 2018-19	1,016	316
Savings from 2017-18 carried forward	1,010	1,010
Total	2,026	1,326

Corporate Resources

Q2 Forecast – £127k underspend

2.24 Corporate Resources are forecasting a delay in the achievement of Business Support savings of £600k and a £300k pressure in relation to the Gandlake Digital contract which provides the Council's website and online services, and a £140k pressure due to Microsoft license cost

increases from September 2018. The digital contract comes to an end this year and this is being addressed as part of the Council's digital strategy. Microsoft costs for future years have been addressed in the Medium Term Financial Plan. These costs are mitigated by a budgeted top up to the sundry bad debt provision of £1,050k not being required this financial year. Pressures on rental income within the Property portfolio of £300k are being offset by savings from staff vacancies within Finance.

Group	Full Year Budget	Full Year Forecast	Variance
	£000's	£000's	£000's
<u>Customer Services & ICT</u>			
Income	(221,200)	(221,213)	(13)
Expenditure	253,798	254,546	748
Net	32,598	33,333	735
<u>Legal Services, HR and Organisational Development</u>			
Income	(2,310)	(1,960)	350
Expenditure	5,914	5,595	(319)
Net	3,604	3,635	31
<u>Finance</u>			
Income	(7,116)	(7,775)	(659)
Expenditure	20,998	20,676	(322)
Net	13,882	12,901	(981)
<u>Policy & Communications</u>			
Income	(686)	(295)	391
Expenditure	3,573	3,270	(303)
Net	2,887	2,975	88
<u>Corporate Resources</u>			
Income	(231,312)	(231,243)	69
Expenditure	284,283	284,087	(196)
Net	52,971	52,844	(127)

Performance

2.25 The table below summarises performance in the Corporate Resources Directorate. All Corporate Resources KPIs are service KPIs.

Performance	Borough Plan KPIs	Service KPIs
Green		18
Amber		13
Red		15
Monitor only		10
No rag status		1

Service KPIs

2.26 In the quarter 1 report, the poor performance of registering both births and deaths within their given timescales was highlighted as an area of concern. Data for quarter 2 is not yet available from the General Registry Office yet; however the service has reported that despite next day availability of death registrations is offered, many appointments go unfilled and the performance continues to remain low. It is thought that the slow sign off of the death certificate by doctors and a reluctance from residents to register a death have contributed to poor performance. The service is working with the Home Office to contact the relevant external bodies to try and promote the reasons why deaths should be registered as quickly as possible. With regards to the registering of births, a further birth registration queue in the Southwark Register Office as it was found that the majority of the births registered were from Southwark residents. It is hoped that this step will help to increase performance.

2.27 There are several red rated KPIs in the Corporate Resources directorate this quarter. The KPIs of most concern are listed below:

KPI	Comment	QoQ DOT	YoY DOT
Percentage of corporate customer centre calls abandoned	<p>Target – 7.5% Q2 outturn – 14.7%</p> <p>Capita are only penalised if they fail the nominal target of 7.5% in addition to percentage of calls answered within 60 seconds. An action plan exists to restore balance of performance across the two capita sites which will address high abandonment.</p>	Worse	Worse
Percentage of housing contact centre calls abandoned	<p>Target – 5% Q2 outturn 13.1%</p> <p>Capita have been unable to hit target due to a higher than expected average handling time on their calls. Actions have been brought in to reduce this including side-by-side training, monitoring of external contractors and the recruitment of more staff.</p> <p>The client team have carried out root cause analysis work to identify factors affecting performance. Following on from this Capita and the client team have agreed an action plan</p>	Worse	New KPI

	which is being discussed weekly with both management teams with a view to reaching service level in November 2018. This has also been aided by the recruitment of more staff and the Housing restructure being completed – allowing for greater co-operation from the service. Contractual financial penalties have been applied where the target has not been achieved.		
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Savings Delivery Plan – Corporate Resources

	2018/19 Savings Target	2018/19 Forecast
	£000	£000
Savings for 2018-19	5,361	4,602
Savings from 2017-18 carried forward	0	0
Total	5,361	4,602

Neighbourhoods & Growth

Q2 Forecast - £1,335k underspend

- 2.22 Neighbourhoods and Growth are forecasting a £419k pressure due to the increased size of the 2018 Country Show. However this is offset by an underspend of £897k on accommodation services, £246k surplus parking income and underspends arising from vacancies across the service.
- 2.23 Savings of £3.5m, which includes £60k brought forward from 2017/18, are forecast to be achieved in this financial year.

