
Meeting of the Executive Member for Neighbourhood Services and Advisory Panel

Report of the Director of Neighbourhood Services

2007/08 FIRST MONITORING REPORT – FINANCE & PERFORMANCE

Summary

1. This report represents two sets of data:
 - a) The latest projections for revenue and capital expenditure for the Neighbourhood Services portfolio and traded accounts.
 - b) Quarter 1 (07/08) performance against target for a number of the directorate's key performance indicators.

Background

2. Service provision is as important as financial performance. This report combines financial and service performance information and is reported as part of the Council plan each year.
3. For the 07/08 financial year, all Members will receive 2 monitoring reports in September and December, as well as a final outturn report.

Management Summary

Financial Overview

4. The current general fund revenue budget for the Neighbourhood Services Portfolio is £14.137m, excluding the budget contribution to Safer York Partnership.
5. The budget surplus target for the traded Neighbourhood Services Portfolio is set at £520k.
6. Both the General Fund and traded budgets are inclusive of the changes outlined in paragraphs 22 to 25.
7. Current projections for the general fund portfolio shows expenditure of £14.153m compared to a budget of £14.137m, an overspend of £16k, which represents a variation of 0.1% on the net expenditure budget.
8. The Traded Accounts are forecast to achieve a surplus of £345k against a target of £520k.

9. The financial position for each service area is dealt with separately in the following sections. The overall position can be summarised as follows:

	Exp Budget £000	Income Budget £000	Net Budget £000	Forecast £000	Var'n £000	Var'n%
Env Health & Trading Standards	2,260	390	1,870	1,870	0	0.0
Licensing & Bereavement Svs	881	1784	(903)	(878)	25	0.0
Neighbourhood Management	1,150	328	822	822	0	0.0
Ward Committees	998	9	989	989	0	0.0
Neighbourhood Pride Service	3,179	282	2,897	2,897	0	0.0
Enforcement and Environment	117	0	117	108	(9)	(0.1)
Waste Mgmt, Refuse & Recycling	10,610	2,298	8,312	8,312	0	0.0
Pest Control	85	52	33	33	0	0.0
General Fund Total	19,280	5,143	14,137	14,153	16	0.1
Traded Accounts (The detail is held under the confidential annex 2)	21,737	22,255	(520)	(345)	175	0.9
PORTFOLIO TOTAL	41,017	27,398	13,619	13,808	191	1.0

10. The significant variances relate to the trading accounts and are therefore covered in further detail later in the report in confidential Annex 2. In summary;
- Building Maintenance are unlikely to achieve their savings target because of delays implementing the new structure.
 - School Cleaning are also unlikely to achieve their savings target. The service is currently under review and officers are meeting in September to agree a solution that should improve the financial position.
11. The total budget for capital schemes is currently £624k and all schemes are anticipated to be completed on programme within the financial year. Additional grant income of £70k was received and a request will be made to Executive to increase the programme by this amount, to £694k.

Performance Overview

12. The majority of Neighbourhood Services' performance indicators are annual figures – for example customer satisfaction figures, or compliance against statutory requirements. Internally we use performance data to manage our diverse services. This report sets out what we consider to be the key performance data figures available at this point in the annual cycle. The data produced here shows that in the first few months of 2007/08 Neighbourhood Services has:
- Maintained a generally high level of performance on street scene services.
 - Received encouraging survey results on street cleanliness.
 - Continued to increase the proportion of waste recycled and composted.
 - Reduced missed bin performance below the national target, although there has been a drop off in performance on the number of missed bins put right.
 - Improved performance on housing repairs in line with housing repairs partnership targets.
 - Continued to see a high level of sickness absence.
13. Work is now going on to rationalise and clarify the performance data produced in the directorate, and reported to members.

Financial

General Fund

Environmental Health and Trading Standards

14. Current projections show that forecast will match the net expenditure budget.

Licensing and Bereavement Services

15. The current projection forecasts that there will be an overspend of £25k. The key reason for the overspend is as follows:
- An overspend on staff costs of £19k

Neighbourhood Management

16. The forecast shows that there will be no overspend against the net expenditure budget.

Ward Committees

17. In addition to the carry forward requests approved by EMAP in June, £70k budget was also carried forward from 2006/07 as agreed by Executive subject to an overall council underspend.
18. The projection is that net expenditure will be as budgeted.