Group	Full Year Budget	Full Year Forecast	Variance
	£000's	£000's	£000's
<u>Senior Management</u>			
Income	(128)	(138)	(10)
Expenditure	476	484	8
Net	348	346	(2)
<u>Housing Services</u>			
Income	(23,434)	(23,738)	(304)
Expenditure	38,456	37,217	(1,239)
Net	15,022	13,479	(1,543)

<u>Strategic Programmes</u>			
Income	(2,861)	(2,861)	0
Expenditure	3,724	3,566	(158)
Net	863	705	(158)
<u>Growth, Planning & Employment</u>			
Income	(9,797)	(9,121)	676
Expenditure	12,012	11,441	(571)
Net	2,215	2,320	105
<u>Environment</u>			
Income	(42,979)	(44,370)	(1,391)
Expenditure	67,452	69,106	1,654
Net	24,473	24,736	263
<u>Neighbourhoods & Growth</u>			
Income	(79,199)	(80,228)	(1,029)
Expenditure	122,120	121,814	(306)
Net	42,921	41,586	(1,335)

Performance overview

2.28 The table below summarises performance.

Performance	Borough Plan KPIs	Service KPIs
Green	4	18
Amber	1	10
Red	2	11
Monitor only	6	5
No rag status	0	3

Borough Plan KPIs

2.29 There is a mixed position in Neighbourhoods & Growth in relation to the achievement of KPIs that track the achievement of Borough Plan outcomes.

2.30 Crime trends continue to be monitored in Q2. July saw a peak in crime rates in Lambeth, with high levels reported in violence against the person, knife crime and total notifiable offences. Rates in August and September then returned to historical averages.

Service KPIs

2.31 There are 11 KPIs rated red in the Neighbourhoods & Growth directorate. The KPIs of most concern are listed below:

KPI	Comment	QoQ DOT	YoY DOT
Planning appeals (percentage successfully defended)	<p>Target – 60% Q2 outturn – 47.6%</p> <p>Poor performance in this quarter with 47.3% of appeals successfully defended, this is an appreciable fall against the previous Q1 performance figure of 74.3%.</p> <p>To improve performance, a panel of senior officers will meet on a monthly basis to carefully monitor all appeal decisions and identify service improvements that may be required. This will be chaired by the Head of Service and a lead officer has been appointed to scrutinise decisions and identify emerging trends and key themes, which will then be reported back to the panel. A monthly on-the-floor briefing will be arranged to brief all staff on appeal decisions. This will ensure that the panel findings are disseminated to all staff. Line managers will monitor appeal performance and this will be captured in fortnightly 1-2-1s with staff members and in mid-year and end of year appraisals.</p>	Worse	New KPI
Number of prosecutions/civil penalties against rogue landlords	<p>Target – 12 Q2 outturn – 1 (cumulative)</p> <p>Whilst we have only undertaken one prosecution as at Q2, four cases have been sent to Legal Services to progress prosecution. We have also appointed an Investigations Officer who has been allocated 26 potential prosecution cases to investigate further, while a further 3 cases are being prepared for legal action. We have also recruited an Environmental Health Officer who will ensure private sector rental properties which are applicable for the new HMO licensing scheme conform to the licensing requirements.</p>	Worse	Worse
Number of people killed or seriously injured in road traffic accidents	<p>Target – 93 Q2 outturn – 207</p>	Unavailable	Unavailable