Neighbourhood Pride Service

19. In addition to the carry forward requests approved by EMAP in June, £30k budget was also carried forward from 2006/07 as above.
20. After the recent restructure, the Neighbourhood Pride Service includes the budget for street cleansing, grounds maintenance, toilets, Street Environment officers and York Pride. The forecast shows that net expenditure is on budget.

Enforcement and Environment

21. The new service was created to provide regulatory and environmental enforcement activities. The forecast predicts that there will be an underspend of £9k, or 0.1% of the net expenditure budget. The main reason for the underspend is:
 - For a short period there was a vacant post while the recruitment process took place.

Waste Management, Refuse & Recycling

22. As part of the ongoing review of the client and customer relationship sides of the directorate it is recommended that all the waste budgets, including the operational budgets for domestic collection should be classed as general fund. Commercial waste budgets should remain within the trading portfolio.
23. The effect of this is to increase the general fund cost by £152k, which would be financed by an increase in the surplus to be made by the trading portfolio.
24. The recommendations of this report advise the Executive Member to give approval for an application to the Executive for the virement of these budgets from the trading account portfolio to the General Fund portfolio.
25. The current projection shows that the overall forecast will match the net expenditure budget.

Traded Accounts

26. Overall the trading Accounts forecast a surplus of £345k against an revised target surplus of £520k.

27. A brief overview of each service area is provided below but further information is available in the Confidential Annex 2.

Building Maintenance

28. Building Maintenance is forecasting below the target amount because it is unlikely that savings targets from the restructure will be fully met.

Civil Engineering

29. The Civil Engineering Section comprises Highways, Ancient Monuments Drainage and Blacksmiths. This section is forecasting to achieve its target.

Commercial Waste

30. Commercial waste and the University Waste Management Contract are performing well and are predicted to exceed the target surplus.

Cleaning

31. The prime business of this service is, school cleaning, council office cleaning and empty property (void) cleaning for housing.
32. Building and void cleaning are forecasting to achieve targets.
33. As mentioned in previous reports the school cleaning service has had financial difficulties for the last few years. Officers are meeting in September to review the current rates and service provision. This should improve the school cleaning position. Since this agreement will not be reached until part way through the financial year the savings target set will not be achieved.

Neighbourhood Pride Service

34. The majority of the 'client' cleansing budget was transferred to Neighbourhood Services in the previous financial year. However, since some cleansing and grounds maintenance budgets remain outside the Neighbourhood Services directorate, the total operational costs of cleansing and ground maintenance remain within the trading accounts. This account is currently operating close to budget.

Capital Programme

35. The Neighbourhood Services capital programme includes schemes within Neighbourhood Pride Unit, Environmental Protection Unit and Waste Management. Details of the budgets are set out below:

	<u>Current Budget £000s</u>	<u>Revised Budget £000s</u>	<u>Forecast £000s</u>
Ward Committees	333	333	333
Defra Waste Performance Efficiency Grant	247	247	247
Air Quality Management	34	104	104
Contaminated Land Investigation	10	10	10
Total	624	694	694

36. The current budget is £624k. Neighbourhood Services have received confirmation from Department for Environment, Food and Rural Affairs (Defra) that an Air Quality Grant for the value of £69,500 has been awarded. This amount is included in the revised budget but is subject to Executive approval. This is covered in more detail below.

37. All schemes are expected to be completed on programme within this financial year. A summary of each scheme is outlined below:

Ward Committees

Budget: £333k (CYC resources)

Forecast: £333k

38. £131k was carried forward from 2006/07. This includes an additional £28k as requested at the June 2006 EMAP.

39. All schemes are expected to complete on target.

Defra Waste Performance Efficiency Grant

Budget: £247k (Defra Grant)

Forecast: £247k

40. This grant was provided by Defra to deal with waste issues and the capital element above will be used to provide recycling containers and to cover the cost of replacing grey bins.

41. £44k of the Waste Performance & Efficiency Grant was carried forward from 2006/07.

Air Quality Management

Budget: £34k, Revised Budget: £104k (Defra Grant)

Forecast: £34k

42. The grant relates to air quality monitoring, air quality modelling and air quality action planning.

43. The grant will be used to upgrade existing air quality monitoring equipment, modelling software and publicity/ education.