	<p>The most recent collision data received from Transport for London, reports a total of 207 people being killed or seriously injured in road traffic accidents during the 12 months ending December 2017. However it is worth noting that there have been significant changes in the way Police now classify the severity of injuries, which has resulted in injuries previously not counted, now being included in the data. Generally the number of collisions in Lambeth is higher than most other London boroughs; in-depth analysis is currently being carried out to get a better understanding of collision causes and demographics, this analysis will help support a new transport strategy.</p>		
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2.32 As well as the performance concerns highlighted above, domestic violence referrals in quarter 2 saw high numbers. With 53 cases in September, this is the largest number since Lambeth MARAC started in 2007; 30% of these cases were repeat referrals due to a further incident of abuse within a 12-month period. It is positive that repeat incident are being reported to services and are instigating a MARAC referral, however it is concerning that victims are suffering multiple incidents and will continue to be monitored.

Savings Delivery Plan – Neighbourhood and Growth

	2018/19 Savings Target	2018/19 Forecast
	£000	£000
Savings for 2018-19	3,453	3,453
Savings from 2017-18 carried forward	60	60
Total	3,513	3,513

Neighbourhoods & Growth (HRA)

Q2 Forecast - Breakeven

2.33 The HRA is forecasting an underspend on Repairs and Maintenance due to work costing less than budgeted, and better planned income from rents and masts together with reduced expenditure on staffing due to vacancies. However this underspend will be used to finance capital expenditure for Fire Risk related works and expenditure in line with the HRA business plan.

Group	Full Year Budget	Full Year Forecast	Final Variance

	£000's	£000's	£000's
<u>Housing Services</u>			
Income	(12,686)	(12,973)	(287)
Expenditure	75,264	71,981	(3,283)
Net	62,578	59,008	(3,570)
<u>Central HRA Budgets</u>			
Income	(170,925)	(174,379)	(3,454)
Expenditure	93,547	98,615	5,068
Net	(77,378)	(75,764)	1,614
<u>Strategic Programmes</u>			
Income	0	(1)	(1)
Expenditure	14,800	16,757	1,957
Net	14,800	16,756	1,956
<u>Housing Revenue Account (HRA)</u>			
Income	(183,611)	(187,353)	(3,742)
Expenditure	183,611	187,353	3,742
Net	0	0	0

Capital 2018/19 Q2 Monitor

2.34 The full year forecast outturn is £140,922k against a 2018/19 budget of £191,766k. The remaining budget in the Capital Investment Programme is £102,433k. Where there are underspends, the budgets will be carried forward into 2019/20.

Programme	18/19 Budget	18/19 Actuals £'000	18/19 Forecast £'000	18/19 Carry Forward £'000	19/20 Budget £'000	20/21 Budget £'000	Total 18/19 - 20/21 Budget £'000	Total 3 Year Project Forecast £'000	Details on progress of scheme and comments relating to the current forecast for the year
<u>Adults & Public Health Programmes</u>									
Housing	250	0	0	250	0	0	250	250	
Home Improvements	1,171	4	1,034	137	0	0	1,171	1,171	Slight underspend
Adult Social Care Programmes	1,421	4	1,034	387	0	0	1,421	1,421	
SP HIV Services	30	0	30	0	0	0	30	30	Forecast to Budget
Public Health Programmes	30	0	30	0	0	0	30	30	
Total Adults & Public Health Programmes	1,452	4	1,064	387	0	0	1,452	1,452	
<u>Neighbourhoods and Growth Programmes</u>									
Coburg Crescent	9,674	123	157	9,517	200	0	9,874	9,874	A revised cost plan has been proposed which exceeds the budget available and therefore a decision is required as to how to proceed. The cashflow will be re-

									profiled once the programme has been confirmed.
Community Projects	5,796	60	1,500	4,296	0	0	5,796	5,796	Brixton Recreation Centre - £5.3m. Urgent Phase 1 works will be undertaken in 2018-19. The phase 2 works will be undertaken in future years and the cashflow will be re-profiled once the programme has been confirmed. Myatts Field £493k - This project has been delayed for 5 months due to tendering issues and therefore there will be some slippage of budget into 2019-20.
Depot Rationalisation	164	124	164	0	0	0	164	164	Final account and retention to be paid in 2018-19.
Education Projects - Capital Maintenance	4,239	232	2,000	2,239	0	0	4,239	4,239	The £2.286m 2018-19 Capital Grant allocation has all been posted to 2018-19. The budget will be re-profiled over current & future years once the Capital Maintenance Plan has been completed.
Education Projects - Other	147	65	48	99	0	0	147	48	This mostly relates to Ethelred Nursery - £99k, which is an ICT budget being held on behalf of Education, who have been asked to advise if it will be spent or moved to their budgets. The remaining budget of £48k is a SEN project, which will be fully spent in 2018-19.
LEAP	3,095	79	3,000	95	0	0	3,095	3,095	Most of the LEAP projects will be completed in 2018-19 with some slippage into 2019-20. All LEAP projects are fully funded by Income

									from the National Children's Bureau via Big Lottery Funding.
Primary (Future Phases)	11,468	-1,172	1,170	10,298	3,500	4,863	19,831	9,974	This includes a budget of £8.57m on a Primary holding code, which will be allocated to other Primary projects mostly in 2019-20 & 2020-21. Other projects include Sudbourne Primary £600k, which will be spent in 2018-19, & New Park Road £832k which at this stage is still a potential project, with minimal forecast expenditure in 2018-20. There will also be some reallocation of unspent budgets to other projects.
Primary Phase 1	840	0	225	615	0	0	840	731	This mostly relates to the Wyvil project £681k. Works will commence in the summer of 2019, with some initial enabling works & fees in 2018-19. The remaining budget will be reallocated to other projects.
Primary Phase 2	567	88	258	309	0	0	567	258	Small residual amounts against various projects to be moved to Future Phases
Secondary	20,105	9,386	19,112	992	0	0	20,105	20,105	£19.576m of this budget relates to Woodmansterne Secondary, which will complete in April 2019, therefore there will be £1m slippage into 2019-20 to complete the works.

SEN	1,858	26	962	897	0	0	1,858	1,081	This includes a budget of £710k on 2 SEN holding codes, which will be allocated to other SEN projects including £600k to The Spinney mostly in 2019-20. £410k relates to Allan Edwards, which is currently subject to negotiations with the contractor and may proceed in 2018-19. Archbishop Sumner £333k & Kennington PRU ££157k are forecasting to spend their budgets in 2018-19. The remaining small budgets relate to completed projects and will be reallocated to the SEN holding code.
Somerleyton Road	2,840	1,136	2,840	0	0	0	2,840	2,840	The current project plan forecasts a spend of £4m in 2018/19. This exceeds the current available budget of £2.8m. At cabinet in September authority to award the contract and approval for the new whole project budget (c£35m for phase 1) was delegated to the relevant cabinet members. Details are being finalised and sign off may be achieved next month.

Estates	6,026	2,752	5,770	256	5,555	0	11,581	11,325	Budget for all of the schemes are on track for a spend to Budget except for Angel Town Boiler House where the funds of £256k are to be carried forward. On the lead estates, there is funding allocated for the CPO legal costs. The CPO approval has been delayed therefore funds not expended. The funding requirement will be reassessed in Period 7 monitoring. A request for further funding for Cressingham, for RIBA Stage two and Central Hill for RIBA stage 1 is in process. The demolition of Angel Town Boiler House should be completed by the end of October. Costs are lower than the estimate provided in the Business case. The balance of the funds are to be allocated to the community use project such as an outdoor gym.
Small Sites	2,138	602	1,635	503	0	0	2,138	2,138	The budget represents funding of £1.5m for Lollard Street; £283k for Hillside Gardens Development and £193k for generic small sites strategy. £502k of Lollard street budget is being carried forward to 2019/20. On Hillside Gardens, commercial matters are being settled with the offsite manufacture contractor over the next few weeks. The funding for the generic small