44. £34k was carried forward from 2006/07.

Contaminated Land Investigation

Budget: £10k (Defra Grant)

Forecast: £10k

45. Defra have provided a capital grant to support some detailed contaminated land investigations at three sites in accordance with obligations placed on the council by Part 11A of the Environmental Protection Act 1990.
46. £10k underspend was carried forward from 2006/07.

Performance Overview

Environmental Health and Trading Standards (EHTS)

47. The large majority of performance measures within the EHTS section are annual indicators that focus on customer/business satisfaction and compliance with legislative requirements. At this point in the year there are no exceptional performance issues to report.

Licensing & Bereavement Service

48. The majority of performance measures for the Licensing section are annual indicators. At this point in the year there are no exceptional performance issues to report. The service has been working on a number of new initiatives.
49. The provisions of the 2005 Gambling Act go live in September 2007. In preparation, the council's policy document and fee structure has been approved by members, information has been provided for the trade and applications have been processed.
50. A lot of work has been undertaken in relation to hackney carriages (taxis). Members have approved a standard livery colour for vehicles of all black and the inclusion of the city coat of arms. Stricter emission controls have been introduced which will also encourage a younger fleet. Work is now in progress for a review of our restriction on the number of vehicle licences we issue and a full consultation is underway. These measures should significantly improve the quality and availability of taxis in the city.

Neighbourhood Management and Ward Committees

51. The majority of performance measures for Neighbourhood Management are annual indicators. At this point in the year there are no exceptional performance issues to report.

Neighbourhood Pride Service (Street Environment, Street Cleansing and Toilets)

52. As 'improving the condition of the city's streets' is a corporate priority for improvement, this is a key area for the directorate. The indicators below are a key part of the Street Scene review. They show that performance in the first 4 months of the year are on course to achieve the target in all but one case.

Indicator	06/07 Actual	07/08 Target	April 07	May 07	June 07	July 07	07/08 on target?
BVPI218a. % of new reports of abandoned vehicles investigated within 24 hours of notification	99.77%	95%	100% (27/27)	100% (26/26)	100% (26/26)	100% (34/34)	On target
BVPI 218b. % of abandoned vehicles removed within 24 hours (from the point at which we can legally remove them)	91.01%	95%	100% (3/3)	100% (3/3)	100% (4/4)	87.5% (7/8)	On target
COLI 77a. Average time taken to remove obscene graffiti (days)	1.55	2	1	1	1	1	On target
COLI 77b. Average time taken to remove non-obscene graffiti (days)	2.46	4	1.52	1.13	3.41	4.21	On target
VH5a. Average time taken to remove fly-tips (days) (global figure)	1.69	2	2.02	0.78	0.85	0.90	On target
VH5b. Average time taken to remove fly-tips (days) (NS figure)	0.87	1	1.75	1.20	0.96	1.10	Not on target

53. BV199a (% of relevant land and highways assessed as having combined litter and detritus below acceptable levels) is a key indicator for the directorate (LPSA2 indicator). BV199 is designed to measure the cleanliness of the local area as a member of the public would perceive it, and is a useful tool that helps us to plan cleansing regimes for optimum results. The measure is based on a survey of at least 900 sites across the city annually – at which we check for litter, detritus, graffiti and fly-posting. Each year we do three surveys – each covering about 300 sites in 5 city wards. The first survey for this year’s BV199 was carried out in June and covered Wheldrake, Fulford, Skelton, Rawcliffe & Clifton Without, Holgate and Guildhall wards.
54. The first survey of the year produced some very encouraging results. There was a 4% fail rate for litter (out of 306 transects measured), and a 7% fail rate for detritus (out of 271 transects). Together this gives a combined BV199a score of 5%. This figure should be treated cautiously

as only when all 3 annual surveys are combined together do we get a true indication of the city as a whole.

55. The extent of graffiti and fly-posting problems are also measured under BV199 using the same survey technique. The first survey during the year found very low levels of graffiti and flyposting.