									sites strategy will be used to review feasibility of the other small sites.
RTB Buybacks	16,673	7,275	16,673	0	5,194	0	21,866	21,866	Overall Funding of £19.737m plus £10m Home Zone Loan funding is available for the RTB buy backs. Spend against this as at 31.3.18 was £17.87m; leaving a balance of £11.86m. Of this £7.5m is Home Zone Loan funding specifically for Knights Walk, South Lambeth and Westbury estates and £4.3 m is available for Central Hill, Cressingham and Fenwick. AMCAP approved a further £10m in September, bringing the funding available to £21.86m. £16.7m has been allocated to projects in year and the balance of £5.19m has been carried forward to 2019/20. As the projects progress and Compulsory Purchase Orders take effect, additional funding will be required in 2018/19 and will be drawn from the £5.19m.
Your New Town Hall	10,326	3,772	7,112	3,214	0	0	10,326	10,326	Forecast to Budget

Temporary Accommodation	164	0	0	164	0	0	164	164	
Private Sector Housing	2,776	187	874	1,902	0	0	2,776	2,623	Expected spend for 19/20 and 20/21 is forecast in line with 18/19 expectations, so leads to a small underspend against this allocation.
Strategic Programmes	98,896	24,735	63,500	35,396	14,449	4,863	118,208	106,647	
Brixton	81	0	0	81	0	0	81	81	Relates to Brockwell Hall. The budget is to be used as part of the council's contribution to a project funded by the HLF. An application has been re-submitted following previous unsuccessful applications. Outcome expected in December 2018.
Future Brixton	1,759	35	327	1,433	0	0	1,759	1,759	There are currently 2 grants in progress which will increase this year's expenditure by a further £800k but these are currently being looked at by a VAT expert to determine the most VAT efficient way of funding the projects.
HSF	3	0	3	0	0	0	3	3	Remaining funding will all be spent this year
Investment in Community Workspace	2,235	238	1,400	835	0	0	2,235	2,235	relating to Loughborough Community Workspace. The grant must all be spent this year (£1.4m) but the project will continue with the council's capital contribution for a further year. The project is now

									being managed by the capital team rather than the MCP team
NHB	240	0	219	21	0	0	240	219	All will be spent this year as the NHB agreement to carry forward is only for this year
North Lambeth	2,894	0	844	2,050	0	0	2,894	2,894	The schools contribution will all be spent in this financial year but the balance will span 2019/20 and 20/21
Regeneration - Other	5,077	266	2,599	2,477	1,908	0	6,984	6,984	Made up of a number of projects. Durning Library (£250k) project spend is uncertain but will be discussed with the director at the next meeting. Carnegie (£757k) will have a further budget of approx £650k and all will be spent this year with the project being fully completed ready for handover. remaining projects are larger project in Vauxhall and at the IMAX which are in partnership with TFL and will be delivered over a number of year.
Growth, Planning & Employment Programmes	12,289	538	5,392	6,897	1,908	0	14,197	14,176	
Cemeteries	917	354	917	0	0	0	917	917	Forecast to Budget

Community Safeguarding	30	0	30	0	0	0	30	30	Forecast to Budget
Community Facilities	1,956	22	747	1,209	0	0	1,956	1,205	There has been a delayed start on site at Brixton Windmill due to a delayed contract agreement with the contractor. The 2018/19 budget is £712k, with expenditure to the end of September 2018 of £3k. The forecast expenditure for 2018/19 is £647k. Therefore there will be some slippage of budget into 2019/20.
Parks Operations	1,785	316	1,785	0	0	0	1,785	1,785	No expected spend against Brockwell Park Community Facility or Development of former Polygon site budgets.
Sports Facilities	481	11	268	213	0	0	481	384	Stockwell Skate Park Improvements scheme will take place in 18-19. Another £100k of funding received from Marathon Trust - to be spent in 2019-20. Expectation that scheme will complete in 2019-20 with only modest amount left over, some of which may be returned to the S106 pot.
Cycling	1,817	59	992	825	0	0	1,817	1,817	Quietways 7 Project is on hold due to TfL reviewing scope. However RT and JH have agreed £85k spend with TfL inc whole PM budget. Expectation will complete in 2019-20.
Roads & Public Realm	15,724	3,204	12,678	3,046	0	0	15,724	15,465	The underpend relates to a number of small schemes that are

									no longer going to proceed and will be removed from the programme.
Parks Development	2,637	155	1,448	1,189	0	0	2,637	2,296	£212k relates to Jubilee Gardens Extension in to Hungerford Car Park, which will no longer proceed in addition to a number of other small projects that are in the same position.
Waste & Refuse	920	920	920	0	0	0	920	920	Forecast to Budget
Community Buildings Phase 2	553	31	553	0	0	0	553	553	Forecast to Budget
Cultural services	686	6	686	0	0	0	686	686	Forecast to Budget
Leisure Centres	68	0	0	68	0	0	68	0	498 Kennington Park Tennis Court Refurbishment - no actuals to date.
Environment Programmes	27,574	5,079	21,024	6,550	0	0	27,574	26,059	
Total Neighbourhoods & Growth Programmes	138,759	30,352	89,916	48,842	16,356	4,863	159,978	146,882	
<u>Corporate Resources Programmes</u>									
ASC IT System	251	10	251	0	0	0	251	251	Forecast to Budget
New Ways of Working	18	-3	18	0	0	0	18	18	Forecast to Budget
ICT Infrastructure	2,704	103	1,287	1,417	0	0	2,704	1,287	

Business Transformation Programmes	2,974	110	1,556	1,417	0	0	2,974	1,556	
FM - Community Facilities	15	0	10	5	0	0	15	10	
FM - Council Buildings	1,184	19	1,062	122	0	0	1,184	1,062	Slight underspend
Transformation Projects	900	0	900	0	0	0	900	900	Forecast to Budget
Corporate Estate Management	334	0	0	334	0	0	334	0	
Finance Programmes	2,433	19	1,972	462	0	0	2,433	1,972	
Total Corporate Resources Programmes	5,407	129	3,528	1,879	0	0	5,407	3,528	
<u>Children's Services Programmes</u>									
CSC IT System	115	0	0	115	0	0	115	0	
Neighbourhood Libraries	1,579	821	1,572	6	0	0	1,579	1,579	Forecast to Budget
Development Libraries	56	0	25	31	0	0	56	56	
Commissioning & Contracts Team	32	31	0	32	0	0	32	0	
Children'S Services Programmes	1,781	852	1,597	184	0	0	1,781	1,635	
Total Children's Services Programmes	1,781	852	1,597	184	0	0	1,781	1,635	
<u>Neighbourhoods and Growth (HRA) Programmes</u>									

Private Sector Housing	1,100	246	1,092	8	1,100	1,100	3,300	3,300	Forecast to Budget
Estate Improvement Works	268	2	0	268	0	0	268	0	
Housing Management - Repairs & Maintenance Programmes	1,368	248	1,092	275	1,100	1,100	3,568	3,300	
Housing Projects	0	-53	0	0	0	0	0	0	
LHS - Central	7,861	1,398	8,463	-602	0	0	7,861	7,858	Overspend is due to substituting projects between years, bringing forward to 19/20 projects that were programmed in future years to be delivered in the current year and slipping other projects back to future programmes. Overall 3 year forecast still remains the same across the LHS Programme.
LHS - North	4,495	1,113	4,439	56	0	0	4,495	4,439	Underspend is due to efficiency savings achieved in some projects.
LHS - Other	2,959	747	2,959	0	33,813	31,200	67,971	67,971	Forecast to Budget
LHS - South	7,248	502	7,110	138	0	0	7,248	7,110	Underspend of £300k on LHS external works (17/18) partially netted off by £162k overspend on Sheltered Housing Phase 2 (LCE & Queenswood)
Technical Services	12,438	984	12,754	-316	0	0	12,438	12,754	Various over and underpends across total programme. Budgets need to be re-profiled.
PPM Boiler Replacements	4,500	0	4,500	0	4,500	4,500	13,500	13,500	Forecast to Budget