% of sites with unacceptable levels of:	2006/7	2007/8 target	2007/08 score (1 st survey result (of 3))
BV199 a Combined litter and detritus	19.2%	17.0%	5.0%
BV199b Graffiti	6%	4%	1%
BV199c Fly-posting	0%	1%	0%

56. The roll out of the new cleansing regime is now complete with barrowmen working across the whole city. This followed the successful pilot scheme in the west of the city. Informal feedback from customers has been in the main very positive – although we will continue to seek ongoing service improvement.

Enforcement and Environment

57. This new unit is still in the process of being formed, and while it contributes to many of the Neighbourhood Pride service indicators, there are no specific performance measures in place for the service yet around enforcement activity. However a number of initiatives have been undertaken.

58. Neighbourhood Services has been selected and received funding for a forthcoming Encams campaign (Environmental campaigns). This nationwide campaign involving 8 local authorities focusing on the recent smoking ban. The idea behind the campaign is to minimise any detrimental effects on street cleanliness the ban may produce by:

- publicising the effect of littering;
- highlighting enforcement issues;
- offering advice and providing ideas about solutions to the public and businesses.

Waste Management, Refuse & Recycling

59. 'Reducing the amount of biodegradable waste and recyclable products going to landfill' is a corporate priority and as such is a key area for the

directorate. The tables below show performance against key measures. Using the waste dataflow system, we are able to forecast annual figures for the waste BVPIs. The second table shows monthly performance on two key customer service indicators around missed bins.

PI	06/07 Outturn	07/08 Target	Annual forecast based on Quarter 1 07/08	07/08 on target?
BVPI 82a(i) % of household waste recycled	23.30%	24.70%	24.64%	On target
BVPI 82b(i) % of household waste composted	16.63%	16.91%	17.16%	On target
BVPI 82d(ii) Tonnage of household waste land filled	60,430	59,330	59,150	On target

PI	06/07 Outturn	07/08 Target	April 07	May 07	June 07	July 07	07/08 on target?
COLI 3. Number of missed bin collections (per 100,000)	77.63	60	61	49	59	47	On target
VW 19. Missed bin collections put right by end of next working day	58.24%	100%	83.49%	50.27%	32.03%	56.25%	Not on target

60. Full roll out of kerbside cardboard collection across the city was in place by the end of April. This has had a significant impact on the service, and we have had to increase the number of vehicles plus use 6 additional staff in order to maintain service levels.
61. Some stability has been achieved through work done with crews to drive down the number of missed collections and we seem to be maintaining a level within the national target. The poor performance in May-July for VW19 stems mainly from operational issues surrounding sickness absence and leave. Staff forums for the recycling crews have been introduced. These offer a chance for two way communication with the crews which will lead to further improvement in the service.

Building Maintenance.

62. Building Maintenance works in partnership with Housing Services through the housing repairs partnership. Performance on housing repairs is reported to the Housing EMAP meeting, and has not generally been provided to NS members. However it is duplicated here for member's information. The key performance indicators within the housing repairs partnership are:

- Percentage of urgent repairs completed in time;

2005/06	2006/07	2007/08 target	April –July (4 months) 2007/08
72%	84%	90%	88.22% (1850 of 2097 jobs)

These figures include gas servicing jobs. In 2006/7 Neighbourhood Services undertook 6951 repair jobs, and completed 84% within the time limit. The figure fluctuates over time due to a range of factors – for example we completed 78% of jobs in time in April but 94% in June and July. On average urgent repairs take 1.55 days to complete.

- Number of days taken to complete non-urgent repairs.

2005/06	2006/07	2007/08 target	April –July (4 months) 2007/08
13.9 days	9.7 days	8 days	8.0 days (6093 jobs)

63. Both these indicators are housing block Comprehensive Performance Assessment (CPA) indicators. The % of urgent repairs completed in time is just on the 'lower' CPA threshold of 88%, but the days taken to complete non-urgent repairs figure is above the 'upper' CPA threshold of 11 days.

Staff related performance

64. Staff sickness continues to be a problem. In the first quarter of 2007/08, each full time employment (fte) lost 4.56 days. While it is crude to forecast full year based on the first quarter, the figure suggests that the directorate's sickness rate is likely to rise this year.