PPM Responsive Repairs	1,500	563	1,500	0	1,500	1,500	4,500	4,500	Forecast to Budget
PPM Long Cycle Voids	2,000	936	2,000	0	1,000	1,000	4,000	4,000	Forecast to Budget
Strategic Programmes (HRA) Programmes	43,000.00	6,190.68	43,724.14	-724.14	40,813	38,200	122,013	122,132	
Total Neighbourhoods & Growth (HRA) Programmes	44,367.78	6,438.41	44,816.61	-448.83	41,913	39,300	125,581	125,432	
Capital Programme Total	191,766.41	37,775.36	140,922.97	50,843.44	58,269	44,163	294,199	278,929	

Conclusions and next steps

- 3.1 This report has brought together budget and performance information into a single report with various budget and performance issues highlighted. These issues will be tackled through internal management arrangements. Cabinet will continue to receive details of budget and performance issues via regular quarterly reports.

4 Finance

- 4.1 There are no direct capital or revenue implications arising as a direct result of this report, other than those outlined as part of budget monitoring information. Any business improvement activity to address poor performance will be delivered from within existing budgets.

5 Legal and Democracy

- 5.1 There are no legal implications arising directly from this report.
- 5.2 There are no further comments from Democratic Services.

6 Consultation and co-production

- 6.1 The completion of the performance report relies on service managers / Heads of Services to provide performance data and commentary on progress and management actions, particularly if the indicators is not achieving target.

7 Risk management

- 7.1 There are no risk implications arising from report.

8 Equalities impact assessment

- 8.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:
- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
 - Advancement of equality of opportunity between people from different groups
 - Fostering of good relations between people from different groups
- 8.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.
- 8.3 In order to assist in meeting the duty the council:

- Tries to understand the diversity of our customers to improve our services
- Considers the impact of our decisions on different groups to ensure they are fair
- Mainstreams equalities into business and financial planning

8.4 Reflecting this, we aim to ensure that equalities considerations are integrated into the Council's Corporate Performance Framework. Accordingly, we report against a number of KPIs aligned to Borough Plan priorities concerned with ensuring that growth in the borough is inclusive and that inequality is reduced, as well as other KPIs concerned with how we deliver our services and meet the needs of residents. In this way, performance data can play a role in determining whether there is any differentiation in residents' experience of, or satisfaction with, Council services.

9 Community safety

9.1 There are no community safety implications arising from this report.

10 Organisational implications

10.1 Environmental
None.

10.2 Staffing and accommodation
None.

10.3 Procurement
None.

10.4 Health
None.

11 Timetable for implementation

11.1 Not applicable.

Audit trail				
Consultation				
Name/Position	Lambeth cluster/division or partner	Date Sent	Date Received	Comments in para:
Andrew Travers	Chief Executive	13.11.18		
Jackie Belton	Strategic Director, Corporate Resources	13.11.18		
Sue Foster	Strategic Director, Neighbourhoods & Growth	07.11.18		
Fiona Connolly	Acting Strategic Director, Adults & Health	13.11.18		
Annie Hudson	Strategic Director, Children's Services	05.11.18	07.11.18	Appendix A
Neil Wightman	Director, Housing Services	07.11.18	09.11.18	Appendix A
Alison McKane	Legal Services	14.12.18		
Wayne Chandai	Corporate Resources – Democratic Services	14.12.18		
Nisar Visram	Corporate Resources – Finance	14.12.18	19.12.18	2.33
Cllr Hopkins	Cabinet Member for Jobs, Skills & Performance	21.12.18		
Cllr Gadsby	Cabinet Member for Housing	06.12.18	11.12.18	Appendix A

Report history	
Original discussion with Cabinet Member	21 November 2018
Report deadline	2 January 2019
Report no.	N / A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	No
Date first appeared on forward plan	N/A
Background information	none
Appendices	Q2 Performance table (Appendix 1)