Quarter 1 staff figures: Whole of Neighbourhood Services				
PI	Measure	06/07 actual	07/08 target	Quarter 1 07/08
BVPI 12	Number of working days / shifts lost to sickness absence (per fte staff)	16.80	14.00 (NS)	4.56
CP 13a	Number of days lost for stress related illness (per fte staff)	2.79	2.00 (CYC)	1.24
CP 11a	Health and Safety: RIDDOR accidents reported	25	25 (NS)	9

Quarter 1 staff figures: Whole of Neighbourhood Services – by month						
PI	Measure	06/07 actual	07/08 target	April 07	May 07	June 07
BVPI 12	Number of working days / shifts lost to sickness absence (per fte staff)	16.80	14.00 (NS)	1.37	1.65	1.81
CP13a	Number of days lost for stress related illness (per fte staff)	2.79	2.00 (CYC)	0.33	0.44	0.43
CP11a	Health and Safety: RIDDOR accidents reported	25	25 (NS)	2	3	4

65. We are now investing more time into monitoring how we are managing sickness absence. The Departmental Management Team (DMT) has set a directorate target of 14 days in order to focus managers' attention onto the issue, and has started to receive more detailed monthly reports on sickness, and in particular on how well managers are managing sickness issues. The aim is to ensure that we use the existing management tools that are available effectively in order to address this problem.
66. Stress sickness (included within the overall BV12 figure) is also rising. Although the number of cases remains relatively small they tend to be longer term in nature. Stress sickness accounts for 7% of incidences, but 27% of time lost.

LPSA2 Forecast

67. Two of York's twelve LPSA2 targets relate to improving levels of street cleanliness, and improving the recycling rate. In both cases information to date suggests that the stretch targets will be achieved and therefore the total reward grant is predicted.

Target	Measure	Base figure	06/07 actual	07/08 LPSA2 target	07/08 Performance	Potential Reward Grant	Predicted Reward Grant
1	BV199a Proportion of land and highways having deposits of litter and 'detritus'	2003/4 and 2004/5 27%	19%	17%	5% (1 st of 3 annual surveys).	£262,335	100%
	BV89 Percentage of people satisfied with local cleanliness	2003/4 60%	71%	70%	Survey to be done		

2	BV82a (ii) Tonnage of household waste recycled	2003/4 10,550 tonnes	23,440 tonnes	23,988 tonnes	25,040 tonnes (forecast based on Q1)	£327,919	100%
---	---	-------------------------	---------------	---------------	--------------------------------------	----------	------

Consultation

68. The report is primarily an information report for Members and therefore no consultation has been undertaken regarding the contents of the report.

Options and analysis

69. The report is primarily an information report for Members and therefore no specific options or analysis are provided to Members regarding the contents of the report.

Implications

Financial

70. The report provides details of the portfolio revenue and capital outturn and therefore implications are contained within the report

Human Resources

71. There are no significant human resources implications within the report

Equalities

72. There are no significant equalities implications within the report.

Legal

73. There are no significant legal implications within the report

Crime and Disorder

74. There are no significant crime and disorder implications within the report

Information Technology

75. There are no significant Information Technology implications within the report.

Property

76. There are no significant Property implications within the report.

Risk Management

77. The report is primarily a look back at finance and service performance and therefore there are no significant risks in the content of the report.

Recommendations

78. That the Advisory Panel advise the Executive Member to approve the financial and performance position of the portfolio.
79. That the Advisory Panel advise the Executive Member to give approval for an application to the Executive for the virement of domestic refuse collection and recycling budgets from the trading account portfolio to the General Fund portfolio as set out in paragraphs 22 to 25.
80. Reason – In accordance with budgetary and performance monitoring procedures.

Contact Details

Author:

*Sarah Kirby
Finance Manager
Neighbourhood Services
Tel No.553109*

*Mike Douglas
Performance Manager
Neighbourhood Services
Tel No.553227*

Chief Officer Responsible for the report:

Terry Collins
Director Neighbourhood Services

Report Approved



Date 17th Aug 2007

Specialist Implications Officers

Financial: None

Human Resources: None

Equalities: None

Legal: None

Crime and Disorder: None

Information Technology: None

Property: None

Risk Management: None

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers – 2006/07 Budget Monitoring papers held at
Neighbourhood Services

Attached Annexes

- Annex 1 Major service variations against budget for non-traded services
- Annex 2 (Confidential) Income and expenditure for the traded accounts